



March, 22, 2019

NOTICE

The Board of Directors of the Kaweah Delta Health Care District will meet in an open Board of Directors meeting at 5:30PM on Monday March 25, 2019 in the Kaweah Delta Medical Center Blue Room {Mineral King Wing – 400 West Mineral King Avenue}.

The Board of Directors of the Kaweah Delta Health Care District will meet in a closed Board of Directors meeting at 5:31PM on Monday March 25, 2019 in the Kaweah Delta Medical Center Blue Room {Mineral King Wing – 400 West Mineral King Avenue} pursuant to Government Code 54956.9(d)(2) and Health and Safety Code 32155, & Safety Code 1461.

The Board of Directors of the Kaweah Delta Health Care District will meet in an open Board of Directors meeting at 6:00PM on Monday March 25, 2019 in the Kaweah Delta Medical Center Blue Room {Mineral King Wing – 400 West Mineral King Avenue}.

All Kaweah Delta Health Care District regular board meeting and committee meeting notices and agendas are posted 72 hours prior to meetings (special meetings are posted 24 hours prior to meetings) in the Kaweah Delta Medical Center, Mineral King Wing entry corridor between the Mineral King lobby and the Emergency Department waiting room.

The disclosable public records related to agendas are available for public inspection at the Kaweah Delta Medical Center – Acequia Wing, Executive Offices (Administration Department) {1st floor}, 400 West Mineral King Avenue, Visalia, CA and on the Kaweah Delta Health Care District web page <http://www.kaweahdelta.org>.

KAWEAH DELTA HEALTH CARE DISTRICT
Nevin House, Secretary/Treasurer

A handwritten signature in black ink that reads 'Cindy Moccio'.

Cindy Moccio - Board Clerk / Executive Assistant to CEO

DISTRIBUTION:

Governing Board

Legal Counsel

Executive Team

Chief of Staff

www.kaweahdelta.org



KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS MEETING

Kaweah Delta Medical Center {Blue Room}
400 West Mineral King Avenue, Visalia
www.KaweahDelta.org

Monday, March 25, 2019

OPEN MEETING AGENDA {5:30PM}

1. CALL TO ORDER
2. APPROVAL OF AGENDA
3. **PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the subject matter jurisdictions of the Board are requested to identify themselves at this time.
4. **APPROVAL OF THE CLOSED AGENDA – 5:30PM**
 - 4.1. **Credentialing** - Medical Executive Committee (March 2019) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval pursuant to Health and Safety Code 1461 and 32155 - *Harry Lively, MD, Chief of Staff*
 - 4.2. **Conference with Legal Counsel – Anticipated Litigation** – Signification exposure to litigation pursuant to Government Code 54956.9(d)(2) – 1 case – Dennis Lynch, Legal Counsel
 - 4.3. **Approval of closed meeting minutes** – February 25, 2019 and March 4, 2019.
5. ADJOURN

CLOSED MEETING AGENDA {5:30PM}

1. CALL TO ORDER
2. **CREDENTIALING** - Medical Executive Committee (March 2019) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials

committee and the Medical Executive Committee be reviewed for approval pursuant to Health and Safety Code 1461 and 32155

Harry Lively, MD, Chief of Staff

- 3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION** – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 1 Case

Dennis Lynch, Legal Counsel

- 4. APPROVAL OF CLOSED MEETING MINUTES – February 25, 2019 ([5:31PM](#) & [7:49PM](#)) and March 4, 2019 ([2:06PM](#)).**

Action Requested – Approval of the closed meeting minutes – February 25, 2019 and March 4, 2019.

- 5. ADJOURN**

OPEN MEETING AGENDA {6:00PM}

CALL TO ORDER

- 1. APPROVAL OF AGENDA**

- 2. PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the subject matter jurisdictions of the Board are requested to identify themselves at this time.

- 3. CLOSED SESSION ACTION TAKEN** – Report on action(s) taken in closed session.

- 4. OPEN MINUTES** – Request for approval of the January 28 2019 ([5:00PM](#) & [6:00PM](#)), February 25, 2019 ([5:30PM](#) & [6:00PM](#)), and March 4, 2109 ([Noon](#)) Open Board of Directors meeting minutes.

Action Requested – Approval of the open meeting minutes – January 28, February 25, and March 4, 2019.

- 5. RECOGNITIONS** – *Nevin House*

5.1. Presentation of [Resolution 2021](#) to [Alexandria Caviglia - Service Excellence](#) Award – March 2019.

5.2. Presentation of [Resolution 2022](#) to Lorena Nutt for the [Patient Safety Hero of the Year award](#).

5.3. Presentation of [Resolution 2023](#) to Amanda Silva for the [Patient Safety Hero of the Year award](#).

5.4. Presentation of [Resolution 2024](#) to Lynn-Marie Neilson, RN, Home Health Agency retiring from duty after nineteen (19) years of service.

6. **CONSENT CALENDAR** - All matters under the Consent Calendar will be approved by one motion, unless a Board member request separate action on a specific item.

6.1. REPORTS

- A. [Medical Staff Recruitment](#)
- B. [Environment of Care](#)
- C. [Palliative Care](#)
- D. [Hospice](#)
- E. [Subacute/SNF](#)

6.2. **BOARD BYLAWS** – Approval of amendment to the Board Bylaws including changes to reflect recent adoption of new Kaweah Delta Mission, Vision, and Pillars.

6.3. **BOARD JOB DESCRIPTION** – Annual review and approval of the Board job descriptions:

- A. [Hospital Board of Directors](#)
- B. [Board President](#)
- C. [Board Vice President](#)
- D. [Individual Board Member](#)

6.4. POLICIES

A. **ADMINISTRATIVE**

- | | | |
|----------------------------------------------------------|--------|----------|
| 1. Workplace Violence Prevention Program | AP.161 | Revised |
| 2. Quality Improvement Plan | AP.41 | Revised |
| 3. Patient Safety Plan | AP.175 | Revised |
| 4. Critical Incident Stress Management | AP.129 | Reviewed |

6.5. Approval of the Kaweah Delta Health Care District [Annual Audit Plan Calendar Year 2019](#) as reviewed and approved by the Audit and Compliance Committee on February 13, 2018.

6.6. To ratify the [second amendment and restated exclusive provider agreement](#) for anesthesia services between Kaweah Delta Health Care District and Primary Anesthesia Services, P.C. effective March 9, 2019.

6.7. RECOMMENDATION FROM THE MEDICAL EXECUTIVE COMMITTEE (MARCH 2019).

- A. Medical Staff Policy
 - 1. [MS.50 Late Career Policy \(revised\)](#)
- B. [Advanced Practice Provider – Emergency Medicine / Urgent Care](#)

6.8. Approve [Resolution 2025](#) rejecting the claim of Laura Miller, Glenn Gilbert, and Lana Whitworth vs. Kaweah Delta Health Care District.

Recommended Action: Approve the March 25, 2019 Consent Calendar.

7. **COMMUNITY ENGAGEMENT** - Community Advisory Committee – Healthcare for Today and Tomorrow – Progress report of committee activities.

Lloyd Hicks (Co-Chair) and Larry Gonzalez (Back-Up Co-Chair)

8. QUALITY

- 8.1. [Value Based Purchasing](#) - A review of Kaweah Delta's performance in the clinical quality measures included in the Centers for Medicare and Medicaid Value-Based Purchasing program.

Thomas Gray, M.D., Medical Director of Quality and Patient Safety

9. [FINANCIALS](#) – Review of the most current fiscal year 2019 financial results.

Malinda Tupper, VP & Chief Financial Officer

10. **MASTER PLANNING STEERING COMMITTEE** – Progress report on the master plan.

Thomas Rayner, SVP & COO and Julieta Moncada, Facilities Planning Director

11. **CENTRAL VALLEY HEALTHCARE ALLIANCE** – Progress report on the Central Valley Healthcare Alliance activities.

David Francis, Chair & Marc Mertz, Secretary – Central Valley Healthcare Alliance

12. **CREDENTIALING** – Medical Executive Committee requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval.

Harry Lively, MD, Chief of Staff

Recommended Action: Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the Executive Committee of the Medical Staff, for all of the medical staff scheduled for reappointment, Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff be approved or reappointed (as applicable), as attached, to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files.

13. REPORTS

- 13.1. [Chief of Staff](#) – Report relative to current Medical Staff events and issues.

Harry Lively, MD, Chief of Staff

13.2. Chief Executive Officer -Report relative to current events and issues.

Gary Herbst, Chief Executive Officer

13.2.1. Sequoia Health and Wellness Centers

13.2.2. Key Medical Group

13.2.3. Emergency Department construction update

13.3. Board President - Report relative to current events and issues.

Lynn Havard Mirviss, Board President

ADJOURN

In compliance with the Americans with Disabilities Act, if you need special assistance to participate at this meeting, please contact the Board Clerk (559) 624-2330. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the Kaweah Delta Health Care District Board of Directors meeting.

BOARD OF DIRECTORS MEETING – CLOSED SESSION

KAWEAH DELTA HEALTH CARE DISTRICT

BOARD OF DIRECTORS MEETING

MONDAY MARCH 25, 2019

CLOSED MEETING SUPPORTING DOCUMENTS

PAGES 6-13

BOARD OF DIRECTORS MEETING – CLOSED SESSION

KDHCD - BOARD OF DIRECTORS MEETING

MONDAY MARCH 25, 2019

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BOARD OF DIRECTORS MEETING – CLOSED SESSION

KAWEAH DELTA HEALTH CARE DISTRICT

BOARD OF DIRECTORS MEETING

MONDAY MARCH 25, 2019

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MONDAY MARCH 25, 2019

CLOSED MEETING SUPPORTING DOCUMENTS

PAGES 6-13

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD MONDAY JANUARY 28, 2019 5:00PM, IN THE KAWEAH DELTA MEDICAL CENTER MINERAL KING WING BLUE ROOM, LYNN HAVARD MIRVISS PRESIDING

PRESENT: Directors Havard Mirviss, Hawkins Hipskind, House, & Francis; G. Herbst, Chief Executive Officer; T. Rayner, VP & COO; R. Sawyer, VP & CNO, M. Tupper, VP & CFO; D. Cox, VP of Human Resources, D. Leeper, VP & CIO; Marc Mertz, VP of Strategic Planning and Business Development, D. Volosin, E. McEntire, D. Lynch, Legal Counsel; C. Moccio, Board Clerk

The meeting was called to order at 5:03PM by Director Havard Mirviss.

Director Havard Mirviss asked for approval of the agenda.

MMSC (Hawkins/House) to approve the agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

Public participation – none

Director Havard Mirviss called for the approval of the closed agenda.

Approval of Closed Agenda as follows: Closed Meeting Agenda – 5:01PM

- 4.1. **Credentialing** - Medical Executive Committee (January 2019) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval pursuant to Health and Safety Code 1461 and 32155
Harry Lively, MD, Chief of Staff
- 4.2. **Conference with Legal Counsel – Existing Litigation** – Pursuant to Government Code 54956.9(d)(1) – *Dennis Lynch & Evelyn McEntire, Risk Manager*
 1. Mila Saiz – Case #276364
- 4.3. **Conference with Legal Counsel – Anticipated Litigation** – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 3 Cases - *Evelyn McEntire, Risk Manager & Dennis Lynch, Legal Counsel*
- 4.4. **Report involving trade secrets {Health and Safety Code 32106}** – Discussion will concern a proposed new services/programs as reviewed by the Board Finance, Property, Services and Acquisition Committee on January 24, 2019 – estimated date of disclosure is June 2019 - *Minty Dillon, Chief Executive Officer of Sequoia Integrated Health and Sequoia Health Plan*
- 4.5. **Conference with Real Property Negotiator {Government Code Section 54956.8}**: Property: APN 094-327-001. Negotiating party: Kaweah Delta Health Care District: Deborah Volosin and Marc Mertz and Graham & Associates: Matt Graham – price and terms as reviewed by the Board Finance, Property, Services and Acquisition Committee on January 24, 2019 - *Deborah*

Volosin, Director of Community Engagement and Marc Mertz, Vice President of Strategic Planning and Business Development

- 4.6. **Conference with Real Property Negotiator {Government Code 54956.8}:**
Property: 304 S. Johnson Street, APN 093-206-015. Negotiating party: Kaweah Delta Health Care District: Deborah Volosin and Roger A. Johnson – price and terms as reviewed by the Board Finance, Property, Services and Acquisition Committee on January 24, 2019 – *Deborah Volosin, Director of Community Engagement and Marc Mertz, Vice President of Strategic Planning and Business Development*
- 4.7. **Report involving trade secrets {Health and Safety Code 32106}** – Discussion will concern a proposed new services/programs – estimated date of disclosure is March 2019 – *Gary Herbst, Chief Executive Officer*
- 4.8. **Approval of closed meeting minutes** – December 20, 2018.

MMSC (Francis/Hawkins) to approve the closed agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, Hipskind, House, and Francis

Adjourn - Meeting was adjourned at 5:04PM

Lynn Havard Mirviss, President
Kaweah Delta Health Care District and the Board of Directors
Thereof

ATTEST:

Nevin House, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD MONDAY JANUARY 28, 2019 6:00PM, IN THE KAWEAH DELTA MEDICAL CENTER MINERAL KING WING BLUE ROOM, LYNN HAVARD MIRVISS PRESIDING

PRESENT: Directors Havard Mirviss, Hawkins Hipskind, House, & Francis; G. Herbst, Chief Executive Officer; T. Rayner, VP & COO; R. Sawyer, VP & CNO, M. Tupper, VP & CFO; D. Cox, VP of Human Resources, D. Leeper, VP & CIO; Marc Mertz, VP of Strategic Planning and Business Development, D. Volosin, E. McEntire, D. Lynch, Legal Counsel; C. Moccio, Board Clerk

The meeting was called to order at 6:00PM by Director Havard Mirviss.

Director Havard Mirviss entertained a motion to approve the agenda.

MMSC (Hawkins/Hipskind) to approve the open agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

PUBLIC/MEDICAL STAFF PARTICIPATION – None

CLOSED SESSION ACTION TAKEN: Approval of the closed meeting minutes – December 20, 2018.

Closed meeting action from November 27th Board of Directors meeting;

Authorized management to negotiate and execute a “co-branded affiliation” agreement with the Cleveland Clinic for cardiovascular services, as previously presented to the Board of Directors and as recommended by the Finance/PS&A Committee at their meeting held on Monday, November 19th.

Authorize management to negotiate a 5-year lease with Drs. Roger Johnson and Mike Boyd for their small building located at 304 South Johnson Street. The building is a 1,076 square foot office with a shared common parking lot of 12 spaces. Proposed rent is subject to negotiation. Also looking to secure first right of refusal. Action is contingent upon determined use/need for KD operations.

OPEN MINUTES – Request for approval of the December 20, 2018 Open Board of Directors meeting minutes (copy attached to the original of these minutes and considered a part thereof)

MMSC (Francis/Hawkins) to approve the open minutes from December 20, 2018. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

CONSENT CALENDAR – Director Havard Mirviss entertained a motion to approve the consent calendar with the removal of item 6.4, Director Francis requested the removal of item 6.1C and Director House requested the removal of item 6.1F (copy attached to the original of these minutes and considered a part thereof).

MMSC (Hawkins/Francis) to approve the consent calendar with the removal of items 6.4 {Approval of the Kaweah Delta first addendum to professional services agreement Emergency Department effective February 1, 2019 through July 31, 2020}, 6.1C {Reports –

Performance Improvement Dashboard}, and 6.1F {*Reports – Finance*}. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

6. CONSENT CALENDAR - All matters under the Consent Calendar will be approved by one motion, unless a Board member request separate action on a specific item.

6.1. Reports

- A. Medical Staff Recruitment
- B. Risk Management
- C. Performance Improvement Dashboard
- D. Radiology
- E. Clinical Laboratory
- F. Finance

6.2. Policies

A. Administrative

- 1. Records Retention and Destruction AP.75 Revised

B. Human Resources

- 1. Non-English/Limited English Speaking, and/or Hearing Impaired Individuals- Non Discrimination HR.14 Revised
- 2. Orientation of Kaweah Delta Personnel HR.46 Revised
- 3. Dress Code - Professional Appearance Guidelines HR.197 Revised

6.3. Recommendation from the Medical Executive Committee (January 2019).

A. Privileges in Obstetrics & Gynecology

6.4. Approval of the Kaweah Delta first addendum to professional services agreement Emergency Department effective February 1, 2019 through July 31, 2020.

6.5. Approve Resolution 2017 rejecting the claim of Paul Douglas Shirk vs. Kaweah Delta Health Care District.

6.1C {Reports – Performance Improvement Dashboard} – Discussion regarding the data from the physician satisfaction survey (2007 and 2009), discussion as to why a survey has not been done since that time. Following the discussion that Board entertained the following action;

MMSC (House/Hawkins) to direct management to perform a 2019 physician satisfaction survey of the full medical staff. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

What questions are asked on the survey and how many people are sent the survey to complete? Dianne noted that this is a survey performed by Press Ganey. We currently see approximately 30-40 surveys per month however, our emergency department treats over 7000 patients a month. We have been disappointed with Press Ganey’s performance and we are currently conducting an RFP to find an organization to provide our patient survey service.

Dianne led the discussion relative to RN turnovers; We have a high number of RN positions open. Our turnover data reflects approximately 30% moved and 30% are going to others

jobs. The Board inquired if our nurses are going to other jobs locally? Dianne noted that our RN's are being aggressive recruiting by Adventist for Tulare and CRMC. RN's with 1-6 years of experience are being offered approximately \$4 more an hour. This has been discussed at the Board Human Resources Committee and the Finance, Property, Services, and Acquisition Committee. The Board inquired if we are considering an increasing our RN salaries to be more competitive? Dianne noted that the impact would be approximately a \$4.2 million increase per year. Further discussion relative to pro's and con's of doing this sooner than later.

6.1F {Reports – Finance} – Discussion relative to challenges relative to admissions criteria to the rehabilitation hospital which is negatively impacting the financial performance. Discussion regard the operating expenses and the impact of Cerner and Tulare District reopening; patients are being transferred to Bakersfield and Fresno. Discussion relative to the high labor expenses and supply costs in relation to our current census. Gary noted that leadership is working on determining why we are experiencing these high labor costs and supply costs. Gary noted that the Finance report has been on the consent calendar in the recent past however, it will be moved to the open agenda for Board meetings going forward.

MMSC (Francis/Hipskind) to approve items 6.1C {Reports – Performance Improvement Dashboard}, and 6.1F {Reports – Finance}. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

Director Hipskind left the room.

6.4 {Approval of the Kaweah Delta first addendum to professional services agreement Emergency Department effective February 1, 2019 through July 31, 2020} – Mr. Lynch noted that Director Hipskind will not participate in the discussion nor vote on this agreement which requires Board approval. Director Hipskind is a partner in Vituity and thus has a financial interest in this contract; he has abstained from any participation in the making of the contract in compliance with Health & Safety Code Section 32111. Discussion of the contract and its material terms. Discussion relative to the goals outlined in the agreement and what the repercussions are if the goals are not achieved. Gary noted standard contract duration is three years however, the Medial Executive Committee approved this contract for 18 months to so that the status of the goals can be reviewed after 18 months.

MMSC (Hawkins/House) to approve item 6.4 {Approval of the Kaweah Delta first addendum to professional services agreement Emergency Department effective February 1, 2019 through July 31, 2020}, authorizing the agreement in good faith and finding that the contract is fair to Kaweah Delta and in its best interest. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, and Francis Abstained: Hipskind

CLEVELAND CLINIC AFFILIATION – Announcement of affiliation between Kaweah Delta and Cleveland Clinic - *Gary Herbst, Chief Executive Officer*

- Gary noted that our announcement about our new affiliation with Cleveland Clinic has received a very positive response from the public. Gary recognized the work of Regina Sawyer who was the Kaweah Delta lead executive on this contract. Gary recognized Dr. Sergio Caminha who encourages us and helped broker the acceptance of this affiliation.

QUALITY - Emergency & Trauma Department - Review of the Emergency Department and Trauma Department financials from the service line reports presented to the Board in November 2018 (copy attached to the original of these minutes and considered a part thereof) - *Daniel Allain, Assistant Chief Nursing Officer and Thomas Siminski, Director of Emergency Services.*

QUALITY - Annual Review of Kaweah Delta Quality and Patient Safety Plans - A review of the effectiveness of the Quality and Patient Safety Plans, key quality measures, achievements and key areas of focus for 2019 (copy attached to the original of these minutes and considered a part thereof)- *Sandy Volchko, DNP, RN, CPHQ, Director of Quality and Patient Safety*

STRATEGIC PLANNING - Strategic Planning Process – Progress report on the strategic planning process for fiscal year 2019-2020 - *Marc Mertz, Vice President of Strategic Planning and Development.*

- Update on the planning process (copy attached to the original of these minutes and considered a part thereof) and discussion relative to the proposed new Mission statement. Marc noted the feedback and will incorporate this information into a revised Mission statement.

STRATEGIC PLANNING - Joint Powers Authority (JPA) / Central Valley Healthcare Alliance – Review and discussion relative to the appointment of the Kaweah Delta Health Care District (Kaweah Delta) representatives for the Central Valley Healthcare Alliance (JPA) Board of Directors; Kaweah Delta Board member - *Gary Herbst, Chief Executive Officer and Minty Dillon, Chief Executive Officer of Sequoia Integrated Health and Sequoia Health Plan*

- Director House and Francis both have noted interest in serving as Kaweah’s representative on the Central Valley Healthcare Alliance Board. Director Mirviss noted that Director Francis has served on a JPA through the school district and recommends Director Francis based on his relative experience.

MMSC (House/Hawkins) to appoint David Francis as the Kaweah Delta Board representative on the Central Valley Healthcare Alliance Board. *This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind Abstained - Francis*

CREDENTIALING – Harry Lively, MD – Chief of Staff - Medical Executive Committee request that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval.

Director Havard Mirviss requested a motion for the approval of the credentials report excluding the Emergency Medicine providers highlighted on Exhibit A {copy attached to the original of these minutes and considered a part thereof}.

MMSC (Hawkins/Francis) Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the Executive Committee of the Medical Staff, for all of the medical staff scheduled for reappointment, Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff, excluding Emergency Medicine Providers as highlighted on Exhibit A (copy attached to the original of these minutes and considered a part thereof), be approved or reappointed (as applicable), to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files. Vote: Director Havard Mirviss, House, Hawkins, Francis & Hipskind – Yes.

Director John Hipskind, MD left the room for the vote on the credentials, for the Emergency Medicine providers as highlighted on Exhibit A {copy attached to the original of these minutes and considered a part thereof}.

MMSC (House/Francis) Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the Executive Committee of the Medical Staff, for all of the Emergency Medicine providers scheduled for reappointment. Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff Emergency Medicine providers be approved or reappointed (as applicable), to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files. Vote: Director Havard Mirviss, House, Francis & Hawkins – Yes. Director Hipskind – Absent

CHIEF OF STAFF REPORT – Report from Harry Lively, MD, Chief of Staff:

- No report.

CHIEF EXECUTIVE OFFICER REPORT – Report from Gary Herbst, Chief Executive Officer:

- Kaweah Delta Health Clinic opening
- District Hospital Leadership Forum will be going to Washington DC trip to meet with legislative members and their staff to discussion healthcare related needs.
- Kaweah Delta Medical Foundation CEO recruitment process came to an impasse so we are starting the process over. We have five interim candidates that we are interviewing.

BOARD PRESIDENT REPORT – Report from Lynn Havard Mirviss, Board President:

- No report.

Adjourn - Meeting was adjourned at 8:00PM

Lynn Havard Mirviss, Board President
Kaweah Delta Health Care District and the Board of Directors
Thereof

ATTEST:

Nevin House, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD MONDAY FEBRUARY 25, 2019 5:30PM, IN THE KAWEAH DELTA MEDICAL CENTER MINERAL KING WING BLUE ROOM, LYNN HAVARD MIRVISS PRESIDING

PRESENT: Directors Havard Mirviss, Hawkins Hipskind, House, & Francis; G. Herbst, Chief Executive Officer; R. Sawyer, VP & CNO, M. Tupper, VP & CFO; D. Cox, VP of Human Resources, D. Leeper, VP & CIO; Marc Mertz, VP of Strategic Planning and Business Development, D. Volosin, B. Cripps, D. Lynch, Legal Counsel; C. Moccio, Board Clerk

The meeting was called to order at 5:30PM by Director Havard Mirviss.

Director Havard Mirviss asked for approval of the agenda.

MMSC (Francis/Hawkins) to approve the agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

Public participation – none

Director Havard Mirviss called for the approval of the closed agenda.

APPROVAL OF THE CLOSED AGENDA – 5:31PM

- 4.1. Credentialing - Medical Executive Committee (February 2019) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval pursuant to Health and Safety Code 1461 and 32155 - Harry Lively, MD, Chief of Staff
- 4.2. Conference with Legal Counsel – Anticipated Litigation – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 5 Cases - Dennis Lynch, Legal Counsel & Ben Cripps, Compliance Officer
- 4.3. Conference with Real Property Negotiator {Government Code Section 54956.8}: Property: APN 126-130-028, 126-130-029, and 126-130-012. Negotiating party: Kaweah Delta Health Care District: Deborah Volosin and Harvey May and Matt Graham – price and terms - Deborah Volosin, Director of Community Engagement and Marc Mertz, Vice President of Strategic Planning and Business Development
- 4.4. Approval of closed meeting minutes – January 28, 2019.

MMSC (Hawkins/House) to approve the closed agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, Hipskind, House, and Francis

Adjourn - Meeting was adjourned at 5:31PM

Lynn Havard Mirviss, President

Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Nevin House, Secretary/Treasurer

Kaweah Delta Health Care District Board of Directors

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD MONDAY FEBRUARY 25, 2019 6:00PM, IN THE KAWEAH DELTA MEDICAL CENTER MINERAL KING WING BLUE ROOM, LYNN HAVARD MIRVISS PRESIDING

PRESENT: Directors Havard Mirviss, Hawkins Hipskind, House, & Francis; G. Herbst, Chief Executive Officer; R. Sawyer, VP & CNO, M. Tupper, VP & CFO; D. Cox, VP of Human Resources, D. Leeper, VP & CIO; Marc Mertz, VP of Strategic Planning and Business Development, D. Volosin, B. Cripps, D. Lynch, Legal Counsel; C. Moccio, Board Clerk

The meeting was called to order at 6:00PM by Director Havard Mirviss.

Director Havard Mirviss entertained a motion to approve the agenda.

MMSC (Hawkins/Francis) to approve the open agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

PUBLIC/MEDICAL STAFF PARTICIPATION – None

CLOSED SESSION ACTION TAKEN: Approval of the closed meeting minutes – January 28, 2019.

November 2018:

- The Board authorize management to move forward with the sale of 82.58 acres of land currently owned by Kaweah Delta (APNs 126-130-012, 126-130-028, and 126-130-029); also referred to as 27627 Road 140, Visalia, CA 93291 to the Visalia Unified School District for \$5,490,000. Kaweah Delta will retain 20 acres located at the northern portion of the property for possible future healthcare services development but will offer the VUSD a “first right of refusal” on purchase of the parcel in the event KD chooses not to develop the property for future healthcare services.

February 25, 2019:

- Approval of Resolution 2013 approving the sale of 82.58 acres of the property located at 27627 Road 140 Visalia, CA (APN 126-130-028, 126-130-029, and 126-130-012) and to retain 20 acres located at the northern portion for future healthcare services for \$5,490,000.00.
- Approval of the closed minutes from January 28, 2019.

RECOGNITIONS – *John Hipskind, MD*

- Presentation of Resolution 2018 to Angie Pimentel, RN - Service Excellence Award – January 2019.
- Presentation of Resolution 2019 to Andres Ramirez – Service Excellence Award – February 2019.
- Presentation of Resolution 2020 to Peggy Escobedo, RN, Clinical Educator retiring from duty after twenty-two (22) years of service.

CONSENT CALENDAR – Director Havard Mirviss entertained a motion to approve the consent calendar.

6.1. REPORTS

- A. Medical Staff Recruitment
- B. Compliance
- C. Sleep Disorders Center
- D. Oncology Services
- E. Endoscopy
- F. Respiratory Services

6.2. POLICIES

A. ADMINISTRATIVE

- 1. Grants AP.148 Revised
- 2. Bridge Policy for Federal Grants and Awards Mgmt AP.179 New
- 3. Conflict of Interest AP.23 Revised
- 4. Messenger Model Guidelines for Managed Care Contracting for Physicians AP.164 Reviewed
- 5. Public Bidding on Construction Contracts AP.96 Reviewed
- 6. Competitive Bidding on Contracts AP.166 Reviewed

B. EMERGENCY MANAGEMENT

- 1. Code Grey – Activation Plan DM2203 Revised

C. ENVIRONMENT OF CARE

- 1. Property Acquisition EOC 1008 New
- 2. Monitoring of Temperature and Humidity Levels in Sensitive Areas Procedural/Sterile Rooms EOC 1021 Revised
- 3. Helipad Policy EOC 1050 Revised

D. BOARD

- 1. Conflict of Interest BOD.5 Revised

6.3. Recommendation from the Medical Executive Committee (Feb. 2019).

- A. Medical Staff Policies
 - 1. Medical Staff Fees Revised
- B. Privileges in Gastroenterology

MMSC (Hawkins/Francis) to approve the consent calendar as presented. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipkind, and Francis

COMMUNITY ENGAGEMENT

Community Engagement Initiatives - Report on the Kaweah Delta Community Engagement Initiative groups - *Deborah Volosin, Director of Community Engagement (copy attached to the original of these minutes and considered a part thereof)*

Community Advisory Committee - Hospital of the Future – Progress report of committee activities - *-Bill Kitchen (Co-Chair) and Samantha Mendoza (Back-Up Co-Chair)*

- Over the past 18 months the Hospital of the Future Community Advisory Committee (CAC) members have been immersed in information, tours, trips to Sacramento. The group has study information relative to SB1953 issues related to Kaweah Delta and are anxious to get a report from RBB. The first six months the committee gather information to help determine what direction the committee should go. The

committee is looking forward to helping the hospital and advising the hospitals on the master plan. The Board thanked them for their service. Gary noted that Bill and Samantha have been great to work with in the co-leadership of this CAC.

QUALITY - Fall Prevention - A review of current KDHCD fall rates and current activities for continuous improvement in fall prevention - Rose Newsom, RN, Director of Nursing Practice (copy attached to the original of these minutes and considered a part thereof)

STRATEGIC PLANNING - *Strategic Plan 2019* – Review and approval request of the Strategic Plan for fiscal year 2019-2020 (copy attached to the original of these minutes and considered a part thereof) - Marc Mertz, Vice President of Strategic Planning and Development.

- Review and discussion of the proposed new Mission, Vision, and Pillars. Following the discussion, the Board was requested to take action to approve the new Mission, Vision and Pillars;
- **Our Mission:** Health is our passion. Excellence is our Focus. Compassion is our promise.
- **Our Vision:** To be your world-class healthcare choice, for life.
- **Our Pillars:**
 1. Achieve outstanding community health
 2. Deliver excellent service
 3. Provide an ideal work environment
 4. Empower through education
 5. Maintain financial strength

MMSC (Francis/House) to approve the Kaweah Delta Strategic Plan 2019-2020, new Mission Statement, new Vision, and retitling current Goals to “Pillars”. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

PROJECTS UPDATE – Review of current construction projects throughout the District - Julieta Moncada, Facilities Planning Director (copy attached to the original of these minutes and considered a part thereof).

CREDENTIALING – Harry Lively, MD – Chief of Staff - Medical Executive Committee request that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval.

Director Havard Mirviss requested a motion for the approval of the credentials report excluding the Emergency Medicine providers highlighted on Exhibit A {copy attached to the original of these minutes and considered a part thereof}.

MMSC (House/Francis) Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the Executive Committee of the Medical Staff, for all of the medical staff scheduled for

reappointment, Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff, excluding Emergency Medicine Providers as highlighted on Exhibit A (copy attached to the original of these minutes and considered a part thereof), be approved or reappointed (as applicable), to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files. Vote: Director Havard Mirviss, House, Hawkins, Francis & Hipkind – Yes.

Director John Hipkind, MD left the room for the vote on the credentials, for the Emergency Medicine providers as highlighted on Exhibit A {copy attached to the original of these minutes and considered a part thereof}.

MMSC (Francis/Hawkins) Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the Executive Committee of the Medical Staff, for all of the Emergency Medicine providers scheduled for reappointment. Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff Emergency Medicine providers be approved or reappointed (as applicable), to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files. Vote: Director Havard Mirviss, House, Francis & Hawkins – Yes. Director Hipkind – Absent

FINANCIALS – Review of the most current fiscal year 2019 financial results - Malinda Tupper, VP & Chief Financial Officer

- Malinda noted that this report will be the topic of a special Board meeting scheduled for March 4th.

CHIEF OF STAFF REPORT – Report from Harry Lively, MD, Chief of Staff:

- Medical Staff is moving forward with an anti-harassment training for the medical staff and it will be mandatory for appointment and reappointment to the medical staff.

- Moving forward with a secure texting network for medical staff, there will be a pilot group initially prior to it being used by the medical staff.
- A member of the medical staff who was recently arrested has agreed to not exercise their clinical privileges for the next 29 days pending a review of the charges. MEC has been working very closely with the medical staff legal counsel to ensure this is handled properly relative to credentials with the medical staff.

CHIEF EXECUTIVE OFFICER REPORT – Report from Gary Herbst, Chief Executive Officer:

- Kaweah Delta Health Clinic opening
- Kaweah Delta Medical Foundation interim CEO has been named – Paul Schofield will be the interim CEO until we have found a permanent replacement.
- Marc Mertz is exploring the process if Kaweah Delta were to merge with another health care district. We are evaluating the value of this option and how it would add value to our district and the district we would combine with. Once we have more information we will convene and Governance and Legislative Affairs committee to discuss the options with a full report to follow to the Board. Director Havard Mirviss noted that this can go straight to the Board for review and discussion.
- Cardiac patient reunion took place this past Friday and it was a very successful event. Director House inquired about have assistance for hearing impaired at this events in the future.
- The inaugural meeting of the Central Valley Healthcare Alliance took place and the following Board member offices were appointed; David Francis, Chair, Ron Wheaton, Vice Chair, Marc Mertz, Secretary, and Dan Smith, Treasurer. In addition, Doug Dixon was named the Chief Executive Officer.

BOARD PRESIDENT REPORT – Report from Lynn Havard Mirviss, Board President:

- No report.

Adjourn - Meeting was adjourned at 7:48PM

Lynn Havard Mirviss, Board President
Kaweah Delta Health Care District and the Board of Directors
Thereof

ATTEST:

Nevin House, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors

MINUTES OF THE SPECIAL OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD MONDAY MARCH 4, 2019 NOON, IN THE KAWEAH DELTA MEDICAL CENTER ACEQUIA WING EXECUTIVE OFFICE CONFERENCE ROOM, LYNN HAVARD MIRVISS PRESIDING

PRESENT: Directors Havard Mirviss, Hawkins Hipskind, House, & Francis; G. Herbst, Chief Executive Officer; R. Sawyer, VP & CNO, M. Tupper, VP & CFO; D. Cox, VP of Human Resources, D. Leeper, VP & CIO; Marc Mertz, VP of Strategic Planning and Business Development, D. Lynch, Legal Counsel; C. Moccio, Board Clerk

The meeting was called to order at Noon by Director Havard Mirviss.

Director Havard Mirviss entertained a motion to approve the agenda.

MMSC (Hawkins/Francis) to approve the open agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

FINANCIALS – Review of the most current fiscal year 2019 financial results - Malinda Tupper, VP & Chief Financial Officer

- Detailed in in depth review of the most current fiscal year 2019 financial results (copy attached to the original of these minutes and considered a part thereof). In depth discussion included;
 - Average daily census and staffing related to the census
 - Rehabilitation Hospital census
 - Placement of skilled nursing patients – difficult due to the level of acuity
 - Hanford radiation oncology referrals
 - Employee expenses including market adjustment and merit
 - Budget impact of contracted labor and non-contracted labor; staffing and efficiencies
 - In depth look at all service line to optimize profitability now and into the future.

CHIEF EXECUTIVE OFFICER REPORT – Gary Herbst, Chief Executive Office

- District Hospital Leadership Forum Washington DC trip was very productive. Several meetings with over 30 legislative members and/or their staff to discussion healthcare related needs.

APPROVAL OF THE CLOSED AGENDA

- **Credentialing** pursuant to Health and Safety Code 1461 and 32155, medical staff privileges – *Dennis Lynch, Legal Counsel*

MMSC (House/Hipskind) to approved the closed agenda following the noon open meeting on Monday March 4, 2019. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Hawkins, House, Hipskind, and Francis

Adjourn - Meeting was adjourned at 2:06PM

Lynn Havard Mirviss, Board President
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Nevin House, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors



RESOLUTION 2021

WHEREAS, the Department Heads of the KAWEAH DELTA HEALTH CARE DISTRICT are recognizing Alexandria Caviglia, LVN with the Service Excellence Award for the Month of March 2019, for consistent outstanding performance, and,

WHEREAS, the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT is aware of her excellence in caring and service,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT on behalf of themselves, the hospital staff, and the community they represent, hereby extend their congratulations to her for this honor and in recognition thereof, have caused this resolution to be spread upon the minutes of the meeting.

PASSED AND APPROVED this 25th day of March 2019 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof

Service Excellence March 2019

Alexandria Caviglia, LVN, Float Pool {9 Years}

Nominated By: Shannon Cauthen

Comments: Alex is one of those individuals we simply couldn't survive without. As a Float Pool LVN, she has taken it upon herself to become certified/trained in all the therapies needed to be a valuable asset to our patients. Because she is an IV super user, a CAPD trained LVN and a Wound Vac expert (just to name a few) she makes a great house impact nurse and the floors are always grateful to see that she is here. And because she is a great LVN and impact nurse, she gets a lot of phone calls asking for help; often bypassing her own breaks to make sure our patients are cared for.

Alex is often asked to attempt or manage difficult and unpleasant tasks and she always does so without complaining. She is frequently stretched thin as she is pulled from one floor to the next, balancing one task with the next. She manages her time efficiently and makes sure everyone gets the help they need.

I am confident we don't express our gratitude to her often enough. For that reason, I would like to nominate her for Employee of the Month. I cannot think of someone more deserving.



RESOLUTION 2022

WHEREAS, the Quality–Risk Committee of the KAWEAH DELTA HEALTH CARE DISTRICT are recognizing Lorena Nutt with the Patient Safety Hero of the Year award for 2019, and,

WHEREAS, the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT is aware of her excellence in caring and service,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT on behalf of themselves, the hospital staff, and the community they represent, hereby extend their congratulations to her for this honor and in recognition thereof, have caused this resolution to be spread upon the minutes of the meeting.

PASSED AND APPROVED this 25th day of March 2019 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof



KAWEAH DELTA PATIENT SAFETY AWARDS

GOOD CATCH AWARDS

by Lorena Domenech RN, BSN, CCM



LORENA NUTT

LORENA NUTT | JUNE 2018

Hyperkalemia is an elevated blood potassium level that can have lethal consequences to the human body. Any deviation from normal can impact the muscles, heart and nerves. Hyperkalemia left untreated can lead to abnormal heart rhythms and has the potential to cause cardiac arrest. This dangerous situation occurred to one of our dialysis patients when Lorena Nutt, RN, was reviewing discharge documents. She noticed the lab report had bolded red critical potassium level but was never called to the nurse as required. Having patient safety in the forefront, Lorena inquired with lab personnel about a “new dialysis protocol” that had been followed by lab on this patient. To gain more understanding about the protocol, Lorena continued searching for further information and found that her peers in acute and chronic dialysis were also not familiar with this protocol. With further investigation, Lorena found the dialysis protocol was misinterpreted by the lab. Because of her perseverance, Lorena was able to clarify the breakdown occurring between departments regarding critical value

notification. Her actions helped clinical staff in acute and chronic dialysis become aware of this new lab protocol. This will help prevent misunderstandings regarding elevated potassium levels. Lorena’s action helped not only her patient, but will help other patients in the future.

Many of the most serious medical errors can be linked to poor communication and misunderstandings by clinicians. We applaud Lorena for taking the time to investigate communication breakdown in this instance. Because of her perseverance, the lab and both dialysis units now know this new protocol is intended for outpatient dialysis only. Her determination may have saved more than one life.



SOURCE:

https://www.medicinenet.com/hyperkalemia/article.htm#how_does_hyperkalemia_affect_the_body

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KAWEAH DELTA PATIENT SAFETY AWARDS

GOOD CATCH AWARDS

by Lorena Domenech RN, BSN, CCM

AMANDA SILVA - AUGUST 2018

By Lorena Domenech RN, BSN CCM



Babies are a particularly vulnerable population in hospitals. In many instances the Licensed Clinical Social Worker (LCSW) is a key participant in ensuring the babies' protection. By establishing communication with the clinical team and relevant community agencies such as Child Protective Services (CPS), the LCSW ensures involvement of all parties in safeguarding a child.

Child Welfare services is one of the agencies at Kaweah Delta that up to recently provided forms to assist the hospital in placing holds on at-risk babies. Recently, the agency had to stop this process. Without this form, social workers have no way of knowing that a child is detained. The result would be a baby being released to parents when it has been determined unsafe.

Our Good Catch Award recipient Amanda Silva ASW/ MFT, became concerned when this change occurred and decided to take action. First, Amanda established an interim process for flagging detained babies. She then contacted Valley Children's hospital and requested a copy of their form. She fully investigated the process and gathered feedback from her peers. She then proceeded to create a similar form that met all regulatory requirements. She also researched the approval process and got the form passed through the forms committee. Amanda was able to educate clinicians and roll out the new form and process successfully.



Most impressive is that Amanda did all this during a time when there was no manager or administrative secretary in a department that was already short staffed. Amanda's work demonstrates commitment to her patients and her efforts may have saved the lives of many at-risk infants. We thank Amanda for being a patient Safety Hero!

https://www.proceduresonline.com/swcpp/cornwall_scilly/p_prebirth_sg_unborn.html#plan



RESOLUTION 2023

WHEREAS, the Quality–Risk Committee of the KAWEAH DELTA HEALTH CARE DISTRICT are recognizing Amanda Silva with the Patient Safety Hero of the Year award for 2019, and,

WHEREAS, the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT is aware of her excellence in caring and service,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT on behalf of themselves, the hospital staff, and the community they represent, hereby extend their congratulations to her for this honor and in recognition thereof, have caused this resolution to be spread upon the minutes of the meeting.

PASSED AND APPROVED this 25th day of March 2019 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof



RESOLUTION 2024

WHEREAS, Lynn-Marie Neilson, RN, Home Health Agency, is retiring from duty at Kaweah Delta Health Care District after 19 years of service; and,

WHEREAS, the Board of Directors of the Kaweah Delta Health Care District is aware of her loyal service and devotion to duty;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Kaweah Delta Health Care District, on behalf of themselves, the hospital staff, and the community they represent, hereby extend their appreciation to Lynn-Marie Neilson, RN for 19 years of faithful service and, in recognition thereof, have caused this resolution to be spread upon the minutes of this meeting.

PASSED AND APPROVED this 25th day of March 2019 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof

Kaweah Delta Physician Recruitment Open Position Snapshot - March 2019

Prepared by: Brittany Taylor, Senior Physician Recruiter btaylor@kdhcd.org - (559)624-2899

Date prepared: 3/20/2019

Bryson Cancer Center	
Medical Oncologist	1
Nurse Practitioner	1

Central Valley Critical Care Medicine	
Intensivist	4
Hospitalist	6

IQ Surgical Associates	
GI Hospitalist	3

Kaweah Delta Medical Foundation	
Adult Primary Care	2
Dermatology	2
ENT	1
Gastroenterology	2
OB/GYN	3
Orthopedic Surgery - Adult Reconstruction	1
Pediatrics	1
Psychiatry	2
Radiology	1
Rheumatology	1
Urology (1- physician; 1-APP)	2
Palliative Medicine	2

Kaweah Exeter Medical Group	
Adult Primary Care	2
OB/Gyn	2

Key Medical Group	
Adult Primary Care	1
Gastroenterology	1

Orthopaedic Associates	
Orthopedic Surgery - Spine	1
Orthopedic Surgery - Hand	1

Sequoia Radiation Oncology Medical Associates	
Radiation Oncology	1

Somnia	
Anesthesiology - Cardiac	1
Anesthesiology - General	1
Anesthesiology - Neuro	1
Anesthesiology - Pain	1

Valley Children's Health Care	
Maternal Fetal Medicine	2
Neonatology	2

Valley Hospitalist Medical Group	
Hospitalist	2

Vituity - Family Medicine Clinic	
Family Medicine Core Faculty	1

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Anesthesiology	Somnia	Gee, M.D.	Quinn	TBD	American Board of Anesthesiology, Certified	CA licensed; returning provider	Credentialing app sent to provider.
Anesthesiology	Somnia	Romo, M.D.	Richard	04/19	American Board of Anesthesiology, Certified	CA licensed	Credentialing app sent to provider.
Anesthesiology - Cardiac	Somnia	Dahl, M.D.	Aaron	09/19	American Board of Anesthesiology, Certified; Critical Care Medicine, Certified	CA licensed	Pending dates for a site visit - May Tentative
Anesthesiology - Pain	Somnia	Flury, D.O.	Jacob	08/19	American Board of Anesthesiology, Eligible	No CA license; Presented by Vista Staffing Solutions on 2/20/19	Currently under review
Anesthesiology - Pain	Somnia	Louka, M.D.	Samy	04/19	American Board of Anesthesiology, Certified; Pain Medicine, Certified	CA licensed; Actively working as a locums.	Currently under review to convert to perm.
Anesthesiology - Regional	Somnia	Sandhu, M.D.	Navpark	05/19	American Board of Anesthesiology, Certified	CA licensed; Director of Acute Pain Services/Core Faculty	Contract in process
Anesthesiology (Part-time)	Somnia	Somal, M.D.	Jaspreet	TBD	American Board of Anesthesiology - General, Certified; Critical Care Medicine, Certified	CA licensed	Start date pending credentialing
Cardiothoracic Surgery	Golden State Cardiac & Thoracic Surgery	Carrizo, M.D.	Gonzalo	08/19	American Board of Thoracic Surgery, Certified	CA license in process; Bilingual in Spanish; Responded directly through Cleveland Clinic Foundation posting on 7/27/18	Site Visit: 9/27/18; Second site visit: 12/13/18; Offer Accepted
Family Medicine	Kaweah Delta Medical Foundation	Patty, M.D.	Christina	08/20	American Board of Family Medicine, Eligible	CA licensed; Currently completing training with UCSF in Fresno	Site Visit: 2/5/19; Offer accepted

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Family Medicine	Kaweah Exeter Medical Group	Amari, M.D.	Ahmed	07/19	American Board of Family Medicine, Eligible	No CA license; Candidate referred by Dr. Swehli, KEMG	Site Visit: 2/15/19; Contract pending
Family Medicine	Kaweah Exeter Medical Group	Mubashar, M.D.	Naila	08/19	American Board of Family Medicine, Eligible	CA license; Current Kaweah Delta Family Medicine resident; Fluent in Urdu, Hindi, and Punjabi	Site Visit date pending.
Family Medicine	Key Medical Group	Janvelian, M.D.	Vladimir	07/20	American Board of Family Medicine, Eligible	Spouse is FNP; Also considering local private practices; Presented by local group on 11/28/18.	Site visit: 12/5/18; 2nd Site visit: 3/15/19
Family Medicine	Key Medical Group	Lee, M.D.	Paul Jie	07/19	American Board of Family Medicine, Eligible	No CA license; Presented by Carson Kolb in 2/2019	Site Visit: 2/20/19; pending 2nd visit
Family Medicine	Key Medical Group	Thussu, M.D.	Neelesh	07/19	TBD	Presented by Carson Kolb in 3/2019	Site visit: 3/22/19
Family Medicine	Vituity	Myrick, M.D., Ph.D.	Leila	07/20	American Board of Family Medicine, Eligible	Candidate applied to Practice Match email blast	Site visiting pending dates in June/July
Gastroenterology	Kaweah Delta Medical Foundation	Hsueh, M.D.	William	08/19	American Board of Internal Medicine, Certified	No CA license; Presented by Fidelis Partners on 7/25/17	Site Visit: 11/10/17; offer accepted
Hospitalist	Central Valley Critical Care Medicine	Bates, D.O.	Zhanna	07/19	American Osteopathic Board of Internal Medicine, Eligible	Presented by Vista Staffing on 3/5/2019	Site Visit: 3/19/19
Hospitalist	Central Valley Critical Care Medicine	Daryanani, D.O.	Michelle	07/19	American Osteopathic Board of Critical Care, Certified; American Osteopathic Board of Anesthesiology, Certified	No CA license; Presented by Merritt Hawkins on 1/9/2019	Site Visit: 1/25/19

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Hospitalist	Central Valley Critical Care Medicine	Malik, D.O.	Ankit	ASAP	American Board of Family Medicine, Certified; American Osteopathic Board of Family Physicians, Certified	CA licensed; Candidate applied directly to association job posting on 3/6/19	Currently under review
Hospitalist	Central Valley Critical Care Medicine	Mukhtar, D.O.	Nadeem	TBD	American Board of Internal Medicine, Eligible	No CA license; Candidate applied directly to Practice Match job position. Fluent in Urdu, Hindi, Punjabi, and basic Spanish	Site visit pending dates
Hospitalist	Central Valley Critical Care Medicine	Su, M.D.	Cindy	07/19	TBD	CA licensed; Candidate applied directly to DocCafe job posting on 1/5/19	Currently under review
Hospitalist	Central Valley Critical Care Medicine	Swe, M.D.	Khine	07/19	American Board of Internal Medicine, Certified	CA licensed; Candidate presented by Vista Staffing Solutions	Site Visit: 2/28/19. Offer extended
Hospitalist	Central Valley Critical Care Medicine	Zinoviev, M.D.	Radoslav	07/19	American Board of Internal Medicine, Eligible	Candidate presented by Vista Staffing Solutions	Site Visit: 2/20/19
Hospitalist	Central Valley Critical Care Medicine	Abdelmisseh, M.D.	Mariam	07/19	American Board of Family Medicine, Eligible	CA licensed; completing residency at Kern Medical in Bakersfield; Presented by Vista Staffing	Site Visit: 10/2/18; offer accepted
Hospitalist	Valley Hospitalist Medical Group	Khalid, M.D.	Ahmer	07/19	American Board of Family Medicine, Eligible	CA licensed; Currently Kaweah Delta Family Medicine Resident	Currently under review. Offer accepted

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Hospitalist	Valley Hospitalist Group	Tedaldi, M.D.	Michael	07/19	American Board of Internal Medicine, Eligible	CA licensed; Spouse is currently Resident with KDHCDC General Surgery program; Candidate reached out directly on 11/10/17	Site Visit: 11/14/17; offer accepted
Hospitalist (Nocturnist)	Valley Hospitalist Medical Group	Mann, D.O.	Harjit	TBD	American Osteopathic Board of Internal Medicine, Certified	CA licensed; Candidate was part-time, per diem and decided to come full-time	Offer accepted
Hospitalist (Part time)	Valley Hospitalist Medical Group	Martinez, M.D.	Elieth	04/19	American Board of Internal Medicine, Certified	CA licensed; Candidate reached out directly to inquire. Currently working in Fresno as a hospitalist. Spouse is Dr. Ali Saadi	Site Visit: 2/1/19; Contract sent for review
Hospitalist (Part time)	Valley Hospitalist Medical Group	Saadi, M.D.	Ali	04/19	American Board of Internal Medicine, Certified	CA licensed; Candidate reached out directly to inquire. Currently working in Fresno as a hospitalist. Spouse is Dr. Elieth Martinez	Site Visit: 2/1/19; Contract sent for review
Hospitalist	Valley Hospitalist Medical Group	Tawfeek, M.D.	Kerolos	07/19	American Board of Family Medicine, Eligible	No CA license; Candidate referred by Dr. Ahmed Amari Family Medicine candidate, on 2/20/19	Site Visit: 3/10/19; Offer pending
Intensivist	Central Valley Critical Care Medicine	Adial, M.D.	Ajay	01/20	American Board of Internal Medicine, Certified	No CA license; Completing Pulmonary & Critical Care Fellowship. Presented by Fidelis Partners on 2/25/19	Currently under review

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Intensivist	Central Valley Critical Care Medicine	Aftab, M.D.	Waqas	07/19	American Board of Internal Medicine, Certified; Nephrology, Certified; Critical Care, Eligible	CA licensed; Candidate applied directly on 1/3/19	Site Visit: 3/16/19; Offer pending
Intensivist	Central Valley Critical Care Medicine	Sazgar, M.D.	Sasan	07/20	American Board of Internal Medicine, Certified	CA licensed; Candidate applied directly on 1/12/19 to HealtheCareers posting. Previously practiced in Fresno before going into fellowship.	Site Visit Pending dates in June/July
Internal Medicine	Kaweah Exeter Medical Group	Dhillon, M.D.	Sartaj	TBD	American Board of Internal Medicine, Certified	CA licensed; Candidate presented by internal source on	Site Visit: 3/19/19
Internal Medicine	Kaweah Delta Medical Foundation	Dullet, M.D.	Suneet	TBD	American Board of Internal Medicine, Diplomate	CA licensed; Candidate presented by internal source on 12/13/18. Spouse is Dr. Navkirat Bajwa	References & phone interview pending
Internal Medicine	Kaweah Delta Medical Foundation	Shams, M.D.	Sharminah	07/19	American Board of Internal Medicine, Certified	CA licensed; Worked with VMC previously; Spouse is Dr. Reza Rafie, Interventional Cardiologist.	Offer pending
Interventional Cardiology	Kaweah Delta Medical Foundation	Rafie, M.D.	Reza	07/19	American Board of Internal Medicine, Certified; American Board of Internal Medicine - Cardiovascular Disease, Certified	CA licensed; Worked with VMC previously; Spouse is Dr. Sharminah Shams, Internal Medicine	Offer accepted
Interventional Radiology	Mineral King Radiology Group	Valles, M.D.	Francisco	07/19	American Board of Radiology, Eligible	Presented by Fidelis Partners on 11/30/18	Offer accepted

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Neonatology	Valley Children's Hospital	Concina, M.D.	Vanessa	03/19	American Board of Pediatrics, Certified	No CA license; Presented by VCH on 11/12/18	Site Visit: 12/10/18; Offer accepted. Tentative start date: 5/6/19
Neonatology	Valley Children's Hospital	Gerard, M.D.	Kimberley	01/20	American Board of Pediatrics, Eligible	No CA license; Presented by VCH on 11/28/18	Site Visit: 1/11/19; Offered Independent Contractor opportunity pending Board Certification Tentative start date: 1/6/20
Neonatology	Valley Children's Hospital	Aboaziza, M.D.	Ahmad	06/19	American Board of Pediatrics, Certified	CA licensed; Candidate applied directly upon recommendation from Dr. Swehli, KEMG on 8/31/18	Site Visit: 11/06/18; offer accepted, tentative start date: 9/9/19
Nurse Practitioner - Urology	Kaweah Delta Medical Foundation	Garcia, RN, FNP-C, CRNFA	Yvette	01/19	American Academy of Nurse Practitioners, National Certification	National Certification in Perioperative Nursing - CNOR; Certified RN First Assist	Offer extended
Orthopedic Surgery - Adult Reconstruction	Independent	Sivananthan, M.D.	Sureshan	05/19	Eligible for Board Certification through "Academic Pathway"	CA licensed; Presented by Dr. Jonathan Liu on 11/19/18	Site Visit: 12/14/18; 2nd Site Visit: 1/11/19; Offer accepted
Orthopedic Surgery - Adult Reconstruction	Orthopaedic Associates	Kim, D.O.	Jun	08/19	American Board of Orthopedic Surgery, Eligible	No CA license; Direct candidate referred by Dr. Bruce Le on 12/11/17	Site visit: 3/1/18; offer accepted
Orthopedic Surgery - Spine	Orthopaedic Associates	Bajwa, M.D.	Navkirat	TBD	TBD	CA licensed, Candidate presented by internal source on 12/13/18. Spouse is Dr. Suneet Dullet	Site Visit: 1/31/19; Offer extended

Candidate Activity							
Specialty	Group	Last Name	First Name	Availability	Board Certification	Miscellaneous	Current Status
Orthopedic Surgery - Spine	Orthopaedic Associates	Shasti, M.D.	Mark	08/19	TBD	No CA license; Candidate presented by Fidelis Partners on 3/12/19	Currently under review
Otolaryngology	Kaweah Delta Medical Foundation	Kieliszak, D.O.	Christopher	08/19	TBD	Candidate presented by Fidelis Partners on 3/5/2019	Pending call with KDMF CEO prior to site visit
Palliative Medicine	Kaweah Delta Medical Foundation	Watson, D.O.	Nori	04/18	American Osteopathic Board of Internal Medicine, Certified; American Board of Hospice & Palliative Medicine, Eligible	CA licensed; Candidate presented by Doximity on 11/01/2018	Site Visit Pending May/June 2019
Pediatrics	Kaweah Delta Medical Foundation	Johnson, M.D.	Anthony	10/19	American Board of Pediatrics, Eligible	No CA license; Candidate presented by Physician Empire	Currently under review
Pediatric Hospitalist	Valley Children's Hospital	Valladares, M.D.	Enrique	07/19	American Board of Pediatrics, Eligible	No CA license; Spouse is Internal Medicine physician considering FHCN; Presented by VCH on 8/15/18	Site Visit: 8/24/18; offer accepted
Plastic Surgery/OMF	Sequoia Institute for Surgical Services, Inc.	Nair, M.D.	Narayanan	TBD	American Board of Surgery, Certified	Presented by Dr. Jonathan Liu on 10/4/18	2nd Site Visit: 3/25/19
Podiatry	Kaweah Delta Medical Foundation	Ghai, D.P.M.	Ajay	08/19	American Board of Podiatric Medicine, Eligible	No CA license; Candidate applied directly on 8/1/2018	Site Visit: 9/27/18; offer accepted
Vascular Surgery	South Valley Vascular	Nye, D.O.	David	08/19	American Osteopathic Board of Surgery - General Surgery, Eligible	No CA license; Candidate applied directly with group	Site Visit: 8/8/18; offer accepted



Annual Evaluation of the Environment of Care 2018



Prepared by

Environment of Care Committee

Maribel Aguilar, Safety Officer

**Please contact Maribel Aguilar with
any questions (559) 624-2381.**

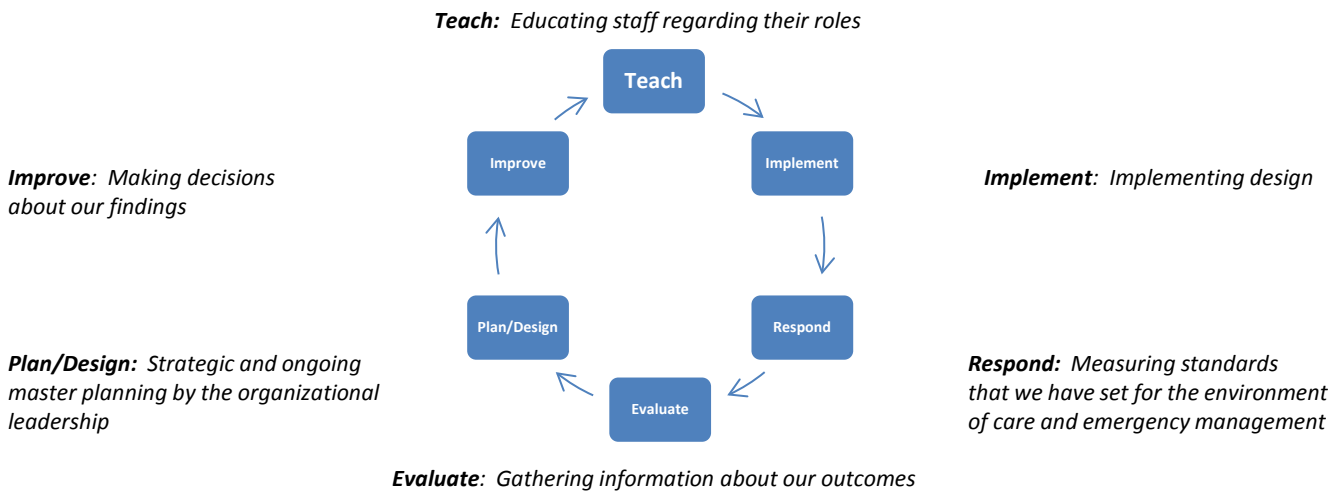
February 2019



Introduction

The goal at Kaweah Delta Health Care District is to provide a safe *Environment of Care* for our patients, staff, physicians and visitors, so that quality is preserved and risks are minimized. The *Environment of Care* filters through every aspect of our District, from the first patient contact (i.e., clean hospital, comfortable place to sit, privacy), through the assessment, treatment, discharge and continuing care. It is an integral component of patient safety insofar as risks could negatively impact their patient experience, such as a medical equipment failure due to a power outage, a breach in infant or child security, or the untoward effects of a hazardous materials exposure.

