

Kaweah Delta Health Care District Board of Directors Meeting

Health is our Passion. Excellence is our Focus. Compassion is our Promise.



May 23, 2025

NOTICE

The Board of Directors of the Kaweah Delta Health Care District will meet in the City of Visalia City Council Chambers {707 W. Acequia, Visalia, CA} on Wednesday, May 28, 2025:

- 4:00PM Open meeting to approve the closed agenda.
- 4:01PM Closed meeting pursuant to Government Code 54956.8, Government Code 54956.9(d)(1), Government Code 54956.9(d)(2), Health and Safety Code 1461 and 32155.
- 5:00PM Open meeting.

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.

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 Health Medical Center, Mineral King Wing near the Mineral King entrance.

The disclosable public records related to agendas can be obtained by contacting the Board Clerk at Kaweah Health Medical Center – Acequia Wing, Executive Offices (Administration Department/Executive Offices) {1st floor}, 400 West Mineral King Avenue, Visalia, CA via phone 559-624-2330 or email: kedavis@kaweahhealth.org, or on the Kaweah Delta Health Care District web page <http://www.kaweahhealth.org>.

KAWEAH DELTA HEALTH CARE DISTRICT
David Francis, Secretary/Treasurer

Kelsie Davis
Board Clerk / Executive Assistant to CEO

DISTRIBUTION:

Governing Board, Legal Counsel, Executive Team, Chief of Staff, www.kaweahhealth.org

Mike Olmos • Zone 1
President

Lynn Havard Mirviss • Zone 2
Vice President

Dean Levitan, MD • Zone 3
Board Member

David Francis • Zone 4
Secretary/Treasurer

Armando Murrieta • Zone 5
Board Member

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Board of Directors Meeting

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KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS MEETING

City of Visalia – City Council Chambers
707 W. Acequia, Visalia, CA

Wednesday May 28, 2025 {Regular Meeting}

OPEN MEETING AGENDA {4:00PM}

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 it is 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 jurisdiction of the Board are requested to identify themselves at this time.

4. APPROVAL OF THE CLOSED AGENDA – 4:01PM

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.

Action Requested – Approval of the May 28, 2025, closed meeting agenda.

5. ADJOURN

CLOSED MEETING AGENDA {4:01PM}

1. CALL TO ORDER

2. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2). 9 Cases

Ben Cripps, Chief Compliance Officer and Rachele Berglund, Legal Counsel

3. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code 54956.9(d)(1)

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- A. Franks v KDHCDC Case #VCU290542
- B. Burns-Nunez v KDHCDC Case # VCU293107
- C. Oney v KDHCDC Case # VCU293813
- D. Parnell v Kaweah Health Case # VCU292139
- E. Newport v KDHCDC Case # 1:23-CV-01752-NODJ-SAB
- F. M. Vasquez v KDHCDC Case # VCU297964
- G. Pendleton v KDHCDC Case #VCU305571
- H. Rhodes v KDHCDC Case # VCU306460
- I. Negrete v KDHCDC Case #VCU309437
- J. LaRumbe-Torres v KDHCDC Case #VCU313564
- K. Smithson v KDHCDC Case #VCU313258
- L. Maxey v KDHCDC Case #VCU314996
- M. Medina v KDHCDC Case #VCU316413
- N. Richardson v KDHCDC Case #VCU311369
- O. Ramirez v KDHCDC Case VCU311675
- P. Burger v KDHCDC Case VCU312863
- Q. Andrade v KDHCDC Case VCU317338
- R. Martinez-Luna v KDHCDC Case VCU317930

Evelyn McEntire, Director of Risk Management and Rachele Berglund, Legal Counsel

4. **CREDENTIALING** - Medical Executive Committee (MEC) 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 MEC be reviewed for approval pursuant to Health and Safety Code 1461 and 32155.

Daniel Hightower, MD, Chief of Staff

5. **QUALITY ASSURANCE** pursuant to Health and Safety Code 32155 and 1461, report of quality assurance committee.

Daniel Hightower, MD Chief of Staff

6. **APPROVAL OF THE CLOSED MEETING MINUTES** – [April 23, 2025](#), closed meeting minutes.
7. **ADJOURN**

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OPEN MEETING AGENDA {5:00PM}

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **FLAG SALUTE- DIRECTOR LEVITAN**
4. **APPROVAL OF AGENDA**
5. **PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after it is 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 jurisdiction of the Board are requested to identify themselves at this time.
6. **CLOSED SESSION ACTION TAKEN** – Report on action(s) taken in closed session.
7. **OPEN MINUTES** – Request approval of the [April 23, 2025](#), open minutes.
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.
Action Requested – Approval of the April 23, 2025, open minutes.
8. **RECOGNITIONS**
 - 8.1. Presentation of [Resolution 2256](#) to David Crowther in recognition as the Kaweah Health World Class Employee of the month – May 2025 – *Director Levitan*
 - 8.2. Presentation of [Resolution 2257](#) to Valerie Lee in recognition as the 2024-2025 Employee of the Year – *Director Levitan*
 - 8.3. Team of the Month – Finance
9. **INTRODUCTION – New Directors**
 - 9.1. Diana Saechao
10. **CREDENTIALS** - Medical Executive Committee requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff

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membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval.

Daniel Hightower, MD, Chief of Staff

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.

Action Requested – Approval of the May 28, 2025, medical staff credentials report.

- 11. CHIEF OF STAFF REPORT** – Report relative to current Medical Staff events and issues.

Daniel Hightower, MD, Chief of Staff

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

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.

Action Requested – Approval of the May 28, 2025, Consent Calendar.

12.1. REPORTS

- A. [Physician Recruitment](#)
- B. [FY25 Strategic Plan](#)
- C. [Monthly Throughput](#)
- D. [Quarterly Compliance Report](#)
- E. [Surgical Services & Endoscopy](#)

12.2. POLICIES

A. Administrative Policies

- A.1. [AP15](#)- Loan of Kaweah Health Equipment and/or Supplies- *Reviewed*
- A.2. [AP42](#)- Security of Purchased Equipment and/or Supplies- *Reviewed*
- A.3. [AP123](#)- Financial Assistance Program: Charity and Discount Programs- *Revised*
- A.4. [AP132](#)- Use of Rental, Loaner, or Demo Clinical Equipment- *Reviewed*
- A.5. [AP141](#)- Credit and Collection Policy- *Revised*
- A.6. [AP154](#)- Medication Error Reduction Plan- *Reviewed*

B. Environment of Care Policies

- B.1. [EOC1022](#)- Food and Beverage in Work Area- *New*

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- B.2. [EOC1033](#)- Water Management Program- *Revised*
- B.3. [EOC1046](#)- Air Pressure Relationship- *Revised*
- B.4. [EOC4000](#)- Hazard Material Management Plan- *Revised*
- B.5. [EOC4002](#)- Pest Control Program- *New*
- B.6. [EOC5000](#)- Fire Prevention Management Plan- *Revised*
- B.7. [EOC7404](#)- Code Tubes Down- *Reviewed*

12.4. RESOLUTIONS

- A. [Board Resolution 2255](#) to ratify our application for the DHLP loan modification request.

13. STRATEGIC PLANNING INITIATIVE – [Ideal Work Environment](#) – Detailed review of Strategic Plan Initiative.

Hannah Mitchell, Director of Organizational Development and Dianne Cox, Chief Human Resource Officer

14. [FY26 STRATEGIC PLAN](#) – Detailed review of the full Strategic Plan initiatives for Fiscal Year 2026.

Marc Mertz, Chief Strategy Officer

15. [LEAPFROG SAFETY SCORE REPORT](#) – A review of Kaweah Health performance and action focused on the safety metrics that are included in the Leapfrog Patient Safety Grade released in Spring 2025.

Ericka Pineda, Quality & Patient Safety Manager and Sandy Volchko, Director of Quality & Patient Safety

16. [FISCAL YEAR 2026 BUDGET](#) – Preliminary budgets results, concepts, and guidelines.

Malinda Tupper – Chief Financial Officer

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

Malinda Tupper – Chief Financial Officer

18. REPORTS

18.1. [Chief Executive Officer Report](#) - Report on current events and issues.

Gary Herbst, Chief Executive Officer

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18.2. Board President - Report on current events and issues.

Mike Olmos, Board President

CLOSED MEETING AGENDA IMMEDIATELY FOLLOWING THE OPEN SESSION

1. CALL TO ORDER

2. CEO EVALUATION – Discussion with the Board and the Chief Executive Officer relative to the evaluation of the Chief Executive Officer pursuant to Government Code 54957(b)(1).

Gary Herbst, Chief Executive Officer and Rachele Berglund, Legal Counsel

3. ADJOURN

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Agenda item intentionally omitted

April 23, 2025,

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD WEDNESDAY APRIL 23, 2025, AT 4:00PM IN THE CITY OF VISALIA CITY COUNCIL CHAMBERS – 707 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Olmos, Francis, Levitan, Havard Mirviss & Murrieta; G. Herbst, CEO; D. Hightower, Chief of Staff; M. Tupper, CFO; B. Cripps, Chief Compliance Officer; D. Cox, Chief Human Resource Officer; R. Gates; Chief Population Health Officer; M. Mertz, Chief Strategy Officer; S. Peet, CNO; P. Stefanacci, CMO; R. Berglund, Legal Counsel; and K. Davis, recording

The meeting was called to order at 4:00 PM by Director Olmos.

Director Olmos asked for approval of the agenda.

MMSC (Havard Mirviss/Levitan) to approve the open agenda. This was supported unanimously by those present. Vote: Yes - Havard Mirviss, Murrieta, Levitan, Olmos and Francis

PUBLIC PARTICIPATION –None.

Director Olmos asked for approval of the closed agenda.

MMSC (Francis/Havard Mirviss) to approve the closed agenda. This was supported unanimously by those present. Vote: Yes - Havard Mirviss, Murrieta, Levitan, Olmos and Francis

ADJOURN - Meeting was adjourned at 4:00PM

Mike Olmos, President

Kaweah Delta Health Care District and the Board of Directors

ATTEST:

David Francis, 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 WEDNESDAY APRIL 23, 2025, AT 5:00PM IN THE CITY OF VISALIA CITY COUNCIL CHAMBERS – 707 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Olmos, Francis, Havard Mirviss, Murrieta & Levitan; G. Herbst, CEO; D. Hightower, Chief of Staff; M. Tupper, CFO; B. Cripps, Chief Compliance Officer; D. Cox, Chief Human Resource Officer; R. Gates; Chief Population Health Officer; M. Mertz, Chief Strategy Officer; S. Peet, CNO; R. Berglund, Legal Counsel; and K. Davis, recording

The meeting was called to order at 5:00 PM by Director Olmos.

ROLL CALL- Director Olmos, Havard Mirviss, Levitan, Francis, and Murrieta were all present and accounted for.

FLAG SALUTE- Director Murrieta lead the flag salute.

Director Olmos asked for approval of the agenda.

MMSC (Francis/Levitan) to approve the open agenda. This was supported unanimously by those present. Vote: Yes - Havard Mirviss, Levitan, Murrieta, Olmos and Francis

PUBLIC PARTICIPATION – None.

CLOSED SESSION ACTION TAKEN: approval of the closed meeting minutes from March 26, 2025.

OPEN MINUTES – Requested approval of the open meeting minutes from March 26, 2025.

PUBLIC PARTICIPATION – None.

MMSC (Levitan/Francis) to approve the open minutes from March 26, 2025.

This was supported unanimously by those present. Vote: Yes – Olmos, Havard Mirviss, Francis, Levitan and Murrieta.

RECOGNITIONS- Resolution 2254.

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.

CHIEF OF STAFF REPORT – Report relative to current Medical Staff events and issues – *Daniel Hightower, Chief of Staff*

- No report.

Public Participation – None.

Director Olmos requested a motion for the approval of the April 23, 2025, Medical executive committee report as presented.

MMSC (Murrieta/Levitan) 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, 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 . This was supported unanimously by those present. Vote: Yes – Olmos, Havard Mirviss, Levitan, Murrieta and Francis

CONSENT CALENDAR – Director Olmos entertained a motion to approve the April 23, 2025, consent calendar.

PUBLIC PARTICIPATION – None.

MMSC (Francis/Levitan) to approve the April 23, 2025, consent calendar. This was supported unanimously by those present. Vote: Yes – Olmos, Havard Mirviss, Levitan, Murrieta and Francis.

ANNUAL INSTITUTIONAL REVIEW BOARD – A detailed review of the GME Institution and the annual review of the institutional statement of commitment. Copy attached to the original of the minutes and to be considered a part thereof.

STRATEGIC INITIATIVE- STRATEGIC GROWTH AND INNOVATION – A detailed review of strategic plan initiative. Copy attached to the original of the minutes and to be considered a part thereof.

STROKE PROGRAM QUALITY REPORT – A detailed review of Joint Commission reaccreditation/certification survey results and action plans. Copy attached to the original of the minutes and to be considered a part thereof.

FINANCIALS – Review of the most current fiscal year financial results. Copy attached to the original of these minutes and considered a part thereof.

REPORTS

Chief Executive Officer Report – Mr. Herbst gave an update on the hospital census. – *Gary Herbst, CEO*

Board President- Mr. Olmos thanked the board members for attending the Woodlake Clinic Opening, the Heritage Club Dinner, and the celebration of life. – *Mike Olmos, Board President*

ADJOURN - Meeting was adjourned at 6:42PM

Mike Olmos, President
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

David Francis, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors

Resolution 2256



RESOLUTION 2256

WHEREAS, the Department Heads of the KAWEAH DELTA HEALTH CARE DISTRICT dba KAWEAH HEALTH are recognizing David Crowther with the World Class Service Excellence Award for the Month of May 2025, for consistent outstanding performance, and,

WHEREAS, the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT is aware of his 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 David Crowther for this honor and in recognition thereof, have caused this resolution to be spread upon the minutes of the meeting.

PASSED AND APPROVED this 28th day of May 2025 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

**Secretary/Treasurer
Kaweah Delta Health Care District**

Resolution 2257



RESOLUTION 2257

WHEREAS, the Department Heads of the KAWEAH DELTA HEALTH CARE DISTRICT dba KAWEAH HEALTH are recognizing Valerie Lee, with the World Class Employee of the Year award 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 Valerie for this honor and in recognition thereof, have caused this resolution to be spread upon the minutes of the meeting.

PASSED AND APPROVED this 28th day of May 2025 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

Physician Recruitment

Physician Recruitment Board Report - Physician Group Targets May 2025



Key Medical Associates	Orthopaedics Associates	Sequoia Cardiology	Other Recruitment/Group TBD
Gastroenterology x1 Pediatrics x1 Pulmonology x1 Rheumatology x1	Orthopedic Surgery (General) x1 Orthopedic Surgery (Hand) x1	EP Cardiology x1	CT Surgery x2 Family Medicine x5 Gastroenterology x2 General Cardiology x1 Neurology IP/OP x2 OB/GYN x2 Pediatrics x1 Adult Psychiatry x1 Pulmonology OP x1 Urology x3
Oak Creek Anesthesia	Valley ENT	Valley Children's	
Anesthesia - Cardiac x1 Anesthesia - General x1 Anesthesia - Regional x1 Anesthesia - GME Program Dir	Audiology x1 Otolaryngology x1	Maternal Fetal Medicine x2 Neonatology x1 Pediatric Cardiology x1 Pediatric Hospitalist x1	

May Board Report Narrative:

We are excited to welcome, Dr. Walter Gribben to the Kaweah Health team. Dr. Gribben, will be providing much needed outpatient Pulmonology care to our community and has already begun seeing patients in the Kaweah Health Clinic located in 202 W. Willow.

Working with Precision Psychiatry, we have finalized contracts with two of our graduating Psychiatry Residents. They will begin full-time work in Kaweah Health facilities after graduation this year.

We are currently working with three OB/GYN candidates:

- 1) Signed Physician Recruitment Agreement with OB/GYN moving from the West Virginia
- 2) Site visit pending with physician from California
- 3) Screening candidate currently living and working in Texas

We are currently working with three Gastroenterology candidates and hope to have site visits scheduled soon.

The recruitment of additional OB/GYN, Family Medicine, Urology, and Gastroenterology physicians remain top priorities for the Kaweah Health Physician Recruitment team.

Board Report - Physician Recruitment - May 2025



	Specialty	Group	Phase	Expected Start Date
1	Gastroenterology	TBD	Site Visit	
2	OBGYN	TBD	Site Visit	
3	Cardiothoracic Surgery	TBD	Site Visit	
4	Intensivist	Sound	Site Visit	
5	Intensivist	Sound	Site Visit	
6	ENT	Valley ENT	Site Visit	
7	Family Medicine	TBD	Screening	
8	Family Medicine	TBD	Screening	
9	Family Medicine	TBD	Screening	
10	OBGYN	TBD	Screening	
11	Gastroenterology		Screening	
12	Cardiology (EP)		Screening	
13	Cardiothoracic Surgery	TBD	Screening	
14	Gastroenterology	TBD	Screening	
15	Gastroenterology	TBD	Screening	
16	Pulmonology	TBD	Screening	
17	OBGYN	TBD	Screening	
18	Internal Medicine	1099 - KH Direct	Screening	
19	Radiology	Mineral King Radiology	Screening	
20	Radiology	Mineral King Radiology	Screening	
21	Family Medicine	TBD	Screening	
22	Pulmonology	TBD	Offer Extended	
23	Rheumatology	TBD	Offer Extended	
24	Anesthesia (Regional)	Oak Creek	Offer Extended	
25	Neonatology	Valley Childrens	Offer Extended	
26	OBGYN	TBD	Offer Accepted	
27	General Surgery	TBD	Offer Accepted	10/20/25
28	General Surgery	TBD	Offer Accepted	08/01/25
29	Family Medicine	TBD	Offer Accepted	08/01/25
30	OBGYN	1099 - KH Direct	Offer Accepted	
31	Neurology	1099 - KH Direct	Offer Accepted	
32	Urology	1099 - KH Direct	Offer Accepted	03/01/25
33	Endocrinology	1099 - KH Direct	Offer Accepted	
34	Family Medicine NP	CFC	Offer Accepted	
35	Family Medicine	KH Faculty MG	Offer Accepted	
36	Family Medicine	Key Medical Associates	Offer Accepted	
37	Anesthesia (Regional)	Oak Creek	Offer Accepted	04/01/25
38	Anesthesia (CRNA)	Oak Creek	Offer Accepted	04/15/25
39	Anesthesia (CRNA)	Oak Creek	Offer Accepted	04/01/25
40	Psychiatry	Precision Psych	Offer Accepted	06/16/25
41	Psychiatry	Precision Psych	Offer Accepted	06/16/25
42	Neonatology	Valley Childrens	Offer Accepted	07/28/25
43	Cardiothoracic Surgery	TBD	Leadership Call	
44	Family Medicine	TBD	Leadership Call	
45	Internal Medicine	CFC	Leadership Call	
46	Cardiology (EP)	KH Sequoia Cardiology	Leadership Call	
47	Urology	TBD	Applied	
48	Pulmonology	TBD	Applied	

	Specialty	Group	Phase	Expected Start Date
49	Pulmonology	TBD	Applied	
50	Pulmonology	TBD	Applied	
51	Orth Surgeon (Hand)	TBD	Applied	
52	OBGYN	TBD	Applied	
53	Cardiology (EP)	KH Sequoia Cardiology	Applied	
54	Cardiology (EP)	KH Sequoia Cardiology	Applied	
55	Cardiology (EP)	KH Sequoia Cardiology	Applied	

FY25 Strategic Plan



FY 2026 Strategic Plan

May 28, 2025



kaweahhealth.org



Kaweah Health

MORE THAN MEDICINE. LIFE 77/479

Kaweah Health Strategic Plan: Fiscal Year 2025

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

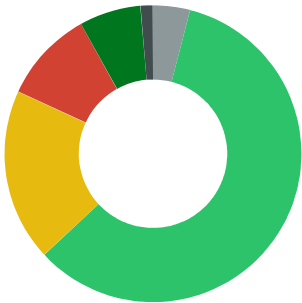
Achieve outstanding community health.
Deliver excellent service.
Provide an ideal work environment.
Empower through education.
Maintain financial strength.

Our Five Initiatives

Ideal Environment
Strategic Growth and Innovation
Outstanding Health Outcomes
Patient Experience and Community Engagement
Physician Alignment

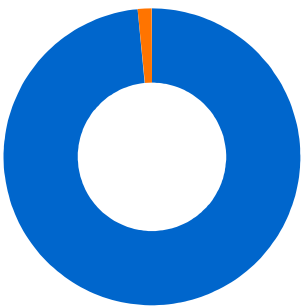
Kaweah Health Strategic Plan FY2025 Overview

Statuses



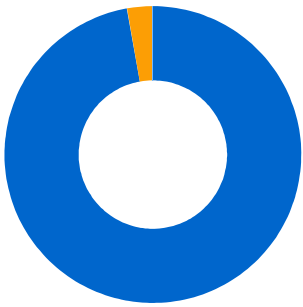
Not Started	6	(4%)
On Track	88	(59%)
Off Track	28	(19%)
At Risk	15	(10%)
Achieved	10	(7%)
Canceled	2	(1%)

Due Dates



Not Past Due	128	(98%)
Past Due	2	(2%)

Progress Updates



Up-to-Date	139	(97%)
Late	4	(3%)
Pending	0	(0%)

Ideal Environment

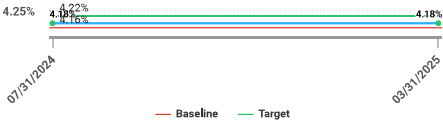
Champions: Dianne Cox and Hannah Mitchell

Objective: Foster and support healthy and desirable working environments for our Kaweah Health Teams

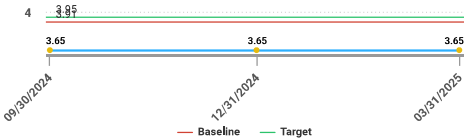
FY2025 Strategic Plan - Ideal Environment Strategies

#	Name	Description	Status	Assigned To	Last Comment
1.1	Integrate Kaweah Care Culture	Integrate Kaweah Care culture into the various aspects of the organization.	On Track	Dianne Cox	The Kaweah Care Steering Committee and its subcommittees are dedicated to embedding the Kaweah Care culture throughout the organization. Employee Engagement and Experience: We have planned a year-round calendar of exciting events to boost employee engagement and synergy, along with recognizing achievements through Starlight awards and Team Pyramid awards. Ideal Practice Environment Committee: Our focus is on enhancing the provider experience by improving the environment, systems, and overall culture. Patient Engagement and Experience Committee: We work on service recovery, patient navigation, managing lost belongings, improving customer service, enhancing the environment, and ensuring timely communication and transitions.
1.2	Ideal Practice Environment	Ensure a practice environment that is friendly and engaging for providers, free of practice barriers.	On Track	Dianne Cox	We have initiated several efforts aimed at enhancing provider experience: Team Rounding: Brief team rounding (60-90 seconds per room) involving a physician, RN, and case manager to streamline communication and improve patient care. Dedicated Workspaces: Will be establishing workstations in key locations including 5T, the library, and various hospital areas. Restoration/remodeling of the Medical Staff lounge, female locker room, and surgery spaces to better support provider needs.
1.3	Growth in Nursing School Partnerships	Increase the pool of local RN candidates with the local schools to increase RN cohort seats and increase growth and development opportunities for Kaweah Health Employees	On Track	Dianne Cox	We have formed partnerships with local high schools for the Career Technical Education program, including Visalia Unified, Cutler, Orosi, Hanford West, Tulare Joint Union, and Lindsay. Additionally, we are rolling out several initiatives: a Leadership Academy, an Emerging Leaders Program, Charge Nurse Development, and Mentorship and Succession Planning. A comprehensive calendar has been created to support and schedule all upcoming learning events.

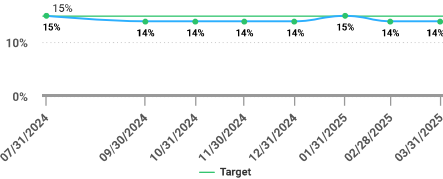
Employee Engagement Survey Score Greater Than 4.2%



Physician and APP Engagement Survey Score Greater Than 3.95%



Decrease Overall Turnover Rate (< 15%)



Strategic Growth and Innovation

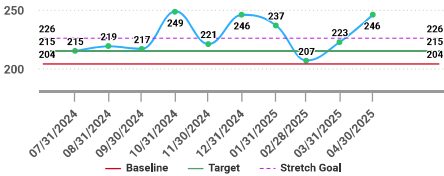
Champions: Marc Mertz and Kevin Bartel

Objective: *Grow intelligently* by expanding existing services, adding new services, and serving new communities. Find new ways to do things to *improve efficiency and effectiveness*.

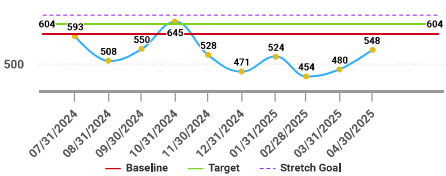
FY2025 Strategic Plan - Strategic Growth and Innovation Strategies

#	Name	Description	Status	Assigned To	Last Comment
2.1	Grow Targeted Surgery/Procedure Volumes	Grow volumes in key service lines, including Orthopedics, Endoscopy, Urology and Cardio Thoracic services.	Off Track	Kevin Bartel	FYTD, only one of the established service line volume goals is being met (orthopedics). Improvement being seen with CT surgery volumes relative to elective procedures with Dr. Bansal establishing her practice. Endo volumes near budget for April, but still below FY25 goal overall.
2.2	Expand Clinic Network	Strategically expand and enhance the existing clinic network to increase access at convenient locations for the community.	On Track	Ivan Jara	We continue to evaluate and pursue growth opportunities through recruitment, acquisitions, new locations, quality initiatives, state/federal programs, and a team-based care model. All areas currently have active projects supporting the expansion of the clinic network.
2.3	Innovation	Implement and optimize new tools and applications to improve the patient experience, communication, and outcomes.	Off Track	Marc Mertz	Valor application for authorizations continues to be delayed. Call center software (SingleComm) has not been deployed in Aker's Finance office. The SingleComm contract ends in June 2025 and a decision must be made to renew the contract or select another solution.
2.4	Enhance Health Plan Programs	Improve relationships with health plans and community partners and participate in local/state/federal programs and funding opportunities to improve overall outcomes for the community.	On Track	Sonia Duran-Aguilar	Monthly meetings with MCPs to discuss CaAIM and quality remain underway. PATH CITED Round 4 application submitted May 2nd 2025, requested \$1,593,120 for Staff Salaries (net new) and other Goods and Services to expand services and fill gaps in care in Tulare County. Work remains underway to fully expand to Children and Youth Population of Focus (0-22) in FY 26. We have been successful in adding a subset of Children and Youth, ages 18-22 with both MCPs, currently updating contracts.
2.5	Explore Organizational Affiliations and Partnerships	Pursue organizational affiliations and partnerships.	On Track	Marc Mertz	We continue to evaluate existing and new partnerships for opportunities to improve care delivery.

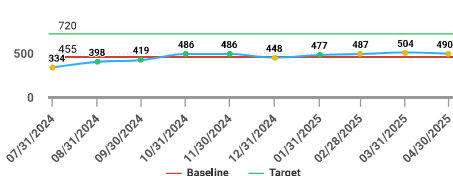
Perform 215 Orthopedic Surgery Cases Per Month



Perform 636 Endoscopy Cases Per Month



Increase Enrollment to 720 Lives in Enhanced Care Management



Outstanding Health Outcomes

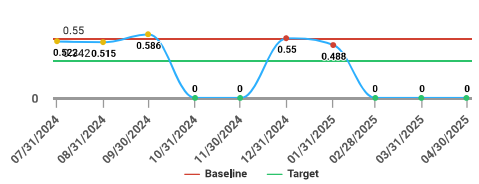
Champions: Dr. Paul Stefanacci and Sandy Volchko

Objective: To consistently deliver high quality care across the health care continuum.

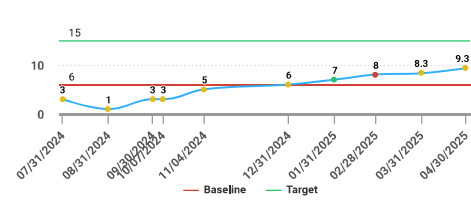
FY2025 Strategic Plan - Outstanding Health Outcomes Strategies

#	Name	Description	Status	Assigned To	Last Comment
3.1	Standardized Infection Ratio (SIR)	Reduce the Hospital Acquired Infections (HAIs) to the national 70th percentile in FYTD24 as reported by the Centers for Medicare and Medicaid Services	At Risk	Sandy Volchko	Key Actions: (1) Reduce line utilization; less lines means less opportunity for infections to occur. (2) Improve environmental cleaning effectiveness for high risk areas. (3) MRSA nasal and skin decolonization for patient with lines. (4)Improve hand hygiene
3.2	Sepsis Bundle Compliance (SEP-1)	Increase SEP-1 bundle compliance to overall 85% compliance rate for FY24 through innovative improvement strategies based on root causes.	At Risk	Sandy Volchko	Next Steps are to enhance engagement with GME through the Sepsis Coordinator (ongoing education, order set utilization). Future State will include a Code Sepsis in the ED.
3.3	Mortality and Readmissions	Reduce observed/expected mortality through the application of standardized best practices.	At Risk	Sandy Volchko	Key Actions: Provide guideline directed medical therapy at discharge and provide guideline directed medical therapy during hospitalization.
3.4	Quality Improvement Program (QIP) Reporting	Achieve performance on the Quality Incentive Pool measures to demonstrate high quality care delivery in the primary care space.	On Track	Sonia Duran-Aguilar	QIP reporting for Performance Year 7 (CY 2024) currently underway with Population Health Data Team and BI Development team collaborating on updating all QIP reports to reflect the Measure Specifications as outlined in the QIP Reporting Manual. Kaweah will report on 15 QIP measures for CY 2024. As of the end of March 2025, 9 reports of the 15 have been completed and validated by both teams. Work to identify the Final Assigned patient population (received from both Managed Care Plans (MCPs) by 4/30/25) the team will refresh and obtain final performance. Report is due to DHCS by 6/16/2025.
3.5	Health Equity	Identify health disparities that improve affordable access to care by enhancing care coordination and more effective treatment through healthy living.	On Track	Sonia Duran-Aguilar	Monthly Health Equity Committee Meeting in place. Identification of disparities for Population of Focus (Pregnant Persons), farmworkers remains underway. Discussion of focus on Maternal/Child Outcomes disparities. 27 patients have been enrolled into the HRSA Care Coordination Project with half of them being farmworkers.
3.6	Inpatient Diabetes Management	Optimize inpatient glycemic management using evidence-based practices to improve patient's glycemic control and reduce hypoglycemic events.	On Track	Sandy Volchko	An inpatient diabetes management team has been established to focus on optimizing diabetes care for patients using Glucocommander (GM), aiming to reduce hypoglycemia rates to or below SHM benchmarks for both critical and non-critical patients, and to minimize recurrent hypoglycemia in these settings to meet or fall below SHM benchmarks. For clinical scenarios where GM is not suitable for managing glycemic excursions, non-Glucocommander power plans are utilized.

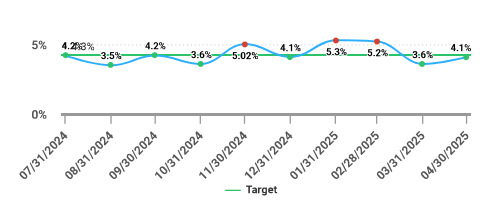
Decrease Standardized Infection Ratio (SIR) CAUTI to < 0.401



Meet or exceed 15 QIP measures in 2024



Hypoglycemia in Critical Care Patients (< 4.3%)



Patient Experience and Community Engagement

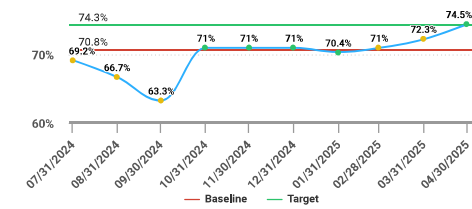
Champions: Marc Mertz and Deborah Volosin

Objective: Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.

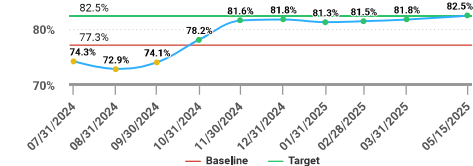
FY2025 Strategic Plan - Patient Experience and Community Engagement Strategies

#	Name	Description	Status	Assigned To	Last Comment
4.1	Highlight World-Class Service/Outcomes (Hospitality Focus)	Develop strategies that give our health care team the tools they need to deliver a world-class health care experience. We aim to be in the 90th percentile over the next three years.	On Track	Deborah Volosin	The parking lot signs and paper maps are completed. We are needing to test a new internal wayfinding app and then we will bring the community group back in. We are continuing to surpass our goal for Best Image/Reputation.
4.2	Increase Compassionate Communication	To reach the 50th percentile in physician and nursing communication and responsiveness of staff on the HCAHPS survey.	On Track	Deborah Volosin	We have started presenting at New Employee Orientation, with a focus on the 'Compassion' element of our mission statement. This allows us to engage with new hires early on and emphasize the importance of patient experience and compassionate communication from the very start. Some units have also rolled our compassionate communication simulations for their departments.
4.3	Enhancement of Systems and Environment	To create a secure, warm and welcoming environment for patients and the community.	On Track	Deborah Volosin	EVS, Facilities, and Patient Experience round together monthly with Marc Mertz to make sure our public spaces are warm and inviting for patient's families and visitors. This gives us the opportunity to fix broken items, identify areas that need to be updated, and to find opportunities to remove clutter.
4.4	Community Engagement	To provide an environment where community members and patients are able to assist staff in co-designing safe, high quality, and world-class care and services.	On Track	Deborah Volosin	The Community Advisory Councils continue to meet monthly.

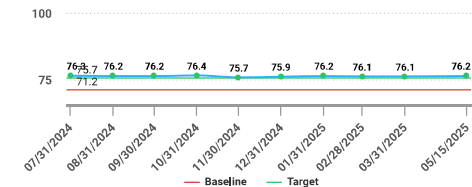
Achieve a score of 74.3 in HCAHPS Overall Rating



Achieve a 82.5 in Nursing Communication Inpatient Score



Achieve a score of 75.7 in the Cleanliness of Clinic Environment



Physician Alignment

Champions: Ryan Gates and JC Palermo

Objective: Develop services and opportunities that improve alignment with and support for contracted and affiliated physician practices.

FY2025 Strategic Plan -Physician Alignment - Strategies

#	Name	Description	Status	Assigned To	Last Comment
5.1	Recruit Providers	Develop a recruitment strategy and employment options for physicians that will assist with recruitment of providers to support community needs and Kaweah Health's growth.	On Track	JC Palermo	The Physician Recruitment Strategy Committee continues to meet. We have established new processes, guidelines, and are having regular strategy discussions about practice locations, compensation, and retainment strategies. The team will continue to meet to ensure we are utilizing our resources as strategically as possible.
5.2	Physician Alignment and Practice Support	Develop services and opportunities that improve alignment with and support for contracted and affiliated physician practices.	On Track	Ryan Gates	Friendly PC agreement executed; terms of Argus contract is agreed upon and signatures started to be collected on 5/9/2025. Practice manager was hired in April to support Friendly PC and onboarding of newly recruited physicians



Monthly Throughput

Patient Throughput Committee

April 2025

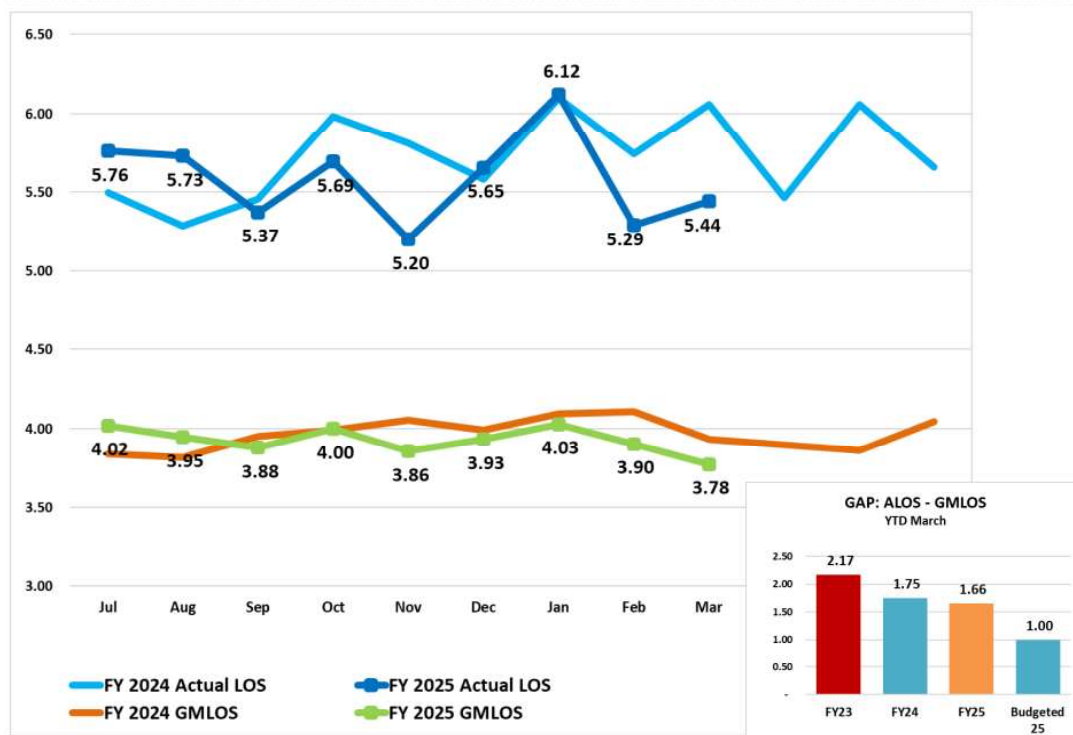


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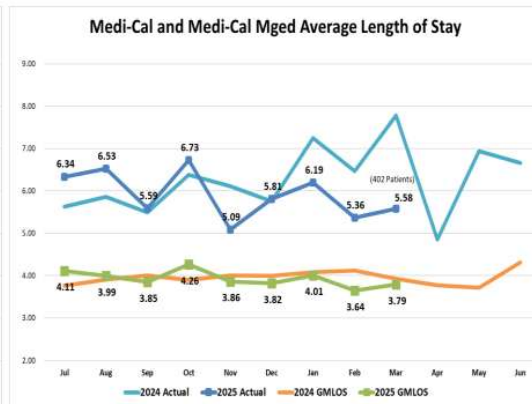
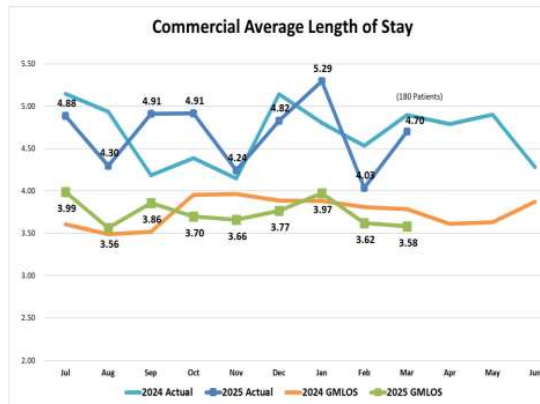
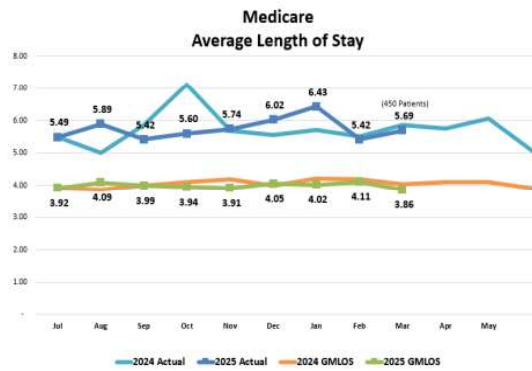
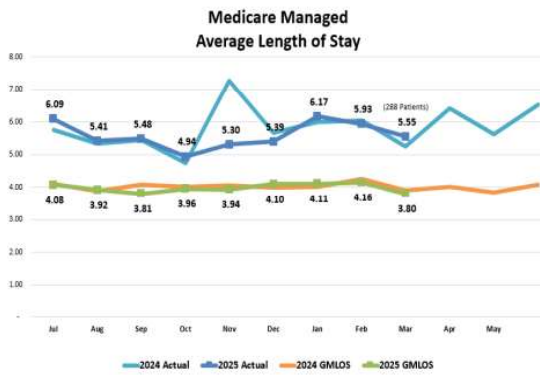
Average Length of Stay versus National Average (GMLOS)



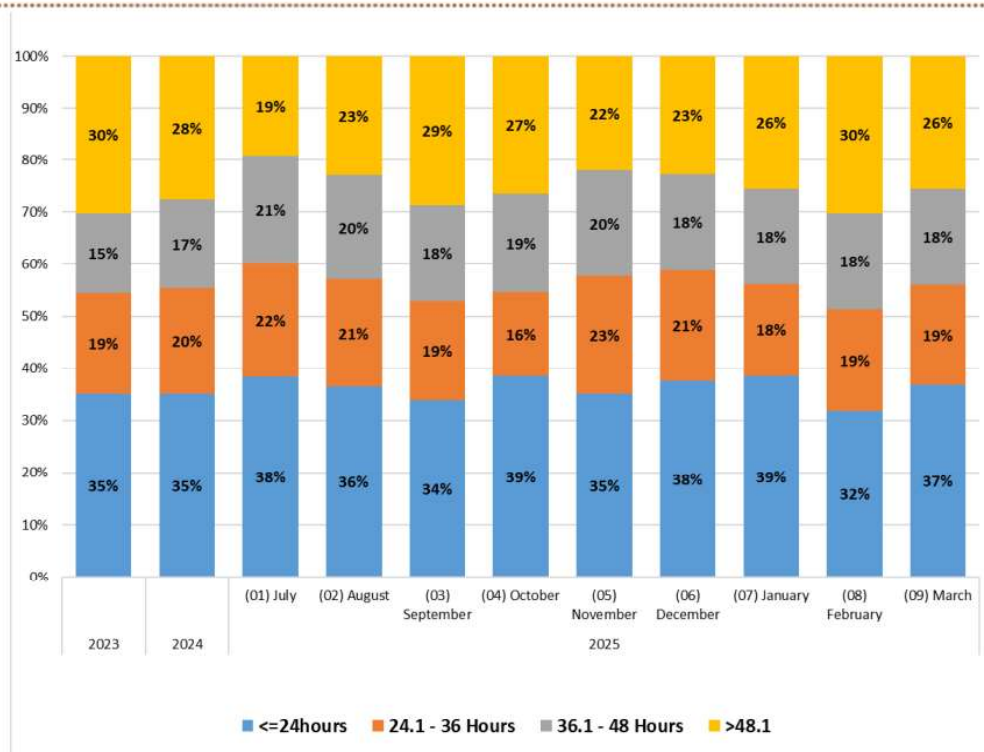
Average Length of Stay Distribution

Overall

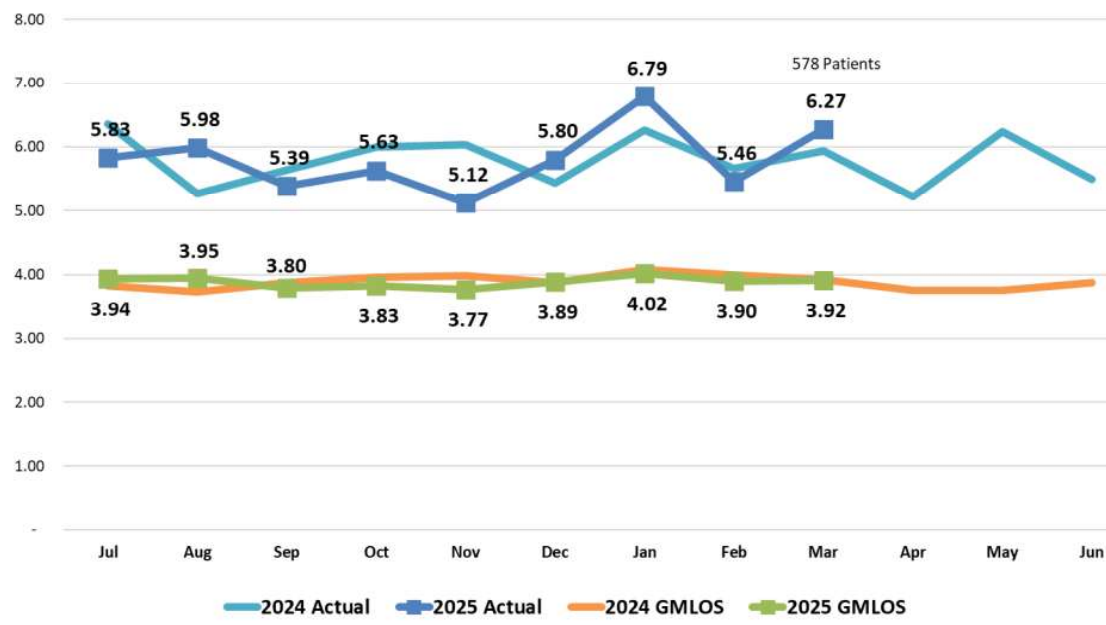




Observation



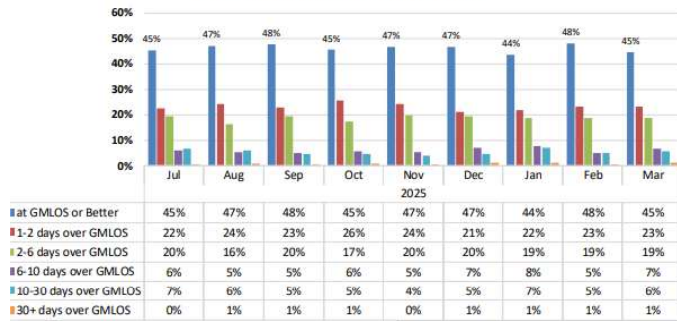
Hospitalist Average Length of Stay



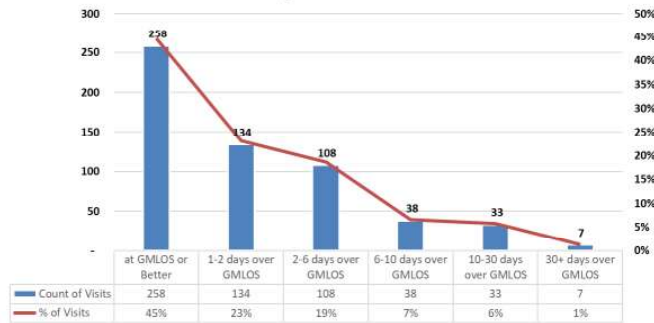
LOS Distribution

Hospitalist

FY25 Hospitalist LOS Distribution



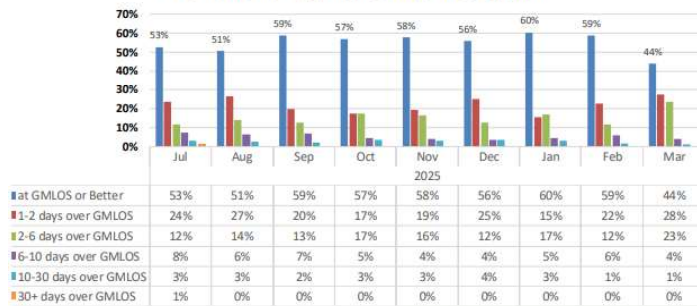
Mar FY25 Hospitalist LOS Distribution



LOS Distribution

Humana Key Medical

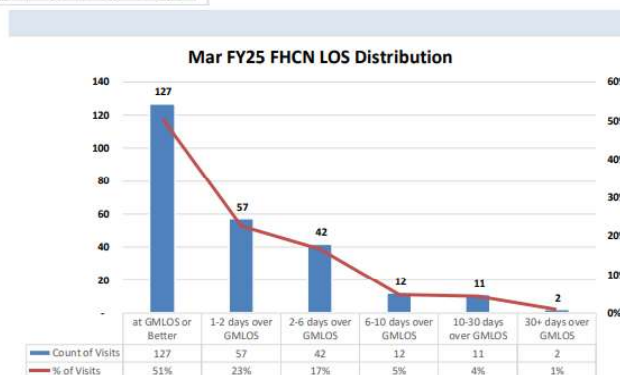
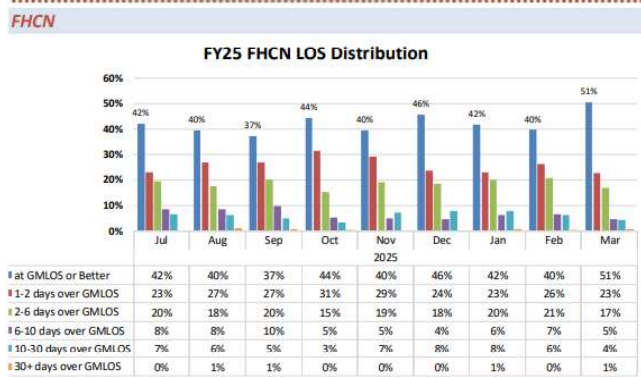
FY25 Humana-Key Medical LOS Distribution



Mar FY25 Humana-Key Medical LOS Distribution

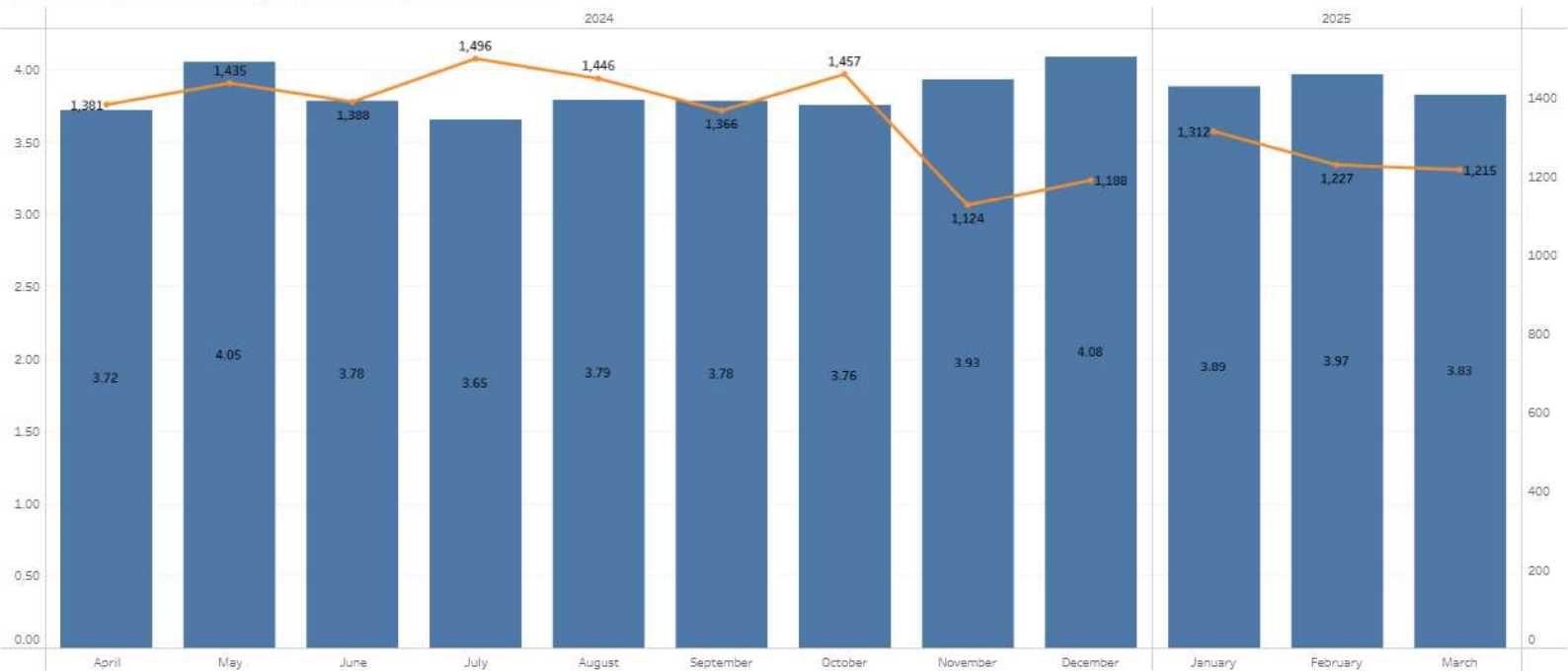


LOS Distribution



Inpatient Average Discharge Order to Discharge Time (Hours)

*Exclusions: Patients with discharge order to discharge time > 24 hours.



Performance Scorecard
Leading Performance Metrics – Emergency Department

Age Group (All) Behavioral Health (All)

Metric	Patient Type	Definition	Goal	Baseline**	Check In Date and Time				
					11/1/2024 12:00:00 AM			3/31/2025 11:59:59 PM	
ED Boarding Time <i>(Lower is better)*</i>	Inpatient	Median time (minutes) for admission order written to check out for admitted patients	150	229	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					153	201	409	371	254
	Observation	Median time (minutes) for admission order written to check out for observation patients	150	286	131	255	515	447	373
	Overall	Median time (minutes) for admission order written to check out for inpatient and observation patients	150	231	153	204	414	375	259
ED Admit Hold Volume <i>(Lower is better)*</i>	Overall >4 Hours	Count of patients (volume) with ED boarding time ≥ 4 hours	N/A	457	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					247	404	695	606	509
ED Length of Stay (ED LOS) <i>(Lower is better)*</i>	Discharged	Median ED length of stay (minutes) for discharged patients	214	275	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					261	265	294	273	260
	Inpatient	Median ED length of stay (minutes) for admitted patients	500	676	541	607	962	868	665
	Observation	Median ED length of stay (minutes) for observation patients	500	706	523	609	1,210	961	729
	Overall	Median ED length of stay (minutes) for admitted and discharged patients	N/A	319	302	305	341	321	306
ED Visits*	Discharged	Count of ED visits for discharged patients	N/A	6,325	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					5,800	6,656	6,718	5,885	6,550
	Inpatient	Count of ED Visits for admitted patients	N/A	1,162	1,121	1,131	1,253	1,100	1,187
	Observation	Count of ED Visits for observation patients	N/A	438	429	434	444	446	468
	Overall	Count of ED visits	N/A	7,925	7,440	8,221	8,415	7,431	8,205

*All metrics above exclude Mother/Baby encounter data.
**Baseline calculation: Previous 6-month rolling median or average based on the metric's calculation

Performance Scorecard

Leading Performance Metrics – Inpatient & Observation

Age Group

(All)

Behavioral Health

(All)

Metric	Patient Type	Definition	Goal	Baseline**	Discharge Date				
					11/1/2024				
Observation Average Length of Stay (Obs ALOS) <i>(Lower is better)*</i>	Overall	Average length of stay (hours) for observation patients	36	43.43					
					Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					36.42	39.91	48.26	50.52	46.23
Inpatient Average Length of Stay (IP ALOS) <i>(Lower is better)*</i>	Overall	Average length of stay (days) for inpatient discharges	5.64	5.60					
					Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					5.24	5.74	6.12	5.33	5.49
Inpatient Observed-to-Expected Length of Stay <i>(Lower is better)**</i>	Overall	Observed LOS / geometric mean length of stay for inpatient discharges	1.32	1.44					
					Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
					1.35	1.46	1.54	1.37	1.45
Discharges*					Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
	Inpatient	Count of inpatient discharges	N/A	1,327	1,231	1,268	1,425	1,290	1,346
	Observation	Count of observation discharges	N/A	801	753	806	803	815	860
	Overall	Count of inpatient and observation discharges	N/A	2,128	1,984	2,074	2,228	2,105	2,206

*All metrics above exclude Mother/Baby encounter data

*O/E LOS to be updated to include cases with missing DRG when available

**Baseline calculation: Previous 6-month rolling median or average based on the metric's calculation

More than medicine. Life.

Average Length-of-Stay (hours) for Observation Patients

Unit Group	Loc Nurse Unit	Month of Discharge Date												
		Mar 2024	Apr 2024	May 2024	Jun 2024	Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025
Med/Surg	KHMC 1E Emergency Room Overflow	13.34	13.28	14.03	16.22	14.70	13.88	08.80	07.51	08.94	11.27	19.19	15.76	09.47
	KHMC 2N Medical Surgical	35.84	39.87	112.29	42.53	66.14	42.48	43.40	51.41	35.18	46.27	76.69	45.32	70.66
	KHMC 2S Medical Surgical	40.11	46.28	39.53	43.15	42.68	38.32	43.06	36.46	38.67	40.15	50.74	48.92	40.81
	KHMC 3N Medical Surgical	48.41	49.72	52.66	70.00	35.64	33.80	45.99	39.91	44.41	50.80	114.18	72.48	135.04
	KHMC 3S Medical Surgical	44.16	149.79	45.75	50.86	47.08	43.62	49.36	49.85	50.76	49.35	55.08	176.34	45.55
	KHMC 4N Medical Surgical	58.81	63.68	60.43	46.97	37.32	39.63	56.66	51.28	30.25	55.37	90.03	66.80	44.05
	KHMC 4S Medical Surgical	76.31	39.51	44.32	65.02	88.55	44.27	36.20	45.83	41.43	63.51	53.42	53.11	40.59
	KHMC 14 Medical Surgical	70.96	59.48	36.00	44.01	31.14	29.65	53.78	48.12	34.85	37.86	70.74	40.39	51.74
	KHMC BP Broderick Pavilion	31.10	28.28	30.09	26.62	27.97	26.44	31.71	28.70	25.14	26.66	34.25	27.19	29.53
ICU	KHMC PE Pediatrics	19.92	21.64	21.32	28.46	19.36	22.69	22.14	21.67	19.44	19.30	27.15	26.58	26.05
	KHMC 3W ICU	67.77								11.92		10.64		
	KHMC 15 ICU				28.75	30.30	54.27		19.92					
	KHMC CV Intensive Care	34.85			38.97	31.95	26.94	38.48	28.85	20.37	33.29	34.81	32.13	18.67
	KHMC IC Intensive Care													38.68

Update	Next Steps
ED Flow - The redesign of the Emergency Department Front End Throughput process has yielded significant improvements in key performance indicators, demonstrating enhanced efficiency and patient care. - Notably, the median door-to-discharge time has shown a consistent downward trend, reaching 257 minutes in the current period, a substantial improvement from 271 minutes in February, 295 minutes in January, and a marked decrease from prior comparable high-volume periods where times exceeded 300 minutes. - This achievement underscores the team's effectiveness in rapidly registering, triaging, and evaluating patients. This expedited initial assessment facilitates the swift initiation of diagnostic workups and treatments, leading to more timely interventions and, consequently, reduced lengths of stay. - Left Without Being Seen (LWBS) rate has been sustained at an exceptionally low 0.8% for the entire month, indicating a significant success in ensuring patients are seen and evaluated, thereby enhancing patient satisfaction and safety.	ED Flow: Sustained Reduction in LOS for Discharged Patients: Achieving and maintaining a significant reduction in the median Length of Stay (LOS) for discharged patients Improvement in Bed Utilization: Demonstrable improvement in the efficient utilization of ED beds. Reduction in EMS Wall Times: Decrease the median EMS offload time to below 45 minutes. <i>(Measure: Median EMS offload time consistently below 45 minutes)</i>
ED to Inpatient Admission Process: - Dr TU educating on process for "Request to Admit" will only be put in after contact initiated with admitting Doc. This will ensure the start time is consistent on each pt admit. - UR work group being formed for utilization of MRI in ED and Inpt, delaying pt progression. - Social Admit new process.	ED to Inpatient Admission Process: - ED CM taking on the role of Gatekeeper. Keeping soft admissions from making it to floor/process DC from ED. Pushing Social Admits up when not able to U-turn. Assuring admissions are viable and ready to transition earlier in day. - EVS to turn over clean rooms more timely - Transport to move patients more timely.
Discharge Disposition - PACPs meetings with great communication of challenges during meeting. Need to expand exchange of data. - Setting expectations for Ensocare response time and reasons for denial - Auth Nurse working directly with PACPs on timely auths for DC. - Assist living and B/C transitioned to Complex Care quicker	Discharge Disposition - CM becoming more fluid at identifying needs for secondary ins before it is needed. - Post Acute Care Partners-PACPs meetings more meaningful. Expectations set for Ensocare response times and auth times. We are weeding through Payers and average auth times for them for baseline data to use for goals to improve. - Action for Improvement of auth time is to have our own dedicated Auth Nurse. - Work through processes with Kaweah Rehab for referrals and acceptance times. Rehab had 118 DC in one quarter and had an average LOS of 11 days. Starting work with Molly-Rehab and Tiffany-Home Health, for efficient processes for discharges. - Assist Living/Board & Care-These are primarily homeless or TBI patients. They are difficult placements. Complex Care will continue to work with PFS on these patients, we will transition them over to complex care sooner. - Long Term Acute Care-LTAC and Sub-acute accounted for the smallest DC of 11 pts. However, those 11 patients had an average LOS of 74 days. We will be looking into Critical Care Plan of Care, Physician and Bedside Prognosis conversation timeliness. We will be looking into the CM/PFS interventions/discussion timeliness and effectiveness.
Observations - Meeting with key healthcare plans to evaluate if prior authorization if required can be changed to not required. Key Medical Group is very interested so far, taking to their Board for final decision May/June. *4/18 update, pending update from Kim F, on this work - Optimization and utilization review of observation power plan with key stakeholder physicians *Need: Provider specific LOS data *4/18 update, meeting with Dr. Tedaldi to review and update Obs power plans for further optimization - Working to create an Echo outpatient process	Observation - Outpatient appointment process optimization: consider expanding the providers that are included - Collaborate with radiology on MRI/CT delays - Evaluate/establish Echo and EEG outpatient appointment process - Evaluate a targeted afternoon discharge round huddle on 2S - Ongoing optimization of observation dashboard

Quarterly Compliance Report

COMPLIANCE PROGRAM ACTIVITY REPORT – Open Meeting
Ben Cripps, Chief Compliance and Risk Officer
February 2025 through April 2025

EDUCATION

Live Presentations

- Compliance and Patient Privacy – New Hire Orientation
- Compliance and Patient Privacy – Management Orientation
- Patient Privacy – Charge Nurse Curriculum

Written Communications – Bulletin Board / Area Compliance Experts (ACE) / All Staff / Leadership

- Non-Discrimination: Discrimination is Against the Law
- Compliance Program Education
- Interpreter Services

PREVENTION AND DETECTION

- **California Department of Public Health (CDPH) All Facility Letters (AFL)** – Review and distribute AFLs to areas potentially affected by regulatory changes; department responses reviewed and tracked to address the regulatory change and identify potential current/future risk
 - Eleven (11) AFL's distributed and tracked between February 2025 – April 2025
- **Medicare and Medi-Cal Monthly Bulletins** – Review and distribute bulletins to areas potentially affected by the regulatory change; department responses reviewed and tracked to address the regulatory change and identify potential current/future risk
 - Three-hundred and forty-five (345) bulletins distributed as assignments to department leaders and tracked between February 2025 – April 2025
 - Thirty-five percent (35%) compliance rate with assignment responses submitted within 15 days per policy. Fallouts are tracked and escalated as appropriate
- **Office of Inspector General (OIG) Monthly Audit Plan Updates** – Review and distribute OIG Audit Plan issues to areas potentially affected by audit issue; department responses reviewed and tracked to identify potential current/future risk
 - Nine (9) OIG audit plan issues distributed and tracked between February 2025 – April 2025
- **California State Senate and Assembly Bill Updates** – Review and distribute legislative updates to areas potentially affected by new or changed bills; department responses reviewed and tracked to address regulatory change and identify potential current or future risk
 - Fifty-four (54) newly approved Assembly Bills distributed and tracked between February 2025 – April 2025
 - Nineteen (19) newly approved Senate Bills distributed and tracked between February 2025 – April 2025

- **Patient Privacy Walkthrough** – Quarterly observations of privacy practices and privacy-related regulatory requirements including signage throughout Kaweah Health’s inpatient and outpatient facilities; issues identified communicated to area Management for follow-up and education
 - Findings of the quarterly privacy walkthroughs performed between February 2025 – April 2025 noted:
 - Loosely placed patient documentation in wall pockets outside of exam rooms; implementation of additional privacy measures
- **Electronic Medical Record (EMR) User Access Privacy Audits** – Daily monitoring of EMR user access through the use of FairWarning electronic monitoring technology which analyzes user and patient data to detect potential privacy violations
 - Average of one hundred and seventy-eight (178) daily alerts reviewed and investigated between February 2025 – April 2025
- **Office of Inspector General (OIG) Exclusion Attestations** – Quarterly monitoring of OIG Exclusion List review and attestations. Monthly screening and review of OIG Exclusion List for non-credentialed providers who have ordered ancillary services for patients presenting at the medical center
 - Eleven (11) non-credentialed providers identified on the Medicare Opt-Out list between February 2025 – April 2025, findings tracked and logged in the system. No additional action required as the patients for whom services were ordered did not have Medicare coverage

OVERSIGHT

- **Fair Market Value (FMV) Oversight** – Ongoing oversight and administration of physician payment rate setting and contracting activities including Physician Recruitment, Medical Directors, Call Contracts, and Exclusive and Non-Exclusive Provider Contracts
- **Medicare Recovery Audit Contractor (RAC) Activity** – Records preparation, tracking, appeal timelines, and reporting
 - The following RAC Audit Activity took place between February 2025 – April 2025:
 - Two (2) new RAC audit requests received, tracked and processed
 - Seventy (70) RAC audit request appeals approved
 - Eighteen (18) RAC audit request appeals denied
- **Licensing Applications and Medi-Cal/Medicare Facility Enrollment** – Forms preparation and submission of licensing applications to the California Department of Public Health (CDPH); ongoing communication and follow-up regarding status of pending applications. The following applications for licensure and/or enrollment were completed between February 2025 – April 2025:
 - Director of Nursing change for Medical Center
 - Administrator and Director of Nursing changes for Skilled Nursing Facility
 - Director of Patient Care and Designee changes for Hospice
 - Licensing Application for Kaweah Health Valencia RHC

- **KD Hub Non–Employee User Access** – Oversight and administration of non-employee user onboarding, privacy education, and user profile tracking; evaluate, document, and respond to requests for additional system access; on-going management of non-employee KD Hub users between February 2025 – April 2025:
 - One-hundred and fifty-three (153) system access applications were received and processed

RESEARCH, CONSULTATION AND OVERSIGHT

- **Required Patient Observation Notices - MOON & Initial Observation Letter** – Consultation; Compliance was engaged to evaluate the requirements regarding the issuance of both the Medicare Outpatient Observation Notice (MOON) and the Initial Observation Letter for Medicare patients. Both Federal and California state law require the issuance of Observation Notices to patients who are receiving outpatient care in an inpatient setting (defined as "observation services"), due to the impact such services have on insurance coverage, billing, and the patient's potential financial liability. The Centers for Medicare and Medicare Services (CMS) requires the MOON to be issued to Medicare and Medicare Advantage patients, while California state law requires Observation Notice letters to be given to all patients placed in Observation, regardless of insurance payor. The review concluded that the MOON and Initial Observation Letter fulfill the same requirement, therefore Medicare and Medicare Advantage patients do not need to receive the Initial Observation letter, as the issuance of the MOON satisfies both federal and state laws. Findings were shared with Patient Access and Case Management Leadership.
- **Outpatient Signage Requirement for Observation Services** – Consultation; Compliance was engaged to re-evaluate the requirements regarding outpatient signage to be displayed within the medical center in areas where patients are receiving observation services. When the law was originally implemented, the Compliance office reviewed the regulation and provided guidance. At the request of Kaweah Health leadership and to confirm the findings of the original interpretation, a review of California state law was conducted to assess the applicability of such requirements within the medical center. Outpatient signage is required in designated observation units outside of an inpatient unit within a General Acute Care Hospital (GACH). Kaweah Health does not have specified observation units within the medical center, rather provides observation services within all medical / surgical inpatient units of the hospital. The review confirmed the original interpretation that observation signage is not required to be placed in areas of the GACH which are not designated as observation units and therefore Kaweah Health is compliant with regulatory requirements. Findings were shared with Patient Access Leadership.

AUDITING AND MONITORING

- **Outpatient Physical Therapy Targeted Probe and Educate** - On February 19, 2025, Medicare Administrative Contractor (MAC) Noridian initiated a prepayment Targeted Probe & Educate Review of thirty (30) outpatient physical therapy claims billed with the Current Procedural Terminology (CPT) code 042x, regarding outpatient physical therapy services. The

review was initiated due to a six-month comparative billing report indicating that Kaweah Health's utilization of CPT code 042x increased by ninety-two percent (92%) within the review period. The purpose of the claim review is to ensure documentation supports the reasonable and necessary criteria of the services billed in accordance with Medicare rules and regulations. Documentation was submitted to Noridian and preliminary results indicate that twenty-nine (29) records have passed review, however the results are outstanding.

- **Cardiac Catheterization Lab Targeted Probe and Educate** - On April 9, 2025, Medicare Administrative Contractor (MAC) Noridian initiated a prepayment Targeted Probe & Educate Review of Cardiac Catheterization Lab claims billed with the Current Procedural Terminology (CPT) code 93458, left heart catheterization with coronary angiography. The review was initiated due to a six-month comparative billing report indicating that Kaweah Health's utilization of CPT code 93458 increased by twenty-seven percent (27%) within the review period. The purpose of the claim review is to ensure documentation supports medical need (medical necessity) in accordance with Medicare rules and regulations. An internal review of code utilization is taking place to understand contributing factors of the increase, which are unknown at this time. Twenty-four (24) claims have been requested for review to date, it is unknown at this time if there will be additional claims requested. Results of the review are outstanding.

Surgical Services & Endoscopy

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

Surgical Services

Jag Batth, COO / Nancy Hungarland, RN – Interim Director of Cardiac and Surgical Services

May 18, 2025

Summary Issue/Service Considered

Surgical Services Financial Summary – FY 2025

As of FY 2025, Surgical Services has an annualized contribution margin of \$26 million, representing a 6% decrease from the prior year's \$27.5 million. Patient case volumes are down 8% year-over-year but remain consistent with FY 2022 levels. Government supplemental funding related to surgery is projected to increase by \$2.5 million this fiscal year.

Inpatient surgical cases and discharges have increased by 2% compared to the prior year. However, the contribution margin declined by 2% (approximately \$552K), totaling just over \$29 million. This decline is primarily attributed to rising inpatient direct care costs, particularly in operating room/anesthesia services and implant expenses.

Outpatient surgery continues to operate at a loss, although performance has improved. The projected loss for FY 2025 is -\$5.2 million, which reflects a 6% improvement over the prior year. However, direct costs per case continue to rise annually.

The endoscopy contribution margin is projected to decline, with an expected total of \$2.0 million for FY 2025.

Overall, the contribution margin trend continues to rebound in the post-COVID environment. Inpatient net revenue per case has increased by 1%, while direct cost per case has risen by 4%. Surgical Services' net revenue per case has increased by 10% while direct cost per case has risen by 11%.

A portion of the overall decline in our contribution margin is further attributed to a shift in some surgical case volumes to nearby hospitals. This shift appears to be influenced by growing organizational pressures associated with certain providers' alignment with their respective medical groups.

Inpatient Surgery

Inpatient surgical discharges have increased 2% compared to the prior year. Despite this growth, the overall contribution margin for inpatient surgery is down slightly, totaling \$29.1 million.

- **General Surgery** accounts for 31% of total inpatient discharges and 26% of inpatient surgical contribution margin. Volumes in this service line have grown by 3%, and the average length of stay (ALOS) has improved, decreasing by nearly a full day.
- **Orthopedic Surgery** represents the largest share of inpatient surgical discharges at 34% and 28% of overall inpatient contribution margin. Discharges in this category are up 10% from the prior year. The contribution margin has increased by \$1.9 million year-over-year, largely due to improved reimbursement rates, outpacing direct costs by approximately 3%. Notably, orthopedic reimbursement has risen 28% from the prior year and now accounts for about one-quarter of the total orthopedic contribution margin. The addition of an orthopedic traumatologist has also significantly enhanced our capacity to retain more orthopedic trauma cases locally, reducing the need to transfer patients to tertiary centers and increasing case volume retention.
- **Multiple Significant Trauma** includes a small but complex set of high-acuity cases, performed by general, orthopedic, neurosurgery, and vascular providers. Due to the intensive nature and high cost of these procedures, a decrease in contribution margin per case is expected in FY 2025, with direct costs increasing at a faster rate than net revenue.

Outpatient Surgery

- Total outpatient surgery volumes are down 5% in FY 2025. The most significant losses are seen in **Medi-Cal**, which has declined by 36% and generates a loss of approximately \$5,800 per case.
- **Managed Care** is the top payer, representing 35% of the outpatient surgical business. This group generated \$842,000 in FY 2025, with a contribution margin per case of \$571.
- **Medi-Cal Managed Care** is the second-largest payer at 24% of the case mix and is associated with a substantial loss of \$5.6 million in FY 2025.
- **Medicare**, representing 22% of outpatient surgical cases, has the highest positive contribution margin per case—\$1,000—the strongest performance for this payer over the past four years.

Endoscopy

- The endoscopy service line is expected to finish FY 2025 with a contribution margin of \$2 million, reflecting a year-over-year decline.
- Case volumes have dropped 21% compared to the prior year, and contribution margin per case has declined to \$745.

- Expenses reported in the performance review (including both inpatient and outpatient endoscopy) are up 1% year-over-year. Direct cost per discharge has increased by 22%.

Quality and Performance Improvement Initiatives – FY 2025

The Surgical Services team continues to focus on enhancing patient outcomes, safety, and operational efficiency through several quality and performance improvement initiatives:

Surgical Quality Improvement Program (SQIP):

This national program is designed to drive continuous improvement in surgical care by monitoring outcomes and identifying opportunities for process enhancement across the entire surgical patient experience.

- **Antibiotic Optimization:**
Led by Anesthesiology, the team is standardizing pre-operative antibiotic dosing protocols to reduce the risk of surgical site infections.
- **Post-Operative Blood Clot Prevention:**
Collaborating closely with floor nursing teams, the program is promoting consistent use of Sequential Compression Devices (SCDs) and early ambulation strategies to prevent post-op deep vein thrombosis (DVT) and pulmonary embolism (PE).
- **Universal Protocol Compliance:**
A strong emphasis has been placed on reinforcing the Universal Protocol—including time-outs and surgical site verification—to enhance overall surgical safety and reduce preventable errors.

Enhanced Recovery After Surgery (ERAS):

Implementation of evidence-based ERAS protocols is underway, currently focused on **Colorectal** and **Orthopedic Surgery**. These protocols aim to reduce complications, shorten length of stay, and improve patient recovery times. Expansion to **Gynecologic Surgery** is planned for **July 2025**.

Operating Room Efficiency Metrics:

Efforts are ongoing to improve throughput and minimize delays in the surgical process.

Policy, Strategic or Tactical Priorities-FY 2025

The Surgical Services team remains focused on addressing key strategic priorities to strengthen operational performance, enhance patient access, and support long-term growth:

- **Expand Inpatient Surgical Volume:**
Initiatives are underway to grow inpatient surgical cases by improving provider alignment, reducing patient transfers, and optimizing operating room utilization.
- **Increase Outpatient Endoscopy Volume:**
Strategies include physician recruitment, scheduling optimization, and equipment standardization to improve access and throughput in endoscopy services.
- **Streamline Supply Utilization and Cost:**
A system-wide review of surgical supply usage is in progress to reduce

variation, ensure cost-effective procurement, and reinforce standardization across service lines.

- **Recruitment of Key Surgical Providers:**

Active efforts are ongoing to recruit additional providers in **General Surgery, Urology, Orthopedics**, and **Endoscopy** to meet current and future demand, improve call coverage, and support service expansion.

Recommendations/Next Steps

In partnership with our surgical providers, we remain committed to advancing strategic growth, operational efficiency, and improved patient outcomes. Key initiatives currently underway include:

- **Maximizing Operating Room Utilization:**

We are actively evaluating the current block schedule to assess utilization trends and accommodate new block time requests from surgeons, ensuring alignment with actual case volumes and access needs.

- **Optimizing Anesthesia Coverage:**

In coordination with surgical scheduling, we are working to better align anesthesia provider coverage with block time demands. This includes adjustments aimed at improving efficiency and reducing overall staffing costs.

- **Enhancing Surgical Access:**

Improvements in OR scheduling and throughput are aimed at reducing care delays and decreasing hospital length of stay for surgical patients. Continued collaboration with our surgeon partners remains essential as we refine operational workflows, expand service lines, and improve scheduling efficiency.

- **Strengthening Provider Engagement:**

Continued collaboration with our surgeon partners remains essential as we refine operational workflows, expand service lines, and improve scheduling efficiency.

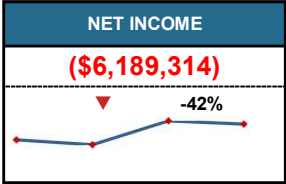
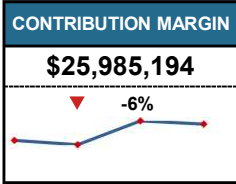
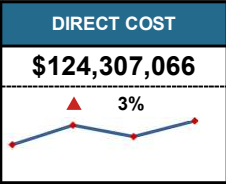
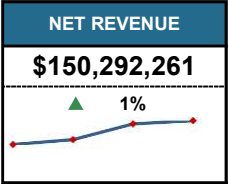
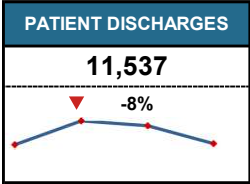
Approvals/Conclusions

Surgical Services continues to deliver high-quality, patient-centered, and cost-effective care to our community. The following physician additions will enhance both surgical capacity and service offerings:

- **Dr. Dean**, Orthopedic Traumatologist – Joined in **September 2024**, significantly enhancing our ability to manage complex trauma cases in-house.
- **Dr. Gribben**, Pulmonologist – Joined in **May 2025** and has introduced **Endobronchial Ultrasound (EBUS)** to our endoscopy services, expanding capabilities in lung cancer staging and diagnosis.
- **Dr. Cowan**, General Surgeon – Will be joining **Dr. Pott's** practice in **Fall 2025**, helping to support general surgery access.
- **Dr. Sabo**, General Surgeon – Expected to join in the **middle of the upcoming fiscal year**, further expanding general surgical capacity.

These additions reflect our ongoing commitment to meeting community needs, supporting strategic growth, and ensuring timely access to surgical care.