Other important functions, such as Infection Prevention (as when pre-construction risk assessments are made or Infection Prevention permits are issued) overlap with the *Environment of Care*. There is also integration with Human Resources with respect to educational needs and competency assessments for our staff. To determine if elements of the *Environment of Care* and Emergency Operations are effective, there is linkage to Performance Improvement, i.e., in the establishment of performance standards to monitor if we are meeting established thresholds of performance. The objectives of the various *Environment of Care* Management plans and the Emergency Operations Plan have been to manage risk so that our patient occupants can safely receive care and our patient care providers can provide treatment in a safe, built environment. We continue to view the following dynamic processes as tools and constructs to support change and improvements within the *Environment of Care* and Emergency Operations within the District.



Our *Environment of Care* Management plans address six elements, and one chapter, Emergency Management, provides the framework for disaster planning and emergency operations. The six elements include Safety, Security, Hazardous Materials and Waste, Fire Prevention, Clinical Equipment and Utilities Management. There is much diversity in *Environment of Care* and Emergency Operations planning, however each have parallels with planning, teaching, implementing, responding, monitoring and improving. Our purpose with the *Environment of Care* is to ensure ongoing diminishment of risk (e.g., possible loss or injury) within our District. The Safety Officer and *Environment of Care* Committee members provide the leadership foundation for the management of risks, promoting a teamwork approach, and ongoing attention to programs, plans, and related activities that point toward risk reduction. Whenever possible, the *Environment of Care* and Emergency Management are integrated with regulatory requirements from Federal, State and local agencies having jurisdiction, enforcing standards that encourage continued improvement in the workplace.

Evaluation of Objectives – Safety Management Plan

Various risks are inherent in the environment because of the types of care provided and the types of equipment that may be used during patient care or office activities. The Safety Management plan is designed to provide a physical environment wherein risks may be proactively identified. Risks are managed proactively from multiple focus—environmental surveillance, insurer surveys, regulatory and or accreditation surveys, and sometimes in response to an incident or injury that has occurred. It is the responsibility of the Safety Officer and *Environment of Care* Committee members to coordinate and manage these risk assessment and reduction activities. Safety and Infection Prevention policies and procedures, staff training and continuing education provide structure and direction for our staff so that their attention to tasks at hand can be focused on doing the right thing and/or implementing the safest method involved in their day-to-day work activities. Taken together, these programs and activities have contributed to effective injury management and support the objective of the Safety Management plan to reduce risk. The objectives of the Safety Management Plan have been met.

Evaluation of the Objectives of the Hazardous Materials and Waste Management Plan

The objective of the Hazardous Materials and Waste Management plan is to minimize the risks associated with hazardous chemicals, radioactive materials, hazardous energy sources, hazardous medications and hazardous gases/vapors for all those who enter the District, as well as the surrounding community. Equally important is our effort to reduce waste and to use non-hazardous products whenever feasible. Our educational programs, completion of annual chemical inventories, monitoring of spills and radiation/laser issues in the District demonstrate our commitment to minimize the risks associated with the use and disposal of hazardous materials.

The objectives of the Hazardous Materials and Waste Management Plan have been met.

Evaluation of Objectives – Security Management Plan

The Security Management plan is designed to provide the highest quality of security for our patients and staff placing an emphasis on care and respect. Our objective is to create a safe place to work, in a peaceful environment, so that those who enter the premises feel at ease. Through security risk assessments, we are continually looking for processes and ways to improve our security systems and reduce risk. Global threats of terrorism keep our security staff at a heightened level of awareness which necessitates a strong partnership with local authorities. A training program is in place for our security staff, which includes skills building and assault training techniques that has also been extended to Emergency Department staff, Mental Health staff and other staff whose positions or departments may represent risk. Security hardware (e.g., camera surveillance and card readers) are designed to spot activity and/or deter an unfavorable activity from occurring. We carefully monitor our incidents to determine if there are any trends relating to violence. The District has a stance of zero tolerance for violence. These processes support the Security Management’s plan objective to diminish risk within the premises. The objectives of the Security Management Plan have been met.

Evaluation of the Objectives of the Emergency Operations Plan

The objective of the *Emergency Operations Plan* is to minimize risks related to potential emergencies that fall on a continuum from disruptive to disastrous, and to ensure an effective staff response to disasters and emergent events that may effect our organization’s ability to provide care. This plan is intended to identify risks and balance these risks against preparedness and mitigation strategies in place as well as to use information relating to these risks in the design of our disaster drills. Our *Emergency Operations Plan* addresses four phases of emergency management, which includes: mitigation, preparedness, response and recovery, and includes the testing of our plan through drill activities that require a practiced response from our staff. Our staff effectively exercised a hazardous material decontamination exercise. The incident included an influx of patients to our Emergency Department, Urgent Care and Prompt Care. In November, we conducted an exercise that involved large number of patients with Influenza like illness, which included escalating events, and where the local community was unable to assist. Both the exercises included Hospital Incident Command System (HICS) activation, Emergency Department staffing (accessing additional physicians, residents and staff available), Labor Pool activation, alternate care sites identified and prepared, etc. The use of the *HICS*, a standardized approach to disaster management, allows our management and staff to respond to all-hazard types of disasters. We have continued to actively partner with our community partners including The County of Tulare Office of Emergency Services, Tulare County Public Health Emergency Preparedness Program, Visalia Police Department and Visalia Fire Department. We have continued to train staff for in emergency response including decontamination and workplace violence prevention and we have a very active Emergency Management Subcommittee that has addressed multiple issues throughout the year, including, but not limited to, refining and augmenting our inventory of organizational assets and resources, planning for drills, and completing the hazard vulnerability analysis. The District has succeeded in meeting the objectives of the Emergency Operations Plan and have continued to strengthen our partnerships with other organizations, and agencies having jurisdiction (e.g., local law enforcement, fire departments, and the Tulare County Department of Health Services). The objectives of the Emergency Management Plan have been met.

Evaluation of the Objectives of the Fire Prevention Management Plan

We recognize that the risk of fire carries with it the most significant single threat to the environment of care as our patients are often unable to move safely by themselves. Staff must continually practice their fire response skills to extend protection to our patients in the event of a fire or the products of fire. The objective of the Fire Prevention Management Plan is to minimize the risk of fire, potential injury from fire and limit property damage. Our expectation and duty is to comply with the *Life Safety Code*® through a fire equipment testing and maintenance program as well as through ongoing fire drill, which test correct staff fire response. Through scheduled hazard surveillance, fire drills, a viable *Statement of Conditions*, fire equipment testing, inspection, maintenance and staff education, the objective of the Fire Prevention plan has been successfully met.

Evaluation of the Objectives of the Clinical Engineering Management Plan

The objective of the Clinical Engineering Management Plan includes the assurance that our medical equipment is operationally reliable, with the risk of a medical equipment failure minimized. In order to meet this objective multiple programs are in place which include, but are not limited to: (1) risk assessment of all incoming Medical Equipment, (2) preventive and corrective maintenance programs, (3) corrective maintenance program for equipment that needs repair, and (4) training for the users and maintainers to minimize human error. We monitor our preventive maintenance for life safety and non-life safety medical equipment to ensure we are meeting established thresholds, which promotes sound operational reliability for medical equipment used on our patients. We ensure that any type of medical equipment that enters the District is checked by Clinical Engineering staff before it is used on our patients. These programs and safeguards have been effective in allowing us to meet the objectives stated in our Clinical Engineering Management Plan.

Evaluation of the Objectives of the Utilities Management Plan

The objective of the Utility Management Plan is to minimize the risks relating to utility disruptions and to ensure our utility equipment remains operationally reliable. Meeting these two objectives promotes a safe, controlled and comfortable environment for our patients, staff, visitors and physicians. To meet this objective, programs must be in place that include, but are not limited to, risk assessment of utility equipment, preventive and corrective maintenance programs, timely and efficient response to utility failures, and ongoing education for those who use and maintain utility equipment. The *Environment of Care* committee monitors preventive maintenance of utility equipment and utility failures to ensure established thresholds of performance are met. These efforts are for the purpose of promoting the highest level of operational reliability for utility equipment that supports our built environments. These programs are in place in all facilities within the District with ongoing monitoring and assessment demonstrating the objectives for the Utility Management plan have been met.

EVALUATION - SCOPE of the ENVIRONMENT OF CARE

Evaluation of the Scope: Our management plans identify the scope of each plan which applies to all District staff and physicians. The scope of the management plans are intended to be broad-based to allow for a multitude of accomplishments to occur. Each contributes to overall risk reduction in the District. The activities that are identified below support a multi-faceted approach to reducing risks that may occur from different sources, internal and external, to the District. The scope, based upon these activities, is evaluated to be supportive of a safe physical environment within which we proactively risk-assess and take appropriate actions. The following key activities support a breadth and depth of the scope of the *Environment of Care (EOC) activities* and Emergency Management at Kaweah Delta Health Care District.

Safety Management:

- Environmental surveillance completed, with action items identified, and corrections made.
- Safety Education for employees include Online learning modules.
- Sharp exposures, with an increase in sharp injuries. Syringe Safety education provided.
- Employee injuries monitored, with a 0% increase in OSHA reportable injuries. Workman's Compensation Administrator continues to implement the Risk Improvement Action Plan.
- Safe Patient Handling training complete for patient care staff.
- Infection Prevention monitored hand hygiene compliance.
- Environment of Care training modules distributed to physicians and volunteers.
- Dialysis water testing monitored.
- Product recalls monitored.
- *Environment of Care* Committee meetings regularly scheduled, reviewing district-wide issues, trends, reflecting a solid EOC program.
- Reviewed/ revised Safety Management Plan with approval from Board of Directors.

Security Management:

- Security incidents reviewed with access granted to key areas for select staff members.
- CPI- Nonviolent Crisis Intervention training conducted for employees working in Mental Health, Security, Emergency Department and South Campus. Additionally, Licensed Patient Family Services staff, Maintenance staff, Leadership staff, Unit Charge staff and Nursing Supervision staff also received CPI training. Over 800 staff trained.
- Security officer staffing was increased in the Emergency Department and the Acute Psych Facility to improve safety and security efforts.
- Security Risk Assessments completed for all campuses.
- Reviewed/ revised Security Management Plan with approval from Board of Directors.

Hazardous Materials and Waste Management:

- Annual hazardous materials inventory complete. Annual chemical specific and safety data sheet training for all district employees.
- Radiation Safety Committee monitored radiation issues (i.e., badge reading, apron safety, license requirements, annual update of radiation safety plan, etc.).
- Hazardous gas monitoring and testing completed.
- Reviewed/ revised Hazardous Materials Plan with approval from Board of Directors.
- Hazardous Materials Business Plan updated-submitted to Tulare County.
- County of Tulare conducted tri-annual Hazardous Material Inspection items identified and corrected.

Emergency Operations:

- The Emergency Management Subcommittee involved with planning/design relating to: inventory of organizational assets, equipment purchases, drill design, implementation and follow-up relating to drills and actual events, and integrating community partnerships into planning activities.
- The *Hazardous Vulnerability Analysis* reviewed/ revised with top risks identified, and mitigation, preparedness, response, recovery identified.
- Training was completed for the following: Decontamination, Emergency Preparedness, Anhydrous Ammonia Handling, Evacuated Evacuation, and new hire orientation.
- The *Emergency Operations Plan* reviewed/ revised based on the evaluations of the emergency exercises with approval from Board of Directors.
- District wide emergency exercise conducted (loss of power with influx of patients and terrorist attack), with effective outcomes, critique conducted, after action items identified.
- Reviewed/ revised unit specific fire, safety and emergency plans.
- Participated in Tulare County disaster planning activities and Statewide Emergency Exercise.
- Emergency Preparedness Committee members participated in the annual California Hospital Association Emergency Planning Conference & Joint Commission Emergency Preparedness Conference.

Life Safety Management:

- All fire drills were held per schedule, with no trends noted.
- Visalia Fire Department conducted annual Life Safety Inspection.
- The *Statement of Conditions* monitored routinely, and updated throughout 2018.
- Fire testing equipment completed per schedule.
- Reviewed/ revised Life Safety Management Plan with approval from Board of Directors.

Clinical Engineering Management:

- Preventive maintenance for life support and non-life support medical equipment completed, with thresholds of performance met.
- Reviewed/ revised Clinical Equipment Management Plan with approval from Board of Directors.

Utility Equipment Management:

- Preventive maintenance and utility reports reviewed quarterly, including 47/236 utility failures, and actions taken.
- Indoor air quality monitored and issues identified with resolutions completed.
- Reviewed/ revised Utility Management Plan with approval from Board of Directors.

EVALUATION: PERFORMANCE STANDARDS

OVERVIEW. Information to follow represents the evaluation of established performance standards. Performance Standards were chosen based upon the following criteria:

1. The performance standard represents a measurable area of one of the EOC components.
2. The performance standard indicates a key reflection of the scope of the component.
3. The performance standard represents a high volume activity, or low volume but high-risk consequences.
4. The performance standard reflects actual or potential risk to the organization.

PERFORMANCE STANDARDS – Kaweah Delta Health Care District

SAFETY

- Objective is to reduce OSHA reportable work related injuries/illness in the year 2018.
Goal: Reduce OSHA reportable injuries by 10% or no more than 214 incidents.
Minimum Performance Level: Reduce OSHA Reportable Injuries by 10% or no more than 214 incidents.
Outcome: Goal not met.
- Infection Prevention - compliance with hand hygiene will be monitored.
Goal: 100% compliance with hand hygiene.
Minimum Performance Level: 95% of observations will demonstrate the correct practice.
Outcome: Goal not met.
- Patient death or serious disability associated with a fall will be monitored.
Goal: No patient death or serious disability while on the premises of a KDHCD facility.
Minimum Performance Level: No patient death or serious disability while on the premises of a KDHCD facility.
Outcome: Goal met.
- Reporting of non-patient safety related injuries.
Goal: Increase reporting of non-patient safety related injuries by 10%.
Minimum Performance Level: 100% compliance.
Outcome: Goal not met.

SECURITY

- The Security department will track assaults from Acute Psych Hospital and Emergency Department.
Goal: Reduction of assaults by 5% from previous year.
Minimum Performance Level: 99.75 or less assaults for Acute Psych and 68.4 less assaults for Emergency Department.
Outcome: Goal met for Emergency Department
Goal not met for Acute Psych Hospital.

HAZARDOUS MATERIALS AND WASTE MANAGEMENT

- Respond with the correct steps to take when there is a chemical spill and be able to locate the chemical in the Maxcom binder or online system.
Goal: 100% Compliance.
Minimum Performance Level: 95% of departments will be compliant with Hazardous Substance Inventory.
Outcome: Goal met.

EMERGENCY MANAGEMENT

- Staff able to demonstrate the correct response relating to Internal disaster response.
Goal: 100% Compliance.
Minimum Performance Level: 95% of staff will properly demonstrate knowledge of internal disaster response.
Outcome: Goal met.

UTILITIES MANAGEMENT

- Utility equipment will be preventively maintained on a quarterly basis.
Goal: 100% compliance.
Minimum Performance Level: 100% compliance.
Outcome: Goal met.

EVALUATION: PERFORMANCE STANDARDS

OVERVIEW: Information to follow represents the evaluation of established performance standards. Performance Standards were chosen based upon the following criteria:

1. The performance standard represents a measurable area of one of the EOC components.
2. The performance standard indicates a key reflection of the scope of the component.
3. The performance standard represents a high volume activity, or low volume but high-risk consequences.
4. The performance standard reflects actual or potential risk to the organization.

PERFORMANCE STANDARDS – Kaweah Delta Health Care District

FIRE PREVENTION

- Storage of equipment and supplies will be monitored.

Goal: 100% Compliance.

Minimum Performance Level: 100% of equipment and supplies will be stored appropriately.

Outcome: Goal not met.

CLINICAL EQUIPMENT

- The Clinical Engineering Department will report on all High Risk (including Life Support) Medical Devices included in the active Can Not Locate list.

Goal: 100% Compliance

Minimum Performance Level: <1% of High Risk (Including Life Support) Devices in the Medical Equipment Inventory will be reported as active on the Can Not Locate list.

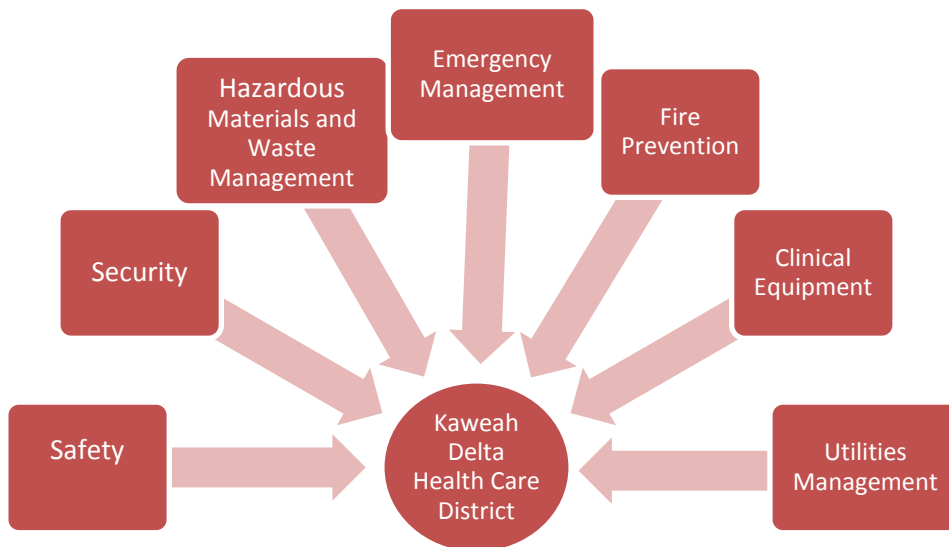
Outcome: Goal met.

- Can Not Locate (CNL) Medical Equipment will be reported on and managed by Clinical Engineering.

Goal: 100% compliance.

Minimum Performance Level: <2% of the District's total active Medical Device Inventory will be listed as Can Not Locate (CNL).

Outcome: Goal met.



EOC Component:

SAFETY

Performance Standard:

Employee Health – The objective is to reduce Occupational Safety & Health Administration (OSHA) recordable work related injuries/illness cases by 10% from the year 2017.

Goal: Reduce OSHA Recordable Injuries by 10% in 2018.

Minimum Performance Level: Reduce OSHA Recordable Injuries by 10%.

Evaluation:

There were 59 OSHA recordable injuries during the 4th quarter 2018, 238 total for 2018.

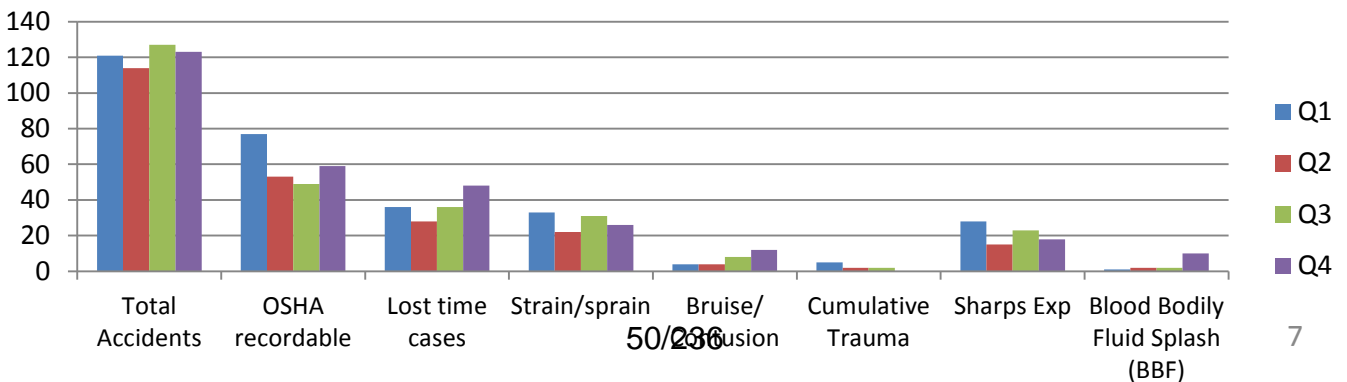
We review the departments that have had over 3 OSHA recordable injuries in a quarter, for 2018 these included ICU,4S, Mental Health, Dietary, Housekeeping, Surgery, 3N,4S, Laundry and Linen, 3W and Patient Transport.

The Minimum Performance: The Minimum Performance Level of decreasing OSHA recordable injuries by 10% no more than 214 injuries. Goal not met

Plan for Improvement:

- Identify employees with more than 3 OSHA (16 employees) recordable injuries in last 2 years. Identify trends and educational opportunities.
- Send detail to Managers/Directors to determine prevention opportunity with re-education and/or re-training.
- Same day on-site incident investigation and follow-up with manager for changes and/or process changes. Collaborate with clinical education as appropriate.
- Review/discuss multiple injuries (3 or more) per employee for last quarter with department manager or director Identify/provide education with manager.

Type of injury	Q1	Q2	Q3	Q4	Totals 2018	Annual % chg	Totals 2017	Per 1000 employees
Total Accidents	121	114	127	123	485	18.9%	408	25.39
OSHA recordable	77	53	49	59	238	0.0%	238	12.18
Lost time cases	36	28	36	48	148	-10.3%	165	9.91
Strain/sprain	33	22	31	26	112	-15.2%	132	5.37
Bruise/ Contusion	4	4	8	12	28	16.7%	24	2.48
Cumulative Trauma	5	2	2	0	9	-47.1%	17	0.00
Sharps Exp	28	15	23	18	84	20.0%	70	3.72
Blood Bodily Fluid Splash (BBF)	1	2	2	10	15	25.0%	12	2.06
# EE end of QTR	4666	4720	4806	4844				



EOC Component:

SAFETY

Performance Standard:

Risk Management – Reporting of non-patient safety related injuries will increase by 10% by the end of 2018.

Goal: Increase non-patient safety related reporting on events by 10%

Minimum Performance Level: Increase non-patient safety related reporting by 10%.

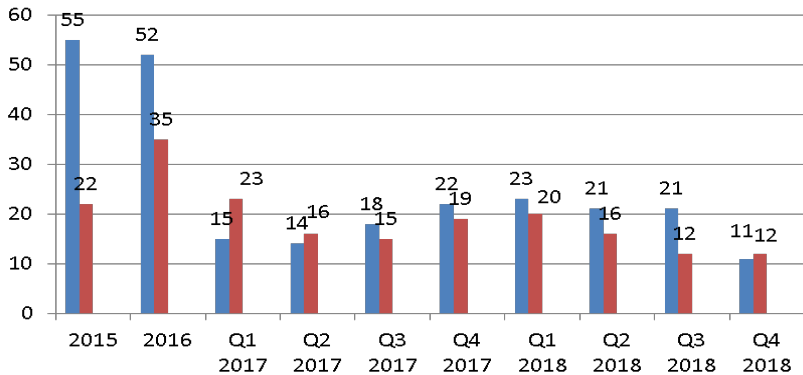
Non-Patient Related Injuries

Evaluation:

In 2018, there were a total of 138 reported visitor injuries.

Non-patient related events were tracked by Risk Management. In 2018 we had a decrease of 2.8% from the 2017 reports of 142.

Minimum performance measure was not met.



■ District Except TLC
■ TLC Event Report

* Injury means physical or mental impairment that requires additional medical treatment or intervention.

Indicator	Quarter 1 2018	Quarter 2 2018	Quarter 3 2018	Quarter 4 2018	2018 YTD Totals	2017 YTD Totals
Non-patient Related Events	43	37	33	23	138	142

Plan for Improvement:

Risk Management has conducted education to staff related to occurrence reporting and when and how to report any type of injury. For 2019 we will continue to focus on non-patient safety related events with a goal to increase reports by 10%.

EOC Component:

FIRE PREVENTION/LIFE SAFETY

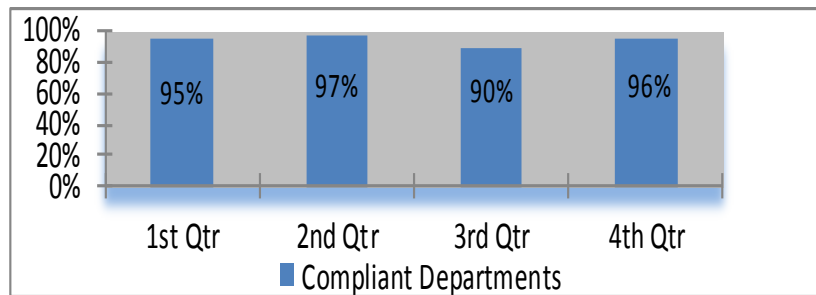
Performance Standard:

Equipment and supply storage compliance will be monitored during hazardous surveillance inspections. Supplies are not to be stored on the floor. There also needs to be a clearance of 18" to the ceiling in sprinklered rooms and 24" in non-sprinkle red rooms per California Fire Code & The Joint Commission requirements.

Goal: 100% of departments inspected will be compliant.

Minimum Performance Level: 100% of department inspected will be compliant.

Storage Compliance 2018



Evaluation:

There were 146 hazardous surveillance inspections conducted in 2018. The compliance rating regarding proper storage overall was 94.5 %.

In the non-compliant departments supplies were found to be stored too close to the ceiling (18" clearance required).

The Minimum Performance Level set for 2018 was not met.

Plan for Improvement:

We will continue to monitor storage compliance in 2019 and work to improve compliance with this standard. Unit managers will be required to round with the team.

Correction notices will be sent to the directors in all non-compliant departments and appropriate Vice President if departments are out of compliance on two separate occasions.

Evaluation:

Q4 2018: \$8,990 paid in lost/damaged property

Hearing aids
Dentures
Car keys
Damaged CPAP machine

Q3 2018: \$1,499 paid in lost property
Dentures

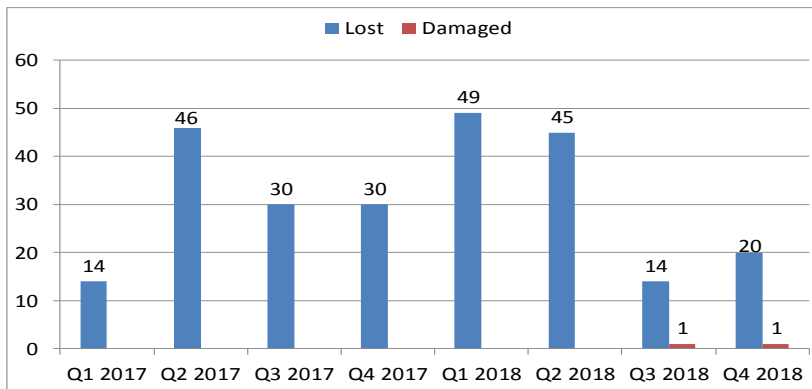
Q2 2018: \$3,898 paid in lost property
Dentures

Q1 2018: \$1,330 paid in lost property
Hearing aid
Medication

2018: \$15,717 total paid in lost/damaged property

2017: \$8,909 paid in lost/damaged property

Total # of Lost and Damaged Property Occurrences 2017 - 2018



Plan for Improvement:

We have a committee looking at lost and damaged property occurrences led by the Director of Patient Experience to evaluate different strategies to reduce the occurrences. They have implemented a new container for patient belongings and a new process which includes environmental services rounding on the units to pick up items left behind by patients.

Performance Standard:

Risk Management – No patient death or serious disability* associated with a fall while being cared for in a KDHC facility.

Goal: 100% Compliance.

Minimum Performance Level: 100% Compliance

Evaluation:

There were no incidents of patient death or serious disability associated with a fall while being cared for in a KDHC facility during 2018.

The Minimum Performance Level was met for this standard in 2018.

*Serious disability means physical or mental impairment that substantially limits one or more of the major life activities of an individual, or the loss of bodily function, if the impairment lasts more than seven (7) days or is still present at the time of discharge, or loss of a body part.

Plan for Improvement:

Hazardous Surveillance inspections of all KDHC facilities will be conducted on a scheduled basis. Safety issues identified will be reported to Department Managers and action plans for correction generated.

Continue to monitor.

EOC Component:

SAFETY

Performance Standard:

Infection Prevention: Improve hand hygiene awareness/compliance through collaboration with patient care units.

Goal: 100% compliance with hand hygiene performance and monitoring processes.

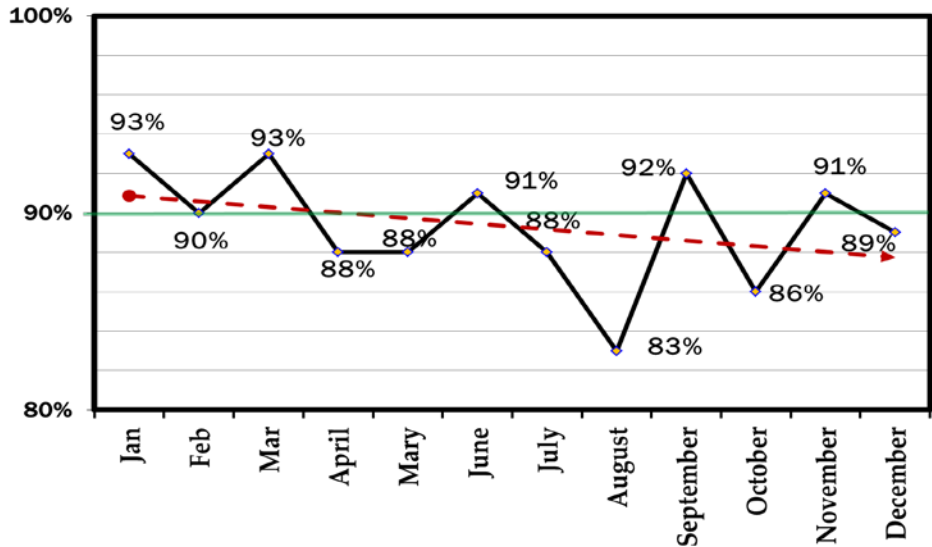
Minimum Performance Level: 95% compliance per The Joint Commission recommendations for improvement.

Evaluation:

The District's overall hand hygiene compliance in 2018 was 89.2% which did not meet the Minimum Performance Level.

Information continues to be reported to unit managers and directors on a monthly basis.

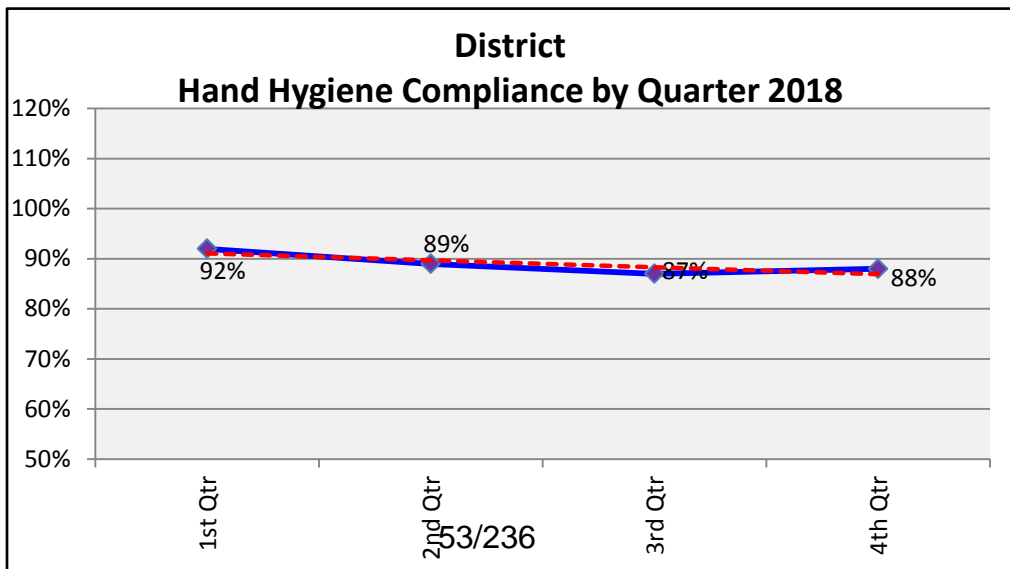
Overall District Hand Hygiene Compliance for Calendar Year 2018



Plan for Improvement:

1. District is looking at Biovigil®, a system designed to detect and monitor hand washing events and automatically communicate compliance information, to improve hand hygiene compliance. There will be certain floors doing a trial.
2. Infection Prevention will email all managers and directors monthly reporting their units' participation and compliance rate.
3. RN Field Infection Preventionist position added to increase observation and education on all units.
4. IP weekly rounding on units.
5. Increase Hand Hygiene observations/actions by Infection Prevention department and Infection Prevention Liaison committee.
6. Infection Prevention monthly intensive focus on inpatient units.

District Hand Hygiene Compliance by Quarter 2018



EOC Component: SECURITY

Performance Standard: Kaweah Delta has adopted the *Non-Violent Crisis Intervention* training from CPI in response to the Cal/OSHA Workplace Violence mandate. The Security Department is tracking *assaultive* incidents that originates from the Emergency Department and the Acute Psych Hospital to determine effectiveness of crisis intervention program with the goal of proactively being able to identify early warning signs of aggressive behavior and early intervention to decrease preventable assaults.

Goal: Decrease assaults by 5% from previous year
Acute Psych Hospital – goal of 99.75 or less assaults
Emergency Department – goal of 68.4 or less assaults

Evaluation:

All employees, physicians and support staff assigned to work in the Emergency Department or the KD Mental Health Hospital have received training in CPI, Non-violent Crisis Intervention. (with yearly re-certification)

Organization leaders and select departments have also received CPI training and are part of the Workplace Violence Response Team.

(Calendar year 2017)

Acute Psych Hospital

Average patient days = 1,422

Total year assaults = 105

(2017-18 Comparison) Yearly assault numbers in the Acute Psych Hospital decreased by 4, less than 5% of the target goal – **Goal NOT met**

(Calendar year 2017)

Emergency Department

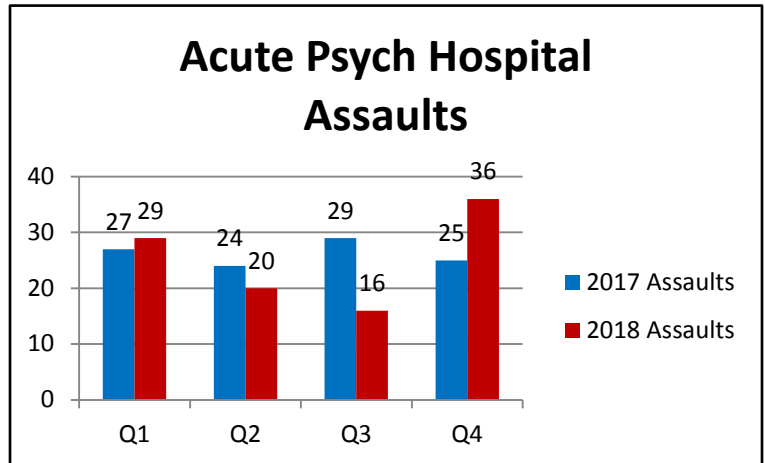
Total ED visits = 91,441

Total MH patients seen = 3,563

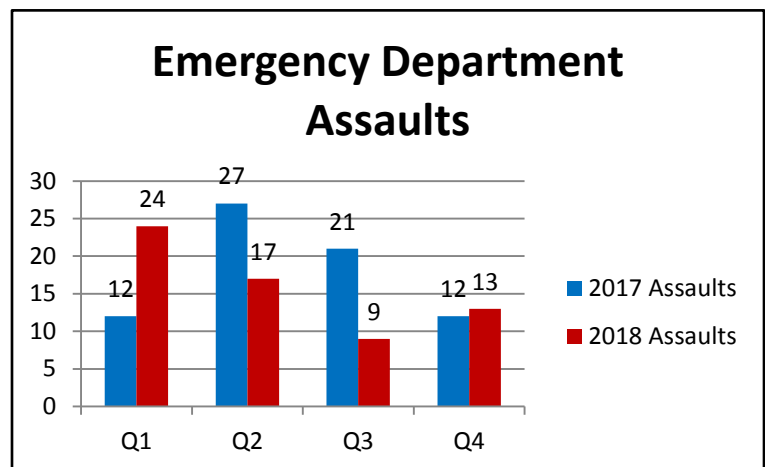
Average monthly MH census = 514

Total year assaults = 72

(2017-18 Comparison) Yearly assault numbers in the Emergency Department decreased by 9, a 12.5% decrease from the previous year – **Goal met**



Goal NOT met



Goal met !

Plan for Improvement:

Acute Psych: Non-violent Crisis Intervention training will incorporate unit specific training to improve staff understanding and application of program principles in their patient care environment. Additional security staffing was implemented on January 1, 2019. We will track staffing impact. Goal for 2019 is to decrease assaults by 5% - 96 or less events

Emergency Department: Assaults in Emergency Department across the nation continue to be a problem. We will continue to track WPV events as a standing item in the Security Plan.

EOC Component:

Performance Standard:

Evaluation:

The compliance rate for critical utility systems preventative maintenance completion for 2018 was 100%.

The threshold was set at 100%.

The Minimum Performance Level was met.

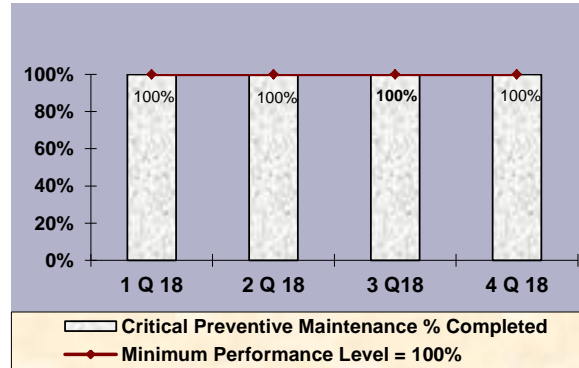
UTILITIES MANAGEMENT

Critical utility systems preventive maintenance will be performed on a regular basis.

Goal: 100% of critical utility systems will be serviced and/or inspected quarterly.

Minimum Performance Level: 100% of critical utility systems will be serviced and/or inspected quarterly.

Utilities: % Critical PM Completion Rate
All Campuses



Plan for Improvement:

Maintenance management will be monitoring the completion of critical utility preventative maintenance each month to ensure completion as scheduled on a quarterly basis.

Continue to monitor.

EOC Component:

Performance Standard:

Evaluation:

During 2018 hazardous surveillance, 146 departments were surveyed. During hazard surveillance rounds staff was queried regarding chemical spill response and location of Maxcom binder or online system.

We have been successful in our hazardous communications education program and have improved the competency of staff regarding this standard.

The Minimum Performance Level was met for this standard.

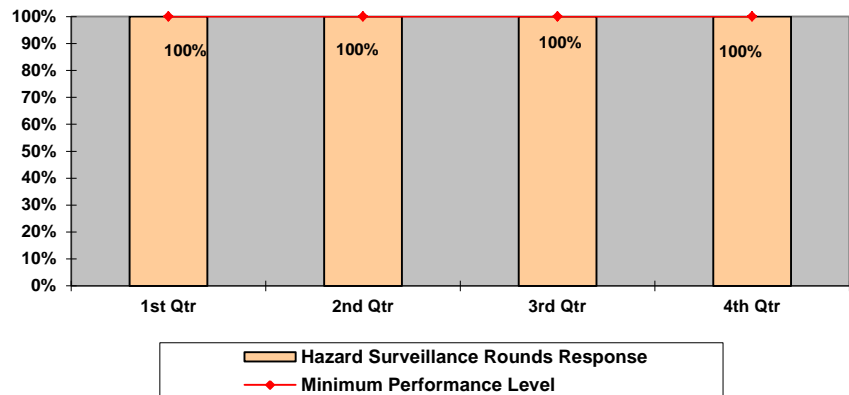
HAZARDOUS MATERIALS

Employee should be able to respond with the correct steps to take when there is a chemical spill and be able to locate the chemical in the Maxcom binder or online system.

Goal: 100% Compliance.

Minimum Performance Level: 95% Compliance.

Hazard Material Compliance 2018



Plan for Improvement:

We will continue to monitor compliance in this standard in 2018 with department audits conducted during Hazardous Surveillance Inspections.

Notices will be sent to the noncompliant department Manager requiring correction. Managers are required to reply to the Safety Officer with their corrective plan of action. hazardous communication education will be conducted districtwide during the 2nd quarter 2019.

EOC Component:

CLINICAL ENGINEERING

Performance Standard:

Identify the number of Medical Equipment defined as Missing In Action (MIA) for preventive maintenance that are Life Support for action by EOC.

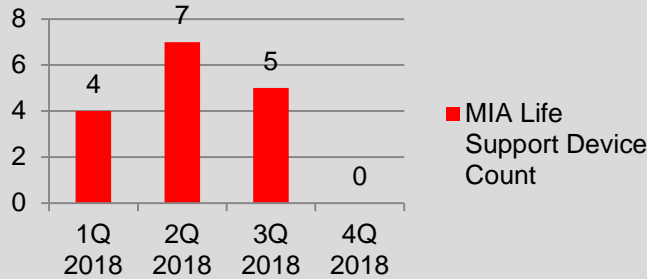
Goal: Attain zero (0) Life Support Devices as defined by EOC policy 6001.

Minimum Performance Level: 0 MIA Life Support Devices

Evaluation:

0 Life Support Devices are MIA and assumed lost.
Goal of 0 Life Support Devices in a MIA status: MET

MIA Life Support Device Count



Plan for Improvement: Clinical Engineering has distributed inventory lists, photos and value (where available) to the VP, Director and Management financially responsible for the assets with requirements to report within ten days the status and location of the device and require it be presented as soon as possible for scheduled maintenance.
From 1st quarter 2017 through the 4th quarter 2018 there are 16 Life Support devices that are Missing in Action (Unable to Locate). The EOC has asked that Clinical Engineering investigate adding electronic location tracking tags to all high risk and life support devices. A new quote for FY2021 will be submitted for an AeroScout location alert system will be submitted.

EOC Component:

CLINICAL ENGINEERING

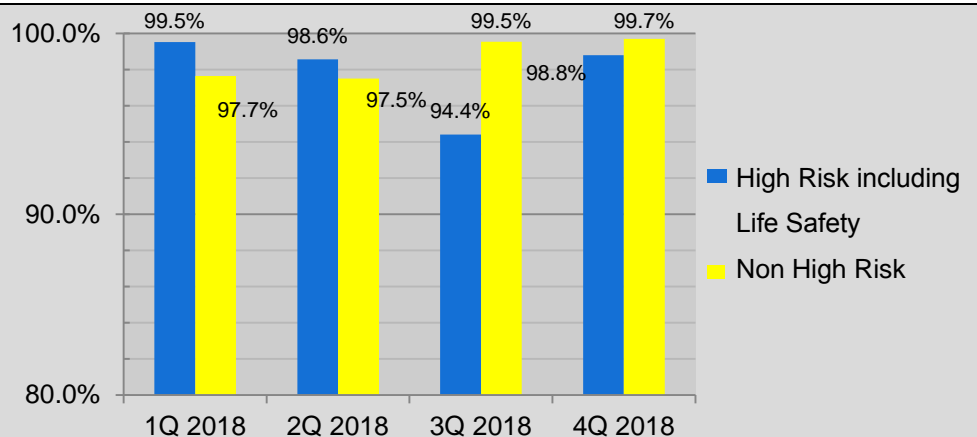
Performance Standard:

all

The Clinical Engineering Department will complete preventative maintenance (PM) for 12184 assigned preventative maintenance tasks as required per policy EOC 6001.

Goal: 100% Compliance Minimum Performance Level: 100% Compliance

Medical Equipment 2018 Preventative Maintenance Compliance



4Q 2018 Evaluation:

PM Compliance:

High Risk (including Life Support): 98.8%

Non-High Risk: 99.7%

Minimum Performance:

100% Compliance: Not Met

Plan for Improvement:

Reporting for each quarter is one month behind to account for TJC rules for PM completion closure. Reporting for 2018 is 1Q (Jan & Feb), 2Q (Mar, Apr & May). And 3Q (June thru August). 4Q Data includes Oct, Nov and Dec.

Reporting of Equipment that is missing or in use when needed for inspection and participation in attaining identified equipment is steadily improving.

EMERGENCY MANAGEMENT/EMERGENCY OPERATIONS PLAN
Evaluation of Performance - 2018

The KDHCDC Emergency Preparedness Committee, a subcommittee of the Environment of Care Committee, met regularly throughout 2018 to address the preparedness needs within the District. Members from the Subcommittee ensured that leadership throughout the District were assigned positions in the *Hospital Incident Command System* (HICS), and that the organizational chart was kept current. The KDHCDC Emergency Operations Plan was reviewed/ revised during 2018.

Community Partners: Participated with Tulare County Public Health Emergency Preparedness Advisory Committee, Central California Emergency Medical Services Agency (CEMSA), County of Tulare Evacuation Planning, and Visalia Fire Department.

Hazard Vulnerability Analysis: The Hazard Vulnerability Analysis (HVA) was re-evaluated and approved by the Environment of Care Committee. Input regarding the HVA was solicited from our executive team, medical staff and community partners. KDHCDC also worked with CEMSAs hospitals in Fresno, Kings, Madera, and Tulare Counties to review the communitywide HVA.

Offsite Facilities: During 2018, the Emergency Planning Committee focused on the offsite facilities to ensure the specific risks of each facility were addressed during emergency exercises.

Disaster Exercises: In 2018, KDHCDC participated in two emergency preparedness exercises. The exercises involved a decontamination event, with an influx of patients into our emergency department as well as our Urgent Care and Sequoia Prompt Care and a Influenza surge which included escalating events in which the local community was unable to offer support.

In June, 2018 we conducted a District wide emergency exercise with the Tulare County Office of Emergency Services and Tulare County Ambulance companies, Visalia Police Department and Visalia City Fire participating. The scenario focused on our ability to decontaminate patients and deploy the Chempack during the incident.

In November 2018 our exercise included Influenza Like Symptom surge/Loss of oxygen in coordination with the State Wide Exercise. Community Partners including Tulare County Office of Emergency Services, Tulare County Public Health and Golden West High School EMS academy were working closely during the exercise. At the conclusion of the exercise we focused on our ability to respond to the escalating event which tested our ability to sustain operations with no support from the community for up to 96 hours. Actions included HICS activation, Emergency Department staffing accessed with additional physicians and staff available, Labor Pool activated, Surgery held elective cases, alternate care sites identified and prepared, utility assessment of all KDHCDC facilities, etc.

Six critical elements were identified during the large-scale drills, with staff performance exceeding the established threshold. The drills were based on risks in our HVA with epidemic and chemical exposure being our identified risks. The exercises/incidents were critiqued through a multidisciplinary process which included administration, clinical and support staff, and medical staff. After action improvement items were identified and accomplished through the Emergency Prep Subcommittee in 2018. For each drill, objectives were evaluated relating to six critical areas: communications, resources and assets, safety and security of the patient, staff roles and responsibilities, the management of utilities and patient clinical and support activities. The KDHCDC Emergency Operations Plan was revised based on the evaluations of the emergency response exercises and actual incidents. The thresholds of performance were consistently met when scores were averaged, demonstrating that education and training has been effective. Plans for improvement were identified with follow-up at the *Environment of Care* Committee.

EVALUATION – OVERALL EFFECTIVENESS ENVIRONMENT OF CARE AND EMERGENCY OPERATIONS

Safety: Based upon the objectives, scope and performance standards, the risks within our Safety Management plan have been managed effectively. The Safety Education program for the District is highly effective, 100% of departments completing the Safety Training Modules. The Infection Prevention Department monitored hand hygiene achieving a compliance rate of 89%. Risk Management continued to monitor visitor injuries, with no trends identified. Based on the high level of commitment to education, surveillance and ongoing activities, the Management Plan for Safety is highly effective in promoting safety standards for the organization and in guiding the direction of safety-related activities. In 2018, we will improve safety outcomes by continuing with our monitoring activities and current programs, knowing they are effective in promoting safety standards for the organization and in guiding us towards continued risk reduction.

Security: The Management Plan for Security and the security program is effective at Kaweah Delta Health Care District as proven by the objectives to minimize security risks being met in 2018. The Workplace Violence Committee worked to monitor the Workplace Violence Program, implementing recommendations and responding to actual threats. Workplace violence awareness and crisis intervention training is provided to employees working in high risk areas and for support staff who also support patient care in those high risk patient care areas. Code Silver (active shooter) education is available for staff. Security risk assessments were completed for all facilities. Any identified deficiencies are reported and tracked until correction/improvement is made.

Hazardous Materials: We continue to minimize risks related to hazardous materials and wastes by monitoring spill activity and completing hazardous gas monitoring in areas with known chemical contaminants. An annual chemical inventory was completed and all employees were required to complete Hazardous Materials and chemical specific training. Other activities that support the effectiveness of our program include assessing the level of knowledge staff have relating to the Hazardous Materials program, specifically their role during a spill event. Our Radiation Safety Committee monitors radiation issues, such as badge readings, apron safety, annual review of the Radiation Safety Plan, and license amendments. Based upon the objectives, scope and performance standards, the Hazardous Materials Plan and program is rated to be highly effective.

Emergency Management: Based upon the objectives, scope and performance standards, the Emergency Operations Plan is effective in providing the framework for disaster response for our staff. Disaster drills and actual events were completed and evaluated with successful outcomes. The Emergency Management Subcommittee continued to meet to review and plan for multiple preparedness activities including, but not limited to, drill design and follow-up activities relating to drill outcomes. Training was completed for Decontamination Processes, Emergency Preparedness, Anhydrous Ammonia Handling and new hire orientation. The Hazard Vulnerability Analysis was reviewed and found to be an effective tool in prioritizing critical events and assessing the prioritization against the District's preparedness. KDHC is actively involved with community-wide preparedness activities which strengthening ties with agencies having jurisdiction and the California Department of Health Services.

Fire Prevention Management: Based upon the objectives, scope and performance standards, the Fire Prevention Management plan is effective. Fire drills were completed for the District, with staff performing according to a pre-established checklist. Fire equipment inspection, maintenance and testing was completed, with ongoing monitoring of the *Statement of Conditions* in effect. Infection Prevention assessment continued to be integrated into construction activities along with any Interim Life Safety Measures assessments that were needed.

Clinical Equipment Management: Based upon the objectives, scope and performance standards, the Clinical Equipment Plan and program are effective. Preventive Maintenance was monitored quarterly for high risk including life support and non high risk medical equipment, with the thresholds of performance met. The separation of our inventory (i.e., high risk including life support medical equipment from non high risk medical equipment) places a higher focus on the safety of our patients and keeps the *Environment of Care* closely integrated with Patient Safety standards. The Clinical Equipment Plan and program are effective in promoting safe equipment usage for our patients.

Utility Equipment Management: Based upon our objective, to provide a comfortable, safe, environment for our patients and our staff, our goal for 2018 was met. Performance monitoring focused on the completion of critical life support utility equipment and the threshold of performance was consistently met. A skilled facilities staff, strong leadership, and the management of the automated preventive maintenance program has helped us in meeting the objective to minimize the risks associated with utility failures.

Kaweah Delta Health Care District Annual Report to the Board of Directors

Palliative Care Service

Ronald Marconi, Medical Director (799-2566)
Keri Noeske, DNP Director Care Management (624-5916)
Sandra Shadley, LMFT Palliative Care Manager (624-5942)
March 25, 2019

Summary Issue/Service Considered

The Palliative Care Service continues to provide excellent patient centered care for patients with serious, life-limiting illnesses and their families. Inpatient Consultation volume has increased 12% since the last reporting period, with an average of 114 consults per month provided. Additionally, approximately 81 outpatient consultations have been provided. The Home Based Palliative Care Service has been re-structured and will begin serving patients in April, 2019. The Palliative Care Team continues to offer in person and telephonic consultations to the Emergency Department, helping to facilitate discharge directly from the Emergency Department whenever possible. Finally, Palliative Care Team leadership is collaborating with Kaweah Delta Hospice in the development of a General Inpatient Hospice service. This robust combination of inpatient and community based palliative care services enhances the continuity and overall effectiveness of care for palliative care patients and their families.

Quality/Performance Improvement Data

The Palliative Care Team continues to collaborate with the Palliative Care Quality Network (PCQN) on quality and performance improvement processes. CERNER implementation has necessitated modification of the quality/performance improvement data tracking and analysis process. Full integration of the PCQN and CERNER system is anticipated within the next few months and this will enable active tracking and analysis. Key quality and performance issues include symptom improvement and cost savings associated with early vs late palliative care referral.

Policy, Strategic or Tactical Issues

Palliative Medicine Physician recruitment remains a very high priority as engaging board certified Palliative Medicine Physicians is essential to support current and future program growth. Palliative Care Leadership staff is also exploring options for establishing and/or affiliating with a Palliative Medicine Physician Fellowship Training Program.

Recommendations/Next Steps

- (1) Finalization of PCQN/CERNER integration process to enable timely entry and analysis of clinical and financial data as well as formal benchmarking with PCQN partners.

- (2) Continued active recruitment of Palliative Medicine Physicians and formal collaboration with appropriate resources regarding the development of a Palliative Medicine Fellowship Program.
- (3) Development of A Screening Tool within the CERNER system to support early vs. late referrals for palliative consultations.

Approvals/Conclusions

Thank you for your continued support of the Palliative Care Service.