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

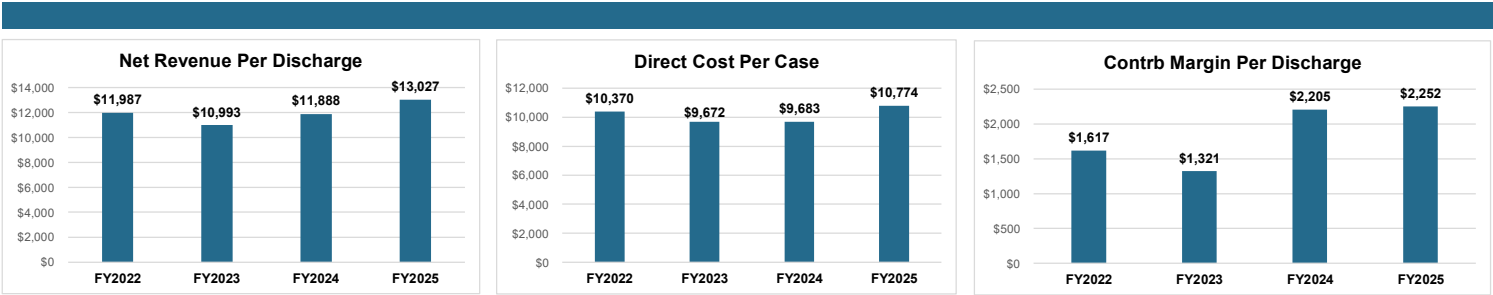
METRICS BY SERVICE LINE - FY 2025 ANNUALIZED THROUGH MARCH

SERVICE LINE	PATIENT DISCHARGES	NET REVENUE	DIRECT COST	CONTRIBUTION MARGIN	NET INCOME
Inpatient Orthopedics	1,007	\$33,669,377	\$25,491,789	\$8,177,588	\$2,586,589
Inpatient General Surgery	921	\$28,350,007	\$20,844,900	\$7,505,107	\$1,297,364
Inpatient Thoracic Surgery	53	\$10,686,133	\$6,965,593	\$3,720,540	\$1,721,628
Inpatient Trauma MSDRGs	105	\$9,229,855	\$5,757,877	\$3,471,978	\$1,875,933
Inpatient Vascular Surgery	315	\$9,190,635	\$6,721,205	\$2,469,430	\$580,858
Outpatient Endoscopy	2,689	\$5,623,078	\$3,618,363	\$2,004,715	\$1,075,963
Inpatient Surgery in Other SLs	219	\$8,102,197	\$6,722,479	\$1,379,719	(\$345,409)
Inpatient Robotic Surgery	123	\$2,671,857	\$1,696,917	\$974,940	\$398,925
Inpatient Neurosurgery	48	\$2,761,249	\$2,104,243	\$657,006	\$122,152
Inpatient Gynecology	53	\$939,459	\$526,507	\$412,953	\$242,044
Inpatient Urology	147	\$2,311,969	\$1,955,776	\$356,193	(\$248,186)
Outpatient Robotic Surgery	244	\$1,776,816	\$1,715,459	\$61,356	(\$503,238)
Outpatient Surgery	5,613	\$34,979,630	\$40,185,961	(\$5,206,331)	(\$14,993,939)
Surgical Services Totals	11,537	\$150,292,261	\$124,307,066	\$25,985,194	(\$6,189,314)

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	11,505	12,762	12,494	11,537	-8%	
Net Revenue	\$137,908,710	\$140,298,027	\$148,531,173	\$150,292,261	1%	
Direct Cost	\$119,305,642	\$123,434,298	\$120,977,086	\$124,307,066	3%	
Contribution Margin	\$18,603,068	\$16,863,728	\$27,554,087	\$25,985,194	-6%	
Indirect Cost	\$33,450,010	\$34,511,466	\$31,907,709	\$32,174,508	1%	
Net Income	(\$14,846,942)	(\$17,647,738)	(\$4,353,622)	(\$6,189,314)	-42%	
Net Revenue Per Discharge	\$11,987	\$10,993	\$11,888	\$13,027	10%	
Direct Cost Per Discharge	\$10,370	\$9,672	\$9,683	\$10,774	11%	
Contrb Margin Per Discharge	\$1,617	\$1,321	\$2,205	\$2,252	2%	

GRAPHS



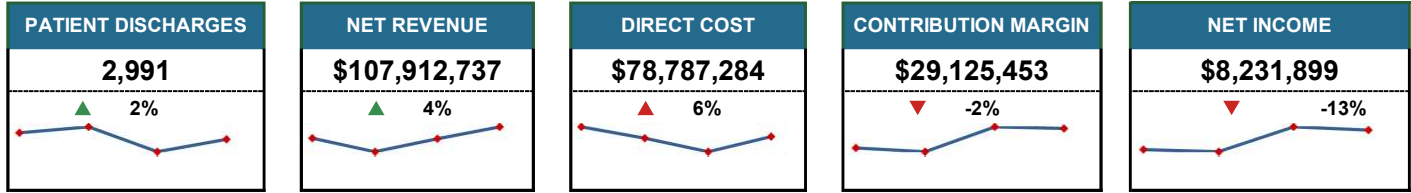
Notes:
Source: Inpatient and Outpatient Service Line Reports
Criteria: Inpatient Surgeries, Outpatient Surgeries and Endoscopy
Criteria: specific selection for each Service Line (noted on the individual Service Line Tabs)

KAWEAH HEALTH ANNUAL BOARD REPORT

Surgical Services - Inpatient Surgery

FY2025

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



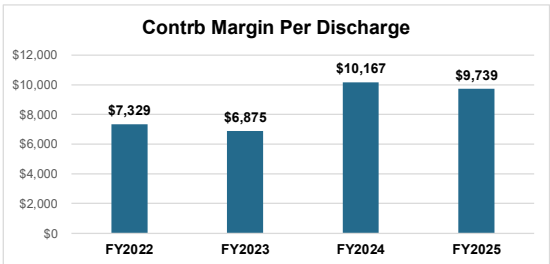
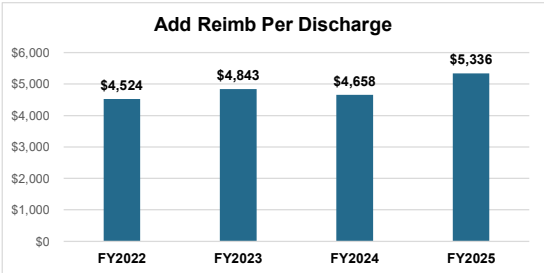
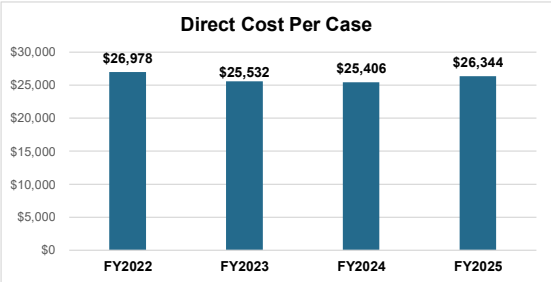
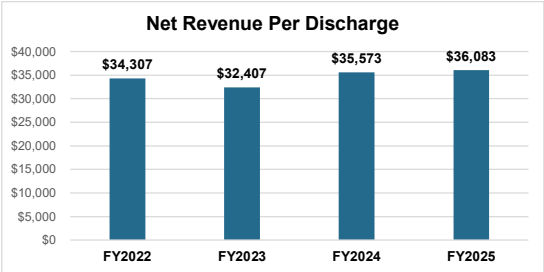
METRICS BY SERVICE LINE - FY 2025 ANNUALIZED THROUGH MARCH

SERVICE LINE	PATIENT DISCHARGES	NET REVENUE	DIRECT COST	CONTRIBUTION MARGIN	NET INCOME
Inpatient Orthopedics	1,007	\$33,669,377	\$25,491,789	\$8,177,588	\$2,586,589
Inpatient General Surgery	921	\$28,350,007	\$20,844,900	\$7,505,107	\$1,297,364
Inpatient Thoracic Surgery	53	\$10,686,133	\$6,965,593	\$3,720,540	\$1,721,628
Inpatient Trauma MSDRGs	105	\$9,229,855	\$5,757,877	\$3,471,978	\$1,875,933
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Inpatient Surgery in Other SLs	219	\$8,102,197	\$6,722,479	\$1,379,719	(\$345,409)
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Inpatient Neurosurgery	48	\$2,761,249	\$2,104,243	\$657,006	\$122,152
Inpatient Gynecology	53	\$939,459	\$526,507	\$412,953	\$242,044
Inpatient Urology	147	\$2,311,969	\$1,955,776	\$356,193	(\$248,186)
Inpatient Surgery Summary	2,991	\$107,912,737	\$78,787,284	\$29,125,453	\$8,231,899

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	3,030	3,064	2,919	2,991	▲ 2%	
Patient Days	23,714	21,841	20,912	20,476	▼ -2%	
ALOS	7.83	7.13	7.16	6.85	▼ -4%	
GM LOS	6.09	6.13	6.00	6.10	▲ 2%	
Net Revenue	\$103,950,861	\$99,295,710	\$103,837,684	\$107,912,737	▲ 4%	
Direct Cost	\$81,742,597	\$78,230,414	\$74,160,066	\$78,787,284	▲ 6%	
Additional Reimb	\$13,709,041	\$14,839,201	\$13,595,363	\$15,956,818	▲ 17%	
Contribution Margin	\$22,208,265	\$21,065,295	\$29,677,618	\$29,125,453	▼ -2%	
Indirect Cost	\$22,241,340	\$22,039,601	\$20,168,353	\$20,893,554	▲ 4%	
Net Income	(\$33,076)	(\$974,305)	\$9,509,265	\$8,231,899	▼ -13%	
Net Revenue Per Discharge	\$34,307	\$32,407	\$35,573	\$36,083	▲ 1%	
Direct Cost Per Discharge	\$26,978	\$25,532	\$25,406	\$26,344	▲ 4%	
Add Reimb Per Discharge	\$4,524	\$4,843	\$4,658	\$5,336	▲ 15%	
Contrb Margin Per Discharge	\$7,329	\$6,875	\$10,167	\$9,739	▼ -4%	

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

GRAPHS

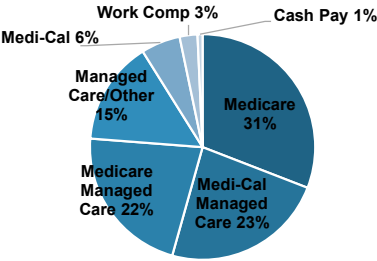


PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

*Annualized

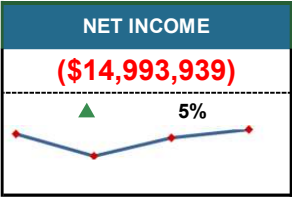
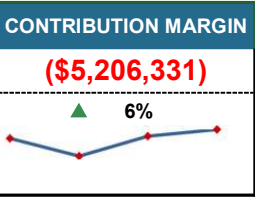
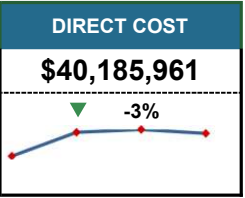
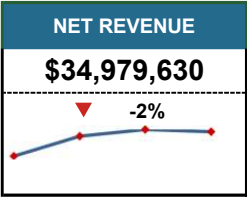
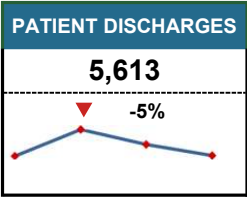
PAYER	FY2022	FY2023	FY2024	FY2025
Medicare	32%	31%	31%	31%
Medi-Cal Managed Care	21%	25%	23%	23%
Medicare Managed Care	18%	19%	20%	22%
Managed Care/Other	18%	17%	18%	15%
Medi-Cal	7%	5%	6%	6%
Work Comp	2%	2%	2%	3%
Cash Pay	1%	0%	1%	1%

FY 2025 PAYER MIX



Notes:
Source: Inpatient Service Line Reports.

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

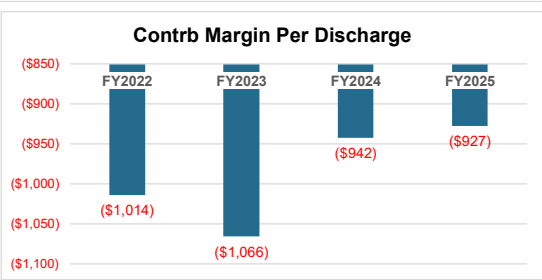
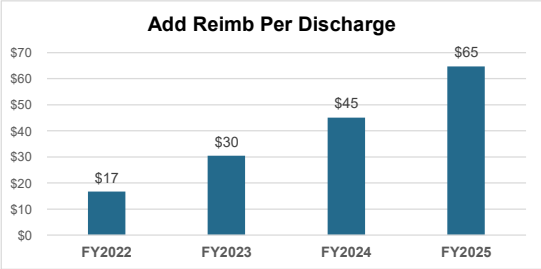
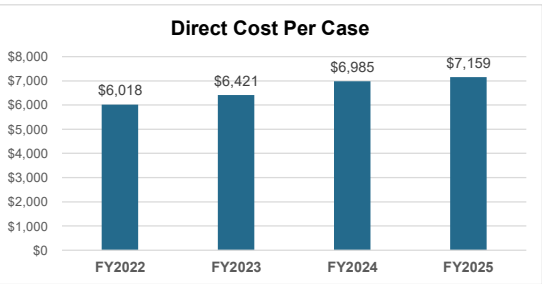
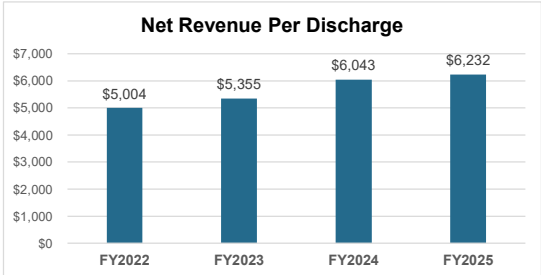


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	5,607	6,299	5,901	5,613	▼ -5%	
Net Revenue	\$28,058,442	\$33,732,096	\$35,659,989	\$34,979,630	▼ -2%	
Direct Cost	\$33,742,859	\$40,446,505	\$41,221,069	\$40,185,961	▼ -3%	
Additional Reimb	\$91,984	\$154,526	\$207,752	\$303,605	▲ 46%	
Contribution Margin	(\$5,684,418)	(\$6,714,408)	(\$5,561,080)	(\$5,206,331)	▲ 6%	
Indirect Cost	\$9,686,380	\$10,775,105	\$10,183,742	\$9,787,608	▼ -4%	
Net Income	(\$15,370,797)	(\$17,489,513)	(\$15,744,823)	(\$14,993,939)	▲ 5%	
Net Revenue Per Discharge	\$5,004	\$5,355	\$6,043	\$6,232	▲ 3%	
Direct Cost Per Discharge	\$6,018	\$6,421	\$6,985	\$7,159	▲ 2%	
Add Reimb Per Discharge	\$17	\$30	\$45	\$65	▲ 43%	
Contrb Margin Per Discharge	(\$1,014)	(\$1,066)	(\$942)	(\$927)	▲ 2%	

PER CASE TRENDED GRAPHS

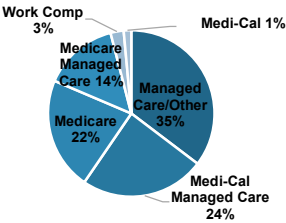


PAYER MIX - 4 YEAR TREND (Patient Volumes)

*Annualized

PAYER	FY2022	FY2023	FY2024	FY2025
Managed Care/Other	36%	35%	34%	35%
Medi-Cal Managed Care	23%	23%	23%	24%
Medicare	22%	23%	22%	22%
Medicare Managed Care	13%	14%	16%	14%
Work Comp	4%	2%	2%	3%
Medi-Cal	2%	2%	2%	1%

FY 2025 PAYER MIX



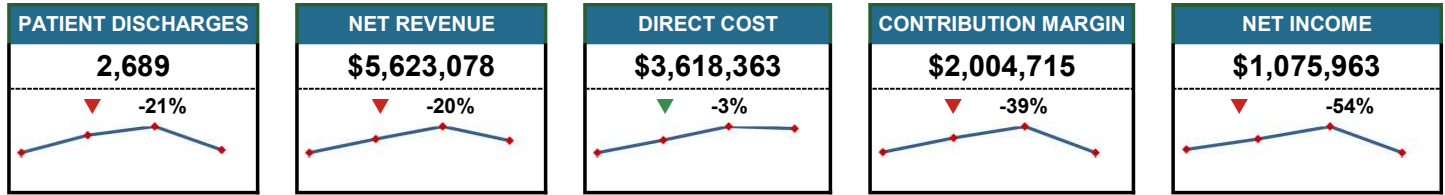
Notes:
Source: Outpatient Service Line Reports
Criteria: Outpatient Service Line is O/P Surgery.

KAWEAH HEALTH ANNUAL BOARD REPORT

Surgical Services - Outpatient Endoscopy

FY2025

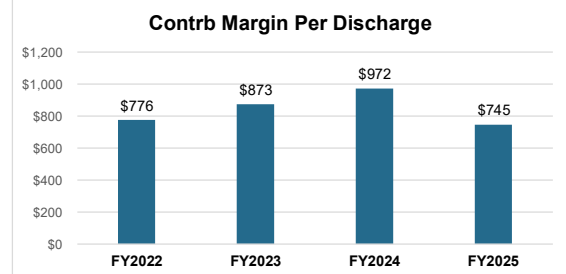
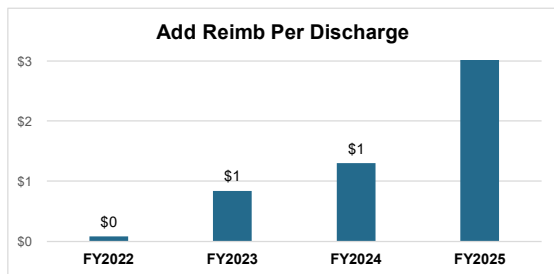
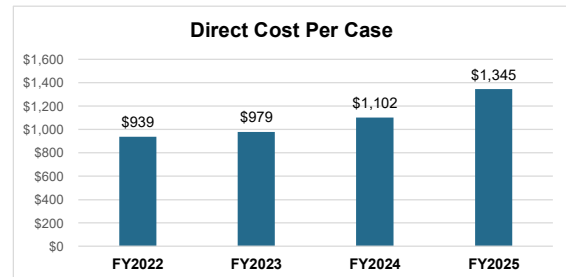
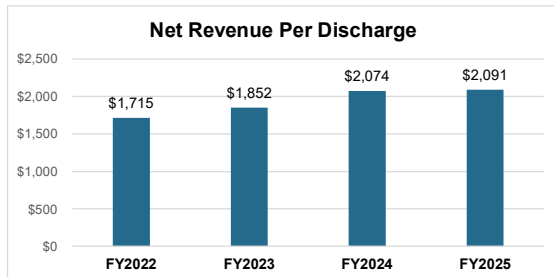
KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	2,615	3,125	3,393	2,689	-21%	
Net Revenue	\$4,484,612	\$5,787,138	\$7,038,028	\$5,623,078	-20%	
Direct Cost	\$2,454,707	\$3,060,206	\$3,739,080	\$3,618,363	-3%	
Additional Reimb	\$240	\$2,094	\$2,729	\$12,186	346%	
Contribution Margin	\$2,029,905	\$2,726,933	\$3,298,948	\$2,004,715	-39%	
Indirect Cost	\$805,689	\$1,014,542	\$967,221	\$928,752	-4%	
Net Income	\$1,224,216	\$1,712,390	\$2,331,727	\$1,075,963	-54%	
Net Revenue Per Discharge	\$1,715	\$1,852	\$2,074	\$2,091	1%	
Direct Cost Per Discharge	\$939	\$979	\$1,102	\$1,345	22%	
Add Reimb Per Discharge	\$0	\$1	\$1	\$5	304%	
Contrb Margin Per Discharge	\$776	\$873	\$972	\$745	-23%	

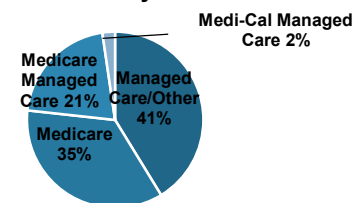
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (Patient Volumes)

PAYER	FY2022	FY2023	FY2024	FY2025
Managed Care/Other	48%	50%	50%	41%
Medicare	31%	31%	28%	35%
Medicare Managed Care	17%	17%	20%	21%
Medi-Cal Managed Care	3%	2%	1%	2%

FY 2025 Payer Mix

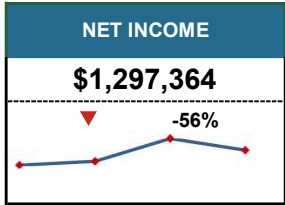
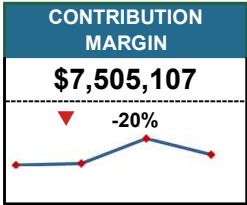
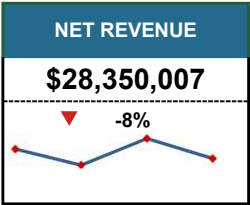
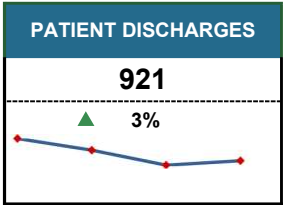


Notes:
Source: Outpatient Service Line Reports
Criteria: Outpatient Service Line is Endoscopy

KAWEAH HEALTH ANNUAL BOARD REPORT
Surgical Services - *General Surgery*

FY2025

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

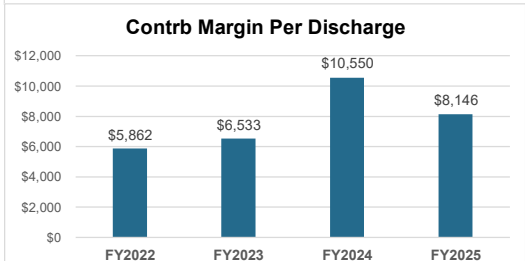
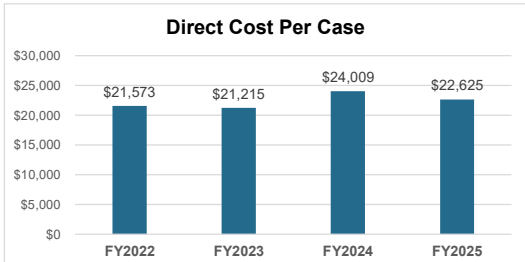
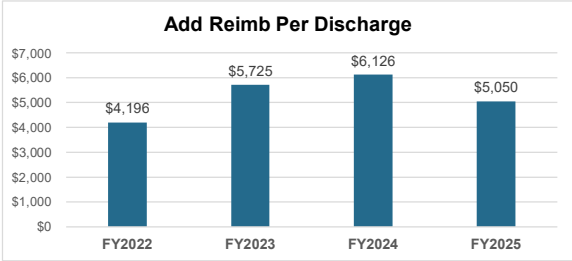
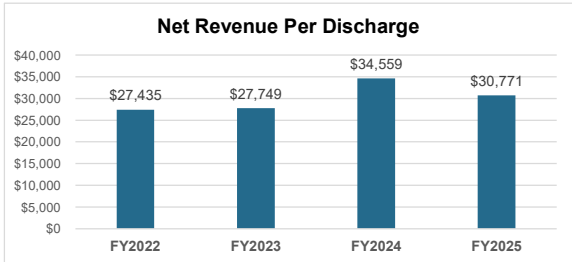


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	Annualized		4 YR TREND
					%CHANGE FROM PRIOR YR		
Patient Discharges	1,074	992	891	921	▲ 3%		
Patient Days	8,052	7,262	7,217	6,703	▼ -7%		
ALOS	7.5	7.3	8.1	7.3	▼ -10%		
GM LOS	5.4	5.2	5.3	5.5	▲ 3%		
Net Revenue	\$29,465,100	\$27,526,746	\$30,792,236	\$28,350,007	▼ -8%		
Direct Cost	\$23,169,741	\$21,045,704	\$21,392,231	\$20,844,900	▼ -3%		
Additional Reimb	\$4,506,649	\$5,678,791	\$5,458,290	\$4,652,351	▼ -15%		
Contribution Margin	\$6,295,359	\$6,481,041	\$9,400,005	\$7,505,107	▼ -20%		
Indirect Cost	\$7,035,485	\$6,694,305	\$6,473,637	\$6,207,743	▼ -4%		
Net Income	(\$740,126)	(\$213,264)	\$2,926,368	\$1,297,364	▼ -56%		
Net Revenue Per Discharge	\$27,435	\$27,749	\$34,559	\$30,771	▼ -11%		
Direct Cost Per Discharge	\$21,573	\$21,215	\$24,009	\$22,625	▼ -6%		
Add Reimb Per Discharge	\$4,196	\$5,725	\$6,126	\$5,050	▼ -18%		
Contrb Margin Per Discharge	\$5,862	\$6,533	\$10,550	\$8,146	▼ -23%		

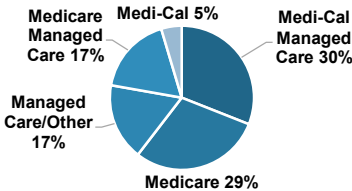
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

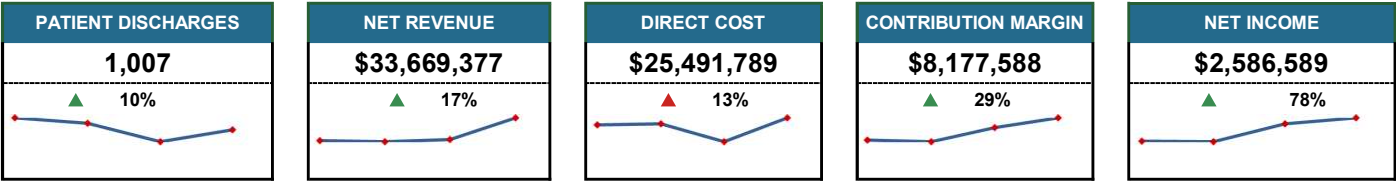
PAYER	FY2022	FY2023	FY2024	FY2025
Medi-Cal Managed Care	28%	29%	27%	30%
Medicare	29%	24%	25%	29%
Managed Care/Other	19%	23%	20%	17%
Medicare Managed Care	16%	14%	18%	17%
Medi-Cal	8%	9%	9%	5%

FY 2025 PAYER MIX



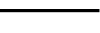
Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Service Line is General Surgery, Surgery Flag= 1 and DaVinci Flag =0

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	*Annualized		4 YR TREND
					%CHANGE FROM PRIOR YR		
Patient Discharges	1,099	1,058	916	1,007	▲	10%	
Patient Days	5,648	5,327	4,645	4,765	▲	3%	
ALOS	5.1	5.0	5.1	4.7	▼	-7%	
GM LOS	3.5	3.5	3.8	3.7	▼	-1%	
Net Revenue	\$28,513,012	\$28,378,485	\$28,786,153	\$33,669,377	▲	17%	
Direct Cost	\$24,581,446	\$24,703,838	\$22,471,087	\$25,491,789	▲	13%	
Additional Reimb	\$1,293,215	\$1,782,570	\$1,587,826	\$2,031,066	▲	28%	
Contribution Margin	\$3,931,566	\$3,674,648	\$6,315,066	\$8,177,588	▲	29%	
Indirect Cost	\$5,881,947	\$5,737,289	\$4,858,188	\$5,590,999	▲	15%	
Net Income	(\$1,950,382)	(\$2,062,641)	\$1,456,878	\$2,586,589	▲	78%	
Net Revenue Per Discharge	\$25,945	\$26,823	\$31,426	\$33,446	▲	6%	
Direct Cost Per Discharge	\$22,367	\$23,350	\$24,532	\$25,323	▲	3%	
Add Reimb Per Discharge	\$1,177	\$1,685	\$1,733	\$2,018	▲	16%	
Contrb Margin Per Discharge	\$3,577	\$3,473	\$6,894	\$8,123	▲	18%	

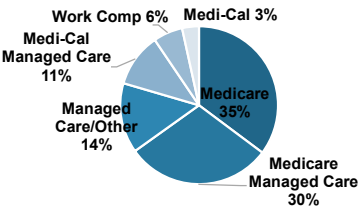
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025	*Annualized	
					%CHANGE FROM PRIOR YR	
Medicare	37%	35%	38%	35%		
Medicare Managed Care	23%	25%	23%	30%		
Managed Care/Other	18%	16%	18%	14%		
Medi-Cal Managed Care	14%	16%	13%	11%		
Work Comp	5%	4%	4%	6%		
Medi-Cal	3%	3%	3%	3%		

FY 2025 Payer Mix



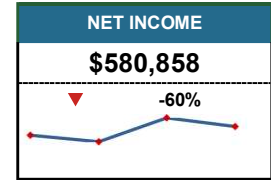
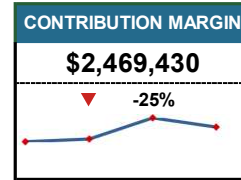
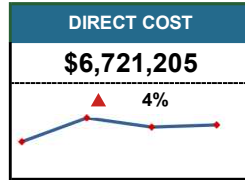
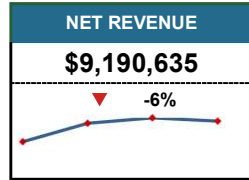
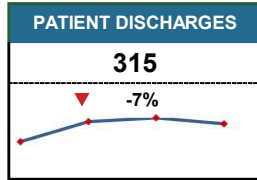
Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Service Line is Orthopedics, Surgery Flag= 1 and DaVinci Flag =0

KAWEAH HEALTH ANNUAL BOARD REPORT

Surgical Services - *Inpatient Vascular Surgery*

FY2025

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

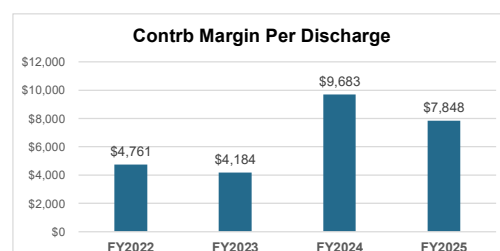
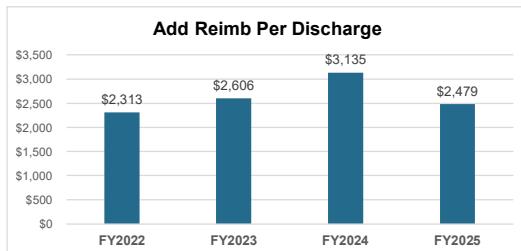
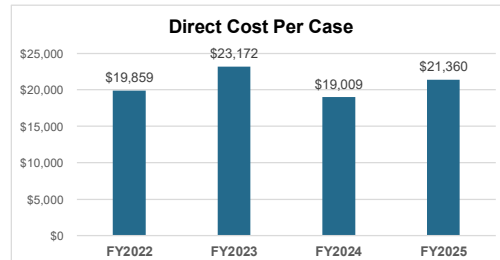
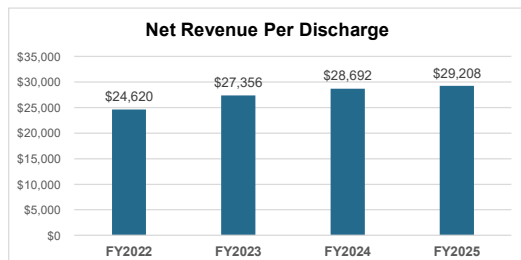


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

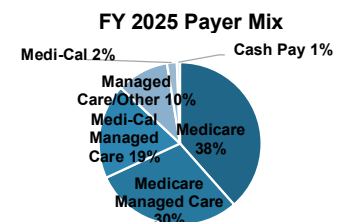
METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	241	324	340	315	▼ -7%	
Patient Days	1,631	2,750	2,335	2,239	▼ -4%	
ALOS	6.77	8.49	6.87	7.11	▲ 4%	
GM LOS	4.87	5.36	4.86	5.26	▲ 8%	
Net Revenue	\$5,933,370	\$8,863,201	\$9,755,331	\$9,190,635	▼ -6%	
Direct Cost	\$4,785,899	\$7,507,726	\$6,462,987	\$6,721,205	▲ 4%	
Additional Reimb	\$557,407	\$844,221	\$1,066,070	\$779,975	▼ -27%	
Contribution Margin	\$1,147,470	\$1,355,475	\$3,292,344	\$2,469,430	▼ -25%	
Indirect Cost	\$1,406,470	\$2,242,241	\$1,841,855	\$1,888,572	▲ 3%	
Net Income	(\$259,000)	(\$886,765)	\$1,450,489	\$580,858	▼ -60%	
Net Revenue Per Discharge	\$24,620	\$27,356	\$28,692	\$29,208	▲ 2%	
Direct Cost Per Discharge	\$19,859	\$23,172	\$19,009	\$21,360	▲ 12%	
Add Reimb Per Discharge	\$2,313	\$2,606	\$3,135	\$2,479	▼ -21%	
Contrb Margin Per Discharge	\$4,761	\$4,184	\$9,683	\$7,848	▼ -19%	

PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025
Medicare	40%	45%	36%	38%
Medicare Managed Care	24%	22%	28%	30%
Medi-Cal Managed Care	21%	19%	23%	19%
Managed Care/Other	12%	11%	10%	10%
Medi-Cal	4%	3%	3%	2%
Cash Pay	0%	0%	0%	1%



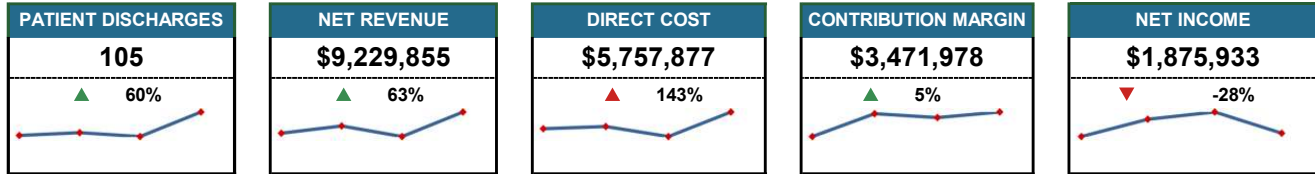
Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Service Line is Vascular Surgery, Surgery Flag= 1 and DaVinci Flag =0

KAWEAH HEALTH ANNUAL BOARD REPORT

Surgical Services - Multiple Significant Trauma Service Line*

FY2025

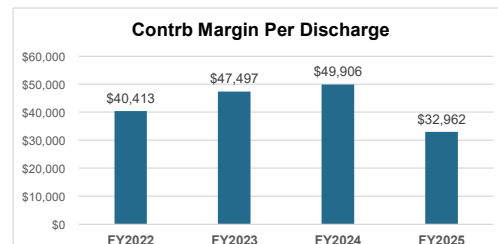
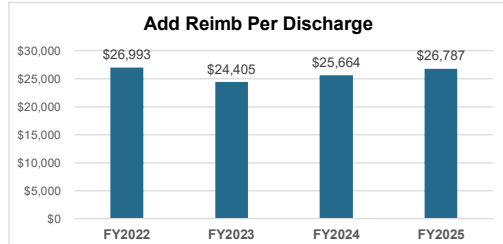
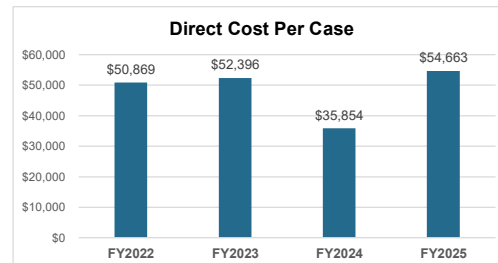
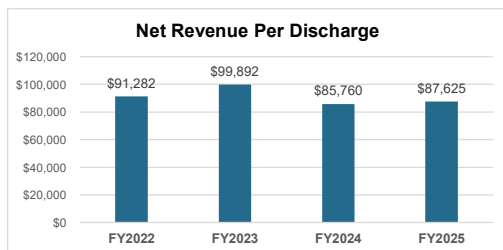
KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



METRICS SUMMARY - 4 YEAR TREND

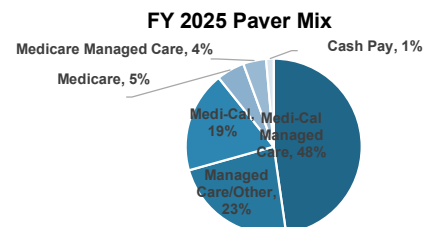
METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	67	72	66	105	60%	
Patient Days	1,024	772	621	1,639	164%	
ALOS	15.28	10.72	9.41	15.56	65%	
GM LOS	7.41	7.60	7.40	7.59	3%	
Net Revenue	\$6,115,913	\$7,192,247	\$5,660,175	\$9,229,855	63%	
Direct Cost	\$3,408,240	\$3,772,492	\$2,366,373	\$5,757,877	143%	
Additional Reimb	\$1,808,550	\$1,757,157	\$1,693,804	\$2,821,579	67%	
Contribution Margin	\$2,707,673	\$3,419,755	\$3,293,802	\$3,471,978	5%	
Indirect Cost	\$937,117	\$1,066,781	\$696,799	\$1,596,045	129%	
Net Income	\$1,770,556	\$2,352,974	\$2,597,003	\$1,875,933	-28%	
Net Revenue Per Discharge	\$91,282	\$99,892	\$85,760	\$87,625	2%	
Direct Cost Per Discharge	\$50,869	\$52,396	\$35,854	\$54,663	52%	
Add Reimb Per Discharge	\$26,993	\$24,405	\$25,664	\$26,787	4%	
Contrb Margin Per Discharge	\$40,413	\$47,497	\$49,906	\$32,962	-34%	

PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

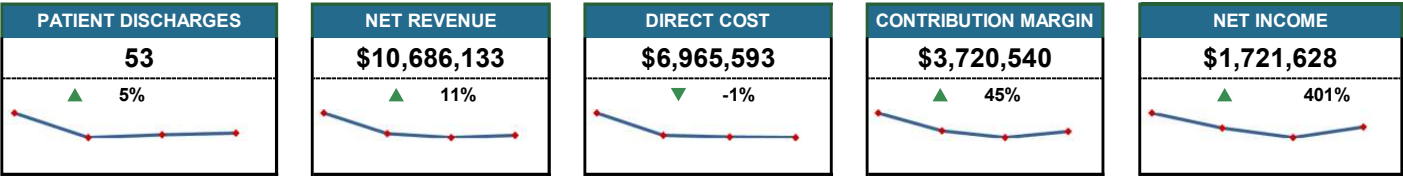
PAYER	FY2022	FY2023	FY2024	FY2025
Medi-Cal Managed Care	38%	45%	45%	48%
Managed Care/Other	27%	27%	21%	23%
Medi-Cal	26%	13%	17%	19%
Medicare	1%	8%	8%	5%
Medicare Managed Care	3%	2%	3%	4%
Cash Pay	5%	3%	1%	1%



Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Service Line is Trauma, Surgery Flag= 1 and DaVinci Flag =0
*The Trauma Service Line is not the same thing as Trauma Activations. The Trauma Service Line is based upon MSDRGs.

Surgical Services - Inpatient Thoracic Surgery

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	*Annualized		4 YR TREND
					%CHANGE FROM PRIOR YR		
Patient Discharges	86	47	51	53	▲ 5%		
Patient Days	4,042	1,880	2,058	1,768	▼ -14%		
ALOS	47.0	40.0	40.4	33.2	▼ -18%		
GM LOS	20.0	20.5	20.0	19.9	▼ -1%		
Net Revenue	\$21,446,725	\$11,349,817	\$9,622,149	\$10,686,133	▲ 11%		
Direct Cost	\$14,247,817	\$7,520,254	\$7,061,642	\$6,965,593	▼ -1%		
Additional Reimb	\$4,440,324	\$2,411,964	\$1,466,877	\$3,508,374	▲ 139%		
Contribution Margin	\$7,198,909	\$3,829,563	\$2,560,507	\$3,720,540	▲ 45%		
Indirect Cost	\$3,706,333	\$2,289,942	\$2,216,590	\$1,998,912	▼ -10%		
Net Income	\$3,492,576	\$1,539,621	\$343,917	\$1,721,628	▲ 401%		
Net Revenue Per Discharge	\$249,381	\$241,485	\$188,670	\$200,365	▲ 6%		
Direct Cost Per Discharge	\$165,672	\$160,005	\$138,464	\$130,605	▼ -6%		
Add Reimb Per Discharge	\$51,632	\$51,318	\$28,762	\$65,782	▲ 129%		
Contrb Margin Per Discharge	\$83,708	\$81,480	\$50,206	\$69,760	▲ 39%		

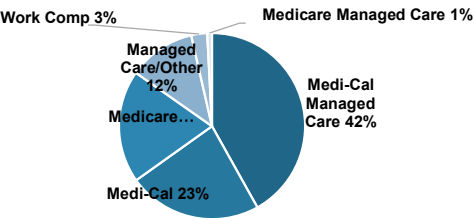
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025
Medi-Cal Managed Care	22%	45%	27%	42%
Medi-Cal	15%	2%	6%	23%
Medicare	24%	21%	35%	20%
Managed Care/Other	19%	12%	20%	12%
Work Comp	5%	0%	2%	3%
Medicare Managed Care	13%	19%	7%	1%

FY 2025 Payer Mix

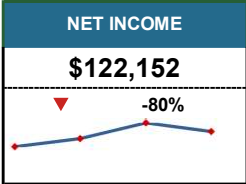
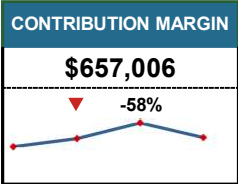
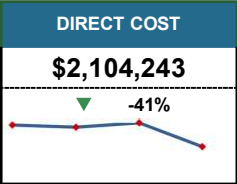
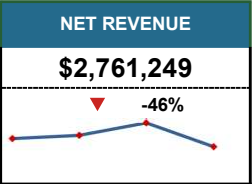
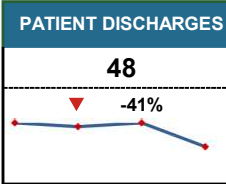


Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Service Line is Thoracic Surgery, Surgery Flag= 1 and DaVinci Flag =0

KAWEAH HEALTH ANNUAL BOARD REPORT
Surgical Services - *Inpatient Neurosurgery*

FY2025

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

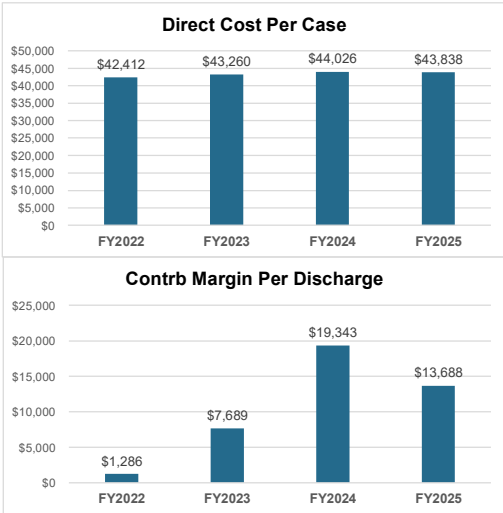
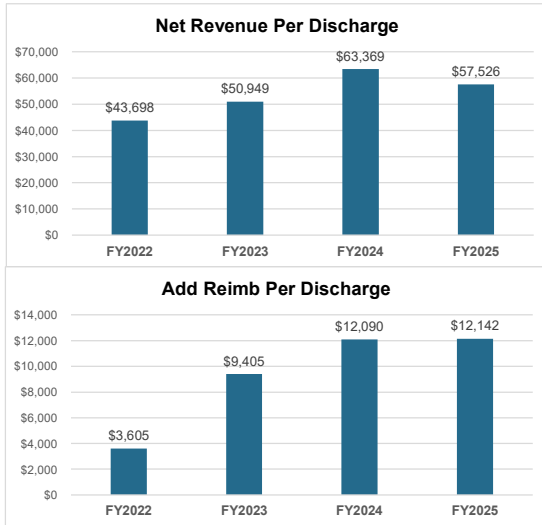


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	81	76	81	48	▼ -41%	
Patient Days	871	731	1,015	515	▼ -49%	
ALOS	10.75	9.62	12.53	10.72	▼ -14%	
GM LOS	5.76	5.96	5.67	6.46	▲ 14%	
Net Revenue	\$3,539,537	\$3,872,159	\$5,132,849	\$2,761,249	▼ -46%	
Direct Cost	\$3,435,397	\$3,287,771	\$3,566,084	\$2,104,243	▼ -41%	
Additional Reimb	\$291,992	\$714,781	\$979,280	\$582,827	▼ -40%	
Contribution Margin	\$104,139	\$584,389	\$1,566,765	\$657,006	▼ -58%	
Indirect Cost	\$823,175	\$858,171	\$943,751	\$534,854	▼ -43%	
Net Income	(\$719,036)	(\$273,782)	\$623,014	\$122,152	▼ -80%	
Net Revenue Per Discharge	\$43,698	\$50,949	\$63,369	\$57,526	▼ -9%	
Direct Cost Per Discharge	\$42,412	\$43,260	\$44,026	\$43,838	▲ 0%	
Add Reimb Per Discharge	\$3,605	\$9,405	\$12,090	\$12,142	▲ 0%	
Contrb Margin Per Discharge	\$1,286	\$7,689	\$19,343	\$13,688	▼ -29%	

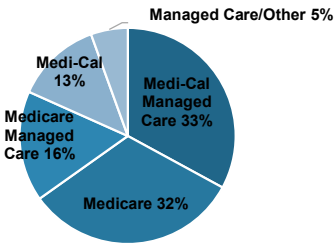
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025
Medi-Cal Managed Care	19%	23%	30%	33%
Medicare	43%	31%	21%	32%
Medicare Managed Care	24%	19%	16%	16%
Medi-Cal	5%	9%	11%	13%
Managed Care/Other	9%	17%	19%	5%

FY 2025 Payer Mix



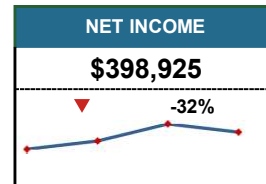
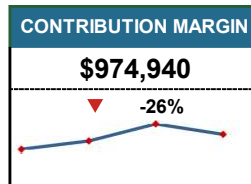
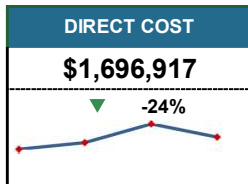
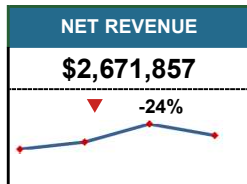
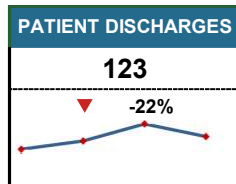
Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Service Line is Neurosurgery, Surgery Flag= 1 and DaVinci Flag =0