Kaweah Delta Health Care District Annual Report to the Board of Directors

Hospice Services

Lizabath McClain, MSN, RN, CHPN, Director of Hospice Services, 624-6840
March 13, 2019

Summary Issue/Service Considered

- Hospice Services continues to provide compassionate end-of-life care through symptom management, as well as family support for both pediatric and adult hospice patients. Hospice care has allowed patients to remain in their homes cared for by their families. In addition to hospice care we provide concurrent care for pediatric patients with limited life expectancy. This allows children with life limiting conditions to stay at home and reduces hospitalizations. We continue have a positive financial bottom line. Hospice has many long term employees (>10 years) reflecting that the work done at KD Hospice is valuable and we are an employer of choice.
- Total Patient Days and Average Daily Census (ADC) have decreased. Average length of stay (ALOS) has increased slightly, mostly due to the increase in pediatric concurrent care patients. The increase in the adult program ALOS is due in part to an increase in patients in assisted living facilities.
- Referrals to the adult program continue to be flat due to fewer hospital referrals, late hospice referrals, and increased competition from for-profit hospices.
- Community referrals have increased slightly due the addition of a part-time Marketing Liaison who has focused on community engagement and event that support the We Honor Veteran's program. This year the Vet to Vet volunteer program was launched and KD Hospice earned their 3rd star. We are on track to earn our 4th star by October of 2019.
- The decrease in percent of referrals admitted is due to patients not meeting CMS eligibility criteria, very late referrals resulting in the patient death before the admission can be completed, and aggressive marketing by for profit hospices. We continue to experience the national trend of later referrals and the belief that hospice is for the final days or hours of life.

	2017	2018	% Change
Total Patient days	41340	39216	-5.4%
Adults	18924	16562	-13.6%
Peds	22416	22654	1%
Average Daily Census (ADC)	113.3	107.4	-5.5%
Adults	51.8	45.4	-14%
Peds	61.4	62.1	1.1%
Average Length of Stay (ALOS)	88.7	90.1	1.6%
Adults	61	50.8	-20%

	Peds	400	379.9	-5.29%
Total Referrals		513	499	-2.8%
	Adults	472	458	-3%
	Peds	41	41	0%
% of Referrals Admitted		74%	66.94%	-10.5%
	Adults	72%	66.59%	-8.1%
	Peds	100%	95.12%	-5%
Number of Patients Served		486	456	-6.5%
	Adults	392	348	-12.6%
	Peds	94	108	14.9%

Quality/Performance Improvement Data

Quality reporting

- Hospice Item Set (HIS) data – Mandated reporting of data collected and reported to Medicare (CMS) on admission and at time of death or discharge. Reporting time frames have been met. Individual hospice data began to be publicly reported on Hospice Compare in July, 2017.
- Hospice CAHPS survey – The survey measures caregiver experience of care and is mandated by CMS. We exceed the national percentage in Communication with Family and Training family to care for patients. Scores have decrease slightly in the other measures. Data has been shared with staff and we are working on interventions to improve outcomes. Individual hospice data is publicly reported on Hospice Compare since Q4 2018. Unfortunately Hospice CAHPS data reflects lags well behind current performance covering Qtr. 2 of 2016-Qtr.1 of 2018. The data for KD Hospice is displayed in the preview report below.

CAHPS® Hospice Provider Preview Report
Reporting Period for CAHPS Hospice Survey Results: 04/01/2015-03/31/2017

Number of quarters of data included: 8
Number of completed survey included: 162

Hospice Quality Measure (NQF ID 2651)	Your Hospice's Percent	U.S. National Percent
Communication with Family	83%	80%
Getting timely help	71%	78%
Treating patient with respect	90%	91%
Emotional and spiritual support	89%	90%
Help for pain and symptoms	74%	75%
Training family to care for patient	77%	75%
Rating of this hospice	78%	81%
Willing to recommend this hospice	83%	85%

All scores are adjusted for the case mix of the hospice and the mode of survey administration.

- Safety Attitude Questionnaire – 93% of Hospice staff participated in the survey. The overall result for Hospice was 54%, compared to the overall District result of 63%

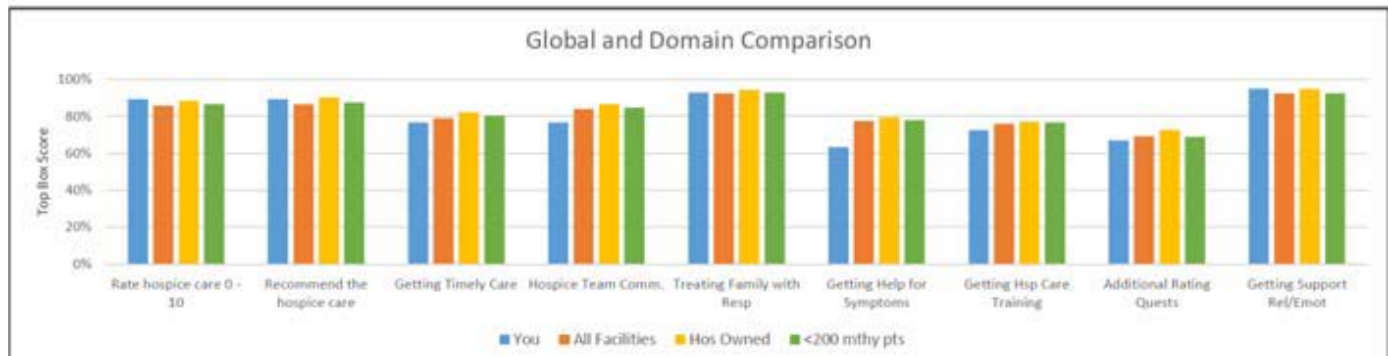
PI measures

Measures were selected from CAHPS domain questions.

- Getting timely care-Goal 78%: improved from 73.3% to 77%.
- Getting Support/Emotional – Goal of 89% was exceeded with current score of 95%.

Kaweah Delta Hospital

Surveys Received: October 2018 - December 2018



Policy, Strategic or Tactical Issues

- Renegotiated DME contract and reduced per patient day (PPD) base rate from \$7.25 to \$6.25. Non-Per Diem DME has been reduced by 41%.
- Medical supply expense goal of \$1.80 PPD was been achieved
- Implementation of General In Patient (GIP) in Spring of 2019
- Susan Buscaglia retired in February. Lizabeth McClain took over the Director of Hospice Services position in February. Analysis of state of the department is relatively new but is ongoing and rigorous.

Recommendations/Next Steps

- Ongoing collaboration with hospital-based Palliative Care Program to ensure hospice services are integrated appropriately and referral are timely.
- HD digital platform: Creation of an electronic hospice referral selection marketing tool including a video that can give patients a choice of hospices but with a positive focus on KD Hospice. This was a cost neutral project established by KD marketing.
- Improved collaboration and utilization of The Ruth Wood Open Arms House.
- Increase Kaweah Delta Hospice referrals and ADC through marketing efforts.
- Ongoing pre and post billing monitoring to ensure regulatory requirements are met and no revenue is lost.
- Electronic insurance authorizations to decrease reimbursement times.
- Cross training of staff to meet increased admissions of more complex patients.
- Maintain financial performance.
- Improve CAHPS survey results.
- Increase number of community education presentations by Director and Liaison.

- Provide more education opportunities for Skilled Nursing Facilities forging stronger relations and more referral sources.
- Implementation of General In Patient (GIP) in Spring of 2019. Education is currently underway with go live date April 1, 2019.
- Consider nurse extenders and different model of care to reduce cost and increase patient and staff satisfaction.
- Renegotiation of all contracts with goal of lowering cost of care and increasing quality.

Approvals/Conclusions

- Patient volume has decreased. Late referrals, staffing shortages due to multiple staff members on LOAs, loss of per diem nurses and nurse extender (LVN) are all contributing factors to loss in patient volume. Despite the lower patient volume hospice remained profitable for FY 2018.
- Achieved a positive contribution margin in FY 2018 of \$1,219,071.
- Family experience of care, employee satisfaction, and financial performance will remain priorities.

	Last Year	This Year
Net Revenue per Case	\$176.33	\$170.00
Direct Cost per Case	\$142.85	\$141.00
Contribution Margin per Case	\$33.48	\$30.00

Kaweah Delta Health Care District Annual Report to the Board of Directors

Skilled Nursing Facility (SNF): Transitional Care Services (TCS South and West Campus) and Subacute Care Services: Fiscal Year 2018

Lisa Harrold, Administrator (559) 624-3854

Mary Sisto, Director of Nursing

March 11, 2019

Summary Issue/Service Considered

◆ **TCS South Campus (22 bed unit):**

- Average daily census was 16, compared to 17 the prior fiscal year. The number of patients admitted increased by 32%, from 298 in fiscal year 17 to 392 in fiscal year '18. Length of stay decreased by 6 days to an average of 15 days, so total patient days were lower than prior year despite the significant increase in the number of admissions.
- Net revenue per day was \$480, an increase of 8% from \$445 the prior year, and overall net revenue increased by about 2%.
- Medi-Cal volume as a percentage of patient days decreased from 22% to 20%.
- The overall contribution margin remained negative, though improved from prior year by approximately \$68,000. Direct expense per day increased from \$620 to \$655, a 6% increase, but lower than the 10% decrease in patient days, which is a significant driver of cost per patient day. Staff hours per patient day increased by 9%.

◆ **Short Stay (SS)Ortho West Campus (16 bed unit):**

- Average daily census of 12.4 in 2018, an increase of 20% from 10.2 in 2017 and represents the overall highest volume of patient days the unit has experienced.
- Net revenue increased from \$492 to \$515 per day. Because of losses in the Humana capitation contract, revenue attributed to the programs this year was only 2/3 of regular Medicare Fee For Service revenue. For the short stay program, with 16% of its patient days coming from the Humana population, this changed the net revenue of the program by \$94,284 to the negative.
- Direct costs per day decreased from \$557 to \$539, attributable to reduced hours and salary per unit of service. Hours per patient day decreased by 10% and expense per patient day decreased by 12%.
- Contribution margin improved compared to prior year, but remained in the negative. Had the revenue attributed to the Humana population been equal to expected Medicare revenue, the program would have been at the break even mark. The Humana team believes that this will improve in the current fiscal year due to improved revenue associated with more accurate capture of patient complexity.

◆ **Sub acute (32 bed unit):**

- Average daily census was 30.9, a slight increase from the prior year.
- 83% of patient days are Medi-Cal.
- Net revenue per day of \$763 was a decrease from \$812 last year. Finance conducted a case by case review and identified several workflow issues that resulted in lost revenue, particularly with not moving eligible accounts to the correct primary

- payer on a timely basis. The team is redesigning workflows to address this going forward. In addition, internal processes for assigning adjustments in revenue to the correct payer are being reviewed. There were also a handful of commercial insurance cases that resulted in significant revenue write offs.
- Direct cost per day increased from \$570 to \$616. Staff productivity remained stable, but employment expense rose 4% and accounts for 36% of the increase in direct expenses per patient day. Increased employment expense can be attributed to a high number of leaves of absence for licensed staff, leading to higher than usual overtime and premium pay. Year to date employment expense per unit of service is running lower than prior year. The remaining portions were increased costs of drugs (31% of the variance), increased respiratory therapy costs (18%) as well as increases in lab, therapy and other allocated direct expenses.
 - As a result of these factors, contribution margin remained positive, at \$1,673,715 but was lower than the prior year.

Combined contribution margin for the District SNF program: \$523,903. As detailed in later sections of this report, some changes that will positively impact future revenue include:

- Performance in the top 3% of skilled nursing facilities nationwide on the new Value Based Purchasing measure on readmissions, resulting in a 1.6% bonus on Medicare Fee for Service payments for federal fiscal year 2019, Oct 1 2018-Sept 30, 2019. It is estimated that this will increase revenue by \$62,000 during that period, based on previous Medicare net revenue.
- Conversion to a new payment model in Oct 2019, based upon complexity of patient characteristics. CMS estimates that this new model will result in additional payments of \$600,000 to our skilled nursing programs. This would result in a positive contribution margin for both TCS and Short Stay.

Quality/Performance Improvement Data

- The overall rating of District skilled nursing programs in the Centers for Medicare/Medicaid Services (CMS) 5 star Nursing Home Compare rating program is currently 4 stars. The program continues to average 4 out of 5 stars. Measures that we scored in the 80th percentile (top 20% performance) include: Falls with major injury, UTI, Residents reported to have UTI, Increase in need for assistance with ADL's, Residents with improvement in function, Successful discharge to the community, and Percentage of Residents with outpatient emergency department visit.
- New Quality Measures were added to the CMS 5-Star rating system in 2017. These are claim-based measures (based upon Medicare claims) and the program's most recent results are:
 1. Successful discharge to the community: risk adjusted rate of 65.4 compares favorably to state and national average of 52.1% and 52.8% respectively (higher is better for this measure).
 2. Re-hospitalization after a nursing home admission: risk adjusted rate of 19.85% was below the state and national risk adjusted rate of 22.4% and 22.3%
 3. Outpatient ED visits: 6.8% risk adjusted rate compares favorably to the state rate of 11.6% and national rate of 12.6%. This is a substantial improvement since prior year, when our performance we 10.8%
- Performance improvement initiatives for the current year include:
 - We have begun a systematic process to review all transfers to the medical center from the skilled nursing units, whether planned or unplanned. A validated tool designed by Interact is being used to evaluate and track circumstances of the transfer. It is too early to detect any actionable trends, but we will be working with Dr. Caballes to assess the data regularly.

- Continued focus on reduction of urinary tract infection together with antibiotic stewardship to ensure that antibiotics are used only when indicated and that the appropriate antibiotic is used.
- Skilled Nursing Value Based Purchasing involves one measure, all cause readmissions. The first performance period results were released in summer 2018. Kaweah Delta's program was one of only 3% of skilled nursing facilities in the nation that achieved the highest attainable program rank, resulting in bonus payments of 1.6% on all Medicare fee for service claims submitted between Oct 1, 2018 –Sept 30 2019. It is estimated this will bring in an additional \$62,000 in revenue. Clinical leadership and medical directors are conducting ongoing monitoring of all readmissions to evaluate and correct preventable causes of readmissions.

Policy, Strategic or Tactical Issues

- ◆ Dr Peter Caballes is now medical director for TCS. He has been the primary physician managing these patients over the last several years, significantly improving the consistency of medical care and collaboration for that program. As medical director he has actively engaged in performance improvement efforts and has established ongoing meetings with leadership.
- ◆ Medicare's payment model for skilled nursing will change, effective Oct 1, 2019. The new model focuses on patient characteristics that drive care costs, rather than the focus on services provided that is central to the current model. The new model will shift reimbursement away from rehabilitation and more to medical management. In general, hospital based SNF programs are expected to receive higher reimbursement under this model. CMS estimates that Kaweah Delta's SNF program will see a \$600,000 increase in payment. Initial education of billing and coding staff underway. Clinical staff training will be planned for spring/summer.
- ◆ A monthly meeting has been established with Patient Accounting to review denials and underpayments in each of the inpatient post-acute settings (rehab and skilled nursing) in order to ensure that any issues or trend in collection of revenue are addressed. The nursing leadership team has also initiated monthly meetings to review performance reports so that any trends in staff hours or skill mix that are of concern can be more closely monitored and addressed.
- ◆ CMS revised the conditions of participation for skilled nursing facilities in a comprehensive document that is entering its final year of a three year implementation period. One of the most significant new requirements that goes into effect November 2019 involves having a trained infection preventionist assigned at least part time to the skilled nursing program. Discussions with the District Infection Prevention team are underway to strategize how to meet this requirement. Additional new requirements include: 1) services must be culturally competent and trauma informed in order to mitigate triggers that may cause re-traumatization 2) quality improvement program must include systems to obtain and use feedback from staff and residents and how information will be used to identify high risk, high volume or problem prone issues. Annual project focused on high risk or problem prone areas required.
- ◆ 2018 annual CDPH survey included both the new CMS COP and Title 22 this past year. There were no deficiency of care findings, and a medication error rate of 0%. Star rating scoring in the survey category continued at the 3 star rating. All identified deficiencies were addressed and demonstrated 100% compliance in subsequent monitoring. Because of significant changes to the COP coming into effect in 2017 and 2018, combined with CDPH implementation of new on-line survey reporting process, the weighting of survey findings were frozen across the country for 2018. The survey took place end-May, in close timing to our Cerner migration. The team was able to navigate the system effectively, even with just a few weeks of use prior to survey.

- ◆ Physical plant improvement for the coming year includes replacement of the roof of the entire Court Street facility. This ambitious project is expected to begin in early April and take 8-12 weeks to complete
- ◆ Kaweah Delta has joined a local collaborative effort in Fresno, Tulare and Kings counties to establish a memorandum of understanding that would allow for transfer of patients in emergency situations.
- ◆ We have fully implemented the Cerner EMR platform across the skilled nursing areas. Many opportunities for optimization have been identified for 2019. The Cerner system now affords us a single unified system to document patient condition, and also to complete and submit the MDS. (Prior to the conversion, Kaweah Skilled Nursing had to move between our current EMR and a separate program for completion and submission of the MDS).
- ◆
- ◆ We continue our engagement with California Hospital Association Center for Post-Acute Care through involvement with advisory board and facilitation of skilled nursing monthly forum for members.

Recommendations/Next Steps

- ◆ Continue our work to monitor transfers to acute care during skilled nursing stay as well as acute care re-admissions after discharge to community. Work together with our medical directors to identify any trends, and develop action plans to minimize re-admissions.
- ◆ Continue efforts to improve quality measure ratings, with goal of overall 5 star rating for the facility.
- ◆ Optimize effectiveness of new Cerner product by ensuring accuracy of data entry, and coaching team with best charting practices, particularly in documentation that will impact the MDS Assessment submissions and billing.
- ◆ Strategize approach to annual survey preparation. A continued focus this year will be to increase staff effectiveness with retrieving data from the EMR. We expect the surveyors to be more proficient with their own software, and so be more attentive to our effectiveness with ours. Include all ancillary departments in survey readiness activities to reduce number of incidental findings where possible. Have more strategic, advanced material available for ready reference by surveyors
- ◆ Continue close partnership with LTC pharmacist and KD antimicrobial stewardship program.
- ◆ Continue to support and grow our unit based safety (CUSP) team on South Campus; develop a CUSP team for West Campus. Continue to work on safety issues identified by CUSP teams, as well as by annual Safety Attitudes Questionnaire
- ◆ Ensure full implementation of new requirements in the conditions of participation.

Approvals/Conclusions

- ◆ Assure compliance with all regulatory requirements
- ◆ Work to improve contribution margin by optimizing reimbursement while controlling costs.
- ◆ Continue to develop clinical practice and documentation and achieve increased ratings on quality measures

**Kaweah Delta Health Care District
Annual Report to the Board of Directors
Financial & Statistical Information**

Transitional Care Services (excludes Short Stay Unit)

Lisa Harrold, Director (ext. 3854)

February 2019

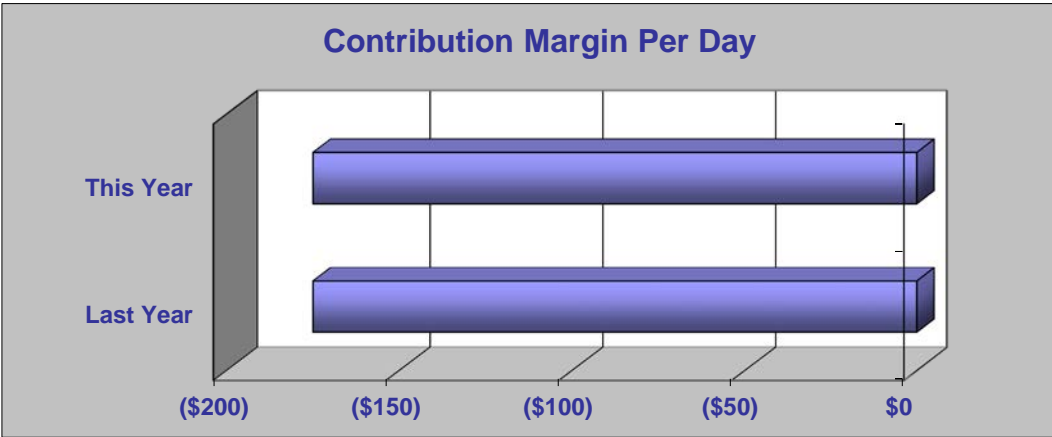
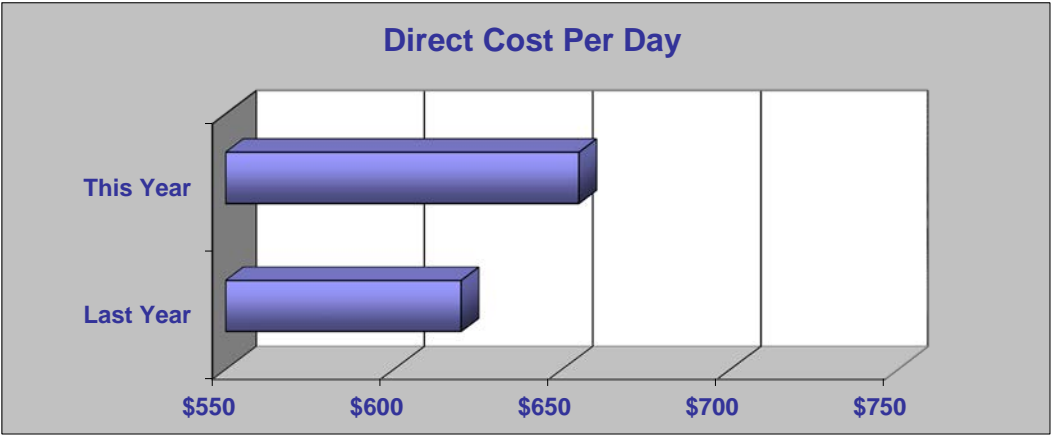
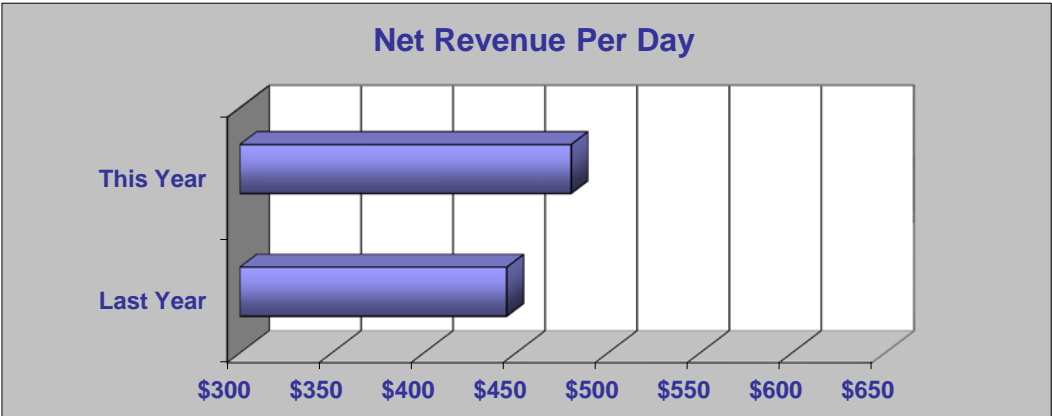
Service Line Report Data: Fiscal Year 2018 (Annualized on Ten Months)

Service	Patient Days	Net Revenue	Direct Costs	Contribution Margin	Indirect Costs	Net Income
Transitional Care Services	5,950	\$2,855,333	\$3,896,292	(\$1,040,959)	\$1,786,690	(\$2,827,649)
Grand Total	5,950	\$2,855,333	\$3,896,292	(\$1,040,959)	\$1,786,690	(\$2,827,649)
Total per Patient Day		480	655	(175)	300	(475)

Service Line Report Data: Fiscal Year 2017

Service	Patient Days	Net Revenue	Direct Costs	Contribution Margin	Indirect Costs	Net Income
Transitional Care Services	6,323	\$2,810,913	\$3,919,592	(\$1,108,679)	\$1,486,108	(\$2,594,787)
Grand Total	6,323	2,810,913	3,919,592	(1,108,679)	1,486,108	(2,594,787)
Total per Patient Day		445	620	(175)	235	(410)

Increase (Decrease)	(373)	\$44,420	(\$23,300)	\$67,720	\$300,582	(\$232,862)
Total per Patient Day		7.9%	5.6%	-0.2%	27.8%	15.8%



	<u>Last Year</u>	<u>This Year</u>	<u>Difference</u>
Net Revenue Per Day	\$445	\$480	\$ 35
Direct Cost Per Day	\$620	\$655	\$ 35
Contribution Margin Per Day	(\$175)	(\$175)	\$ -

**Kaweah Delta Health Care District
Annual Report to the Board of Directors
Financial & Statistical Information**

Transitional Care Services: Short Stay Unit

Lisa Harrold, Director (ext. 3854)

February 2019

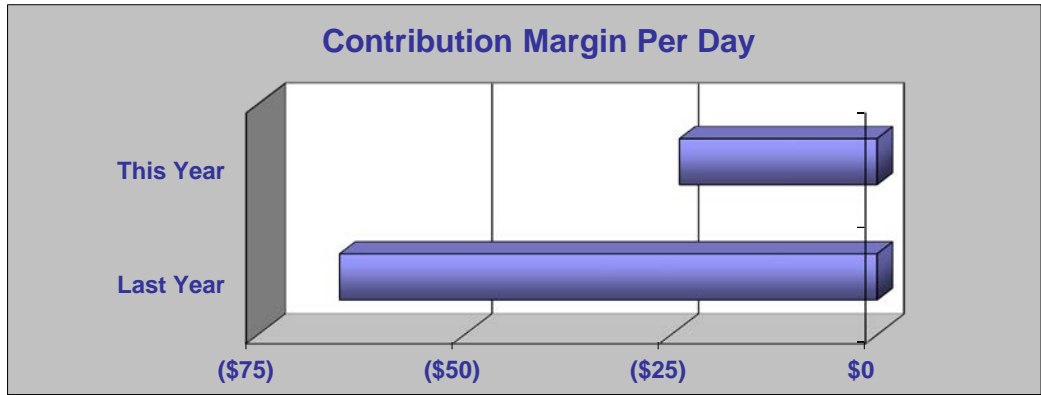
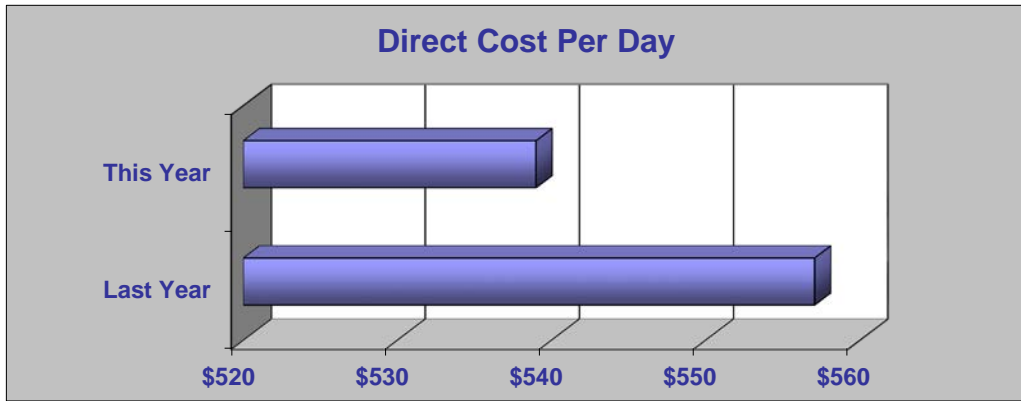
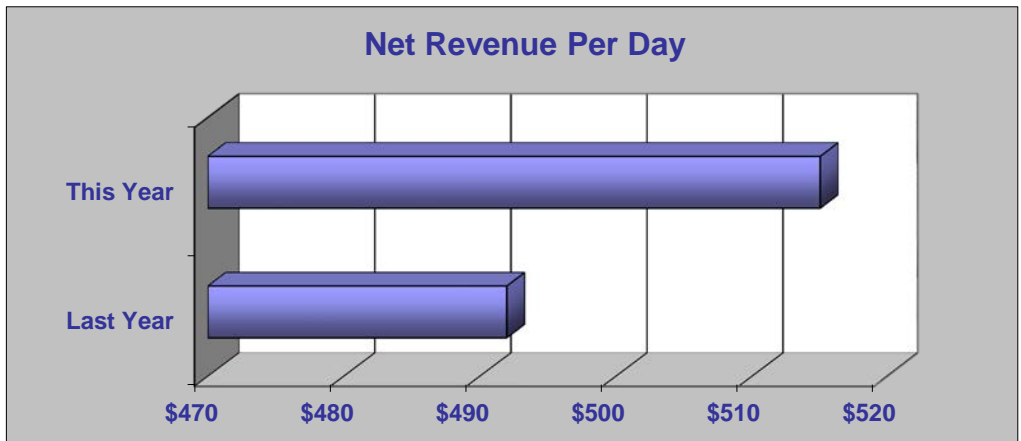
Service Line Report Data: Fiscal Year 2018 (Annualized on Ten Months)

Service	Patient Days	Net Revenue	Direct Costs	Contribution Margin	Indirect Costs	Net Income
TCS Short Stay	4,476	\$2,302,967	\$2,411,820	(\$108,853)	\$1,401,714	(\$1,510,567)
Grand Total	4,476	\$2,302,967	\$2,411,820	(\$108,853)	\$1,401,714	(\$1,510,567)
Total per Patient Day		515	539	(24)	313	(337)

Service Line Report Data: Fiscal Year 2017

Service	Patient Days	Net Revenue	Direct Costs	Contribution Margin	Indirect Costs	Net Income
Unit opened March 2009	3,719	\$1,829,596	\$2,071,780	(\$242,184)	\$870,236	(\$1,112,420)
Grand Total	3,719	\$1,829,596	\$2,071,780	(\$242,184)	\$870,236	(\$1,112,420)
Total per Patient Day		492	557	(65)	234	(299)

Increase (Decrease)	757	\$473,371	\$340,040	\$133,331	\$531,478	(\$398,147)
Total per Patient Day		4.6%	-3.3%	-62.7%	33.8%	12.8%



	<u>Last Year</u>	<u>This Year</u>	<u>Difference</u>
Net Revenue Per Day	\$492	\$515	\$ 23
Direct Cost Per Day	\$557	\$539	\$ (18)
Contribution Margin Per Day	(\$65)	(\$24)	\$ 41

**Kaweah Delta Health Care District
Annual Report to the Board of Directors
Financial & Statistical Information**

Subacute

Lisa Harrold, Director (ext. 3854)

February 2019

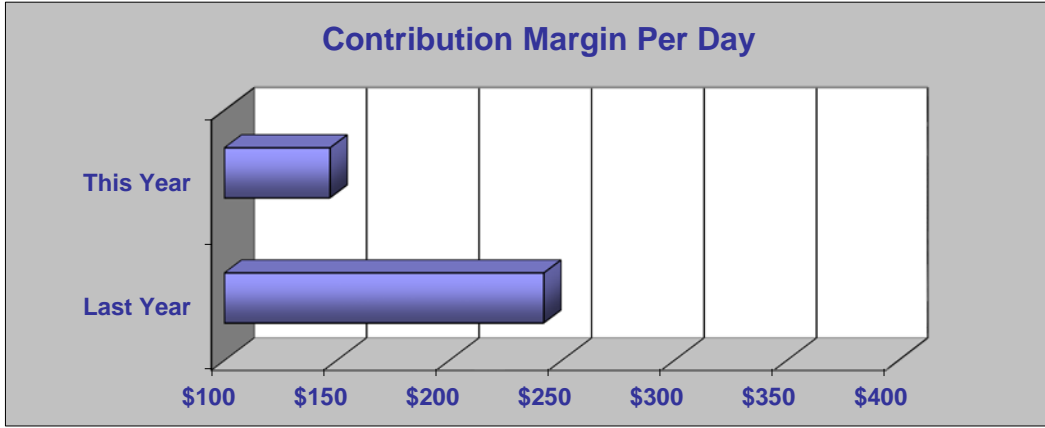
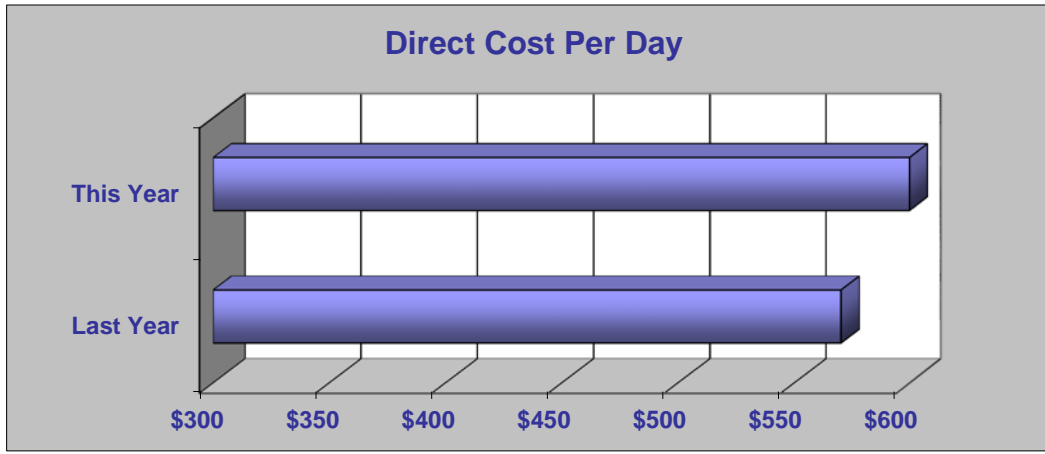
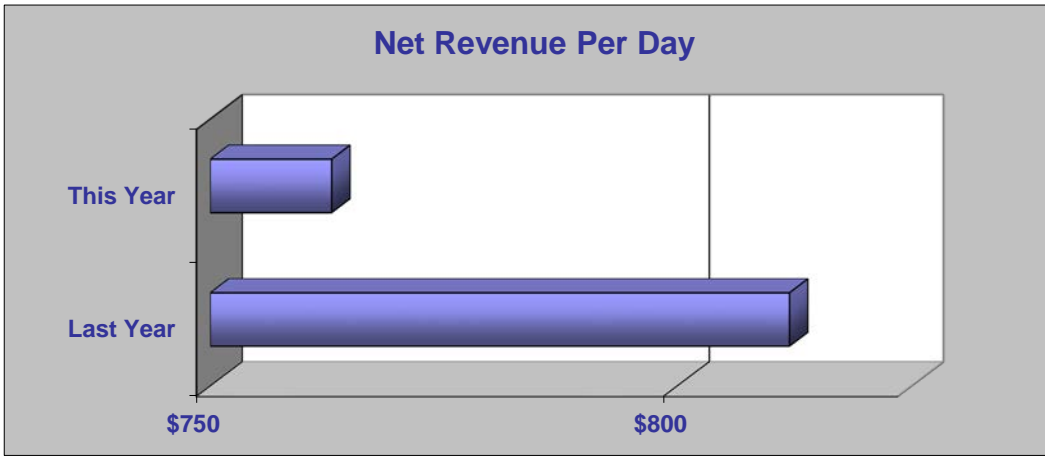
Service Line Report Data: Fiscal Year 2018 (Annualized on Ten Months)

Service	Patient Days	Net Revenue	Direct Costs	Contribution Margin	Indirect Costs	Net Income
Subacute	11,389	\$8,694,821	\$7,021,106	\$1,673,715	\$3,004,550	(\$1,330,835)
Grand Total	11,389	\$8,694,821	\$7,021,106	\$1,673,715	\$3,004,550	(\$1,330,835)
Total per Patient Day		763	616	147	264	(117)

Service Line Report Data: Fiscal Year 2017

Service	Patient Days	Net Revenue	Direct Costs	Contribution Margin	Indirect Costs	Net Income
Subacute	11,166	\$9,063,020	\$6,365,954	\$2,697,066	\$2,592,434	\$104,632
Grand Total	11,166	9,063,020	6,365,954	2,697,066	2,592,434	104,632
Total per Patient Day		812	570	242	232	9

Increase (Decrease)	223	(\$368,199)	\$655,152	(\$1,023,351)	\$412,116	(\$1,435,467)
Total per Patient Day		-5.9%	8.1%	-39.2%	13.6%	-1347.0%



	<u>Last Year</u>	<u>This Year</u>	<u>Difference</u>
Net Revenue Per Day	\$812	\$763	(49)
Direct Cost Per Day	\$570	\$616	46
Contribution Margin Per Day	\$242	\$147	(95)

District Bylaws

Article I The District and Its Mission

- Section 1** Kaweah Delta Health Care District is a community venture, operating under the authority granted through the California Health and Safety Code as a health care district. The purpose of the District is to provide quality health care within defined areas of expertise. It is the intent of the District that no person shall be denied emergency admission or emergency treatment based upon ability to pay. It is further the intent of the District that no person shall be denied admission or treatment based upon race, color, national origin, ethnic, economic, religious or age status or on the basis of sexual preference. The medical welfare of the community and its particular health needs will be fulfilled to the capacity of the District's financial limitations.
- Section 2** Kaweah Delta Health Care District operates under the authority of California Code for a health care district. {California Health & Safety Code – Division 23 – Hospital Districts – Sections 32000-32492} As such, Kaweah Delta Health Care District is publicly owned and operates as a non-profit entity.
- Section 3** As permitted by law, the District may, by resolution of the Board, conduct any election by all-mailed ballots pursuant to Division 4 (commencing with Section 4,000) of the California Elections Code.
- Section 4** The Mission of Kaweah Delta Health Care District is; Health is our passion. Excellence is our focus. Compassion is our promise. .
- Section 5** The Vision of Kaweah Delta Health Care District is; To be your world-class healthcare choice, for life.
- Section 6** The Pillars of Kaweah Delta Health Care District are:
1. Achieve outstanding community health
 2. Deliver excellent service
 3. Provide an ideal work environment
 4. Empower through education
 5. Maintain financial strength

Section 7 The mission, vision, and pillars of the District support the safety and quality of care, treatment, and service {Joint Commission Standard LD.02.01.01}

Section 8 The Code of Conduct of Kaweah Delta Health Care District is a commitment to ethical and legal business practices, integrity, accountability and excellence. The Code is a founding document of the Compliance Program, developed to express Kaweah Delta’s understanding and obligation to comply with all applicable laws and regulations {Joint Commission Standard LD.04.01.01}

Article II The Governing Body

Section 1 The Governing Body of the Kaweah Delta Health Care District is a Board of Directors constituted by the five (5) publicly elected directors, who are elected by zone, each for four (4) year terms, with two (2) being elected on staggered terms and three (3) being elected two (2) years later on staggered terms. {Health and Safety Code 32100} The election of the directors is to conform with the applicable California Code. {Government Code 1780} This publicly elected Governing Body is responsible for the safety and quality of care, treatment, and services, establishes policy, promotes performance improvement, and provides for organizational management and planning {Joint Commission Standard LD.1.1.10}.

Section 2 The Governing Body, in accordance with applicable California Code, adopts the Bylaws of the District.

Section 3 The principal office of the District is located at Kaweah Delta Medical Center - Acequia Wing, Executive Offices, 400 West Mineral King Avenue, Visalia, CA 93291. Correspondence to the Board should be addressed to the Board of Directors at this address. The District also maintains a Web site at www.kawahdelta.org. All noticed meeting agendas and supporting materials for Board meetings and Board committee meetings can be obtained at www.kawahdelta.org/About-Us/Board-of-Directors.

Section 4 The duties and the responsibilities of the Governing Body are:
PRIMARY RESPONSIBILITY - This Board’s primary responsibility is to develop and follow the organization’s mission statement, which leads to the development of specific policies in the four key areas of:

- A. Quality Performance
- B. Financial Performance
- C. Planning Performance
- D. Management Performance

The Board accomplishes the above by adopting specific outcome targets to measure the organization’s performance. To accomplish this, the Board must:

- 1) Establish policy guidelines and criteria for implementation of the mission. The Board also reviews the mission statements of any subsidiary units to ensure that they are consistent with the overall mission.

- 2) Evaluate proposals brought to the Board to ensure that they are consistent with the mission statement. Monitor programs and activities of the hospital and subsidiaries to ensure mission consistency.
 - 3) Periodically review, discuss, and if necessary, amend the mission statement to ensure its relevance.
- A. QUALITY PERFORMANCE RESPONSIBILITIES - This Board has the final moral, legal, and regulatory responsibility for everything that goes on in the organization, including the quality of services provided by all individuals who perform their duties in the organization's facilities or under Board sponsorship. To exercise this quality oversight responsibility, the Board must:
- 1) Understand and accept responsibility for the actions of all physicians, nurses, and other individuals who perform their duties in the organization's facilities.
 - 2) Review and carefully discuss quality reports that provide comparative statistical data about services, and set measurable policy targets to ensure continual improvement in quality performance.
 - 3) Carefully review recommendations of the Medical Staff regarding new physicians who wish to practice in the organization and be familiar with the termination and fair hearing policies.
 - 4) Reappoint individuals to the Medical Staff using comparative outcome data to evaluate how they have performed since their last appointment.
 - 5) Appoint physicians to governing body committees and seek physician participation in the governance process to assist the Board in its patient quality-assessment responsibilities.
 - 6) Fully understand the Board's responsibilities and relationships with the Medical Staff and maintain effective mechanisms for communicating with them.
 - 7) Regularly receive and discuss malpractice data reflecting the organization's experience and the experience of individual physicians who have been appointed to the Medical Staff.
 - 8) Adopt a Performance Improvement Plan and Risk Management Plan for the District and provide for resources and support systems to ensure that the plans can be carried out.
 - 9) Regularly receive and discuss data about the Medical Staff to assure that future staffing will be adequate in terms of ages, numbers, specialties, and other demographic characteristics.
 - 10) Ensure that management reviews and assesses the attitudes and opinions of those who work in the organization to identify strengths, weaknesses, and opportunities for improvement.
 - 11) Monitor programs and services to ensure that they comply with policies and standards relating to quality.

- 12) Take corrective action when appropriate and necessary to improve quality performance.
- B. FINANCIAL PERFORMANCE RESPONSIBILITIES - This Board has the ultimate responsibility for the financial soundness of the organization. To accomplish this the Board must:
- 1) Annually review and approve the overall financial plans, budgets {Joint Commission Standard LD.04.01.03}, and policies for implementation of those plans and budgets on a short and long term basis. The plan must include and identify in detail the objective of, and the anticipated sources of financing for each anticipated capital expenditure:
 - 2) Approve an annual audited financial statement prepared by a major accounting firm and presented directly to the Board of Directors.
 - 3) Approve any specific expenditure in excess of \$75,000, which is not included in the annual budget
 - 4) Approve financial policies, plans, programs, and standards to ensure preservation and enhancement of the organization's assets and resources.
 - 5) Monitor actual performance against budget projections and review and adopt ethical financial policies and guidelines.
 - 6) Review major capital plans proposed for the organization and its subsidiaries.
 - 7) Approve all contracts, whether directly, or by authority delegated to a committee or to the Chief Executive Officer or his designee(s)
- C. PLANNING PERFORMANCE RESPONSIBILITIES - The Board has the final responsibility for determining the future directions that the organization will take to meet the community's health needs. To fulfill this responsibility, the Board must:
- 1) Review and approve a comprehensive strategic plan and supportive policy statements.
 - 2) Develop long term capital expenditure plans as a part of its long range strategic planning.
 - 3) Determine whether or not the strategic plan is consistent with the mission statement.
 - 4) Assess the extent to which plans meet the strategic goals and objectives that have been previously approved.
 - 5) Periodically review, discuss, and amend the strategic plan to ensure its relevance for the community.
 - 6) Regularly review progress towards meeting goals in the plan to assess the degree to which the organization is meeting its mission.
 - 7) Annually meet with the leaders of the Medical Staff to review and analyze the health care services provided by the District and to discuss long range planning for the District.

- D. MANAGEMENT PERFORMANCE RESPONSIBILITIES - The Board is the final authority regarding oversight of management performance by our Chief Executive Officer, Compliance and Privacy Officer, and Director of Internal Audit and support staff. To exercise this authority, the Board must:
- 1) Oversee the recruitment, employment, and regular evaluations of the performance of the Chief Executive Officer, the Compliance and Privacy Officer, and the Director of Internal Audit.
 - 2) Evaluate the performance of the CEO annually using goals and objectives agreed upon with the CEO at the beginning of the evaluation cycle. Provide input to and have final approval of the annual evaluations of the Compliance and Privacy Officer, and the Director of Internal Audit.
 - 3) Communicate regularly with the CEO, the Compliance and Privacy Officer and the Director of Internal Audit regarding goals, expectations, and concerns.
 - 4) Periodically survey CEO, Compliance and Privacy Officer, and Director of Internal Audit employment arrangements at comparable organizations to assure the reasonableness and competitiveness of our compensation package.
 - 5) Periodically review management succession plans to ensure leadership continuity.
 - 6) Ensure the establishment of specific performance policies which provide the CEO, the Compliance and Privacy Officer, and the Director of Internal Audit with a clear understanding of what the Board expects, and ensure the update of these policies based on changing conditions.
- E. The Board is also responsible for managing its own governance affairs in an efficient and successful way. To fulfill this responsibility, the Board must:
- 1) Evaluate Board performance annually. Members of the governing body are elected by the public and, accordingly, are judged on their individual performance by the electorate.
 - 2) Maintain written conflict-of-interest policies that include guidelines for the resolution of existing or apparent conflicts of interest. {Board of Directors policy BOD.05 – Conflict of Interest}
 - 3) Participate both as a Board and individually in orientation programs and continuing education programs both within the organization and externally. As such, the District shall reimburse reasonable expenses for both in-state and out-of-state travel for such educational purposes {Board Of Directors policy BOD.06 – Board Reimbursement for Travel and Service Clubs} {Health and Safety Code 32103}
 - 4) Periodically review Board structure to assess appropriateness of size, diversity, committees, tenure, and turnover of officers and chairpersons.

- 5) Assure that each Board member understands and agrees to maintain confidentiality with regard to information discussed by the Board and its committees.
- 6) Assure that each Board member understands and agrees to adhere to the Brown Act ensuring that Board actions be taken openly, as required, and that deliberations be conducted openly, as required.
- 7) Adopt, amend, and if necessary repeal the articles and bylaws of the organization.
- 8) Maintain an up-to-date Board policy manual, which includes specific policies covering oversight responsibilities in the area of quality performance, financial performance, strategic planning performance, and management performance.
- 9) Review the District's Mission, Vision & Pillar statements every two years.

Section 5 The Board of Directors of the Kaweah Delta Health Care District shall hold regular meetings at a meeting place on the premises of the Kaweah Delta Health Care District on the fourth Monday of each month, as determined by the Board of Directors each month. {Health and Safety Code 32104}

The Board of Directors of the Kaweah Delta Health Care District may hold a special meeting of the Board of Directors as called by the President of the Board or in his/her absence the Vice President. In the absence of these officers of the Board a special meeting may be called by a majority of the members of the Board. A special meeting requires a 24-hour notice before the time of the meeting {Government Code 54956}.

Meetings of the Board of Directors shall be noticed and held in compliance with the applicable California Code for Health Care Districts. {The Ralph M. Brown Act - Government Code 54950}

Sections 32100.2 and 32106 of the Health and Safety Code of the State of California, as amended, indicate the attendance and quorum requirements for members of the Board of Directors of any health care district in the State of California. For general business the Board may operate under the rules of a small committee, however, upon the request of any member of the Governing Body immediate implementation of the Standard Code of Parliamentary Procedure (Roberts Rules of Order) shall be adopted for the procedure of that meeting.

Section 6 The President of the Board of Directors shall appoint the committees of the Board and shall appoint the Chairperson and designate the term of office in a consistent and systematic approach. All committees of the Governing Body shall have no more than two (2) members of the Governing Body upon the committee and both Board members shall be present prior to the Board committee meeting being called to order. All committees of the Governing Body shall serve as extensions of the Governing Body and report back to the Governing Body for action. Minutes of all committee meetings shall be

distributed to all members of the Governing Body in such fashion that discussion and recommendations to the Governing Body are clearly presented.

The President of the Board of Directors may appoint, with concurrence of the Board of Directors, any special committees needed to perform special tasks and functions for the District.

Any special committee shall limit its activities to the task for which it was appointed, and shall have no power to act, except as specifically conferred by action of the Board of Directors.

The Chief of Staff shall be notified and shall facilitate Medical Staff participation in any Governing Board Committee that deliberates the discharge of Medical Staff responsibility.

The standing committees of the Governing Body are:

A. Audit and Compliance Committee

The membership of this committee shall consist of two (2) Board members (the Board President or Secretary/Treasurer shall be a standing member of this committee), the Chief Executive Officer (CEO), Chief Financial Officer (CFO), Chief Operating Officer (COO), the Director of Internal Auditor, Compliance and Privacy Officer, Compliance Specialist, legal counsel, and any other members designated by the Board President. The Committee will engage an outside auditor, meet with them pre audit and post audit, and review the audit log of the internal auditor. The Committee will examine and report on the manner in which management ensures and monitors the adequacy of the nature, extent and effectiveness of compliance, accounting and internal control systems. The Committee shall oversee the work of those involved in the financial reporting process including the internal auditors and the outside auditors, to endorse the processes and safeguards employed by each. The Committee will encourage procedures and practices that promote accountability among management, ensuring that it properly develops and adheres to a compliant and sound system of internal controls, that the internal auditor objectively assesses management's accounting practices and internal controls, and that the outside auditors, through their own review, assess management and the internal auditor's practices. This committee shall supervise all of the compliance activities of the District, ensuring that Compliance and Internal Audit departments effectively facilitate the prevention, detection and correction of violations of law, regulations, and/or District policies. The Compliance and Privacy Officer will review and forward to the full Board a written Quarterly Compliance Report.

This committee, on behalf of the Board of Directors, shall be responsible for overseeing the recruitment, employment, evaluation and dismissal of the Compliance and Privacy Officer and the Director of Internal Audit. These responsibilities shall be performed primarily by the CEO and/or the CEO's designees, but final decisions on such matters shall rest with this committee, acting on behalf of the full Board.

B. Human Resources

The membership of this committee shall consist of two (2) Board members, the Chief Executive Officer (CEO), the Vice President of Human Resources, the Chief Nursing Officer (CNO) and any other members designated by the Board President. This committee shall review and approve all personnel policies. This committee shall annually review and recommend changes to the Salary and Benefits Program, the Safety Program and the Workers' Compensation Program. This committee will annually review the workers compensation report, competency report & organizational development report.

C. Finance / Property, Services & Acquisition Committee

The membership of this committee shall consist of two (2) Board members - (the Board President or Secretary/Treasurer will be a standing member of this committee), the Chief Executive Officer (CEO), the Chief Financial Officer (CFO), the Chief Operations Officer (COO), VP Strategic Planning and Business Development, the Facilities Planning Director, and any other members designated by the Board President.

This committee will oversee the financial health of the District through careful planning, allocation and management of the District's financial resources and performance. To oversee the construction, improvement, and maintenance of District property as well as the acquisition and sale of property which is essential for the Health Care District to carry out its mission of providing high-quality, customer-oriented, and financially-strong healthcare services.

1. Community-Based Planning Committee

The membership of this sub-committee shall consist of two (2) Board members {Board President or Secretary/Treasurer shall be a standing member of this committee}, CEO, Facilities Planning Director and any other members designated by the Board President as they deem appropriate to the topic(s) being considered: community leaders including but not limited to City leadership, Visalia Unified School District (VUSD) leadership, College Of the Sequoias leadership, County Board of Supervisors, etc.

The membership of this sub-committee shall meet with other community representatives to develop appropriate mechanisms to provide for efficient implementation of current and future planning of District facilities and services and to achieve mutual goals and objectives.

D. Governance & Legislative Affairs Committee

The membership of this committee shall consist of two (2) Board members {the Board President or the Board Secretary/Treasurer}, the CEO and any other members designated by the Board President. Committee activities will include; reviewing Board committee structure,

calendar, bylaws and, planning the Board self-evaluation, and monitor conflict of interest. Legislative activities will include; establishing the legislative program scope & direction for the District, annually review appropriation request to be submitted by the District, effectively communicating and maintaining collegial relationships with local, state, and nationally elected officials.

E. Information Systems Steering Committee

The membership of this committee shall consist of two (2) Board members, the CEO, CFO, COO, CNO, CMO, the Chief Information Officer (CIO), the Medical Director of Informatics, and any other members designated by the Board President. This committee shall supervise the Information Systems projects of the District.

F. Marketing and Public Affairs Committee

The membership of this committee shall consist of two (2) Board members and the CEO, the VP of Strategic Planning and Business Development, the Marketing Director, and any other members designated by the Board President.

This committee shall oversee marketing and public affairs activities in the District in order to increase the primary and secondary market share in all service areas. Additionally, create a brand that builds preference for Kaweah Delta in the minds of consumers and creates a public image that instills trust, confidence, and is emblematic of Kaweah Delta's mission statement. Further develops and fosters a positive perception that will attract the highest caliber of employees and medical staff.

G. Quality Council

The membership of this committee shall consist of two (2) Board members, the CEO or designate, the CMO, CNO, , the Chief of the Medical Staff, the chair of the Professional Staff Quality Committee (Prostaff), the Medical Directors of Quality and Patient Safety, Director of Quality and Patient Safety, Director of Risk Management, and members of the Medical Staff as designated by the Board.

This committee shall review and recommend approval of the annual Quality Improvement (QI) plan and Patient Safety plans to the Board of Directors, determine priorities for improvement, monitor key outcomes related to Quality Focus Team activities, evaluate clinical quality, patient safety, and patient satisfaction, monitor and review risk management activities and outcomes, evaluate the effectiveness of the performance improvement program, foster commitment and collaboration between the District and Medical Staff for continuous improvement, and review all relevant matters related to Quality within the institution, including Performance Improvement, Peer Review, Credentialing/Privileging and Risk Management..

H. Strategic Planning Committee

The membership of this committee shall consist of two (2) Board members, the CEO, VP of Strategic Planning and Business Development,

other Executive Team members, Medical Staff Officers, Immediate past Chief of Staff along with other members of the Medical Staff as designated by the Board and the CEO.

This committee shall review the budget plan, review the strategic plan and organize objectives, review changes or additions to service lines and plan MD / Board retreat.

The Strategic Planning Committee will provide oversight and forward to the full Board the following reports:

1. Review of the Strategic Plan Annually
2. Strategic Plan initiatives progress and follow-up bi-monthly to full Board.

I. Independent Committees

The following independent committees will have Board member participation.

1. Quail Park
2. Sequoia Surgery Center
3. Sequoia Regional Cancer Center – Medical & Radiation
4. KDHCD Retirement Committee
5. Kaweah Delta Hospital Foundation Board of Directors
6. TKC Development, LLC – The Board President shall serve as General Manager for TKC Development, LLC.
7. Medical Staff Organization’s Graduate Medical Education Committee (GMEC)
8. Cypress Company LLC
9. Kaweah Delta Medical Foundation
10. Sequoia Integrated Health Board of Managers

J. Medical Affairs

- 1) A member of the Board, as appointed by the President, shall also serve on the following Medical Staff Committees:
 - a) Joint Conference & Planning Committee - This committee shall regularly meet to discuss current issues/concerns with Medical Staff, Board, and Administration.
 - b) Credentials Committee - The Board shall participate in this committee to observe the Medical Staff process.

Section 7 The Governing Body Bylaws:

The Governing Body Bylaws and any changes thereto may be adopted at any regular or special meeting by a legally constituted quorum of the Governing Body. All portions of Governing Body Bylaws must be in compliance with applicable California Code, which is the ruling authority.

Any member of the Governing Body may request a review for possible revision of the Bylaws of the District.

The Chief Executive Officer and the Governing Body shall review the Bylaws and recommend appropriate changes every year.

Section 8 Members of the Governing Body shall annually sign a job description which outlines the duties and responsibilities of the Governing Body members including but not limited to adherence to the Board conflict of interest policy {Board of Directors policy - BOD5 – Conflict of Interest}, District confidentiality, and the Brown Act.

Section 9 Members of the Governing Body are publicly elected. The members of the Governing Body are expected to participate actively in the functions of the Governing Body and its committees and to serve the constituency who elected them. Notwithstanding any other provision of law, the term of any member of the board of directors shall expire if he or she is absent from three consecutive regular meetings, or from three of any five consecutive meetings of the board and the board by resolution declares that a vacancy exists on the board {Health and Safety Code 32100.2}.

Section 10 The Chief Executive Officer shall provide an orientation program to all newly elected members of the Governing Body. {Board of Directors policy – BOD1 – Orientation of a New Board Member} All members of the Board of Directors shall be provided with current copies of the District Bylaws and the Medical Staff Bylaws and any revisions of these Bylaws.

Section 11 All members of the Governing Body shall be provided with a copy of the Bylaws which govern the Board of Directors, a job description for the District Governing Body and the Board President or Individual Board Member as applicable.

Article III Officers of the Board

Section 1 The offices of President, Vice President, and Secretary/Treasurer shall be selected at the first regular meeting in December of a non-election year of the District. To hold the office of President, Vice President, or Secretary/Treasurer, a Board member must have at least one year of service on the Board of Directors. These officers shall hold office for a period of two (2) years or until the successors have been duly elected (or in the case of an unfulfilled term, appointed) and qualified. The officer positions shall be by election of the Board itself.

Section 2 The duties and responsibilities of the Governing Body President are:

- A. Keep the mission of the organization at the forefront and articulates it as the basis for all Board action.
- B. Understand and communicate the roles and functions of the Board, committees, Medical Staff, and management.
- C. Understand and communicate individual Board member, Board leader, and committee chair responsibilities and accountability.
- D. Act as a liaison between the Board, management, and Medical Staff.

- E. Plan agendas.
- F. Preside over the meetings of the Board.
- G. Preside over or attend other Board, Medical Staff, and other organization meetings.
- H. Enforce Board and hospital bylaws, rules, and regulations (such as conflict of interest and confidentiality policies).
- I. Appoint Board committee chairs and members in a consistent and systematic approach.
- J. Act as a liaison between and among other Boards in the healthcare system.
- K. Direct the committees of the Board, ensuring that the committee work plans flow from and support the hospital and Board goals, objectives, and work plans.
- L. Provide orientation for new Board members and arrange continuing education for the Board.
- M. Ensure effective Board self-evaluation.
- N. Build cohesion among the leadership team of the Board President, CEO, and Medical Staff leaders.
- O. Lead the CEO performance objective and evaluation process.

Section 3 The duties and responsibilities of the Governing Body Vice President are:

- A. The Vice President shall act as President in the absence of the President or the Secretary/Treasurer in the absence of the Secretary/Treasurer, and so acting shall have all the responsibility and authority of that position.

Section 4 The Secretary/Treasurer shall act as the Secretary for the Board of Directors of Kaweah Delta Health Care District and in so doing shall:

- A. maintain minutes of all meetings of the Board of Directors;
- B. be responsible for the custody of all records and for maintaining records of the meetings;
- C. be assured that an agenda is prepared for all meetings.

Section 5 The Secretary/Treasurer shall be custodian of all funds of Kaweah Delta Health Care District as well as the health care facilities operated by the District. The Secretary/Treasurer shall assure that administration is using proper accounting systems; that this is a true and accurate accounting of the transactions of the District; that these transactions are recorded and accurate reports are regularly reported to the Board of Directors. The Secretary/Treasurer in conjunction with the Board Audit and Compliance Committee shall see that a major accounting firm provides ongoing overview and scrutiny of the fiscal aspects of the District,

and shall further assure that an annual audit is prepared by a major accounting firm and presented directly to the Board of Directors.

Article IV The Medical Staff

Section 1 The Governing Body shall appoint the Medical Staff composed of licensed physicians, surgeons, dentists, podiatrists, clinical psychologists, and all Allied Health Practitioners (including Physician Assistants, Nurse Practitioners and Nurse Midwives) duly licensed by the State of California {Health and Safety Code of the State of California, Section 32128}. The Governing Body, upon consideration of the recommendations of the Medical Staff coming from the Medical Executive Committee, through the Credentials Committee, affirms or denies appointment and privileges to the Medical Staff of Kaweah Delta Health Care District in accordance with the procedure for appointment and reappointment of medical staff as provided by the standards of the Joint Commission on Accreditation of Healthcare Organizations {Joint Commission Standard MS.01.01.01}. The Board of Directors shall reappoint members to the Medical Staff every two (2) years, as set forth in the Medical Staff Bylaws. The Governing Body requires that an organized Medical Staff is established within the District and that the Medical Staff submits their Bylaws, Rules and Regulations and any changes thereto, to the Governing Body for approval.

Section 2 Members of the Medical Staff are eligible to run in public election for membership on the Governing Body in the same manner as other individuals.

Section 3 All public meetings of the Governing Body may be attended by members of the Medical Staff. The Chief of Staff of Kaweah Delta Health Care District shall be notified and invited to each regular monthly meeting of the Governing Body and the Chief of Staff's input shall be solicited with respect to matters affecting the Medical Staff.

Section 4 The Chief of Staff of Kaweah Delta Health Care District shall be invited to all meetings of the Governing Body at which credentialing decisions are made concerning any member of the Medical Staff of Kaweah Delta Hospital or at which quality assurance reports are given concerning the provision of patient care at Kaweah Delta Hospital. Quality assurance reports shall be made to the Board periodically. Credentialing decisions shall be scheduled on an as-needed basis. The Chief of Staff shall be encouraged to advise the Board on the content and the quality of the presentations, and to make recommendations concerning policies and procedures, the improvement of patient care and/or the provision of new services by the District.

Annually, the Governing Body shall meet with the leaders of the Medical Staff to review and analyze the health care services provided by the District and to discuss long range planning for the District as noted in Article II, Section 4, Item C7.

- Section 5** **The District has an organized Medical Staff that is accountable to the Governing Body {Joint Commission Standard LD.01.05.01}.** The organized Medical Staff Executive Committee shall make recommendations directly to the Governing Body for its approval. Such recommendations shall pertain to the following:
- A. the structure of the Medical Staff;
 - B. the mechanism used to review credentials and delineate clinical privileges;
 - C. individual Medical Staff membership;
 - D. specific clinical privileges for each eligible individual;
 - E. the organization of the performance improvement activities of the Medical Staff as well as the mechanism used to conduct, evaluate, and revise such activities;
 - F. the mechanism by which membership on the Medical Staff may be terminated;
 - G. the mechanism for fair hearing procedures.
- Section 6** The Governing Body shall act upon recommendations concerning Medical Staff appointments, re-appointments, termination of appointments, and the granting or revision of clinical privileges within 120 days following the regular monthly meeting of the Governing Body at which the recommendations are presented through the Executive Committee of the organized Medical Staff.
- Section 7** The Governing Body requires that only a member of the organized Medical Staff with admitting privileges at Kaweah Delta Hospital may admit a patient to Kaweah Delta Hospital and that such individuals may practice only within the scope of the privileges granted by the Governing Body and that each patient's general medical condition is the responsibility of a qualified physician of the Medical Staff.
- Section 8** The Governing Body requires that members of the organized Medical Staff and all Allied Health Practitioners (including Physician Assistants, Nurse Practitioners and Nurse Midwives) maintain current professional liability insurance with approved carriers and in the amounts of \$1,000,000/\$3,000,000 (per occurrence / annual aggregate) or such other amounts as may be established by the Governing Body by resolution.
- Section 9** The Governing Body holds the Medical Staff responsible for the development, adoption, and annual review of its own Medical Staff Bylaws, Rules and Regulations that are consistent with the District policy, applicable codes, and other regulatory requirements. Neither the Medical Staff nor The Governing Body may make unilateral amendments to the Medical Staff Bylaws or the Medical Staff Rules and Regulations.
- The Medical Staff Bylaws and the Rules and Regulations adopted by the Medical Staff, and any amendments thereto, are subject to, and effective upon, approval of the Governing Body, such approval not to be unreasonably withheld.

Section 10 The Medical Staff is responsible for establishing the mechanism for the selection of the Medical Staff Officers, Medical Staff Department Chairpersons, and Medical Staff Committee Chairpersons.

This mechanism will be included in the Medical Staff Bylaws.

Section 11 The Governing Body requires the Medical Staff and the Management to review and revise all department policies and procedures as often as needed. Such policies and procedures must be reviewed at least every three (3) years.

In adherence with Title 22, {70203} Policies relative to medical service {those preventative, diagnostic and therapeutic measures performed by or at the request of members of the organized medical staff} shall be approved by the governing body as recommended by the Medical Staff.

In adherence with Title 22, {70213} Nursing Service Policies for patient care shall be developed, maintained and implemented by nursing services; policies which involve the Medical Staff shall be reviewed and approved by the Medical Staff prior to implementation. The hospital administration and the governing body shall review and approve all policies that relate to nursing services every three years or more often, if necessary.

Section 12 Individuals who provide patient care services (other than District staff members), but who are not subject to the Medical Staff privilege delineation process, shall submit their credentials to the Interdisciplinary Practice Committee of the Medical Staff which shall, via the Executive Committee, transmit its recommendations to the Governing Body for approval or disapproval.

Section 13 The quality of patient care services provided by individuals who are not subject to Medical Staff privilege delineation process, shall be included as a portion of the District's Performance Improvement program.

Section 14 The Governing Body specifies that under the privacy regulations of the Health Insurance Portability and Accountability Act (HIPAA), the Medical Staff and the District are in an Organized Health Care Arrangement (OHCA). The OHCA is a clinically integrated care setting in which individuals receive health care from more than one provider and the providers hold themselves out to the public as participating in a joint arrangement. The Medical Staff is in an OHCA with the District for care provided at District facilities. This joint arrangement is disclosed to the patients in the Notice of Privacy Practices given to patients when they access care at any of the District's facilities.

Article V Joint Committees

Section 1 The President of the Governing Body or a member of the Board appointed by the President shall participate, along with the Chief Executive Officer, in the Joint Conference Committee, which is a committee of the Medical Staff of Kaweah Delta Health Care District. This committee shall serve as a systematic mechanism for communication between members of the Governing Body, the Administration, and members of the Medical Staff of Kaweah Delta Health Care

District. Specifically, issues which relate to quality of patient care shall be regularly addressed. Additionally, other matters of communication which are of importance to maintaining a sound working relationship between the Governing Body and the Medical Staff shall be discussed. These meetings shall be held at a minimum of every other month and minutes, if any, shall be kept by the organized Medical Staff under the direction of its President. The proceedings and records of this committee are protected by Section 1157 of the evidence Code.

Article VI Chief Executive Officer

- Section 1** The Governing Body shall be solely responsible for appointment or dismissal of the Chief Executive Officer. {Board of Directors policy – BOD2 – Chief Executive Officer (CEO) Transition}
- Section 2** The Governing Body shall assure that the Chief Executive Officer is qualified for his responsibilities through education and/or experience {Board of Directors policy – BOD3 – Chief Executive Officer (CEO) Criteria}.
- Section 3** The Chief Executive Officer shall act on behalf of the Governing Body in the overall management of the District.
- Section 4** In the absence of the Chief Executive Officer, a Vice President designated by the Chief Executive Officer or by the President of the Governing Body shall assume the responsibilities of this position. The Governing Body retains final authority to name the person to act during the absence or incapacity of the Chief Executive Officer.
- Section 5** Annually the Governing Body shall meet in Executive session to monitor the performance of the Chief Executive Officer. The conclusions and recommendations from this performance evaluation will be transmitted to the Chief Executive Officer by the Governing Body.
- Section 6** The Chief Executive Officer shall select, employ, control, and have authority to discharge any employee of the District other than any individual with the title or equivalent function of Senior Vice President, Vice President, Compliance and Privacy Officer, Director of Internal Audit, or Board Clerk. Employment of new personnel shall be subject to budget authorization granted by the Board of Directors of Kaweah Delta Health Care District.
- Section 7** The Chief Executive Officer shall organize, and have the authority to reorganize the administrative structure of the District, below the level of CEO, subject to the limitations set forth in in Section 6 above. The District’s organizational chart shall reflect that the Compliance and Privacy Officer, and the Director of Internal Audit have direct, solid-line reporting relationships to the Board (functional) and to the CEO (administrative).

- Section 8** The Chief Executive Officer shall report to the Board at regular and special meetings all significant items of business of Kaweah Delta Health Care District and make recommendations concerning the disposition thereof. The Chief Executive Officer shall, directly and through the District's Vice Presidents, keep the Compliance and Privacy Officer, and the Director of Internal Audit well-informed of District operations and shall promptly inform them of any matter that may expose the District to a material legal, regulatory or financial liability.
- Section 9** The Chief Executive Officer shall submit regularly, in cooperation with the appropriate committee of the Board, periodic reports that may be required by the Board.
- Section 10** The Chief Executive Officer shall attend all meetings of the Board when possible and shall attend meetings of the various committees of the Board when so requested by the committee chairperson.
- Section 11** The Chief Executive Officer shall serve as a liaison between the Board and the Medical Staff of Kaweah Delta Hospital. The Chief Executive Officer shall cooperate with the Medical Staff and secure like cooperation on the part of all concerned with rendering professional service to the end that patients may receive the best possible care.
- Section 12** The Chief Executive Officer shall make recommendations concerning the purchase of equipment and supplies and the provision of services by the District, considering the existing and developing needs of the community and the availability of financial and medical resources.
- Section 13** The Chief Executive Officer shall keep abreast and be informed of new developments in the medical and administrative areas of hospital administration.
- Section 14** The Chief Executive Officer shall oversee the District's physical plants and ground and keep them in a good state of repair, conferring with the appropriate committee of the Board in major matters, but carrying out routine repairs and maintenance without such consultation.
- Section 15** The Chief Executive Officer shall supervise all business affairs such as the records of financial transactions, collections of accounts and purchase and issuance of supplies, and be certain that all funds are collected and expended to the best possible advantage.
- Section 16** The Chief Executive Officer shall supervise the preservation of the permanent medical records of the District and act as overall custodian of these records.
- Section 17** The Chief Executive Officer shall keep abreast of changes in applicable laws and regulations and shall insure that a District compliance program, appropriate educational programs, and organizational memberships are in place to carry out this responsibility.
- Section 18** The Chief Executive Officer shall be responsible for assuring the organization's compliance with applicable licensure requirements, laws, rules, and regulations, and for promptly acting upon any reports and/or recommendations from authorized agencies, as applicable.

- Section 19** The Chief Executive Officer will ensure that the business of the Health Care District is conducted openly and transparently, as required by law.
- Section 20** The Chief Executive Officer will oversee the activities of the Health Care District's community relations committees to ensure meaningful participation of community members and communication of the input and recommendation from the committee to the Board and to KDHCD management.
- Section 21** The Chief Executive Officer shall perform any special duties assigned or delegated to him by the Board.

Article VII The Health Care District Guild

- Section 1** The Governing Body recognizes the Kaweah Delta Health Care District Guild in support of the staff and patients of the District.
- Section 2** The Chief Executive Officer is charged with effecting proper integration of the health care district Guild within the framework of the District organization.
- Section 3** The President of the Guild is encouraged to attend the meetings of the Board of Directors.

Article VIII Performance Improvement (PI)

- Section 1** The Governing Body requires that the Medical Staff and the District staff implement and report on the activities and mechanisms for monitoring and evaluating the quality of patient care, for identifying and resolving problems, and for identifying opportunities to improve patient care within the District.
- Section 2** The Governing Body, through the Chief Executive Officer, shall support these activities and mechanisms.
- Section 3** The Governing Body shall adopt a Performance Improvement Plan and Risk Management Plan for the District and shall provide for resources and support systems to ensure that the plans can be carried out.
- Section 4** The Governing Body requires that a complete and accurate medical record shall be prepared and maintained for each patient; that the medical record of the patient shall be the basis for the review and analysis of quality of care. The Governing Body holds the organized Medical Staff of the health care district responsible for self-governance with respect to the professional work performed in the hospital and for periodic meetings of the Medical Staff to review and analyze at regular intervals their clinical experience. Results of such review will be reported to the Governing body at specific intervals defined by the Board.
- Section 5** The quality assurance mechanisms within any of the District's facilities shall provide for monitoring of patient care processes to assure that patients with the same health problem are receiving the same level of care within the District.

Article IX Conflict of Interest

- Section 1** The Administration Policy Manual of Kaweah Delta Health Care District and the Board of Directors Policy Manual has a written Conflict of Interest Policy {Administrative Policy AP23 and Board of Directors Policy BOD5} which requires the completion and filing of a Conflict of Interest Statement disclosing financial interests that may be materially affected by official actions and provides that designated staff members must disqualify themselves from acting in their official capacity when necessary in order to avoid a conflict of interest. The requirements of this policy are additional to the provisions of Government Code §87100 and other laws pertaining to conflict of interest; and nothing herein is intended to modify or abridge the provisions of the policies of Kaweah Delta Health Care District which apply to:
- A. members of the Governing Body,
 - B. the executive staff of the District,
 - C. employees who hold designated positions identified in Exhibit “A” of the District Conflict of Interest Code.
- Section 2** Each member of the Governing Body, specified executives, and designated employees must file an annual Conflict of Interest Statement as required by California Code.
- Section 3** The Board shall assess the adequacy of its conflict-of-interest/confidentiality policies and procedures {Board Of Directors Policy - BOD5 - and Administrative Policy 23 – Conflict of Interest} at least every two years.

Article X Indemnification of Directors, Officers, and Employees

- Section 1** Actions other than by the District. The District shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of the District to procure a judgment in its favor) by reason of the fact that such person is or was a director, officer or employee of the District, against expenses, judgments, fines, settlements, and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that the person reasonably believed to be in the best interest of the District and, in the case of a criminal proceeding, had no reasonable cause to believe the conduct of that person was unlawful. The termination by any proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in the manner that the person reasonably believed to be in the best interests of the District person's conduct was unlawful.
- Section 2** Actions by the District. The District shall have the power to indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending, or completed action by or in the right of the District to

procure a judgment in its favor by reason of the fact that such person is or was a director, officer, or employee of the District, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of that action, if such person acted in good faith, in a manner such person believed to be in the best interest of the District and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under a similar circumstance.

No indemnification shall be made under this Section:

- A. with respect to any claim, issue or matter as to which such person has been adjudged to be liable to the District in their performance of such person's duty to the District, unless and only to the extent that the court in which that proceeding is or was pending shall determine upon application that, in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for the expenses which the court shall determine;
- B. of amounts paid in settling or otherwise disposing of a threatened or pending action, with or without court approval;
- C. of expenses incurred in defending a threatened or pending action that is settled or otherwise disposed of without court approval.

Section 3 Successful defense by director, officer, or employee. To the extent that a director, officer or employee of the District has been successful on the merits in defense of any proceeding referred to in Section 1 or Section 2 of this Article X, or in defense of any claim, issue or matter therein, the director, officer or employee shall be indemnified as against expenses actually and reasonably incurred by that person in connection therewith.

Section 4 Required approval. Except as provided in Section 3 of this Article, any indemnification under this Article shall be made by the District only if authorized in the specific case, upon a determination that indemnification of the officer, director or employee is proper in the circumstances because the person has met the applicable standard of conduct set forth in Sections 2 and 3 of this Article X, by one of the following:

- A. a majority vote of a quorum consisting of directors who are not parties to the proceeding; or
- B. the court in which the proceeding is or was pending, on application made by the District or the officer, director or employee, or the attorney or other person rendering services in connection with the defense, whether or not such other person is opposed by the District.

Section 5 Advance of expenses. Expenses incurred in defending any proceeding may be advanced by the District before the final disposition of the proceeding upon receipt of an undertaking by or on behalf of the officer, director or employee to repay the amount of the advance unless it shall be determined ultimately that the officer, director or employee is entitled to be indemnified as authorized in this Article.

Section 6 Other contractual rights. Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this District may be entitled by contract or otherwise.

Section 7 Limitations. No indemnification or advance shall be made under this Article except as provided in Section 3 or Section 4, in any circumstance where it appears:

- A. that it would be inconsistent with the provision of the Articles, a resolution of the Board, or an agreement in effect at the time of accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or
- B. that it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 8 Insurance. If so desired by the Board of Directors, the District may purchase and maintain insurance on behalf of any officer, director, employee or agent of the corporation, insuring against any liability asserted against or incurred by the director, officer, employee or agent in that capacity or arising out of the person's status as such, whether or not the District would have the power to indemnify the person against that liability under the provisions of this Article.

If any article, section, sub-section, paragraph, sentence, clause or phrase of these District Bylaws is for any reason held to be in conflict with the provisions of the Health and Safety Code of the State of California, such conflict shall not affect the validity of the remaining portion of these Bylaws.

These Bylaws for Kaweah Delta Health Care District are adopted, as amended, this 25th day of March, 2019.

President
Kaweah Delta Health Care District

Secretary/Treasurer
Kaweah Delta Health Care District

Kaweah Delta Health Care District
Board of Directors
Job Description: Hospital Board of Directors

PRIMARY RESPONSIBILITY - This Board's primary responsibility is to develop and follow the organization's mission statement, which leads to the development of specific policies in the four key areas of:

1. Quality Performance
2. Financial Performance
3. Planning Performance
4. Management Performance

The Board accomplishes the above by adopting specific outcome targets to measure the organization's performance. To accomplish this, the Board must:

- Establish policy guidelines and criteria for implementation of the mission. The Board also reviews the mission statements of any subsidiary units to ensure that they are consistent with the overall mission.
- Evaluate proposals brought to the Board to ensure that they are consistent with the mission statement. Monitor programs and activities of the hospital and subsidiaries to ensure mission consistency.
- Periodically review, discuss, and if necessary amend the mission statement to ensure its relevance.

QUALITY PERFORMANCE RESPONSIBILITIES - This Board has the final moral, legal, and regulatory responsibility for everything that goes on in the organization, including the quality of services provided by all individuals who perform their duties in our facilities or under Board sponsorship. To exercise this quality oversight responsibility, the Board must:

- Understand and acknowledge responsibility for the actions of all physicians, nurses, and other individuals who perform their duties in the organization's facilities.
- Review and carefully discuss quality reports that provide comparative statistical data about services, and set measurable policy targets to ensure continual improvement in quality performance.
- Carefully review recommendations of the medical staff regarding new physicians who wish to practice in the organization and are familiar with the termination and fair hearing policies.
- Reappoint individuals to medical staff using comparative outcome data to evaluate how they have performed since their last appointment.
- Appoint physicians to governing body committees and seek physician participation in the governance process to assist the Board in its patient quality-assessment responsibilities.
- Fully understand the Board's responsibilities and relationships with the medical staff and maintain effective mechanisms for communicating with them.
- Regularly receive and discuss malpractice data reflecting the organization's experience and the experience of individual physicians who have been appointed to the medical staff.

- The governing body shall adopt a Performance Improvement Plan and Risk Management Plan for the District and shall provide for resources and support systems to ensure that the plans can be carried out.
- Regularly receive and discuss data about medical staff to assure that future staffing will be adequate in terms of ages, numbers, specialties, and other demographic characteristics.
- Ensure that management reviews and assesses the attitudes and opinions of those who work in the organization to identify strengths, weaknesses, and opportunities for improvement.
- Monitor programs and services to ensure that they comply with policies and standards relating to quality.
- Take corrective action when appropriate and necessary to improve quality performance.

FINANCIAL PERFORMANCE RESPONSIBILITIES - Our Board has ultimate responsibility for the financial soundness of the organization. To accomplish this we:

- Annually review and approve the overall financial plans, budgets, and policies for implementation of those plans and budgets on a short and long term basis. The plan must include and identify in detail the objective of, and the anticipated sources of financing for each anticipated capital expenditure:
- Approve an annual audited financial statement prepared by a major accounting firm and presented directly to the Board of Directors.
- Approve any specific expenditure in excess of \$75,000, which is not included in the annual budget
- Approve financial policies, plans, programs, and standards to ensure preservation and enhancement of our assets and resources.
- Monitor actual performance against budget projections and review and adopt ethical financial policies and guidelines.
- Review major capital plans proposed for the organization and its subsidiaries.
- Approve all contracts, whether directly, or by authority delegated to a committee or to the Chief Executive Officer or his designee(s)

PLANNING PERFORMANCE RESPONSIBILITIES - The Board has the final responsibility for determining the future directions that the organization will take to meet the community's health needs. To fulfill this responsibility, the Board must:

- Review and approve a comprehensive strategic plan and supportive policy statements.
- Develop long term capital expenditure plans as a part of its long range strategic planning.
- Determine whether or not the strategic plan is consistent with the mission statement.
- Assess the extent to which plans meet the strategic goals and objectives that have been previously approved.
- Periodically review, discuss, and amend the strategic plan to ensure its relevance for the community.
- Regularly review progress toward meeting goals in the plan to assess the degree to which the organization is meeting its mission.

- Annually, the governing body shall meet with the leaders of the Medical Staff to review and analyze the health care services provided by the District and to discuss long range planning for the District.

MANAGEMENT PERFORMANCE RESPONSIBILITIES - The Board is the final authority regarding oversight of management performance by our Chief Executive Officer and support staff. To exercise this authority, the Board must:

- Recruit, employ, and regularly evaluate the performance of our Chief Executive Officer.
- Evaluate the performance of the CEO annually using goals and objectives agreed upon with the CEO at the beginning of the evaluation cycle.
- Communicate regularly with the CEO regarding goals, expectations, and concerns.
- Periodically survey CEO employment arrangements at comparable organizations to assure the reasonableness and competitiveness of our compensation package.
- Periodically review management succession plans to ensure leadership continuity.
- Establish specific performance policies which provide the CEO with a clear understanding of what the Board expects, and update these policies based on changing conditions.

The Board is also responsible for managing its own governance affairs in an efficient and successful way. To fulfill this responsibility, the Board must:

- Evaluate Board performance annually. Members of the governing body are elected by the public and, accordingly, are judged on their individual performance by the electorate.
- Maintain written conflict-of-interest policies that include guidelines for the resolution of existing or apparent conflicts of interest.
- Participate both as a Board and individually in orientation programs and continuing education programs both within the organization and externally. As such, the District shall reimburse reasonable expenses for both in-state and out-of-state travel for such educational purposes.
- Periodically review Board structure to assess appropriateness of size, diversity, committees, tenure, and turnover of officers and chairpersons.
- Assure that each Board member understands and agrees to maintain confidentiality with regard to information discussed by the Board and its committees.
- Assure that each Board member understands and agrees to adhere to the Brown Act ensuring that Board actions be taken openly and that deliberations be conducted openly.
- Adopt, amend, and if necessary repeal the articles and bylaws of the organization.
- Maintain an up-to-date Board policy manual, which includes specific policies covering oversight responsibilities in the area of quality performance, financial performance, strategic planning performance, and management performance.
- To review the District's Mission, Vision & Pillars statements every two years.

Board of Directors
Kaweah Delta Health Care Directors

March 25, 2019
Date

**Kaweah Delta Health Care District
Board of Directors
Job Description: Board President**

1. Keep the mission of the organization at the forefront and articulates it as the basis for all Board action.
2. Understands and communicates the roles and function of the Board, committees, medical staff, and management.
3. Understands and communicates individual Board member, Board leader, and committee chair responsibilities and accountability.
4. Acts as a liaison between the Board, management, and medical staff.
5. Plans agendas.
6. Presides over the meetings of the Board.
7. Presides over or attends other Board, medical staff, and other organization meetings.
8. Enforces Board and hospital bylaws, rules, and regulations (such as conflict of interest and confidentiality policies).
9. Appoints Board committee chairs and members in a consistent and systematic approach.
10. Acts as a liaison between and among other Boards in the healthcare system.
11. Establishes Board goals and objectives and translates them into annual work plans.
12. Directs the committees of the Board, ensuring that the committee work plans flow from and support the hospital and Board goals, objectives, and work plans.
13. Provides orientation, training, and mentorship for new Board members.
14. Arranges continuing education for the Board.
15. Ensures effective Board self-evaluation.
16. Builds cohesion among the leadership team of the Board President, CEO, and medical staff leaders.
17. Leads the CEO performance objective and evaluation process.
18. Plans for Board leadership succession.

President, Board of Directors
Kaweah Delta Health Care District

March 25, 2019
Date

**Kaweah Delta Health Care District
Board of Directors
Job Description: Board Vice President**

In addition to meeting all of the responsibilities of a member of the Board, the Board Vice President understands the responsibilities of the Board President (chair) and the Secretary/Treasurer and is available to perform these duties in the Chair's or Secretary/Treasurer's absence.

Vice President, Board of Directors
Kaweah Delta Health Care District

Date

Kaweah Delta Health Care District Board of Directors Job Description: Individual Board Member

As Boards of directors have basic collective responsibilities, Board members are also entrusted with individual responsibilities as a part of Board membership. The obligations of Board service are considerable; they extend well beyond and basic expectations of attending meetings. Individual Board members are expected to meet higher standards of personal conduct on behalf of their organization than what is usually expected of other types of volunteers.

Yet, despite all these “special” responsibilities, Board members as individuals have no special privileges, prerogatives, or authority; they must meet in formal session to negotiate and make corporate decisions. The undertaking of serving as a Board member is a complex one indeed.

Considering the complexities of Board membership, a clear statement of individual Board member responsibilities adapted to the organization’s needs and circumstances can service many purposes including clarifying expectation before candidates files for a seat that is up for election on the Kaweah Delta Board of Directors.

GENERAL EXPECTATIONS

- Knowing the organization’s mission, purposes, goals, policies, programs, services, strengths, and needs.
- Performing the duties of Board membership responsibly and conforming to the level of competence expected from Board members as outlined in the duties of care, loyalty, and obedience as they apply to nonprofit Board members.
- Serving in leadership positions and undertaking special assignments willingly and enthusiastically.
- Avoiding prejudiced judgments on the basis of information received from individuals and urging those with grievances to follow established policies and procedures through their supervisors. (All matters of potential significance should be called to the attention of the executive and the Board’s elected leader as appropriate.)
- Following trends in the organization’s field of interest.
- Bringing good will and a sense of humor to the Board’s deliberations.

MEETINGS

- Preparing for and participating in Board and committee meetings, including appropriate organizational activities.
- Asking timely and substantive questions at Board and committee meetings consistent with the Board member’s conscience and convictions, while at the same time supporting the majority decision on issues decided by the Board.
- Maintaining confidentiality of the Board’s executive sessions, and speaking for the Board or organization only when authorized to do so.
- Suggesting agenda items periodically for Board meetings; review and approval, of committee meeting agendas, by the committee chair to ensure that significant, policy-related matters are addressed.

RELATIONSHIP WITH STAFF

- Counseling the chief executive as appropriate and supporting him or her through often difficult relationships with groups or individuals.
- Avoiding asking for special favors of the staff, including special requests for extensive information, without at least prior consultation with the chief executive, Board or appropriate committee chairperson.

AVOIDING CONFLICTS

- Serving the organization as a whole rather than any special interest group or constituency. Regardless of whether or not the Board member was invited to fill a vacancy reserved for a certain constituency or organization, his/her first obligation is to avoid any preconception that he/she “represents” anything but the organization’s best interests.
- Avoiding even the appearance of a conflict of interest that might embarrass the Board or the organization; disclosing any possible conflicts to the Board in a timely fashion.
- Maintaining independence and objectivity and doing what a sense of fairness, ethics, and personal integrity dictate, even though not necessarily being obliged to do so by law, regulation, or custom.
- Never accepting (or offering) favors or gifts from (or to) anyone who does business with the organization.
- The Board shall assess the adequacy of its conflict-of-interest/confidentiality policies and procedures at least every two years.

FIDUCIARY RESPONSIBILITIES

- Exercising prudence with the Board in the control and transfer of funds.
- Faithfully reading and understanding the organization’s financial statements and otherwise helping the Board fulfill its fiduciary responsibility.

Board of Directors
Kaweah Delta Health Care District

March 25, 2019
Date

Policy Submission Summary

Manual Name: Administrative Policy			Date: 03/18/19
Support Staff Name:			
Policy/Procedure Title	#	Status (New, Revised, Reviewed, Deleted)	Name and Phone # of person who wrote the new policy or revised an existing policy
Workplace Violence Prevention Program	AP.161	Revised	Maribel Aguilar 624-2381 Miguel Morales 624-5591
Quality Improvement Plan	AP.41	Revised	Sandy Volchko 624-2169
Patient Safety Plan	AP.175	Revised	Sandy Volchko 624-2169
Critical Incident Stress Management	AP.129	Reviewed	



1

Policy Number: AP161	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Workplace Violence Prevention Program	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

PURPOSE:

1. To provide guidance on appropriate responses to all violence or threats of violence that may affect Kaweah Delta Health Care District (KDHCD) workplace in any significant way. This policy and procedures applies, but is not limited to, employees, physicians, residents, patients, visitors, contract and temporary workers, vendors and other individuals, who are either on KDHCD property or otherwise involved with KDHCD operations in any way.
2. To heighten the safety of every individual in the workplace and to recognize that everyone must share in the responsibility of preventing and responding to threats of violence and actual workplace violence. Cooperation, adherence to and support of this policy and procedure by everyone, both management and non-management, are essential.
3. To recognize that a safe environment is fundamental to a productive and positive workplace, and that both physical and psychological safety are integral factors in providing patients with the quality health treatment and services to which KDHCD has been entrusted.

POLICY: KDHCD strictly forbids any behavior or threat of behavior which is inconsistent with the purpose of this policy, or which may constitute a violation of law or public policy. Once the potential for violent behavior has been established, KDHCD will act immediately to minimize and diffuse such behavior. All employees bear a responsibility to report any potentially violent situation or individual to his/her manager, the Risk Management Department, Human Resources, Security and/or when applicable, the Police Department (or other appropriate law enforcement agency). The District will strictly abide by applicable statutes, laws and regulations regarding work place safety and security.

DEFINITIONS:

“Environment of Care” (EOC): The physical and social environment within which services are provided for patients within the District and off site areas.

Workplace:

Any location, either temporary or permanent, where an employee performs any work-related duty. This includes, but is not limited to, the buildings and surrounding perimeters, including the parking lots, field locations, alternate work locations, and travel to and from work assignments.

Workplace Violence: Workplace violence means any act of violence or threat of violence that occurs at the work site. The term workplace violence does not include lawful acts of self-defense or defense of others.

(A) *The threat or use of physical force against an employee that results in, or has a high likelihood of resulting in, injury, psychological trauma, or stress, regardless of whether the employee sustains an injury;*

(B) *An incident involving the threat or use of a firearm or other dangerous weapon, including the use of common objects as weapons, regardless of whether the employee sustains an injury;*

(C) *Four workplace violence types:*

1. *"Type 1 violence" means workplace violence committed by a person who has no legitimate business at the work site, and includes violent acts by anyone who enters the workplace with the intent to commit a crime.*
2. *"Type 2 violence" means workplace violence directed at employees by customers, clients, patients, students, inmates, or any others for whom an organization provides services.*
3. *"Type 3 violence" means workplace violence against an employee by a present or former employee, supervisor, or manager.*
4. *"Type 4 violence" means workplace violence committed in the workplace by someone who does not work there, but has or is known to have had a personal relationship with an employee.*

Imminent/Actual: Any act or speech threatening or committing assaultive behavior including, but not limited to, any physical contact or menacing behavior which would lead a reasonable person to believe that he/she is in danger of violence and or harm.

Potential Violence: A potentially violent situation or individual includes but is not limited to:

- verbal harassment or threats perceived by a reasonable person occur as a prelude to assaultive behavior.
- a domestic dispute spills over into the work place.
- a restraining order has been obtained by an employee against another person.
- an employee is the victim of a stalker.
- an altercation occurs between persons on the premises

- when gang activity spills over into the work place.
- when an assaultive or potentially assaultive patient is admitted.

Assault: An unlawful attempt, coupled with a present ability, to commit a violent injury on the person of another.

Battery: Any willful and unlawful use of force or violence upon the person of another.

COMPLIANCE

Implement procedures to obtain the active engagement of employees in developing, implementing and reviewing the Workplace Violence Prevention Plan, including their participation in identifying, evaluating and correcting workplace violence hazards, designing and implementing training, and reporting and investigating workplace violence incidents. A copy of the plan is available to any employee at any time on KDHC's Policy Tech System.

PROCEDURES: See Workplace Violence Checklists on Pages 11-12

RESPONSIBILITIES

Responsibilities for employees include, but are not limited to:

I. Employees:

To immediately report concerns or observed incidents of violence to his/her supervisor or in the absence of such supervisor, to Security, the Risk Management Department, Human Resources or any manager, and when applicable, to the Police Department (or other appropriate law enforcement agency). Patient Family Services can be reached by dialing Ext. 5633 for information on referral so. Follow Administrative Policy .10, Occurrence Reporting Process to complete the Occurrence Reporting form and submit to Risk Management for investigation. The Occurrence Report must be submitted before end of shift.

A. Employees who have reason to believe they, or others, may be victimized by a violent act sometime in the future, at the workplace or as a direct result of their employment with the District, are to inform their supervisor immediately. The supervisor will immediately inform the Risk Management Department, Security Department, Human Resources and his or her Director or Vice President. The manager will work with the employee to complete a Workplace Violence Incident Report and, if indicated, contact local law enforcement officials. The Employee cannot be retaliated against for seeking assistance and intervention from emergency services or law enforcement when a violent incident occurs.

B. Employees who have signed and filed a restraining order, temporary or

permanent, against an individual due to a potential act of violence, who would be in violation of the order by coming near them at work, will immediately supply a copy of the signed order to their supervisor. The supervisor will provide copies to Human Resources. Human Resources or designee will contact Security, local law enforcement officials, and others as appropriate.

II. Management

To immediately take action to prevent violence by reporting any potential violence to Security, Human Resources, or Risk Management, and when applicable, to the Police Department (or other appropriate law enforcement agency). Patient Family Services can be reached by dialing Ext. 5633 for information on referral sources.

III. Security Department

To assess any immediate or imminently violent situation and respond as appropriate based upon that a follow-up written investigation will be part of all assessments, and this report will be routed to Risk Management and, to Human Resources. If Security cannot diffuse the situation, or perceives the situation escalating, the Police Department (or other appropriate law enforcement agency) must be notified immediately. Other responsibilities include:

- A. Keeping records of all violent acts, including location, time of day and actions taken; identifying trends, and using the information collected to develop action plans that may be needed;
- B. Reporting findings to the *Environment of Care* Committee on a quarterly basis;
- C. Ensuring at least annually, a security risk assessment is completed that identifies workplace security factors that have been shown to contribute to the risk of violence in the workplace. The risk assessment should include the review of access points, barrier placement between patients and providers, escape routes, location of panic alarms, security staffing ratios, security operational practices, the need for escort services or “buddy systems” when walking at night, camera surveillance and use of protective equipment by Security;
- D. Reporting data to Human Resources;
- E. Knowing when and how to implement access control to the organization;
- F. Ensuring the *Security Management Plan*, EOC 3000 is current and addresses measures taken to protect personnel, patients and visitors from aggressive or violent behavior.

IV. Human Resources

- A. Work in collaboration with Security and management to ensure communication linkages remain open;
- B. Ensure a written *Illness and Injury Prevention Program* is in effect that addresses the following:
 - a. Safe and healthy work practices, which includes non-engagement with threats and physical actions that create a security hazard to others

- b. A system of communication with employees that includes a method employees can use to inform the employer of security hazards at the worksite.
 - c. Periodic inspections that includes identification of security hazards
 - d. Procedures for investigating occupational injuries and/ or exposures
 - e. Procedures for communicating to employees the outcome of the investigation and any action plan to be taken

 - f. Procedures for correcting unsafe conditions, work practices, work procedures including workplace security hazards with attention to procedures for protecting employees from physical retaliation for reporting threats
 - g. Ensuring no retaliation of any kind will be taken against anyone who reports acts or threats of violence, or who participates in any action or investigation related to such complaints

 - h. Training and instruction regarding how to recognize workplace security hazards, how to recognize “triggers” for violence, measures to prevent workplace assaults and what to do when an assault occurs, including emergency actions and post emergency procedures, and actions to take to diffuse a situation.
- C. Provision of Emergency Department and Security staff with continuing education relating to security;
- D. Provision of post-event trauma counseling to employees who are the victim of violence in order to reduce the short and long term physical and emotional effects of the incident;
- E. Ensuring reductions in force, terminations and disciplinary actions such as suspensions are carried out in a manner that is designed to minimize a violent eruption;
- F. Ensuring policies and procedures are consistently and fairly applied;
- G. Ensuring any fatalities, illnesses and injuries that result from violence are reported to the Occupational Safety and Health Administration (OSHA) immediately and recorded on the OSHA log, and completing the required supplementary forms.

WORKPLACE VIOLENCE PREVENTION TEAM: The Workplace Violence Prevention team is designated to assess the vulnerability to workplace violence and reach agreement on preventive action to be taken. The team reports through the Environment of Care Committee and is responsible for:

- Responsible for implementing the Workplace Violence Plan.
- Assessing the vulnerability of workplace violence at KDHC and reaching agreement on preventive actions to be taken.
- Recommending/implementing employee training programs on workplace violence.
- Implementing plans for responding to acts of violence

- Communicating internally with employees.

The WVP Team is composed of the following members:

- ✓ *Employee Health Manager*
- ✓ *Employee Relations Coordinator*
- ✓ *Human Resources Directors*
- ✓ *Organization Development Director*
- ✓ *Security Manager*
- ✓ *Facilities/Physical Plant Director*
- ✓ *Nursing Supervision Director*
- ✓ *Emergency Department Director*
- ✓ *Behavioral Health Director*
- ✓ *Outpatient Clinics Director*
- ✓ *Home Health Director*
- ✓ *Diagnostic Imaging Director*
- ✓ *Pharmacy Director*
- ✓ *Medical Staff Director*
- ✓ *Contracting Officer*
- ✓ *Vendor Management*
- ✓ *Marketing/Communications Director*
- ✓ *Compliance Officer*
- ✓ *Risk Management Director*
- ✓ *Environmental Services Director*
- ✓ *Safety Officer*
- ✓ *Executive Liaison (Human Resources VP)*
- ✓ *CUSP Team Leaders*

ACTIVE ENGAGEMENT OF EMPLOYEES IN DEVELOPING, IMPLEMENTING AND EVALUATING THE WVP PLAN

At a minimum one employee from each high risk department and CUSP Team Leaders will actively participate in developing, implementing and reviewing the WVP plan.

LAW ENFORCEMENT INVOLVEMENT

The Security Manager and/or the Director of Facilities will maintain collaborative involvement and partnership with local police department.

Proactive business relationships are maintained with Visalia Police District 1 and District 2 Commanders through quarterly meetings, formal committee meetings attendance (with invitation) or requests for incident review.

TRAINING AND INSTRUCTION:

Kaweah Delta Health Care District shall be responsible for ensuring that all employees, including managers, supervisors and contractors are provided training and instruction on general workplace safety practices. Department Directors shall be responsible for ensuring that all employees, including managers and supervisors, are provided training and instructions on job specific workplace security practices.

General workplace violence and security training and instruction include, but are

not limited to, the following:

- Explanation of the Workplace Violence Prevention Program including measures for reporting any violent acts or threats of violence.
- Recognition of workplace security hazards including the risk factors associated with the four types of violence.
- Measures to prevent workplace violence, including procedures for reporting workplace security hazards or threats.
- Ways to defuse hostile or threatening situations.
- Measures to summon others for assistance.
- Employee routes of escape.
- Notification to law enforcement when a criminal act may have occurred.
- Emergency medical care provided in the event of any violent act upon an employee.
- Post-event trauma counseling for those employees desiring such assistance.

Training and instruction is conducted at minimum at new hire orientation, annually or when laws or procedures change.

Workplace security training and instruction includes, but is not limited to, the following:

- Techniques for recognizing the potential for violence.
- Preventive measures to reduce the threat of workplace violence, including procedures for reporting workplace security hazards.
- In addition, specific instructions shall be provided to all employees regarding workplace security hazards unique to their job assignment.
- Non Violent Crisis Intervention training is required within 60 days of hire for employees in high-risk areas and those whose assignment is to respond to alarms or other notifications of violent incidents or whose assignments involve confronting or controlling persons exhibiting aggressive or violent behavior. Refresher classes are also required, every 12 months.
- How employees will document and communicate to other employees (including between shifts and units) information regarding conditions that may increase the potential for workplace violence incidents.

Managers and Supervisors shall be trained to:

- Ensure that employees are not placed in assignments that compromise safety and in methods and procedures which will reduce the security hazards.
- Respond compassionately towards co-workers when an incident does occur.

- Ensure that employees follow safe work practices and receive appropriate training to enable them to do this.
- Reinforce the Work Place Violence Prevention Program, promote safety and security, and ensure employees receive additional training as the need arises.

Workplace Violence Response Team

Employees whose job duties include responding to alarms or other notifications of violent incidents will receive additional, interactive training that is specific to confronting or controlling persons exhibiting aggressive or violent behaviors.

These team members will receive the highest level of Crisis Intervention Training.

1. Nursing Supervision
2. All Department Managers/Asst. Managers, Directors
3. Charge Staff
4. Security Department
5. Facilities/Maintenance Department
6. Clinical Engineering
7. PFS/Case Management

PROCEDURES FOR IDENTIFYING POTENTIAL TYPE 2 VIOLENCE

- Behavior Dysfunction
- Developmentally Delayed
- Domestic Violence
- Forensic Patient (Jail/Corrections/in-Custody Prisoner)
- Gang Affiliation
- Intoxication (drugs or alcohol)
- Mental Illness with Aggressive Tendencies

Procedures to Identify and evaluate patient-specific risk factors

We have a process in place to evaluate patient-specific risk factors which can include

1. Patient mental status and conditions that may cause the patient to non-responsive to instruction or behave unpredictably, disruptively, uncooperatively, or aggressively.
2. A patient's treatment and medication status, type, and dosage, as its know to the health care facility and employees
3. A patient's history of violence, as is known to the health facility and employees
4. Any disruptive or threatening behavior displayed by patient.

Violence Risk Screening

Violence is a complex social interaction, characterized by an inability to cooperate and negative emotions, that may include nonverbal, verbal, and physical behavior that is threatening or harmful to others or property.

Using a standardized evidence-based tool which assists in the prediction of violent behavior, screening will be used for all children aged 10 and over and all adult patients at the point of entry to Kaweah Delta Medical Center (KDMC), inpatient/outpatient services, Kaweah Delta Rehabilitation Hospital, Sub-acute and Transitional Care Services, and Urgent Cares.

On admission to inpatient units or at the beginning of outpatient services and as needed for behavioral changes:

1. Patients will be observed for potential of risk to harm or others by licensed nursing staff using the Broset violence checklist.
2. If the licensed nursing staff determines the patient is at risk for harm to others, an indicator will be activated to alert staff of potential risk.

Incidents That Must be Reported

1. An incident involving the use of a firearm or other dangerous weapon, regardless of whether the employee sustained an injury. For the purpose of this reporting requirement, a “dangerous weapon” means an instrument capable of inflicting death or serious bodily injury.
2. The use of physical force against an employee by a patient or a person accompanying a patient that results in, or has a high likelihood of resulting in injury, psychological trauma, or stress, regardless of whether the employee sustains an injury. For the purpose of determining whether an incident must be reported, “injury” means an incident which results in one or more of the following
 - a. Death- Any occupational injury that results in death, regardless of the time between injury and death. (Title 8, California Code of Regulations, Section 14300.46)
 - b. One or more days away from work (which includes the day the injury occurred)
 - c. Restricted work or transfer to another job. Restricted work occurs when, as a result of the work related injury, the employer keeps the employee from performing on or more of the routine functions of the job, or from working the full workday that he or she would otherwise have been scheduled to work; or a licensed health care professional recommends the employee not perform one or more of the routine functions of the job, or not work the full workday. A “routine function” is a work activity that the employee regularly performs at least once a week. [Title 8, California Code of Regulations, Section 14300.7(b)(4)].
 - d. Medical treatment beyond first aid. “Medical treatment” means the management and care of a patient to combat disease or disorder. For the purpose of the law, medical treatment does not include:
 - Visits to a licensed health care professional solely for observatory or counseling;

- The conduct of diagnostic procedures, such as x-rays and blood tests, including the administration of prescription medications used solely for diagnostic purposes (e.g., eye drops to dilate pupils); or
 - First aid
- e. Loss of consciousness, regardless of the length of time the employee remains unconscious.
- f. A significant injury diagnosed by a licensed health care professional. In the context of workplace violence, this could be a fractured or cracked toe or rib, or a punctured eardrum. Most significant injuries that must be reported will involve one of the categories above (death, days away from work, medical treatment beyond first aid, or loss of consciousness)

[Title 8, California Code of Regulations, Section 14300.7] If the employee reports psychological trauma or stress as a result of the use of physical force by a patient, visitor, employee or other individual at the worksite, the incident must be reported, even if there is no physical injury.

References:

Title 8; California Code of Regulations (CCR) §3203

Health and Safety Code 1257.7

Assembly Bill 508

http://www.dir.ca.gov/dosh/dosh_publications/worksecurity.html

The Joint Commission – *Environment of Care Standards*,

WORKPLACE VIOLENCE CHECKLIST

Purpose: To provide a safe and secure healthcare environment for patients, visitors, volunteers, physicians and employees. Also, to assist employees in managing and/or de-escalating the situation.

Note: If the situation involves a weapon, immediately notify PBX and “Code Silver and Location”.

STAFF RESPONSE

In a violent or imminently violent situation:

- Call Security at Ext 44
- Provide the District operator with the following information:
- Code Gray or Code Silver
- State your name, where you are and where the incident is occurring and if weapons are involved

(Code Silver)

- Description and number of suspects.
- Number and location of hostages.
- Number and type of weapons involved.
- Within the limits of personal safety, clear the area and limit access to area and to patient as much as possible.
- Immediately notify your manager or immediate supervisor and the House Supervisor.
- Seek shelter, protecting patients as able.
- Complete an occurrence report and sent to Risk Management.

In a potentially violent situation:

- Call Security, Ext 44
- Clear the area as able
- Complete an occurrence report and send to Risk Management

MANAGER

In a violent or imminently violent situation:

- Call Security at Ext 44
- Provide the District operator with the following information:
- Code Gray or Code Silver
- State your name, where you are and where incident is occurring and if weapons are involved

(Code Silver)

- Description and number of suspects.
- Number and location of hostages.
- Number and type of weapons involved.
- Clear the area and limit access to area and to patient as much as possible.
- Complete an occurrence report and send to Risk Management

In a potentially violent situation:

- Call Security, Ext 44
- Notify Human Resources if an employee is involved.

- Complete and occurrence report and send to Risk Management.

SECURITY

In a violent or imminently violent situation:

- Respond to reported situation and assess for (1) type of violence. (2) Threat of physical danger and the need for police assistance.
- Manage the incident in accordance with Security Department policy and procedures.
- Follow-up with investigation and written security incident report.

In a potentially violent situation:

- If the situation permits, consult with Supervisor/Lead Office in Security to determine the appropriate action to take
- Follow up with investigation, provide written incident report.

Reporting Responsibilities:

- Any act of assault or battery that results in injury or involves the use of a firearm other dangerous weapon against any on-duty personnel SHALL be reported to the local police department within 72 hours of the incident.
- Any other act of assault of battery against any on-duty personnel MAY be reported to the local police department within 72 hours of the incident.

SECURITY SERVICES MANAGER

Violent or imminently violent situation:

- Once a reported incident is stabilized, follow up with Risk Management, Human Resources and the manager of the department affected by the incident.

Potentially violent situation:

- If the situation permits, conduct with Risk Management, Human Resources and the other appropriate management to determine the appropriate action to take.

Note: When notified by the Security Officer on the scene that a "Code Gray" is in progress, Security will send back up support as needed.

HUMAN RESOURCES

In a violent or imminently situation:

- If the situation permits, verify with Security or other appropriate management, the assessment of the injury or threat to the employee.
- Jointly with Security and Department Manager, assess the need to remove and/or reassign the employee to a more secure work area.

In a potentially violent situation:

- Consult with Risk Management, Security and Department Manager to determine the appropriate action to take.
- Maintain documentation of all actions taken, and maintain in Human Resources.

RISK MANAGEMENT

In a violent or imminently, or potentially violent situation:

- Use routine risk management process for all imminently violent events

REPORTING RESPONSIBILITIES- EMPLOYEE VICTIM

Employee Health

- If an employee reports to Employee Health with an injury related to an incident of violence, after treatment has been rendered, the Employee Health personnel has a duty to report the incident to the local police department (verify with Security to determine if the incident has been reported).*

Emergency Department

- When you hear PBX announce “Code Silver, All Clear,” or “Code Grey” All Clear”, return to your normal work duties, unless other directed.*
- In the event Employee Health is closed, the Emergency Department has the same duty to report to the police department any injury to an employee which was sustained due to an incident of violence. Verify with security to determine if the incident has been reported.*

"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches exist. Deviations under appropriate circumstances do not represent a breach of a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."



Policy Number: AP41	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Quality Improvement Plan	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

I. Purpose

The purpose of Kaweah Delta Health Care District's (KDHCD) Quality Improvement Plan is to have an effective, data-driven Quality Assessment Performance Improvement program that delivers high-quality, excellent clinical services and enhances patient safety.

II. Scope

All KDHCD facilities, departments, patient care delivery units and/or service areas fall within the scope of the quality improvement plan requirements.

**III. Structure and Accountability
Board of Directors**

The Board of Directors retain overall responsibility for the quality of patient care. The Board approves the annual Quality Improvement Plan and assures that appropriate allocation of resources is available to carry out that plan.

The Board receives reports from the Medical Staff and Quality Council. The Board shall act as appropriate on the recommendations of these bodies and assure that efforts undertaken are effective and appropriately prioritized.

Quality Council

The Quality Council is responsible for establishing and maintaining the organization's Quality Improvement Plan and is chaired by a Board member. The Quality Council shall consist of the Chief Executive Officer, representatives of the Medical Staff and other key hospital leaders. It shall hold primary responsibility for the functioning of the Quality Assessment and Performance Improvement program. Because District [performanceequality](#) improvement activities may involve both the Medical Staff and other representatives of the District, membership is multidisciplinary. The Quality Council requires the Medical Staff and the organization's staff to implement and report on the activities for identifying and evaluating opportunities to improve patient care and services throughout the organization. The effectiveness of the quality improvement and patient safety activities will be evaluated and reported to the Quality Council.

Medical Staff

The Medical Staff, in accordance with currently approved medical staff bylaws, shall be accountable for the quality of patient care. The Board delegates authority and responsibility for the monitoring, evaluation and improvement of medical care to the Professional Staff Quality Committee "Prostaff", chaired by the Vice Chief of Staff. The Chief of Staff delegates accountability for monitoring individual performance to the Clinical Department Chiefs. Prostaff shall receive reports from and assure the

appropriate functioning of the Medical Staff committees. "Prostaff" provides oversight for medical staff quality functions including peer review.

~~Professional Staff Quality Improvement Committee (QIC) "Prestaff": The Prostaff Committee QIC~~ has responsibility for oversight of organizational performance improvement. Membership includes key organizational leaders including ~~the Medical Director of Quality and Patient Safety or Chief Quality Officer, Chief Operating Officer, Chief Nursing Officer, Assistant Chief Nursing Officer, Directors of Quality and Patient Safety, Nursing Practice, and Risk Management; Manager of Quality and Patient Safety and Manager of Infection Prevention.~~ ~~ing—Medical Executive Committee members, Medical Director of Quality and Patient Safety, Chief Executive Officer, Chief Operating Office, Chief Medical Officer/Chief Quality Officer, Chief Nursing Officer, member of the Board of Directors, and Directors of Nursing, Quality and Patient Safety, Risk Management and Pharmacy.~~ This committee reports to ~~Prostaff and~~ the Quality Council.

The ~~QIC Prostaff Committee~~ shall have primary responsibility for the following functions:

1. **Health Outcomes:** The ~~QIC Prostaff Committee~~ shall assure that there is measureable improvement in indicators with a demonstrated link to improved health outcomes. Such indicators include but are not limited to measures reported to the Centers for Medicare and Medicaid Services (CMS) and The Joint Commission (TJC), and other quality indicators, as appropriate.
2. **Quality Indicators:**
 - a. The ~~QIC Prostaff Committee~~ shall oversee measurement, and shall analyze and track quality indicators and other aspects of performance. These indicators shall measure the effectiveness and safety of services and quality of care.
 - b. The ~~Prostaff Committee QIC~~ shall approve the specific indicators used for these purposes along with the frequency and detail of data collection.
 - c. The Board shall ratify the indicators and the frequency and detail of data collection used by the program.
3. **Prioritization:** The ~~QIC Prostaff Committee~~ shall prioritize ~~performance quality~~ improvement activities to assure that they are focused on high-risk, high- volume, or problem- prone areas. It shall focus on issues of known frequency, prevalence or severity and shall give precedence to issues that affect health outcomes, quality of care and patient safety.
4. **Improvement:** The ~~QIC Prostaff Committee~~ shall use the analysis of the data to identify opportunities for improvement and changes that will lead to improvement. The ~~QIC Prostaff Committee~~ will also oversee implementation of actions aimed at improving performance.
5. **Follow- Up:** The ~~QIC Prostaff Committee~~ shall assure that steps are taken to improve ~~performance~~ and enhance safety are appropriately implemented, measured and tracked to determine that the steps have achieved and sustained the intended effect.
6. **Performance Improvement Projects:** The ~~QIC Prostaff Committee~~ shall oversee ~~performance quality~~ improvement projects, the number and scope of which shall be proportional to the scope and complexity of the hospital's services and operations. The ~~QIC Prostaff Committee~~ must also ensure there is documentation of what quality improvement projects

are being conducted, the reasons for conducting those projects, and the measureable progress achieved on the projects.

Medical Executive Committee

The Medical Executive Committee (MEC) receives, analyzes and acts on performance improvement and patient safety findings from committees and is accountable to the Board of Directors for the overall quality of care.

Nursing Practice Improvement Council

The Nursing Practice Improvement Council is designed to ensure quality assessment and continuous [qualityperformance](#) improvement and to oversee the quality of patient care (with focus on systems improvements related to nursing practices and care outcomes).