KAWEAH HEALTH ANNUAL BOARD REPORT

Surgical Services - *Inpatient Robotic Surgery*

FY2025

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

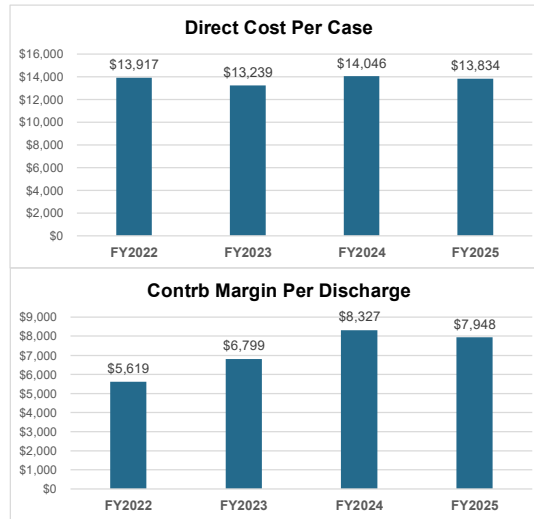
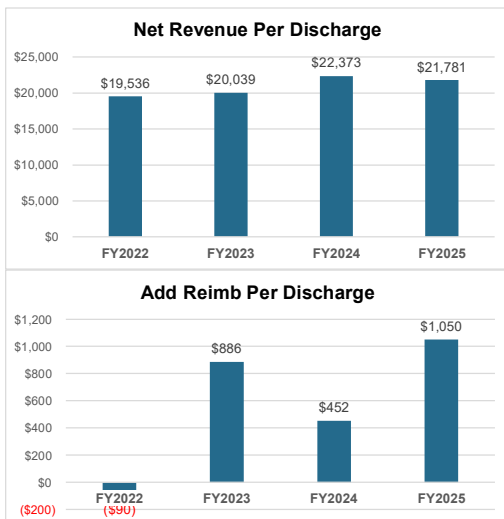


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	87	110	158	123	▼ -22%	
Patient Days	332	359	571	440	▼ -23%	
ALOS	3.82	3.26	3.61	3.59	▼ -1%	
GM LOS	3.49	3.53	3.81	3.89	▲ 2%	
Net Revenue	\$1,699,590	\$2,204,282	\$3,534,859	\$2,671,857	▼ -24%	
Direct Cost	\$1,210,769	\$1,456,340	\$2,219,262	\$1,696,917	▼ -24%	
Additional Reimb	(\$7,801)	\$97,479	\$71,370	\$128,830	▲ 81%	
Contribution Margin	\$488,821	\$747,942	\$1,315,597	\$974,940	▼ -26%	
Indirect Cost	\$479,736	\$558,286	\$727,646	\$576,014	▼ -21%	
Net Income	\$9,086	\$189,656	\$587,951	\$398,925	▼ -32%	
Net Revenue Per Discharge	\$19,536	\$20,039	\$22,373	\$21,781	▼ -3%	
Direct Cost Per Discharge	\$13,917	\$13,239	\$14,046	\$13,834	▼ -2%	
Add Reimb Per Discharge	(\$90)	\$886	\$452	\$1,050	▲ 133%	
Contrb Margin Per Discharge	\$5,619	\$6,799	\$8,327	\$7,948	▼ -5%	

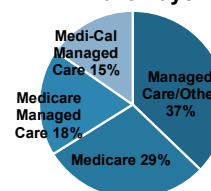
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (Patient Volumes)

PAYER	FY2022	FY2023	FY2024	FY2025
Managed Care/Other	17%	34%	32%	37%
Medicare	46%	46%	28%	29%
Medicare Managed Care	32%	13%	33%	18%
Medi-Cal Managed Care	5%	5%	7%	15%

FY 2025 Payer Mix



Notes:
Source: Inpatient Service Line Report
Selection Criteria: Inpatient Medical Center with Da Vinci Flag =1

KAWEAH HEALTH ANNUAL BOARD REPORT

FY2025

Surgical Services - Inpatient Surgery in other SLs

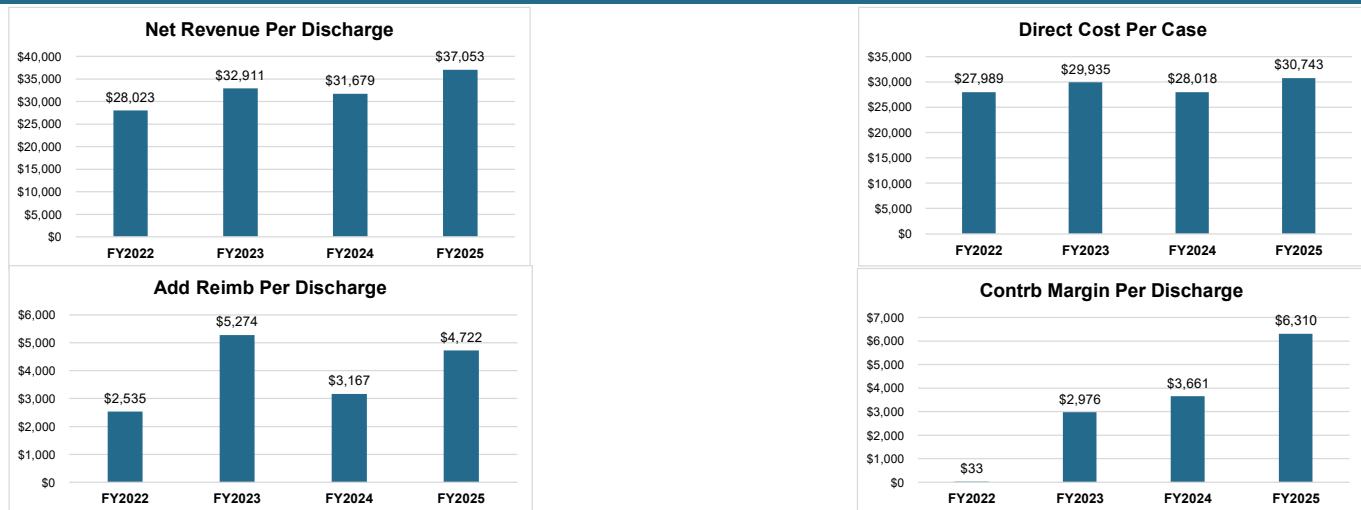
KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	194	210	213	219	3%	
Patient Days	1,631	1,866	1,597	1,705	7%	
ALOS	8.41	8.89	7.50	7.80	4%	
GM LOS	3.74	3.84	3.67	3.66	0%	
Net Revenue	\$5,436,392	\$6,911,249	\$6,747,574	\$8,102,197	20%	
Direct Cost	\$5,429,895	\$6,286,278	\$5,967,772	\$6,722,479	13%	
Additional Reimb	\$491,801	\$1,107,645	\$674,598	\$1,032,609	53%	
Contribution Margin	\$6,497	\$624,971	\$779,802	\$1,379,719	77%	
Indirect Cost	\$1,498,750	\$1,711,904	\$1,575,117	\$1,725,128	10%	
Net Income	(\$1,492,253)	(\$1,086,933)	(\$795,315)	(\$345,409)	57%	
Net Revenue Per Discharge	\$28,023	\$32,911	\$31,679	\$37,053	17%	
Direct Cost Per Discharge	\$27,989	\$29,935	\$28,018	\$30,743	10%	
Add Reimb Per Discharge	\$2,535	\$5,274	\$3,167	\$4,722	49%	
Contrb Margin Per Discharge	\$33	\$2,976	\$3,661	\$6,310	72%	

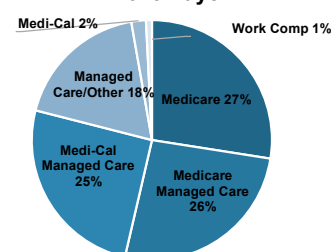
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025
Medicare	41%	37%	30%	27%
Medicare Managed Care	18%	16%	29%	26%
Medi-Cal Managed Care	16%	24%	20%	25%
Managed Care/Other	20%	18%	17%	18%
Medi-Cal	5%	5%	4%	2%
Work Comp	0%	0%	0%	1%

FY 2025 Payer Mix



Notes:

Source: Inpatient Service Line Report

Selection Criteria: Inpatient Service Lines excluding General Surgery, Gynecology, Neurosurgery, Orthopedics, Thoracic Surgery, Trauma, Urology and Vascular Surgery.

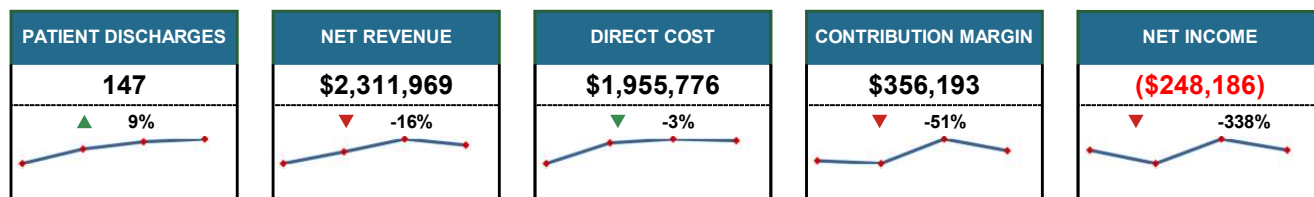
Additional criteria: with Surgery Flag = 1 and Da Vinci flag = 0

KAWEAH HEALTH ANNUAL BOARD REPORT

FY2025

Surgical Services - Inpatient Urology Surgery

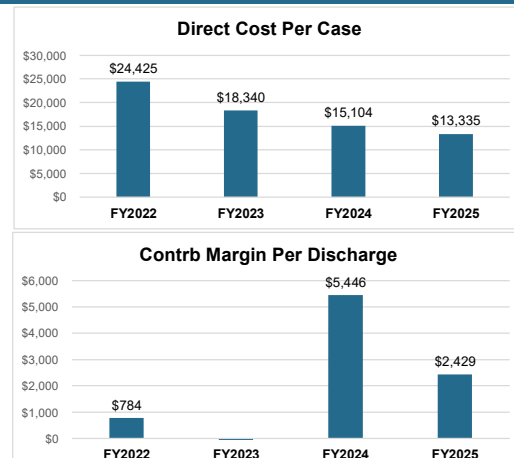
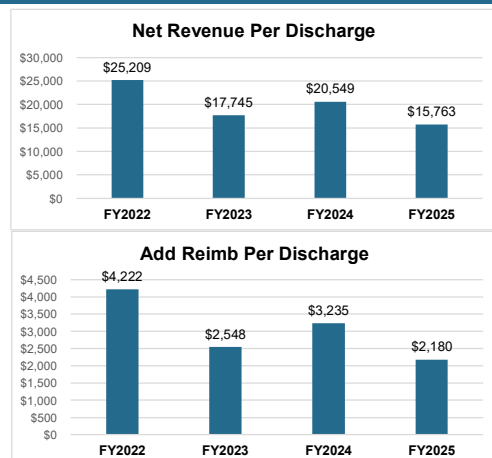
KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	37	101	134	147	9%	
Patient Days	350	687	719	585	-19%	
ALOS	9.46	6.80	5.37	3.99	-26%	
GM LOS	4.65	3.51	3.38	3.15	-7%	
Net Revenue	\$932,748	\$1,792,274	\$2,753,607	\$2,311,969	-16%	
Direct Cost	\$903,734	\$1,852,307	\$2,023,885	\$1,955,776	-3%	
Additional Reimb	\$156,216	\$257,375	\$433,486	\$319,802	-26%	
Contribution Margin	\$29,014	(\$60,034)	\$729,722	\$356,193	-51%	
Indirect Cost	\$274,069	\$603,241	\$625,333	\$604,379	-3%	
Net Income	(\$245,055)	(\$663,275)	\$104,388	(\$248,186)	-338%	
Net Revenue Per Discharge	\$25,209	\$17,745	\$20,549	\$15,763	-23%	
Direct Cost Per Discharge	\$24,425	\$18,340	\$15,104	\$13,335	-12%	
Add Reimb Per Discharge	\$4,222	\$2,548	\$3,235	\$2,180	-33%	
Contrb Margin Per Discharge	\$784	(\$594)	\$5,446	\$2,429	-55%	

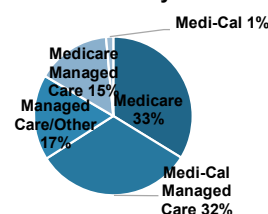
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025
Medicare	29%	41%	20%	33%
Medi-Cal Managed Care	24%	18%	38%	32%
Managed Care/Other	13%	18%	25%	17%
Medicare Managed Care	24%	14%	11%	15%
Medi-Cal	2%	8%	4%	1%

FY 2025 Payer Mix



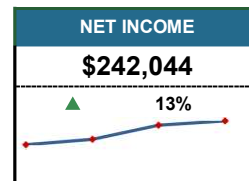
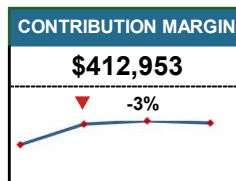
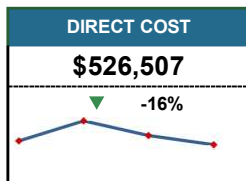
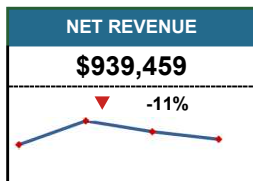
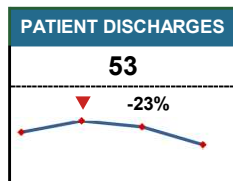
Notes:
 Source: Inpatient Service Line Report
 Selection Criteria: Inpatient Service Line is Urology, Surgery Flag= 1 and DaVinci Flag =0

KAWEAH HEALTH ANNUAL BOARD REPORT

Surgical Services - *Inpatient Gynecology*

FY2025

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025

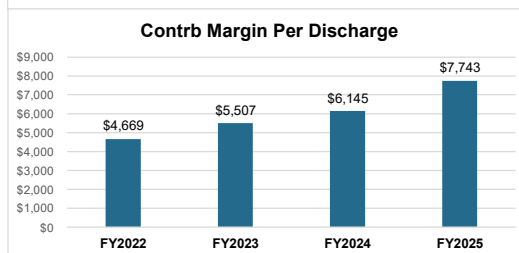
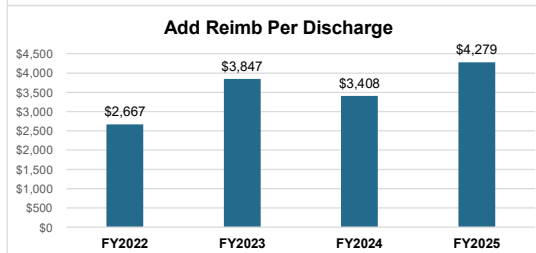
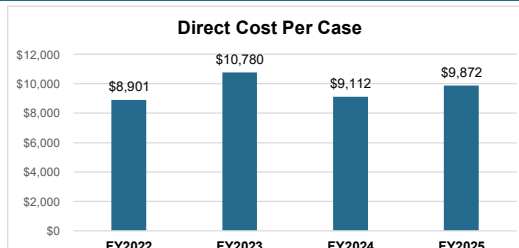
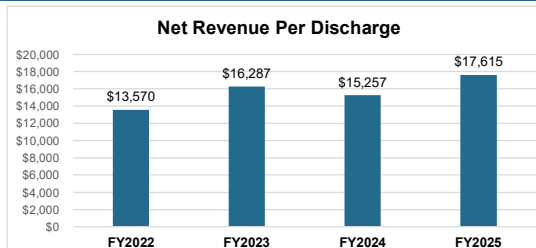


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	64	74	69	53	▼ -23%	
Patient Days	133	207	134	117	▼ -12%	
ALOS	2.08	2.80	1.94	2.20	▲ 13%	
GM LOS	2.12	2.25	2.14	1.92	▼ -11%	
Net Revenue	\$868,475	\$1,205,250	\$1,052,751	\$939,459	▼ -11%	
Direct Cost	\$569,659	\$797,705	\$628,742	\$526,507	▼ -16%	
Additional Reimb	\$170,687	\$284,696	\$235,132	\$228,235	▼ -3%	
Contribution Margin	\$298,816	\$407,545	\$424,009	\$412,953	▼ -3%	
Indirect Cost	\$198,258	\$277,441	\$209,437	\$170,908	▼ -18%	
Net Income	\$100,558	\$130,104	\$214,572	\$242,044	▲ 13%	
Net Revenue Per Discharge	\$13,570	\$16,287	\$15,257	\$17,615	▲ 15%	
Direct Cost Per Discharge	\$8,901	\$10,780	\$9,112	\$9,872	▲ 8%	
Add Reimb Per Discharge	\$2,667	\$3,847	\$3,408	\$4,279	▲ 26%	
Contrb Margin Per Discharge	\$4,669	\$5,507	\$6,145	\$7,743	▲ 26%	

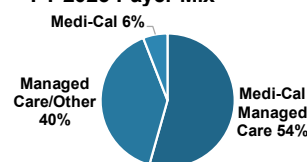
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (TOTAL CHARGES)

PAYER	FY2022	FY2023	FY2024	FY2025
Medi-Cal Managed Care	46%	45%	52%	54%
Managed Care/Other	35%	24%	40%	40%
Medi-Cal	9%	9%	1%	6%

FY 2025 Payer Mix

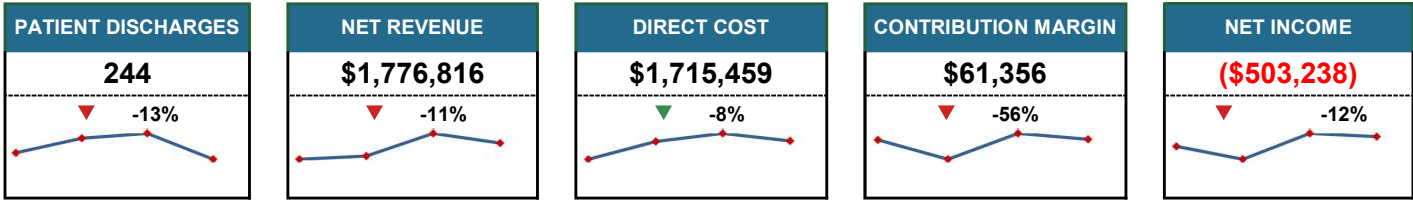


Notes:

Source: Inpatient Service Line Report

Selection Criteria: Inpatient Service Line is Gynecology, Surgery Flag= 1 and DaVinci Flag =0

KEY METRICS - FY 2025 EIGHT MONTHS ENDED MARCH 31, 2025



*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2022	FY2023	FY2024	FY2025	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Discharges	253	274	281	244	▼ -13%	
Net Revenue	\$1,414,795	\$1,483,082	\$1,995,472	\$1,776,816	▼ -11%	
Direct Cost	\$1,365,479	\$1,697,174	\$1,856,871	\$1,715,459	▼ -8%	
Additional Reimb	\$2,062	\$1,257	\$2,214	\$6,683	▲ 202%	
Contribution Margin	\$49,316	(\$214,092)	\$138,601	\$61,356	▼ -56%	
Indirect Cost	\$716,601	\$682,218	\$588,393	\$564,594	▼ -4%	
Net Income	(\$667,285)	(\$896,309)	(\$449,792)	(\$503,238)	▼ -12%	
Net Revenue Per Discharge	\$5,592	\$5,413	\$7,101	\$7,282	▲ 3%	
Direct Cost Per Discharge	\$5,397	\$6,194	\$6,608	\$7,031	▲ 6%	
Add Reimb Per Discharge	\$1	\$1	\$1	\$4	▲ 199%	
Contrb Margin Per Discharge	\$195	(\$781)	\$493	\$251	▼ -49%	

*Annualized

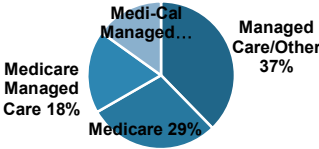
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (Patient Volumes)

PAYER	FY2022	FY2023	FY2024	FY2025
Managed Care/Other	56%	48%	49%	37%
Medicare	16%	23%	23%	29%
Medicare Managed Care	12%	8%	16%	18%
Medi-Cal Managed Care	15%	20%	12%	15%

FY 2025 Payer Mix



Notes:
Source: Outpatient Service Line Reports
Criteria: Outpatient Service Line is DaVinci Flag

AP15-

Policy Number: AP15	Date Created: No Date Set
Document Owner: Kelsie Davis (Board Clerk/Executive Assistant to CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Loan of Kaweah Health Equipment and/or Supplies	

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

POLICY: When not in use by the Kaweah Delta Health Care District dba Kaweah Health and under specific and limited circumstances, certain equipment and/or supplies may be loaned by District facilities to other health care providers and/or organizations within the community.

PROCEDURE:

- I. Other healthcare providers and/or community organizations requesting loan of District-owned equipment and/or supplies may make their request to the Department Manager/Supervisor with responsibility over the specific service area in which the item is stored. Department Managers/Supervisors receiving such requests may, at their discretion, loan equipment and/or supplies which are maintained within their service area provided they are assured that the equipment will be returned in good repair and in sufficient time should Kaweah Health have an immediate need for its return and provided there are adequate supplies on hand such that the loaned supplies are excess inventory.

When the requester is unsure as to the service area holding custody of equipment and/or supplies, the request to borrow shall be directed to the House Supervisor at Kaweah Health Medical Center or the Administrator on Call at Kaweah Health Rehabilitation Hospital.

- II. Neither equipment nor supplies may be loaned to any individual for personal use, even in cases where the individual requesting loan is a staff member or physician of Kaweah Health.
- III. Equipment and/or supplies held as inventory within the Organizational Development Department or Clinical In-service Education Department may **not** be loaned or borrowed by individuals outside of Kaweah Health without the express consent of the Director of Organizational Development or Director of Clinical Education.

Loans to departments within Kaweah Health will be permitted only at times when the equipment or supplies are not in use by the Organizational Development Department or Clinical In-service Education Department and only in cases where the borrower is completely and fully trained in the equipment use.

- IV. All equipment loaned will be returned promptly, will be cleaned, inspected by Clinical Engineering when appropriate and will be in good working order. Loaned

supplies will be promptly replaced with the identical item by the party requesting the loaned supply. Supplies will not be sold to other parties – only loaned and replaced with the identical item. Requests to borrow equipment and/or supplies from health care providers, community organizations, and/or District departments who have previously failed to meet this standard will not be honored.

"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."

approval

AP42-

Policy Number: AP42	Date Created: No Date Set
Document Owner: Kelsie Davis (Board Clerk/Executive Assistant to CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Security of Purchased Equipment and or Supplies	

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

POLICY: Maintaining the security of Kaweah Health equipment and supplies is a high priority. All Kaweah Health staff members are responsible for and will ensure, to the extent possible, the safety and security of all Kaweah Health-owned property in their possession and/or within their proximity.

PROCEDURE:

I. Storage Areas

All areas used to store supplies or equipment on a temporary basis before delivery to using departments shall remain secure at all times.

All access doors to these areas will remain closed and locked at all times when items are not being processed into or out of the holding area by staff members authorized to do so.

II. Warehouse

All supplies and equipment received at the Warehouse or Kaweah Delta Medical Center loading dock is the responsibility of staff members assigned to and working within those areas until properly delivered to and signed for by the ordering department.

Special attention and care shall be taken of items with “resale” or “street value”. If there exists a time where there is concern regarding the safe delivery of any item(s), the individual responsible for that delivery will make contact with his/her supervisor for guidance and assistance to help ensure success.

III. Ordering Department(s)

At the point when supplies and/or equipment are delivered to ordering department(s), security of delivered items becomes the responsibility of the department(s) taking possession.

IV. Shipping equipment for repairs

All equipment returned to a vendor for repair must be insured for the purchased value of the equipment. Capital equipment items should not be shipped anywhere without being properly insured.

"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."

approval

AP123-



Administrative Manual:

Policy Number: AP123	Date Created: Not Set
Document Owner: Kelsie Davis (Board Clerk/Executive Assistant to CEO)	Date Approved: 12/19/2024
Approvers: Board of Directors (Administration), Malinda Tupper (Chief Financial Officer)	
Financial Assistance Program Full Charity and Partial Discount Programs	

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

I. Purpose: Kaweah Delta Health Care District (Kaweah Health) serves all persons within its boundaries and the surrounding region. As a regional hospital provider, Kaweah Health is dedicated to providing high-quality, customer-oriented, and financially strong healthcare services that meet the needs of those we serve. Providing patients with opportunities for Financial Assistance for healthcare services is therefore an essential element of fulfilling the Kaweah Health mission. Kaweah Health is committed to providing access to Financial Assistance programs when patients are uninsured, underinsured, or may need help paying their hospital bill. These programs include government sponsored coverage programs, charity care, and ~~partial-discounted~~ ~~charity~~ care as defined herein. This policy defines the Kaweah Health Financial Assistance Program, its criteria, systems, and methods.

Kaweah Health, like all California acute care hospitals, must comply with Health & Safety Code Sections 127400 et seq., including requirements for written policies providing charity care to financially-qualified patients. Kaweah Health operates a non-profit hospital and, therefore, Kaweah Health must also comply with 26 U.S.C. § 501(r) and its implementation regulations, 26 C.F.R. § 1.501(r), et seq., including requirements related to billing and collections practices for financially-qualified patients. This policy is intended to meet such legal obligations and provides for charity care to patients who financially qualify under the terms and conditions of the Kaweah Health Financial Assistance Program.

Kaweah Health affirms and maintains its commitment to serve the community in a manner consistent with the philosophy of the Board of Directors. This philosophy emphasizes the provision of optimal health care services to aid all persons regardless of age, sex, race, creed, disability, national origin, sexual orientation, gender identity, or financial status. These beliefs have led Kaweah Health to develop a policy for providing charity care for the less fortunate.

II. Definitions:

A. Charity care is defined as health care services provided at no charge to patients who do not have or cannot obtain adequate financial resources or other means to pay for this care and who qualify for free care under the eligibility guidelines specified in this policy. Charity care is in contrast to bad debt, which is defined as uncollectible charges that Kaweah Health recorded as revenue but wrote off due to a patient's or guarantor's actions, despite having the requisite financial resources to pay for health care services, that demonstrate an unwillingness to comply with the obligation to resolve an account.

B. ~~Partial Discounted~~Charity Care is defined as health care services provided at a reduced charge to patients who do not have adequate financial resources or other means to pay for this care and who qualify for a discounted payment under the eligibility guidelines specified in this policy.

~~C. Community Care Rate~~ means the amount Kaweah Health would receive for services under its contract with ~~Blue commercial rates~~~~Cross~~.

~~D.C. Essential living expenses~~¹ means, for purposes of this policy, expenses for all of the following, as applicable to the patient's individual circumstances: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

~~E.D. Financially Qualified Patients~~ are eligible for assistance under this policy for care covered by the policy without regard to whether the patient has applied for assistance under the policy² and includes any of the following:

i) Self-Pay Patients³ are:

- Patients who do not have third party insurance, Medi-Cal, or Medicare, and who do not have a compensable injury for purposes of worker's compensation, automobile insurance, or other insurance as determined and documented by Kaweah Health.

¹ Cal. Health & Safety Code § 127400(i)

² 26 C.F.R. §§ 1-501(r)-1(b)(15)

³ Cal. Health & Safety Code § 127400(f)

ii) **Under-insured Patients** include:

- Patients with high medical costs who have insurance or health coverage but have a remaining patient responsibility balance that they are unable to pay. Remaining patient responsibility balances include out-of-pocket costs, deductibles, and coinsurance that constitute high medical costs as defined below.
- Patients who are eligible for Medi-Cal, Medicare, California Children's Services and any other applicable state or local low-income programs who do not receive coverage or payment for all services or for the entire stay.
- Patients with third-party insurance whose benefits under insurance have been exhausted prior to admission or whose insurance has denied stays, denied days of care, or refused payment for medically necessary services.

iii) **High Medical Cost Patients**⁴ are patients:

- Whose family income is at or below 400% of the Federal Poverty Guidelines;
- Who do not otherwise qualify for ~~full~~ charity care under this policy;
- Who have high medical costs as defined below.

F.E. High medical costs⁵ are defined as annual out-of-pocket medical costs incurred at Kaweah Health that are not reimbursed by insurance or a health coverage program, such as Medicare copays or Medi-Cal cost sharing. The high medical costs incurred by the patient that exceed 10 percent of the Patient's Family Income in the prior 12 months, or annual out-of-pocket medical expenses incurred in the prior twelve (12) months that exceed 10% of the Patient's Family income.

G.F. Patient's Family⁶ is defined as follows:

1. For persons 18 years of age and older, the patient's family includes the patient's spouse, domestic partner, dependent children under 21 years of age, whether living at home or not, and dependent children of any age, if the child(ren) is disabled.
2. For patients under 18 years of age, or patients who are 18-20 years of age and are a dependent child, the family includes the patient's parent, caretaker relatives, other children under 21 years of age of

⁴ Cal. Health & Safety Code § 127400(g)

⁵ Cal. Health & Safety Code § 127400(g)(1) & (2)

⁶ Cal. Health & Safety Code § 127400(h)

the parent or caretaker relative, dependent children of the patient's parents or caretaker relatives if those children are disabled.

III. Policy and Procedures:

Kaweah Health recognizes that the need for charity is a sensitive and deeply personal issue for recipients. Confidentiality of information and individual dignity will be maintained for all who seek charitable services. Training of staff and the selection of personnel who will implement these policies and procedures are guided by these values. Providing charity care (financial assistance) to low-income families along with other community benefit services is important evidence of Kaweah Health's mission fulfillment. It is imperative that the determination, reporting, and tracking of charity care are in concert with our not-for-profit mission and community obligation and in compliance with Assembly Bill No. 774, Assembly Bill 1020, Hospital Fair Pricing Policies and Senate Bill 1276 (Chapter 758, statutes or 2014) and applicable IRS laws and regulations.

Charity care will not be abridged on the basis of age, sex, race, creed, disability, national origin, sexual orientation, gender identity, or financial status.⁷ Medically necessary available health care services, inpatient or outpatient, shall be available to all individuals under this policy. Confidentiality of information and individual dignity will be maintained for all that seek charitable services. The handling of personal health information will meet all HIPAA requirements.

Charity care will be based on income and family size as defined by Federal Poverty Income Guidelines <http://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines-and-the-attached-sliding-scales>.⁸ Kaweah Health will also actively assist an individual in pursuing alternate sources of payment from third parties. Those individuals or families who qualify for alternative programs and services within the community but refuse to take advantage of them will not be covered by this policy. These actions are intended to allow Kaweah Health to provide the maximum level of necessary charity services within the limits of respective resources.

Charity care provided by this policy are available for medically necessary care.⁹ Charity is generally not available for non-medically necessary procedures. However, in certain cases an exception may be made. Exceptions require approval by administration. Specialized, high-cost services (i.e., experimental procedures, etc.) requiring charity care are

⁷ 42 U.S.C. § 18116; 45 C.F.R. §§ 92.1 *et seq.*

⁸ Cal. Health & Safety Code §§ 127405(a)(1)(A), (b).

⁹ 26 C.F.R. § 1-501(r)-4(b)(1)(i).

also subject to the review of administration prior to the provision of service.

A. Identification of Applicant

Kaweah Health makes reasonable efforts to presumptively determine whether a patient is eligible for Financial Assistance based on prior eligibility for Financial Assistance or the use of third-party data to identify Financially Qualified Patients.¹⁰

Any member of the medical staff, any employee, the patient or his/her family and any other responsible party may request charity care from Kaweah Health. Any member of the Patient Financial Services team, other hospital staff, or community advocates may identify possible charity recipients during any portion of the business cycle.

B. How to Apply

Patients may request an application for assistance in person from the Acequia Lobby at the corner of Floral and Acequia, 305 West Acequia Avenue in Visalia, California 93291, over the phone by calling Patient Financial Services at (559) 470-0016 or (559) 624-4200 option 5, or may obtain an application from Kaweah Health's website at [kaweahdelta.org/documents/PDFs/FinancialAssistanceApp-\[english\].pdf](http://kaweahdelta.org/documents/PDFs/FinancialAssistanceApp-[english].pdf). Documentation required to determine eligibility is included on the application. Kaweah Health does not require any documentation not listed on the application form.

The Kaweah Health standardized application form will be available in both English and Spanish, and any other language deemed necessary by the methods discussed in Section VIII, below, and shall be available in any Registration or Patient Accounting area, as well as on the Kaweah Health website.¹¹ For patients who speak a language other than English or Spanish, or who need other accessibility accommodations, Kaweah Health will provide appropriate accommodations, language assistance services, and application assistance free of charge.

C. ~~Full~~ Charity Care

A full write-off of all balances due from a patient, whether the patient is insured, underinsured or self-pay, shall be granted to those financially qualified patients whose family income is up to 200% of the most recent Federal Poverty Guidelines.

Kaweah Health presumes qualified for ~~full~~-charity care any patient who can provide proof that they are eligible for or in a public benefits

¹⁰ 26 C.F.R. §§ 1-501(r)-1(b)(25); 1-501(r)-6(c)(2).

¹¹ 26 C.F.R. § 1-501(r)-4(b)(5)(i)(A).

program such as CalWORKS, CalFresh, SSI/SSP, Medicare Savings Program, WIC, or general assistance/general relief.

Patients who are covered by Medi-Cal are eligible for charity write-offs. This includes patients who have Medi-Cal with a Share of Cost. It also includes charges related to Medi-Cal denied stays or denied days of care, non-covered medically necessary Medi-Cal services received on a Medi-Cal remittance advice, or when otherwise required by law. Treatment Authorization Request (TAR) denials and any lack of payment for non-covered services provided to Medi-Cal patients are to be classified as charity.

D. ~~Partial Discounted~~ Charity Care:

~~Partial Discounted~~ Charity Care will be granted to Financially Qualified Patients earning between 201% and 600% of the Federal Poverty Level based on the most recent Federal Poverty Guidelines.¹² For these patients, expected payment for services will be limited to the amount Kaweah Health would have received from Medicare or Medi-Cal, whichever is greater, ~~and then adjusted by the percentages defined on the attached sliding scales~~.¹³

In determining what if any payment is due from a patient with insurance, the expected payment amount, ~~defined as the amount equal to the Kaweah Health community rate~~, will be compared to the amount paid by their third-party insurance. If the amount paid by the third-party insurance is greater than the expected payment, no payment will be sought from the patient. If the expected payment is greater than the payment received from the third-party insurance, and the patient has a remaining patient responsibility amount, the difference in payment will be sought from the patient subject to a determination of eligibility for financial assistance.

E. Governmental Assistance

Kaweah Health makes all reasonable efforts to determine whether medical care would be either fully or partially paid for under other private or public health insurance. Consideration will be given to coverage offered through private health insurance, Medi-Cal, Medicare, California Children's Services, the California Health Benefit Exchange (Covered California), or other state- or county-funded programs designed to provide health coverage.¹⁴

Commented [RCE1]: We would like to remove the sliding scales reference and replace it with Federal Poverty Guidelines. This would prevent us from updating the attachment yearly. This is not referenced in the findings, but HCAI noted this previously.

HSC § 127405 states the following

(d) A hospital shall limit expected payment for services it provides to a patient at or below 400 percent of the federal poverty level, as defined in [subdivision \(b\) of Section 127400](#), eligible under its discount payment policy to the amount of payment the hospital would expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whichever is greater. If the hospital provides a service for which there is no established payment by Medicare or Medi-Cal, the hospital shall establish an appropriate discounted payment. Patients eligible under this article shall not be required to undergo an independent dispute resolution process.

Commented [CR2]: HCAI did not provide context other than citing this paragraph. Issue #5.

¹² Cal. Health & Safety Code § 127405(a)(1)(A).

¹³ Cal. Health & Safety Code § 127405(d).

¹⁴ Cal. Health & Safety Code § 127420(a).

Kaweah Health provides an application for the Medi-Cal program or other state- or county-funded health coverage programs to patients identified as being potentially eligible for Medi-Cal or any other third- party coverage. This application is provided prior to discharge if the patient has been admitted or to patients receiving emergency or outpatient care.¹⁵

If a patient applies or has a pending application or related appeal for another health coverage program, or for coverage under their health plan at the time an application for charity or discounted care is submitted, neither application shall preclude eligibility for the other program. Kaweah Health will hold any charity care eligibility determinations until the final disposition of the application or appeal of the health coverage program, if the patient makes a reasonable effort to communicate with Kaweah Health about the progress of any pending appeals.

IV. Eligibility Criteria:

A. General Guidelines:

1. Kaweah Health determines eligibility for financially qualified patients in accordance with this policy and applicable state and federal laws.
2. Kaweah Health will not defer, deny, or require payment before providing medically necessary care because of an individual's nonpayment of one or more bills for previously provided care covered under Kaweah Health's Financial Assistance Policy.¹⁶
3. Financially Qualified Patients, as defined above, or any patient who indicates the financial inability to pay a bill for a medically necessary service is screened for charity care.
4. Information obtained during the application process for financial assistance may not be used in the collection process, either by Kaweah Health, or by any collection agency engaged by Kaweah Health, except that such information, if independently obtained, may be used by Kaweah Health or any collection agency engaged by Kaweah Health independently of the eligibility process for charity care.¹⁷
5. A patient's status or claims with respect to worker's compensation, automobile insurance, or other insurance, including potential payments from pending litigation or third-party liens related to the incident of care, may be taken into consideration when evaluating the patient's eligibility for charity care or discount payments.
6. Emergency physicians providing emergency services in Kaweah Health are required to provide discounts to financially qualified patients whose family incomes are at or below 400 percent of the Federal

¹⁵ Cal. Health & Safety Code § 127420(b)(4).

¹⁶ 26 C.F.R. § 1.501(r)-6(b)(1)(iii).

¹⁷ Cal. Health & Safety Code § 127405(e)(3).

Poverty Guidelines.¹⁸ At the patient's request, Kaweah Health will advise patients to apply for charity care to the physician's billing company upon the patient's receipt of a bill for services from that billing company. This statement shall not be construed to impose any additional responsibilities upon Kaweah Health.

B. Eligibility Guidelines

The following factors are used in the determination of financially qualified recipients and the amount of charity extended.

1. Patient Income

The Federal Poverty Guidelines as established by Health and Human Services will be used to determine annual income guidelines and limits.¹⁹

To determine the patient's eligibility for financial assistance, Kaweah Health considers the patient's family size and family income. Kaweah Health considers annual family earnings and cash benefits from all sources before taxes, less payments made for alimony and child support.

Earnings for the purposes of determining eligibility will be based on ~~the patient's income at the time the patient was first billed and the lower of either the patient's projected annual family income or the patient's family current income level at the time of application for financial assistance.~~²⁰

The applicant may be asked to provide acceptable income verification, such as recent payroll stubs, tax returns, or other items or verification.²¹ If the patient is unemployed or does not receive payroll stubs, a written statement of need must be provided by the patient or the patient's representative attesting to their income and employment status as part of their financial assistance application.

2. Other Sources of Payment for Services Rendered

The appropriate amount of charity care is determined in relation to the amounts due after applying all other sources of payment. Kaweah Health provides applications for other sources of payment, such as Medi-Cal, if requested by the patient, or if the patient does not indicate coverage by a third-party payor or requests a discounted price or charity care.²²

Commented [CR3]: I added the language HCAI recommended based on HSC 127435. We need clarification if this is the correct route to go as the laws wording is not clear.

Commented [RB4R3]: The portion I deleted relates to how someone qualifies for Medi-Cal benefits. We cannot require a patient to apply for those benefits before screening them for financial assistance.

¹⁸ Cal. Health & Safety Code § 127452(a)

¹⁹ Cal. Health & Safety Code § 127405(b).

²⁰ ~~C.f. Cal. Welfare & Institutions Code § 14005.65124345(c).~~

²¹ Cal. Health & Safety Code § 127405(e)(1).

²² Cal. Health & Safety Code § 127420(b)(4).

C. Patients without Housing

Patients without a residence, source of family income, and mailing address will be classified as charity care eligible. Consideration for charity care must also be given to emergency department patients who do not provide adequate information as to their financial status. In many instances, these patients are homeless and have few resources to cover the cost of care.

D. Special Circumstances

Charity care may be granted in special circumstances to those who would not otherwise qualify for assistance under this policy. Kaweah Health will document why the decision was made and why the patient did not meet the regular criteria. Special circumstances may include:

- (1) Deceased patients without an estate or third-party coverage.
- (2) Patients who are in bankruptcy or recently completed bankruptcy.
- (3) On rare occasions, a patient's individual circumstances may be such that while they do not meet the regular charity care criteria in this policy, they do not have the ability to pay their Kaweah Health bill. In these situations, with the approval of management (see subsection VII, below), part or all of their cost of care may be written off as charity care.

V. Timelines

A. Eligibility Period

Eligibility for charity care may be determined at any time Kaweah Health is in receipt of information regarding a patient's family income and financial situation.²³ While it is preferred that such patients be screened upon admission, they may be screened at any time, including throughout any third-party collections process.

Once granted charity care, services the patient receives in the 6-month period following that approval will also remain eligible for such charity care. However, if over the course of that 6-month period the patient's family income or insurance status changes to such an extent that the patient may be ineligible for free or discounted care, the patient has an obligation to report those changes to Kaweah Health. Such subsequent services would require a new charity care application. Any patient may be required to re-apply for charity care after their 6-month eligibility period has expired. Nothing shall limit the number of times a person may request charity care or discounted payments.

²³ Cal. Health & Safety Code § 127405(e)(4).

B. Time Requirements for Charity Care Eligibility Determination Every effort is made to determine a patient's eligibility for charity care as soon as possible. While it is desirable to determine the amount of charity care for which the patient is eligible as close to the time of service as possible, there is no limit on the time when an application or the eligibility determination is made. A determination will be postponed while insurance or other sources of payment are still pending.

The timeframe to make a decision on an application will be extended if the patient has a pending appeal for coverage of the services, until a final determination of that appeal is made.²⁴ The patient shall make a reasonable effort to communicate with Kaweah Health about the progress of any pending appeals.

For purposes of this section, "pending appeal" includes any of the following:²⁵

- (1) A grievance or appeal against a health plan;
- (2) An independent medical review;
- (3) A fair hearing for a review of Medi-Cal eligibility or claims; or
- (4) An appeal regarding Medicare coverage consistent with federal law and regulations.