The Nursing Practice Improvement Council is chaired by the Director of Nursing Practice and facilitated by a member of the [Quality and Patient Safety Performance Improvement](#) department. This Council has staff nurse representation from a broad scope of inpatient and out-patient nursing units, and procedural nursing units. The Council will report to Patient Care Leadership, Professional Practice Council (PPC) and the Professional Staff Quality Committee.

Graduate Medical Education

[Graduate Medical Education \(Designated Institutional Official \(DIO\), faculty and residents, are involved in achieving quality and patient safety goals and improving patient care through several venues including but not limited to:](#)

- a) [Collaboration between Quality and Patient Safety Department, Risk Management, and GME Quality Subcommittee](#)
- b) [GME participation in Quality Improvement Committee and Patient Safety Committee](#)
- c) [GME participation in KDHC quality committees and root cause analysis \(including organizational dissemination of lessons learned\)](#)

Methodology:

- The **FOCUS-Plan, Do, Check, Act (PDCA)** methodology is utilized to plan, design, measure, assess and improve functions and processes related to patient care and safety throughout the organization.
 - **F—Find** a process to improve
 - **O—Organize** effort to work on improvement
 - **C—Clarify** knowledge of current process
 - **U—Understand** process variation
 - **S—Select** improvement
 - **Plan:**
 - Objective and statistically valid performance measures are identified for monitoring and assessing processes and outcomes of care including those affecting a large percentage of patients, and/or place patients at serious risk if not performed well, or performed when not indicated, or not performed when indicated; and/or have been or likely to be problem prone.
 - Performance measures are based on current knowledge and clinical experience and are structured to represent cross-departmental, interdisciplinary processes, as appropriate.
 - **Do:**

- Data is collected to determine:
 - ◆ Whether design specifications for new processes were met
 - ◆ The level of performance and stability of existing processes
 - ◆ Priorities for possible improvement of existing processes
- **Check:**
 - Assess care when benchmarks or thresholds are reached in order to identify opportunities to improve performance or resolve problem areas
- **Act:**
 - Take actions to correct identified problem areas or improve performance
 - Evaluate the effectiveness of the actions taken and document the improvement in care
 - Communicate the results of the monitoring, assessment and evaluation process to relevant individuals, departments or services

IV. Confidentiality

All quality assurance and performance improvement activities and data are protected under the Health Care Quality Improvement Act of 1986, as stated in the Bylaws, Rules and Regulations of the Medical Staff, and protected from discovery pursuant to California Evidence Code §1157.

V. Annual Evaluation

Organization and Medical Staff leaders shall review the effectiveness of the Quality Improvement Plan at least annually to insure that the collective effort is comprehensive and improving patient care and patient safety. An annual evaluation is completed to identify components of the plan that require development, revision or deletion. Organization and Medical Staff leaders also evaluate annually their contributions to the Quality Improvement Program and to the efforts in improving patient safety.

VI. Attachments-- Components of the Quality Improvement and Patient Safety Plan:

- Attachment 1: Quality Improvement Committee Structure
- Attachment 2: KDHCD- Prostaff Reporting Documents
- Attachment 3: 2018-2019 Value Based Purchasing (VBP) Objectives

"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches

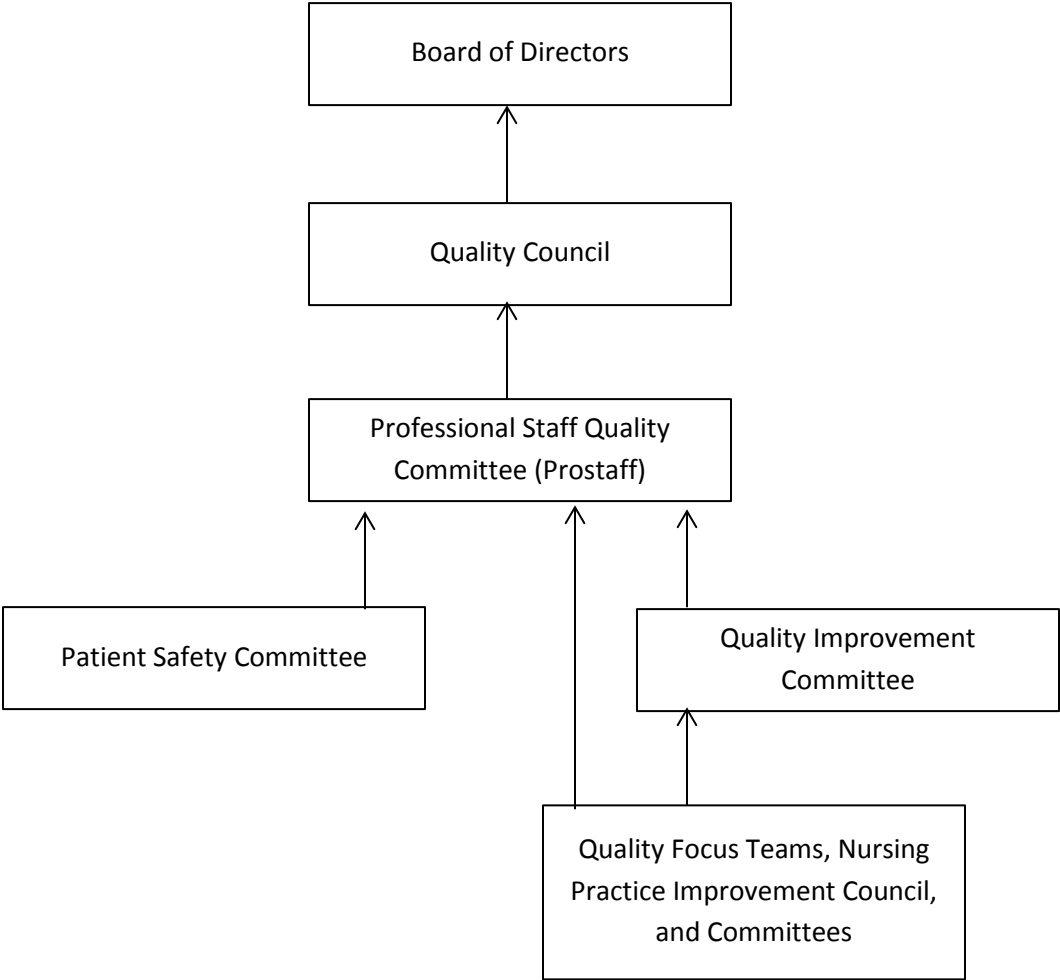
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exist. Deviations under appropriate circumstances do not represent a breach of a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."

Kaweah Delta Healthcare District
Quality Reporting Structure



Attachment 2

KDHCD – QUALITY IMPROVEMENT COMMITTEE REPORTING DEPARTMENTS

Departments within KDHCD participate in the Quality Improvement plan by prioritizing performance improvement activities based on high-risk, high-volume, or problem-prone areas. Department level indicators shall focus on issues of known frequency, prevalence or severity and shall give precedence to issues that affect health outcomes, quality of care and patient safety. Departments include, but are not limited to:

PROFESSIONAL and PATIENT CARE SERVICES
Laboratory
Nursing Quality Dashboard
Advanced Nursing Practice
Wound Care, Inpatient (Skin and Wound Committee)
Patient Access
Community Outreach
Patient & Family Services
Case Management/Utiliz Mgt & Bed Alloc
Interpreter Services
EOC (Security, facilities, Clinical Engineering, EVS)
Chaplain Services
Exeter Health Clinic (includes Lindsay, Woodlake, Dinuba)
Inpatient Pharmacy
Conscious Sedation (ED) Annual
Organ Donation (Annual)
Maternal Child Health
Labor & Delivery
Mother Baby
Neonatal Intensive Care Unit
Pediatrics
Mental Health Services
Mental Health
Episodic Care
Emergency
Trauma Service
Urgent Care
Cardiovascular Services
Dept of Cardiovascular Services (ACC/STS/) - Cath lab, IR, CVICU and Cardiac Surgery
CVICU
2N
4T
Critical Care Services
Intensive Care Unit
3W
Rehabilitation Services
Rehabilitation
Inpatient Therapies (KDMC, Rehab, South Campus)

Outpatient Therapies: Medical Office Building (MOB), Exeter, Sunnyside, Dinuba, Lovers Lane, Therapy Specialists at Rehab
Outpatient Wound Care at Rehab
Post Acute Services
KD Home Infusion Pharmacy
Home Care Services (Home Health & Hospice)
Transitional Care Svc/Short-Stay Rehab
Skilled Nursing Services
Surgical Services
Ambulatory Surgery Center/PACU/KATS
Operating Room
SPD
Broderick Pavilion
3N
4 South
Renal Services
4 North -
CAPD/ CCPD (Dialysis Maintenance)
Visalia Dialysis
Med/Surg
2S
3S
PUBLICALLY REPORTED MEASURES
Infection Prevention
Patient Safety Indicators/HACs
Value Based Purchasing Report
Patient Experience
Core Measures
Hospital Compare Quarterly Report
Healthgrades
Leapfrog Hospital Safety Score
COMMITTEES
Med Safety & ADE
Disparities in care
Falls committee
RRT/Code Blue
Pain Management
Resource Effectiveness Committee
Sepsis Quality Focus Team
Stroke
Diabetes QFT
Blood Utilization
Handoff Communication QFT
Accreditation Regulatory Committee

2018-2019 Value Based Purchasing (VBP) Objectives

A. Patient Experience of Care Domain (25% of VBP)

Hospital Consumer Assessment of Healthcare Providers & Systems Survey (HCAHPS)

Objectives for patient experience of care:

Organizational goal to be at or above 76.5 % for the year in overall rating of hospital

B. Clinical Care Domain (25% of VBP)

Acute myocardial infarction (AMI) 30-day mortality rate

Heart failure (HF) 30-day mortality rate

Pneumonia (PN) 30-day mortality rate

Elective Total Hip Arthroplasty (THA) and/or Total Knee Arthroplasty (TKA)

Complication Rate

Objectives for Clinical Care Domain:

KDHCD 30- day AMI mortality rate to be no different or better than the National rate

KDHCD 30- day HF mortality rate to be no different or better than the National rate

KDHCD 30- day PN mortality rate to be no different or better than the National rate

KDHCD THA/TKA Complication reate to be no different or better than the National rate

C. Patient Safety Domain (25% of VBP):

Healthcare Associated Infections:

- CLABSI-central line associated infection
- CAUTI-catheter associated urinary tract infection
- SSI-surgical site infections for colon and abdominal hysterectomy
- C difficile
- MRSA

PC-01 Eclective Delivery Prior to 39 Completed Weeks of Gestation (EED)

Objectives for Complication/Patient Safety:

To reduce Healthcare associated infection rates and EED to be no different or better than the National rate

C. Efficiency Measures Domain (25% of VBP)

MSPB-1Medicare spending per beneficiary

Objectives for Efficiency Measure:

KDHCD MSPB to be no different or better than the National rate

E. KDHCD objectives for Core Measures not captured in VBP are to perform within the CMS standards of excellence (top 10% decile).



Policy Number: AP175	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Cindy Moccio (Board Clerk/Exec Assist-CEO)	
Patient Safety Plan	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

I. Purpose

- Encourage organizational learning about medical/health care risk events and near misses
- Encourage recognition and reporting of medical/health events and risks to patient safety using just culture concepts
- Collect and analyze data, evaluate care processes for opportunities to reduce risk and initiate actions
- Report internally what has been found and the actions taken with a focus on processes and systems to reduce risk
- Support sharing of knowledge to effect behavioral changes in itself and within [Kaweah Delta Healthcare District \(KDHCDC\)](#)

II. Scope

All [Kaweah Delta Healthcare District \(KDHCDC\)](#) facilities, departments, patient care delivery units and/or service areas fall within the scope of the quality improvement and patient safety plan requirements.

III. Structure and Accountability

A. Board of Directors

The Board of Directors retains overall responsibility for the quality of patient care and patient safety. The Board approves annually the Patient Safety Plan and assures that appropriate allocation of resources is available to carry out that plan.

The Board receives reports from the Patient Safety Committee through the Professional Staff Quality Committee. The Board shall act as appropriate on the recommendations of these bodies and assure that efforts undertaken are effective and appropriately prioritized.

B. Quality Council

The Quality Council is responsible for establishing and maintaining the organization's Patient Safety Plan and is chaired by a Board member. The Quality Council shall consist of the Chief Executive Officer, representatives of the Medical Staff and other key hospital leaders. It shall hold primary responsibility for the functioning of the Quality Assessment and Performance Improvement program. Because District performance improvement activities may involve both the Medical Staff and other representatives of the District, membership is multidisciplinary. The Quality Council requires the Medical Staff and the organization's staff to implement and report on the activities for identifying and evaluating opportunities to improve patient care and services throughout the organization. The effectiveness of the quality improvement and patient safety activities will be evaluated and reported to the Quality Council.

C. Patient Safety Committee

The Patient Safety Team is a standing interdisciplinary group that manages the organization's Patient Safety Program through a systematic, coordinated, continuous approach. The Team will meet monthly to assure the maintenance and improvement of

Patient Safety in establishment of plans, processes and mechanisms involved in the provision of the patient care.

The scope of the Patient Safety Team includes medical/healthcare risk events involving the patient population of all ages, visitors, hospital/medical staff, students and volunteers. Aggregate data* from internal (IS data collection, incident reports, questionnaires,) and external resources (Sentinel Event Alerts, evidence based medicine, etc.) will be used for review and analysis in prioritization of improvement efforts, implementation of action steps and follow-up monitoring for effectiveness. [The Patient Safety Committee has oversight of KDHC activities related to the National Quality Forum's \(NQF\) Safe Practices \(SP\) #1 Culture of Safety Leadership Structures & System Documentation; #2 Culture Measurement, Feedback & Intervention Documentation; #4 Risks & Hazards; #9 Nursing Workforce; #19 Hand Hygiene; and #23 Prevention of Ventilator Associated Complications.](#)

1. The Patient Safety Officer is the Medical Director of Performance Improvement
2. The Patient Safety Committee is chaired by the Patient Safety Officer or designee.
3. The responsibilities of the Patient Safety Officer include institutional compliance with patient safety standards and initiatives, reinforcement of the expectations of the Patient Safety Plan, and acceptance of accountability for measurably improving safety and reducing errors. These duties may include listening to employee and patient concerns, interviews with staff to determine what is being done to safeguard against occurrences, and immediate response to reports concerning workplace conditions.
4. Team membership includes services involved in providing patient care, such as: Pharmacy, Laboratory, Surgical Services, Risk Management, Infection Prevention, Medical Imaging, and Nursing. The medical staff representative on the team will be the Vice Chief of Staff.

D. Medication Safety Quality Focus Team

The Medication Safety Quality Focus Team (MSQFT) is an interdisciplinary group that manages the organizations Medication Safety Program including the District Medication Error Reduction Plan (MERP).

The purpose of the MSQFT is to direct system actions regarding reductions in errors attributable to medications promoting effective and safe use of medication throughout the organization. Decisions are made utilizing data review, approval of activities, resource allocation, and monitoring activities. Activities include processes that are high risk, high volume, or problem prone, some of which may be formally approved by the MSQFT as a District MERP goal (see Policy AP154 Medication Error Reduction Plan).

The MSQFT provides a monthly report to the Pharmacy and Therapeutics Committee and quarterly reports to the Professional Staff Quality Committee and directly to Quality Council. The MSQFT Chair is a member of the Patient Safety Committee. A quarterly report is presented at Patient Safety Committee in addition to active participation in patient safety activities related to medication use.

IV. Organization and Function

- A. The mechanism to insure all components of the organization are integrated into the program is through a collaborative effort of multiple disciplines. This is accomplished by:
 1. Reporting of potential or actual occurrences through the Occurrence Reporting Process Policy (AP10) by any employee or member of the medical staff. Examples of potential or actual occurrences include pressure ulcers, falls, adverse drug events, and misconnecting of: intravenous lines, enteral feeding tubes and epidural lines.
 2. Communication between the Patient Safety Officer and the Chief Operating Officer to assure a comprehensive knowledge of not only clinical, but also environmental factors involved in providing an overall safe environment.
 3. Reporting of patient safety and operational safety measurements/activity to the performance improvement oversight group, Professional Services Quality Committee

“Prostaff”. Prostaff is a multidisciplinary medical staff committee composed of various key organizational leaders including: Medical Executive Committee members, Chief Executive Officer, Chief Operating Officer, Chief Medical Officer/Chief Quality Officer, Chief Nursing Officer, Member of the Board of Directors, and Directors of Nursing, Performance Improvement, Risk Management, and Pharmacy.

4. Graduate Medical Education

i. Graduate Medical Education (Designated Institutional Official (DIO), faculty and residents, are involved in achieving quality and patient safety goals and improving patient care through several venues including but not limited to:

1. Collaboration between Quality and Patient Safety Department, Risk Management, and GME Quality Subcommittee
2. GME participation in Quality Improvement Committee and Patient Safety Committee
3. GME participation in KDHCDC quality committees and root cause analysis (including organizational dissemination of lessons learned)

3.

- B. The mechanism for identification and reporting a Sentinel Event/other medical error will be as indicated in Organizational Policies AP87. Any root cause analysis of hospital processes conducted on either Sentinel Events or near misses will be submitted for review/recommendations to the Patient Safety Committee, Professional Staff Quality Committee and Quality Council.
- C. As this organization supports the concept that events most often occur due to a breakdown in systems and processes, staff involved in an event with an adverse outcome will be supported by:
 1. A non-punitive approach without fear of reprisal (just culture concepts).
 2. Voluntary participation into the root cause analysis for educational purposes and prevention of further occurrences.
 3. Resources such as Pastoral Care, Social Services, or EAP should the need exist to counsel the staff
 4. Biannual-sSafety culture staff survey (i.e. the Safety Attitudes Questionnaire) administered at least every 2 years to targeted staff and providers, about their willingness to report medical errors, (i.e. the Safety Attitudes Questionnaire)
- D. As a member of an integrated healthcare system and in cooperation with system initiatives, the focus of Patient Safety activities include processes that are high risk, high volume or problem prone, and may include:
 1. Adverse Drug Events
 2. Nosocomial Infections
 3. Decubitus Ulcers
 4. Blood Reactions
 5. Slips and Falls
 6. Restraint Use
 7. Serious Event Reports
 8. DVT/PE
- E. A proactive component of the program includes the selection at least every 18 months of a high risk or error prone process for proactive risk assessment such as a Failure Modes Effects Analysis (FMEA), ongoing measurement and periodic analysis. The selected process and approach to be taken will be approved by the Patient Safety Committee and Quality Council.

The selection may be based on information published by The Joint Commission (TJC) Sentinel Event Alerts, and/or other sources of information including risk management,

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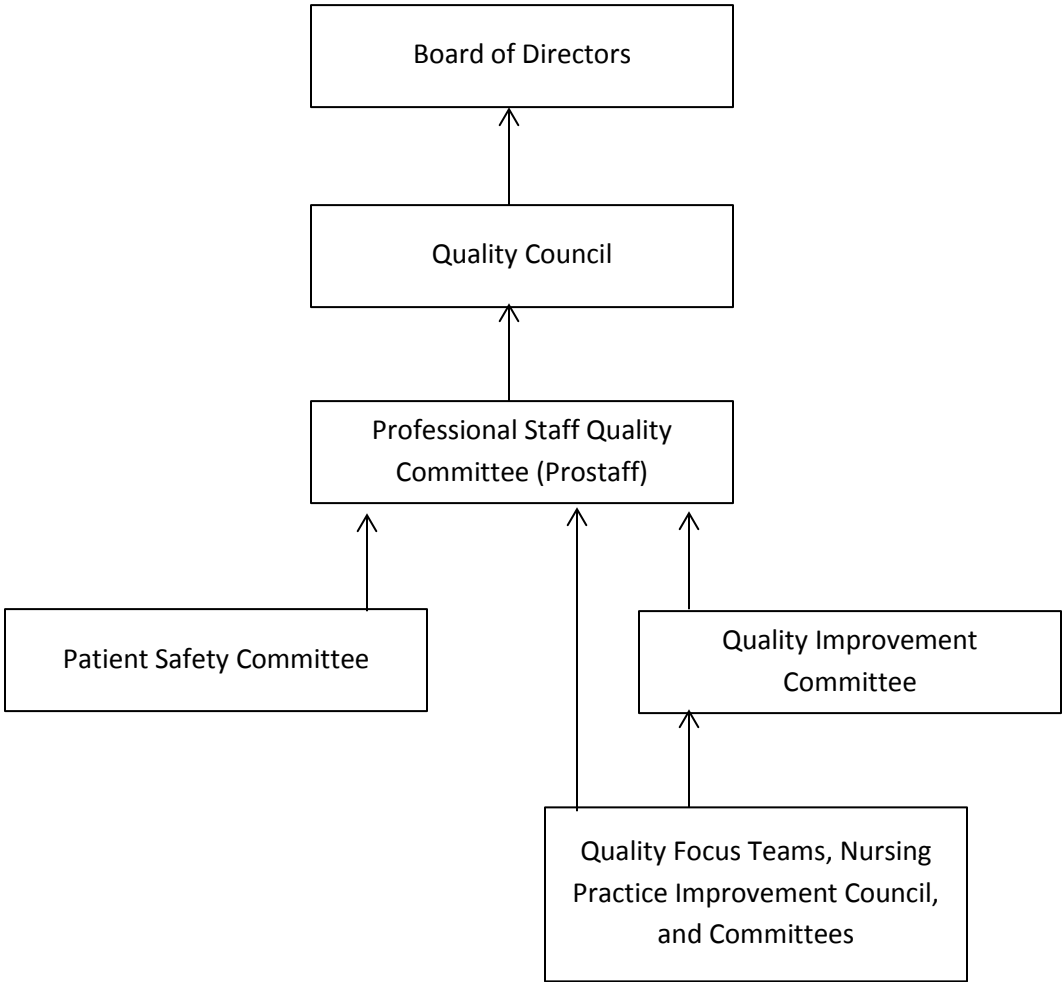
performance improvement, quality assurance, infection prevention, research, patient/family suggestions/expectations or process outcomes.

- F. Methods to assure ongoing inservices, education and training programs for maintenance and improvement of staff competence and support to an interdisciplinary approach to patient care is accomplished by:
1. Providing information and reporting mechanisms to new staff in the orientation training.
 2. Providing ongoing education in organizational communications such as newsletters and educational bundles.
 3. Obtaining a confidential assessment of staff's willingness to report medical errors at least once every two yearsbiannually.
- G. Internal reporting – To provide a comprehensive view of both the clinical and operational safety activity of the organization:
1. The minutes/reports of the Patient Safety ~~Team~~Committee, as well as minutes/reports from the Environment of Care Committee will be submitted through the Director of Performance Improvement and Patient Safety to the Professional Staff Quality Committee.
 2. These monthly reports will include ongoing activities including data collection, analysis, and actions taken and monitoring for the effectiveness of actions.
 3. Following review by Professional Staff Quality Committee, the reports will be forwarded to Quality Council.
- H. The Patient Safety Officer or designee will submit an Annual Report to the KDHC Board of Directors and will include:
1. Definition of the scope of occurrences including sentinel events, near misses and serious occurrences
 2. Detail of activities that demonstrate the patient safety program has a proactive component by identifying the high-risk process selected
 3. Results of the high-risk or error-prone processes selected for proactive risk assessment.
 4. The results of the program that assesses and improves staff willingness to report medical/health care risk events
 5. A description of the examples of ongoing in-service, and other education and training programs that are maintaining and improving staff competence and supporting an interdisciplinary approach to patient care.
- V. Evaluation and Approval
- The Patient Safety Plan will be evaluated at least every three years or as significant changes occur, and revised as necessary at the direction of the Patient Safety Committee, Professional Staff Quality Committee, and/or Quality Council. Annual evaluation of the plan's effectiveness will be documented in a report to the Quality Council and the KDHC Board of Directors.
- VI. Confidentiality
- All quality assurance and performance improvement activities and data are protected under the Health Care Quality Improvement Act of 1986, as stated in the Bylaws, Rules and Regulations of the Medical Staff, and protected from discovery pursuant to California Evidence Code §1157.

Attachments - Attachment 1: Quality Improvement/Patient Safety Committee Structure

"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches exist. Deviations under appropriate circumstances do not represent a breach of a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."

Kaweah Delta Healthcare District
Quality Reporting Structure



Proposed Annual Audit Plan January 2019-December 2019

Suzy Plummer, Director of Audit and Consulting Services



2019 Planned Audits and Reviews

Tier 1

- Denials Management and Underpayment Processes
- Payroll (HR and Finance Components)
- ISS-Presidio Report Follow Up
- 401k

Tier 2

- Construction Services
- Foundation Account Review
- Leave of Absence Processes and Compliance



2019 Audit Support and Cycled Audit Areas

- PRIME Project Support
- Resource Effectiveness Committee-Cost Savings Initiatives
- Data and Information Governance
- Employee Expense Reviews
- Cash Audits



**SECOND AMENDED AND RESTATED
EXCLUSIVE PROVIDER AGREEMENT FOR ANESTHESIA SERVICES
BETWEEN
KAWEAH DELTA HEALTH CARE DISTRICT
AND
PRIMARY ANESTHESIA SERVICES, P.C.**

This Second Amended and Restated Exclusive Provider Agreement for Anesthesia Services (this "Agreement") amends and restates, with effect from March 9, 2019 (the "Effective Date"), the Exclusive Provider Agreement for Anesthesia Services effective December 13, 2011, as amended and restated to date (the "Original Agreement") by and between Kaweah Delta Health Care District, a local health care district organized and existing pursuant to Health and Safety Code Sections 32000 et seq. (the "District"), and Primary Anesthesia Services, P.C., a California professional medical corporation (the "Contractor").

RECITALS

- A. District is the operator of a general acute care Hospital known as Kaweah Delta Medical Center (the "Hospital") in Visalia, California, in which there is located and operated an Anesthesia Department (the "Department").
- B. Contractor is a medical corporation whose shareholders and professional personnel are physicians licensed to practice medicine in the State of California and who are (or will be by the Effective Date) members in good standing of the Medical Staff (the "Medical Staff"), or registered nurses licensed to practice nursing and certified to practice nurse anesthesia by the California Board of Registered Nursing ("CRNAs"), and who have been (or will by the Effective Date have been) approved by the administration and the appropriate Medical Staff committee to practice within the Hospital. The physicians providing services under this Agreement are referred to as "Physicians." CRNAs and Physicians providing services under this Agreement are referred to as "Providers."
- C. District, in accordance with its Bylaws administered through its Board of Directors, has determined that the best interests of patients, insofar as the quality of medical care is concerned, and insofar as the future quality of medical care and the availability of anesthesia at Hospital are concerned, shall be served by having Contractor exclusively provide professional services within the Department as provided in Section 2.1 and in accordance with the Bylaws and Rules and Regulations of the Medical Staff ("Medical Staff Bylaws").
- D. It is anticipated that this exclusive agreement with Contractor will facilitate the administration of the Department and the training of personnel therein, enhance interdepartmental communications within District, simplify and permit more flexibility in scheduling, promote better availability of anesthesia services, enhance convenience to and safety of patients, encourage more efficient use of equipment and personnel, and ultimately lower the cost of anesthesia services for the patients of District.

- E. In view of the foregoing, District desires that Contractor assume the full and exclusive right to provide professional services within the Department as provided in Section 2.1, and Contractor desires to accept such sole and exclusive rights and responsibilities.
- F. District and Contractor desire to enter into this Agreement in order to provide a full statement of their respective rights and responsibilities in connection with the operation of the Department and the provision of professional anesthesia services at District during the term of this Agreement.
- G. This Agreement amends and restates the Original Agreement in its entirety. The Original Agreement shall continue to apply without amendment to services provided prior to the Effective Date of this Agreement, and to payment for such services; provided that any amounts payable under the Original Agreement shall be pro-rated for the period ending immediately before the Effective Date.

THEREFORE, in consideration of the foregoing recitals, the mutual covenants, conditions and promises hereinafter set forth, and other good and valuable consideration, the sufficiency of which is hereby acknowledged, and intending to be legally bound, District and Contractor agree as follows:

**SECTION 1.
ANESTHESIA DEPARTMENT**

- 1.1. **Contractor's Representations.** Contractor represents and warrants to District, and agrees with District, as follows:
 - (a) All Providers shall be employees or contractors of Contractor. The Providers providing services under this Agreement as of the Effective Date are mutually agreed upon by the parties. No person shall become a Provider thereafter without the approval of District, and without appropriate Medical Staff privileges.
 - (b) All Providers meet, and shall continue to meet, the applicable requirements of Section 2.9.
 - (c) Neither Contractor nor any Provider is bound by any agreement or arrangement which would preclude Contractor or any Provider from entering into, or from fully performing the services required under, this Agreement.
 - (d) No Physician's license to practice medicine in the State or in any other jurisdiction or Drug Enforcement Agency number has ever been denied, suspended, revoked, terminated, relinquished under threat of disciplinary action, or restricted in any way.
 - (e) No Physician's medical staff privileges at any health care facility have ever been denied, suspended, revoked, terminated, relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction.

- (f) No CRNA's license to practice nurse anesthesia in the State of California or in any other jurisdiction has been denied, suspended, revoked, terminated, relinquished under threat of disciplinary action or restricted in any way.
- (g) No CRNA's allied health practitioner prerogatives or privileges at any health care facility have ever been denied, suspended, revoked, terminated, relinquished under threat of disciplinary action or made subject to terms of probation or any other restriction.
- (h) Contractor and each Provider shall perform the services required by this Agreement in accordance with: (1) all applicable federal, state, and local laws, rules and regulations; (2) all applicable standards of the accreditation organizations and any other relevant accrediting organizations, and (3) all applicable bylaws, rules, regulations, procedures, and policies of Hospital and the Medical Staff.
- (i) Contractor and each Physician is or shall be a participant in Medicare and the State's Medicaid program.
- (j) Neither Contractor nor any Physician has in the past conducted, and is not presently conducting, its or his/her medical practice in such a manner as to cause Contractor or any Physician to be suspended, excluded, debarred or sanctioned under the Medicare or Medicaid Programs or by any government licensing agency, and has never been charged with or convicted of an offense related to health care, or listed by a federal agency as debarred, excluded or otherwise ineligible for federal program participation.
- (k) The compensation paid or to be paid by Contractor to any Provider is and shall, at all times during the term of the Agreement, be fair market value for services actually provided by such Provider, not taking into account the value or volume of referrals or other business generated by such Provider for District. Contractor represents to District that Contractor has and shall at all times maintain a written agreement with each Provider receiving compensation from Contractor that is not an employee of Contractor (e.g., each non-employed independent contractor), which written agreement is or shall be signed by the parties, and does or shall specify the services covered by the arrangement. Contractor further represents that with respect to employees of Contractor with whom Contractor does not have a written employment agreement, the employment arrangement is or shall be for identifiable services and is or shall be commercially reasonable even if no referrals are made to the District by the employee. Further, Contractor shall comply with all relevant claims submission and billing laws and regulations. Each of the representations and warranties set forth herein shall be continuing and in the event any such representation or warranty fails to remain true and accurate during the Term, Contractor shall immediately notify District.

- (l) Prior to the Effective Date, Contractor has submitted to District copies of all its contracts with Providers. Thereafter, if Contractor proposes to enter into a contract with a Provider in a form substantially different from the forms previously approved by the District, Contractor shall submit the form of agreement to District for approval at least thirty (30) days prior to execution the contract. Contractor shall not enter into any agreement with a provider in a form substantially different from the approved form unless the form of agreement has been approved by District, which may grant or withhold its approval in its discretion, provided that District shall not unreasonably withhold its approval. Contractor shall provide District with copies of all its contracts with Providers from time to time upon request.
- (m) Contractor shall compensate Providers on a payer-neutral basis.
- (n) Contractor shall provide statistical analyses to its Providers on a periodic basis related to their productivity and performance under this Agreement.
- (o) An equitable surgery schedule and an equitable call schedule have been identified in this Agreement and in Exhibit 1 and shall be adhered to in accordance with the terms of the contracts with Providers and this Agreement.
- (p) Contractor and its Providers acknowledge and agree that the primary professional responsibility of Contractor and its full-time Providers is to provide services under this Agreement. Contractor shall not, and shall not permit its full-time Providers to, become involved in any other contracts or professional obligations that materially interfere with the ability of Contractor to honor all of the terms and conditions of this Agreement, including, but not limited to, the responsibilities detailed on the Exhibits attached to this Agreement.
- (q) Contractor shall ensure that each Provider complies with all terms and conditions contained herein. Providers shall also: (a) cooperate with District's employee health program and the designated employee health nurse in providing, reviewing and developing health services for employees who work at District; (b) attend any and all meetings within District that Providers are asked to attend by District's Chief Nursing Officer (the "CNO"); and (c) perform such other duties as may from time to time be requested by District's Governing Board, or Medical Staff, Chief Executive Officer (the "CEO") and/or CNO.
- (r) The foregoing representations and covenants (except for those relating expressly to the Effective Date) shall be deemed to continue throughout the term of this Agreement.

1.2. **Anesthesia Department.** All Physicians who provide anesthesia services at Hospital shall be members of the Department of Anesthesia, and all anesthesia services contemplated by this Agreement shall be provided by Physicians in their capacity as members of the Department of Anesthesia, or by CRNAs approved by the appropriate committee of the Medical Staff. With the approval of District administration, Physicians

with locum tenens privileges (granted by Contractor and the Medical Staff) may also provide services under this Agreement.

- 1.3. **Department Premises.** During the term of this Agreement, District shall continue to provide to or on behalf of Contractor, at District's sole cost and expense, the use of the Department's premises located in, on, or about the Hospital as currently used in connection with the Department and as expanded or relocated as may in the determination of the District be reasonably necessary in the future for the safe and efficient operation of the Department and the provision of anesthesia to patients at the Hospital. Contractor shall inform District as to future increased needs for Department premises. The District shall, at no cost to Contractor, provide two (2) offices suitable for an on-site administrator and the Medical Director of Anesthesia Services, and two (2) on-call rooms (one for OB and one for Surgery).
- 1.4. **Use of Premises.** Contractor shall use the Department's premises solely for the practice of anesthesia, pain management and related procedures provided by the Department under this Agreement, and the administrative and clerical activities attendant to that practice. Use of the premises by Contractor shall be limited to Contractor's Providers and administrative staff. No part of the premises shall be used at any time by Contractor, nor shall Contractor permit anyone else to use the premises, as an office for the private practice of medicine unless a separate agreement in writing is reached by the parties to that effect.
- 1.5. **Information Technology.** Hospital shall grant Contractor personnel access to the Hospital's information technology systems that are reasonably necessary for the Contractor to render services under this Agreement, including, but not limited to, virtual private network access to the Hospital's applicable information technology system so that Contractor may acquire the necessary information to process anesthesia claims, including preauthorization, dictated surgical notes, diagnosis and procedure codes as well as patient demographic and insurance information in accordance with the terms of this Agreement. The Hospital shall make best efforts to provide Contractor an HLA7 compatible data stream of surgical patient data including, without limitation, patient demographic data, procedure data, and any requested EHR data. The provision of information shall be subject to the input and approval of the District's Chief Information Officer.
- 1.6. **Spokesperson for Contractor.** The spokesperson for Contractor, Hugh Morgan, or such other person, who, upon prior notice to District, may from time to time be designated by Contractor as its spokesperson (the "Spokesperson"), shall communicate in all matters involving the terms and conditions of this Agreement. Contractor shall arrange for the Spokesperson to be available to consult with District or its designees at reasonable times on a regular basis to discuss any matters concerning this Agreement or the administration or operation of the Department.

In addition, the Spokesperson shall act as the facilitator to ensure that the duties of Contractor described in this Agreement are met in a timely manner. Communications by District or its designee made to the Spokesperson shall be considered as made to

Contractor and the Spokesperson shall be responsible for the forwarding of all such communications by District to the appropriate boards, committees, or Providers of Contractor. Statements made by the Spokesperson regarding this Agreement or the administration or operation of the Department shall be deemed by District as the statements of Contractor.

- 1.7. **Professional Standards.** Contractor and its Providers shall perform their duties under this Agreement in accordance with the rules of ethics of the medical profession and, in the case of CRNAs, the nursing profession. Contractor and its Providers also shall perform their duties under this Agreement in accordance with the appropriate standard of care for their respective professions and specialties including the guidelines of the American Society of Anesthesiologists and the Medical Staff Bylaws.

SECTION 2. CONTRACTOR'S OBLIGATIONS

2.1. **Contractor's Services.**

- (a) Contractor shall have the exclusive right and the responsibility to provide all professional anesthesiology services required for daily scheduled surgery at Hospital, except for: (1) consulting services requested by the admitting physician; and (2) local anesthetics administered by a treating physician (including for pain management), where such treating physician elects to do his or her own local anesthetic, if and when permissible pursuant to applicable Medical Staff Bylaws (the "Services"). Without limiting the foregoing, the Services include sedation integral to the performance of operative procedures in the surgery suites at the Hospital, and to obstetrical services performed in the Hospital's labor and delivery department and other departments of the Hospital as needed, including endoscopy, emergency department, critical care and (subject to the exception set forth above) pain management for acute pain.
- (b) Notwithstanding anything to the contrary set forth in this Agreement, the parties acknowledge and agree that there may be certain members of the Medical Staff who are not affiliated with Contractor and currently or shall hold clinical privileges in pain management, acute and/or chronic, and that such clinical privileges shall not constitute a breach of Section 2.1(a).
- (c) Contractor shall have the ability to provide services to patients twelve (12) months of age and older through appropriately trained and supervised Providers.
- (d) All Services shall be provided in accordance with all applicable laws, regulations, accreditation requirements, and Medical Staff Bylaws and standards. District and Contractor recognize that the treating physician or surgeon is the primary customer of the anesthesiologist along with the needs of the patient, and that anesthesia services are subject to the availability of sufficient anesthesia providers. Contractor shall devote its best efforts and sufficient time to provide for the proper management and operation of the Department.

- (e) Contractor shall provide, on premises, a sufficient number of anesthesiologists and CRNAs to cover the Services, on a twenty-four (24) hours per day basis, every day of the calendar year, with a sufficient number of Physicians and CRNAs physically present to provide full coverage the Services at all times as described in detail in the OR Schedule in Exhibit 1, as that Exhibit may be modified from time to time, subject to reasonable and workable hours being established for elective surgery, and subject to the needs of the treating physician surgeon and the needs of the patients. The Medical Staff's O.R. Policy Committee ("O.R. Policy Committee") shall determine, and Contractor shall abide by, scheduling and coverage needs, including modification of the days and/or hours on Exhibit 1, provided that the total number of physician or CRNA hours to be covered by Contractor shall not be changed without the agreement of the parties. In the event that the O.R. Policy Committee increases the coverage obligations and the District approves the increase, Contractor shall be given a reasonable time to secure any additional staff necessary to meet the increased coverage obligations and District shall provide additional income support at the rate set forth in Exhibit 4-2. Contractor has and shall maintain a sufficient number of Physician and CRNA full-time equivalent (FTE) Providers to provide full coverage of the Services as described in Exhibit 1, including vacation coverage; provided that it shall be Contractor's responsibility to provide whatever number of Providers is necessary to provide the Services and coverage required by this Agreement.
- (f) It shall be Contractor's responsibility to provide adequate numbers of Providers to fulfill the coverage requirements set forth in Exhibit 1, in compliance with all applicable laws, regulations, accreditation requirements, and Medical Staff Bylaws and standards. The parties acknowledge that the obligation of District to make payments under Section 7.3 is predicated on Contractor's providing the coverage set forth in Exhibit 1 in compliance with the provisions of this Agreement, and not on the provision of any particular number of Providers.

2.2. Emergency OR Call Coverage.

- (a) Contractor shall exclusively provide first call emergency anesthesiology coverage twenty-four (24) hours per day, seven (7) days per week, including holidays. This call emergency coverage shall not be "in house" coverage, but rather shall be on-call coverage and Contractor shall exercise all reasonable efforts to have an appropriate Provider at Hospital within thirty (30) minutes from the time Contractor is paged for the on-call physician. Exhibit 1 sets forth additional detail with respect to Contractor's obligations in this regard. As set forth in Exhibit 1, at the request of the District Contractor will provide an additional Provider to provide call coverage on Saturdays and Sundays.
- (b) If an emergency C-Section occurs at the Hospital, a Provider will come to the Hospital to continue epidurals and be available for another simultaneous emergency C Section. If a trauma or emergency surgery occurs simultaneously

during these obstetrical emergencies, a Provider will come to the Hospital, and another Provider will come in if there is a further emergency.

2.3. **On-Call Requirement – No Discrimination.** In accordance with California Health and Safety Code §1317.3(b), Contractor shall provide on-call emergency services without discrimination to patients based on: race, ethnicity, religion, national origin, citizenship, age, sex, preexisting medical condition, HIV status, physical or mental handicap, insurance status, economic status, or ability to pay for medical services, except to the extent that a circumstance such as age, sex, preexisting medical condition, or physical or mental handicap is medically significant to the provision of appropriate medical care to the patient.

2.4. **Obstetrical Coverage.**

(a) Contractor shall exclusively provide obstetrical anesthesiology coverage for obstetrical (OB) cases at Hospital, including, but not limited to, epidural administration, twenty-four (24) hours per day, seven (7) days per week, including holidays. Exhibit 1 sets forth additional detail with respect to Contractor's obligations in this regard. Contractor shall have an anesthesiologist/CRNA physically present in Hospital within thirty (30) minutes after a call is placed to Contractor for emergency OB anesthesia services. The opinion of the responsible obstetrician that an emergency exists shall be conclusive.

(b) Contractor shall include the obstetrical call schedule with its regular operating room call schedule. This schedule shall be posted with Operating Room Management and locations requested by District, and Contractor shall notify District of any changes as soon as possible.

2.5. **Unscheduled Surgeries.**

(a) Contractor agrees to respond to unscheduled surgeries in an expeditious manner. The O.R. Policy Committee has established standardized policies regarding unscheduled surgeries, which shall be adhered to by Contractor, as modified by the O.R. Policy Committee from time to time. Contractor shall provide the surgeon who shall be performing the unscheduled procedure, with a specific time for the procedure and that time shall be adhered to insofar as possible. During normal surgery hours as set forth on the attached Exhibit 1, as that Exhibit may be modified from time to time, add-on cases shall be scheduled pursuant to existing policies. Unscheduled cases shall be divided into three categories: emergent surgery, urgent surgery, and routine add-on surgery.

(b) An emergent surgery (e.g., ruptured AAA, post-operative bleeding, C-Section for fetal distress) shall be done in the first available room by the first available Provider even if this requires interrupting a scheduled room and another surgeon.

- (c) An urgent surgery (e.g., appendectomy, open fracture, etc.) shall be done in an appropriate room within one (1) to three (3) hours of the patient being available for surgery. Contractor shall make a good-faith effort not to interrupt a scheduled room, but the parties acknowledge that on occasion this may be necessary. When it is necessary to interrupt a scheduled room, the interrupted surgeon shall be notified by the interrupting surgeon, in accordance with the policy of the O.R. Policy Committee.
- (d) A routine add-on surgery shall be done in the first available room with the first available Provider as soon as he/she is done with his/her elective schedule. A routine add-on shall not interrupt a scheduled room and shall not inconvenience scheduled cases. Upon receiving an add-on request, Contractor and the charge nurse shall promptly provide the surgeon requesting the add-on with an approximate time for the surgery. Routine add-ons shall be accommodated in the same order in which the requests are received by Contractor. If a request is made after normal surgery hours as reflected on Exhibit 1, it shall be accommodated at the discretion of Contractor. Rooms shall be made available for add-ons consistent with current requirements set by the O.R. Policy Committee working in consultation with Contractor and consistent with the days and hours set forth on Exhibit 1, as that Exhibit may be modified from time to time.
- (e) Contractor shall respond in a courteous, timely, professional manner to requests to do these non-scheduled cases.

2.6. **Phone Number for Requesting Anesthesia Services.** As part of the increased efficiency to be realized through this exclusive provider arrangement, Contractor shall be available for contact by District's House Supervisor through the PBX Operator twenty-four (24) hours per day, seven (7) days per week, including holidays. District's House Supervisor through the PBX Operator shall contact Contractor by making a direct telephone call to the anesthesiologist on-call, as is the current practice. District's PBX number shall be the only number which a physician or District representative (other than the PBX Operator) shall be required to call to make a request of Contractor for anesthesia coverage. The Nursing Supervisor through District's PBX Operator shall promptly relay the request for anesthesia services to Contractor by means of the telephone number, which Contractor has provided, to District's PBX Operator for the date and time of the call. In contacting Contractor, the House Supervisor through District's PBX Operator shall be required only to communicate to the authorized representative of Contractor who answers the call, the identity of the physician who requested anesthesia coverage and whether the physician identified the need for anesthesia services as an emergency. Once this number has been called and the request relayed by the House Supervisor through District's PBX Operator, Contractor shall be deemed paged for the purposes of this Agreement.

2.7. **Responses to Requests for Anesthesia Services.** Contractor agrees to respond to calls for anesthesia services by having a Provider in Hospital ready to perform the procedure within the following times:

- (a) Hospital Emergency and Emergency Room Call: As soon as possible but no later than thirty (30) minutes;
- (b) Emergency Obstetrical Call: As soon as possible but no later than thirty (30) minutes;
- (c) Urgent Case Call: One (1) to three (3) hours.

The medical judgment of the responsible surgeon at the time of surgery shall be conclusive as to the classification of the case as emergency, urgent, or non-urgent. Retrospectively, any disagreements with the classification used by the surgeon should be brought to the attention of the O.R. Policy Committee. Contractor agrees to have a Provider physically present at Hospital within these designated response times.

2.8. Assignments for Scheduled Surgery.

- (a) Contractor hereby acknowledges that it is the desire of District that surgeons at Hospital retain the ability to request which of the Providers employed or engaged by Contractor shall provide anesthesiology services during a scheduled surgical procedure. Therefore, every reasonable effort shall be made to honor a surgeon's request for a specific Provider, as well as any of the following:
 - (i) A bona fide request by a surgeon for the expertise of a particular Provider;
 - (ii) A specific patient request; or
 - (iii) A request for legitimate patient care needs based on the careful following of protocols and/or clinical pathways that have been pre-established to eliminate variabilities.
- (b) It is further acknowledged by Contractor that patient care is enhanced by a surgeon knowing, in advance, which of the Providers shall provide anesthesia services during a scheduled surgical procedure. Therefore, Contractor agrees to post the surgical assignments for the Providers in the Operating Room Scheduling Office before the start of that day's scheduled surgery and thereafter to endeavor to accommodate reasonable requests by surgeons to adjust those assignments.

2.9. Providers Providing Services for Contractor.

- (a) Each Physician Provider who provides Services under this Agreement shall:
 - (i) Maintain an unrestricted license to practice medicine in the State of California;
 - (ii) Be Board Certified by the American Board of Anesthesiology ("ABA"), or Board Eligible (defined as having an application filed for Board Certification with the ABA, and having been accepted into the process). If

Board Eligible, the Physician shall obtain certification within five (5) years of acceptance into the process. If Board Certified, the Physician shall maintain Board Certification at all times during the performance of Services hereunder. Contractor shall provide proof of such certification or eligibility to District upon District's request;

- (iii) Maintain membership on the Medical Staff with appropriate clinical privileges;
 - (iv) Be a participating provider in the Medicare and Medi-Cal programs, and in other government health plans in which District participates;
 - (v) Participate in continuing education as necessary to maintain licensure, professional competence and skills commensurate with the standards of the medical community, as applicable, and as otherwise required by Contractor's continuing medical education policy; and
 - (vi) Be covered by the policy or policies of professional liability insurance maintained by Contractor or its Providers pursuant to Section 9.1.
- (b) Each CRNA who provides Services under this Agreement shall:
- (i) Be an advanced practice registered nurse ("APRN") who has acquired graduate level education in anesthesia overseen by the American Association of Nurse Anesthetists ("ARNA") Council on Accreditation of Nurse Anesthesia Educational Programs;
 - (ii) Be duly licensed and qualified as a certified registered nurse anesthetist in the State of California; and
 - (iii) Be approved for practice prerogatives or privileges as an Advanced Practice Provider on the Medical Staff in accordance with the Medical Staff Bylaws, and
 - (iv) Be covered by the policy or policies of professional liability insurance maintained by Contractor or its Providers pursuant to Section 9.1.
- (c) Each Provider who provides Services under this Agreement shall have executed an acknowledgement in the form set forth in Exhibit 5 prior to the commencement of such Services.
- (d) Contractor shall make commercially reasonable efforts to staff the Department with Providers who are dedicated to the Hospital, and will not rely on *locum tenens* and temporary anesthesia providers retained through third party staffing companies ("Temporary Providers") except as necessary to cover temporary absences of regularly scheduled Providers, or while Contractor is making commercially reasonable efforts to hire dedicated personnel. Such Temporary

Providers must meet the qualifications set forth above. If Contractor's use of a Temporary Provider extends beyond thirty (30) days or is expected to extend beyond thirty (30) days, Contractor shall notify the District promptly (and in any event no later than three (3) working days before the expiration of the 30th day), and the Contractor and the District shall meet and confer in good faith to come to an agreement as to how long the Temporary Provider will be required and a plan to replace the Temporary Provider with regularly assigned staff. Any use of a Temporary Provider for longer than thirty (30) days shall require the approval of the District; provided that, if the Contractor has provided notification as provided above, it may continue to use the Temporary Provider until the District responds to the notification. However, provided the Contractor is making commercially reasonable efforts to recruit dedicated providers, and is complying with the notice and meet-and-confer requirements of this subsection (c), its use of Temporary Providers (or at the option of the District, any reduction in staffing attributable to the District's failure to approve the use of Temporary Providers), shall not be a breach of this Agreement.

- (e) At all times while this Agreement is in effect, the CEO or CNO shall have the right to request removal in writing, without specification of cause, of any Provider from providing the Services hereunder, if, in the CEO's or CNO's reasonable judgment, the removal is in the best interests of the District or the delivery of the Services. Contractor shall comply with such a request. Any staff shortage or additional costs created pursuant to this paragraph, even if it should result in the closure of an operating room, shall not be deemed a breach of this Agreement, provided that Contractor is making commercially reasonable efforts to remedy the shortage or avoid the cost.

2.10. **Notification by Contractor.** Contractor shall promptly notify District' Chief Nursing Officer (CNO) and Compliance and Privacy Officer upon the occurrence of any of the following:

- (a) The medical staff membership or clinical privileges of any Physician at any Hospital are denied, suspended, restricted, revoked or voluntarily relinquished, or the approval of any CRNA to provide nurse anesthetist services at any Hospital is denied, suspended, restricted, revoked or voluntarily relinquished;
- (b) Contractor or any Provider becomes the subject of any suit, action or other legal proceeding arising out of the provision of professional services under this Agreement;
- (c) Contractor or a Provider is required to pay damages or any other amount in any malpractice action by way of judgment or settlement;
- (d) Contractor or any Provider becomes the subject of any disciplinary proceeding or action before any state's medical board, nursing board or similar agency responsible for professional standards or behavior;

- (e) Any Provider becomes incapacitated or disabled from practicing medicine;
- (f) Any act of nature or any other event occurs which has a material adverse effect on Contractor's or any Provider's ability to perform the Services;
- (g) Contractor changes the location of Contractor's offices;
- (h) Contractor or any Provider is charged with or convicted of a felony or any criminal offense related to the provision of health care;
- (i) Contractor or any Provider is debarred, suspended or otherwise ineligible to participate in the Medicare or Medi-Cal programs, or any other federal or state health care program;
- (j) The representations set forth in Section 1.1 cease to be true for any Provider, or any Provider ceases to meet the qualifications set forth in Section 2.9;
- (k) Contractor gives notice of termination to any Provider for reasons relating to clinical performance or compliance with clinical standards or conduct standards adopted by the Medical Staff; or
- (l) There is any material development in the matter of *U.S. and the State of California ex rel Nicolle O'Neill vs. Somnia, Inc. et al.*, U.S. District Court, Eastern District of California, Case no. 1:15-cv-00433-DAD-EPG, or related claims, litigation or investigations.

2.11. **Use of CRNAs.** District and Contractor agree that the provision of sufficient qualified staff may include CRNAs to provide anesthesia services. CRNAs shall provide services under this Agreement in accordance with such protocols as are appropriate to allow proper functioning of CRNAs in the Hospital and approved by Contractor, District, OR Policy Committee and the Medical Staff. Contractor may vary the CRNA staffing schedule based on workload, vacancies and the like, provided that coverage is provided as set forth in Exhibit 1, and the total number of hours of coverage provided by Contractor's Physicians and CRNAs in the aggregate, is not reduced.

2.12. **Composition of Providers.** So long as Contractor continues to provide the coverage and other obligations called for herein, including all of the coverage set forth on Exhibit 1, Contractor shall be primarily responsible for determining the number of Providers necessary to meet anesthesia requirements of District's patient load. The composition of Providers may change in consultation with District and OR Policy Committee, so long as each new Provider meets the requirements of this Agreement, so long as changes in the composition of Providers do not cause disruption within the Department.

2.13. **Medical Director for Anesthesia Services.** In addition to the Services described above:

- (a) Contractor shall provide a Physician who is Board Certified by the American Board of Anesthesiology, approved by the District and the MEC, and otherwise

meets the qualifications required by this Agreement to provide the services of Medical Director for Anesthesia Services (the "Medical Director"). The duties of the Medical Director shall be as set forth in Exhibit 2.

- (b) Contractor shall provide a Director for Cardiac Anesthesia (the "Cardiac Anesthesia Director"), a Director for OB Anesthesia (the "OB Anesthesia Director"), and a Director for CRNA Services (the "CRNA Director"), who are approved by the District and the MEC. The Cardiac Anesthesia Director and the OB Anesthesia Director shall be credentialed in cardiac anesthesia and OB anesthesia, respectively, all of whom shall be approved by the District. The Cardiac Anesthesia Director, the OB Anesthesia Director and the CRNA Director shall be responsible under the Director for the provision of Anesthesia Services for cardiac surgery and obstetrical surgery, and for the direction of CRNA services, respectively, and shall perform the duties set forth in Exhibit 2, as they pertain to their respective responsibilities.
- (c) Contractor shall ensure that the Medical Director, or his/her designee, is on-call to respond to operational issues during off-hours, weekends and holidays.
- (d) The Medical Director shall serve as the Chief of the Anesthesia Department, subject to the adoption of revisions to the Medical Staff Bylaws and MEC approval.

2.14. **On-Site Administrator.** Contractor agrees to provide a full-time on-site administrator to oversee the day-to-day operations of Contractor within the Department.

2.15. **Additional Services.** In addition to the above coverage, Contractor agrees, in the operation of the Department, to provide to District the additional services listed on the attached Exhibit 3, it being understood by both parties that these additional services are a material part of the consideration for this Agreement.

2.16. **Negotiations with Third-Party Payers.** District may from time to time wish to enter into agreements with certain third-party payers to furnish certain District and Contractor services at a negotiated rate. To the maximum extent permitted by law, Contractor agrees to diligently negotiate with third party payers and to work with District toward successful negotiation of third-party payer contracts, which shall bring additional patients to and/or shall maintain the current patient base at District. The parties shall consult with each other prior to entering into any agreement which may influence the performance, services, or fees under this Agreement. District and Contractor agree to use their best efforts to secure the best rates possible for one another during their negotiations with third-party payers.

2.17. **Pre-Operative Anesthesia Clinic.** Contractor agrees to provide at least weekly a Pre-Operative Anesthesia clinic and consultations to facilitate full and timely pre-operative assessment of any patient having surgery.

- 2.18. **Compliance with Joint Commission Standards and Applicable Regulations.** Contractor agrees to provide anesthesia services to patients at District in accordance with the standards of The Joint Commission and all applicable California and federal laws and regulations.
- 2.19. **Compliance Program Obligations.** Contractor shall receive, prior the Effective Date, a copy of the policies and procedures adopted in connection with District's Compliance Program and Codes of Conduct. Contractor shall abide by all the terms and conditions of the Compliance Program, as the same may be amended from time to time. District shall notify Contractor in writing of any modifications or amendments to the Compliance Program, which modifications or amendments shall be binding upon Contractor upon receipt thereof. Contractor acknowledges and agrees that Contractor is a responsible party under the Compliance Program and that, as a responsible party, Contractor is bound by all policies and procedures relating to responsible parties, including, but not limited to the obligation to report possible compliance issues in accordance with the requirements of the Compliance Program. Contractor further acknowledges and agrees that, pursuant to the Compliance Program, Contractor shall be subject to routine monitoring, review, and, potentially, external audit (limited to those Contractor office(s) used in the performance of this Agreement). Contractor agrees to cooperate fully in any such review conducted in connection with the administration of the Compliance Program.
- 2.20. **Health Information Privacy and Security.** Contractor and each Provider shall perform the Services in accordance with (i) applicable state and federal laws and regulations relating to health information privacy and security, including the California Confidentiality of Medical Information Act (Civil Code § 56 and following), and regulations issued under the Health Insurance Portability and Accountability Act of 1996 (HIPAA); (ii) the District's policies and procedures relating to health information privacy and security; and (iii) the District's notice of privacy practices.
- 2.21. **Disclosure of Claims and Litigation.** Contractor represents and warrants that, except for the matter described in Section 2.10(1), no action, proceeding, inquiry, enforcement action, investigation, suit, claim or demand or legal, administrative, arbitration, or other method of settling disputes, whether legal or administrative or in mediation or arbitration (any of the foregoing, a "Dispute"), is pending or, to Contractor's knowledge, threatened against Contractor, or any of its officers, directors, employees, agents or contractors (collectively, "Contractor's Personnel") as a result of their activities hereunder as such, including (without limitation) (1) any Dispute concerning Contractor's billing practices or alleging healthcare fraud or abuse on the part of Contractor, (2) any Dispute that relates in any way to Contractor's services to or activities at the District or its facilities, (3) any dispute between Contractor and any of Contractor's Personnel relating to services provided under this Agreement, including any Dispute concerning Contractor's employment or contracting practices, or (4) any Dispute that could otherwise have a material adverse effect on Contractor's continued ability to perform any or all of its duties and obligations under this Agreement; nor is Contractor aware of any basis for any such Dispute. Contractor agrees to promptly notify the District's Compliance Officer in writing of the assertion or occurrence of any Dispute, and of any material change in status

of any Dispute throughout the term of this Agreement (including the matter referred to in Section 2.10(l)).