The timeframe to make a decision on an application may also be extended if a patient is attempting to qualify for coverage under any third-party insurance, Medi-Cal, or Medicare, or if the patient has a pending claim with respect to workers' compensation, automobile insurance, or other insurance, including potential payments from pending litigation or third-party liens related to the incident of care.

In some cases, a patient eligible for charity care may not have been identified prior to initiating external collection action. Accordingly, Kaweah Health requires its collection agencies to comply fully with all pertinent state and federal laws and regulations, with this policy on charity care, and with Kaweah Health's Credit and Collection Policy.²⁶ This will allow the agency to report amounts that they have determined to be uncollectible due to the inability to pay in accordance with Kaweah Health's charity care eligibility guidelines.

VI. ~~Partial-Discounted~~Charity Care ~~Discount~~ Payment Plans

Kaweah Health will make available reasonable, no-interest payment plans for patients qualifying for ~~Partial-Discounted~~Charity Care under this policy.²⁷

²⁴ Cal. Health & Safety Code § 127426(a).

²⁵ Cal. Health & Safety Code § 127426(c).

²⁶ Cal. Health & Safety Code § 127425(b).

²⁷ Cal. Health & Safety Code § 127425(i).

The plan will be individually negotiated between the patient and Kaweah Health based on the rates outlined in Section III.D. ("~~Partial Discounted~~~~Charity~~ Care"), above.²⁸ A reasonable payment plan means monthly payments cannot exceed more than ten percent of a patient's family income for a month after deductions for essential living expenses, as defined in Section II above²⁹.

In the event a Financially Qualified Patient still has a remaining balance after payment has been received from third-party payers and an application for financial assistance has been processed, expected payment for services will be ~~based on the attached sliding scales~~ limited to the amount Kaweah Health would have received from Medicare or Medi-Cal, whichever is greater.

Any patient who inquires about a payment plan for an outstanding balance who has not already applied for assistance will be informed of the availability of financial assistance and screened for eligibility under this policy.

If a patient defaults in making regular payments, Kaweah Health makes reasonable efforts to contact the patient by phone and in writing, giving notice that the extended payment plan may become inoperative.³⁰ An attempt at renegotiating the payment plan will be done at the request of the patient or their guarantor. Kaweah Health initiates collection efforts only after reasonable efforts to contact the patient have failed and after 90 days of non-payment. Kaweah Health does not report adverse information to a credit-reporting bureau ~~until the extended payment plan has been declared inoperative.~~

VII. Patient Finance Processes

E. Who can grant Charity Care Eligibility

Kaweah Health provides personnel who have been trained to review Financial Assistance applications for completeness and accuracy. Application reviews are completed as quickly as possible considering the patient's need for a timely response.

A Financial Assistance determination will be made only by approved Kaweah Health personnel according to the following levels of authority:

- Account Specialist, Patient Financial Services: Accounts less than \$5,000
- Supervisor, Patient Financial Services: Accounts less than \$25,000
- Manager, Patient Financial Services: Accounts less than \$50,000

²⁸ Cal. Health & Safety Code § 127405(b).

²⁹ Cal. Health & Safety Code § 127400(i).

³⁰ Cal. Health & Safety Code § 127425(i).

Commented [RCE5]: We would like to remove the sliding scales reference since there is no attachment. We would like to have this replaced with "For these patients, expected payment for services will be limited to the amount Kaweah Health would have received from Medicare or Medi-Cal, whichever is greater" reference page 6.

HSC § 127405 states the following

(d) A hospital shall limit expected payment for services it provides to a patient at or below 400 percent of the federal poverty level, as defined in [subdivision \(b\) of Section 127400](#), eligible under its discount payment policy to the amount of payment the hospital would expect, in good faith, to receive for providing services from Medicare or Medi-Cal, whichever is greater. If the hospital provides a service for which there is no established payment by Medicare or Medi-Cal, the hospital shall establish an appropriate discounted payment. Patients eligible under this article shall not be required to undergo an independent dispute resolution process.

- Director of Patient Financial Services: Accounts less than \$100,000
- Chief Financial Officer: Accounts greater than \$100,000

B. Review of Decision

Once a determination has been made, a notification letter will be sent to each applicant advising them of Kaweah Health's decision.

In the event of a dispute prior to an eligibility determination, a patient may seek review from the Patient Accounting Supervisor, Revenue Cycle Manager or Director of Revenue Cycle.³¹

If a patient's application for assistance is denied, the patient has the right to an appeal and review of that decision. A patient may request further review by contacting the Patient Accounting Department. The patient shall include with the appeal an explanation of the dispute and rationale for reconsideration. The patient shall also include any additional relevant documentation to support the patient's appeal.

The review process shall consist of these level of management:

1. First Level: Revenue Cycle Manager
2. Second Level: Director of Revenue Cycle

C. External Collections

Accounts will not be sent to a collection agency if the patient is in the process of applying for charity care or discounted payment. If the patient does not comply with requests for information or refuses to provide Kaweah Health with information, the account can be sent for collections no sooner than 180 days after initial billing. Prior to sending the account to collections, a notice must be provided to the patient as specified in the Kaweah Health Credit and Collection Policy.

Kaweah Health will only send patient accounts to a collection agency when the collection agency agrees to adhere to all state and federal laws pertaining to fair collection of debt, as well as to those pertaining to charity and discount care.³² That includes the Kaweah Health Financial Assistance Policy, the Kaweah Health Credit and Collection Policy, the California Hospital Fair Pricing Act, the Rosenthal Fair Debt Collection Practices Act, the federal Fair Debt Collection Practices Act, and the tax regulations at 26 C.F.R. §§ 1.501©-1, et seq.

An account that has been placed with an outside collection agency can be considered for charity care at any time in accordance with Kaweah

³¹ Cal. Health & Safety Code § 127405(a)(1)(A).

³² 26 C.F.R. § 1-501(r)-6(c)(10).

Health's charity care policy. When, during the collection process, a patient asserts they cannot afford to pay the debt, has failed to make previously agreed upon extended payments, or is otherwise identified by the collection agency as meeting Kaweah Health's charity care eligibility criteria, the collection agency will refer the account to Kaweah Health to screen for charity care eligibility. Kaweah Health will undertake reasonable efforts to gather eligibility information from the patient. If, after such reasonable efforts, the patient fails or refuses to provide required information, the account will be referred back to the collection agency.

If a patient is approved for Financial Assistance under this policy, Kaweah Health and any collection agencies acting on its behalf shall assess the patient's financial status over the previous 8 months to determine eligibility for charity care. Kaweah Health will reimburse financially qualified patients for the amount actually paid ~~over \$5.00~~, if any, in excess of the amount due for debt related to care received from Kaweah Health. ~~Interest will apply for refunds that are beyond 30 days.~~ Any payments made during the previous 8 months when the patient would have been financially eligible for ~~full~~ charity care shall be considered payments "in excess of the amount due," and shall be reimbursed. If the patient is eligible for ~~partial-discounted~~ charity care, any outstanding balance the patient owes will be reduced according to the ~~sliding scale terms of partial-discounted~~ charity care. Any payments the patient made while eligible for ~~partial-discounted~~ charity care will be ~~applied to any amount due from the patient reassessed using the same sliding scale amount~~; any amount the patient paid in excess of the ~~partial-discounted~~ charity care amount due in that month shall be reimbursed. Payments made for debt related to care received from Kaweah Health at a time when the patient was not eligible for Financial Assistance shall not be reimbursed.

Kaweah Health and any collection agencies acting on its behalf shall take all reasonably available measures to reverse any extraordinary collection actions taken against the individual for debt that was 1) incurred for care received from Kaweah Health during the previous 8 months; and 2) incurred at any time at which the patient was eligible for Financial Assistance under this policy. These reasonably available measures include but are not limited to vacating any judgment, lifting any levy or lien on the patient's property, and removing any adverse information reported to any consumer reporting agency from the individual's credit report.

For further information regarding Kaweah Health's internal and external collections policies and practices, including information about actions that may be taken to obtain payment before and after referral to external collections, when and under whose authority patient debt is advanced

Commented [RCE6]: HCAI comments

Hospital failed to ensure it reimburses any amount over \$5.00 actually paid in excess of the amount due under the Hospital Fair Pricing Act including interest.

Page 13 Hospital Fair Billing Program Compliance Review Report Page 4 of the policy, in the "External Collection" section, states, "Kaweah Health will reimburse financially qualified patients for the amount actually paid, if any, in excess of the amount due for debt related to care received from Kaweah Health." The policy fails to address interest. Additionally, in the same section, the policy states, "Any payments the patient made while eligible for partial charity care will be reassessed using the same sliding scale amount; any amount the patient paid in excess of the partial charity care amount due in that month shall be reimbursed."

for collection, policies and practices for the collection of debt, timelines for reporting debt to consumer credit reporting agencies, and the rights and responsibilities of patients, Kaweah Health and external collection agencies retained by Kaweah Health, see the Kaweah Health Credit and Collection Policy.

D. Recordkeeping

Kaweah Health keeps records for 10 years relating to potential charity care patients that are readily obtainable.

E. Application of Policy

This policy only applies to charges or services provided by Kaweah Health and included in a bill from Kaweah Health for such services. Charity care and discounted payment options may or may not be available through non-employed physician groups. At the patient's request, Kaweah Health will advise patients to apply for charity care to the physician's billing company upon the patient's receipt of a bill for services from that billing company.

VIII. Public Notice and Posting

Kaweah Health widely publicizes this policy in a manner that is reasonably calculated to reach, notify and inform those patients in our communities who are most likely to require financial assistance.³³

Kaweah Health accommodates all significant populations that have limited English proficiency (LEP)³⁴ by translating this policy, the application form, and the plain language summary³⁵ of this policy into the primary language(s) spoken by each LEP language group that constitutes the lesser of 1,000 individuals or five percent of the community served by Kaweah Health, or the population likely to be affected or encountered by Kaweah Health. Kaweah Health will make further efforts to publicize this policy in languages other than English as appropriate and consistent with requirements under the law.³⁶

Public notice of the availability of assistance through this policy shall be made through the following means:

Availability of Policy and Application

1. Kaweah Health makes this policy, applications for assistance, and the plain language summary of this policy, as well as other important

³³ 26 C.F.R. §§ 1-501(r)-4(b)(5) - (b)(6).

³⁴ 26 C.F.R. § 1-501(r)-4(b)(5)(i)(D)(3)(ii).

³⁵ 26 C.F.R. § 1-501(r)-1(b)(24).

³⁶ Cal. Health & Safety Code § 127410(a).

information about the availability of financial assistance, widely available on the Kaweah Health website.

2. Kaweah Health makes paper copies of this policy, the application for assistance under this policy, and the plain language summary of the policy available upon request and without charge, both by mail and in public locations in the hospital facility, including, at a minimum, in the emergency department, admissions areas, and billing department.

Posted Notices³⁷

1. Kaweah Health posts notices in a visible manner in locations where there is a high volume of inpatient or outpatient admitting/registration, such as the emergency department, billing office, admitting office, and hospital outpatient service settings.
2. Posted notices are in English and Spanish and in a manner consistent with all applicable federal and state laws and regulations.
3. Posted notices contain the following information:
 - a. A plain language statement indicating that Kaweah Health has a financial assistance policy for low-income uninsured or underinsured patients who may not be able to pay their bill and that this policy provides for ~~full-charity~~ or ~~partial-discounted~~~~charity~~ care write-off or a ~~discount~~ payment plan.
 - b. A Kaweah Health contact phone number that the patient can call to obtain more information about the policy and about how to apply for assistance.
 - c. The internet address for the Health Consumer Alliance (<https://healthconsumer.org>) and a statement there are organizations that will help the patient understand the billing and billing process.
 - d. A statement explaining that for patients who speak a language other than English or Spanish or who have other accessibility needs, Kaweah Health will provide language assistance services and accessibility accommodations free of charge.
4. Kaweah Health sets up conspicuous public displays³⁸ (or other measures reasonably calculated to attract patients' attention) that notify and inform patients about the policy in public locations in Kaweah Health facilities, including, at a minimum, the emergency department, admissions areas, billing office, and other outpatient settings.

³⁷ Cal. Health & Safety Code § 127410(b).

³⁸ 26 C.F.R. § 1-501(r)-4(b)(5)(i)(D)(3).

Written Notices³⁹

1. Kaweah Health provides all written notices in the language spoken by the patient, as required by applicable state and federal law.
2. Upon admission or discharge, Kaweah Health provides to every patient a written, plain language summary of the Kaweah Health Financial Assistance Policy that contains information about the availability of Kaweah Health's charity care policy, eligibility criteria, and the contact information for a Kaweah Health employee or office where the patient may apply or obtain further information about the policy. If any patient is not admitted, the written notice will be provided when patient leaves the facility. If the patient leaves the facility without receiving the written notice, Kaweah Health will mail the notice to the patient within 72 hours of providing services.⁴⁰
3. Kaweah Health includes a conspicuous written notice on all billing statements that notifies and informs patients about the availability of financial assistance under this policy and includes the telephone number of the office or department which can provide information about the policy and application process, and the direct Web site address (or URL)⁴¹ where copies of this policy, the application form, and the plain language summary of this policy may be obtained.⁴²
4. With each billing statement sent to uninsured patients, Kaweah Health provides a clear and conspicuous notice that contains all of the following:⁴³
 - a. A statement of charges for services rendered by Kaweah Health.
 - b. A request that the patient inform Kaweah Health if the patient has health insurance coverage, Medicare, Medi-Cal, or other coverage.
 - c. A statement that, if the patient does not have health insurance coverage, the patient may be eligible for Medicare, Healthy Families Program, Medi-Cal, coverage offered through the California Health Benefit Exchange, California Children's Services program, other state- or county-funded health coverage, or charity care.
 - d. A statement indicating how patients may obtain applications for the programs identified in paragraph (c) above.
 - e. A referral to a local consumer assistance center housed at legal services offices.⁴⁴
 - f. Information regarding applications for assistance under this policy, including the following:

³⁹ Cal. Health & Safety Code § 127410(a).

⁴⁰ 26 C.F.R. § 1-501(r)-4(b)(5)(i)(D)(1), Cal. Health & Safety Code § 127410(b)

⁴¹ 26 C.F.R. § 1-501(r)-4(b)(5).

⁴² 26 C.F.R. § 1-501(r)-4(b)(5)(i)(D)(2).

⁴³ 26 C.F.R. § 1-501(r)-4(b)(5)(i)(D)(2).

⁴⁴ Cal Health & Safety Code § 127420(b)(4).

- i. A statement that indicates that if the patient lacks, or has inadequate, insurance, and meets certain low- and moderate- income requirements, the patient may qualify for discounted payment or charity care.
- ii. The name and telephone number of a hospital employee or office from whom or which the patient may obtain information about the hospital's discount payment and charity care policies, and how to apply for that assistance.⁴⁵

⁴⁵ Cal Health & Safety Code § 127420(b)(5).

AP132-

Policy Number: AP132	Date Created: No Date Set
Document Owner: Kelsie Davis (Board Clerk/Executive Assistant to CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Use of rental, loaner, or demo clinical equipment	

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

OVERVIEW: Due to patient census levels or specific diagnostic/treatment needs of a patient, it periodically becomes necessary for Kaweah Delta Health Care District dba Kaweah Health to augment its inventory of clinical diagnostic or treatment devices through the use of rental, loaner, or demo equipment. In accordance with Joint Commission requirements, as well as Title 22 and CDPH regulations, Kaweah Health will have a system in place to identify, track, and control such items during the period of time these devices are in District possession. "Possession" will be defined as the period of time beginning with Kaweah Health's acceptance of the device and ending when the device physically leaves Kaweah Health and is returned to the vendor.

PURPOSE: This policy will define appropriate methods for requesting rental, loaner or demo equipment, those individuals who will have authority to request that such devices be brought into the facility, and who will have authority and responsibility for procuring them. Once such devices arrive at the facility, this policy will define the process for inspection and acceptance of the devices for patient use. Finally, the policy will define the responsibilities of the clinical staff utilizing these devices and the appropriate methods for returning them once they are no longer needed for patient care or diagnosis.

PROCEDURES:

- I. **ORDERING** - Only Central Logistics (Distribution) will have authority to requisition clinical equipment from any vendor for use on a rental, loaner or demo basis. Under no circumstances will individual departments place orders for clinical equipment directly with a vendor without working through Central Logistics as follows:
 - A. For devices requiring a physician order (such as specialty beds or wound vacs), nursing units that process orders will enter the order into Power Chart and the order will print on Central Logistics' department printer notifying them of the request. This document will serve as the authorization for Central Logistics to contact the vendor and procure the requested equipment.

- B. The requisition of devices not requiring a physician order can be authorized only by the Nursing House Supervisor, the director or manager/lead of the requesting clinical/nursing unit, or the Central Logistics (Distribution) Manager when deemed necessary for the general operational needs of Kaweah Health. Requests of this nature will be documented and approved on Kaweah Health's standard Purchase Order Requisition Form and submitted to Central Logistics for procurement of the requested device. Devices brought into the facility on a loaner or demo basis will follow the same procedure.
 - C. Supporting documentation (Power Chart orders or Purchase Order Requisition Form) will be entered into Kaweah Health's materials management information system and issued a purchase order number in accordance with the Materials Management Department's departmental purchasing procedures. The purchase order will serve as the official payment authorization for the Finance Department once the invoice for the device is received from the vendor. Loaner or demo equipment brought into the facility at no charge will follow this same process, but will be documented on a "no charge" purchase order for tracking and documentation purposes.
- II. **RECEIVING** -All vendors utilized for the procurement of clinical rental equipment shall strictly adhere to all policies and procedures of Kaweah Delta Health Care District, governing the rental and delivery of said devices. Vendor failure to comply with these policies and procedures may result in voidance of contractual obligations to said vendor, or exclusion of the vendor from conducting business within Kaweah Health.
- A. During transit, or immediately upon arrival at Kaweah Delta Health Care District, the vendor delivery personnel will request that Central Logistics contact the Clinical Engineering Department to notify them of the impending receipt of the rental device.
 - B. If the delivery is received between the hours of 0600 and 1430 Monday through Friday, Central Logistics will contact Clinical Engineering at ext. 2296, or through the hospital operator. If the delivery is received after 1430, Monday through Friday, or 24 hours on weekends or holidays, the Central Logistics department will contact the hospital operator to reach the on-call Biomedical Technician. Once the device reaches a District facility, the Biomedical Technician will do the following:
 - 1. The Biomedical Technician will perform an electrical safety inspection on each piece of clinical rental equipment to verify it meets all applicable Title 22 and CDPH requirements for patient safety. **AT NO TIME WILL ANY RENTAL MEDICAL DEVICE BE PLACED INTO PATIENT USE UNTIL COMPLETION OF AN ELECTRICAL SAFETY INSPECTION BY CLINICAL ENGINEERING STAFF. NO EXCEPTIONS.** The Biomedical Technician will also verify the following:
 - a. Receipt of a current electrical safety inspection sheet from the vendor.
 - b. Receipt of a current preventive maintenance report from the vendor.

- c. Physical condition and operational readiness of each device.
2. Should any device fail to meet the above requirements, the device WILL NOT be accepted for use, and the vendor will be responsible for immediately removing the device from the premises, until such time as compliance is reached or the discrepancy resolved.
3. The Biomedical Technician will log ALL received devices onto the Rental Log Spreadsheet maintained by the Clinical Engineering Department and make any and all updates as required with the following information:
 - a. Device type
 - b. Date received
 - c. Requesting unit
 - d. Vendor/company name
 - e. Serial or vendor I.D.
 - f. Date safety inspected
 - g. Verification of required inspection documentation

III. **PATIENT USE** - Use of clinical rental equipment for patient diagnosis and/or treatment will be dictated by any and all applicable policies found in Kaweah Health's Patient Care Manual, Environment of Care Manual, or other similar District policy manuals pertaining to clinical rental equipment of a like or similar nature to the equipment (owned or rented) identified in those policies. These policies include, but are not limited to, Patient Care Policy PC.230 "Wound Therapy: Negative Pressure Wound Therapy (NPWT) Device", Environment of Care Policy 1085 "District Electrical Safety Policy", Environment of Care Policy 6001 "Medical Equipment Management Plan", and Environment of Care Policy 6015 "Hospital Electrical Safety Policy and Personal Items", etc.

In addition, in order to reduce the cost of renting clinical equipment to the greatest extent possible, nursing/clinical departments will discontinue use of the equipment and return it to Central Logistics as soon as is clinically practical and appropriate for the patient being diagnosed/treated by the clinical equipment. Clinical equipment, other than specialty beds, will be marked appropriately and placed in the using department's soiled utility room for retrieval by the Central Logistics staff and return to the vendor. Specific policy and procedure for managing the use, processing, and return of such clinical equipment will be governed by Patient Care Policy PC.209 "Equipment Accessed through Central Logistics (Distribution)".

RETURNS - Upon completion of the period of use, or at the time the physician discontinues the order, Central Logistics will be promptly notified to coordinate removal of the rented item, either by discharging the patient or by discontinuing the order in Power Chart. Equipment (other than beds) should be placed in the soiled utility room for retrieval by the Central Logistics staff during normal rounds. The nursing unit may also call Central Logistics to notify them that equipment is ready to be picked up. Central Logistics will contact the vendor(s) necessary for immediate pickup and removal from the premises. Central Logistics

will update the Rental Log Spreadsheet monitored by the Clinical Engineering Department with the date the device left the facility.

"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."

approval

AP141-



Subcategories of Department Manuals
not selected.

Policy Number: AP141	Date Created: Not Set
Document Owner: Kelsie Davis (Board Clerk/Executive Assistant to CEO)	Date Approved: 12/19/2024
Approvers: Board of Directors (Administration)	
Credit and Collection Policy	

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

I. Purpose

Kaweah Delta Health Care District ([KDHCD Kaweah Health](#)) provides high quality health care services to our patients. It is the policy of [KDHCD Kaweah Health](#) to bill patients and applicable third-party payers accurately, timely, and consistent with applicable laws and regulations, including without limitation California Health and Safety Code section 127400 *et seq.* [KDHCD Kaweah Health](#) operates a non-profit hospital and, therefore, [KDHCD Kaweah Health](#) must also comply with 26 U.S.C. § 501(r) and its implementing regulations, 26 C.F.R. § 1.501(r) *et seq.* This policy is intended to meet all such legal obligations.

II. Scope

The Credit and Collection Policy applies to all patients who receive services through any of the licensed hospital facilities operated by [KDHCD Kaweah Health](#). This policy also applies to any collection agency working on behalf of [KDHCD Kaweah Health](#), including entities to which [KDHCD Kaweah Health](#) sells or refers a Patient's debt. Unless otherwise specified, this policy does not apply to physicians or other medical providers, including emergency room physicians (other than physician specialists on staff or with [KDHCD Kaweah Health](#) hospital privileges who are called into the emergency department), anesthesiologists, radiologists, hospitalists, pathologists, etc., whose services are not included in a [KDHCD Kaweah Health](#) bill.

This policy does not create an obligation for [KDHCD Kaweah Health](#) to pay for such physicians' or other medical providers' services. In California, Health and Safety Code section 127450 *et seq.* requires an emergency physician who provides emergency services in a hospital to provide discounts to uninsured patients or patients with high medical costs who are at or below 350 percent of the federal poverty level.

III. Definitions

A. **Collection Agency** is any entity engaged by [KDHCD Kaweah Health](#) to pursue or collect payment from Patients.

~~B. **Community Care Rate** means the amount KDHCD would receive for services under its contract with commercial insurance.~~

C.B. **Extraordinary Collection Actions (ECAs)** are any collection activities, as defined by the IRS, that healthcare organizations may take against an individual to obtain payment for care only after reasonable efforts have been made to determine whether the individual is eligible for financial assistance. ECAs include any of the following:

- i) Any action to obtain payment from a Patient that requires a legal or judicial process, including without limitation the filing of a lawsuit;
- ii) Selling a Patient's debt to KDHCD-Kaweah Health to another party, including without limitation to a Collection Agency;
- iii) Attaching or seizing a bank account or any other personal property¹;
- iv) Causing a Patient's arrest or obtaining a writ of body attachment²;
- v) Wage garnishment;
- vi) Delay or denial of medically necessary care based on the existence of an outstanding balance for prior service(s); or
- vii) Obtaining an order for examination.

D.C. **Financial Assistance Application** means the information and documentation that a Patient submits to apply for financial assistance under KDHCD's Kaweah Health's Financial Assistance Policy. An application is complete after a Patient submits information and documentation sufficient for KDHCD-Kaweah Health to determine whether the individual is eligible for assistance. An application is incomplete if a Patient submits some, but not all, information and documentation needed to determine eligibility for assistance. Patients may submit required application information in writing and orally.

E.D. **Financial Assistance** refers to ~~Full~~ Charity Care and ~~Partial-Discounted~~ Charity Care, as those terms are defined in the Finance Assistance Policy.

F.E. **Financial Assistance Policy (FAP)** is the KDHCD-Kaweah Health policy on ~~Full~~ Charity Care and ~~Partial-Discounted~~ Charity Care Programs, which describes the KDHCD-Kaweah Health Financial Assistance Program. This includes the criteria Patients must meet in order to be eligible for financial assistance as well as the process by which Patients may apply for Financial Assistance.

G.F. **Insured Patient** means an individual whose hospital bill is fully or partially eligible for payment by a third-party payer.

¹ 26 C.F.R. § 1.501(r)-6(b)(iv)(C).

² 26 C.F.R. § 1.501(r)-6(b)(iv)(F).

H.G. Patient includes the individual who receives services at ~~KDHCD~~Kaweah Health. For purposes of this policy, Patient also includes any person financially responsible for their care, also referred to as Guarantor.

H. Reasonable Efforts to Determine Eligibility are actions ~~KDHCD-Kaweah Health~~ must take to determine whether an individual is eligible for financial assistance under ~~KDHCD's Kaweah Health's~~ Financial Assistance

H. Policy. These must include making a determination of presumptive eligibility as described in the FAP at Section III.A, and if the determination is less than ~~Full~~ Charity Care, providing adequate notice of an opportunity to apply for ~~Full~~ Charity Care and a reasonable period of time to do so.³ For submitted applications, these efforts must include a reasonable opportunity to correct an incomplete application and Reasonable Efforts to Notify.⁴

H.I. Reasonable Efforts to Notify At a minimum, reasonable efforts include providing individuals with written and verbal notifications about the FAP and how to complete the FAP application, with reasonable opportunity to do so before initiating any ECA.⁵

H.J. Reasonable Payment Plan means monthly payments that are not more than 10 percent of a Patient's family income for a month, excluding deductions for essential living expenses. "Essential living expenses" means expenses for any of the following: rent or house payment and maintenance, food and household supplies, utilities and telephone, clothing, medical and dental payments, insurance, school or child care, child or spousal support, transportation and auto expenses, including insurance, gas, and repairs, installment payments, laundry and cleaning, and other extraordinary expenses.

H.K. Reasonable Time as used in this policy is a period of at least 30 days. That period may be extended for good cause. Situations that may merit an extension of time to act may include language access barriers, the need for disability accommodations, a Patient's or Patient's family member's continuing illness, or other obstacles specific to a Patient's circumstances.

H.L. Uninsured Patient or "Self-Pay Patient" means a Patient who does not have third party insurance, Medi-Cal, or Medicare, and who does not have a compensable injury for purposes of workers' compensation, automobile insurance, or other insurance as determined and documented by ~~KDHCD~~Kaweah Health.

IV. Policies and Procedures

After ~~KDHCD-Kaweah Health~~ Patients have received services, it is the policy of ~~KDHCD-Kaweah Health~~ to bill Patients and applicable payers accurately. During the billing and collections process, ~~KDHCD-Kaweah Health~~ staff, and any collection agency working on behalf of ~~KDHCD-Kaweah Health~~, provide quality customer service and follow-up, and all unpaid accounts are handled in accordance with this Policy and applicable laws and regulations.

³ 26 C.F.R. § 1.501(r)-6(c)(2).

⁴ 26 C.F.R. § 1.501(r)-6(c)(3).

⁵ 26 C.F.R. § 1.501(r)-6(c)(3)-(c)(4).

A. Insurance Billing:

1. Obtaining Coverage Information: ~~KDHCD-Kaweah Health~~ makes reasonable efforts to obtain information from Patients about whether private or public health insurance or sponsorship may fully or partially cover the services rendered by ~~KDHCD-Kaweah Health~~ to the Patient. However, it is the Patient's responsibility to know their insurance benefits and coverage. With the exception of emergency care, all required referral(s) or authorizations must be secured prior to receiving services. If the Patient has questions regarding their financial responsibility or coverage of services at ~~KDHCD-Kaweah Health~~, they can contact their insurance company in advance of services as appropriate.
2. Billing Third Party Payers: ~~KDHCD-Kaweah Health~~ shall diligently pursue all amounts due from third- party payers, including but not limited to contracted and non-contracted payers, indemnity payers, liability and auto insurers, and government program payers that may be financially responsible for a Patient's care. ~~KDHCD-Kaweah Health~~ bills all applicable third-party payers based on information provided by or verified by the Patient or their representative. Upon receiving proof of Qualified Medicare Beneficiary (QMB) or Medi- Cal eligibility (including but not limited to a copy of the Medi-Cal card or the Patient's date of birth and either a Medi-Cal ID number or Social Security number), ~~KDHCD-Kaweah Health~~ must bill exclusively to Medicare or Medi-Cal, and not the Patient, during periods of active QMB or Medi-Cal eligibility.⁶
3. Billing Medi-Cal Recipients: If the State Medi-Cal Eligibility System indicates a Patient with active Medi-Cal coverage also has other health coverage, and sufficient information is not available to bill that other health coverage, ~~KDHCD-Kaweah Health~~ will contact the patient in an attempt to get the necessary information. If the Patient indicates they do not in fact have other health coverage or cannot access necessary information, ~~KDHCD-Kaweah Health~~ will refer the Patient to their local Medi-Cal office or legal services office for further assistance. Except as authorized by law, KDHCD will not refer for collection an account with active Medi-Cal coverage at the time of service. This section shall not prevent ~~KDHCD-Kaweah Health~~ from billing a Medi-Cal patient for non-covered services, such as elective services, or from collecting the Medi-Cal Share of Cost after screening for eligibility for Financial Assistance.
4. Dispute Resolution with Third Party Payers: If a claim is denied or is not processed by a payer due to factors outside of ~~KDHCD's-Kaweah Health's~~ control, ~~KDHCD-Kaweah Health~~ will follow up as appropriate to facilitate resolution of the claim. If resolution does not occur after reasonable follow-up efforts, ~~KDHCD-Kaweah Health~~ may bill the Patient or take other actions consistent with ~~KDHCD's-Kaweah Health's~~ Financial Assistance Policy, current regulations, and industry standards. Balance billing Qualified Medicare Beneficiary (QMB) and Medi-Cal Patients for covered services is prohibited.

⁶ 42 U.S.C. § 1396a(n)(3)(B); Welf. & Inst. Code § 14019.4.

B. Patient Billing:

1. Billing Insured Patients: [KDHCD-Kaweah Health](#) bills Insured Patients for the Patient Responsibility amount as indicated in the third-party Explanation of Benefits (EOB) and as directed by the third-party payer.
2. Billing Uninsured or Self-Pay Patients: [KDHCD-Kaweah Health](#) bills Uninsured or Self-Pay Patients for items and services provided by [KDHCD-Kaweah Health](#), using [the amount KDHCD-Kaweah Health would receive for services under its contract with Blue Cross's Community Care Rate](#). All Patients receive a statement as part of [KDHCD's-Kaweah Health's](#) normal billing process that is compliant with and subject to [KDHCD's-Kaweah Health's](#) Financial Assistance Policy. If a Patient has no health insurance coverage, it is [KDHCD's-Kaweah Health's](#) responsibility to provide a written notice to a Patient that they may be eligible for public or private insurance, and an application for Medi-Cal or other state- or county-funded health coverage programs, no later than discharge for admitted Patients and as soon as possible for Patients receiving emergency or outpatient care.⁷ Please refer to the [KDHCD-Kaweah Health](#) Financial Assistance Policy for more information.
3. Dispute Resolution with Patients/Guarantors: If a Patient/Guarantor disagrees with the account balance, the Patient/Guarantor may request the account balance be researched and verified prior to account assignment to a Collection Agency. The Patient/Guarantor may apply for Financial Assistance at any time. When a Patient/Guarantor has submitted an application for Financial Assistance, [KDHCD-Kaweah Health](#) will not assign an account to a Collection Agency before reaching a final eligibility determination. The referral of accounts for which an incomplete application for Financial Assistance has been received will be handled as outlined below.

C. Financial Assistance:

1. [KDHCD-Kaweah Health](#) notifies individuals that financial assistance is available to eligible individuals by doing the following:
 - a. [KDHCD-Kaweah Health](#) posts notices in a visible manner in locations where there is a high volume of inpatient or outpatient admitting/registration, such as the emergency department, billing office, admitting office, and hospital outpatient service settings, consistent with all applicable federal and state laws and regulations, and [KDHCD's-Kaweah Health's](#) FAP.
 - b. [KDHCD-Kaweah Health](#) makes its FAP, applications for assistance, and the plain language summary of its FAP, as well as other important information about the availability of financial assistance, easily available on the [KDHCD-Kaweah Health](#) website.

⁷ Cal. Health & Safety Code § 127420(b).

- c. KDHCD-Kaweah Health makes paper copies of its FAP, the application for assistance under the FAP, and the plain language summary of the FAP available upon request and without charge, both by mail and in public locations in the hospital facility, including, at a minimum, in the emergency department, admissions area, and billing department.
- d. KDHCD-Kaweah Health provides prominent Financial Assistance information on all Patient statements. The statement notifies and informs patients about the availability of financial assistance under the KDHCD-Kaweah Health FAP and includes the telephone number of the office or department which can provide information about the policy and application process, and the direct website address (or URL) where copies of this policy, the application form, and the plain language summary of this policy may be obtained. At the time of admission, discharge, and/or on at least one post-discharge written communication, KDHCD-Kaweah Health provides to every Patient a written, plain language summary of the KDHCD-Kaweah Health Financial Assistance Policy that contains information about the availability of KDHCD's-Kaweah Health's Financial Assistance policy, eligibility criteria, and the contact information for a KDHCD-Kaweah Health employee or office where the Patient may apply for assistance or obtain further information about the policy.

D. Collection Practices:

- ~~1.~~ KDHCD-Kaweah Health and its contracted Collection Agency(ies) undertake reasonable efforts to collect amounts due for services received by pursuing reimbursement from insurers and other sources. These efforts include assistance with applications for possible private and government program coverage. If any balance remains after payment by third-party payers, before considering any ECA, KDHCD-Kaweah Health will evaluate each Patient for ~~Full~~ Charity Care or ~~Partial Discounted~~ Charity Care consistent with its Financial Assistance Policy, for care received from KDHCD-Kaweah Health and incurred at any time during which the Patient was eligible for Financial Assistance under the FAP.
- ~~1.~~
- 2. KDHCD-Kaweah Health pursues payment for debts owed for health care services provided by KDHCD-Kaweah Health according to KDHCD-Kaweah Health policies and procedures. All KDHCD-Kaweah Health procedures for assignment to collection/bad debt and application of a reasonable payment plan are applicable to all KDHCD-Kaweah Health Guarantors/Patients.⁸ KDHCD-Kaweah Health complies with relevant federal and state laws and regulations in the assignment of bad debt. KDHCD-Kaweah Health is entitled to pursue reimbursement from third-party liability settlements or other legally responsible parties.
- ~~3.~~ Prior to engaging in any ECA, and after normal collection efforts have not produced regular payments of a reasonable amount and the Patient has not completed a Financial Assistance application, complied with requests for documentation, or is otherwise nonresponsive to the application process,

~~KDHCD-Kaweah Health~~ or any Collection Agency acting on its behalf shall make reasonable efforts to presumptively determine whether a Patient is

3.

~~⁸ Cal. Health & Safety Code § 127425(b).~~

⁸ Cal. Health & Safety Code § 127425(b).

eligible for Financial Assistance based on prior eligibility for Financial Assistance or the use of third party data.⁹

4. ~~All Patient accounts may be referred to balances that meet the following criteria are eligible for placement with~~ a Collection Agency only when:
 - a. ~~At least 180 or more~~ days have passed since the first post-discharge billing statement was mailed to the Patient, or for billing statements that include any billing aggregation, at least 180 days have passed since the most recent episode of care¹⁰; and
 - b. ~~KDHCD-Kaweah Health~~ is unaware of any pending appeals for insurance coverage of services¹¹; and
 - c. ~~KDHCD-Kaweah Health~~ has made attempts to collect payment using reasonable collection efforts, such as mailing billing statements or making telephone calls. ~~KDHCD-Kaweah Health~~ will mail four (4) Guarantor statements after the date of discharge from outpatient or inpatient care, with a final 30-day notice appearing on the fourth Guarantor statement, warning the account may be placed with a collection agency, and alerting the Guarantor that at least 180 days have passed since the first post-discharge billing statement for the most recent episode of care included in any billing aggregation¹²; and
 - d. ~~KDHCD-Kaweah Health~~ has made reasonable efforts to presumptively determine whether a Patient is eligible for Financial Assistance based on prior eligibility for Financial Assistance or the use of third party data; and
 - e. Placement for collection has been approved by the Director of Revenue Cycle¹³.
5. ECAs, including placement of an account with a collection agency, may not commence until 30 days after the final notice has been sent¹⁴, and ~~KDHCD-Kaweah Health~~ has made reasonable efforts to determine whether the Patient is eligible for Financial Assistance.¹⁵
6. Accounts with a "Return Mail" status are eligible for collection assignment after good faith efforts have been documented and exhausted, including outbound phone calls and a reasonable search for a corrected address, and all other requirements of this section have been met.

⁹ 26 C.F.R. § 1.501(r)-6(c)(2).

¹⁰ Cal. Health & Safety Code § 127426(a).

¹¹ Cal. Health & Safety Code § 127426(a).

¹² 26 C.F.R. § 1.501(r)-6(c)(4)(ii).

¹³ Cal. Health & Safety Code § 127425(a).

¹⁴ 26 C.F.R. § 1.501(r)-6(c)(4).

¹⁵ 26 C.F.R. § 1.501(r)-6(a).

7. KDHCD-Kaweah Health and any Collection Agency acting on its behalf will suspend ECAs when a completed Financial Assistance Application, including all required supporting documentation, is received and until such time as a determination regarding the Financial Assistance Application has been made. Prior to resuming collection efforts on accounts found ineligible for ~~full~~ Charity Care, KDHCD-Kaweah Health will send the Patient: (i) written notification of the basis for the finding and the amount of assistance given if any, (ii) a billing statement showing any balance still owed by the Patient and the date payment is due, and (iii) if found eligible for only Partial-Discounted Charity Care, instructions as to how the Patient may obtain information regarding the amounts generally billed (AGB) for their care. Collection efforts may then resume after the Patient has been given a reasonable time to pay the balance or enter into a reasonable payment plan.¹⁶
8. If any Patient account previously placed with a Collection Agency is subsequently found eligible for financial assistance, KDHCD-Kaweah Health and any Collection Agency acting on its behalf will pursue all reasonable measures to reverse prior collection efforts for debt that was
 - 1) incurred for care received from KDHCD-Kaweah Health during the previous 8 months; or
 - 2) incurred at any time at which the patient was eligible for Financial Assistance under this policy.These reasonable measures include but are not limited to measures to vacate any judgment against the Patient, lift any levy or lien on the Patient's property, and remove from the Patient's credit report any adverse information previously reported to a consumer reporting agency or credit bureau.
9. If a Patient account previously placed with a Collection Agency is subsequently found eligible for Partial-Discounted Charity Care with a remaining balance due, the account will be returned to KDHCD-Kaweah Health for payment or negotiation of an interest-free reasonable payment plan. The account will not be re-referred to any Collection Agency unless the Patient refuses to participate in a reasonable payment plan, or until a patient has failed to make payments under a reasonable payment plan for at least 90 days and KDHCD-Kaweah Health has made reasonable efforts to contact the patient by phone and in writing, giving notice that the extended payment plan may become inoperative.¹⁷
10. KDHCD-Kaweah Health and any Collection Agency acting on its behalf will suspend ECAs if an incomplete Financial Assistance Application is received and until a complete application has been submitted and a determination of eligibility is made, including resolution of any review or appeal of that determination,¹⁸ or the Patient has failed to respond to requests for additional information and/or documentation within a reasonable period of time to respond to such requests. If a Patient submits an incomplete application, a written notice will be sent to the Patient that (i) describes the missing information/documentation required for a complete application, and (ii) includes contact information for a KDHCD-Kaweah Health employee or office where the Patient may obtain

¹⁶ 26 C.F.R. § 1.501(r)-6(c)(8)(ii).

¹⁷ Cal. Health & Safety Code § 127425(g)

¹⁸ See FAP, Section VII.B. (p. 10)

further information about the policy and assistance in applying.¹⁹ ~~KDHCD-Kaweah Health~~ and any Collection Agency acting on its behalf must provide Patients with a reasonable timeframe (at least 30 days from notifying the Patient) to submit any missing information/documentation before resuming collection efforts.²⁰ If the Patient fails to provide the requested missing information/documentation in a timely manner, ~~KDHCD-Kaweah Health~~ and any Collection Agency working on its behalf will make reasonable efforts to presumptively determine whether the Patient is eligible for Financial Assistance based on the information already provided, prior eligibility for Financial Assistance, or the use of third-party data.