- 2.22. **Use of District Name.** No usage of the name or marks of District, including, but not limited to, “Kaweah Delta Health Care District” or “Kaweah Delta Medical Center,” shall be permitted without the prior written consent of District, which shall not be unreasonably withheld. Contractor shall not use any name, symbol, trademark, or service mark of District or any division thereof in advertising or promotional materials or otherwise without the prior written consent of District or its authorized designee.
- 2.23. **Documentation in Electronic Health Record.** Contractor shall document in the electronic medical record. Contractor may use dictation services for transcription into the medical record when electronic documentation is not possible. All documentation must be in compliance with any applicable Medical Staff requirements and any applicable state or federal regulation.
- 2.24. **Exclusion Lists Screening.** Contractor shall screen all of its current and prospective owners, legal entities, officers, directors, employees, contractors, and agents (“Screened Persons”), if any, against (a) the United States Department of Health and Human Services/Office of Inspector General List of Excluded Individuals/Entities (available through the Internet at <http://www.oig.hhs.gov>), and (b) the General Services Administration’s List of Parties Excluded from Federal Programs (available through the Internet at <http://www.epls.gov>), and (b) the General Services Administration’s List of Parties Excluded from Federal Programs (available through the Internet at <http://www.epls.gov> <<http://www.epls.gov/>) (collectively, the “Exclusion Lists”) to ensure that none of the Screened Persons (y) are currently excluded, debarred, suspended, or otherwise ineligible to participate in Federal healthcare programs or in Federal procurement or nonprocurement programs, or (z) have been convicted of a criminal offense that falls within the ambit of 42 U.S.C. § 1320a-7(a), but have not yet been excluded, debarred, suspended, or otherwise declared ineligible (each, an “Ineligible Person”). If, at any time during the term of this Agreement any Screened Person becomes an Ineligible Person or proposed to be an Ineligible Person, Contractor shall immediately notify Hospital of the same. Screened Persons shall not include any employee, contractor or agent who is not providing Services under this Agreement.
- 2.25. **Residency Program.** Contractor (i) acknowledges the present and future participation (after consultation with Contractor) of its employees and contractors as Core Faculty Members, Faculty Members and Program Director for the Program; (ii) will support and accommodate the Core Faculty Members, Faculty Members and Program Director in providing Faculty Services and otherwise meeting their Program duties, including supervision of the residents in the operating rooms and other locations; (iii) will provide prior notice and an opportunity to meet and confer with the District before terminating or restricting surgery room or other assignments of a participating anesthesiologist who is the Program Director or a Core Faculty Member or Faculty Member of the Program; and (iv) will otherwise support and facilitate the Program and the performance of services by the anesthesiology residents in the operating rooms and other hospital departments that

are covered by the Exclusive Provider Agreement, provided that this provision shall not require Contractor to accommodate any faculty activities that would impair its ability to provide services under this Agreement, and provided, further, Contractor will not be required to incur any material cost in connection with such support.

- 2.26. **Record-Keeping and Auditing.** Contractor shall maintain current and detailed records of all its Services, its billing and collection activities and results, its personnel services and costs of compensation and benefits, and all other expenses that are included in the Total Expenses, as defined in Exhibit 4, in accordance with accepted accounting and record-keeping practices, and sufficient to document and support such expenses and the Monthly Reports to be provided pursuant to Exhibit 4. District may at its sole discretion audit, either internally or through an independent consultant, Contractor's coding, billing and collection activities, and its compensation records relating to Services provided under this Agreement by Contractor's employees and independent contractors. Without limiting the foregoing, District shall have access to Contractor's records relating to billing, collection, accounting, timekeeping, payroll and independent contractor services and compensation. At District's request, Contractor shall provide copies of any records described in this paragraph.
- 2.27. **Disclosure of Privileged Information.** Nothing in this Agreement shall require Contractor to disclose to the District anything that is protected by any evidentiary or other privilege that would be waived or impaired by the disclosure. If any provision of this Agreement would otherwise require such a disclosure, the parties will use commercially reasonable efforts to enter into a common interest or similar agreement, and Contractor shall make the disclosure insofar (and only insofar) as the privilege is protected by the agreement.

SECTION 3. DISTRICT OBLIGATIONS

- 3.1. **Supplies.** District shall purchase all necessary supplies for the Department, including drugs, linen, stationary, printed forms, office supplies, and similar expendable items needed for the administration of anesthesia by Contractor.
- 3.2. **District Services.** District shall, at its sole costs and expense, furnish the Department premises with ordinary janitorial and in-house messenger service, telephone (other than cell phone or pager), laundry, gas, water, heat, and such electricity for light and power, as may be required by Contractor for the proper operation and conduct of the Department.
- 3.3. **Personnel.** All non-medical and paramedical personnel, including, but not limited to, four (4) full-time anesthesia technicians, stenographers, clerks, orderlies, and aides required for the proper operation of the Department shall be employed by District; provided that Contractor may employ such administrative personnel as it deems necessary for the provision of its professional services under this Agreement. District shall have the final approval of the selection and retention of personnel employed by it.

Salaries and personnel policies (including fringe benefits, group life insurance, and hospital and medical insurance) for persons employed by District in the Department shall be uniform with other District personnel in the same classification insofar as may be consistent with the nature of the work, and shall be borne, together with all required taxes, by District. All personnel furnished by District to Contractor shall be subject to the direction of Contractor while performing any clinical work or duties in the Department; however, all such personnel are not and shall not be made or considered to be agents of Contractor, but rather shall remain employees of District and under its general supervision and report to the management of the Surgery Department.

SECTION 4. RELATIONSHIP OF THE PARTIES

4.1. Independent Contractors.

- (a) In the performance of the work, duties, and obligations and in the exercise of the rights granted under Agreement, it is mutually understood and agreed that Contractor and its Providers are at all times acting and performing as an independent Contractor with, and not as an employee, joint venturer, or lessee of the Department, with respect to District in practicing anesthesia and providing other services pursuant to this Agreement. District shall neither have nor exercise any control or direction over the specific methods by which Contractor shall perform its professional work and functions. The sole interest and responsibility of District in this regard is to assure that the services covered by this Agreement shall be performed and rendered in a competent, efficient and satisfactory manner, in accordance with Medical Staff Bylaws, and in accordance with all applicable laws, rules and regulations. The standards of medical practice and professional duties of Contractor shall be determined by the Medical Staff, as provided in the Medical Staff Bylaws and District Bylaws. Neither Contractor nor any Provider shall have any claim under this Agreement or otherwise against District for workers' compensation, unemployment compensation, sick leave, vacation pay, pension or retirement benefits, Social Security benefits, or any other employee benefits, all of which shall be the sole responsibility of Contractor. District shall not withhold on behalf of Contractor, its Providers, or any of Contractor's personnel, any sums for income tax, unemployment insurance, Social Security, or otherwise pursuant to any law or requirement of any government agency, and all such withholding, if any is required, shall be the sole responsibility of Contractor.
- (b) Contractor shall not have any liability, in respect of those personnel engaged by District, whether pursuant to Sections 3.2 or 3.3 above, or otherwise, for income taxes, employment taxes, withholding of any kind, workers' compensation, unemployment compensation, sick leave, vacation pay, pension or retirement benefits, Social Security benefits or any other employee benefits, all of which shall be the sole responsibility of District. District shall indemnify and hold

Contractor harmless from any loss or liability arising out of or with respect to any of the foregoing taxes and benefits.

- (c) If the Internal Revenue Service or other federal or state agency should question or challenge the independent Contractor status of Contractor with respect to District, the parties hereto mutually agree that both Contractor and District shall have the right to participate in any discussion or negotiation occurring with such agency, regardless of who initiated such discussions or negotiations.

4.2. **District's Professional & Administrative Responsibilities for Anesthesia Services.**

District retains professional and administrative responsibility for the overall obligation to supervise the quality of care provided in all areas of District facilities. It is the parties' intention that District shall not exercise specific control or direction over the manner and means by which Contractor or its Providers shall perform and administer anesthesia; provided, however, that Contractor shall perform the obligations and responsibilities hereunder and function at all times in accordance with approved methods and practices in the professional specialty of anesthesia and in accordance with the Rules and Regulations promulgated by the Medical Staff and the Department. It is the responsibility of both District and Contractor to assure that Contractor and its Providers perform the work and services covered by this Agreement in a competent, efficient, and satisfactory manner and in accordance with all applicable laws, rules and regulations.

**SECTION 5.
EXCLUSIVE CONTRACT**

- 5.1. **Exclusive Contract.** During the term of this Agreement and any extensions hereof, Contractor shall have the sole and exclusive right and responsibility for the scheduling and provision of the professional anesthesia services within the Department, as provided in Section 2.1. It is the intent of the parties hereto, by the provision of the exclusive authority and responsibility to Contractor, to promote and enhance the quality of patient care and the quality of the delivery of anesthesia at District through the establishment of known standards for the operation of the Department, and to accomplish all of this District shall not cause or permit any other persons or entities to provide any such anesthesia services, except as expressly permitted by this Agreement or other written agreement between District and Contractor.

**SECTION 6.
EQUIPMENT**

- 6.1. **Equipment.** All equipment deemed by the parties to be reasonably necessary for the efficient and safe conduct of anesthesia procedures of the type required in Hospital shall be provided and furnished by District at the sole expense of District. Such equipment shall be called "Anesthesia Equipment." As to Anesthesia Equipment, the parties agree as follows:

- (a) Anesthesia Equipment shall remain the property of District.

- (b) Contractor shall have the right to make recommendations to District as to new Anesthesia Equipment or replacement of Anesthesia Equipment as needed and District shall use its best efforts to adopt all such reasonable recommendations by Contractor. District agrees that it shall maintain Anesthesia Equipment in conformance with manufacturers' maintenance procedures. Contractor acknowledges that the Anesthesia Equipment in place on the effective date of the Agreement is sufficient for Contractor to carry out its duties under this Agreement. However, this acknowledgment shall not be understood to be a statement or warranty by Contractor that any such equipment is in satisfactory working condition, nor shall it be construed to limit Contractor's right to make recommendations for equipment, which might become necessary or advisable in the future.
- (c) District shall provide all gases, medications, expendable items, and other chemicals necessary for anesthesia and shall ensure the continued and safe supply of such gases and chemicals to all areas in which they are to be used for the administration of anesthesia.

**SECTION 7.
BILLING AND COMPENSATION**

7.1. Contractor's Charges.

- (a) District shall not be responsible for the payment of fees payable to Contractor for rendering anesthesia services to patients of District. Rather, Contractor's fees for professional services rendered to patients of District shall be established in general accordance with customary and reasonable fees for comparable services of comparable groups in the service area, and in accordance with American Society of Anesthesiologists Relative Value Scale (ASARVS) Guidelines, and shall be billed directly by Contractor to patients for whom the services were rendered or their respective third party payers. Nothing herein shall be construed to cause Contractor to violate any federal or California laws concerning the establishment of fees. Contractor shall be responsible for billing directly to patients or their respective third-party payers for professional services rendered by Contractor; District shall have no interest in or responsibility with respect thereto or for the collection of said fees. Notwithstanding the foregoing, District shall cooperate with Contractor in providing patient data necessary for Contractor's billing and collection process.
- (b) All billing records prepared by or on behalf of Contractor associated with the professional services rendered by Contractor to patients shall be deemed the sole property of Contractor, and Contractor shall be and shall remain the sole custodian thereof.

- 7.2. **District Charges.** Contractor shall have no responsibility for District charges to patients. Rather, all District services rendered to patients shall be billed and the collection thereof shall be the sole responsibility of District.
- 7.3. **Additional Support.** In consideration of Contractor's costs of providing services under this Agreement, District agrees to provide the income support described in Exhibit 4.

SECTION 8. TERM AND TERMINATION

8.1. **Term of Agreement.**

- (a) This Agreement, as amended and restated, shall be effective as of the Effective Date. This term of this Agreement shall extend until midnight on February 28, 2022 (the "Expiration Date"), subject to earlier termination as set forth below. The execution and delivery of this Agreement is subject to approval by the District's Board of Directors. For purposes of this Agreement, a "Contract Year" is a twelve-month period beginning on April 1, 2019 or any anniversary of the that date; provided that if this Agreement expires or is terminated before the expiration of a full Contract Year, any figure in this Agreement that applies to a Contract Year will be pro-rated for the last Contract Year.
- (b) At least six (6) months before the Expiration Date each party shall notify the other in writing whether or not it desires to renew this Agreement. A party's failure to give notice shall be deemed to be notice that it desires to renew this Agreement unless, within ten (10) days of receipt of notice from the other party that the other party desires to renew this agreement, the party gives notice that it does not desire to renew this Agreement.
- (c) If each party gives notice (or is deemed to have given notice as provided in subsection (b)) that it desires to renew this Agreement, the parties will proceed to discuss the renewal in good faith, provided that neither party shall be under any obligation to agree to a renewal. If they have not signed an agreement by the date that is three (3) months prior to the Expiration Date, the District may make arrangements for anesthesia coverage with any qualified provider to provide services after the Expiration Date, including making such arrangements directly with the Providers, and such arrangements and any communications during the three-months prior to the Expiration Date reasonably necessary for such arrangements shall not be deemed a violation of any rights of Contractor.
- (d) If either party gives notice that it does not desire to renew this Agreement as provided in subsection (b), the District may thereupon (but no earlier than six months prior to the Expiration Date) make arrangements for anesthesia coverage with any qualified provider, including making such arrangements directly with the Providers, and such arrangements and any communications reasonably necessary for such arrangements shall not be deemed a violation of any rights of Contractor.

- (e) If any arrangements or communications made by the District, its agent or its representative in accordance with subsection (c) or subsection (d) impair Contractor's ability to perform its obligations under this Agreement, it shall not be in default insofar as any breach is directly or indirectly attributable to such arrangements or communications.

8.2. Termination without Cause.

- (a) Either party may terminate this Agreement without cause on ninety (90) days' prior written notice to the other; provided that if the District terminates this Agreement without cause it shall upon the termination pay the Contractor an amount (the "Termination Fee") equal to a fraction of One Million Two Hundred Thousand Dollars (\$1,200,000), the numerator of which is the number of complete calendar months remaining from the effective date of termination through the Expiration Date, and the denominator is thirty-six (36). For example, if the District terminates this Agreement without cause effective February 28, 2021, the Termination Fee shall be Four Hundred Thousand Dollars (\$400,000), i.e., $\$1,200,000 \times 12/36$. Payment of the Termination Fee shall not relieve either party of any obligation that accrued prior to termination.
- (b) If either party gives notice of termination as provided in subsection (a), the District may thereupon make arrangements for anesthesia coverage with any qualified provider, including making such arrangements directly with the Providers, and such arrangements and any communications reasonably necessary for such arrangements shall not be deemed a violation of any rights of Contractor.

8.3. Termination for Cause.

- (a) General Provision for Termination.
 - (i) Either party hereto may terminate this Agreement in the event of a material breach of its terms by the other party, provided, however, that (except as set forth below) no such termination shall occur unless the party who desires to terminate gives the other party at least sixty (60) days' prior written notice of such material breach (a "Breach Notice"), and such breach is not cured within said sixty (60) days (the "Cure Period") unless a Remediation Plan is agreed to or a Mediation Request is made as set forth below, in which case the Cure Period shall be extended as provided in paragraph (iii) or paragraph (vi) below. The Breach Notice shall specify with reasonable certainty the nature and extent of the material breach.
 - (ii) Promptly following the delivery of a Breach Notice under subsection (i), the parties shall meet in good faith to discuss a written plan to cure the breach (a "Remediation Plan"), provided that neither party shall be under any obligation to agree on a Remediation Plan. Any Remediation Plan shall be developed and agreed upon within thirty (30) days of delivery of the Breach Notice.

(iii) If the parties agree on a Remediation Plan, the Cure Period shall be extended for such period as may be set forth in the Remediation Plan, provided that the breaching party is materially complying with the Remediation Plan. If at any time the breaching party fails so to comply, the terminating party shall give the breaching party notice of the failure in writing, describing it in reasonable detail (a "Remediation Breach Notice"). If the breaching party fails to cure the failure within thirty (30) days of delivery of the Remediation Breach Notice, the terminating party may terminate this agreement on thirty (30) days' written notice to the breaching party (a "Final Termination Notice"), and no further opportunity to cure need be afforded.

(iv) If the parties do not agree on a Remediation Plan within thirty (30) days of delivery of a Breach Notice, then unless the breaching party has cured the default to the reasonable satisfaction of the terminating party, upon expiration of the Cure Period (as extended pursuant to paragraph (vi) below) the terminating party may terminate this agreement on thirty (30) days' written notice to the breaching party (also a "Final Termination Notice"), and no further opportunity to cure need be afforded.

(v) If either party delivers a Final Termination Notice, the District may thereupon and thereafter make arrangements for anesthesia coverage with any qualified provider, including making such arrangements directly with the Providers, and such arrangements and any communications reasonably necessary for such arrangements shall not be deemed a violation of any rights of Contractor.

(vi) At the written request of either party (a "Mediation Request"), the parties shall submit to mediation in accordance with Section 10.1 (i) any failure on their part to agree on a Remediation Plan (provided that the Mediation Request is delivered within thirty (30) days of the original Breach Notice), and (ii) any dispute concerning any asserted failure to comply with a Remediation Plan (provided that the Mediation Request is delivered within ten (10) days of the Remediation Breach Notice), and any notice or cure period provided for in this subsection (a) shall be stayed and extended during the mediation; provided that, unless the parties agree otherwise in writing, no such notice or cure period shall be stayed or extended for more than thirty (30) days from the delivery of the Mediation Request unless such delay is beyond the reasonable control of the requesting party, in which case the notice or cure period shall be extended for as long as is necessary to complete the mediation, but not longer than thirty (30) additional days. Upon the expiration of such period the terminating party may proceed in accordance with the other provisions of this subsection (a).

(b) The provisions of subsection (a) notwithstanding, the nonbreaching party may terminate this Agreement upon written notice to the breaching Party upon the occurrence of any of the following:

(i) A Party makes an assignment for the benefit of creditors, admits in writing its inability to pay its debts as they mature, applies to any court for the appointment of a trustee or receiver over its assets, or upon commencement of any voluntary or involuntary proceedings under any bankruptcy, reorganization, arrangement, insolvency, readjustment of debt, dissolution, liquidation or other similar law of any jurisdiction.

(ii) A Party is excluded from participation in any Federal Health Care Program, as defined at 42 U.S.C. § 1320a-7b(f), or is or becomes incapable as a matter of law of providing the services required by this Agreement.

(iii) Any of the following events affecting a Provider, unless Contractor immediately causes the Provider to cease providing services under this Agreement:

(A) The revocation or suspension of the license of a Physician Provider to practice medicine as issued by the California Medical Board, or of the certification of a CRNA Provider to practice as a nurse anesthetist as issued by the California Board of Registered Nursing.

(B) The revocation or suspension of the Drug Enforcement Administration (DEA) licensure of a Physician Provider issued by the United States Department of Justice Drug Enforcement Administration for just cause.

(C) The loss of or suspension from membership on the Medical Staff of Hospital of a Physician Provider for just cause after appropriate hearing procedures in accordance with the Medical Staff Bylaws and other applicable rules and regulations and other applicable law, or the loss or suspension of the approval by the appropriate Medical Staff committee of the practice of a CRNA within the Hospital.

(D) Failure of any Physician to comply with any of the qualifications set forth or referred to in Section 2.9(a), or of any CRNA to comply with the requirements of Section 2.9(b), unless the Physician or CRNA is promptly removed from service under this Agreement.

(iv) Any of the representations set forth in Subsection 1.1 of this Agreement ceases or fails to be true and correct, which failure continues uncured for more than sixty (60) days following receipt of written notice from District of such failure, unless the failure relates to a particular Physician or CRNA, and the Physician or CRNA is promptly removed from service under this Agreement. Notice of failure shall specify with reasonable certainty the nature and extent of the failure.

(v) Contractor's failure to use commercially reasonable efforts to manage its revenue cycle or comply with the Collection Targets set forth in Exhibit 4-1,

except for causes beyond the reasonable control of Contractor or its agents or contractors, which failure is not cured within sixty (60) days following receipt of written notice from District of such failure.

(vi) Failure of Contractor to promptly address and resolve issues of non-performance or inappropriate conduct on the part of any of its Physicians or CRNAs, which failure continues uncured for more than sixty (60) days following receipt of written notice from District of such failure. Notice of failure shall specify with reasonable certainty the nature and extent of the failure to comply; provided, however, that nothing contained in this Agreement is intended to supersede or supplant the role of the Chief of Staff, the MEC or the Medical Staff's Wellness Committee in addressing issues raised by the personal conduct of any of Contractor's Physicians or CRNAs.

(vii) Failure on the part of any of Contractor's personnel to follow the District's or the Hospital's policies or procedures, or failure of Contractor to enforce compliance by its personnel with the District's or the Hospital's policies or procedures, which failure continues uncured for more than sixty (60) days following receipt of written notice from District of such failure.

(viii) Failure on the part of Contractor promptly to remove a Provider from providing services under this Agreement in accordance with Section 2.9(e).

(ix) Any criminal conviction of Contractor or any officer or director of Contractor that relates to activities performed under this Agreement. For purposes of this Agreement, a "criminal conviction" means: (i) a judgment of felony conviction that has been entered against Contractor by a federal, state, or local court; (ii) a finding of guilt of a felony against Contractor that has been accepted by a federal, state or local court; or (iii) a plea of nolo contendere by Contractor to a felony that has been accepted by a federal, state or local court.

(x) Failure by the Contractor to provide any report or information requested by the District in accordance with Exhibit 4, Section 5 in a timely manner in accordance with the District's request, provided that the failure shall have continued for three (3) business days following written notice of the failure from the District.

(c) The provisions of subsection (a) notwithstanding, the Contractor may terminate this Agreement on thirty (30) days' prior written notice to the District if the District fails to make a material payment to Contractor as required hereunder, and such failure is not cured within the thirty (30) day notice period. Any payment made following notice under this subsection (c) shall be without prejudice to the District's right to dispute its liability therefor.

(d) Termination for any of the reasons set forth above shall be considered as termination with cause. In the event (i) District terminates this Agreement without proper cause pursuant to this Section 8 or Section 10.2, or (ii) Contractor

terminates this Agreement with proper cause pursuant to this Section 8 of this Agreement, District shall pay Contractor the fraction of the Termination Fee that would have been due had the District terminated this Agreement on the same date pursuant to Section 8.2. Contractor agrees that payment of the amounts set forth in this section, if any, shall be Contractor's sole and exclusive remedy, compensation and damages for termination of this Agreement without proper cause by District or with proper cause by Contractor other than claims by Contractor that District has not made all payments owing to Contractor pursuant to this Agreement.

8.4. **Medical Staff Membership and Clinical Privileges of Providers.** Each of the Providers of Contractor has executed an acknowledgement to this Agreement in the form set forth in Exhibit 5 acknowledging that this Agreement is not with any individual Provider of Contractor but rather is with Contractor. Except as specifically recited herein, this Agreement is not intended to confer any contractual rights on any individuals who currently are under contract with Contractor in any capacity. Contractor agrees and acknowledges that the Medical Staff Bylaws currently provide that (a) upon termination of this Agreement without cause or for any cause or reason, the clinical privileges of each Physician Provider to provide services in the Department that are exclusively assigned under this Agreement (and if these are the Physician's only clinical privileges, his or her Medical Staff membership also) shall forthwith terminate, without further action by or on behalf of the District or the Medical Staff, and without right of review, fair hearing or appeal; and (b) the clinical privileges and Medical Staff membership of any Physician Provider to provide services in the Department shall similarly terminate if he or she ceases, without cause or for any cause or reason, to be employed or contracted by Contractor to provide services under this Agreement. Contractor further agrees and acknowledges that upon termination of this Agreement, or upon termination for any cause or reason, or without cause, of his or her employment to provide services on behalf of Contractor under this Agreement, his or her approval to provide nurse anesthetist services at the Hospital shall terminate, and he or she shall cease to be permitted to provide such services, and shall not be entitled to any hearing on such termination. Contractor shall include a provision implementing this one in its employment agreements or contracts with Providers. Upon termination of this Agreement Contractor shall immediately vacate the Department.

8.5. **Tax-Exempt Financing.**

- (a) The rates charged by the Contractor for professional services shall be approved by the District, except for Contractor's reasonable and customary rates consistent with those negotiated with third-party health plans.
- (b) The Contractor agrees that it is not entitled to and will not take any tax position that is inconsistent with being a service provider to the District with respect to the Department. For example, the Contractor shall not to claim any depreciation or amortization deduction, investment tax credit, or deduction for any payment as rent with respect to the Department.

- (c) If District is advised by District's bond counsel that any amendment is required to this Agreement in order to establish or maintain the exemption from federal income tax of any obligations issued by or on behalf of the District, the parties shall, at the request of the District, cooperate to effect such amendment. If the parties fail to agree to such an amendment within thirty (30) days of the District's request, the District may terminate this Agreement on thirty (30) days' notice to Contractor.

SECTION 9. INSURANCE AND INDEMNITY

9.1. Insurance by Contractor.

- (a) Contractor shall provide for, or cause its providers to provide, professional liability insurance for each Physician and each CRNA performing services for Contractor under this Agreement, at its sole cost and expense, and keep and maintain said insurance throughout the entire term of this Agreement, in the minimum amount of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate for each Physician and each CRNA. District acknowledges that to the extent that the professional liability insurance policy maintained in respect of the supervising anesthesiologist provides coverage to the CRNA(s) working under his/her supervision, such that there is the minimum amount of One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) aggregate for each Physician and each CRNA, this Section does not require that the CRNA be separately insured. Contractor agrees to purchase the insurance through an insurance company that has been issued a Certificate of Authority by the California Insurance Commissioner to transact a casualty business in the State of California.
- (b) Contractor shall provide District with a certificate or certificates evidencing such insurance coverage on the commencement date of this Agreement and from time to time as requested by District. If permitted by the insurance carrier, said insurance policy or policies shall also provide for at least fifteen (15) days written notice to District before cancellation may take effect.
- (c) If the policies of insurance are on a "claims made" basis, Contractor shall maintain, or shall require the individual Providers to maintain, coverage in effect for a period of not less than three (3) years from termination of this Agreement. If a Provider's insurance terminates within such three-year period, Contractor shall require the Provider to furnish to District a policy of continuing coverage or "tail" insurance covering claims against the Provider arising during the term of this Agreement and asserted at any time thereafter within the applicable statute of limitations. The policy shall have the coverage limits set forth above. Contractor shall, upon request, furnish District with evidence of the continuing coverage required by this paragraph. This paragraph shall survive the termination of this Agreement.

9.2. **Insurance by District.**

- (a) District shall, at its own cost and expense, provide professional liability insurance or self-insurance coverage with limits determined by District to be adequate to cover potential claims against it. District shall provide Contractor, upon request, with a certificate of insurance or self-insurance.
- (b) District shall, at its own cost and expense, provide insurance coverage under its policies of insurance or self-insurance with respect to Contractor's administrative duties as Medical Director of the Department of Anesthesia and Director of Cardiac Anesthesia under this Agreement. It is understood by both parties that District is self-insured for professional and public liability. The cost and expense for such self-insurance shall be paid by District.

9.3. **Indemnification.**

- (a) **By District.** District shall defend, indemnify, and hold Contractor, its shareholders and Providers harmless from and against any and all liability, loss, expense, attorneys' fees, or claims for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of District, its officers, directors, employees, or agents.
- (b) **By Contractor.** Contractor shall defend, indemnify, and hold District, its officers, directors, and employees harmless from and against any and all liability, loss, expense, attorneys' fees, or claims (i) for injury or damages arising out of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees, or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Contractor, its shareholders, officers, Providers, contractors, employees, or agents, (ii) any claim, loss or liability arising out of or with respect to its obligations to its employees or contractors for compensation or benefits, or arising from Contractor's failure to withhold or pay required employment-related taxes or compensation, and (iii) any claim, action and cause of action (not including claims, actions and causes of action related to actions taken by Contractor in compliance with Section 2.9(e) of this Agreement) arising out of, or in any way connected to, a claim by a Provider, or other subcontractor or employee of Contractor, that he or she has in any way been treated wrongfully by Contractor or any of its present or future officers, directors, shareholders or employees, but only in proportion to and to the extent such claims, actions and causes of action are caused by or result from Contractor's wrongful treatment of such Provider, subcontractor or employee.
- (c) **Survival.** The provisions of this Section 9.3 shall survive termination of this Agreement.

**SECTION 10.
GENERAL PROVISIONS**

- 10.1. **Dispute Resolution.** The parties agree that in the event of a dispute between them as to the interpretation or performance of this Agreement, above, the dispute shall be settled in conformance with the following procedures; provided that, except as otherwise provided in Section 8 this provision shall not preclude termination of this Agreement in accordance with Section 8:
- (a) The aggrieved party shall notify the other party (the “responding party”) by way of a meeting or writing in sufficient detail to clearly identify the problems giving rise to the dispute. The responding party shall respond in writing within a reasonable time following the meeting or writing.
 - (b) If the dispute involves another Department in District, each of the parties shall consult with the appropriate members of said Department and provide for input from said members to facilitate a complete discussion and proposed solutions of the problems.
 - (c) The Parties shall negotiate in good faith to achieve resolution of the dispute. If the parties reach resolution after the above process, they shall reduce the agreement of resolution to a writing, which shall be entitled “Memorandum of Resolution of Dispute” and that memorandum shall be attached to this contract and become an addendum hereto for future reference.
 - (d) If the dispute involves the quality of care delivered by Contractor, or the compliance by Contractor with the Medical Staff Bylaws of the Medical Staff, the matter shall be referred to and determined by the MEC according to procedures established by it.
 - (e) Except in the case of a dispute referred to in clause (d), if the parties are unable to reach a resolution of the problem after the above procedures are taken, they shall, at the request of either of them, submit the matter to JAMS (an alternative dispute organization, www.jamsadr.com) for mediation in Tulare County, California. Either party may commence mediation by providing to JAMS and the other party a written request for mediation, setting forth the subject of the dispute and the relief requested. The parties shall cooperate with JAMS and with one another in selecting a mediator from JAMS panel of neutrals, and in scheduling the mediation proceedings. The parties covenant that they shall participate in the mediation in good faith, and that they shall share equally in its costs. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator and any JAMS employees, are confidential, privileged and inadmissible for any purpose, including impeachment, in any litigation or other proceeding involving the parties, provided that evidence that is

otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation.

- 10.2. **Illegality.** Notwithstanding anything to the contrary herein, in the event performance by any of the parties hereto of any term, covenant, condition, or provision of this Agreement shall jeopardize the licensure of District or Contractor, or the full accreditation of District by The Joint Commission, or for any other reasons said performance should be in violation of applicable statutes, ordinances, or regulations, such term, covenant, condition, or provisions shall be renegotiated by the parties. In the event the parties are unable to renegotiate said term or terms with a reasonable time, either party may terminate this Agreement upon thirty (30) days' written notice to the other party.
- 10.3. **Assignment.** Neither party may assign its rights or obligations hereunder without written consent of the other party provided, however, that Contractor may enter into subcontracts with Provider in accordance with the provisions of this Agreement.
- 10.4. **Amendment.** This Agreement may be amended at any time by mutual agreement of the parties, provided that before any amendment shall be operative or valid, it shall be reduced to writing and signed by the parties.
- 10.5. **Books and Records.**
- (a) **Access to Books and Records.** For the purpose of implementing §1861 (d)(1)(I) of the Social Security Act, as amended, and any written regulations promulgated thereunder, Contractor agrees to comply with the statutory requirements governing the maintenance of documentation to verify the cost of services rendered under this Agreement:
- (i) **Omnibus Reconciliation Act.** To assure District reimbursement for payments made hereunder as a part of its reasonable cost of furnishing services under the Medicare program, it is understood that Contractor shall, until the expiration of four (4) years after the termination of the Agreement make available, upon request by the Secretary, or upon request by the Comptroller General or any of their duly authorized representatives, this Agreement and Contractor's books, documents, and records as may be necessary to certify the nature and extent of the costs incurred hereunder by District. This requirement shall be a part of any subcontract between Contractor and a related organization as defined by the Act.
- (ii) If Contractor carries out any of the duties of the contract through a subcontract, with a value or cost of Ten Thousand Dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon request by the Secretary, or upon request by the Comptroller General or any of their

duly authorized representatives, the subcontract and the books, documents, and records of such organization that are necessary to verify the nature and extent of such costs.

- (iii) If Contractor is requested to disclose any books, documents, and records relevant to this Agreement for the purpose of an audit or investigation, Contractor shall notify District of the nature and scope of the request.
- (iv) Contractor shall indemnify and hold harmless District in the event that any amount of reimbursement is denied or disallowed by the reimbursement programs because of the failure of Contractor or any of its related subcontractors to comply with the obligations stated in subparagraphs (i) and (ii) of this Subsection (a). Such indemnity shall include, but not be limited to, the amount of reimbursement denied or disallowed, plus any interest, penalties, and legal costs.

This subsection (a) is effective as of the date of execution of this Agreement and pertains to all records that have or should have been maintained on or after that date.

- (b) **Copying.** Both during and after the term of this Agreement, to the extent permitted by applicable law (including the Health Insurance Portability and Accountability Act of 1996), Contractor or its agents shall be permitted to inspect and/or duplicate at their expense any individual chart or record regarding professional services rendered by Contractor's Providers to the extent necessary: (i) to meet professional responsibilities to such patient(s); (ii) to assist in the defense of any malpractice or similar claim to which such chart or record may be pertinent; (iii) to assist in billing or collection concerning the services rendered; or (iv) to assist in responding to any patient complaint; provided that such inspection or duplication is performed and conducted in accordance with all applicable legal requirements and pursuant to accepted standards of patient confidentiality. Contractor shall be solely responsible for maintaining confidentiality with respect to any information obtained by it or its agents pursuant to this paragraph.

10.6. **Representations of Authority to Contract.**

- (a) Each of the parties hereto represents that it has the complete and unrestricted authority and legal power to undertake the obligations placed upon it by the term of this Agreement. Each of the parties represents to the other that it has not presently, nor in the future shall, enter into any agreements or be bound by any other representations with any other party, entity, governmental agency, or person whatsoever that shall prevent it from fully performing all of its obligations under this Agreement in a timely fashion and without any reservations.
- (b) Contractor specifically represents that it has not bargained or granted away any authority to any other entity or person whatsoever which would prevent it from exercising full discretion in the performance of its respective duties hereunder.

District specifically represents that it is not aware of anything about its structure as part of a larger organization, or about the laws of the United States, of the State of California, or of any other applicable laws, which would prevent it or restrict it from in any way fully performing and meeting each and every obligation hereunder.

(c) Each of the parties hereto agrees to indemnify, defend, and hold harmless the other party from any damages associated with a breach of the representations in this Subsection 10.6.

10.7. **O.I.G. Exclusion.** Contractor represents that Contractor nor any of the Providers is on the General Services Administration's list of parties excluded from federal procurement programs and is not debarred by the U.S. Food and Drug Administration. District shall not knowingly form a contract with, purchase from, or enter into any business relationship with, any individual or business entity that is publicly listed by a federal agency as debarred, suspended, or proposed for debarment. In the event that Contractor or any Provider is on the excluded list or is debarred, District may terminate this Agreement for breach.

10.8. **No Requirements to Refer.** Nothing in this Agreement, or any other written or oral Agreement, or any consideration in connection with this Agreement, contemplates or requires the admission or referral of any patient to District. This Agreement is not intended to influence Contractor's judgment in choosing the medical facility or equipment appropriate for the proper care and treatment of patients.

10.9. **Notice.** Whenever, under the terms of this Agreement, written notice is required or permitted to be given by any party to any other party, such notice shall be deemed to have been sufficiently given upon personal delivery to the person(s) indicated below, evidenced by a written receipt from such officer or agent, or three (3) business days after deposit in the United States mail in a properly stamped envelope, certified or registered mail, return receipt requested, or by other reputable delivery service such as Federal Express, addressed to the party to whom it is to be given, at the address hereinafter set forth:

If to District:

Regina Sawyer, VP and CNO
Chief Nursing Officer
Kaweah Delta Health Care District
400 West Mineral King Avenue
Visalia, CA 93291

If to Contractor:

Robert Goldstein, M.D.
Primary Anesthesia Services, P.C.
450 Mamaroneck Ave, Ste 201
Harrison, NY 10528

Either party shall have the right to change its address to which notices shall be given by notice similarly sent.

10.10. **Integrated Agreement.** This Agreement, together with its Exhibits, all of which are incorporated herein by this reference, contains the sole and entire agreement between the

parties and shall supersede all prior agreements between the parties as of the effective date hereof. The parties acknowledge and agree that neither of them has made any representations with respect to the subject matter of this Agreement, or any other representations, except as are specifically set forth herein, and each of the parties hereto acknowledges that it or (s)he has relied on its or his/her judgment in entering into the same.

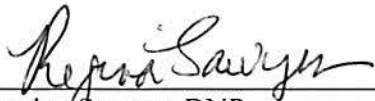
- 10.11. **Binding on Successors.** This Agreement shall be binding upon the successors in interest of District and of Contractor, subject to the provisions of Subsection 10.3.
- 10.12. **Headings.** The subsections headings used in this Agreement are intended solely for convenience of reference and shall not in any way or manner amplify, limit, modify, or otherwise be used in the interpretation of, any of the provisions of this Agreement.
- 10.13. **Gender Neutrality.** As used herein, the masculine, feminine, or neuter gender and the singular or plural number shall be deemed to include the others whenever the context so indicates.
- 10.14. **Attorneys' Fees and Costs.** If either party must resort to legal process, including arbitration, to enforce the terms of this Agreement, the prevailing party in such proceeding shall be entitled to, in addition to any other recovery, reasonable attorneys' fees and costs actually incurred.
- 10.15. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, including electronically transmitted counterparts, and each such counterpart shall for all purposes be deemed an original, and all such counterparts shall together constitute but one and the same instrument.
- 10.16. **Severability.** This Agreement is intended to be performed in accordance with, and only to the extent permitted by, all applicable laws, ordinances, rules, and regulations. If for any reason any provision of this Agreement shall be deemed by a court of competent jurisdiction to be legally invalid or unenforceable in any respect, the validity and enforceability of the remainder of the Agreement shall not be affected and such provision shall be deemed modified to the minimum extent necessary to make such provision consistent with applicable law and, in its modified form, such provision shall then be enforceable and enforced.
- 10.17. **Applicable Law.** This Agreement is governed by the laws of the State of California and any questions arising hereunder shall be construed or determined according to such law, and the venue for any legal proceedings concerning enforcement of this Agreement by either of the parties shall be in the County of Tulare, State of California.
- 10.18. **Additional Assurances.** The provisions of this Agreement shall be self-operative and shall not require further agreement by the parties, except as may be specifically provided to the contrary; provided, however, at the request of a party, the other party shall execute such additional instruments and take such additional acts as are reasonably necessary to effectuate this Agreement.

- 10.19. **Consents, Approvals, and Discretion.** Except as herein expressly provided to the contrary, whenever in this Agreement any consent or approval is required to be given by either party or either party must or may exercise discretion, the parties agree that such consent or approval shall not be unreasonably withheld or delayed and such discretion shall be reasonably exercised.
- 10.20. **Waiver.** Failure to insist upon strict compliance with any of the terms, covenants, or conditions of this Agreement shall not be deemed a waiver of such term, covenant, or condition, nor shall any waiver or relinquishment of any right or power hereunder at any one time or more times be deemed a waiver or relinquishment of such right or power at any other time or times.
- 10.21. **Force Majeure.** Notwithstanding any provision contained herein to the contrary, no party to this Agreement shall not be deemed to be in default hereunder for failing to perform or provide any of its duties or obligations hereunder if such failure is the result of any labor dispute, act of God, inability to obtain labor or materials, governmental restrictions, or any other event which is beyond the reasonable control of such party.
- 10.22. **No Third-Party Beneficiary.** None of the provisions contained in this Agreement are intended by the parties, nor shall they be deemed, to confer any benefit on any person not a party to this Agreement, including the Physicians individually.
- 10.23. **Confidential Information.** Each of the parties understands and acknowledges that it shall have access to “Confidential Information” concerning the other party’s business and that it has a duty at all times not to use such information in competition with the other party or to disclose such information or permit such information to be disclosed to any other person, firm, corporation, or third party, during the term of this Agreement or at any time thereafter. For purposes of this Agreement, “Confidential Information” shall include, but is not necessarily limited to, any and all secrets or confidential technology, proprietary information, pricing data, customer or patient lists, trade secrets, records, notes, memoranda, data, ideas, processes, methods, techniques, systems, formulas, patents, models, devices, programs, computer software, writings, research, personnel information, customer or patient information, plans, or any other information of whatever nature in the possession or control of a party that is not generally known or available to members of the general public or the medical profession, including any copies, worksheets, or extracts from any of the above. Each party further agrees that if this Agreement is terminated for any reason, it shall neither take nor retain, without prior authorization from the other party, originals or copies of any records, papers, programs, computer software, documents, x-rays or other imaging materials, slides, medical data, medical records, patient lists, fee books, files, or any other matter of whatever nature which is or contains Confidential Information. Notwithstanding the foregoing, nothing in this Section shall be interpreted to prevent District, at the expiration or earlier termination of this Agreement, from using the fair market value analysis and report it obtained as part of the implementation of this Agreement, for the purposes of determining appropriate financial relationships with Providers (whether individuals or a group) providing service to patients of District.

responding to inquiries initiated by Providers, provided that the response does not include a solicitation for services or communications relating to services after the termination or nonrenewal of this Agreement, or (ii) communicating in any manner with Providers as contemplated by Section 8.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the last date set forth opposite the signatures below.

KAWEAH DELTA HEALTH CARE DISTRICT

By: 
Regina Sawyer, DNP
Vice President and Chief Nursing Officer

PRIMARY ANESTHESIA SERVICES, P.C.

By: 
Robert Goldstein, M.D., President

**EXCLUSIVE PROVIDER AGREEMENT FOR ANESTHESIA SERVICES
BETWEEN
KAWEAH DELTA HEALTH CARE DISTRICT
AND
PRIMARY ANESTHESIA SERVICES, P.C.**

**EXHIBIT 1
ANESTHESIA OR COVERAGE SCHEDULE**

Contractor has the responsibility to provide all anesthesia services necessary for the proper operation of the Department twenty-four (24) hours per day, seven (7) days per week, except for services provided by others pursuant to Section 2.1 and this Agreement.

Both parties agree that the hours listed below are mutually agreed upon and obtainable standards. The O.R. Policy Committee shall have authority to modify the coverage schedule as needed per Section 2.1. However, the O.R. Policy Committee does not have the authority to modify or amend the definition of Coverage that Contractor is required to provide. In the event Contractor and District agree that additional coverage is necessary in addition to the Coverage set forth below, Contractor shall have up to three (3) months to supply the additional coverage.

1. **Coverage.** Contractor shall have adequate communications between Providers and District, including the Surgical Charge Nurse and OR Management, with respect to changes in the Anesthesia OR Coverage Schedule.
2. **OR Coverage Hours Schedule.**

In addition to the schedule set forth below, Contractor shall provide up to 20 hours of anesthesia coverage per month for endoscopy, at variable hours confirmed by the Endoscopy Department and Contractor.

The OR Coverage Schedule in effect as of the Effective Date is as set forth below:

Monday through
Friday

CVOR	24 hr	0700- Call (24 hr)	All cases performed by Cardiac Surgeons Contractor shall provide two anesthesiologists on site from 0700 to 1500, followed by one 16-hour call shift
	8 hr	0700-1500	
Main OR	1	0730-2200 (Call-24hr; MD 1500-0700, CRNA1)	Add-ons/ Emergency/ Trauma
	2	0730-2200 (Call-24hr CRNA2)	Block Time — General
	3	0730-1930	Block Time — General
	4	0730-1930	Block Time — Ortho
	5	0730-1930	Block Time — Spine (ortho)
	6	0730-1730	Block Time — Vascular
	7	0730-1730	Block Time — Robotics/Open
	8	0730-1730	Open Time for scheduled cases
	9	0730-1730	Open Time for scheduled cases
	10	0730-1730	Open Time for scheduled cases
OB	24 hr	0700-Call(24 hr)	Scheduled & Emerg C-Sections, Epidural
		0630-1500	Available for add'l C-Section, epidural coverage

Saturday

CVOR	24 hr	Call (24 hr)	All cases performed by Cardiac Surgeons
Main OR	1	0730-Call (24 hr - MD)	Add-ons/ Emergency/ Trauma
	2	0730-1630 (MD or CRNA)	Elective cases
	3	0730-1630 (CRNA 1)	Urgent/Emergent
OB	24 hr	0700-Call (24 hr - CRNA)	Scheduled & Emerg C-Sections, Epidural
		0700-1500	Available for add'l C-Section, epidural coverage
Additional call	24 hr	24 hrs (CRNA 1 & CRNA 2)	Additional on-call provider available for any needed coverage, if requested

Sunday

CVOR	24 hr	Call (24 hr)	All cases performed by Cardiac Surgeons
Main OR	1	0730-Call (24 hr - MD)	Add-ons/ Emergency/ Trauma
	2	0730-1630 (CRNA 1)	Urgent/Emerg
OB	24 hr	0700-Call (24 hr - CRNA)	Scheduled & Emerg C-Sections, Epidural
Additional call	24 hr	24 hrs (CRNA 1 & CRNA 2)	Additional on-call provider available for any needed coverage, if requested

EXCLUSIVE PROVIDER AGREEMENT FOR ANESTHESIA SERVICES

**BETWEEN
KAWEAH DELTA HEALTH CARE DISTRICT
AND
PRIMARY ANESTHESIA SERVICES, P.C.**

**EXHIBIT 2
MEDICAL DIRECTORS FOR ANESTHESIA SERVICES**

The Medical Director for Anesthesia Services shall be responsible for the professional direction of the Department. His or her duties shall include:

- i. Participating in the educational programs conducted by District and the Medical Staff in order to assure Hospital's overall compliance with accreditation and licensing requirements, and performing such other reasonable teaching functions as District may request;
- ii. Directing non-physician personnel in the performance of professional services for patients;
- iii. Advising District with respect to the selection, retention and termination of all personnel who may be required for the proper performance of anesthesia services; provided, however, that District shall retain the ultimate decision-making authority regarding the selection, retention and termination of all such personnel;
- iv. Establishing schedules for all services provided by Providers in accordance with the terms of this Agreement;
- v. Supervising the development and implementation of Hospital quality assurance and quality improvement programs and procedures relative to the Services;
- vi. Assisting District in the preparation and conduct of surveys by The Joint Commission and/or any other national, state or local agency relating to the Anesthesia Service and the Services provided under this Agreement; and
- vii. Performing any other duties related to the Anesthesia Services contemplated herein that District's Governing Board, Medical Staff and/or the CNO may reasonably request.

The Cardiac Anesthesia Director, the OB Anesthesia Director and the CRNA Director shall be responsible under the Medical Director for the provision of Anesthesia Services for cardiac surgery and obstetrical surgery, and for the direction of CRNA services, respectively, and shall perform the duties set forth above, as they pertain to their respective responsibilities.

**EXCLUSIVE PROVIDER AGREEMENT FOR ANESTHESIA SERVICES
BETWEEN
KAWEAH DELTA HEALTH CARE DISTRICT
AND
PRIMARY ANESTHESIA SERVICES, P.C.**

**EXHIBIT 3
ADDITIONAL SERVICE AND STAFFING REQUIREMENTS**

Contractor shall meet the following service and staffing requirements, all of which shall be considered material requirements of this Agreement, as provided in Section 2.15:

- a) An adequate number of anesthesia providers shall be qualified to perform epidural, spinal, regional, MAC, total intravenous anesthesia (TIVA), central line placement, double lumen endotracheal tube intubation, fiber-optic bronchoscopy, use of glide scope, and general anesthesia to support institutional demand.
- b) Two dedicated CV Anesthesiologists shall be assigned to CV Surgery, one CV Anesthesiologist shall be split between CV surgery, Vascular Surgery and Cardiology on 2 Tower. Call is dedicated primarily to this area, but the anesthesiologists may respond to emergent needs in other areas.
- c) The OB Anesthesia Director shall be dedicated primarily to Obstetrics & Gynecology on 2 East, but the anesthesiologists may respond to emergent needs in the main OR and other areas.
- d) Contractor shall be responsible for the monitoring of medication administration and correction of medication charge errors to ensure billing compliance for District.
- e) All Providers shall be ACLS certified as of the Effective Date, except for new Providers and Providers who have served less than one year under this Agreement, who shall be certified within one (1) year of commencing Services under this Agreement.
- f) Contractor shall actively participate with all hospital quality or improvement initiatives related to Surgical Services and Anesthesia Services
- g) Contractor shall strive to improve Physician Satisfaction results year-over-year as related to Surgical Services and Anesthesia.
- h) Contractor shall strive to improve Patient Satisfaction (HCAHPS) scores year-over-year as related to Anesthesia. Contractor shall cooperate with Hospital's Perioperative Medical Director on initiatives to improve quality and service in the main operating room and Surgical Center.
- i) Contractor shall participate in and cooperate with Hospital's OR Policy Committee, and shall collaborate with Hospital's surgical medical director.
- j) Contractor shall actively support Hospital's Quality initiatives, including the reduction of anesthesia-related OR case delays by assuring that patients have been interviewed and are

ready on time for their scheduled surgical start times and that all anesthesiologists are consistently on time.

- k) Contractor shall conduct a minimum of one post-anesthesia evaluation on all inpatients and outpatients.
- l) Contractor, through a designated member, shall reasonably participate in the medical and paramedical educational programs conducted by District.
- m) Contractor shall comply with regulations and standards as outlined by The Joint Commission and California Code of Regulations (“CCR”) Title 22, the State Board of Pharmacy, CMS Conditions of Participation and other agencies having authority over the Hospital and the Department, to include medication safety and control, appropriate documentation in the medical record, pre-induction assessments, and full compliance with all hazardous waste streams and HIPAA regulations, or as otherwise set forth in the Agreement.
- n) Contractor shall designate a Medical Director for Anesthesia Services who shall assure that anesthesia section meetings are held regularly, that minutes are reported to the appropriate medical staff committees in accordance with the Medical Staff Bylaws, that appropriate quality indicators are reviewed at each meeting with corrective action taken, and that the quality indicators and actions taken are subsequently reported to the Medical Care Review Committee, Quality Council or O.R. Policy Committee as appropriate.
- o) Contractor shall be responsible for and have authority to ensure District’s compliance with anesthesia requirements of accrediting bodies such as the American Medical Association, The Joint Commission and California Department of Public Health, to include active participation in the Department and District-wide quality monitoring activities.
- p) Contractor shall consistently participate through the Medical Director or his/her designee, at meetings of all required Performance Improvement committees and assigned activities.
- q) Contractor shall make available to the Performance Improvement Department on a consistent and systematic basis all relevant information in the computerized or paper patient record for collection, display, and analysis.
- r) Contractor shall comply on an ongoing basis with all of The Joint Commission requirements, including dating and timing of pre-induction physicals.
- s) Contractor shall have monthly Department meetings, and shall maintain, on an ongoing basis, Departmental minutes which accurately reflect appropriate and consistent involvement in the Performance Improvement process.
- t) Contractor shall consistently demonstrate a multi-Departmental team approach to solving quality problems that involve multi-Departmental processes.

- u) Contractor shall consistently demonstrate responsibility and accountability in the protection of the patient and with respect to unsolved problems that involve interdepartmental responsibility.
- v) Contractor shall maintain, on an ongoing basis, monthly Departmental minutes which accurately reflect review of data, problems, mortality, and outcomes, with analysis and action appropriate to the solution of problems in a timely and effective manner.
- w) Contractor shall collaborate to support educational programs as requested by the District.
- x) Contractor shall direct and arrange for anesthesiologists proctoring per applicable Medical Staff Bylaws.
- y) **Monthly Meeting.** The Medical Director shall meet with District's Medical Director for Surgical Services and Director for Surgical Services at the monthly meeting to review performance of services identified in this Exhibit 3 and any other operational issues of concern.
- z) **Quality Assurance.** Specific anesthesia criteria shall be developed by the Department of Anesthesia ("Department") that shall identify variances in Hospital practice/medical care (e.g. difficult intubations, OPs admitted to District due to N & V, etc.) A medical record review shall be conducted by the Department when a patient's criteria are not satisfied. This information accompanied with any corrective action implemented shall be reported monthly to the O.R. Policy Committee and Medical Care Review Committee.
- aa) **Pre-Op Evaluation Clinic.** The established pre-op anesthesia evaluation clinic shall continue at least weekly to see high risk, high acuity surgical patients referred for evaluation by their primary care physician or their referring surgeon. It is expected that the clinic's assessment of the patients is sufficient so that day of surgery cancellations can be kept to a minimum.
- bb) **Documentation Requirements.** District has developed an integrated computerized information system so as to more efficiently interface and collate medical data for patient care and billing. It is expected that anesthesia records, both computerized and written, prepared by Providers shall be accurate, complete and timely in accordance with Title 22.
- cc) **Qualifications.** In order to assure and enhance present and on-going clinical qualifications of Contractor and its Providers:
 - i) Contractor shall ensure that any Provider providing pediatric anesthesiology shall have training in pediatric anesthesiology and PALs certification. Pediatric definition by age to be determined by Surgery, Anesthesia, and Pediatrics Departments.
 - ii) All Providers, to the extent eligible, shall be trained, privileged and expected to place arterial/central lines and fiber optic difficult intubations.

- iii) Whenever possible, all staffing assignments by Contractor shall be based on Provider competency in the required skills.
- iv) Contractor or Contractor's representatives shall acknowledge receipt all complaints within two (2) business days or sooner after receipt of notification.
- dd) **Dress Code.** All Providers shall adhere to the OR attire/dress code and the prohibitions on food and drink in the operating room, as required by the Surgical Services Policy.
- ee) **Professional Behavior.** Contractor's Providers shall maintain professional behavior toward District's patients, patient's family members, Medical Staff members, visitors, and District staff as required by the Department of Anesthesia Policy and Procedure Manual, Contractor's sub-contracts with its representatives, all related District Policies and the Medical Staff Bylaws.
- ff) **Medication Management.** All Providers shall document and practice the following:
 - i) Appropriate syringe labeling practices;
 - ii) Documentation of drugs received from Pyxis to ensure accountability of drug and restocking;
 - iii) Documentation of drug charges in collaboration with the Hospital pharmacy in appropriate systems;
 - iv) In collaboration with the District, Contractor shall achieve one hundred percent (100%) accountability for all drugs used and their disposition;
 - v) Comply with District policies to ensure proper disposal of sharps and/or pharmaceutical waste in collaboration with the Hospital pharmacy; and
 - vi) Comply with District Policy to ensure compliance, as applicable, with any compounding standards in collaboration with the Hospital pharmacy, such as aseptic techniques.
- gg) Assure that Providers standardize their use of drug utilization with best practices, where feasible.
- hh) Providers shall arrive for scheduled cases at a reasonable time in order to allow for appropriate assessment, possible intervention, orders, etc., to avoid delays in surgery.
- ii) When the mass transfusion protocol is in effect, Providers shall abide by the protocol until it is terminated.
- jj) **Anesthesia Business Indicators** – Unless specified differently, the following anesthesia business indicators will be monitored and reported quarterly and annually to the O.R. Policy Committee, O.R. Management, and Administration

1. Anesthesia - Staffing in comparison to anesthesia O.R. coverage schedule – will be reviewed quarterly with O.R. Management

2. Anesthetic Volume

- By anesthetic location
- By anesthesia type
- By ASA class

3. Number of Clinicians

- By type (Physician, Resident, CRNA, AA, etc.)

4. Total Minutes (and Units) Billed

- By anesthetic coverage location

5. Anesthesia Clinical Indicators. The following anesthesia clinical indicators will be monitored and reported quarterly and annually to the Chief Medical Officer and Administration:

- Number of cases completed eventfully
- Occurrence of critical events (by location/service; definitions):
 - Death
 - Cardiac Arrest
 - Perioperative MI
 - Anaphylaxis
 - Malignant Hyperthermia
 - Transfusion Reaction
 - New Stroke
 - Visual Loss
 - Incorrect Surgical Site
 - Incorrect Patient
 - Medication Error
 - Unplanned Admission
 - Unplanned ICU Admission
 - Intraoperative Awareness

- Unplanned Difficult Airway
- Unplanned Reintubation
- Dental Trauma
- Perioperative Aspiration
- Vascular Access Complication
- Pneumothorax
- Infection After Regional Anesthesia
- Epidural Hematoma
- High Spinal
- Postdural Puncture Headache
- Local Anesthetic Toxicity
- Peripheral Neurologic Deficit

The Medical Director for Anesthesia Services shall review the performance of these staffing and services requirements with the CEO or the CNO (or designee) at least quarterly.

**EXCLUSIVE PROVIDER AGREEMENT FOR ANESTHESIA SERVICES
BETWEEN
KAWEAH DELTA HEALTH CARE DISTRICT
AND
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**EXHIBIT 4
PERFORMANCE EXPECTATIONS AND INCOME SUPPORT**

1. Performance Expectations. In addition to the general service requirements of the Exclusive Provider Agreement, the Contactor shall use its best efforts to ensure that its Providers meet specific performance expectations from time to time set by agreement by the parties. The performance expectations in effect on the Effective Date are as follows:

Indicators	
OB Patient Satisfaction (overall) ¹	>90%
Post Op PACU Pain Satisfaction	>90%
Anesthesia Related 1 st Case OR Delays ²	<4%

¹ As measured by MTC Health.

² As measured and documented by District.

No additional compensation shall be payable in connection with the performance expectations. In June of 2019, and following each succeeding quarter, the parties will meet to review Contractor's performance during the preceding quarter, and to set goals and expectations for future performance. If Contractor fails to meet any performance expectation, the parties will collaborate on a plan to improve performance.

2. Entire Compensation. Except as provided in this Agreement, neither District nor Contractor shall charge the other for Services provided pursuant to this Agreement. Contractor's separate billings and the compensation to be paid under Paragraph 6 shall constitute its sole compensation for all administrative and professional services rendered hereunder, including services rendered by Physicians, CRNAs and the Medical Directors. Contractor shall have the sole responsibility to compensate Physicians, CRNAs and Directors. Contractor reserves the right, in its sole discretion, to determine the compensation payable to each Physician and CRNA working in the Department, subject to the provisions of this Agreement.

3. Provider Enrollment and Participation Agreements. Contractor shall diligently pursue and maintain, participation in good standing for Medicare, Medi-Cal and all managed care contracts for health care services in which District participates, e.g., health maintenance organizations (HMOs) and preferred provider organizations (PPOs). Contractor shall follow the same procedures for credentialing new Physicians in order to obtain payment for Services in a timely manner.

4. Billing and Collection of Fees for Services.

(a) Fee Schedule. Contractor shall prepare a schedule of fees representing its full professional charges for Services rendered to District patients under this Agreement. The fee schedule, and any change thereto, shall be approved in advance by District in order for District to ensure that fees are reasonable, fair and consistent with the basic commitment of District to provide adequate health care to all residents within the Service Area. The fee schedule shall, at all times, comply with all applicable laws, rules, regulations and payer agreements. The fees shall at all times be reasonable and competitive. Nothing herein shall be construed to cause Contractor to violate any federal or state laws concerning the establishment of fees.

(b) Billing Services. Contractor shall use commercially reasonable efforts to bill and collect payment for Services provided under this Agreement in accordance with generally accepted practices. Contractor shall use the services of a qualified contractor approved by District for the billing and collection of claims for all Services provided during the term of this Agreement, and Contractor shall ensure that the contractor bills and collects Contractor's claims diligently and in accordance with generally accepted practices. Contractor may, upon prior notice to the District, conduct billing and collection through its own personnel.

(c) Billing and Collection. Contractor shall be responsible for billing District patients or their respective third party payers for its fees for Services. District shall have no interest in or responsibility with respect to billing and collection of the fees. Contractor's billing practices shall be in compliance with all applicable laws and regulations and with the contractual requirements of third-party payers, including requirements for identification of the Hospital as the site-of-service, accurate diagnosis, procedure coding and chart documentation. Nothing herein shall be construed to cause Contractor to violate any federal or state laws concerning the billing for fees. Contractor shall cooperate with compliance initiatives of the District. Contractor shall provide prompt notice to District of any and all changes in Contractor's billing practices and fee structures.

(d) Global Contracts. To the extent that District enters into a contract with a health plan or other payor that does not permit Contractor and District to separately bill for their respective professional and technical services ("Global Contract"), Contractor shall look solely to District for payment and District shall compensate Contractor for such services by a mutually agreeable amount (to be set in advance in writing), but in no event shall the amount be less than the amount that Contractor would have received for such services, but for the Global Contract. Any such reimbursement shall be Service Collections for purposes of this Agreement.

(e) Service Collections.

(i) For purposes of this this Exhibit, "Service Collections" means receipts received by Contractor during the applicable month for all charges and fees for Services performed on or after April 1, 2019 (the "Guaranty Start Date") from any source, other than payments made by the District under this Agreement (but including any payments made under subsection 4 (d) of this Exhibit), less refunds, recoupments, offsets,

takebacks or withholds, but including any amount for which Contractor is responsible pursuant to paragraph (ii)(B) below.

(ii) If there is any shortfall or deficit in the Service Collections attributable in the reasonable determination of the District to Contractor's failure to follow commercially reasonable billing or collection procedures for any cause or reason within the reasonable control of Contractor or its agents or contractors, including failure to bill or collect its professional fees for any Services within a reasonable period from the date of service (such as failure to enroll Contractor or any of Contractor's personnel in any third party payment program that Contractor participates in (subject to Contractor's obligations under Section 2.16), failure to submit timely, accurate or complete claims for payment, failure to respond in a timely manner to requests for information, unreasonable failure to request review or appeal of denied claims) (in the aggregate, "Deficits") (but excluding any Deficit arising prior to the Guaranty Start Date or attributable to or resulting from events occurring or circumstances existing prior to the Guaranty Start Date, for which the District shall not be responsible), the following provisions shall apply:

(A) The District shall fund the Deficits in an aggregate amount not exceeding Two Hundred Twenty-Five Thousand Dollars (\$225,000) in any Contract Year, pro-rated for a Contract Year of less than twelve months (the "District's Contribution"); and

(B) The Contractor shall be solely responsible for Deficits in excess of the District's Contribution, and such excess shall be treated as Service Collections; and

(C) If in any Contract Year the District funds Deficits in excess of the District's Contribution (for example, by funding shortfalls in Service Collections before it is determined that they constitute Deficits), the excess shall be treated as Service Collections.

(f) District Billing. District shall be responsible to bill and collect for all technical Hospital services provided to District patients during their Hospital stay. District shall provide prompt notice to Contractor of any and all changes in District's billing practices and fee structures that relate to the Services provided by Contractor.

(g) Billing Errors. The parties shall have reasonable access to records necessary to verify each party's compliance with this Agreement. Each party shall promptly correct or assist the other party in correcting any billing errors.

5. Monthly and Quarterly Reports; Other Information.

(a) Monthly Reports. Within fifteen (15) days after the end of each month of this Agreement, Contractor shall submit to District an itemized report ("Monthly Report") for the prior month setting forth the following in form and content reasonably satisfactory to the District:

(i) The number of shifts and hours of Services performed each day of the month, with a description of the Services provided each day, and an indication of any variations from the staffing schedule set forth in Exhibit 1;

(ii) The number, identities and schedules of the individuals who provided Services during the month;

(iii) Contractor's billings for Services;

(iv) Service Collections;

(v) Refunds, recoupments and offsets of or to Service Collections, and any claims for any of these;

(vi) Accounts receivable, and an accounts receivable aging report;

(vii) A report on Contractor's performance during the month with respect to the goals set forth in Exhibit 4-1 (the "Billing and Collection Targets").

(viii) Any other expenses to be included in the Total Expenses;

(ix) Other financial information maintained by Contractor or its billing agent as may be reasonably requested by District in order to determine its obligations under this Agreement or monitor compliance with this Agreement.

(b) The Contractor shall continue to submit the Monthly Report for each of the six (6) months following the termination or expiration of this Agreement for any cause or reason (the "Tail Period") in accordance with subsection (a), except that the reports for the Tail Period need contain only the information described in clauses (a)(iii) through (a)(vi) and (a)(ix).

(c) Quarterly Reports. As soon as practicable after the end of each quarter of the term of this Agreement (the first quarter commencing April 1, 2019), Contractor shall submit to District an itemized report ("Quarterly Report") for the prior quarter setting forth the following in form and content reasonably satisfactory to the District:

(i) A schedule of Contractor's expenses for the prior quarter in the categories set forth in Exhibit 4-2, with such supporting documentation and detail as the District may reasonably request;

(ii) Other financial information maintained by Contractor as may be reasonably requested by District in the Quarterly Report in order to monitor compliance with this Agreement.

(d) Other Information. In addition to the Monthly and Quarterly Reports, Contractor shall provide District with such additional reports and information as the District may request, including but not limited to collections activity, etc., with such frequency as the District may request.

(e) Production of Reports. If the District requests any report or information under this Section 5 that is not available as a standard report from the reporting systems of the Contractor or its contractors, the Contractor shall within fifteen (15) days of the District's request notify the District when the report may be available, or if the report is not available in the form or format requested by the District, how the Contractor proposes to make the information available to the District. The District shall not unreasonably withhold its approval of the Contractor's proposal, as long as the proposal would provide the information requested by the District in a timely manner. Once the parties have agreed upon the form and format of the report, the Contractor shall provide it in accordance with the District's request.

6. Compensation.

(a) Retention of Service Collections. Contractor shall retain all Service Collections.

(b) Initial Period. For the period from the Effective Date through March 31, 2019 (the "Initial Period"), the District shall pay the Contractor income support in the amount of For Hundred Forty-Three Thousand Nine Hundred Eighty-Four and 40/100 Dollars (\$443,984.40), which shall be Contractor's only compensation for services provided under this Agreement during that period. The Guaranty described in subsection (c) below shall take effect on the Guaranty Start Date.

(c) Guaranty. Provided that Contractor submits Monthly and Quarterly Reports as required by this Section 5, and subject to the provisions of this Attachment, the District shall pay Contractor the amount, if any, by which Contractor's Total Expenses exceeds its Service Collections during the term of this Agreement (excluding the Initial Period). Payments in relation to the Guaranty shall be made as provided in subsection (h) and subsection (j) below. For purposes of this Exhibit, "Total Expenses" means (i) the aggregate of Contractor's actual and reasonable expenses incurred in the categories set forth in the budget attached as Exhibit 4-2, (ii) Temporary Provider Excess Expenses relating to Temporary Providers incurred in accordance with Section (e)(iv) of this Exhibit (including any approvals required by Section 2.9(d) of the Agreement), and (iii) reasonable additional personnel expenses in addition to those set forth in Exhibit 4-2 arising from occasional requirements for additional staffing, substitution of personnel, or temporary staffing shortages, all subject to the limitations set forth below. For the purpose of this Exhibit, Temporary Provider Excess Expenses shall mean the costs and expenses above the costs and expenses of a comparable FTE clinician who is not a Temporary Provider as further set forth below in Section (e)(iv). The Parties acknowledge and agree that the costs and expenses relating to Temporary Provider that are not Temporary Provider Excess Expenses shall be included in subsection (b)(i) above.

(d) Budget.

(i) The District acknowledges that Contractor's ability to provide the Services depends on its ability provide compensation and benefits adequate to recruit and retain qualified Providers. The Contractor acknowledges that the District cannot undertake to reimburse Contractor's expenses without certain controls, notice requirements and termination rights. Accordingly, the parties have agreed on an initial annual budget for

Contractor's expenses during the first Contract Year, which is set forth in Exhibit 4-2 (the "Budget"). For each succeeding Contract Year, beginning April 1, 2020, the Budget for the expenses in the following categories shall be increased by three percent (3%) over the Budget for the prior year: "Avg. per FTE" for MD and CV MD Compensation and Benefits; "Avg. per FTE" for CRNA FTE; and Practice Admin and Other Admin Fee. The Management Fee shall also be increased as provided in Section 6(e)(iii) below.

(ii) The foregoing notwithstanding, Total Expenses will also include routine variations in operating expenses in excess of the Budget, such as needs for additional or substitute staffing, as long as such expenses are temporary and do not result from a commitment by Contractor in excess of thirty (30) days (any such commitment exceeding 30 days requiring the approval of the District).

(iii) The Budget is for twelve months, and the budget for each line-item for each month is one-twelfth of the relevant amount set forth in the Budget.

(iv) The Contractor shall use commercially reasonable efforts to keep each item of the Total Expenses within the Budget, subject to the variations permitted by paragraph (ii) above and paragraph (e)(iv) below. The parties agree that, without the District's prior written approval (which it may give or withhold in its discretion), and except as provided in paragraph (ii) above or paragraph (e)(iv) below, the District shall not be obligated to reimburse Contractor for any expense exceeding either the individual limit for each line-item of expense set forth in the Budget, or the aggregate expenses set forth in the Budget. If, despite commercially reasonable efforts, Contractor is unable to recruit and retain sufficient qualified Providers to provide the Services within these limits, or otherwise to provide the Services within the Budget, the District agrees to meet and discuss either (x) the reimbursement of Contractor's actual and reasonable expenses for Provider compensation and benefits in excess of amounts set forth in the this Agreement or (y) an appropriate modification to Exhibit 1 to accommodate any resulting reduction in staffing. Provided the Contractor is using commercially reasonable efforts to provide the Services within the Budget, Contractor's inability to recruit and retain sufficient qualified Providers to provide the Services within the Budget (and any consequent reduction in staffing) shall not be a breach of this Agreement. If the parties agree to additional expenses or a reduction in staffing, the Budget will be updated accordingly.

(e) Total Expenses. In calculating the Total Expenses:

(i) Except with the approval of the District, which it may give or withhold in its discretion:

(A) The number of FTE Providers of each class whose compensation and benefit expense is included in Total Expenses shall not materially exceed the respective numbers in the column entitled "FTE" in the Budget. The number of FTE Providers that provided Services shall be determined in accordance with the criteria set forth in the column entitled "Notes." The Parties acknowledge and

agree that the number and categories of FTEs set forth in the Budget are sufficient to enable the provision of the coverage set forth in Exhibit 1, taking account of paid time off. The Parties acknowledge and agree that Contractor may deviate, from time to time, from the actual number of Medical Doctors and CRNAs set forth in the Budget, so long as the coverage set forth in Exhibit 1 is provided and the deviation does not materially increase the District's expenses without its prior approval.

(B) For any period during which the Medical Director, the Cardiac Anesthesia Director, the OB Anesthesia Director or the CRNA Director does not provide the services required by this Agreement (except for regular time away from practice for vacation, continuing medical education and the like), upon prior notice the relevant expense for MD or CRNA Leadership Stipends shall be reduced proportionately.

(C) The monthly expense for the practice administrator shall be Contractor's actual expenses for the salary and benefits of its on-site administrative personnel (but not exceeding the Budget). The practice administrator shall be dedicated exclusively to supporting Contractor's services to the District.

(ii) The monthly Billing Expense shall be five percent (5%) of actual Service Collections for the month (the figure in the Budget being illustrative only).

(iii) The monthly Management Fee shall be Eighty Thousand and Ninety-Nine Dollars (\$80,099) (the "Management Fee"). At the start of each Contract Year after the first (beginning April 1, 2020), the Management Fee shall be increased by three percent (3%).

(iv) Provided the Contractor is complying with Section 2.9(d)), Contractor's Total Expenses will include the amount by which Contractor's market reasonable costs for Temporary Providers (including travel, room and board costs) exceeds the expense, if any, reimbursed under Exhibit 4 for the Providers whom they replaced.

(f) In no event shall the District bear any cost relating to the matter described in Section 2.10(l) as a result of any expense of Contractor any offset, recoupment or reduction of Contractor's collections.

(g) The Total Expenses shall not include any expense, cost, charge, reduction, recoupment or offset incurred prior to the Guaranty Start Date, or arising from circumstances or events existing or occurring prior to the Guaranty Start Date, and the Contractor shall provide the District with such information as the District may reasonably request to satisfy itself that all charges and expenses included in the Monthly Reports arose or were incurred on or after the Guaranty Start Date.

(h) Recruitment Costs. In addition to the Monthly Guarantee Amount, the District shall reimburse the Contractor's reasonable and actual cost of recruiting physicians and CRNAs to provide Services, subject to the District's prior written approval of the need for the recruitment, the identity of the recruit, and the cost and terms of the recruitment.

(i) Payment Obligations and Reconciliation.

(i) Estimated Monthly Guarantee Payments. The District shall pay the Contractor an estimated monthly guarantee amount by ACH transfer for the prior month (the "Estimated Monthly Guarantee Payment") within ten (10) days of the receipt of the Monthly Reports applicable to such month. The Estimated Monthly Guarantee Payment shall be the excess, if any, of (i) 1/12 of the Expenses (not including the Management Fee or the Billing Expense) set forth on the Budget in Exhibit 4-2 (the "Estimated Monthly Expenses") over (ii) the actual Service Collections, minus the Billing Expenses related to such Service Collections, received in the applicable month. The District reserves the right to make retroactive adjustments to Monthly Guarantee Payments pursuant to paragraph (k). The monthly Billing Expense shall be five percent (5%) of actual Service Collections for the month (the figure in the Budget being illustrative only).

(ii) Quarterly Reconciliation. Within 15 days of Contractor providing the Quarterly Report to the District, the District shall reconcile the Estimated Monthly Guarantee Payments for the quarter to the Contractor's actual Total Expenses and Service Collections (minus the applicable Billing Expense) for the quarter (each such reconciliation, a "Quarterly Reconciliation"). If the amount determined by subtracting aggregate actual Service Collections (minus the applicable Billing Expense) for the quarter from aggregate actual Total Expenses for the quarter (the "Quarterly Deficit") exceeds the aggregate Estimated Monthly Guarantee Payments for the quarter, the District shall forthwith pay the excess to the Contractor by ACH transfer. If the aggregate Monthly Guarantee Payments for the quarter exceed the Quarterly Deficit, the Contractor shall forthwith pay the excess to the District; provided that the District may in its discretion recover the excess by setting it off against future Estimated Monthly Guarantee Payments.

(j) The Management Fee and the Recruitment Costs reimbursement, if any, shall be paid on the first day of each month by ACH transfer.

(k) Additional Information; Adjustments. The District may from time to time request supporting documentation for the Monthly Report, and may from time to time, on not less than ten (10) days' prior written notice to Contractor, audit (through its employees or independent accountants) Contractor's books and records relating to the Services, the Service Collections, and the expenses for which Contractor has claimed reimbursement under this Agreement. If District determines that any Monthly Guarantee Payment has exceeded the amount to which Contractor is entitled, it shall give the Contractor written notice of its determination (an "Overpayment Notice"), and (subject to Contractor's right to dispute the determination) the excess shall be an obligation of Contractor to District, which District may recoup by deduction from future Monthly Guarantee Payments, or otherwise. If Contractor

disputes District's determination, it shall give the District written notice of the dispute within thirty (30) days of delivery of the Overpayment Notice, and if the parties are unable to settle the dispute informally it shall be resolved in accordance with Section 10.1 of the Agreement.

(l) Excess Collections. If in any month Contractor's Service Collections exceed its Total Expenses, the excess shall be offset against the next Monthly Guarantee Payment; provided that the aggregate amount to be paid to the District under this paragraph over the term of this Agreement shall not exceed the aggregate amount of expenses reimbursed by the District over the term of this Agreement. If District determines that any Monthly Guarantee Payment was less than the amount to which Contractor is entitled, it shall give the Contractor written notice of its determination, and shall pay the deficit to the Contractor (less any amount owed to the District by the Contractor under this Agreement).

(m) Tail Period Collections. During the Tail Period the Contractor shall continue to make commercially reasonable efforts to bill and collect its fees for services provided under this Agreement. With each of the reports required under Section 5(b), the Contractor shall remit to the District in immediately available funds all its collections during the month to which the report relates for services provided under this Agreement, less a five percent (5%) billing expense. The Contractor shall be permitted to offset the amounts owing under this section by any amounts owing to Contractor by the District. In addition, if during the Term of the Agreement or during the Tail Period, Contractor recovers any amount on account of a claim or service that was treated as a Deficit under paragraph 4(e)(ii), and Contractor was deemed responsible for a portion of such Deficit ("Contractor's Contribution"), the recovery shall be paid to the parties in proportion to their respective aggregate Contributions to Deficits incurred in the Contract Year to which the recovery relates.

(n) Additional Consideration. Within fifteen (15) days of the Effective Date, as additional consideration for the services to be provided by the Contractor under this Agreement, the District shall pay the Contractor the sum of Fifty-Four Thousand Seven Hundred Forty-Four and 47/100 Dollars (\$54,744.47).

Billing and Collection Targets

Average estimated cash

Cash collections (after refunds, recoupments, offsets, takebacks and withholds):
\$508,333 per month.

Average Days in AR	55
NCR	90%
%AR > 90 Days	30%

The below definitions shall apply to the above Billing and Collections Targets:

Net Collection Rate (NCR). To calculate net collection rate, divide net payments by charges (net after contractual adjustments) for the time period being monitored. Then multiply that figure by 100 for the actual percentage value. The time period being monitored would be dates of service six month prior to the current end of month. Closed or zero balance cases only are included in the calculation.

Days in AR. To calculate the average number of days it takes to get paid, divide the total gross AR at the end of the most recent month end by the average daily gross charges of the most recent 3 months.

% AR > 90. To calculate %AR greater than 90 days, divide accounts receivable over 90 days old by the accounts receivable total balance as of the end of the most recent month end.

Budget

Primary Anesthesia Associates - 2019 proposed for new contract				
1	Revenue Forecast		\$6,100,000	TBD based on ECG FMV details
				Notes:
	Expenses	FTE	Avg. per FTE	2019 Contract Year
2	MD Compensation	8.3	\$450,000	\$3,735,000
3	MD Benefits	8.3	\$75,000	\$622,500
5	CV MD Compensation	2.0	\$500,000	\$1,000,000
6	CV MD Excess Call			\$150,000
				Allocated for the service.
7	CV MD Benefits	2.0	\$75,000	\$150,000
				Amount to be reallocated when staffing is 3 physicians
	MD Leadership Stipends:			
8	Palacios			\$50,000
				Medical Director
9	Morrell			\$25,000
				OB Section Chief
10	Mendenhall			\$25,000
				Cardiac Section Chief
11	MD Sign on Bonuses - \$30k ea. x 4 Residency PD, Pain, Gee & Vassilev replace			\$0
				Reimbursed upon invoice
			Total MD EXPENSES	\$5,757,500
12	CRNA FTE	22.0	\$271,000	\$5,962,000
				40hr workweek; 6 weeks PTO for employed CRNA (including benefits)
13	CRNA Call expenses			\$140,000
14	CRNA Sign on Bonuses - \$10k ea. x 6			\$0
				Reimbursed upon invoice
15	CRNA Leadership Stipend			\$15,000
				New Chief CRNA. Eff. 11.1.18 (Plewinski)
			Total CRNA EXPENSES	\$6,117,000
16	Practice Admin.			\$100,039
17	Other Admn Fee works comp etc			\$40,243
18	Total Clinical FTEs / Expenses			\$12,014,782
19	Billing Expenses	5%		\$305,000
20	Management Fee	8%		\$961,182.56
21	Total Estimated Expenses			\$13,280,965



Policy Number: MS 50	Date Created: 02/14/2019
Document Owner: April McKee (Medical Staff Coordinator)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Medical Executive Committee, April McKee (Medical Staff Coordinator), Cindy Moccio (Board Clerk/Exec Assist-CEO), Teresa Boyce (Director of Medical Staff Svcs)	
Late Career Policy	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

Policy:

The purpose of this policy is to

- ensure patients receive safe, high quality medical care
- identify issues that may be pertinent to the health and clinical practice of medical staff members
- support members of the medical staff; and
- apply Medical Staff evaluation criteria objectively, equitably, respectfully, and confidentially

Any practitioner age 75 or older during the month of their appointment or reappointment to the Medical Staff will obtain as part of the application process, documentation of their health status from their primary care provider. If the Department Chair, Credentials Committee or Medical Executive Committee deems appropriate, they may request that any practitioner, regardless of age, provide similar documentation at the time of appointment or reappointment.

Procedure:

I. Notification of the practitioner

- a. With initial or reappointment notification, the practitioner will be provided a copy of this policy and informed that
 - i. The applicant must provide a statement of health status or progress note from their primary care provider written within the last three months;
 - ii. the application will be deemed incomplete without the information required

If the assessment from the primary care provider is delayed such that an application for reappointment remains incomplete and cannot be considered by the Department Chair, Well Being Committee, Credentials Committee, Medical Executive Committee, and Board of Directors before the end of the member’s current term, the application will be deemed withdrawn and the practitioner’s

appointment and/or privileges will lapse at the end of the current term without any procedural rights under Article 9 of the Medical Staff Bylaws.

II. Processing the Assessment from the Primary Care Provider

- a. The practitioner will submit a health assessment from their primary care provider completed within the preceding three months to the Medical Staff Office. This information will be kept confidential and forwarded to the Well Being Committee for evaluation.
 - i. If the health document identifies health conditions that may interfere with the practitioner's ability to safely and competently exercise the privileges requested, the Well Being Committee will meet with the provider to discuss concerns and possible options. At this time the practitioner may choose to modify the privileges requested and re-submit to the Medical Staff Office (this would not require a report to the NPDB or an 805 report).
 - ii. If additional evaluation is warranted the Well Being Committee will assist the practitioner in obtaining the appropriate evaluation(s).

III. Outcomes of Review sent to the Credentials Committee:

- a. No known concerns: If the findings do not identify potential patient care concerns, the results will be filed in a confidential file maintained by the Medical Staff Services Department, and the Credentials File will only reflect that the assessment process has been completed with no significant concerns identified. The appointment process will proceed as specified in the Medical staff Bylaws.
- b. Concerns: If the findings identify potential patient care concerns and the practitioner, after meeting with the Well Being Committee elects not to modify the privileges requested, the Department Chair and the Credentials Committee will, on a confidential basis, evaluate the Well Being Committee's recommendation in addition to the entire contents of the (re)application file. A representative of the committee, the Department Chair or Chief of Staff will meet with the practitioner to discuss alternative practice patterns or modification of requested privileges, ~~including the possibility of revocation of privileges~~. *The goal of such discussion is to be supportive and respectful of the practitioner and to suggest resources to assist the practitioner.*
- c. Practitioner Rights: If the Credentials Committee recommends denial of some or all privileges requested, or that certain conditions or restrictions be placed on privileges, and if that recommendation is approved by the MEC, the practitioner will be entitled to the procedural rights in Article 9 of the Medical Staff Bylaws.

- IV. Throughout this process the intent of each step is to enhance quality healthcare, protect patient safety and, provide support to the practitioner by assisting in any resulting changes in practice patterns or transitions.

References:

"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches exist. Deviations under appropriate circumstances do not represent a breach of

a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."

in approval

ATTACHMENT A

Primary Care Physician Questionnaire (to be completed by your Primary Care Physician)

Patient Name: _____ DOB: _____

I attest that I have performed a comprehensive history and physical examination on this practitioner, and that I have reviewed the clinical privileges requested by this practitioner.

- In the history and physical examination the practitioner has no apparent findings that would necessarily preclude the practitioner from performing the privileges requested.

o Agree: _____ Disagree: _____ If disagree, please elaborate below:

- In tests and studies performed on the practitioner, the practitioner has no apparent findings that would necessarily preclude the practitioner from performing the privileges requested.

o Agree: _____ Disagree: _____ If disagree, please elaborate below:

- Do you have any recommendation for further study or evaluation?

o No: _____ Yes: _____

If yes, please elaborate below: _____

- Additional Comments:

o

ATTACHMENT B**Sample cover letter to PCP****CONFIDENTIAL PEER REVIEW INFORMATION****Protected by California Evidence Code §1157****[DATE]****RE: History and Physical Examination****Dear Dr. _____,**

The Medical Staff of _____, as part of its efforts to protect both patients and practitioners, requires a comprehensive history and physical examination of practitioners applying or reapplying for clinical privileges beyond the age of seventy (70). Important components of this assessment include a review of systems that addresses functional status, and comprehensive sensory examination including tests of hearing, visual acuity with eye chart and exam, and a thorough neurological examination including a mini mental status examination. The elements of the examination should be modified as appropriate to address the age, clinical condition, medical problems and the clinical privileges requested by the practitioner. Included is a copy of the clinical privileges requested by the practitioner.

Please review the practitioner's clinical privileges before conducting your examination.

In order to respect the confidentiality of the practitioner's medical information, please submit only the form that is enclosed. The form is to be returned to the _____ Medical Staff Services Department (see enclosed envelope).

As noted on the form, the Medical Staff is interested only in, and should only receive a detailed report on, those aspects of the practitioner's health, if any, that have the potential to adversely affect the practitioner's ability to safely perform the requested privileges or that document the practitioner's ability to perform the privileges. You may supply additional information that you feel would be beneficial to the Medical Staff in this assessment, such as if you feel additional studies or further evaluation is indicated. The report is confidential and will be provided to the Medical Staff Wellness Committee.

ATTACHMENT C

Sample Release

CONFIDENTIAL PEER REVIEW INFORMATION
Protected by California Evidence Code §1157

AUTHORIZATION FOR RELEASE OF INFORMATION

I hereby authorize _____ to release information of my health evaluation, and to provide information regarding my present medical condition and fitness to perform the duties identified on the enclosed privilege form to Stephen Smith, M.D., Chair of the Well Being Committee.

Print Name Signature Date

Reports are to be mailed to

Kaweah Delta Health Care District
Medical Staff Office
%Teresa Boyce
400 Mineral King Ave
Visalia, CA 93291



Provider Name: _____ Date: _____

Please Print

Advanced Practice Provider – Emergency Medicine & Urgent Care

Location: Kaweah Delta Medical Center Urgent Care-Court St Urgent Care - Demaree

ADVANCED PRACTICE PROVIDER EMERGENCY MEDICINE & URGENT/PROMPT CARE		
Initial Criteria		
<p>Physician Assistant: Completion of an ARC-PA approved program; Current certification by the NCCPA (<i>Obtain certification within one year of completion of PA program</i>); Current licensure to practice as a PA by the California board of medicine; OR</p> <p>Nurse Practitioner: Completion of a master’s/post-masters or doctorate degree in an nursing program accredited by the Commission of Collegiate of Nursing Education (CCNE) or National League for Nursing Accrediting Commission (NLNAC) with emphasis on the NPs specialty area; current certification by the ANCC or AANP (<i>Obtain certification within one year of completion of Masters/Doctorate program</i>)</p> <p>Certification: Current, full schedule DEA license; AND Urgent Care: BLS OR ACLS Emergency Department: ACLS; & PALS & ATLS (Must obtain within 12 months of hire)</p> <p>Current Clinical Experience: Documentation of patient care for 100 patients in the past two years OR completion of NP/PA training program within the last 12 months.</p> <p>Renewal Criteria: Documentation of patient care for 100 patients in the past 24 months AND maintenance of current certification by NCCPA, ANCC or AANP; AND full schedule DEA license; AND Urgent Care: BLS OR ACLS; Emergency Department: ACLS; & PALS & ATLS</p> <p>FPPE: A minimum of 5 cases by Direct Observation and retrospective Chart Review (proctor may require additional review)</p>		
Request	CORE PRIVILEGES	Approve
	Includes care for patients of all ages and procedures on the following list and such other procedures that are extensions of the same techniques and skills:	
<input type="checkbox"/>	<ul style="list-style-type: none"> • Perform H&Ps OR Medical Screening Exam (MSE); • Prescribe & Administer medications per formulary of designated certifying board • Write Discharge Instructions • Apply, remove, and change dressings and bandages; Perform debridement and general care for superficial wounds and minor superficial surgical procedures • Counsel/ instruct patients, families, & caregivers • Order and initial interpretation of diagnostic testing and therapeutic modalities • Implement therapeutic intervention for specific conditions per Emergency Room protocol • Perform field infiltrations of anesthetic solutions; incision and drainage of superficial abscesses; • Short-term and indwelling urinary bladder catheterization; venous punctures for blood sampling, cultures, and IV catheterization; • Removal of drains, sutures, staples, & packing • Apply/remove cast; diagnosis/treatment and strapping of sprains; splinting and reduction of simple fractures and dislocations; • Application of traction;; removal of foreign body; incision and drainage; • Simple laceration repair (not requiring plastics intervention); nasal packing; excision of simple skin lesion; removal of impacted cerumen; insertion/removal of drains or packing; nail trephination & removal; excision of thrombosed hemorrhoids; • Tonometry / Wood’s & Slit Lamp exam of the eye 	<input type="checkbox"/>
<input type="checkbox"/>	<p>Additional Core for Emergency Medicine Privileges:</p> <ul style="list-style-type: none"> • Direct care per Emergency Room protocol • eFAST examination • Implement palliative care and end-of-life care through evaluation, modification, and documentation according to the patient’s response to therapy, changes in condition, and to therapeutic interventions • Insert and remove nasogastric tube; provide tracheostomy care • Itraosseaus Line insertion with EZ-10 • Perform other emergency treatment per protocol • Remove arterial catheters 	<input type="checkbox"/>



Advanced Practice Provider - Emergency Medicine/Urgent Care

Provider Name: _____ Date: _____

Please Print

EMERGENCY MEDICINE ADVANCED PRIVILEGES					
Request	Procedure	Criteria	Renewal Criteria	FPPE Requirements	Approve
<input type="checkbox"/>	Lumbar Puncture	3 procedures in the last 2 years	3 procedures in the last 2 years	2 concurrent	<input type="checkbox"/>
<input type="checkbox"/>	Thoracentesis	5 procedures in the last 2 years	5 procedures in the last 2 years	Minimum of 2 concurrent	<input type="checkbox"/>
<input type="checkbox"/>	Insertion of Chest Tubes	5 procedures in the last 2 years	5 procedures in the last 2 years	Minimum of 3 concurrent	<input type="checkbox"/>
<input type="checkbox"/>	Endotracheal intubation	10 procedures in the last 2 years	8 procedures in the last 2 years	Minimum of 3 concurrent	<input type="checkbox"/>
<input type="checkbox"/>	Insertion of central venous access or dialysis catheters	5 procedures in the last 2 years	5 procedures in the last 2 years	Minimum of 2 concurrent – any site	<input type="checkbox"/>
<input type="checkbox"/>	Arthrocentesis & Joint aspiration	2 procedures in the last 2 years	2 procedures in the last 2 years	1 concurrent	<input type="checkbox"/>
<input type="checkbox"/>	Ultrasound guided paracentesis	5 procedures in the last 2 years	5 procedures in the last 2 years	5 concurrent	<input type="checkbox"/>

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 and; I understand that:

- (a) In exercising any clinical privileges granted, I am constrained by any Hospital and Medical Staff policies and rules applicable generally and any applicable to the particular situation.
- (b) **Emergency Privileges** – In case of an emergency, any member of the medical staff, to the degree permitted by his/her license and regardless of department, staff status, or privileges, shall be permitted to do everything reasonably possible to save the life of a patient from serious harm.

Advanced Practice Provider Signature

Date

Supervising Physician Signature

Date

Department of Emergency Medicine Chair Signature

Date

RESOLUTION 2025

WHEREAS, a claim on behalf of Laura Miller, Glenn Gilbert and Lana Whitworth has been presented on February 1, 2019 to the Board of Directors of the Kaweah Delta Health Care District,

IT IS HEREBY RESOLVED AS FOLLOWS:

1. The aforementioned claim is hereby rejected.
2. In accordance with Government Code Section 913, the Secretary of the Board of Directors is hereby directed to give notice of rejection of said claim to Paul Douglas Shirk, in the following form:

"Notice is hereby given that the claim which you presented to the Board of Directors of the Kaweah Delta Health Care District on February 1, 2019, was rejected by the Board of Directors on March 25, 2019."

WARNING

"Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a court action on this claim. See Government Code Section 945.6.

You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately."


PASSED AND ADOPTED by unanimous vote of those present at a regular meeting of the Board of Directors of the Kaweah Delta Health Care District on March 25, 2019.

President, Kaweah Delta Health Care District

ATTEST:

Secretary/Treasurer, Kaweah Delta Health
Care District and of the Board of
Directors thereof

/cm



Value Base Purchasing 2017 & 2018

KAWEAH DELTA HEALTH CARE DISTRICT

Abbreviations

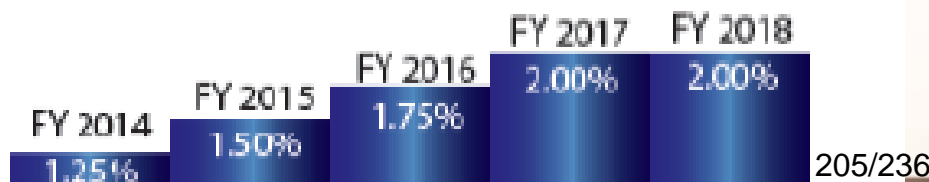
- CMS: Centers for Medicare and Medicaid Services
- DRG: Diagnosis Related Groups
- FY: Fiscal Year
- CY: Calendar Year
- TPS: Total Performance Score
- VPB: Value Based Purchasing
- AHRQ: Agency For Health Care Research and Quality
- PSI-90: Patient Safety Indicators-90
- SNF: Skilled Nursing Facility
- RRT: Rapid Response Team



VBP Payment Method

- “The Hospital VBP Program is funded by a 2% reduction from participating hospitals’ base operating diagnosis-related group (DRG) payments for FY 2018. Resulting funds are redistributed to hospitals based on their Total Performance Scores (TPS). The actual amount earned by each hospital depends on the range and distribution of all eligible/participating hospitals’ TPS scores for a FY. It is possible for a hospital to earn back a value-based incentive payment percentage that is less than, equal to, or more than the applicable reduction for that program year.”*

CMS Quality Patient Assessment Instruments



Value Based Purchasing Measures

FY 2019 Payment (CY 2017 Reporting Period)

SAFETY

1. ~~AHRQ PSI-90~~: Complication/patient safety for selected indicators (composite)
2. **CDI**: Clostridium difficile Infection
3. **CAUTI****: Catheter-Associated Urinary Tract Infection
4. **CLABSI****: Central Line-Associated Blood Stream Infection
5. **MRSA**: Methicillin-Resistant Staphylococcus aureus Bacteremia
6. **SSI**: Surgical Site Infection Colon Surgery & Abdominal Hysterectomy
7. **PC-01**: Elective Delivery Prior to 39 Completed Weeks Gestation

Efficiency and Cost Reduction

1. **MSPB**: Medicare Spending per Beneficiary (MSPB)

Domain Weights



An asterisk (*) indicates a newly adopted measure for the Hospital VBP Program.

A double asterisk (**) indicates CMS has finalized a cohort expansion for the measure.

CLINICAL CARE

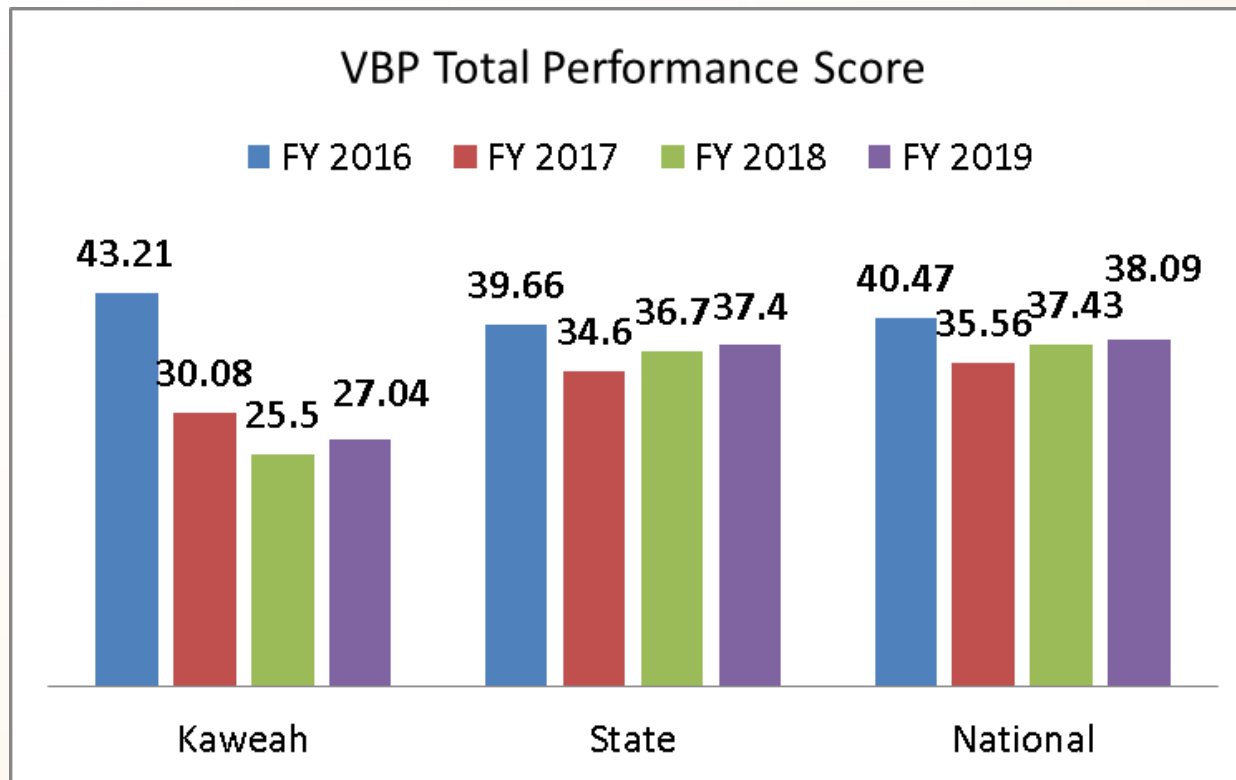
1. **MORT-30-AMI**: Acute Myocardial Infarction (AMI) 30-Day Mortality Rate
2. **MORT-30-HF**: Heart Failure (HF) 30-Day Mortality Rate
3. **MORT-30-PN**: Pneumonia (PN) 30-Day Mortality Rate
4. **THA/TKA***: Elective Primary Total Hip Arthroplasty (THA) and/or Total Knee Arthroplasty (TKA) Complication Rate

Person and Community Engagement

Hospital Consumer Assessment of Healthcare Providers and Systems (HCAHPS) Survey Dimensions:

1. Communication with Nurses
2. Communication with Doctors
3. Responsiveness of Hospital Staff
4. Communication about Medicines
5. Cleanliness and Quietness of Hospital Environment
6. Discharge Information
7. Care Transition
8. Overall Rating of Hospital

Kaweah Delta Performance FY 2019 Payment Performance



	Base Operating DRG Amount Reduction	Value-Base Incentive Payment %
FY 2016	1.75%	2.09%
FY 2017	2%	1.84%
FY 2018	2%	1.47%
FY 2019	2%	1.53%

Value Based Purchasing Measures

FY 2020 Payment (CY 2018 Reporting Period)

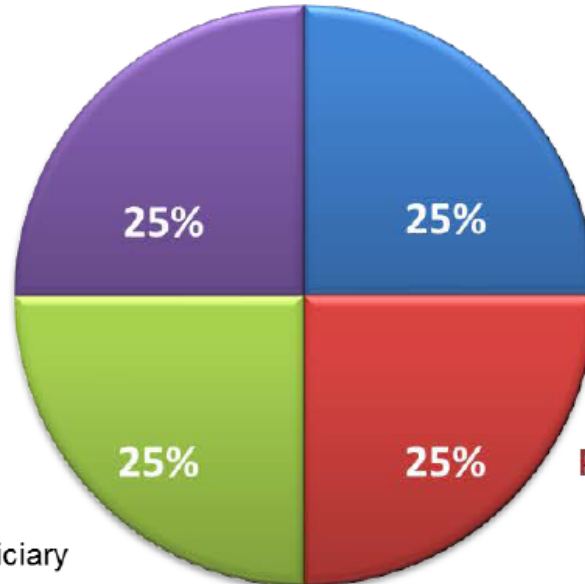
Safety

1. **CDI:** Clostridium difficile Infection
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Clinical Care

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Achievement & Improvement Points

	CY 2017 VBP Points		Estimated CY 2018 VBP Points	
	Achievement Points	Improvement Points	Achievement Points	Improvement Points
Complication Elective THA/TKA	+	+	+	+
CLABSI	-	-	-	-
CAUTI	-	-	-	-
SSI Colon	-	-	-	-
SSI Hysterectomy	-	-	+	+
C.Diff	-	-	+	+
MRSA	-	-	-	+
Communication Nurse	-	-	-	+
Communication Doc	-	-	-	+
Responsiveness	-	-	+	+
Communication Medicines	-	-	+	+
Cleanliness	-	-	+	+
Quietness	-	-	-	-
Discharge Info	-	+	-	+
Care Transition	-	-	-	+
Overall Rating	-	+	+	+
AMI Mortality	+	+		
HF Mortality	-	-		
PN Mortality	+	+		

Summary

- Hospitals receive VBP points either by improving from previous baseline or by achieving above and beyond the national average (benchmark).
- VBP CMS mortalities are based on a calculated survival rate. There are no current data models to simulate this survival rate; therefore Kaweah tracks mortality rates and observed to expected ratios.
- In CY 2017, Kaweah received VBP achievement/improvement points in 5 out of 19 categories. It is estimated that Kaweah will receive achievement/improvement points in 15 out of 19 categories for CY 2018. Majority of the 2018 points will be improvement points.

Reporting & Improvement Teams

- **Monthly Reporting**

- All Value Base Purchasing measures are monitored each month and reported to Pro-Staff, Quality Improvement Committee, and Quality Council.

- **Improvement Teams**

- Mortality
 - Pneumonia, Heart Failure
- Infection Control
 - CLABSI, CAUTI, SSI, MDRO-C
- Patient Experience
- Cost savings



Questions?



M O R E T H A N M E D I C I N E . L I F E .

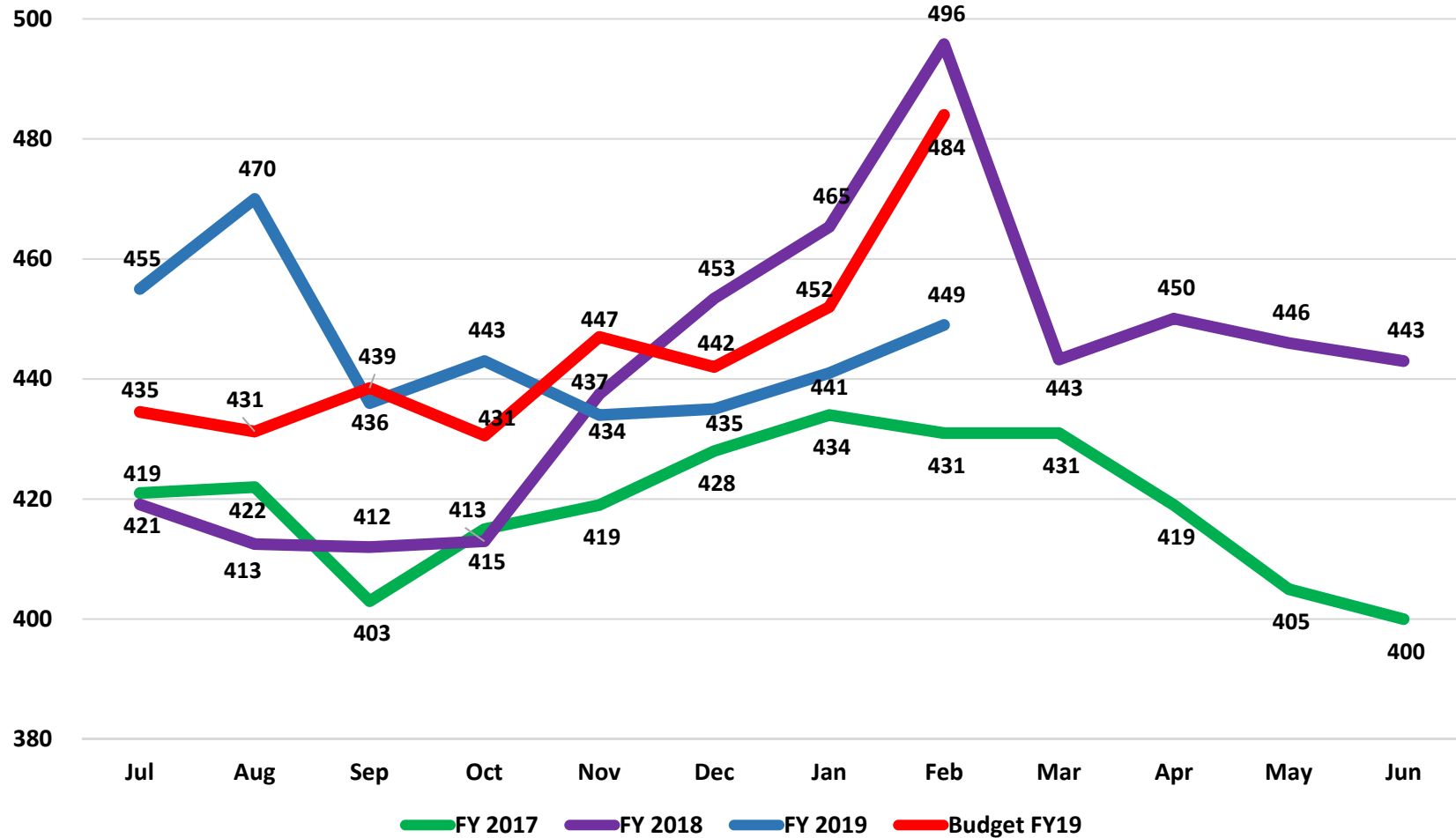
CFO Financial Report

March 25, 2019



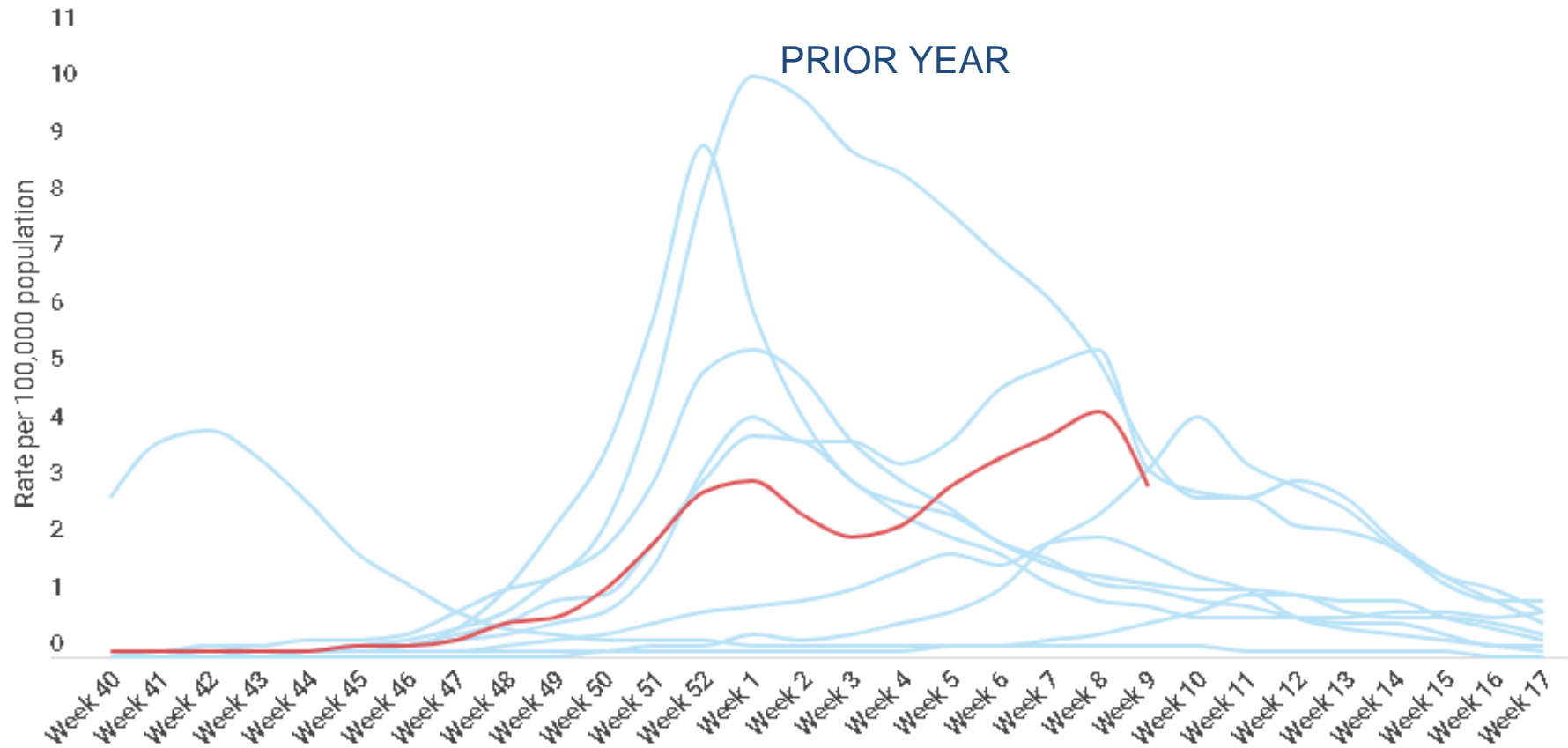
Kaweah Delta
HEALTH CARE DISTRICT

Average Daily Census



	<u>ADC</u>
FYTD 2017	3,373
FYTD 2018	3,509
FYTD 2019	3,563
Budget FYTD19	3,560

Influenza hospitalizations by flu season



Note: red line represents 2018-19 flu season

Source: CDC

Statistical Results – Fiscal Year Comparison (February)

Actual Results			Budget	Budget Variance	
Feb 2018	Feb 2019	% Change	Feb 2019	Change	% Change

Average Daily Census	496	449	(9.4%)	484	(35)	(7.2%)
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KDHCD Patient Days:

Medical Center	9,296	8,039	(13.5%)	8,708	(669)	(7.7%)
Acute I/P Psych	1,295	1,329	2.6%	1,448	(119)	(8.2%)
Sub-Acute	872	889	1.9%	944	(55)	(5.8%)
Rehab	569	559	(1.8%)	593	(34)	(5.7%)
TCS-Ortho	395	388	(1.8%)	369	19	5.1%
TCS	544	483	(11.2%)	549	(66)	(12.0%)
NICU	346	367	6.1%	381	(14)	(3.7%)
Nursery	565	530	(6.2%)	565	(35)	(6.2%)

Total KDHCD Patient Days	13,882	12,584	(9.4%)	13,557	(973)	(7.2%)
Total Outpatient Volume	11,290	11,227	(0.6%)	12,331	(1,103)	(8.9%)

Statistical Results – Fiscal Year Comparison (Jul-Feb)

	Actual Results			Budget	Budget Variance	
	FY 2018	FY 2019	% Change	FY 2019	Change	% Change
Average Daily Census	438	445	1.6%	445	0.8	0.2%
KDHCD Patient Days:						
Medical Center	68,610	70,061	2.1%	68,928	1,133	1.6%
Acute I/P Psych	11,373	11,417	0.4%	11,587	(170)	(1.5%)
Sub-Acute	7,544	7,516	(0.4%)	7,552	(36)	(0.5%)
Rehab	4,550	4,319	(5.1%)	4,746	(427)	(9.0%)
TCS-Ortho	3,010	3,010	0.0%	2,959	51	1.7%
TCS	3,994	3,709	(7.1%)	4,392	(683)	(15.6%)
NICU	2,679	3,573	33.4%	3,201	372	11.6%
Nursery	4,669	4,621	(1.0%)	4,677	(56)	(1.2%)
Total KDHCD Patient Days	106,429	108,226	1.7%	108,042	184	0.2%
Total Outpatient Volume	96,554	95,324	(1.3%)	101,512	(6,188)	(6.1%)

Other Statistical Results – Fiscal Year Comparison (February)

	Feb 2018	Feb 2019	Change	% Change
Adjusted Patient Days	25,172	23,811	(1,361)	(5.4%)
Surgery Cases (I/P & O/P)	698	829	230	18.8%
Home Health Visits	2,282	2,676	394	17.3%
Therapy Units provided at Outpatient Locations	17,520	19,590	2,070	11.8%
KDMF Work RVU's	26,509	29,112	2,603	9.8%
Urgent Care Visits	5,757	6,300	543	9.4%
Dialysis Treatments	1,745	1,902	157	9.0%
Therapy Units provided at Inpatient Locations	16,775	16,915	140	0.8%
Cardiac Surgery Cases	36	36	0	0%
OB Deliveries	376	365	(11)	(2.9%)
Radiology/CAT/US/MRI Proc (I/P & O/P)	14,885	14,040	(845)	(5.7%)
Hospice Days	3,250	3,034	(216)	(6.6%)
ED Visit	7,286	6,745	(541)	(7.4%)
Cath/Spec/Pace Procedures (I/P & O/P)	1,029	939	(90)	(8.7%)
GME Clinic visits	1,023	904	(119)	(11.6%)
Endoscopy Procedures (I/P & O/P)	536	472	(64)	(11.9%)
Radiation Oncology Treatments (I/P & O/P)	2,120	1,774	(346)	(16.3%)
Home Infusion Days	10,945	9,059	(1,886)	(17.2%)
Rural Health Clinic visits	14,652	7,217	(7,435)	(50.7%)