11. ~~KDHCD-Kaweah Health~~ and any Collection Agency acting on its behalf does not base any FAP eligibility determination on any information obtained from Patients under duress or through the use of coercive practices, such as delaying or denying treatment until a Patient provides information.²¹
12. ~~KDHCD-Kaweah Health~~ and any Collection Agency acting on its behalf does not seek any Patient's waiver of their right to apply for Financial Assistance or to receive Financial Assistance application information.²²
13. ~~KDHCD-Kaweah Health~~ and any Collection Agency acting on its behalf does not use in collection activities any information obtained from a Patient during the eligibility process for Financial Assistance.²³ Nothing in this section prohibits the use of information obtained by ~~KDHCD-Kaweah Health~~ or Collection Agency independently of the eligibility process for Financial Assistance.
14. Patient accounts at a Collection Agency may be recalled and returned to ~~KDHCD-Kaweah Health~~ at the discretion of ~~KDHCD-Kaweah Health~~ and/or according to state or federal laws and regulations. ~~KDHCD-Kaweah Health~~ may choose to work the accounts to resolution with the Guarantor/Patient or third party as needed, or place the account with another Collection Agency in full compliance with these requirements. An account that has been placed with an outside collection agency can be considered for charity care at any time in accordance with ~~KDHCD's Kaweah Health's~~ charity care policy. When, during the collection process, a patient asserts they cannot afford to pay the debt, has failed to make previously agreed upon extended payments, or is otherwise identified by the collection agency as meeting ~~KDHCD's Kaweah Health's~~ charity care eligibility criteria, the collection agency will refer the account back to ~~KDHCD-Kaweah Health~~ to screen for charity care eligibility. ~~KDHCD-Kaweah Health~~ will undertake reasonable efforts to gather eligibility information from the patient. If, after such reasonable efforts, the patient fails or

¹⁹ 26 C.F.R. § 1.501(r)-6(c)(5).

²⁰ 26 C.F.R. § 1.501(r)-6(c)(8)(ii).

²¹ 26 C.F.R. § 1.501(r)-6(c)(6)(ii).

²² 26 C.F.R. § 1.501(r)-6(c)(9).

²³ Cal. Health & Safety Code § 127405(e)(3).

refuses to provide required information, the account will be referred back to the collection agency.

~~15. KDHCDC will not report adverse information to a credit agency or pursue a civil action until after it has referred an account to a Collection Agency in conformity with this Credit and Collection Policy.²⁴~~

E. Collection Agencies:

~~KDHCDC Kaweah Health~~ may refer Patient accounts to a Collection Agency subject to the following conditions:

- ~~1. The Collection Agency has a written agreement with KDHCDC Kaweah Health~~ which provides that the Collection Agency's performance of its functions shall adhere to the terms of ~~KDHCDC's Kaweah Health's~~ Financial Assistance Policy, this Credit and Collection Policy, the Hospital Fair Pricing Act (Health and Safety Code sections 127400 *et seq.*), and 26 U.S.C. § 501(r) and its implementing regulations, 26 C.F.R. § 1.501(r) *et seq.*, including the definition of
 1. "reasonable payment plan."
2. The Collection Agency has processes in place to identify Patients who may qualify for Financial Assistance, communicate the availability and details of the Financial Assistance Policy to these Patients, and refer Patients who are seeking Financial Assistance back to ~~KDHCDC Kaweah Health~~ Patient Financial Services. The Collection Agency shall suspend ECAs during any period after a completed Financial Assistance Application is pending, or an incomplete application is received and ~~KDHCDC Kaweah Health~~ has sent the required information described in IV.D.7 of this policy.²⁵
3. All third-party payers have been properly billed, payment from a third-party payer is no longer pending, ~~KDHCDC Kaweah Health~~ is unaware of any pending insurance payment appeals, and the remaining debt is the financial responsibility of the Patient. A Collection Agency will not bill a Patient for any amount that a third-party payer is obligated to pay.
4. The Collection Agency sends every Patient a Notice of Rights, included as Attachment A, with each document sent indicating that the commencement of collection activities may occur.²⁶
5. At least ~~150~~180 days has passed since ~~KDHCDC Kaweah Health~~ sent the initial bill to the Patient on the account.

²⁴ Cal. Health & Safety Code § 127425(d).

²⁵ Cal. Health & Safety Code § 127425(d).

²⁶ Cal. Health & Safety Code § 127430.

6. The Patient is not negotiating a reasonable payment plan, making payments under a reasonable payment plan as defined above, or making regular partial payments of a reasonable amount.²⁷

F. Judicial Collection Actions:

In those situations where an account has been assigned for collection and the Collection Agency has information showing that the Patient has an income greater than 600% of the federal poverty level and would not qualify for ~~Partial-Discounted~~Charity Care, but has failed or refused to pay for the medical services, or, if a Patient is approved for ~~Partial-Discounted~~Charity eCare and has failed or refused to make payments under a reasonable payment plan, the Collection Agency may be permitted to take legal action to collect the unpaid balance under the following conditions:

1. The Collection Agency shall assess a Patient or guarantor's ability to pay by reviewing, at a minimum, a current credit report for the Patient, if available, and reliable sources of publicly available information for Patients with little or no credit history, or a third party electronic review of Patient information.
2. When the Collection Agency has determined that legal action is appropriate and criteria for Extraordinary Collection Actions have been met, the Agency will forward a written request to the Director of Revenue Cycle, who must approve it prior to any legal action. The request must contain relevant particulars of the account, including:
 - a. Documentation that the Collection Agency has complied with all applicable provisions of this policy, ~~KDHCD's Kaweah Health's~~ Financial Assistance Policy and all applicable laws and regulations; and
 - b. A copy of the Collection Agency's documentation that led it to believe the Patient or guarantor has an income greater than 600% of the federal poverty level and would not qualify for ~~Full-Charity Care~~ or ~~Partial-Discounted~~Charity Care, or, that the Patient was approved for ~~Partial-Discounted~~Charity Care and has failed or refused to make payments under a reasonable payment plan.
3. In cases where no Financial Assistance application is received by ~~KDHCD~~~~Kaweah Health~~, one additional attempt to inform the patient of ~~KDHCD's- Kaweah Health's~~ Financial Assistance Policy and the opportunity to apply for assistance will be made before legal action is initiated. In addition to sending the patient a final correspondence, an additional attempt to contact the patient by phone will be made. If the Patient asks to apply for assistance, an application will be sent and no ECAs will be initiated until the application is received and processed, or an additional 30 days have passed without a complete or incomplete application being received.

²⁷ Cal. Health & Safety Code § 127425(e).

4. The Director of Revenue Cycle will authorize each individual legal action in writing, after verifying that ~~KDHCD-Kaweah Health~~ and/or the Collection Agency working on its behalf has made legally sufficient reasonable efforts to determine the individual is eligible for Financial Assistance. This authority cannot be delegated to any other person. A copy of the signed authorization for legal action will be maintained in the Patient account file.
5. In no case will the Collection Agency be allowed to file a legal action as a last resort to motivate a Patient to pay when the Collection Agency has no information as to the Patient's income relative to the federal poverty level and eligibility for financial assistance.
6. If subsequent to a judgment being entered against any Patient for any unpaid balance, ~~KDHCD-Kaweah Health~~ or any Collection Agency working on its behalf receives information indicating the Patient would qualify for financial assistance under ~~KDHCD's Kaweah Health's~~ FAP, or, if the judgment is for a balance outstanding after ~~Partial Discounted~~ Charity Care is approved and the Patient has refused to make payments under a reasonable payment plan, the following shall apply:
 - a. Neither ~~KDHCD-Kaweah Health~~ nor any assignee which is an affiliate or subsidiary of ~~KDHCD-Kaweah Health~~ shall use wage garnishments or liens on primary residences as a means of collecting unpaid hospital bills.²⁸
 - b. A Collection Agency which is not an affiliate or subsidiary of ~~KDHCD-Kaweah Health~~ may use the following measures to enforce judgment only under the following conditions:
 - i. Wage Garnishment: The Collection Agency must file a noticed motion with the applicable Court, supported by a declaration identifying the basis for which the Agency believes that the Patient has the ability to make payments on the judgment under the wage garnishment, including, if available, information about probable future medical expenses based on the current condition of the Patient, and other financial obligations of the Patient.²⁹

²⁸ Cal. Health & Safety Code § 127425(f)(1).
²⁹ Cal. Health & Safety Code § 127425(f)(2)(A).

Credit and Collection Policy
Attachment A

KAWEAH HEALTH

NOTICE OF FINANCIAL RIGHTS

State and federal law requires hospitals to offer financial assistance to uninsured Patients and Patients with high medical debt who have low to moderate incomes. You may be eligible for free care or have your bill for medically necessary care reduced if you meet any of these criteria: (1) are receiving government benefits; (2) are uninsured; (3) have medical expenses in the past 12 months that exceed 10% of your Family income; (4) Your family's gross income (before deductions for taxes) must be less than 600% of the Federal Poverty Level for the calendar year. This information can be found at aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines; or (5) are in bankruptcy or have recently completed bankruptcy. To apply for financial assistance, you must request an application in one of the following ways:

- in person from the Acequia Lobby at the corner of Floral and Acequia, 305 West Acequia Avenue in Visalia, California 93291;
- over the phone by calling Patient Financial Services at (559) 470-0016 or (559) 624-4200 and selecting option 4; or
- by completing the online application at: KaweahHealth.org/charity

All patients have the right to apply for financial assistance under Kaweah Health's Financial Assistance policy which can be found by entering KaweahHealth.org/help-paying-your-bill in your internet browser.

Hospital Bill Complaint Program

The Hospital Bill Complaint Program is a state program, which reviews hospital decisions about whether you qualify for help paying your hospital bill. If you believe you were wrongly denied financial assistance, you may file a complaint with the Hospital Bill Complaint Program. Go to HospitalBillComplaintProgram.hcai.ca.gov for more information and to file a complaint.

Help Paying Your bill

There are free consumer advocacy organizations that will help you understand the billing and payment process, as well as information regarding Covered California and Medi-Cal presumptive eligibility. You may call the Health Consumer Alliance at

888-804-3536 or go to healthconsumer.org for more information.

If you would like to access Kaweah Health's online estimation tool for shoppable services please visit us at KaweahHealth.org/shoppable

ATTENTION

If you need help in your language, please call 559-470-0016 or visit us at the Kaweah Health Medical Center, located at 305 West Acequia Avenue, in Visalia, California 93291 near the corner of Floral and Acequia. Go to the front desk in the Acequia Lobby and ask to speak with someone in Patient Financial Services. Our office is open Monday through Thursday from 8:00 AM - 5:00 PM and Friday from 8:00 AM - 12:00 PM.

Aids and services such as documents in braille, large print, audio, and other accessible electronic formats are available for people with disabilities. These services are free.

Commented [RCE1]: HSC 12740: The notice shall also include the internet address for the Health Consumer Alliance (<https://healthconsumer.org>), and shall explain that there are organizations that will help the patient understand the billing and payment process, as well as information regarding Covered California and Medi-Cal presumptive eligibility, if the hospital participates in the presumptive eligibility program.

You may be eligible for FREE care if your income is below these amounts for your family size* (200% FPL)

Family Size*	Monthly	Annual
1	\$2,5102,608	\$30,120\$31,300
2	\$3,4073,525	\$4420,880300
3	\$4,3034,442	\$51,64053,300
4	\$5,2005,358	\$62,40064,300
5	\$6,0976,275	\$73,16075,300
6	\$6,9937,192	\$83,92086,300
7	\$7,8908,108	\$94,68097,300
8	\$8,7879,025	\$105,440108,300

*For households larger than eight persons, please call for income limits.

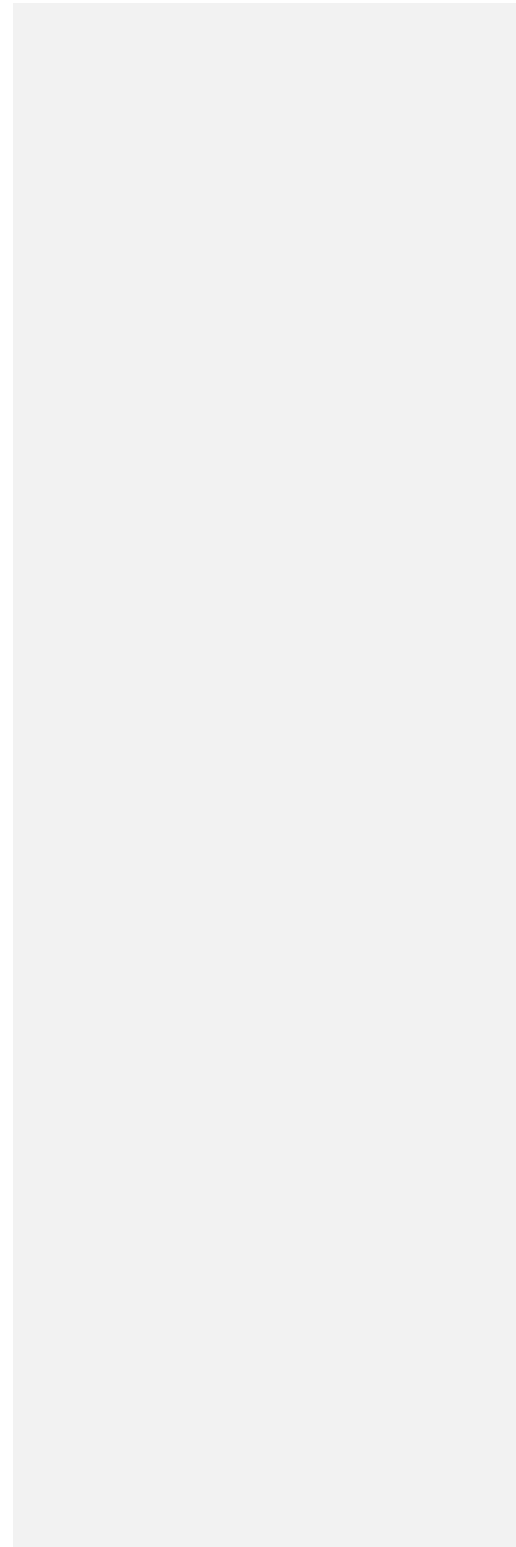
State and federal law requires debt collectors to treat you fairly and prohibits debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 am or after 9:00 pm. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (1-877- 382-4357) or online at www.ftc.gov.

You may be eligible for a DISCOUNT on your hospital bill if your income is below these amounts for your family size* (600% FPL)

Family Size*	Monthly	Annual
1	\$7,5307,825	\$90,36093,900
2	\$10,22010,575	\$122,640126,900
3	\$12,91013,325	\$154,920159,900
4	\$15,60016,075	\$187,200192,900
5	\$18,29018,825	\$219,480225,900
6	\$20,98021,575	\$251,760259,900
7	\$23,67024,325	\$284,040292,900
8	\$26,36027,075	\$316,320327,900

Free credit counseling services may be available from local nonprofit agencies.

ClearPoint Credit Counselling: 800-750-2227 / www.clearpoint.org



AP154-

Policy Number: AP154	Date Created: No Date Set
Document Owner: Kelsie Davis (Board Clerk/Executive Assistant to CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Medication Error Reduction Plan	

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

OVERVIEW

Kaweah Delta Health Care District dba Kaweah Health is dedicated to the mission of excellence in safe medication use by analyzing errors, understanding their system based causes and disseminating practical recommendations that can help healthcare providers and patients. The Kaweah Health Medication Error Reduction Plan is in place to achieve our mission and meet the intent of SB 1875 “to eliminate or substantially reduce medication-related errors”. The plan is divided in five sections that are concordant with general principles identified by the California Department of Public Health as likely to be beneficial in accomplishing the aim of reducing medication error. These principles are:

Principle 1 – Establish an organized quality system that addresses the issue of a facility-wide reduction of medication errors.

Principle 2 – Develop effective reporting mechanisms to ensure medication related errors are reviewed.

Principle 3 – Establish a baseline assessment and then, at a minimum annually review the effectiveness of the plan to reduce medication errors.

Principle 4 – Technology implementation shall be part of the plan

Principle 5 – Review pertinent literature related to the reduction of medication errors in review and on-going development and review of the plan.

Medication safety objectives and priorities are actively adjusted throughout time, based on internal/external medication error data, as well as the emerging, dynamic needs of the patients we serve. As such, the MERP described in this policy is supplemented by a “working plan” maintained by the Medication Safety Quality Focus Team.

Medication Error Reduction Plan (MERP)

Principle 1 – Establish an organized quality system that addresses the issue of a facility-wide reduction of medication errors.

The medication use system is complex with broad organizational impact. The Medication Safety Quality Focus Team (QFT), chartered by the Quality Council, directs health system actions regarding reductions in errors attributable to medications. The Medication Safety QFT charters sub-groups, Quality Action Teams, to work on specific tasks.

Medication Safety QFT is multi-disciplinary and consists of representation from Medical Staff, Nursing, Pharmacy, Quality and Patient Safety, Risk Management, Administration and Information System Support. This QFT meets formally on a regular basis to address the issue of a facility-wide reduction in medication errors. Evaluation and assessment efforts address each process of the medication use system including: prescribing, prescription order communications, product labeling, packaging and nomenclature, compounding, dispensing, distribution, administration, education, monitoring, and use.

Quality Action Teams report their findings and recommendations to Medication Safety QFT, which reports to the Pharmacy & Therapeutics Committee, Professional Staff Quality Committee and Quality Council in addition to other departments when indicated. Refer to AP Policy .41 “Quality Improvement and Patient Safety Plan” for council/committee organization, governance and responsibilities.

Principle 2 – Develop effective reporting mechanisms to ensure medication related errors are reviewed.

The Occurrence Reporting Program establishes an organizational framework for our current adverse drug event (ADE) reporting process. This program defines responsibility and information flow of medication related safety issues identified through the occurrence reporting system (refer to Administrative Policy AP.10 “Occurrence Reporting Process”). Based on a description of the event and/or further investigation, actions are taken to minimize the possibility of event reoccurrence. Medication error data is examined by Medication Safety QFT to ensure underlying system vulnerabilities are identified and incorporated in the MERP. In addition, aggregate ADE data is trended and used by the Medication Safety QFT to improve the medication use process. The ADE self-reporting process is supplemented by use of concurrent methods such as direct observation, retrospective /concurrent methods such as chart review and proactive methods with the use of trigger tools as a means to identify actual or potential medication-related errors.

The severity of events is categorized by the National Coordinating Council for Medication Error Reporting and Prevention NCC-MERP Index A through I. High severity events, category E through I, are reviewed by the Medication Safety QFT and are recommended for additional review or action when indicated. No harm events,

category A through D, may also be reviewed by the QFT based on the potential for harm. These events are identified by the multidisciplinary ADE subcommittee.

Ongoing efforts are made to reduce medication-related errors via the formulary management system, medication use evaluations, and use of external medication error data from organizations (e.g. Institute of Safe Medication Practices, the United States Pharmacopeia, The Joint Commission and other authoritative sources). For example, potential and actual medication errors are identified and reported through the annual Chemotherapy Medication Use Evaluation, which involves a retrospective review of clinical care.

Kaweah Health has in place a multidisciplinary framework in which sentinel and/or adverse events are identified and responded to appropriately (refer to Administrative Policy AP .87 “Sentinel Event and Adverse Event Response and Reporting”).

Principle 3 – Establish a baseline assessment and then, at a minimum annually review the effectiveness of the plan to reduce medication errors.

Kaweah Health MERP goals are established and reviewed annually in accordance with Health & Safety (H&S) Code 1339.63. The purpose of the annual review of the MERP is to determine the effectiveness of the plan. Medication error reduction plan goals are designed to eliminate or substantially reduce errors in the procedures and systems including, but not necessarily limited to, prescribing, prescription order communications, product labeling, packaging and nomenclature, compounding, dispensing, distribution, administration, education, monitoring, and use.

Internal and external data and information are utilized to identify weakness in the systems and procedures. From these identified weaknesses, MERP goals and objectives are established.

The MERP is modified as warranted to guide improvements in areas where weakness or deficiencies are noted, based on internal/external medication error data, as well as the emerging, dynamic needs of the patients we serve.

The effectiveness of MERP goals may be assessed using any or all of the following medication safety assessment methods: occurrence report review, direct observation, chart review, and trigger tool review. The final determination of effectiveness is a consensus opinion of the Medication Safety QFT.

Five levels of determination of effectiveness have been established for MERP Goals:

1. Effective in reducing system / process weakness
2. Partially effective in reducing system / process weakness
3. Potentially effective in reducing system / process weakness.
4. Not effective in reducing system / process weakness.
5. Unable to assess effectiveness in reducing system / process weakness

Principle 4 – Technology implementation shall be part of the plan.

Technology plays role in Kaweah Health's MERP. The MERP "working plan" describes the medication-related technology to be implemented and how it is expected to reduce medication-related errors. Medication-related technology decisions are based on independent, expert scientific advice and data, which has shown that it will reduce/eliminate medication errors.

Principle 5 – Review pertinent literature related to the reduction of medication errors in review and on-going development and review of the plan.

Leaders of the Medication Safety Quality Focus and Action Teams continually monitor the literature to identify targets of opportunity for drug therapy improvement projects. Examples of sources utilized include: Institute for Safe Medication Practices, Food and Drug Administration and Institute for Health Care Improvement.

"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."

EOC1022-

Policy Number: EOC 1022	Date Created: No Date Set
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Board of Directors (EOC/Emergency Preparedness)	
Food and Beverage in Work Areas	

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

Policy:

Kaweah Delta Health Care District herein referred to as Kaweah Health (KH) is committed to providing a safe environment for our patients, visitors, and staff members. To this end, the following policy and procedure have been developed.

Consumption of food and application of cosmetics in patient care areas put staff/volunteers/students and providers at risk of acquiring workplace-related infections. Kaweah Health is committed to taking all reasonable precautions in preventing occupational illness and injury and establishing a safe and healthy working environment for employees, physicians, volunteers, students, contractors and any person carrying out work at the hospital. This policy applies to all staff/physicians/volunteers/students/service providers in the Hospital inpatient and clinical outpatient areas.

Staff/physicians/volunteers/students and service providers shall not consume food, beverages, or apply cosmetics in patient care areas or where food can become contaminated with pathogenic organisms in the Hospital inpatient and outpatient areas.

Procedure:

1. No beverages, food and cosmetics are permitted in/on housekeeping carts, maintenance carts, supply carts, medication carts, isolation carts, supply storage areas, procedure rooms, pharmacy, clinical laboratory, diagnostic Imaging.
2. No food is to be consumed within the clinical areas (i.e. patient care rooms, med rooms, nursing stations etc.)
3. Staff must access hydration in a designated hydration space located outside of the direct patient care/contact environment.
4. Staff food must be stored in designated food refrigerator. Communal food – food shared by many people including but not limited to food trays (fruit, sandwiches, pizza, etc.) donuts, bags of chips and potlucks can be provided safely with the following:
 - Any food to be served or shared must be in an area where there is no patient care/contact or possibility of contamination from infectious materials, hazardous chemicals or drugs.
 - Any area where food is being consumed must have either a hand washing sink or the availability of hand sanitizer so individuals can perform proper hand hygiene.
 - Preferably, communal foods should be individually wrapped. If not, the food should be served using tongs or serving spoons.

- Food that has not been consumed must be covered.
 - Unconsumed perishable foods must be stored in a refrigerator within 2- 4 hours of opening and discarded after 72 hours. They must not be stored beside a water source, e.g. sinks.
 - Food and utensils must not be washed using hand hygiene or bathroom sinks.
5. Beverage containers with a tightly closed, spill proof lid/cover (i.e. individual water bottles) are permitted in designated hydration areas, and to be consumed provided this consumption/storage is away from:
- Infectious materials drugs
 - Direct patient care areas (patient procedure areas, treatment rooms, etc.)
 - Contaminated equipment/materials such as utility rooms, areas where specimens are stored
6. Note: Beverage containers shall not have a straw or open slot.
7. Designated staff areas of the department (i.e. conference rooms, lunch room, classroom/meeting room, private office areas) have no restrictions on container types for food or drink although lids are recommended to prevent spills.
8. Cosmetics are to be applied only in designated staff areas, e.g. staff washroom.

Related Documents:

References:

Occupational Safety and Health Administration (OSHA), Standard 1910.1030 <http://www.osha.gov>

Risk Assessment for Food & Drink in Clinical Setting- Kaweah Health 2025

"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."

EOC1033-

Policy Number: EOC 1033	Date Created: 04/08/2024
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Board of Directors (EOC/Emergency Preparedness), Kelsie Davis (Board Clerk/Executive Assistant to CEO), Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	
Water Management Program	

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

Purpose:

To avoid risk of waterborne pathogens, specifically Legionella, causing patient/employee harm.

Policy:

- A. The Water Management Program is managed and executed by representatives from Administration, Facilities, Environmental Services, Laboratory, and Infection Prevention. The plan is reviewed annually and when any of the following events occur:
1. New construction
 2. Changes in treatment products (e.g. disinfectants)
 3. Changes in water usage (e.g. restrictions due to drought)
 4. Changes in municipal water supply
 5. One or more cases of Legionella are identified
 6. Changes occur in applicable laws, regulations, standards, or guidelines

Procedure:**I. Maintenance**

1. Routine Testing
 - a. Water sample testing performed at least weekly on cooling towers for total dissolved solids, Biocide concentration, and scale.
 - b. Logs kept are kept in Facilities.
 - c. Routine water testing program is implemented and performed at intervals as determined by a third-party consultant specialized in water management. If any positive samples occur, Director of Facilities, Safety Officer and Infection Prevention Manager are all notified and work with associated areas to limit access to potential sources. Applicable steps are taken to resolve the finding and source is retested and put back into service upon negative test results.

2. EVS routinely runs sinks and showers in patient rooms during daily cleaning and during the discharge cleaning process.
3. Water Flow System Diagrams with descriptions

II. Risks

- A. Legionellosis is a waterborne disease. Man-made water supplies that aerosolize water, such as potable water systems (showers), air conditioning cooling towers, whirlpool spas, and decorative fountains, are the common sources for transmission. Conditions conducive to Legionella growth include warm water temperatures (20-45°C), stagnation, scale and sediment, and low biocide levels.
- B. There are more than 34 known species and more than 50 serogroups of Legionella. Many of the species have not been implicated in disease. The Legionella pneumophila serogroup 1 is most frequently implicated in disease and most frequently found in the environment.
- C. The incubation period for Legionnaires Disease is 2 to 10 days.
 1. Clinical description of Legionellosis is associated with two clinically and epidemiologically distinct illnesses:
 - a. Legionnaires' disease, which is characterized by fever, myalgia, cough, and clinical or radiographic pneumonia; and
 - b. Pontiac Fever, a milder illness without pneumonia
- D. Legionella pneumophila is ubiquitous in aquatic systems. Susceptible individuals, specifically those who are immunocompromised, have a greater risk of contracting Legionellosis. Individuals seeking medical care typically are in a state of weakened immunity. Therefore, patients and visitors at any Kaweah Health facility have a potentially compromised immune system and must be safeguarded against risk of infection cause by Legionella pneumophila.
- E. Legionella Risk Areas
 1. See Water Flow System Risk Area Diagrams

III. Legionella Outbreak Response:

- A. Clinical Criteria for Reporting
 1. No clinical criteria alone are sufficient to generate a report to public health authorities.
- B. Laboratory Criteria for Reporting
Legionnaire's Disease
 1. Isolation of Legionella organism from lower respiratory secretions, lung tissue, or pleural fluid
 2. Detection of any Legionella species from lower respiratory secretions, lung tissue, or pleural fluid by a validated nucleic acid amplification test

3. Detection of *Legionella pneumophila* serogroup 1 antigen in urine using validated reagents
4. Fourfold or greater rise in antibody titer to specific species or serogroups of *Legionella* other than *L. pneumophila* serogroup 1 (e.g., *L. micdadei*, *L. pneumophila* serogroup 6)
5. Fourfold or greater rise in antibody titer to multiple species of *Legionella* using pooled antigens
6. Detection of specific *Legionella* antigen or staining of the organism in lower respiratory secretions, lung tissue, or pleural fluid by direct fluorescent antibody (DFA) staining, immunohistochemistry (IHC), or other similar method, using validated reagents

Pontiac Fever

1. Detection of *Legionella pneumophila* serogroup 1 antigen in urine using validated reagents
2. Fourfold or greater rise in specific serum antibody titer to *Legionella pneumophila* serogroup 1 using validated reagents
3. Fourfold or greater rise in antibody titer to specific species or serogroups of *Legionella* other than *L. pneumophila* serogroup 1 (e.g., *L. micdadei*, *L. pneumophila* serogroup 6)
4. Fourfold or greater rise in antibody titer to multiple species of *Legionella* using pooled antigens

Extrapulmonary Legionellosis

1. Isolation of *Legionella* organism from any extrapulmonary site
2. Detection of any *Legionella* species from any extrapulmonary site by a validated nucleic acid amplification test
3. Detection of specific *Legionella* antigen or staining of the organism from any extrapulmonary site by direct fluorescent antibody (DFA) staining, immunohistochemistry (IHC), or other similar method, using validated reagents

C. Epidemiologic Linkage Criteria for Reporting

1. None required.

D. Vital Records Criteria for Reporting

1. Report any person whose death certificate lists Legionnaire's disease, Legionellosis, Extrapulmonary Legionellosis, or Pontiac Fever anywhere on the death certificate.

E. Other Criteria Reporting

1. Report any person whose healthcare/medical record contains a diagnosis Legionnaire's disease, Legionellosis, Extrapulmonary Legionellosis, or Pontiac Fever.

F. Disease-specific data elements to be included in the initial report

1. Symptoms consistent with Legionnaire's disease, Pontiac fever, or extrapulmonary disease.
2. Exposure within the two weeks (14-days) prior to illness onset, the following data elements should be included in the initial report when known:

- (a) Travel or overnight stay somewhere other than usual residence – if yes, location and dates of travel
 - (b) Visiting or working in any healthcare facility – if yes, location and dates
 - (c) Any water exposures (e.g. hot tubs, respiratory therapy equipment, or other sources of aerosolized water) – if yes, location and dates
- G. Upon identification of a potential Legionnaire's, Pontiac Fever, Extrapulmonary Legionellosis case:
 - 1. RN Field Infection Preventionist AND/OR RN IP Data Coordinator OR IP Data Analyst/CME Coordinator contacts:
 - (a) Safety Officer
 - (b) Microbiology AND/OR Serology Section Chief(s)
 - (c) Facilities Manager AND/OR Director
 - (d) Tulare County Health and Human Services Agency
 - 2. Safety Officer contacts Chief Nursing Officer (CNO) to alert the CNO of a probable Legionnaire's case
 - 3. Microbiology and/or Serology Section Chief(s) will provide Infection Prevention with necessary laboratory information as it relates to the outbreak
 - 4. Notify Facilities to implement Legionella Control Measures (see Legionella Control Measures Diagrams). Facilities Manager and/or Director will contact contracted vendor to collect environmental water samples for response testing related to outbreak.
 - 5. Infection Prevention will contact and submit information related to the Legionella Outbreak to Tulare County Health and Human Services Agency - Public Health Branch – Communicable Diseases Program

III. Mitigation

- A. Continue to monitor for new Legionellosis cases.
- B. Consider methods to avoid future incidents.

References:

CDC. *Developing a Water Management Program to Reduce Legionella Growth & Spread in Buildings – A Practical Guide to Implementing Industry Standards*. June 24, 2021 Version 1.1

Heyman, David, MD. *Control of Communicable Diseases Manual – Legionellosis*. American Public Health Association Press, 20th Edition. pg. 335.

State of California – Health and Human Services Agency. *Legionellosis Case Report*. CDPH 8588 (revised 7/14/)

"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."

EOC1046-

Policy Number: EOC1046	Date Created: 11/15/2013
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Board of Directors (EOC/Emergency Preparedness), Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	
Air Pressure Relationship Testing	

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

PURPOSE:

The purpose of this plan is to define ventilation system testing requirements for air exchange rates in defined spaces.

POLICY:

It is Kaweah Delta Health Care District's herein after referred to as Kaweah Health (KH) policy to test the following spaces for air exchange rates and pressure differentials on a semi-annual basis. Testing will be completed by a qualified professional. All spaces that do not meet the testing minimum requirements will be repaired and re-tested as soon as possible.

PROCEDURE:

The spaces listed below will be tested semi-annually by a certified vendor for verification of air exchange rate. All spaces that do not meet the testing minimum requirements will be repaired and re-tested, for verification, as soon as possible.

PROCEDURE ROOMS: 12 exchanges per hour			
Labor and Delivery OR #1	Operating Room #4	Operating Room #14	AW Cath Lab #3 (CVL)
Labor and Delivery OR #2	Operating Room #5	Operating Room #14 URO	AW Cath Lab #4 (CVL)
NICU	Operating Room #6	PACU	AW CVOR #6
Nursery	Operating Room #7	Intensive Care Unit	AW CVOR #7
Operating Room #1	Operating Room #8	Cardiovascular Intensive Care Unit	AW CVOR #8
Operating Room #2	Operating Room #9	AW Cath Lab #1 (CVL)	AW CVOR #9
Operating Room #3	Operating Room #10	AW Cath Lab #2 (CVL)	Inpatient CT #2
		AW L&D OR #1	AW L&D OR #2

ANTE ROOMS TO PROCEDURE ROOMS: Ensure neutral pressure and/or not to interfere with positive pressure from procedure rooms. No air exchange requirement noted.

AW CVOR Ante Room for Room #7

AW CVOR Ante Room for Rooms #8 & #9

ENDOSCOPY ROOMS: 15 exchanges per hour	
Endoscopy "A"	Endoscopy "B"

STERILE STORAGE ROOMS: 4 exchanges per hour	
Operating Room Back Hall	Cath Lab Core
Labor and Delivery Storage	Cardiovascular Operating Room Storage Room
Operating Room Storage "Red Room"	Cardiovascular Operating Room Core Storage Room
Operating Room Storage "Yellow Room"	Acequia Wing Sterile Processing Packaging
Operating Room Storage "Purple Room"	Acequia Wing Sterile Processing Storage
Mineral King Sterile Storage (main central sterile)	Mineral King Sterile Processing Storage

DECONTAMINATION/PROCESSING AREAS: 6 exchanges per hour	
Endoscopy Decontamination Area	Mineral King Sterile Processing Decontamination
Acequia Wing Sterile Processing Decontamination	

NEGATIVE PRESSURE PATIENT ROOMS: 12 exchanges per hour	
Mineral King Intensive Care Unit Room #1	Mineral King 3E Room #9 (Peds)
Mineral King Intensive Care Unit Room #18	Broderick Pavilion 3E Room #17
Mineral King 3E Room #5 (Peds)	Acequia Wing Mother Baby Room #1357
Mineral King 3E Room #6 (Peds)	Acequia Wing 4T Room #1417
Mental Health Room #24	3 West Room #1
ED Zone 5 Room #50	Acequia Wing NICU Room #6
ED Zone 5 Room #51	Acequia Wing NICU Room #7
Acequia Wing CV ICCU Room #1517	Acequia Wing NICU Room # 17
Acequia Wing Cardiovascular Intensive Care Unit Room #1306	

APPLICABLE AND REGULATORY STANDARDS:

Joint Commission Environment of Care Standards

2010 California Mechanical Code, California Code of Regulations: Title 24, Part 4,
Ventilation Air Supply

Guidelines for Design and Construction of Hospitals and Healthcare Facilities, 2010 edition,
published by the American Institute of Architects

ASHRAE/ANSE Standard 170-2008: Ventilation of Health Care Facilities

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EOC4000-

Subcategories of Department Manuals
not selected.

Policy Number: EOC 4000	Date Created: 10/01/2009
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Board of Directors (EOC/Emergency Preparedness)	
Hazard Material Management Plan	

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

I. OBJECTIVE

The objectives of the Management Plan for Hazardous Materials and Waste Management at Kaweah Health (KH) is to emphasize safety within the premises and off site areas, to promote safety awareness as a means of prevention, and to comply with all federal, state and local laws on safety and health. The hazardous materials and waste management program is designed to minimize the risks associated with exposures to hazardous materials and waste, to identify hazards, recommend appropriate corrective action, and evaluate implemented corrective action. This is accomplished through the inventory and control of hazardous materials and waste as defined by the authorities having jurisdiction, from point of entry into the facility to disposal.

II. SCOPE

The scope of this management plan applies to **KH**, and any off site areas, per KH License.

Off-site areas are monitored for compliance with this plan during routine surveillance by Environment of Care (EOC) committee members. It is the responsibility of the Safety Officer to assess off site areas relative to their usage of hazardous materials and waste. Hazardous materials -related issues may be brought to the attention of the EOC Committee. The scope of the plan and program includes, but is not limited to the following safety-related activities: surveillance activities, and applicable safety policies and procedures, educational and performance improvement activities.

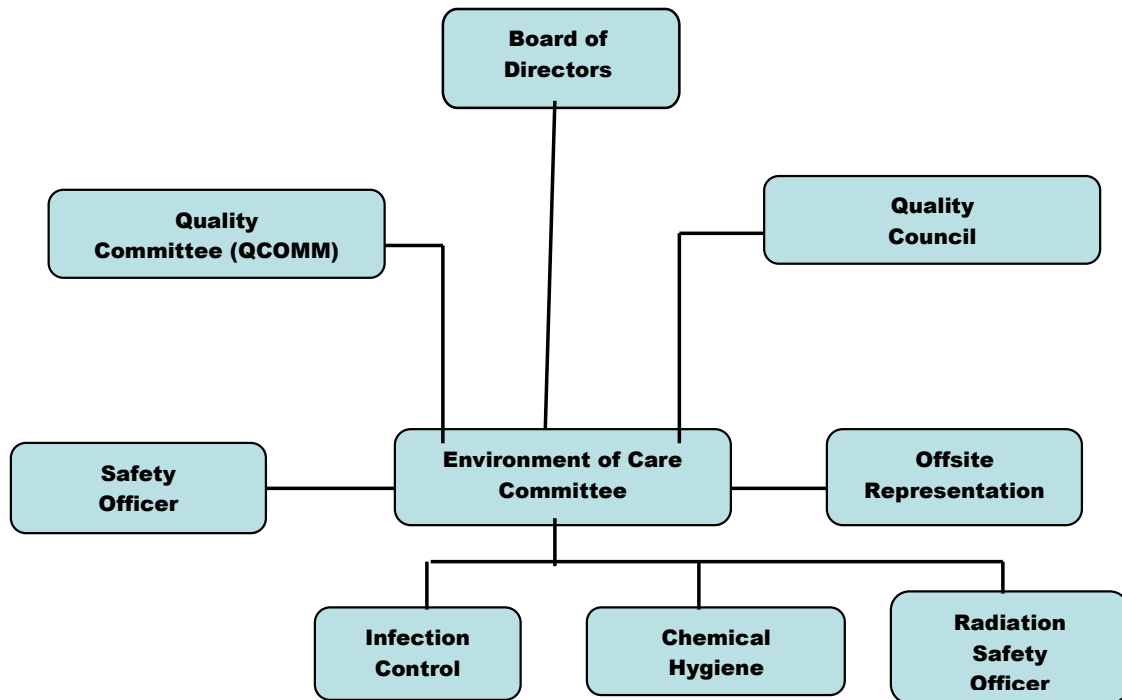
III. AUTHORITY

The authority for the Management Plan for Safety is EC. 01.01.01 and EC. 02.02.01. The authority for overseeing and monitoring the hazardous materials management plan and program lies in the **EOC** Committee, for the purpose of ensuring that hazardous materials activities are identified, monitored and evaluated, and for ensuring that regulatory activities are monitored and enforced as necessary. The Hospital Safety Officer has the authority to oversee the hazardous materials and waste program at KH.

IV. ORGANIZATION

The following represents the organization of hazardous materials management at KH:

Organization – Hazardous Materials Management



V. RESPONSIBILITIES

Leadership, managers and staff have varying levels of responsibility relating to the Hazardous Materials and Waste Management program as follows:

Board of Directors: The Board of Directors supports the Hazardous Materials and Waste Management plan by:

- ❑ Review and feedback if applicable of the quarterly **EOC** reports
- ❑ Endorsing budget support as applicable, which is needed to implement a safety or health improvement identified through the activities of the Hazardous Materials and Waste Management Program.

Quality Council: Reviews annual **EOC** Committee report, and provides broad direction in the establishment of performance monitoring standards.

Administrative Staff: Administrative staff provides active representation on the **EOC** Committee meetings and sets an expectation of accountability for compliance with the Hazardous Materials and Waste Management Program.

Environment of Care Committee: **EOC** Committee members review and approve the quarterly (**EOC**) reports, which contain a Hazardous Materials and Waste Management component. Members also monitor and evaluate the Hazardous Materials and Waste Management program (EC .04.01.01-1), and afford a multidisciplinary process for resolving issues relating to hazardous materials and hazardous waste. Committee members represent clinical, administrative and support services when applicable.

Directors and Department Managers: These individuals support the Hazardous Materials and Waste Management Program by:

- ❑ Reviewing and correcting hazardous materials and waste management deficiencies identified through the hazard surveillance process.
- ❑ Communicating recommendations from the EOC Committee to affected staff in a timely manner.
- ❑ Developing education programs or training within each department that ensures compliance with hazardous materials and waste management policies.
- ❑ Setting clear expectations for employee participation in safe practices relating to hazardous materials and hazardous waste to include a disciplinary policy for employees who fail to meet the expectations.
- ❑ Serving as a resource for staff relating to applicable hazardous materials and waste management practices.
- ❑ Ensuring that the procedure for work-related exposures to hazardous materials is followed, and that accident investigation is completed immediately post injury or exposure, and documented on the appropriate form.
- ❑ Ensuring employees have access to the applicable spill kits in their department
- ❑ Informing employees of the location of Safety Data Sheets (SDS) and other information related to hazardous substances, and teaching employees how to obtain an SDS from the KDCompass:.

A Hard copy of SDS is available in Emergency Department and Safety

Employees. Employees of KH are required to participate in the Hazardous Materials and Hazardous Waste Management Program by:

- ❑ Knowing where the SDS contact information is located
- ❑ Properly labeling hazardous waste
- ❑ Ensuring labels are present on hazardous materials
- ❑ Completing unit-specific and annual education as required, which includes a hazardous materials component
- ❑ Wearing the appropriate personal protective equipment.
- ❑ Ensuring that hazardous waste is disposed of properly.
- ❑ Staff is responsible for knowing how to access spill kits, and for following safety procedures when working with hazardous chemicals.

Radiation Safety Officer: The Radiation Safety Officer implements the various aspects of the radiation safety program. Some of the responsibilities are: required radiation surveys, personnel radiation exposure monitoring program, maintenance of the hospital radioactive materials license, radiation protection training program, radiation incident response, radioactive waste management and radioactive material inventory records. The Radiation Safety Officer ensures that radiation safety activities are being performed according to approved policies and procedures, and that all ALARA guidelines and regulatory requirements are complied with in the daily operation of the licensed program.

Chemical Hygiene Officer, Pathology: Provides guidance with spills procedures and prevention including transportation issues, oversees air monitoring requirements in Pathology and is responsible for keeping a current updated Chemical Hygiene Plan, and related requirements within the plan. The Chemical Hygiene Officer acts as a resource for departments relating to hazardous materials and waste.

Safety Officer:

- Provides technical guidance relating to the following, as they may impact on the Hazardous Materials program: Hazardous materials storage: site construction, planning, transportation, relocation as necessary, permits for air discharge, water discharge, UST, waste treatment and waste disposal, and any follow-up related to Air Toxic Hot Spots and Industrial Wastewater Discharge, Underground Storage Tank Monitoring,
- Ensures no hazardous waste is left on the premises from construction activities, and ensures the appropriate SDS is provided in the event hazardous materials in a product is used for work within the premises.
- Performs air-monitoring activities in the OR on an annual basis and in departments requiring monitoring due to the use of regulated chemicals (e.g., formaldehyde, xylene, glutaraldehyde).

Medical Staff: Medical Staff will support the Hazardous Materials and Waste Management Program by practicing safe work practices while performing procedures that include hazardous materials, and assisting in the care of employees who receive a hazardous materials exposure.

EC. 02.02.01-EP 1 The hospital maintains a written, current inventory of hazardous materials and waste that it uses, stores, or generates. The only materials that need to be included on the inventory are those that address handling, use and storage by law and regulation.

Criteria for Identifying, Evaluating and Inventorying Hazardous Materials:

- A. **Identification.** The Radiation Safety Officer identifies the criteria for radioactive usage and waste at the hospital. Infection Control defines infectious waste in accordance with the applicable regulation. The Safety Officer identifies the definitions of hazardous chemicals in accordance with the applicable law or regulation. Labels and warning signs are placed on hazardous chemicals, to further assist staff in knowing what the physical and health hazards are. Hazardous substances are those that create a health or physical hazard.

Any substance on the following lists is considered a hazardous material:

- 29 CFR 1910, Subpart Z, Toxic and Hazardous Substances
- The Threshold Limit Values for Chemical Substances and Physical Agents in the Work Environment, published by the American Conference of Governmental Industrial Hygienists (ACGIH).
- The Annual Report on Carcinogens published by the National Toxicology Program (NTP).
- Monographs published by the International Agency for Research on Cancer (IARC).
- If the hazardous material causes or significantly contributes to an increase in mortality or an increase in serious irreversible illness or death or if the hazardous material poses a substantial hazard to human health or the environment when improperly treated, stored, transported, or disposed of or otherwise managed.

Categories of Hazardous Waste Include:

- Flammable/Ignitable: Substances with a flashpoint of less than 140 degrees F. (Examples: acetone, benzene, ethylene, methanol and xylene).
- Corrosives. Substances with a pH of less than 2.0 or greater than 12.5; that can cause destruction of or irreversible damage to living tissue (Examples include: hydrochloric acid, sulfuric acid and sodium hydroxide).
- Chemically Reactive: substances such as hydrogen peroxide and picric acid that are unstable in air.
- Toxic Substances: Substances that meet certain specified toxicity criteria or that are included in the State EPA list of hazardous or extremely hazardous materials. (Examples include lead, mercury, chromium, arsenic and chemotherapeutics).

The definition of hazardous does not apply to the following:

- Tobacco
- Wood or wood product
- A manufactured item which is formed to a specific shape and does not release or result in exposure to a hazardous chemical, under normal conditions of use, such as pens, typewriter ribbons, and the like.
- Food, drugs, or cosmetics intended for personal consumption by employees.
- Any consumer product or hazardous substance which is used in the same manner as normal consumers use, and which use results in a duration and frequency of exposure which is not greater than exposure experienced by a consumer.
- Any drug in solid, final form for direct administration to the patient, (i.e., tablets or pills).

B. Use of Alternate Sources. Whenever possible, alternate chemicals are evaluated for use in an effort to contain the use of hazardous materials. For example, when possible, alkaline batteries may be substituted where mercury batteries are used, and lead-based paint will not be used. Or water-based paint will be used instead of oil-based; flammable thinners will be avoided, and only organic fertilizers will be used on the grounds. Whenever possible, evaluation will be made for hazardous materials that may be recycled, such as waste oil.

Other hazardous waste reduction strategies include:

- Available Waste Reduction Methods (source reduction, recycling) and source reduction techniques (good housekeeping practices, material substitution, modification of the technology, inventory control, regular inspections of hazardous materials and waste storage areas).
- Hazardous Items: fluorescent light tubes (recycled or manifested as hazardous waste), small household batteries (disposed as hazardous waste), asbestos waste (manifested), waste elemental mercury (subject to regulations until it is recycled), waste oil (subject to regulations until it is recycled), silver waste (treated and recycled offsite), chemotherapeutic waste and trace cytotoxic wastes (manifested), lead acid batteries (sent to a facility that fully complies with the waste management requirements for hazardous wastes).

C. Inventory. Policy and procedure identify the inventory process at the hospital. On an annual basis, it is the responsibility of the department directors to complete an annual

chemical inventory for the Safety Officer, and submit copies of SDS. This process increases the likelihood that the central file of all SDS is as current as possible.

EC.02.02.01-3 and 4

The hospital has written procedures, including the use of precautions and personal protective equipment to follow in response to hazardous material and waste spills or exposures. KH ensures Safety Data Sheets (SDS) are available for staff using hazardous materials, which identify the appropriate precautions and required personal protective equipment to be used when handling the hazardous material. Written procedures to follow in response to a hazardous material and waste spill or exposure include the following:

Emergency Procedures

A. Spills

Major Spills, i.e., spills constituting a danger or threat: In the event a hazardous spill occurs that creates an unsafe condition for personnel, patients or the hospital, 9-911 will be dialed and the local Haz-Mat Team will be summoned from the Fire Department. In addition, PBX is called, by dialing 44, to ensure that proper internal procedures are established to prevent further contamination from spills, without endangering employees (which may include evacuating staff, closing doors to contain the spill, providing caution tape to deny entry to the area). A major spill occurs under the following conditions:

- A life-threatening condition exists;
- The condition requires the assistance of emergency personnel
- The condition requires the immediate evacuation of all employees from the area or the building
- The spill involves quantities that exceed a specified volume
- The contents of the spilled material is unknown
- The spilled material is highly toxic, bio-hazardous, radioactive or flammable
- Employees feel physical symptoms from the exposure.

Minor Spills: Minor spills are spills that constitute no immediate danger or threat. Spills causing no immediate danger or threat to personnel or Kaweah Health may be safely cleaned with the appropriate spills kit by the staff member involved in the spill.

EC.02.02.01-5 and 6

KH minimizes risks associated with selecting, handling, storing, transporting, using and disposing hazardous chemicals and radioactive materials.

Selecting, Handling, Storing, Using and Disposing Hazardous Materials (Chemicals)

Selecting: Hazardous materials are ordered and received by the Materials Management Department, and transported to the end users. The Materials Management Department is responsible for distributing the SDS to the using department.

Handling: SDS provide guidelines to users regarding the handling of hazardous materials and wastes, including the appropriate personal protective equipment to be worn (e.g., gloves, goggles, aprons, masks, etc.), appropriate storage and proper disposal. Any questions regarding disposal are to be referred to the supervisor or Safety Officer. All chemicals must be properly labeled so they can be properly identified prior to use. Department specific policies will address handling and use

in areas such as Radiology – for radioactive substances, Laboratory – for chemicals, Environmental Services and Nursing for infectious materials.

Storing: Hazardous materials are stored, with attention to the appropriate segregation practices. These are determined by the using site, and by the type of chemicals to be stored. For example, acids are stored separately from bases, flammables are stored in a flammable-resistant containers. Hazardous Materials waste may not be stored on the hospital premises for more than 90 days.

Using. The SDS show staff information relating to specific usage regarding the hazardous chemicals. In certain instances, policies and procedures are in place, and when necessary, specialized education where necessary, that describes to staff how hazardous chemicals will be used.

Transporting. Hazardous materials must be transported in approved containers and carts to minimize the risk of spill or damage to the primary container. Pressure vessels/cylinders must be transported in approved carts.

Disposing: Disposal methods used depend on the nature of the waste material. Bio-hazardous waste is separate from hazardous waste, governed by the Medical Waste Act of 2017, and disposed in special containers, both at a terminal collection point on the using unit, and in a terminal collection point outside the hospital. Pharmaceuticals may be returned to the manufacturer/distributor, or disposed in accordance with Pharmacy policy. RCRA pharmaceutical waste is disposed of in special containers at a terminal collection point on the unit. Radioactive materials are decayed to background radiation levels on site and then disposed as normal waste or returned to the manufacturer/distributor. Trace amounts of chemotherapeutic drugs are disposed of in special chemotherapy waste receptacles. Pourable or scrapable amounts are disposed of as chemotherapy waste. If the nature of hazardous waste is not known, the Safety Officer will contract with a licensed hazardous waste hauler and request a profile of the unknown hazardous waste, and when the profile has been completed, the waste will be manifested. When a hazardous waste is manifested, the District's generator identification must be used (i.e., EPA number).

The Management of Waste. It is the responsibility of the hospital to determine if the waste generated is hazardous. Hazardous wastes are separated into hazardous waste streams according to their compatibility and similarity, handling requirements, recycling and disposal. Each waste stream can consist of more than one type of waste provided they are chemically and physically compatible and can be treated or recycled in the same manner. Separation is important for economic reasons. Disposal costs for different types of wastes vary, and mixing a small amount of a waste having a high disposal cost with a larger volume of other waste may not be economically feasible. Hazardous chemical waste comes from a variety of sources within the hospital. It is collected at the point of use and segregated into containers intended for only one kind of chemical waste. Waste from chemicals is not to be mixed together because of the potential for reactions. Chemical waste must be treated as follows:

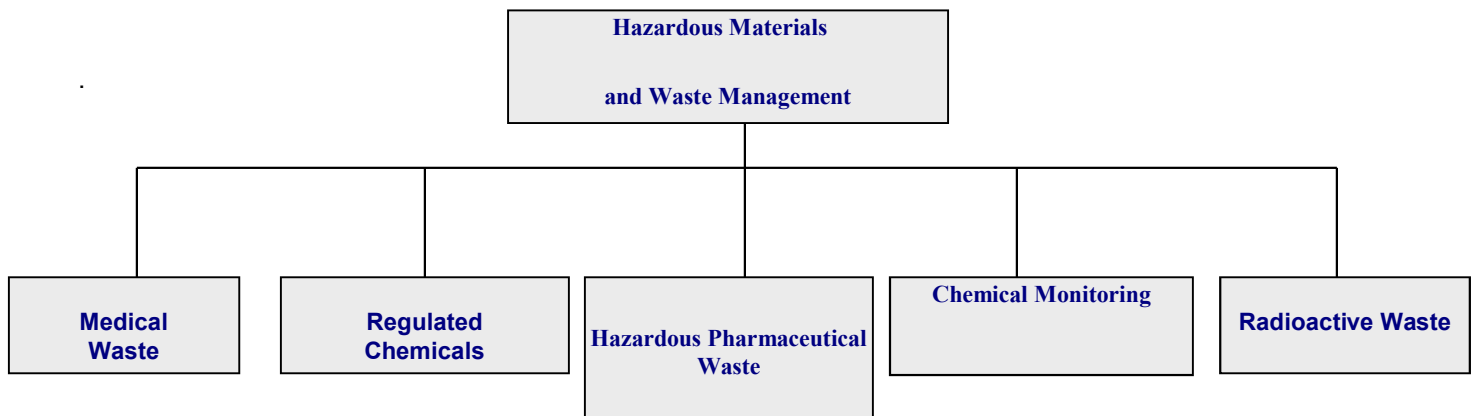
1. The chemical waste is labeled.
2. The chemical waste is placed in the appropriate container.
3. The chemical waste is removed from the area as soon as possible.
4. The chemical waste may not be stored for more than 90 days
5. The chemical waste is manifested in accordance with regulation.

Radioactive Waste

A large proportion of the radioactive materials used in the District have a relatively short half-life. Materials with a short half-life can be handled by storage in a safe location on-site until the radioactivity level has decayed to the point where the level of radioactivity is approaching the natural background level. The materials can be safely discharged into the regular waste stream. The following applies to radioactive waste:

- All containers of radioactive materials are to be appropriately labeled.
- Areas where radioactive materials and waste are stored must be secured against unauthorized entry and possible removal of the materials.
- All “hot” and “decay” areas are to be designated as controlled areas for the purpose of surveillance and posting, and appropriate caution signs are to be used in these areas.
- Controlled areas are to be tested or monitored with equipment capable of detecting and measuring airborne radioactive levels in order to ensure the safety and integrity of the storage area.
- Appropriate personal protective equipment such as disposable gloves are worn whenever personnel handle radioactive materials.
- Special handling procedures are in place for contaminated linen, water, equipment and supplies.

Special Note: Radioactivity and Safeguards: Precautions are in place relating to safeguards that minimize risk during the use, transport, storage and disposal of radioactive materials. Direct deliveries are made to the using areas by trained, certified Fed Ex personnel, and all deliveries are logged upon entering and exiting the District. The logs are kept indefinitely, under the oversight of the Radiation Safety Officer (RSO). Unused radioactive sources are shipped back to the vendor. The radioactive waste is kept at the facility for decay-in-storage and deposited in the normal trash after ten half-lives, as determined by the RSO. If radioactive materials are brought to the OR, they are carried by the RSO or Medical Physicist, with any leftover sources brought directly back to the Hot Lab by the RSO.



EC.02.02.01-7

KH minimizes risks associated with selecting and using hazardous energy sources. Note: Hazardous emergency sources include, but are not limited to, those generated while using ionizing or non-ionizing radiation equipment and lasers.

Radiation Safety The hospital has a Radiation Safety Officer and radiation safety policies. Quarterly radiation safety meetings are held to monitor overall compliance with radiation and radioactive activities, and legal requirements as defined by the applicable codes. The principle of “ALARA” (As Low As Reasonably Achievable) drives how the radiation safety activities are implemented and monitored (ALARA= keeping radiation exposure as low as reasonably achievable): Radiation safety processes in place include the following, but are not limited to:

- Identification of qualifications for physicians who practice fluoroscopy.
- Record keeping, and monitoring of radiation exposures (doses, personnel dosimetry, posting, labeling, warning system. For CT, PET or NM services, staff dosimetry results are reviewed at least quarterly by the Radiation Safety Officer or diagnostic medical physicist to assess whether staff radiation exposure levels are as low as reasonably achievable (ALARA) and below regulatory limits.
- Leak testing for sealed sources
- Appropriate signage for areas where radiation may be present.
- Regulations and reporting of theft or loss of licensed materials
- Correct usage of personal protective equipment
- Equipment calibration

Laser Safety

Laser safety is the avoidance of laser accidents, especially those involving eye injuries. The safe usage of laser is subject to governmental regulations. Laser safety in the Operating Room is the responsibility of the Laser Safety Officer. Maximum permissible exposure limits are in place, and monitored. A classification system defines the type of warning labels that must be in place at specific laser emission levels.

EC.02.02.01-8 and MM.01.01.03.02)

The hospital minimizes risk associated with disposing hazardous medications

Managing Hazardous Pharmaceutical Waste - Must be disposed of in designated containers with covers in accordance with organizational policy (Environment of Care Policy EOC 4001 “Hazardous Materials and Waste Management Program and Patient Care Policy PC.270 “Medication: Hazardous Drug Handling”). The container must have the appropriate label affixed to it.

Hazardous pharmaceutical waste included in the National Institute for Occupational Safety and Health (NIOSH) Table 1¹ must be segregated into two waste classifications or waste streams as follows:

1. “Trace Chemotherapeutic Waste” for trace amounts and,
2. “Pourable Hazardous Chemotherapeutic Waste” for pourable/scrapable amounts.

Resource Conservation and Recovery Act (RCRA) hazardous waste is disposed of in the waste container designated for “pourable hazardous chemotherapeutic waste” (i.e. RCRA Black Hazardous Waste Container).

Procedures are in place that identify where the waste will be stored, how long it will be stored, and how frequently the pick-up will be. The responsibility for the collection of hazardous pharmaceutical waste is identified (Environmental Services). This waste is transported through the hospital in a hazardous materials cart, separate from other wastes, to the approved storage area. Hazardous pharmaceutical waste is transported separately from non-medical waste and manifested within 90 days as hazardous waste. The appropriate

tracking documents are generated (manifests) and only licensed haulers are used to transport the waste.

EC. 02.02.01-9

The hospital minimizes risks associated with selecting, handling, storing, transporting, using and disposing hazardous gases and vapors. Note: Hazardous gases and vapors include, but are not limited to, glutaraldehyde, ethylene oxide, vapors generated while using cauterizing equipment and lasers, and gases such as nitrous oxide.

Minimization of Risks

- There are practices in place to minimize the risks associated with selecting, handling, storing, transporting, using and disposing hazardous gases and vapors.
- Selection of hazardous gases and vapors. The selection of hazardous gases and vapors is based upon the effectiveness of the hazardous substance with respect to treatment options, infection prevention, and or other benefits to the care of the patient.
- Handling/Storing/Transporting/Using hazardous gases and vapors. Hazardous gases are stored in rigid containers, and handled with care by staff who transport or use the hazardous gas. Or hazardous gas may be piped into critical units, based upon need and usage (e.g., nitrous oxide). Employees are knowledgeable of the use of hazardous gases by labeling, reading the appropriate Safety Data Sheet, or by receiving unit-specific training at the department level.
- Disposal of hazardous gases and vapors. Engineering controls and or alarms are in place to minimize the escape of hazardous gases and vapors.

EC. 02.02.01-10

The hospital monitors levels of hazardous gases and vapors to determine if they are in safe range.

Note: Law and regulation determine the frequency of monitoring hazardous gases and vapors as well as acceptable ranges.

Internal processes that support this standard include:

- 1) Scheduled monitoring plan for hazardous gases and vapors. Annual monitoring occurs in Pathology for xylene, formaldehyde, and glutaraldehyde.
- 2) WAG System Checking in the Operating Room. The Operating room is scheduled annually for waste anesthetic gas monitoring (nitrous oxide), coordinated by Facilities.
- 3) Equipment in the OR. Procedures are in place in the Operating Room to prevent the possibility of oxygen ignition. These include "Oxygen-enriched Environment Education", and at least one fire drill is conducted annually in the OR.

EC.02.02.01-11

For managing hazardous materials and waste, the hospital has the permits, licenses, manifests, and materials safety data sheets required by law and regulation.

Internal processes that support these activities include:

Permits, Licenses: All permits and licenses (e.g., permit to generate hazardous and biological waste, permit for an Underground Storage Tank, Hazardous Materials disclosure fees,) are maintained in the Facilities Department. It is the responsibility of Safety and Facilities personnel to ensure the permits are current on an annual basis with the agency having jurisdiction.

EC.02.02.01-12

KH labels hazardous materials and waste. Labels identify the contents and hazard warnings.

Footnote: The Occupational Safety and Health Administration's (OSHA) Bloodborne Pathogens and Hazard Communications Standards and the National Fire Protection (NFPA) provide details on labeling requirements.

Labeling of Hazardous Materials: All hazardous materials used throughout the District must be labeled with the information that is generated from the manufacturer. If a hazardous material is transferred from the original container to a secondary container, the secondary container must have the same information as the manufacturer's label, unless all of the hazardous material in the secondary container is going to be used immediately after pouring. The user of the hazardous materials is responsible for affixing the appropriate label to the secondary container

EC 02.02.01-17-18

The results of staff dosimetry monitoring are reviewed at least quarterly by the radiation safety officer, diagnostic medical physicist, or health physicist to assess whether staff radiator exposure levels are "as low as reasonably achievable" (ALARA) and below regulatory limits.

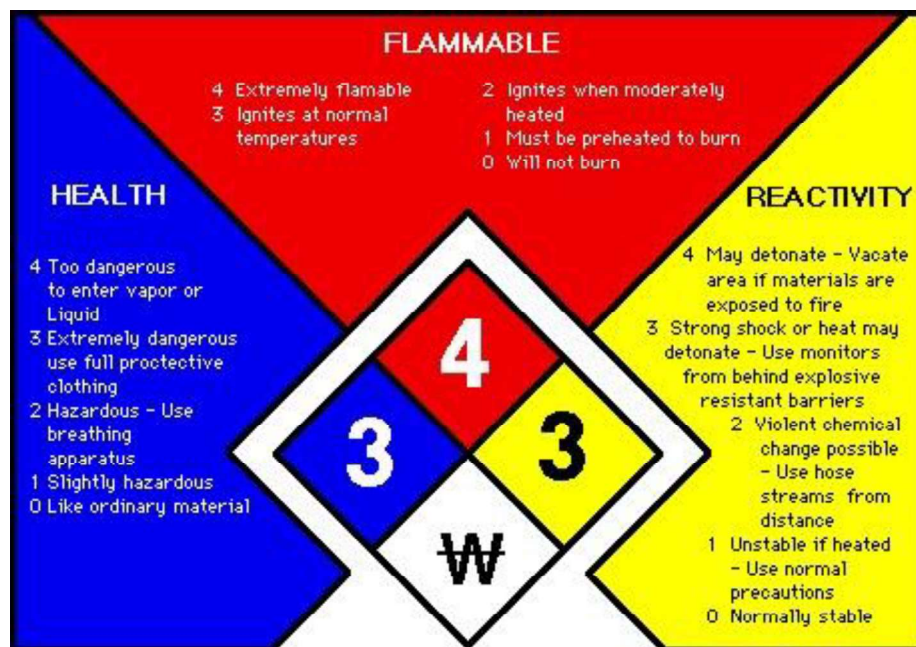
Radiation workers are checked periodically, by the use of exposure meters or badge tests, for the amount of radiation exposure.

The Radiation safety committee meets on a regular basis to review all radiation safety topics.

Staff working in those areas wear exposures meters to measure amount of radiation exposure.

Labeling of Hazardous Wastes: All spent hazardous wastes must have the appropriate label affixed to the container holding the hazardous waste. The name of the chemical must be on the container, as well as the "start accumulation date" relating to the storage of the hazardous waste. No hazardous waste will be stored for more than 90 days. The following information from NFPA 704 and the Bloodborne Pathogen standard is used on warning labels:

Hazardous Materials Warning Label



Bloodborne Pathogen Warning



All hazardous waste must contain a hazardous waste label that identifies the name of the medical center, address, phone number, manifest document, and EPA Waste Number as follows:

Hazardous Waste Label for Manifest - Sample

HAZARDOUS WASTE	
FEDERAL LAW PROHIBITS IMPROPER DISPOSAL IF FOUND CONTACT THE NEAREST POLICE OR PUBLIC SAFETY AUTHORITY OR THE U.S. ENVIRONMENTAL PROTECTION AGENCY	
GENERATOR INFORMATION:	
NAME <u>USASC & Fort Gordon</u>	
ADDRESS <u>ATZ-H-DIE</u>	PHONE <u>706-791-2403</u>
CITY <u>Fort Gordon</u>	STATE <u>GA</u> ZIP <u>30905</u>
EPA / MANIFEST ID NO. / DOCUMENT NO. <u>GA0210020368</u>	
ACCUMULATION START DATE _____	EPA WASTE NO. <u>D009</u>
Waste Environmentally Hazardous Substances, Solid, n.o.s., 9, UN3077, PG III (mercury)	
DOT. PROPER SHIPPING NAME AND UN OR NA NO. WITH PREFIX	
HANDLE WITH CARE!	
S-369, ULINE, 1-800-295-5510	

INFORMATION COLLECTION SYSTEM TO MONITOR CONDITIONS IN THE ENVIRONMENT**EC.04.01.01-EP's 1-11**

The hospital establishes a process(es) for continually monitoring, internally reporting, and investigating the following:

- **Hazardous materials and waste spills and exposures**

Through the Environment of Care Committee structure, hazardous materials and waste spills and exposures are reported quarterly. Minutes and agendas are kept for each Environment of Care meeting and filed in the Safety office.

ANNUAL EVALUATION OF THE HAZARDOUS MATERIALS AND WASTE MANAGEMENT PLAN**EC..04.01.01-EP-15**

Every twelve months, *Environment of Care* Committee members evaluate the Management Plan for Hazardous Materials and Waste Management, as part of a risk assessment process. Validation of the management plan occurs to ensure contents of each plan support ongoing

activities within the medical center. Based upon findings, goals and objectives will be determined for the subsequent year. A report will be written and forwarded to the Governing Board. The annual evaluation will include a review of the following:

The objectives:

The objective of the Hazardous Materials and Waste Management plan will be evaluated to determine continued relevance for the medical center (i.e., the following questions will be asked; was the objective completed? Did activities support the objective of the plan? If not, why not? What is the continuing plan? Will this objective be included in the following year? Will new objective(s) be identified? Will specific goals be developed to support the identified objective?).

The scope.

The following indicator will be used to evaluate the effectiveness of the scope of the Hazardous Materials and Waste Management plan: the targeted populations for the management plan will be evaluated (e.g.) did the scope of the plan reach employee populations in the off-site areas, and throughout the medical center?)

Performance Standards.

Specific performance standards for the Hazardous Materials and Waste Management plan will be evaluated, with plans for improvement identified. Performance standards with threshold is not met an analysis will occur to determine the reasons, and actions will be identified to reach the identified threshold in the subsequent quarter.

Effectiveness.

The overall effectiveness of the objectives, scope and performance standards will be evaluated with recommendations made to continue monitoring, add new indicators if applicable or take specific actions for ongoing review.

PRIORITY IMPROVEMENT PROJECT**EC.04.01.03-**

At least annually, one or more priority Improvement activities may be selected by the *Environment of Care* Committee. The priority improvement activity is based upon ongoing performance monitoring and identified risk within the environment. The priority improvement activity may be related to processes within the Hazardous Materials and Waste Management program if risk has been identified.

(KDHCD) IMPROVES ITS ENVIRONMENT OF CARE**EC.04.01.05-EP1-3**

Performance standards are identified monitored and evaluated that measure effective outcomes in the area of Hazardous Materials and Waste Management. The standards are approved and monitored by the Environment of Care Committee with appropriate actions and recommendations made. Whenever possible, the environment of care is changed in a positive direction by the ongoing monitoring, and changes in actions that promote an improved performance.

Patient Safety

Periodically there may be an environment of care issue that has impact on the safety of our patients. This may be determined from Sentinel Event surveillance, environmental surveillance, patient safety standards or consequential actions identified through the risk management process.

When a patient-safety issue emerges it is the responsibility of the Safety Officer or designee to bring forth the issue through the patient safety process. If there is risk identified within the Hazardous Materials and Waste Management processes that impact the safety of the patient, the issues will be brought forth to Patient Safety.

¹NIOSH [2024]. NIOSH list of hazardous drugs in healthcare settings, 2024. By Ovesen JL, Sammons D, Connor TH, MacKenzie BA, DeBord DG, Trout DB, O'Callaghan JP, Whittaker C. Cincinnati, OH: U.S. Centers for Disease Control and Prevention, National Institute for Occupational Safety and Health, DHHS (NIOSH) Publication No. 2025-103 (Supersedes 2016-161), <https://doi.org/10.26616/NIOSH PUB2025 103>.

DHSS (NIOSH) Publication No. 1025-103
December 2024

"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."

EOC4002-

Policy Number: EOC 4002	Date Created: 03/19/2025
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (EOC/Emergency Preparedness), Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	
Pest Control Program	

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

Policy:

The purpose of this policy is to establish guidelines for the effective management of pests using Integrated Pest Management (IPM) procedures. This policy aims to minimize pest problems and exposure to pesticides through the implementation of preventive measures and the use of safe, effective pest control methods.

Integrated pest management (IPM) is a targeted approach to pest control that focuses on proactive, nonchemical pest management techniques before employing chemical treatments only as a last resort deemed necessary by the Environment of Care Committee. IPM also is customizable to different facilities, taking into account geography, building conditions and even the time of the year. A tactic exists for each pest hot spot inside a health care facility to help guard it from pest pressures.

An Integrated Pest Management program (IPM) focuses on proactive strategies like exclusion, facility maintenance, stringent sanitation practices and ongoing inspections to keep pests away. If chemical treatments are needed, nonvolatile and the least-toxic formulations are used, and only in precision-targeted areas as approved by Infection Prevention and Safety departments.

This policy applies to all facilities, grounds, staff, and contractors. It covers all aspects of pest management, including prevention, monitoring, and control measures.

Definitions:

- **Integrated Pest Management (IPM):** A science-based, industry standard, common-sense approach for reducing populations of pests that uses a variety of pest management techniques focusing on pest prevention, pest reduction, and the elimination of conditions that lead to pest infestations.
- **Pests:** Populations of living organisms (animals, plants, or microorganisms) that interfere with use of facilities and grounds, cause damage, or pose a health risk to humans.
- **Action Thresholds:** Levels at which pest populations or environmental conditions indicate the need to report and for pest control action to be taken.
- **Pesticide:** Any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest.

Roles and Responsibilities:

- **Executive Leadership:**
 - Approve and support the implementation of the Pest Control Policy and IPM process.
 - Allocate necessary resources for effective pest management.
 - Review program effectiveness annually based on quarterly reports.
- **IPM Team / Environment of Care Committee:**
 - The IPM Team is made up of representatives from the following departments:
 - Facilities
 - Environmental Services
 - Food and Nutrition Services
 - Infection Prevention
 - Safety/EOC

- The EOC Committee will review IPM practices annually.
- The IPM Team is a resource for IPM techniques and application procedures.
- Reviews pest management activities across departments during each committee meeting.
- Maintains records to meet regulatory requirements.
- Reviews and approves pesticide products and applications.
- Evaluate the effectiveness of pest management strategies.
- **Department Leaders (Directors/Managers):**
 - Ensure staff compliance with IPM requirements.
 - Report pest sightings and issues when identified.
 - Implement preventive measures within their areas of responsibility (i.e. maintaining clean environments).
 - Participate in IPM discussions during Hazardous Surveillance Rounding.
- **All Staff:**
 - Report pest sightings promptly
 - Follow sanitation and housekeeping procedures.
 - Comply with pest prevention guidelines.
- **Pest Management Professionals:**
 - Must hold appropriate licenses and certifications.
 - Follow all IPM procedures outlined in this policy.
 - Provide detailed documentation of all pest management activities.
 - Use only approved pesticides and methods as determined by EOC Committee.
 - Submit reports after each visit of all pest management activities.

Procedure:

INTEGRATED PEST MANAGEMENT (IPM) APPROACH

The IPM program consists of five core components:

- **Inspection/Monitoring:** Regular examination of indoor and outdoor areas (as determined by risk assessment) to identify pest presence or conditions conducive to pest infestations.
- **Identification:** Accurate determination of pest species to establish effective control methods.
- **Action Threshold Establishment:** Determination of acceptable pest population levels before enhanced control measures are implemented. See appendix A
- **Implementation of Control Measures:** Application of appropriate control strategies, prioritizing the least toxic and most effective methods.
- **Evaluation:** Regular assessment of treatment effectiveness and adjustment of strategies as needed.

Inspection and Monitoring Procedure:

Regular monitoring and inspection are essential components of the IPM program:

- Conduct routine inspections of all areas, with frequency based on risk assessment.
- Use monitoring devices (traps, glue boards, etc.) to detect pest activity.
- Document all findings, including pest species, numbers, time of day/night and locations.
- Identify conditions conducive to pest infestations.

Prevention is the first line of defense against pests. During inspection and monitoring activities the following items will be assessed:

- **Structural Maintenance:** Sealing cracks and crevices, repairing leaks, and maintaining building integrity.
- **Sanitation:** Proper waste management, regular cleaning, and elimination of food and water sources.
- **Exclusion:** Identify the need for installation of screens, door sweeps, and other barriers to prevent pest entry.
- **Landscape Management:** Proper plant selection, maintenance, and design to reduce pest harborage.

Identification Procedure:

Accurate pest identification is critical for effective control:

- Consult with pest management professionals for difficult identifications.
- Document identified pest species in all reports.

Action Threshold Establishment Procedure:

Action thresholds will be established based on:

- Potential health risks
- Potential for structural damage
- Aesthetic concerns
- Facility-specific factors
- Regulatory requirements

Control and Implementation Measure Procedure:

When control measures are necessary, they will be implemented in the following order:

1. **Cultural/Educational:** Modifying human behavior and practices
2. **Physical/Mechanical:** Traps, barriers, heat/cold treatments, etc.
3. **Chemical:** Use of the least toxic, most targeted pesticides as a last resort

NOTE: Biological Controls, while often included as part of certain IPMs, are not included in this policy.

Evaluation and Continuous Improvement Procedure:

Program Assessment

Conduct annual comprehensive assessment of the IPM program including the review pest activity trends, pesticide use, and program effectiveness.

Performance Metrics

Establish measurable objectives for the IPM program

Track key performance indicators, such as:

- Number of pest sightings
- Response time to pest reports
- Compliance with prevention protocols
-
- Pesticide use (amount and frequency)

SPECIFIC PEST MANAGEMENT PROCEDURES

General Prevention Measures:

- Maintain clean and sanitary conditions in all areas. Leaders are responsible for ensuring their areas are clean at all times.
- Store food in sealed containers. Food should not be stored outside of designated areas (i.e. breakrooms, cafeteria, kitchen storage, etc.). Food should not be stored in employee lockers, offices, nurse stations, workstations, etc.
- Dispose of waste properly in sealed containers. Empty recyclable containers are not allowed to be stored within the facility. These items must be disposed of and removed from the facility promptly.
- Eliminate standing water and moisture problems
- Keep vegetation trimmed away from buildings
- Seal cracks, crevices, and other entry points

Rodent Management

- Seal all potential entry points (openings larger than 1/4 inch).
- Remove food sources and harborage areas. All food and food waste bins must be sealed with tightly closed lids at all times when not in use. Any bulk food waste must be stored at least 50 feet from the building when possible.
- Use traps as the primary control method.
- Place rodenticide baits only in tamper-resistant stations in non-patient areas.
- Regularly inspect and maintain traps and bait stations. **Insect Management**

- **Cockroaches:**

- Maintain high standards of sanitation, especially in areas where food is prepared and stored.
- Seal cracks and crevices.
- Use monitoring traps to detect activity.
- Apply gel baits or contained bait stations in cracks and crevices as needed.

- Use insect growth regulators when appropriately determined by pest control vendor.
- Avoid broadcast spraying of insecticides.
- **Ants:**
 - Identify and eliminate food sources.
 - Seal entry points.
 - Use baits appropriate for the ant species.
 - Apply liquid residual insecticides only as a last resort.
- **Flies:**
 - Maintain proper sanitation, especially in areas where food is prepared and stored.
 - Install and maintain screens on windows and doors.
 - Use air curtains at entrances where appropriate.
 - Eliminate breeding sites.
 - Use light traps and sticky traps as monitoring and control tools.
- **Bird Management:**
 - Install physical barriers (netting, spikes) to prevent roosting.
 - Modify structures to eliminate nesting sites.
 - Use visual and auditory deterrents where appropriate.
- **Other Pests:**

Specific procedures for other pests (bed bugs, mosquitoes, etc.) will be developed as needed, or are included in existing District policies.

PESTICIDE USE GUIDELINES

Approval Process: All pesticides must be approved by the IPM Team before use. Only pesticides labeled for the specific use site may be applied. **Selection Criteria**

Pesticides will be selected based on:

- Effectiveness against the target pest
- Least toxicity to humans and non-target organisms
- Minimal environmental impact
- Appropriate formulation for the application site
- Compliance with regulatory requirements

Application Procedures:

Pesticides will be applied only by trained and certified applicators. Applications will follow label directions. The least toxic, most targeted formulation will be used. Applications will be made when areas are unoccupied whenever possible. Spot treatments will be used instead of area-wide applications. Crack and crevice treatments will be preferred over surface applications.

Safety Precautions:

Appropriate personal protective equipment (PPE) will be worn during applications. Re-entry intervals specified on product labels will be strictly observed when applicable. Pesticide storage areas will be secured and properly ventilated. Pesticide containers will be properly labeled and stored. Emergency procedures for pesticide spills will be determined by SDS documentation.

Notification Requirements:

Advance notification will be provided to applicable area leaders before pesticide applications. Notification will include the target pest, pesticide to be used, time of application, and re-entry time when applicable. When applicable, posting of treated areas will be maintained until the re-entry interval has passed. Special notification procedures will be established for sensitive individuals. Again, pesticide use is considered a last resort within any District facility.

Documentation

All pesticide applications will be documented, including:

- Date and time of application
- Target pest
- Pesticide used (product name and EPA registration number)
- Amount applied
- Floor plan indication location of application
- Applicator name and certification number (if applicable)
- Any observations or comments

DOCUMENTATION AND RECORD KEEPING

Pest Sighting Reports:

Based on the Action Thresholds noted in this policy pest sightings will be documented using the District's Facilities work order system. Reports will include date, time, location, pest type, and reporter's name. Reports will be submitted to the IPM Team

Inspection Records:

Regular inspection reports will document:

- Areas inspected
- Findings (pest activity, conducive conditions, etc.)
- Recommendations for corrective actions
- Follow-up requirements

Treatment Records

All pest management treatments will be documented, including:

- Non-chemical methods used including standing monitoring methods (i.e. traps, etc.)
- Pesticide applications (as detailed in this policy)
- Results of treatments
- Recommendations for future actions

Pesticide Application Logs:

Monthly summaries of all pesticide applications will be maintained. Records will be kept for a minimum of two years. Records will be made available for regulatory inspections as requested.

TRAINING REQUIREMENTS**Contractor Requirements**

Pest management contractors must:

- Hold appropriate licenses and certifications
- Provide proof of IPM knowledge
- Demonstrate knowledge of IPM principles and practices

COMMUNICATION PROTOCOLS**Reporting Procedures:**

Pest findings must be reported via the work order system or made directly by phone to the Facilities department (PBX ext.2000). Facilities will document any calls or emails received in the work order system when applicable. Facilities will ensure timely response to all reports and provide feedback to reporters on actions taken.

Notification Systems

Department leaders will be responsible for notifying staff and occupants of pest issues with the guidance of the IPM Team. Planned pest management activities will be communicated to the applicable department leaders as well as Executive Leadership. When applicable, emergency pest management communications will be made prior to implementation with after action report provided to Executive Leadership.

COMPLIANCE AND REGULATORY REQUIREMENTS**Applicable Laws and Regulations**

The IPM program will comply with all applicable federal, state, and local regulations, including:

- Federal Insecticide, Fungicide, and Rodenticide Act (FIFRA)
- Occupational Safety and Health Administration (OSHA) standards
- State pesticide regulations
- Local ordinances

Industry Standards

The IPM program will adhere to relevant industry standards, including:

- Joint Commission standards for healthcare facilities
- Environmental Protection Agency (EPA) guidelines
- Centers for Disease Control and Prevention (CDC) recommendations

References:

Pest prevention for health facilities, Developing an integrated pest management plan with a four-step checklist, Jun 30, 2022, [Glen Ramsey](https://www.hfmmagazine.com/articles/4487-pest-prevention-for-health-facilities), <https://www.hfmmagazine.com/articles/4487-pest-prevention-for-health-facilities>

How to control pests in health care facilities, Here's the 411 on locating, identifying and stopping infestation dangers, Feb 4, 2015, [Jim Fredericks](https://www.hfmmagazine.com/articles/1478-how-to-control-pests-in-health-care-facilities) and [Missy Henriksen](https://www.hfmmagazine.com/articles/1478-how-to-control-pests-in-health-care-facilities), <https://www.hfmmagazine.com/articles/1478-how-to-control-pests-in-health-care-facilities>

Health care facility-specific pest management, Tailoring procedures for different types of off-site buildings, Jan 6, 2016, [Ron Harrison](https://www.hfmmagazine.com/articles/1847-health-care-facility-specific-pest-management), <https://www.hfmmagazine.com/articles/1847-health-care-facility-specific-pest-management>

EPA – Integrated Pest Management In Health Care Facilities_Implementing an IPM Program_July 2021
<https://www.epa.gov/system/files/documents/2021-07/integrated-pest-management-toolkit-2021.pdf>

Hospitals for a Health Environment Joint Commission Pest Control Checklist Pesticides
<https://mdpestnet.org/wp-content/uploads/2021/08/TJC-IPM-Guideline-EOC-3101.pdf>

"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."

EOC5000-

Policy Number: EOC 5000	Date Created: 06/01/2009
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Board of Directors (EOC/Emergency Preparedness)	
Fire Prevention Management Plan	

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

I. OBJECTIVES

The objectives of the Management Plan for Fire Prevention Life Safety at Kaweah Delta Health Care District (KDHCD) herein after referred to as Kaweah Health (KH) are to provide an environment wherein patient care can be safely administered, to provide a fire safe *environment of care* to protect patients, personnel, visitors and property from fire and the products of combustion, and to provide for the safe construction and use of building and grounds in accordance with applicable codes and regulations for the State of California.

II. SCOPE

The scope of this management plan applies to **all buildings within Kaweah Health**

Each off site area is required to have a unit-specific fire plan that addresses the unique considerations of the environment, including, but not limited to, building evacuation requirements. Off-site areas are monitored for compliance with this plan during routine environmental surveillance by Environment of Care (EOC) committee members.

It is the responsibility of the Safety Officer to assess and document compliance with the Fire Prevention Plan for the off-site areas, using an environmental surveillance checklist.

III. AUTHORITY

The authority for overseeing and monitoring the fire prevention management plan and program lies with the *Environment of Care* Committee, whose members will ensure that fire prevention activities are identified, monitored and evaluated, and will also ensure that regulatory activities are monitored and enforced, as necessary.