Other Statistical Results – Fiscal Year Comparison (Jul-Feb)

	FY 2018	FY 2019	Change	% Change
Adjusted Patient Days	202,983	203,550	567	0.3%
Surgery Cases (I/P & O/P)	6,164	6,685	521	20.7%
KDMF Work RVU's	212,055	236,657	24,602	11.6%
Therapy Units provided at Inpatient Locations	129,389	138,901	9,512	7.4%
Cardiac Surgery Cases	272	291	19	7.0%
Dialysis Treatments	14,550	15,445	895	6.2%
Home Health Visits	20,138	21,099	961	4.8%
Therapy Units provided at Outpatient Locations	148,389	155,267	6,878	4.6%
GME Clinic visits	7,474	7,790	316	4.2%
Urgent Care Visits	43,230	45,002	1,772	4.1%
OB Deliveries	3,171	3,278	107	3.4%
Radiology/CAT/US/MRI Proc (I/P & O/P)	119,258	120,728	1,470	1.2%
Cath/Spec/Pace Procedures (I/P & O/P)	8,731	8,710	(21)	(0.2%)
Home Infusion Days	91,720	87,454	(4,266)	(4.7%)
Hospice Days	27,833	25,945	(1,888)	(6.8%)
ED Visit	60,179	55,481	(4,698)	(7.8%)
Endoscopy Procedures (I/P & O/P)	4,270	3,708	(562)	(13.2%)
Radiation Oncology Treatments (I/P & O/P)	19,576	15,617	(3,959)	(20.2%)
Rural Health Clinic visits	94,769	64,690	(30,079)	(31.7%)

February Financial Comparison (000's)

	Actual Results			Budget	Budget Variance	
	Feb-18	Feb-19	% Change	Feb-19	Change	% Change
Operating Revenue						
Net patient service revenue	\$46,363	\$45,261	(2.4%)	\$50,591	(\$5,330)	(10.5%)
Supplemental Gov't Programs	2,656	6,637	149.9%	3,608	3,029	83.9%
Prime Program	230	604	163.3%	997	(393)	(39.4%)
Premium revenue	3,272	3,672	12.2%	3,264	408	12.5%
Management services revenue	2,122	2,534	19.4%	2,245	289	12.9%
Other Revenue	1,301	1,886	45.0%	1,395	491	35.2%
Other operating revenue	9,581	15,333	60.0%	11,510	3,824	33.2%
Total Operating Revenue	55,944	60,594	8.3%	62,101	(1,506)	(2.4%)
Operating Expenses						
Salaries and wages	20,945	22,206	6.0%	23,176	(970)	(4.2%)
Contract labor	781	1,473	88.6%	317	1,156	364.2%
Employee benefits	6,527	6,571	0.7%	5,580	990	17.7%
Total Employment Expenses	28,254	30,249	7.1%	29,073	1,176	4.0%
Medical and other supplies	9,212	9,473	2.8%	9,533	(60)	(0.6%)
Physician fees	6,600	6,989	5.9%	6,879	110	1.6%
Purchased services	2,679	2,660	(0.7%)	2,988	(328)	(11.0%)
Repairs and maintenance	1,900	2,484	30.7%	2,107	376	17.8%
Utilities	429	515	20.1%	451	65	14.4%
Rents and leases	470	417	(11.2%)	544	(127)	(23.3%)
Depreciation and amortization	1,990	2,542	27.7%	2,756	(214)	(7.8%)
Interest Expense	344	461	34.1%	501	(39)	(7.8%)
Other Expenses	1,270	1,738	36.9%	1,641	97	5.9%
Management Services Expenses	2,054	2,462	19.9%	2,205	257	11.7%
Total Operating Expenses	55,202	59,991	8.7%	58,677	1,313	2.2%
Operating Margin	\$742	\$603	(18.7%)	\$3,423	(\$2,820)	(82.4%)
Nonoperating Revenue	666	565	(15.1%)	473	92	19.4%
Excess Margin	\$1,408	\$1,168	(17.0%)	\$3,896	(\$2,728)	(70.0%)

Operating Margin %	1.3%	1.0%	5.5%
Excess Margin %	2.5%	1.9%	6.3%

Fiscal Year Financial Comparison (000's)

	Actual Results FYTD Jul-Feb			Budget FYTD	Budget Variance FYTD	
	FY18	FY19	% Change	FY19	Change	% Change
Operating Revenue:						
Net patient service revenue	\$377,924	\$373,810	(1.1%)	\$399,593	(\$25,783)	(6.5%)
Supplemental Gov't Programs	21,247	40,166	89.0%	28,867	11,299	39.1%
Prime Program	12,934	10,424	(19.4%)	7,976	2,448	30.7%
Premium revenue	20,847	25,094	20.4%	22,876	2,217	9.7%
Management services revenue	18,999	20,995	10.5%	19,485	1,510	7.7%
Other Revenue	11,764	16,095	36.8%	12,186	3,910	32.1%
Other operating revenue	85,790	112,775	31.5%	91,390	21,385	23.4%
Total Operating Revenue	463,715	486,585	4.9%	490,983	(4,398)	(0.9%)
Operating Expenses:						
Salaries and wages	175,272	190,438	8.7%	190,635	(197)	(0.1%)
Contract labor	5,064	10,286	103.1%	2,428	7,858	323.6%
Employee benefits	46,789	50,428	7.8%	48,443	1,986	4.1%
Total Employment Expenses	227,125	251,153	10.6%	241,505	9,647	4.0%
Medical and other supplies	73,850	77,844	5.4%	75,173	2,671	3.6%
Physician fees	47,721	55,583	16.5%	54,981	601	1.1%
Purchased services	22,969	23,187	1.0%	23,162	25	0.1%
Repairs and maintenance	15,608	17,163	10.0%	17,043	120	0.7%
Utilities	3,940	3,945	0.1%	3,911	34	0.9%
Rents and leases	3,750	3,957	5.5%	4,353	(395)	(9.1%)
Depreciation and amortization	15,933	20,167	26.6%	21,403	(1,236)	(5.8%)
Interest Expense	3,200	3,635	13.6%	4,005	(370)	(9.2%)
Other Expenses	11,484	12,492	8.8%	14,240	(1,748)	(12.3%)
Management Services Expenses	18,617	20,580	10.5%	19,134	1,446	7.6%
Total Operating Expenses	444,197	489,707	10.2%	478,910	10,796	2.3%
Operating Margin	\$19,517	(\$3,122)	(116.0%)	\$12,073	(\$15,195)	(125.9%)
Nonoperating Revenue	3,680	4,227	14.9%	4,054	173	4.3%
Excess Margin	\$23,197	\$1,105	(95.2%)	\$16,126	(\$15,021)	(93.1%)

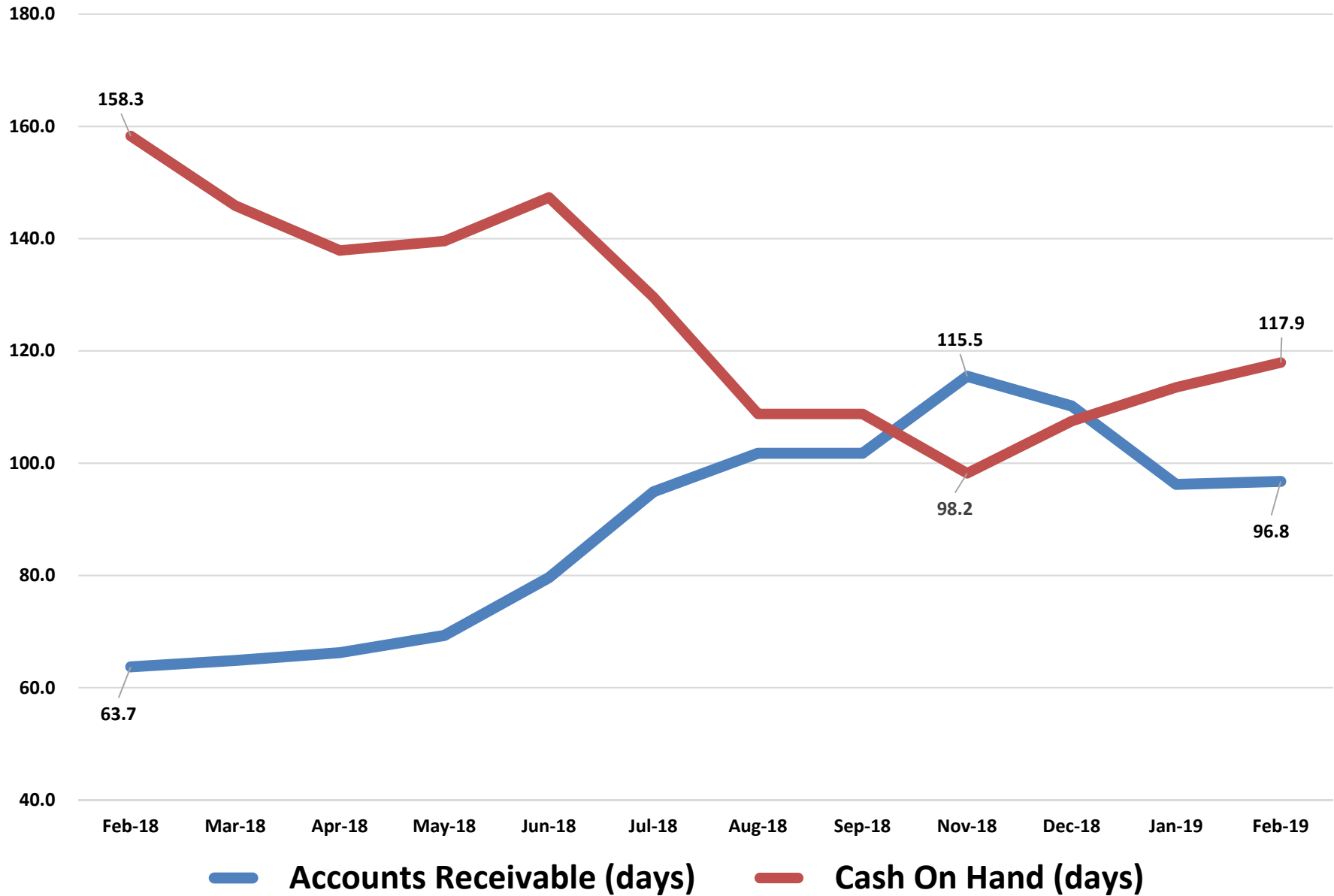
Operating Margin %	4.2%	(0.6%)		2.5%
Excess Margin %	5.0%	0.2%		3.3%

Kaweah Delta Medical Foundation

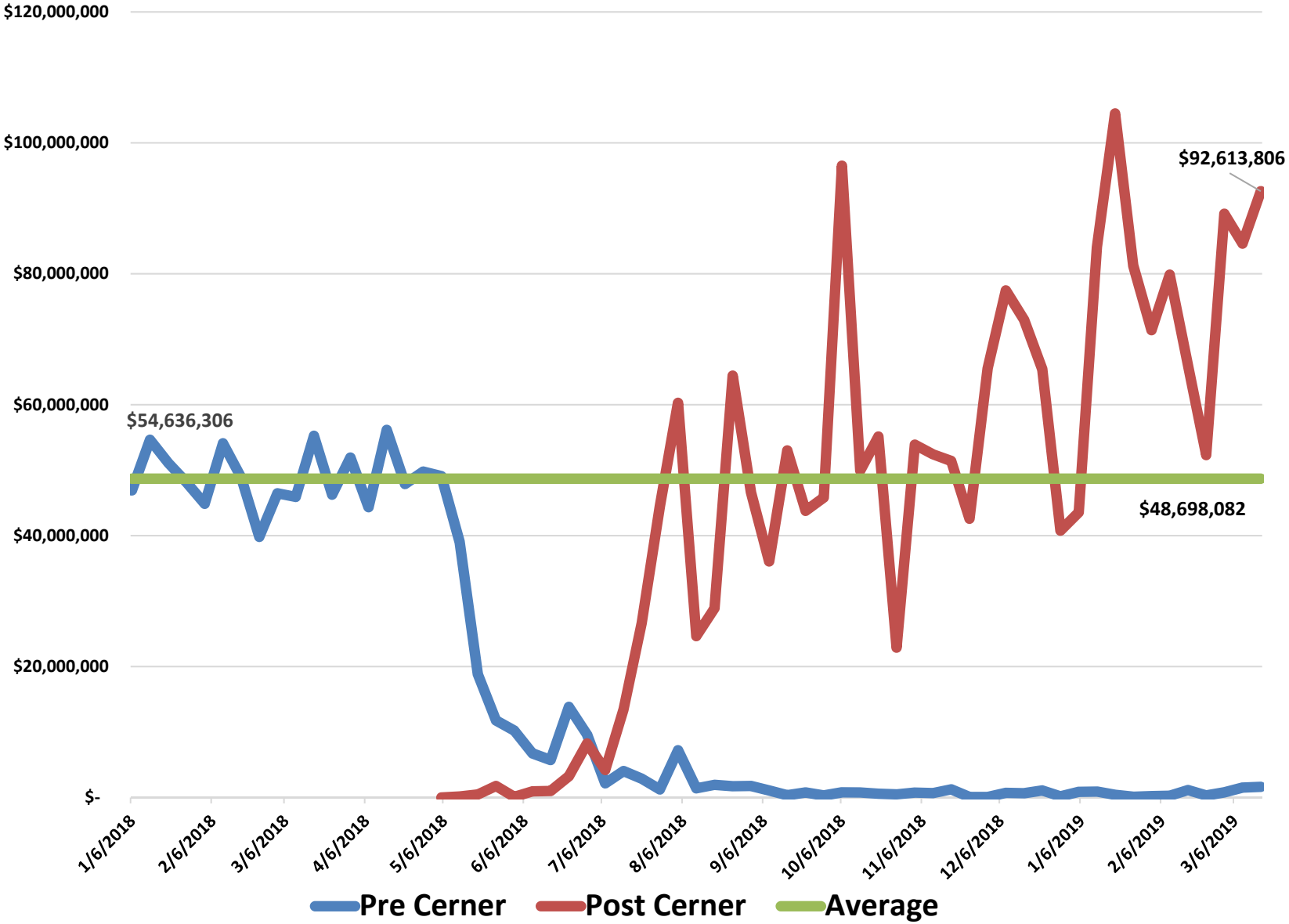
Fiscal Year Financial Comparison (000's)

	Actual Results FYTD Jul-Feb			Budget FYTD	Budget Variance FYTD	
	2018	2019	% Change	2019	Change	% Change
Operating Revenue:						
Net patient service revenue	\$26,075	\$28,653	9.9%	\$30,482	(\$1,829)	(6.0%)
Other Revenue	277	425	53.3%	278	148	53.2%
Other operating revenue	277	425	53.3%	278	148	53.2%
Total Operating Revenue	26,352	29,078	10.3%	30,759	(1,681)	(5.5%)
Operating Expenses:						
Salaries and wages	6,598	7,628	15.6%	7,606	21	0.3%
Contract labor	13	101	671.2%	0	101	0.0%
Employee benefits	1,747	1,891	8.3%	1,933	(42)	(2.2%)
Total Employment Expenses	8,357	9,619	15.1%	9,539	80	0.8%
Medical and other supplies	3,316	3,920	18.2%	3,899	21	0.6%
Physician fees	12,841	14,459	12.6%	15,170	(712)	(4.7%)
Purchased services	879	804	(8.5%)	910	(107)	(11.7%)
Repairs and maintenance	1,261	1,283	1.7%	1,370	(87)	(6.3%)
Utilities	267	291	8.8%	305	(14)	(4.6%)
Rents and leases	1,644	1,765	7.3%	1,939	(174)	(9.0%)
Depreciation and amortization	755	792	4.8%	691	100	14.5%
Interest Expense	22	16	(26.6%)	25	(9)	(36.6%)
Other Expenses	815	1,030	26.3%	838	192	22.9%
Total Operating Expenses	30,158	33,978	12.7%	34,686	(708)	(2.0%)
Excess Margin	(\$3,806)	(\$4,900)	28.7%	(\$3,927)	(\$973)	(24.8%)
Excess Margin %	(14.4%)	(16.8%)		(12.8%)		

Liquidity Ratios



Billed Claims \$\$ - Pre and Post Cerber



KAWEAH DELTA HEALTH CARE DISTRICT

RATIO ANALYSIS REPORT

FEBRUARY 28, 2019

	Current Month Value	Prior Month Value	June 30, 2018 Audited Value	2017 Moody's Median Benchmark		
				Aa	A	Baa
LIQUIDITY RATIOS						
Current Ratio (x)	2.7	3.2	2.0	1.7	1.9	2.1
Accounts Receivable (days)	96.8	96.2	79.6	48.4	48.4	46.5
Cash On Hand (days)	117.9	113.5	147.3	264.6	226.5	156.5
Cushion Ratio (x)	15.5	14.9	18.2	36.6	23.9	13.8
Average Payment Period (days)	48.1	38.4	52.6	75.0	59.6	59.6
CAPITAL STRUCTURE RATIOS						
Cash-to-Debt	98.2%	93.6%	114.2%	217.6%	169.6%	111.7%
Debt-To-Capitalization	32.8%	32.9%	33.6%	26.0%	32.9%	39.3%
Debt-to-Cash Flow (x)	6.4	6.8	4.5	2.2	3.0	4.5
Debt Service Coverage	2.3	2.2	3.5	7.1	5.4	3.0
Maximum Annual Debt Service Coverage (x)	2.3	2.2	3.6	6.4	4.7	2.8
Age Of Plant (years)	11.9	12.0	13.3	10.1	11.6	12.1
PROFITABILITY RATIOS						
Operating Margin	(.6%)	(.9%)	3.3%	3.5%	2.3%	(.4%)
Excess Margin	0.2%	(.0%)	3.6%	6.6%	5.2%	1.9%
Operating Cash Flow Margin	4.2%	4.0%	7.6%	9.2%	8.6%	6.0%
Return on Assets	0.2%	(.0%)	3.1%	5.3%	4.0%	1.7%

KAWEAH DELTA HEALTH CARE DISTRICT
CONSOLIDATED INCOME STATEMENT (000's)
FISCAL YEAR 2018 & 2019

Fiscal Year	Operating Revenue			Operating Expenses				Operating Expenses Total	Operating Income	Non-Operating Income	Net Income	Operating Margin %	Excess Margin
	Net Patient Revenue	Other Operating Revenue	Operating Revenue Total	Personnel Expense	Physician Fees	Supplies Expense	Other Operating Expense						
2018													
Jul-17	45,574	9,538	55,112	27,540	5,046	8,360	11,461	52,407	2,705	492	3,197	4.9%	5.8%
Aug-17	45,582	10,283	55,865	27,549	5,506	8,905	12,236	54,197	1,669	462	2,131	3.0%	3.8%
Sep-17	43,354	10,246	53,599	27,950	5,505	8,372	11,751	53,577	22	855	877	0.0%	1.6%
Oct-17	46,452	17,695	64,146	29,020	6,309	8,908	12,147	56,384	7,762	378	8,140	12.1%	12.7%
Nov-17	50,375	9,591	59,965	29,430	6,430	9,654	12,441	57,955	2,010	541	2,551	3.4%	4.3%
Dec-17	49,412	8,979	58,391	27,470	6,035	9,768	12,155	55,428	2,963	(326)	2,637	5.1%	4.5%
Jan-18	50,813	9,879	60,692	29,912	6,289	10,672	12,175	59,047	1,645	612	2,256	2.7%	3.7%
Feb-18	46,636	9,308	55,944	28,254	6,600	9,212	11,136	55,202	742	666	1,408	1.3%	2.5%
Mar-18	49,209	10,487	59,696	32,141	7,348	9,693	13,554	62,736	(3,040)	(1,621)	(4,660)	(5.1%)	(7.8%)
Apr-18	45,936	13,610	59,546	30,332	6,715	8,948	13,107	59,103	443	583	1,026	0.7%	1.7%
May-18	48,498	9,700	58,198	28,849	6,939	9,240	14,847	59,875	(1,677)	562	(1,115)	(2.9%)	(1.9%)
Jun-18	46,257	24,860	71,116	31,029	6,325	8,658	16,702	62,713	8,403	502	8,905	11.8%	12.5%
2018 FY Total	\$ 568,097	\$ 144,175	\$ 712,272	\$ 349,476	\$ 75,049	\$ 110,389	\$ 153,711	\$ 688,624	\$ 23,647	\$ 3,706	\$ 27,353	3.3%	3.8%
2019													
Jul-18	49,124	11,390	60,514	30,147	6,300	9,585	12,701	58,733	1,781	434	2,215	2.9%	3.7%
Aug-18	52,124	11,471	63,594	31,602	7,668	10,624	12,980	62,874	721	451	1,171	1.1%	1.8%
Sep-18	46,634	11,659	58,293	29,835	6,524	8,862	13,361	58,582	(289)	912	624	(0.5%)	1.1%
Oct-18	48,769	11,646	60,414	32,849	7,145	9,867	13,066	62,927	(2,513)	343	(2,169)	(4.2%)	(3.6%)
Nov-18	43,870	18,365	62,235	31,066	7,310	10,195	13,900	62,470	(235)	449	214	(0.4%)	0.3%
Dec-18	43,717	14,732	58,449	31,115	7,023	10,329	12,736	61,202	(2,753)	613	(2,140)	(4.7%)	(3.7%)
Jan-19	44,312	18,178	62,489	34,290	6,624	8,909	13,104	62,927	(438)	460	22	(0.7%)	0.0%
Feb-19	45,261	15,334	60,595	30,249	6,989	9,473	13,280	59,991	604	565	1,169	1.0%	1.9%
2019 FY Total	\$ 373,810	\$ 112,775	\$ 486,585	\$ 251,153	\$ 55,583	\$ 77,844	\$ 105,127	\$ 489,707	\$ (3,122)	\$ 4,227	\$ 1,105	(0.6%)	0.2%
FYTD Budget	399,593	91,390	490,983	241,505	54,981	75,173	107,250	478,910	12,073	4,054	16,126	2.5%	3.3%
Variance	\$ (25,783)	\$ 21,385	\$ (4,398)	\$ 9,647	\$ 601	\$ 2,671	\$ (2,123)	\$ 10,796	\$ (15,195)	\$ 173	\$ (15,021)		
Current Month Analysis													
Feb-19	\$ 45,261	\$ 15,334	\$ 60,595	\$ 30,249	\$ 6,989	\$ 9,473	\$ 13,280	\$ 59,991	\$ 604	\$ 565	\$ 1,169	1.0%	1.9%
Budget	50,591	11,510	62,101	29,073	6,879	9,533	13,193	58,677	3,423	473	3,896	5.5%	6.3%
Variance	\$ (5,330)	\$ 3,824	\$ (1,506)	\$ 1,176	\$ 110	\$ (60)	\$ 87	\$ 1,313	\$ (2,819)	\$ 92	\$ (2,728)		

KAWEAH DELTA HEALTH CARE DISTRICT

FISCAL YEAR 2018 & 2019

Fiscal Year	Patient Days	ADC	Adjusted	I/P	DFR &	Net Patient	Personnel	Physician	Supply	Total	Personnel	Physician	Supply	Total
			Patient	Revenue	Bad	Revenue/	Expense/	Fees/	Expense/	Expense/	Personnel	Physician	Expense/	Expense/
	Days		Days	%	Debt %	Ajusted	Ajusted	Ajusted	Ajusted	Ajusted	Net Patient	Patient	Patient	Net Patient
						Patient Day	Patient Day	Patient Day	Patient Day	Patient Day	Revenue	Revenue	Revenue	Revenue
2018														
Jul-17	12,992	419	25,148	51.7%	72.8%	1,812	1,095	201	332	2,084	60.4%	11.1%	18.3%	115.0%
Aug-17	12,788	413	25,508	50.1%	73.9%	1,787	1,080	216	349	2,125	60.4%	12.1%	19.5%	118.9%
Sep-17	12,360	412	24,864	49.7%	72.9%	1,744	1,124	221	337	2,155	64.5%	12.7%	19.3%	123.6%
Oct-17	12,802	413	25,261	50.7%	73.8%	1,839	1,149	250	353	2,232	62.5%	13.6%	19.2%	121.4%
Nov-17	13,124	437	24,731	53.1%	71.6%	2,037	1,190	260	390	2,343	58.4%	12.8%	19.2%	115.0%
Dec-17	14,056	453	25,502	55.1%	73.4%	1,938	1,077	237	383	2,173	55.6%	12.2%	19.8%	112.2%
Jan-18	14,425	465	26,797	53.8%	73.4%	1,896	1,116	235	398	2,204	58.9%	12.4%	21.0%	116.2%
Feb-18	13,882	496	25,172	55.1%	73.2%	1,853	1,122	262	366	2,193	60.6%	14.2%	19.8%	118.4%
Mar-18	13,741	443	25,441	54.0%	73.9%	1,934	1,263	289	381	2,466	65.3%	14.9%	19.7%	127.5%
Apr-18	13,502	450	25,380	53.2%	74.4%	1,810	1,195	265	353	2,329	66.0%	14.6%	19.5%	128.7%
May-18	13,824	446	26,770	51.6%	73.6%	1,812	1,078	259	345	2,237	59.5%	14.3%	19.1%	123.5%
Jun-18	13,238	441	24,831	53.3%	72.3%	1,863	1,250	255	349	2,526	67.1%	13.7%	18.7%	135.6%
2018 FY Total	160,734	440	305,158	52.7%	73.3%	1,862	1,145	246	362	2,257	61.5%	13.2%	19.4%	121.2%
2019														
Jul-18	14,096	455	26,287	53.6%	72.4%	1,869	1,147	240	365	2,234	61.4%	12.8%	19.5%	119.6%
Aug-18	14,569	470	28,016	52.0%	76.0%	1,861	1,128	274	379	2,244	60.6%	14.7%	20.4%	120.6%
Sep-18	13,052	435	24,371	53.6%	73.5%	1,914	1,224	268	364	2,404	64.0%	14.0%	19.0%	125.6%
Oct-18	13,744	443	25,579	53.7%	73.5%	1,907	1,284	279	386	2,460	67.4%	14.7%	20.2%	129.0%
Nov-18	13,013	434	23,625	55.1%	74.9%	1,857	1,315	309	432	2,644	70.8%	16.7%	23.2%	142.4%
Dec-18	13,497	435	25,399	53.1%	76.2%	1,721	1,225	277	407	2,410	71.2%	16.1%	23.6%	140.0%
Jan-19	13,671	441	26,407	51.8%	76.9%	1,678	1,299	251	337	2,383	77.4%	14.9%	20.1%	142.0%
Feb-19	12,584	449	23,811	52.8%	75.9%	1,901	1,270	294	398	2,519	66.8%	15.4%	20.9%	132.5%
2019 FY Total	108,226	445	203,550	53.2%	75.0%	1,836	1,234	273	382	2,406	67.2%	14.9%	20.8%	131.0%
FYTD Budget	108,042	445	209,554	51.6%	72.5%	1,907	1,152	262	359	2,353	60.4%	13.8%	18.8%	119.8%
Variance	184	1	(6,004)	1.6%	2.5%	(70)	81	11	24	53	6.7%	1.1%	2.0%	11.2%
Current Month Analysis														
Feb-19	12,584	449	23,811	52.8%	75.9%	1,901	1,270	294	398	2,519	66.8%	15.4%	20.9%	132.5%
Budget	13,557	484	25,888	52.4%	72.6%	1,954	1,123	266	368	2,464	57.5%	13.6%	18.8%	116.0%
Variance	(973)	(35)	(2,076)	0.5%	3.3%	(53)	147	28	30	55	9.4%	1.8%	2.1%	16.6%

KAWEAH DELTA HEALTH CARE DISTRICT
CONSOLIDATED STATEMENTS OF NET POSITION

	Feb-19	Jan-19	Change	% Change	Jun-18 (Audited)
ASSETS AND DEFERRED OUTFLOWS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 11,092	\$ 8,722	\$ 2,370	27.17%	\$ 5,325
Current Portion of Board designated and trusted assets	16,102	15,031	1,071	7.13%	12,643
Accounts receivable:					
Net patient accounts	167,077	158,504	8,573	5.41%	138,502
Other receivables	12,906	10,369	2,537	24.47%	7,863
	179,983	168,873	11,110	6.58%	146,365
Inventories	8,577	8,532	45	0.53%	8,408
Medicare and Medi-Cal settlements	31,445	32,503	(1,058)	-3.26%	20,088
Prepaid expenses	11,710	11,004	706	6.41%	10,967
Total current assets	258,909	244,665	14,244	5.82%	203,796
NON-CURRENT CASH AND INVESTMENTS - less current portion					
Board designated cash and assets	225,507	217,438	8,069	3.71%	272,414
Revenue bond assets held in trust	37,874	39,596	(1,722)	-4.35%	57,845
Assets in self-insurance trust fund	4,630	4,625	5	0.10%	4,607
Total non-current cash and investments	268,011	261,660	6,352	2.43%	334,866
CAPITAL ASSETS					
Land	15,988	15,988	-	0.00%	15,869
Buildings and improvements	353,106	352,721	386	0.11%	343,422
Equipment	270,724	269,644	1,080	0.40%	265,819
Construction in progress	37,480	34,945	2,535	7.26%	25,196
	677,298	673,298	4,000	0.59%	650,306
Less accumulated depreciation	347,125	344,654	2,471	0.72%	328,323
	330,173	328,644	1,529	0.47%	321,983
Property under capital leases - less accumulated amortization	3,201	3,277	(76)	-2.31%	4,123
Total capital assets	333,374	331,921	1,453	0.44%	326,106
OTHER ASSETS					
Property not used in operations	3,748	3,754	(6)	-0.16%	3,796
Health-related investments	7,790	7,783	7	0.09%	6,252
Other	8,482	9,064	(582)	-6.42%	8,337
Total other assets	20,020	20,601	(581)	-2.82%	18,385
Total assets	880,314	858,846	21,468	2.50%	883,154
DEFERRED OUTFLOWS					
	3,040	3,078	(38)	-1.23%	3,344
Total assets and deferred outflows	\$ 883,354	\$ 861,924	\$ 21,430	2.49%	\$ 886,498

KAWEAH DELTA HEALTH CARE DISTRICT
CONSOLIDATED STATEMENTS OF NET POSITION

	Feb-19	Jan-19	Change	% Change	Jun-18 (Audited)
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and accrued expenses	\$ 31,466	\$ 13,000	\$ 18,466	142.04%	\$ 44,529
Accrued payroll and related liabilities	57,327	54,838	2,489	4.54%	46,064
Long-term debt, current portion	8,822	8,822	-	0.00%	8,976
Total current liabilities	97,615	76,660	20,955	27.33%	99,569
LONG-TERM DEBT, less current portion					
Bonds payable	264,644	264,701	(57)	-0.02%	266,631
Capital leases	488	698	(210)	-30.05%	2,156
Total long-term debt	265,133	265,400	(267)	-0.10%	268,787
NET PENSION LIABILITY	38,698	38,973	(276)	-0.71%	40,902
OTHER LONG-TERM LIABILITIES	29,796	29,974	(178)	-0.59%	26,768
Total liabilities	431,242	411,008	20,234		436,026
NET ASSETS					
Invested in capital assets, net of related debt	101,013	101,049	(35)	-0.03%	110,175
Restricted	32,031	30,773	1,258	4.09%	29,668
Unrestricted	319,068	319,095	(27)	-0.01%	310,627
Total net position	452,113	450,916	1,196	0.27%	450,471
Total liabilities and net position	\$ 883,354	\$ 861,924	\$ 21,430	2.49%	\$ 886,498

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

Board designated funds	Maturity Date	Yield	Investment Type	G/L Account	Amount	Total
LAIF		2.39	Various		44,720,465	
Cal Trust		2.33	Cal Trust		16,250,726	
CAMP		2.64	CAMP		39,510	
Wells Cap		0.02	Money market		1,216,175	
PFM		0.02	Money market		688,883	
Torrey Pines Bank	5-Mar-19	0.40	CD	Torrey Pines Bank	3,018,088	
PFM	3-May-19	2.05	CD	Sumito MTSU	820,000	
PFM	2-Aug-19	1.84	CD	Skandin Ens CD	2,000,000	
Wells Cap	12-Sep-19	1.13	Supra-National Age Intl Bk		1,900,000	
PFM	25-Sep-19	1.65	ABS	FNMA	47,854	
Wells Cap	30-Sep-19	1.20	Supra-National Age Intl Bk		1,500,000	
PFM	7-Feb-20	2.67	CD	Credit Suisse	750,000	
PFM	20-Feb-20	2.72	CD	Nordea Bank	1,800,000	
PFM	15-Mar-20	1.57	ABS	Ally Auto	48,324	
PFM	16-Mar-20	1.51	ABS	Nissan Auto	826	
PFM	10-Apr-20	2.74	CD	Canadian C D	1,400,000	
Wells Cap	1-May-20	2.20	MTN-C	E I DU PONT DE	500,000	
Wells Cap	8-May-20	1.55	U.S. Govt Agency	FFCB	1,050,000	
Wells Cap	31-May-20	1.50	U.S. Govt Agency	US Treasury Bill	345,000	
PFM	5-Jun-20	3.08	CD	Bank of Nova	1,600,000	
PFM	5-Jun-20	1.80	MTN-C	Home Depot Inc	425,000	
PFM	15-Jun-20	1.25	ABS	John Deere	46,249	
Wells Cap	15-Jun-20	1.50	U.S. Govt Agency	US Treasury Bill	1,000,000	
PFM	22-Jun-20	1.95	MTN-C	John Deere	200,000	
PFM	23-Jun-20	1.41	MTN-C	JP Morgan	1,000,000	
Wells Cap	29-Jun-20	2.63	MTN-C	BB T Corp	1,280,000	
PFM	20-Jul-20	2.00	MTN-C	American Honda Mtn	420,000	
PFM	22-Jul-20	1.41	MTN-C	Wells Fargo Company	1,150,000	
PFM	3-Aug-20	2.05	CD	Westpac Bking CD	1,570,000	
Wells Cap	18-Aug-20	2.55	MTN-C	State Street Corp	830,000	
Wells Cap	31-Aug-20	1.38	U.S. Govt Agency	US Treasury Bill	1,055,000	
PFM	4-Sep-20	1.85	MTN-C	Caterpillar Finl Mtn	670,000	
PFM	4-Sep-20	1.63	Supra-National Age Intl BK		1,250,000	
PFM	12-Sep-20	1.56	Supra-National Age Intl Bk		1,750,000	
PFM	15-Sep-20	1.56	ABS	Hyundai Auto	48,441	
Wells Cap	15-Sep-20	2.25	MTN-C	Automatic Data	800,000	
Wells Cap	15-Sep-20	2.75	MTN-C	Goldman Sachs	350,000	
Wells Cap	30-Sep-20	1.38	U.S. Govt Agency	US Treasury Bill	400,000	
Wells Cap	30-Sep-20	1.50	U.S. Govt Agency	US Treasury Bill	1,500,000	
Wells Cap	15-Oct-20	1.95	MTN-C	Unitedhealth Group	595,000	
PFM	16-Oct-20	3.39	CD	Sumito MTSU	805,000	
Wells Cap	26-Oct-20	1.75	U.S. Govt Agency	FFCB	1,400,000	
Wells Cap	31-Oct-20	1.25	U.S. Govt Agency	US Treasury Bill	400,000	
PFM	13-Nov-20	2.00	MTN-C	Apple, Inc	900,000	
PFM	16-Nov-20	2.27	CD	Swedbank	1,800,000	
Wells Cap	25-Nov-20	1.16	ABS	BMW Vehicle Owner	334,947	
Wells Cap	30-Nov-20	1.63	U.S. Govt Agency	US Treasury Bill	150,000	
Wells Cap	14-Dec-20	2.20	MTN-C	Visa Inc	700,000	
Wells Cap	14-Dec-20	2.20	MTN-C	Visa Inc	400,000	
PFM	15-Dec-20	2.13	Supra-National Age Inter Amer Dev Bk		1,800,000	
Wells Cap	18-Dec-20	1.47	ABS	Honda Auto	390,212	
Wells Cap	31-Dec-20	1.63	U.S. Govt Agency	US Treasury Bill	600,000	
PFM	8-Jan-21	2.35	MTN-C	John Deere	750,000	
PFM	20-Jan-21	1.80	MTN-C	IBM	900,000	
Wells Cap	25-Jan-21	2.25	Supra-National Age Intl Bk		750,000	
PFM	16-Feb-21	1.73	ABS	Toyota Auto Recvcs	170,824	
Wells Cap	18-Feb-21	1.38	U.S. Govt Agency	FHLB	980,000	
Wells Cap	23-Feb-21	2.25	MTN-C	Apple, Inc	615,000	
Wells Cap	28-Feb-21	1.13	U.S. Govt Agency	US Treasury Bill	700,000	
PFM	12-Mar-21	2.75	MTN-C	Texas Instruments	180,000	
Wells Cap	12-Mar-21	2.75	MTN-C	Texas Instruments	630,000	
Wells Cap	15-Mar-21	1.71	ABS	Smart Trust	774,255	
Wells Cap	31-Mar-21	1.25	U.S. Govt Agency	US Treasury Bill	935,000	
PFM	1-Apr-21	2.80	Municipal	California ST	530,000	
Wells Cap	1-Apr-21	2.63	Municipal	California ST High	1,250,000	
Wells Cap	1-Apr-21	3.54	Municipal	Sacramento Ca Public	1,200,000	
Wells Cap	13-Apr-21	2.95	MTN-C	Toyota Motor	600,000	
PFM	15-Apr-21	2.50	MTN-C	Bank of NY	900,000	
PFM	15-Apr-21	1.29	ABS	Hyundai Auto	304,670	
Wells Cap	19-Apr-21	2.63	MTN-C	Bank of America	435,000	

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

PFM	21-Apr-21	2.50	MTN-C	Morgan Stanley	450,000
PFM	21-Apr-21	2.50	MTN-C	Morgan Stanley	450,000
Wells Cap	21-Apr-21	2.50	MTN-C	Morgan Stanley	750,000
Wells Cap	29-Apr-21	2.15	MTN-C	PNC Bank	400,000
Wells Cap	30-Apr-21	1.38	U.S. Govt Agency	US Treasury Bill	875,000
PFM	5-May-21	2.25	MTN-C	American Express	450,000
Wells Cap	6-May-21	1.25	U.S. Govt Agency	FNMA	700,000
PFM	10-May-21	2.05	MTN-C	BB T Corp	450,000
Wells Cap	17-May-21	1.70	ABS	USAA Auto Owner	333,505
PFM	19-May-21	1.95	MTN-C	State Street Corp	245,000
PFM	24-May-21	4.13	MTN-C	US Bancorp	900,000
Wells Cap	7-Jun-21	2.40	MTN-C	JP Morgan	910,000
Wells Cap	14-Jun-21	2.25	MTN-C	Fifth Third Bank	800,000
PFM	15-Jun-21	1.67	ABS	Ford Credit Auto	280,337
Wells Cap	30-Jun-21	1.00	U.S. Govt Agency	US Treasury Bill	400,000
Wells Cap	1-Jul-21	2.39	Municipal	San Francisco	935,000
PFM	14-Jul-21	1.13	U.S. Govt Agency	FHLB	1,775,000
PFM	23-Jul-21	2.75	Supra-National Age	Intl Bk	1,800,000
PFM	15-Aug-21	1.87	ABS	Honda Auto	853,248
PFM	16-Aug-21	1.76	ABS	Hyundai Auto	395,533
Wells Cap	16-Aug-21	1.74	ABS	Nissan Auto	977,473
Wells Cap	17-Aug-21	1.25	U.S. Govt Agency	FNMA	1,400,000
Wells Cap	17-Aug-21	1.25	U.S. Govt Agency	FNMA	1,500,000
Wells Cap	1-Sep-21	2.25	MTN-C	Ryder System Inc	420,000
PFM	15-Sep-21	6.72	ABS	FHLMC	1,540
PFM	15-Sep-21	1.90	MTN-C	Oracle Corp	900,000
PFM	20-Sep-21	1.85	MTN-C	Cisco Systems Inc	800,000
PFM	6-Oct-21	1.70	MTN-C	Pepsico Inc	1,320,000
PFM	15-Oct-21	1.82	ABS	John Deere	340,000
Wells Cap	30-Oct-21	2.35	MTN-C	Boeing Co	1,000,000
PFM	31-Oct-21	1.25	U.S. Govt Agency	US Treasury Bill	290,000
PFM	31-Oct-21	2.00	U.S. Govt Agency	US Treasury Bill	2,000,000
PFM	15-Nov-21	2.00	ABS	Toyota Auto Recvrs	250,000
Wells Cap	19-Nov-21	1.75	ABS	Citibank Credit	1,100,000
PFM	30-Nov-21	1.75	U.S. Govt Agency	US Treasury Bill	2,000,000
Wells Cap	30-Nov-21	1.75	U.S. Govt Agency	US Treasury Bill	1,160,000
PFM	15-Dec-21	1.75	ABS	Ally Auto	360,000
PFM	31-Dec-21	2.13	U.S. Govt Agency	US Treasury Bill	3,600,000
Wells Cap	31-Dec-21	2.00	U.S. Govt Agency	US Treasury Bill	1,225,000
PFM	15-Jan-22	1.63	MTN-C	Comcast Corp	450,000
PFM	18-Jan-22	1.93	ABS	Toyota Auto	625,000
Wells Cap	18-Jan-22	2.60	U.S. Govt Agency	FFCB	250,000
Wells Cap	7-Feb-22	2.60	MTN-C	Bank of NY	1,000,000
PFM	12-Feb-22	2.38	MTN-C	Microsoft Corp	450,000
Wells Cap	15-Feb-22	2.50	U.S. Govt Agency	US Treasury Bill	500,000
Wells Cap	28-Feb-22	1.88	U.S. Govt Agency	US Treasury Bill	390,000
Wells Cap	3-Mar-22	2.25	MTN-C	Johnson Johnson	500,000
PFM	4-Mar-22	2.45	MTN-C	Walt Disney Co	375,000
PFM	8-Mar-22	3.30	MTN-C	PNC Funding Corp	494,000
PFM	15-Mar-22	1.99	ABS	Ally Auto	735,000
PFM	15-Mar-22	2.01	ABS	Ford Credit Auto	945,000
PFM	1-Apr-22	2.75	MTN-C	BB T Corp	450,000
Wells Cap	5-Apr-22	1.88	U.S. Govt Agency	FNMA	920,000
Wells Cap	18-Apr-22	2.66	ABS	John Deere	500,000
PFM	25-Apr-22	2.75	MTN-C	Citigroup	1,000,000
Wells Cap	25-Apr-22	2.40	MTN-C	National Rural	950,000
Wells Cap	26-Apr-22	3.00	MTN-C	Goldman Sachs	440,000
Wells Cap	30-Apr-22	1.88	U.S. Govt Agency	US Treasury Bill	800,000
PFM	15-May-22	1.75	U.S. Govt Agency	US Treasury Bill	2,300,000
Wells Cap	15-May-22	3.28	Municipal	Univ Of CA	400,000
PFM	16-May-22	2.35	MTN-C	United Parcel	450,000
PFM	17-May-22	3.50	MTN-C	Bank of America	300,000
Wells Cap	18-May-22	2.30	MTN-C	Costco Wholesale	1,000,000
Wells Cap	25-May-22	2.20	MTN-C	Coca Cola Co	500,000
PFM	1-Jun-22	3.38	MTN-C	Blackrock Inc.	395,000

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

Wells Cap	30-Jun-22	1.75	U.S. Govt Agency	US Treasury Bill	660,000
PFM	15-Aug-22	1.95	ABS	Bank of America	1,000,000
PFM	31-Aug-22	1.88	U.S. Govt Agency	US Treasury Bill	2,000,000
Wells Cap	31-Aug-22	1.75	U.S. Govt Agency	US Treasury Bill	590,000
PFM	8-Sep-22	2.15	MTN-C	Toyota Motor	450,000
Wells Cap	15-Sep-22	1.93	ABS	American Express	1,656,000
Wells Cap	15-Sep-22	1.82	ABS	Capital One	867,000
PFM	30-Sep-22	1.88	U.S. Govt Agency	US Treasury Bill	750,000
Wells Cap	5-Oct-22	2.00	U.S. Govt Agency	FNMA	950,000
PFM	17-Oct-22	2.67	ABS	American Express	420,000
Wells Cap	27-Oct-22	2.70	MTN-C	Citigroup	750,000
Wells Cap	31-Oct-22	2.00	U.S. Govt Agency	US Treasury Bill	3,150,000
Wells Cap	30-Nov-22	2.00	U.S. Govt Agency	US Treasury Bill	2,770,000
PFM	15-Dec-22	2.70	MTN-C	Intel Corp	415,000
PFM	15-Dec-22	3.02	ABS	Toyota Auto	915,000
PFM	31-Dec-22	2.13	U.S. Govt Agency	US Treasury Bill	1,810,000
PFM	17-Jan-23	3.00	ABS	Ally Auto	965,000
PFM	17-Jan-23	3.03	ABS	Mercedes Benz Auto	565,000
PFM	20-Jan-23	2.49	ABS	Citibank Credit	1,900,000
PFM	31-Jan-23	1.75	U.S. Govt Agency	US Treasury Bill	1,200,000
Wells Cap	31-Jan-23	2.38	U.S. Govt Agency	US Treasury Bill	350,000
Wells Cap	28-Feb-23	2.63	U.S. Govt Agency	US Treasury Bill	2,100,000
PFM	15-Mar-23	2.75	MTN-C	Berkshire Hathaway	370,000
PFM	15-Mar-23	2.25	MTN-C	3M Company	540,000
Wells Cap	20-Apr-23	3.38	MTN-C	Verizon Owner Trust	600,000
PFM	24-Apr-23	2.88	MTN-C	Bank of America	640,000
PFM	15-May-23	1.75	U.S. Govt Agency	US Treasury Bill	1,100,000
PFM	15-May-23	1.75	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	16-May-23	3.02	ABS	GM Financial	415,000
PFM	26-Jun-23	3.40	MTN-C	Walmart Inc.	800,000
PFM	24-Jul-23	2.91	MTN-C	Goldman Sachs	900,000
PFM	25-Jul-23	3.20	ABS	FHLMC	378,777
Wells Cap	31-Aug-23	2.75	U.S. Govt Agency	US Treasury Bill	1,240,000
PFM	20-Sep-23	3.45	MTN-C	Toyota Motor	550,000
PFM	10-Oct-23	3.63	MTN-C	American Honda Mtn	395,000
PFM	31-Oct-23	1.63	U.S. Govt Agency	US Treasury Bill	5,150,000
Wells Cap	31-Oct-23	3.00	U.S. Govt Agency	US Treasury Bill	550,000
Wells Cap	30-Nov-23	2.13	U.S. Govt Agency	US Treasury Bill	700,000
Wells Cap	31-Jan-24	2.50	U.S. Govt Agency	US Treasury Bill	3,575,000
PFM	5-Feb-24	2.50	U.S. Govt Agency	FNMA	1,110,000
PFM	13-Feb-24	2.50	U.S. Govt Agency	FHLB	1,220,000
Wells Cap	1-Oct-26	8.00	Municipal	San Marcos Ca Redev	1,185,000
					\$ 218,887,862

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

	Maturity Date	Yield	Investment Type	G/L Account	Amount	Total
<u>Self-insurance trust</u>						
Wells Cap			Money market	110900	718,314	
Wells Cap			Fixed income - L/T	152300	<u>4,664,648</u>	5,382,962
<u>2012 revenue bonds</u>						
US Bank			Principal/Interest payment fund	142112	<u>2,757,353</u>	2,757,353
<u>2015A revenue bonds</u>						
US Bank			Principal/Interest payment fund	142115	<u>639,348</u>	639,348
<u>2015B revenue bonds</u>						
US Bank			Principal/Interest payment fund	142116	1,041,496	
US Bank			Project Fund	152442	<u>37,840,317</u>	38,881,813
<u>2017A/B revenue bonds</u>						
US Bank			Principal/Interest payment fund	142117	<u>314,013</u>	314,013
<u>2017C revenue bonds</u>						
US Bank			Principal/Interest payment fund	142118	<u>884,948</u>	884,948
<u>2014 general obligation bonds</u>						
LAIF			Interest Payment fund	152440	<u>2,243,361</u>	2,243,361
<u>Operations</u>						
Wells Fargo Bank	0.20		Checking	100000	(2,448,128)	
Wells Fargo Bank	0.20		Checking	100500	11,547,622	
					<u>9,099,494</u>	
<u>Payroll</u>						
Wells Fargo Bank	0.20		Checking	100100	(20,230)	
Wells Fargo Bank	0.20		Checking	100201	7,685	
Wells Fargo Bank			Checking	100205	1,293	
Bancorp			Checking	100202	39,599	
					<u>28,347</u>	
						9,127,841
				Total investments	\$	<u>279,119,501</u>

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

Kaweah Delta Medical Foundation

Wells Fargo Bank	Checking	100050		<u><u>\$ 560,724</u></u>
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Sequoia Regional Cancer Center

Wells Fargo Bank	Checking	100535	\$ 775,901	
Wells Fargo Bank	Checking	100530	-	
			<u>-</u>	<u><u>\$ 775,901</u></u>

Kaweah Delta Hospital Foundation

VCB Checking	Investments	100501	\$ 604,334	
Various	S/T Investments	142200	4,727,124	
Various	L/T Investments	142300	10,411,798	
Various	Unrealized G/L	142400	<u>490,961</u>	
				<u><u>\$ 16,234,217</u></u>

Summary of board designated funds:

Plant fund:

Uncommitted plant funds	\$ 147,950,082	142100
Committed for capital	<u>34,771,819</u>	142100
	182,721,901	
GO Bond reserve - L/T	2,014,220	142100
401k Matching	10,691,448	142100
Cost report settlement - cur	2,135,384	142104
Cost report settlement - L/T	<u>1,312,727</u>	142100
	3,448,111	
Development fund/Memorial fund	104,184	112300
Workers compensation - cu	5,368,000	112900
Workers compensation - L/	<u>14,539,998</u>	113900
	19,907,998	
	<u>\$ 218,887,862</u>	

	<u>Total</u>		<u>Trust</u>	<u>Surplus</u>	
	<u>Investments</u>	<u>%</u>	<u>Accounts</u>	<u>Funds</u>	<u>%</u>
<u>Investment summary by institution:</u>					
Bancorp	\$ 39,599	0.0%		39,599	0.0%
Cal Trust	16,250,726	5.8%		16,250,726	7.1%
CAMP	39,510	0.0%		39,510	0.0%
Local Agency Investment Fund (LAIF)	44,720,465	16.0%		44,720,465	19.6%
Local Agency Investment Fund (LAIF) - GOB Tax	2,243,361	0.8%	2,243,361	-	0.0%
Wells Cap	77,677,529	27.8%	5,382,962	72,294,567	31.7%
PFM	82,564,506	29.6%		82,564,506	36.2%
Torrey Pines Bank	3,018,088	1.1%		3,018,088	1.3%
Wells Fargo Bank	9,088,242	3.3%		9,088,242	4.0%
US Bank	43,477,475	15.6%	43,477,475		0.0%
Total investments	<u>\$ 279,119,501</u>	<u>100.0%</u>	<u>\$ 51,103,798</u>	<u>\$ 228,015,703</u>	<u>100.0%</u>

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

Investment summary of surplus funds by type:		Investment Limitations	
Negotiable and other certificates of deposit	\$ 15,563,088	\$ 68,405,000	(30%)
Checking accounts	9,127,841		
Local Agency Investment Fund (LAIF)	44,720,465	65,000,000	
Cal Trust	16,250,726		
CAMP	39,510		
Medium-term notes (corporate) (MTN-C)	40,639,000	68,405,000	(30%)
U.S. government agency	64,575,000		
Municipal securities	5,500,000		
Money market accounts	1,905,058	45,603,000	(20%)
Asset Backed Securities	18,945,015	45,603,000	(20%)
Supra-National Agency	10,750,000	68,405,000	(30%)
	<u>\$ 228,015,703</u>		

Return on investment:

Current month	<u>1.92%</u>
Year-to-date	<u>1.34%</u>
Prospective	<u>2.09%</u>
LAIF (year-to-date)	<u>2.17%</u>
Budget	<u>1.66%</u>

Material current-month nonroutine transactions:

Sell/Called/Matured:	US Treasury, \$1,250,000, 1.646%
	US Treasury, \$1,100,000, 1.75%
	American Express, \$330,000, 1.64%
	Gen Elec Cap, \$1,200,000, 2.10%
	INTL BK, \$1,975,000, 1.875%
	Univ California \$1,000,000,
Buy:	FHLB Deb, \$1,220,000, 2.50%
	FNMA, \$1,110,000, 2.50%
	American Honda Mtn, \$395,000, 3.625%
	US Treasury, \$700,000, 2.125%
	US Treasury, \$3,575,000, 2.50%
	US Treasury, \$500,000, 2.50%

Fair market value disclosure for the quarter ended December 31, 2018 (District only):	Quarter-to-date	Year-to-date
Difference between fair value of investments and amortized cost (balance sheet effect)	N/A	\$ (2,080,172)
Change in unrealized gain (loss) on investments (income statement effect)	\$ 1,528,354	\$ 1,671,647

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

Investment summary of CDs:

Bank of Nova	1,600,000
Canadian C D	1,400,000
Credit Suisse	750,000
Nordea Bank	1,800,000
Skandin Ens CD	2,000,000
Sumito Mtsu	1,625,000
Swedbank	1,800,000
Torrey Pines Bank	3,018,088
Westpac Bking CD	1,570,000
	\$ 15,563,088

Investment summary of asset backed securities:

Ally Auto	\$ 2,108,324
American Express	2,076,000
Bank of America	1,000,000
BMW Vehicle Owner	334,947
Capital One	867,000
Citibank Credit	3,000,000
FHLMC	380,317
FNMA	47,854
Ford Credit Auto	1,225,337
GM Financial	415,000
Honda Auto	1,243,460
Hyundai Auto	748,644
John Deere	886,249
Mercedes Benz Auto	565,000
Nissan Auto	978,299
Smart Trust	774,255
Toyota Auto	1,540,000
Toyota Auto Recvs	420,824
USAA Auto Owner	333,505
	\$ 18,945,015

Investment summary of medium-term notes (corporate):

American Express	\$ 450,000
American Honda Mtn	815,000
Apple, Inc	1,515,000
Automatic Data	800,000
Bank of America	1,375,000
Bank of NY	1,900,000
BB T Corp	2,180,000
Berkshire Hathaway	370,000
Blackrock Inc.	395,000
Boeing Co	1,000,000
Caterpillar Finl Mtn	670,000
Cisco Systems Inc	800,000
Citigroup	1,750,000
Coca Cola Co	500,000
Comcast Corp	450,000
Costco Wholesale	1,000,000
E I DU PONT DE	500,000
Fifth Third Bank	800,000
Goldman Sachs	1,690,000
Home Depot Inc	425,000
IBM	900,000
Intel Corp	415,000
John Deere	950,000
Johnson Johnson	500,000
JP Morgan	1,910,000
Microsoft Corp	450,000
Morgan Stanley	1,650,000
National Rural	950,000
Oracle Corp	900,000
Pepsico Inc	1,320,000
PNC Bank	400,000
PNC Funding Corp	494,000
Ryder System Inc	420,000
State Street Corp	1,075,000
Texas Instruments	810,000
Toyota Motor	1,600,000
Unitedhealth Group	595,000
United Parcel	450,000
US Bancorp	900,000
Visa Inc	1,100,000

KAWEAH DELTA HEALTH CARE DISTRICT SUMMARY OF FUNDS February 28, 2019

Verizon Owner Trust	600,000
Walmart Inc.	800,000
Walt Disney Co	375,000
Wells Fargo Company	1,150,000
3M Company	540,000
	<u>\$ 40,639,000</u>

Investment summary of U.S. government agency:

Federal National Mortgage Association (FNMA)	\$ 6,580,000
Federal Home Loan Bank (FHLB)	3,975,000
Federal Farmers Credit Bank (FFCB)	2,700,000
US Treasury Bill	51,320,000
	<u>\$ 64,575,000</u>

Investment summary of municipal securities:

California ST High	\$ 1,250,000
California ST	530,000
Sacramento Ca Public	1,200,000
San Francisco	935,000
San Marcos Ca Redev	1,185,000
Univ Of CA	400,000
	<u>\$ 5,500,000</u>

Investment summary of Supra-National Agency:

Intl Bk	\$ 8,950,000
Inter Amer Dev Bk	1,800,000
	<u>\$ 10,750,000</u>