IV. RESPONSIBILITIES

KH Leadership have varying levels of responsibility and work together in the management of fire risks as identified below:

Board of Directors: The Board of Directors supports the Fire Prevention Management Plan through review and feedback, if applicable, of the quarterly and annual *Environment of Care* reports and endorsing budget support.

Quality Review Committee: Reviews the annual *Environment of Care* report from the *Environment of Care* Committee, providing feedback, if necessary.

Quality Council: Reviews annual *Environment of Care* report from the *Environment of Care* Committee and provides broad direction in the establishment of performance monitoring standards relating to fire prevention and fire risks.

Administrative Staff: Administrative staff provides active representation during the *Environment of Care* Committee meetings and sets an expectation of accountability for compliance with the Fire Prevention Program.

Environment of Care Committee: *Environment of Care* Committee members review and approve the quarterly *Environment of Care* reports, which contain a Fire Prevention component and oversee any issues relating to the overall fire prevention program.

Directors and Department Managers: Support the Fire Prevention Management Program by:

1. Reviewing and correcting deficiencies identified through the hazard surveillance process that relate to fire risks
2. Communicating recommendations from the Environment of Care Committee to affected staff in a timely manner.
3. Developing education programs within each department that ensure compliance with the policies of the Fire Prevention Management Program.
4. Supporting all required employee fire prevention education and training to include a disciplinary policy for employees who fail to meet the expectations.
5. Serving as a resource for staff on matters of fire prevention.

Employees: Employees of KH are required to participate in the Fire Prevention Life Safety Management program by:

1. Completing required fire prevention education.
2. Participating in fire drills
3. Reporting any observed or suspected unsafe conditions to his or her department manager as soon as possible after identification that may pose a fire risk.

Medical Staff: Medical Staff will support the Fire Prevention Management Program by abiding by the District's policies and procedures relating to fire prevention and Life Safety.

V. MANAGEMENT OF FIRE RISKS

KH has multiple processes in place that minimize the potential for harm from fire, smoke and other products of combustion, they include, but are not limited to:

1. This written plan serves to identify the overall components of the *Management Plan for Fire Prevention and Life Safety*.
2. Life Safety policies and procedures, which include an overall fire response plan for all staff
3. Fire Drills: Fire drills are performed per code to test staff response relating to the overall fire plan and to keep staff trained through rehearsal.
4. Procedures for testing, inspection and maintenance: Procedures are in place to ensure fire equipment testing and suppression equipment are properly tested, inspected and maintained.

5. Risk Assessment: Risk assessment for life safety includes ongoing hazard surveillance, *the Interim Life Safety Assessment* process, loss audits, regulatory, insurer and accreditation surveys.
6. Performance Standards: Performance standards are in place, based upon risk to the medical center, and monitored quarterly.
7. Education: Education and training of staff, physicians, temporary workers, students and volunteers is in place.
8. Testing, Inspection and maintenance: Testing, inspection and maintenance of fire extinguishing and suppression equipment, and fire alarm systems is in place.
9. *Statement of Conditions*: A Statement of Conditions is in place and is current. The deemed responsibility for the Statement of Conditions lies, jointly, with the Safety Office and the Facilities Director.

Reviewing Proposed Acquisitions:

To minimize the risks associated with flammable products brought into KH, a process is in place for the review of proposed acquisitions of bedding, window draperies, furnishings, decorations, wastebaskets and other equipment and materials. KH has all "requests for purchases" submitted to Facilities for review. The materials are acquired or approved through Facilities and Purchasing, and ensures:

1. Product(s) meets smoke and flame-resistant standards
2. Waste baskets are of noncombustible materials, or other approved material
3. Flame resistant coating and covering are maintained to retain their effectiveness
4. Attention is given to heat-generating combustible material and placement of equipment close to heat sources.

Staff will acquire samples and/or specification to assure that they have Class A rating (flame spread 0-25 and smoke development of 0-450) or rating such as Plenum, Fire rated per material. Staff will proceed with acquisition only when approved specifications are met, and are responsible for maintaining the specifications on file for each acquisition. Furniture purchased for the hospital meets state technical bulletin requirements, which requires a rating tag be attached to each article of furniture.

All materials within the hospital shall meet federal, state and local requirements for system construction, and treating and testing by approved testing agencies. Records of all materials shall be maintained on the hospital premises in the form of independent test laboratory reports, i.e., tags, or construction documentation.

These items include, but are not limited to:

<u>Item</u>	<u>Verification</u>
Finish materials	Independent Test Report
Low Voltage Wire	UL Smoke Rating/Independent Test
Construction Materials	Approved As-Builts
Furniture (State bulletins)	Test Report/Tags
Bedding/Curtains	Test report/Tags/Treat
Decorations	Test report/Tags/Treat
Holiday Trees	Office of State Fire Marshal Tag/Treat
Waste Baskets (similar items)	Location/Material/Approved

Contractors:

All contractors, before starting work at KH, are responsible for adhering to the following criteria.

1. All equipment installed in the facility (high and low voltage) will be listed and approved by an independent testing lab (approved by the State of California).
2. All components will be hospital grade.
3. Modifications to existing equipment cannot be made without written approval of the KH (re-certification may be required).
4. All finish material will be approved and meet code requirements.
5. All furniture will meet state bulletin requirements for sprinkled and non-sprinkled areas.
6. All construction will meet federal/state and local requirements.
7. Contractors will become familiar with KH's Fire Procedures.
8. Contractors are to act in a professional manner, and to maintain proper identification and demonstrate respect for patient privacy and confidentiality.

Before initiation of a construction project, interim life safety measures (ILSM) will be assessed by the safety department, and an Infection Control permit will be issued. Ongoing ILSM's are the responsibility of the Safety Officer. A policy is in place that identifies in detail the ILSM process, including individuals who are responsible for implementation.

Newly constructed and existing environments of care are designed and maintained to comply with the *Life Safety Code*.

To minimize the potential for harm from fire, when newly constructed and existing environment of care are designed, only licensed architects are used, who oversee the process of subcontractors, who are independently licensed and bonded. Local, state and federal regulations are followed.

Exceptions to this are made on an case by case basis, by the Facilities Department, in conjunction with authorized personnel ensuring that all applicable regulations, codes and standards are followed.

Other Methods in Place to minimize the potential for harm from Fire, Smoke and other Products of Combustion include the following:

1. Fire/Smoke Doors: All doors are held open only by approved devices, i.e. electromagnetic or electromechanical. At NO TIME may doors be propped open with doorstops or other devices not connected to the fire alarm system.
2. General Environment: All areas of KH are kept clean and orderly. Trash is removed regularly from designated holding areas.
3. Portable Electric Equipment: All plugs must be grounded. Extension cords must comply with the extension cord policy. Equipment must be in good operating condition.
4. Smoking: "No Smoking" regulations are strictly enforced, policy HR.193.
5. Ventilation Hoods: Ventilation hoods are cleaned on a regular basis, to code, to prevent buildup. The automatic fire extinguishing systems are properly charged and inspected and all nozzles securely fastened.

6. Storage Areas: Every attempt is made to arrange stock in an orderly fashion, with a minimum of eighteen (18) inches below the sprinkler heads and a minimum of twenty four (24) inches below the ceiling in non-sprinkled areas.
7. Aisles: Aisles between storage shelves are at least three feet apart. No storage is permitted within thirty-six (36) inches in front of electrical panels. Combustible materials shall not be stored in electrical rooms.
8. Space Heaters: Portable space heating devices shall be prohibited in all District areas, with the following exception: Approved portable space heating devices may be allowed in **non-patient care areas** as long as they conform to the following:
 - Heating elements of such devices do not exceed 212 degrees Fahrenheit (NFPA 101[®], 2000 Edition, §19.7.8)
 - Required for medical or extreme necessity
 - Approval of the Director of Facilities, Clinical Engineering and Chief Operating Officer
 - The heating device must be equipped with a tip over shut off
 - The heater shall not be plugged into a surge protector or extension cord
9. Flammable Liquids: (Such as acetone, alcohol, benzene, and ether) limit the amount on hand to a minimum working supply. If possible, keep in metal container. Where safety cabinets or storage rooms are available, keep these materials in them and maintain the door to such storage in the closed position. No smoking, open flame or sparking device shall be allowed around flammable liquids or compressed gas. Oxygen and nitrous oxide shall not be stored with flammable gases, such as cyclopropane and ethylene, or with flammable liquids.
10. Electrical Hazards: Report promptly any frayed, broken or overheated extension cords or electrical equipment. Do not operate light switches, or connect or disconnect equipment where any part of your body is in contact with metal fixtures or is in water. Specially built equipment is in use in the operating and delivery rooms to eliminate electric sparks, and to control static electricity.
11. Acids: All concentrated or corrosive acids must be handled with extreme care. Avoid storing these materials on high shelves, or in locations where they are likely to be spilled or the containers broken. Organic acids and inorganic acids shall not be stored together. Any spillage shall be immediately diluted or neutralized and cleaned up.

Minimization of risk to patients who smoke:

See policy HR.193 "Tobacco Free Campus."

Maintaining free and unobstructed access to all exits:

Surveillance activities allow *Environment of Care* Committee members to monitor compliance with *Life Safety Code* requirements, including maintaining free and unobstructed access to all exits. Should an exit need to be obstructed for some reason (i.e. construction, renovation, etc.) an ILSM assessment will be made before the exit path is impeded and Interim Life Safety Measures will be put into place.

The District has a written fire response plan:

See policy EOC.5002 "Fire Response Plan."

Specific roles and responsibilities of Staff, Licensed Independent Practitioners (LIPs) and Volunteers in preparing for building evacuation:

Specific roles and responsibilities of staff, LIPs and volunteers in preparing for building evacuation are integrated into new-hire orientation and annual safety training, the information is also discussed during fire drills.

The District conducts fire drills:

1. Fire drills are conducted quarterly on all shifts in each building defined by the *Life Safety Code* as the following:
 - Ambulatory Health Care Occupancy
 - Health Care Occupancy
2. Fire drills are conducted annually in all free standing buildings classified as a business occupancy as defined by the *Life Safety Code*.
3. At least 50% of fire drills are unannounced at KH facilities.
4. Staff and who work in buildings where patients are housed or treated participate in fire drills

Note: Staff participate in fire drills in all areas of the hospital, with the exception of those who cannot leave patient care during the time of a drill.

5. KH critiques fire drills to evaluate fire safety equipment, fire safety-building features, and staff response to fire.
 - The evaluation is documented and reported to the *Environment of Care* on a quarterly basis.
 - Fire drills are critiqued post drill to identify deficiencies and opportunities for improvement.

The District maintains fire safety equipment and fire safety building features:

The following types of equipment or features exist within the District, with the following maintenance, testing and inspection requirements in place. All tests and/or inspections are documented and maintained in the Facilities Department.

1. At least quarterly, KH tests supervisory signal devices (except valve tamper switches).
 - a. Note: Supervisor signals include the following: control valves; pressure supervisor; pressure tank, pressure supervisory for a dry pipe, steam pressure; water level supervisor signal initiating device; water temperature supervisory; and room temperature supervisory.
2. Every six months, KH tests valve tamper switches and water flow devices.
3. Every 12 months, KH tests duct detectors, , heat detectors, manual fire alarm boxes and smoke detectors.

4. Every 12 months, KH tests visual and audible fire alarms, including speakers and door releasing devices on the inventory.
5. Every quarter, KH tests fire alarm equipment for notifying off-site fire responders.
6. Every week, KH tests diesel fire pumps under no-flow conditions.
7. Every week, KH inspects electric motor driven fire pumps under no-flow conditions.
8. Every month, KH tests electric motor driven fire pumps under no-flow conditions.
9. Every 12 months KH tests main drains at system low point or at all system risers.
10. Every quarter, KH inspects all fire department water supply connections.
11. Every 12 months, KH tests fire pumps under flow conditions.
12. Every 5 years, KH conducts water-flow tests for standpipe systems.
13. Every 6 months, KH inspects any automatic fire-extinguishing systems in a kitchen.
14. Every 12 months, KH tests carbon dioxide and other gaseous automatic fire-extinguishing systems.
15. At least monthly, KH inspects portable fire extinguishers.
16. Every 12 months, KH performs maintenance on portable fire extinguishers.
17. KH operates fire and smoke dampers one year after installation and then at least every 6 years to verify that they fully close.
18. Every 12 months, KH tests automatic smoke-detection shutdown devices for air-handling equipment.
19. Every 12 months, KH tests sliding and rolling fire doors for proper operation and full closure.
20. Every 12 months, KH tests and inspects door assemblies.
21. Every month, KH tests elevators with fire fighters' emergency operations.
22. Every month, KDHCD inspects fire sprinkler gauges and valve tamper switches.

Monitoring Conditions in the Environment:

Kaweah Health establishes a process for continually monitoring, internally reporting, and investigating fire safety management problems, deficiencies and failures.

Through the *Environment of Care* Committee structure, the above elements are reported and investigated on a routine basis by managerial or administrative staff, with oversight by the committee. Minutes and agendas are kept for each *Environment of Care* meeting and filed in the Safety Department.

Patient Safety: Periodically there may be an *Environment of Care* issue that has impact on the safety of our patients relating to life safety and or fire prevention. This may be determined from *Sentinel Event* surveillance, environmental surveillance, patient safety standards or consequential actions identified through the risk management process. When a patient-safety issue relating to life safety or fire prevention emerges, it is the responsibility of the Safety Officer or designee to bring forth the issue through the patient safety process.

Annual Evaluation of the Fire Prevention Management Plan:

On an annual basis *Environment of Care* Committee, members evaluate the Fire Prevention Life Safety Management Plan, as part of a risk assessment process. Validation of the plan occurs to ensure contents of each plan support ongoing activities within the District.

Based upon findings, goals and objectives will be determined for the subsequent year.

A report will be written and forwarded to the Board of Directors.

The annual evaluation will include a review of the following:

1. Objectives: The objective of the Fire Prevention Management plan will be evaluated to determine continued relevance for the District (i.e., the following questions will be asked; was the objective completed? Did activities support the objective of the plan? If not, why not? What is the continuing plan? Will this objective be included in the following year? Will new objective(s) be identified? Will specific goals be developed to support the identified objective?)
2. The scope: The following indicator will be used to evaluate the effectiveness of the scope of the Fire Prevention Life Safety Management Plan: the targeted population for the management plan will be evaluated (e.g., did the scope of the plan reach employee populations in throughout the entire District?)
3. Performance Standards: Specific performance standards for the Fire Prevention Life Safety Management Plan will be evaluated, with plans for improvement identified as needed.

Performance standards will be monitored for achievement.

Thresholds will be set for the performance standard identified. If a threshold is not met, an analysis will occur to determine the reasons and actions will be identified to reach the identified threshold in the subsequent quarter.

4. Effectiveness: The overall effectiveness of the objectives, scope and performance standards will be evaluated, with recommendations made to continue monitoring, add new indicators, if applicable, or take specific actions for ongoing review.

The District analyzes identified Environment Of Care issues:

Environment of care issues relating to Life Safety and/or fire prevention are identified and analyzed through the *Environment of Care* Committee with recommendations made for resolution.

It is the responsibility of the *Environment of Care* Committee chairperson to establish an agenda, set the meetings, coordinate the meeting and ensure follow-up occurs where indicated.

Quarterly *Environment of Care* reports are communicated to Performance Improvement, Quality Review Committee and the Board of Directors.

Priority Improvement Project:

At least annually, a performance improvement project may be selected by the *Environment of Care* Committee members. The priority improvement activity is based upon ongoing performance monitoring and identified risk within the environment. Based upon risk assessment, a priority improvement project may be related to Life Safety or Fire Prevention issues.

Improvement of the Environment of Care:

Performance standards are identified monitored and evaluated that measure effective outcomes in the area of fire prevention management.

Performance standards may also be identified for Safety, Security, Hazardous Materials, Emergency Management, Medical Equipment management and Utilities management.

The standards are approved and monitored by the *Environment of Care* Committee with appropriate actions and recommendations made. Whenever possible, the *environment of care* is changed in a positive direction by the ongoing monitoring and changes in actions that promote an improved performance.

"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."

EOC7404-

Policy Number: EOC 7404	Date Created: 06/11/1997
Document Owner: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	Date Approved: Not Approved Yet
Approvers: Maribel Aguilar (Assistant Director of Environment of Care/Safety Officer)	
Code Tubes Down System	

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

Policy: Staff will follow procedure detailed below to ensure timely delivery of medications, specimens, and supplies to and from areas requiring these services when the pneumatic tube system is inoperable.

Procedure:

- I. When an individual finds a tube system down, they will notify PBX who will notify Maintenance and the House Supervisor. A Berbee text message will be sent to Cisco phones on the main campus to alert staff that the tube system is out of service.
- II. Maintenance will assess the system to determine the length of time necessary to complete repair and report to PBX within 15 minutes of initial notification that system is inoperable. If repairs are estimated to take greater than 30 minutes, PBX will notify the House Supervisor and the Berbee message will indicate activation of the courier system.
- III. For the duration that the tubes remain inoperable, Pharmacy and Lab will notify individual areas when services are required. Each unit shall be responsible for their own pickups and deliveries during the time the tube system remains inoperable.
- IV. Maintenance will communicate with House Supervisor for length of down time. If tubes are to be down for an extended period of time, the House Supervisor will determine if extra staff will be called in or reassigned to act as couriers until tubes are operational.
- V. Maintenance will notify PBX when tube system is operational. PBX will notify the House Supervisor and Berbee message will announce "Tube system is up, cancel courier system".

Related Documents:

None

References:

None

"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."

Board Resolution 2255

FINANCE DIVISION MEMORANDUM

TO: Board of Directors, Chief Executive Officer and Executive Team

FROM: Malinda Tupper, Chief Financial Officer
Jennifer Stockton, Director of Finance

DATE: May 15, 2025

SUBJECT: Distressed Hospital Loan Program – Loan Modification Resolution 2255

On May 28, 2025, Kaweah Health’s Board of Directors (the “Board”) will be asked to approve Resolution 2255 related to the Department of Health Care Access and Information (HCAI) and California Health Care Facilities Finance Authority (CHFFA) Distressed Hospital Loan Program (DHLP). The Loan Program was established through Chapter 6, Statutes of 2023 (Assembly Bill 112) to offer interest-free, working capital loans to non-profit and publicly-operated distressed hospitals in California that are facing a risk of closure, while they implement turnaround strategies and regain financial viability. Kaweah Health applied for a loan in the amount of \$75 million and was awarded a loan in the amount of \$20.75 million. The loan proceeds were received in February 2024 and were utilized in accordance with Kaweah’s turnaround plan outlined in the loan application.

In January 2025, the loan modification process for hospitals that have received funds under the DHLP was approved by CHFFA and HCAI. Loan modification consists of a two-step process when certain eligibility measures are met. Borrowers can first apply for a 12-month extension of the deferral period and maturity date. If step one is approved, borrowers may later apply for step two, if still experiencing financial distress, which would forgive the following 12-months of debt service payments. This resolution relates to Kaweah’s application for step one of the process.

Information regarding the original loan and the proposed modification is as follows:

Distressed Hospital Loan Program	
Loan amount	\$20,750,000
Interest Rate	0.0%
Loan Fee	1%
Loan Maturity	72 months from loan execution (modified to 84 months) 18-month grace period (modified to 30 months)
Use of Funds	working capital
Type	Subordinate Indebtedness – to be requested
Security	Medi-Cal payments.

Resolution 2255 -The resolution ratifies the submission of the loan modification application, authorized Malinda Tupper, Chief Financial Officer, to execute the loan documents, and approves the proposed form of the First Amendment to the Loan and Security Agreement and the proposed form of the Amended and Restated the Promissory Note.

For any questions regarding the documents, please contact Malinda Tupper at 624-4065 or Jennifer Stockton at 624-5536.

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

DISTRESSED HOSPITAL LOAN PROGRAM

FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT

This First Amendment to Loan and Security Agreement (“First Amendment”), is entered into by and between the CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY, a public instrumentality of the State of California, having its principal place of business at 901 P Street, Suite 313, Sacramento, California 95814 (together with its successors and assigns, the “Authority” or the “Lender”) and Kaweah Delta Health Care District dba Kaweah Health, a California public hospital having its principal place of business at 400 W. Mineral King Ave, Visalia CA 93291 (“Borrower”). This First Amendment is effective and dated as of the date last executed by the parties hereto (the “First Amendment Effective Date”).

RECITALS

A. Borrower and the Lender are parties to that certain Loan and Security Agreement, dated as of February 21, 2024 (as amended, supplemented or otherwise modified and in effect immediately prior to the First Amendment Effective Date, the “Original Loan Agreement” and, the Original Loan Agreement as modified by this First Amendment, the “Loan Agreement”);

B. Pursuant to the Loan Agreement, Borrower has instituted a Turnaround Plan, (as that term is defined in the Original Loan Agreement) but despite Borrower’s best efforts, Borrower remains in financial distress;

C. Borrower has submitted to the Authority and the California Department of Health Care Access and Information (“Department”) a Loan Modification Application under the Distressed Hospital Loan Program (the “Loan Program”);

D. The Authority, the Department and the California Department of Finance have determined that Borrower’s Loan Modification Application meets the eligibility requirements of the Loan Program; and

E. Borrower and the Lender wish to amend the Original Loan Agreement in certain respects as set forth herein;

NOW, THEREFORE, in consideration of the foregoing, the parties agree as follows:

1. **Certain Defined Terms.** Except as otherwise defined in this First Amendment, terms defined in the Original Loan Agreement are used herein as defined therein.

2. **Amendment.** Subject to the satisfaction of the conditions precedent set forth in Section 5 of this First Amendment:

(a) Section 2(d) of the Original Loan Agreement is hereby amended and restated in its entirety to read as follows (additions shown in **double underline bold** and deletions in ~~strikethrough~~):

“(d) Repayment; Maturity. Borrower agrees to repay the Loans in equal monthly installments, commencing on the first day of the ~~nineteenth (19th)~~ **thirty-first (31st)** month from the Effective Date until the principal sum of the Loans is paid in full, which shall occur no later than ~~seventy-two (72)~~ **eighty-four (84)** months¹ from the date of this Agreement (the “Maturity Date”). If Borrower commences a restructuring under chapter 11 of the Bankruptcy Code before the Maturity Date and seeks debtor-in-possession financing from the Lender, the Lender agrees to “roll up” the Loans under this Facility into a debtor-in-possession financing facility on a dollar-for-dollar basis and on such other terms and conditions acceptable to the Lender.”

(b) Section 6(f) of the Original Loan Agreement is hereby amended and restated in its entirety to read as follows (additions shown in **double underline bold** and deletions in ~~striketrough~~):

“(f) Borrower shall not, without prior written consent of the Lender, sell, assign, transfer, lease, sublease, pledge, or otherwise encumber or dispose of any of the properties or assets of Borrower **with an aggregate fair market value that exceeds \$250,000 during any fiscal year of Borrower**, except for the lien on the Collateral in favor of the Lender created by this Agreement;”

(c) Exhibits D and E of the Original Loan Agreement are hereby deleted in their entirety and replaced with such Exhibits attached hereto within Annex A.

3. **Reaffirmation.** Borrower (a) acknowledges and consents to all of the terms and conditions of this First Amendment, (b) agrees that this First Amendment and any documents executed in connection herewith do not operate to reduce or discharge Borrower’s obligations under the Loan Documents, and (c) agrees that this First Amendment and any documents executed in connection herewith shall not impair or otherwise adversely affect any of the guarantees or liens provided or granted pursuant to the Loan Documents. Each other Loan Document and all guarantees, pledges, grants, security interests and other agreements thereunder shall continue to be in full force and effect and Borrower reaffirms the Loan Document and all guarantees, pledges, grants, security interests and other agreements thereunder.

4. **Representations and Warranties.**

To induce the Lender to enter into this First Amendment, Borrower hereby represents and warrants to the Lender that as of the First Amendment Effective Date and, until the Note is paid in full and all obligations under the Loan Agreement are performed in full, that:

(a) Borrower has the requisite right, power and authority to execute and deliver this First Amendment and to perform the obligations of the Loan Agreement.

(b) Borrower has duly authorized, executed and delivered this First Amendment.

¹ NTD: Although a 12-month extension of the Maturity Date is contemplated by the Loan Modification Application, in no event will the Maturity Date be extended beyond July 1, 2031.

(c) The Loan Agreement constitutes the legal, valid and binding obligations of Borrower, enforceable in accordance with the terms thereof, subject to bankruptcy, insolvency, reorganization, arrangement, fraudulent conveyance, moratorium and other laws relating to or affecting the enforcement of creditors' rights, to the application of equitable principles, regardless of whether enforcement is sought in a proceeding at law or in equity, to public policy and to the exercise of judicial discretion in appropriate cases.

(d) The execution and delivery by Borrower of this First Amendment and the performance by Borrower of this First Amendment and the performance by Borrower of the Loan Agreement will not: conflict with or constitute a breach of, violation or default (with due notice or the passage of time or both) under the articles of incorporation or bylaws of Borrower, any applicable law or administrative rule or regulation or any applicable court or administrative decree or order, or any indenture, mortgage, deed of trust, loan agreement, lease, contract or other agreement, evidence of indebtedness or instrument to which Borrower is a party or to which or by which it or its properties are otherwise subject or bound, or result in the creation or imposition of any prohibited lien, charge or encumbrance of any nature whatsoever upon any of the property or assets of Borrower, which conflict, violation, breach, default, lien, charge or encumbrance might have consequences that would materially and adversely affect the performance of Borrower of the Loan Agreement.

(e) [Except as otherwise disclosed in Annex B regarding pending Events of Default,] The representations and warranties set forth in Section 4 of the Original Loan Agreement, and in each of the other Loan Documents, are true and complete on the date hereof as if made on and as of the date hereof (or, if any such representation or warranty is expressly stated to have been made as of a specific date, such representation or warranty shall be true and correct as of such specific date), and as if each reference in said Section 4 to "this Agreement" included reference to this First Amendment.

5. **Conditions Precedent.** The amendments set forth in Section 2 shall not become effective until the Lender is satisfied that all of the following conditions have been met:

(a) Borrower shall have delivered to the Lender a duly executed First Amendment and Amended and Restated Note in the form attached hereto as Annex A.

(b) Borrower shall have delivered to the Lender a resolution of Borrower's board of directors or governing body duly authorizing the execution and delivery by it of this First Amendment and Amended and Restated Note in the form attached hereto as Annex A and the performance of the Loan Agreement and such Amended and Restated Note.

(c) Borrower shall have delivered to the Lender any other documents (i) reasonably required by the Lender in connection with carrying out the purpose of this First Amendment; and (ii) that the Lender requested in writing on or before the date the Lender executed this First Amendment.

6. **Miscellaneous.**

(a) References in the Loan Agreement to “this Agreement” (and indirect references such as “hereunder”, “hereby”, “herein” and “hereof”) and references to the Loan Agreement in other Loan Documents shall in each case be deemed to be references to the Loan Agreement as amended hereby.

(a) This First Amendment shall constitute a Loan Document for purposes of the Loan Agreement and the other Loan Documents, and except as specifically modified by this First Amendment, the Loan Agreement and the other Loan Documents shall remain unchanged and shall remain in full force and effect and are hereby ratified and confirmed.

(b) The execution, delivery and performance of this First Amendment shall not constitute a forbearance, waiver, consent or amendment of any other provision of, or operate as a forbearance or waiver of any right, power or remedy of the Lender under the Loan Agreement or any of the other Loan Documents, all of which are ratified and reaffirmed in all respects and shall continue in full force and effect. This First Amendment does not constitute a novation of rights, obligations and liabilities of the respective parties existing under the Loan Documents.

(c) This First Amendment may be executed in any number of counterparts, each of which when so executed and delivered shall be an original, but all counterparts shall together constitute one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, the parties to this First Amendment have caused this First Amendment to be executed and delivered as of the date of execution of this First Amendment by the Authority.

LENDER: **CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY**, a public instrumentality of the State of California

By: _____
Name: **Carolyn Aboubechara**
Title: **Executive Director**
Date: _____

BORROWER: **[NAME OF BORROWER]**,
a California [not-for-profit hospital / public hospital /
governmental entity representing a closed hospital, [name of
closed hospital]]

By: _____
(Authorized Officer)
Name: _____
Title: _____

ANNEX A

SAMPLE

EXHIBIT D – AMENDED AND RESTATED PROMISSORY NOTE

CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY

DISTRESSED HOSPITAL LOAN PROGRAM

AMENDED AND RESTATED PROMISSORY NOTE

This Promissory Note was originally executed by the hereinafter defined Borrower on [●] and is being amended and restated as of the First Amendment Effective Date of the Hereinafter Defined Loan Agreement

[NAME OF BORROWER], a California [●], as defined under Government Code section 129381, having its principal place of business at [●] (the “Borrower”), for value received, hereby promises to pay to CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY, a public instrumentality of the State of California (the “Lender”) and its successors and assigns (the Lender and its successors and assigns, the “Holder”), at its office located at 901 P Street, Suite 313, Sacramento, California 95814, or at such other place as the Holder may from time to time designate in writing, in lawful money of the United States of America, the principal sum of [●] (\$[●]) (or such lesser amount as shall equal the aggregate unpaid principal amount of the Loans made by the Lender to Borrower under and as described in the Loan Agreement described below).

This Note is the Note referred to in, is executed and delivered under, and is subject to the terms of, the Loan and Security Agreement dated as of [●], 2024 (the “Original Loan Agreement”), as amended by the First Amendment to Loan and Security Agreement dated as of _____, 2025 (the “First Amendment”) (the Original Loan Agreement, as amended by the First Amendment, and as further amended, supplemented or otherwise modified from time to time, the “Loan Agreement”) each by and between the Borrower and the Lender. Capitalized terms used, but not defined, in this Note have the meanings given them in the Loan Agreement.

The Borrower agrees to repay the outstanding Loans in equal monthly installments as more particularly provided for in the Loan Agreement until payment of such principal sum shall be discharged and in no event later than the Maturity Date.

The Borrower shall be in default of this Note on the occurrence of any Event of Default. Upon default of this Note, the Holder may exercise all of its rights and remedies provided for under the Loan Agreement. The Holder may also use all remedies in law and in equity to enforce and collect the amount owed under this Note. The remedies of the Holder, as provided in the Loan Agreement, shall be cumulative and concurrent and may be pursued singularly, successively or together, at the sole discretion of the Holder, and may be exercised as often as occasion therefor shall arise. No act of omission or commission of the Holder, including specifically any failure to exercise any right, remedy or recourse shall be deemed to be a waiver or release of the same, such waiver or release to be effected only through a written document executed by the Holder and then only to the extent specifically recited therein. A waiver or release with reference to any one event shall not be construed as continuing, as a bar to, or as a waiver or release of, any subsequent right, remedy or recourse as to a subsequent event.

Borrower hereby waives presentment and demand for payment, notice of intent to accelerate maturity, notice of acceleration and maturity, protest or notice of protest and non-payment, bringing of suit and diligence in taking any action to collect any sums owing hereunder, and agrees that its liability on this Note shall not be affected by any release of or change in any security for the payment of this Note.

Borrower shall have the right to prepay this Note in whole or in part at any time without penalty or premium.

Any provision of this Note or corresponding Loan Agreement that is illegal, invalid, or unenforceable shall be ineffective only to the extent of that illegality, invalidity, or unenforceability without rendering illegal, invalid, or unenforceable the remaining provisions of this Note.

Borrower agrees that the laws of the State of California apply to this Note. Any legal action or proceedings brought to enforce or interpret the terms of this Note shall be initiated and maintained in the courts of the State of California in Sacramento County, provided that the Holder may waive venue in Sacramento County in its sole discretion.

[•]
a California [•]

By: _____
(Authorized Officer)

Name: _____

Title: _____

EXHIBIT E- TURNAROUND PLAN

[Attached]

SAMPLE

[ANNEX B]

[Add disclosure of pending Events of Default]

SAMPLE

RESOLUTION NO. 2255

RESOLUTION OF KAWEAH DELTA HEALTH CARE DISTRICT AUTHORIZING
EXECUTION AND DELIVERY OF AN AMENDED AND RESTATED PROMISSORY
NOTE, THE FIRST AMENDMENT TO LOAN AND SECURITY AGREEMENT, AND
CERTAIN ACTIONS IN CONNECTION THEREWITH

DISTRESSED HOSPITAL LOAN PROGRAM

WHEREAS, Kaweah Delta Health Care District dba Kaweah Health (the “Borrower”) is a California public hospital as defined in Section 129381 of the Health and Safety Code;

WHEREAS, Borrower and the California Health Facilities Financing Authority (the “Lender”) are parties to that certain Loan and Security Agreement, dated as of February 21, 2024 (as amended, supplemented or otherwise modified from time to time, the “Loan Agreement”);

WHEREAS, pursuant to the Loan Agreement, Borrower has instituted turnaround efforts to prevent the closure of the hospital but despite Borrower’s best efforts, Borrower remains in financial distress;

WHEREAS, Borrower has submitted to the Lender a Loan Modification Application under the Distressed Hospital Loan Program (the “Loan Program”) and, if such Loan Modification Application is approved, proposes to enter into that certain (i) First Amendment to Loan and Security Agreement (the “First Amendment”), with the Lender and (ii) amended and restated promissory note (the “Amended and Restated Note”); and

WHEREAS, the Board of Directors has determined that it is advisable and in the best interests of Borrower to enter into the First Amendment and the Amended and Restated Note and the documents in connection therewith.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Borrower as follows:

Section 1. The Board of Directors of Borrower hereby **ratifies** the submission to the Lender of a Loan Modification Application under the Loan Program.

Section 2. Malinda Tupper, Chief Financial Officer, an “Authorized Officer”) is hereby authorized and directed, for and on behalf of Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized Officer(s) deem(s) necessary or advisable to enter into the First Amendment and the Amended and Restated Note and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 3. The proposed form of the First Amendment is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of Borrower, to execute the First Amendment in substantially said form, with those changes therein as the Authorized Officer may require or approve, that approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of the Amended and Restated Note is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of Borrower, to execute the Amended and Restated Note in substantially said form, with those changes therein as the Authorized Officer may require or approve, that approval to be conclusively evidenced by the execution and delivery thereof.

PASSED AND ADOPTED at a regular meeting of the Board of Directors of Kaweah Delta Health Care District held on the 28th day of May, 2025.

SECRETARY'S CERTIFICATE

I, {_____}, Secretary of Kaweah Delta Health Care District, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of Kaweah Delta Health Care District duly and regularly held at the regular meeting place thereof on the 28th day of May, 2025, of which meeting all of the members of said Board of Directors had due notice and at which the required quorum was present and voting and the required majority approved said resolution by the following vote at said meeting:

Ayes:

Noes:

Absent:

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

Secretary

Date: _____

Ideal Work Environment

Ideal Environment

Strategic Plan Update

May 2025



kaweahhealth.org



247/479

Ideal Environment

Areas of Focus

**Kaweah Care
Culture**

**Expand Kaweah
Health University
& Growth in
School
Partnerships**

**Ideal Practice
Environment**

Kaweah Care Culture

Work Plan (Tactics)

Work Plan (Tactics)						
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.1.1	Continue development of the Kaweah Care Culture.	07/01/2024	06/30/2025	Dianne Cox	On Track	Kaweah Care Steering Committee began in September 2023 meeting monthly, includes subcommittees of Employee Engagement and Experience, Ideal Practice Environment Committee, and Patient Engagement and Experience Committee.
1.1.2	Improve and ensure appropriate, effective and consistent communication throughout Kaweah Health to leaders, employees, physicians, and advanced practice providers.	07/01/2024	06/30/2025	Dianne Cox	On Track	Standardizing talking points and communication methods. Cascading monthly Leadership Meeting presentation with bullets, continue bi-weekly virtual Executive Team Employee Huddles, mandatory department and unit staff meetings/huddles and communication boards and our intranet site, Compass. Leadership meetings are now held in person. Streamlined leadership team meeting notes for cascading. Evaluations include: - Employees in my unit/department make every effort to deliver safe, error-free care. - Employees in my unit/department follow proper procedures for patient care/customer service
1.1.3	Address Compensation and Benefits.	07/01/2024	06/30/2025	Dianne Cox	On Track	The executive team evaluating the employee benefits plan for CY2025. Market adjustments for base pay and minimum wage will continue into FY2025 to ensure competitive pay for retention and recruitment. Monitor impact of AB525 on recruitment and retention throughout FY25.

Kaweah Care Culture

Work Plan (Tactics)

- Kaweah Care Steering and Subcommittees
 - Community and Patient Experience and Engagement
 - Employee Experience and Engagement
 - Physician Experience and Engagement
- Return of in-person Leadership Team Meetings and streamlined cascading notes
- Continued market review of compensation and adjustments where applicable
- New medical benefits plan administrator with more advanced resources
- Reviewing engagement survey results and action planning
- Director goals around safety, patient care, and customer service
- Kaweah Care Pulse Re-survey December 2024 and Work Environment Pulse June 2025
- New Kaweah Engagement & Enrichment Program (KEEP)



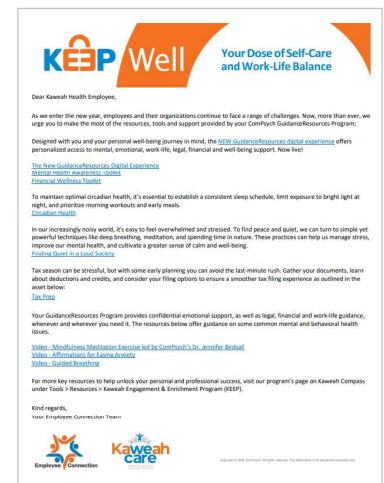
Kaweah Care Culture

Work Plan (Tactics)



Kaweah Engagement & Enrichment Program (KEEP)
Key resources to help unlock personal and professional success

KEEP Well
Newsletter featuring ComPsych Employee Assistance Program webinars, articles, tools, and other resources



Kaweah Care Culture

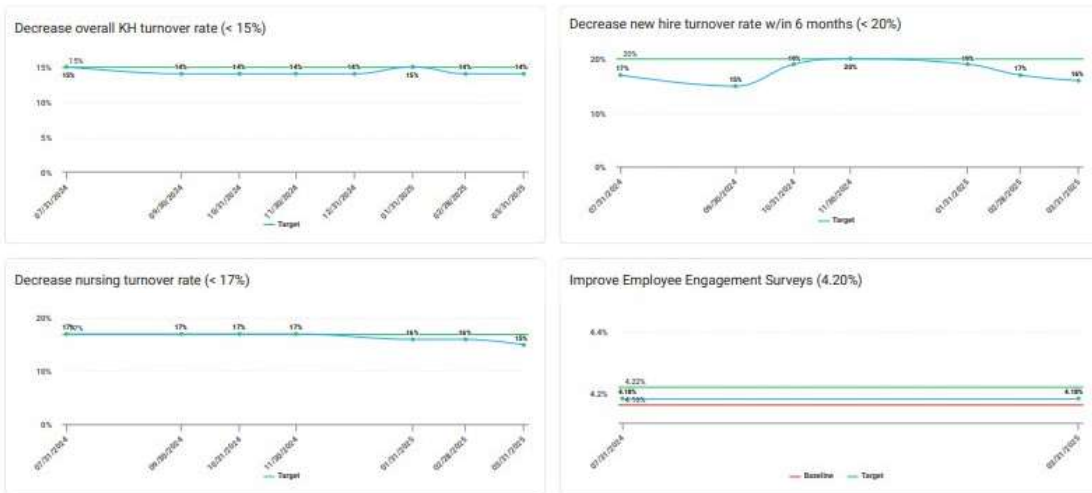
Performance Measures (Outcomes)

- Decrease overall KH Turnover Rate to meet CHA statewide statistics
 - Goal: < 15%
 - 3/31/25: 14%
- Decrease Direct Patient Care RN Turnover Rate to meet CHA statewide statistics
 - Goal: < 17%
 - 3/31/25: 15%
- Decrease New Hire Turnover Rate (leaving <6 months)
 - Goal: < 20%
 - 3/31/25: 16%



Kaweah Care Culture

Performance Measures (Outcomes)



Expand Kaweah Health University & Growth in School Partnerships

Work Plan (Tactics)

Work Plan (Tactics)						
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.3.1	Continue to build partnerships with local colleges and universities for nursing programs; expand into other educational programs beyond nursing for KH employees.	07/01/2024	06/30/2025	Dianne Cox	On Track	Have established partnerships with COS, Unitek, SJVC for registered nursing, Tulare Adult Schools for LVN, and Porterville College for surgical techs. Working on expanding to an apprenticeship model in early 2025 for the COS Traditional RN Program. Expanded partnerships beyond nursing. Established partnerships with other schools and colleges, to enroll Fresno City College for imaging, CSUF for therapists, and Gurnick for nuclear medicine. Established partnerships with additional high schools: Lindsay High school, John J Cairns High School, Visalia Charter Independent Study (VCIS), University Prep High school (UPHS). Early 2025 we will be welcoming students from Porterville High School. Assisting Exeter with the establishment of a CTE Program for Health Careers.
1.3.2	Monitor the graduation and retention of staff who completed the CUS part-time RN program with partial Kaweah sponsorship.	07/01/2024	06/30/2025	Dianne Cox	On Track	Successfully onboarded 12 of 13 graduates of the first CUS part-time program in Spring 2024.
1.3.3	Monitor success and retention of employees in cohorts in process: COS part-time program; Unitek in January 2024, September 2024 expected, January 2025 expected; SJVC RN program in August 2024.	07/01/2024	06/30/2025	Dianne Cox	On Track	
1.3.4	Expand Kaweah Health University.	07/01/2024	06/30/2025	Hannah Mitchell	On Track	Continue expanding leader and staff development opportunities: • Subject Matter Expert Lunch and Learn Series launched in October 2024 • FY25 Leader Learning Path incorporated into Leadership Team Meetings and launched in October 2024 • Charge Nurse Conference completed in March 2025 • Leadership Academy has two cohorts scheduled (both completed) and Emerging Leaders has four cohorts scheduled (all completed) for FY25 • Management MAT on Creating an Ideal Environment rolled out March 2025 • Kaweah Health University Scholar Program anticipated to launched in April 2025

Expand Kaweah Health University

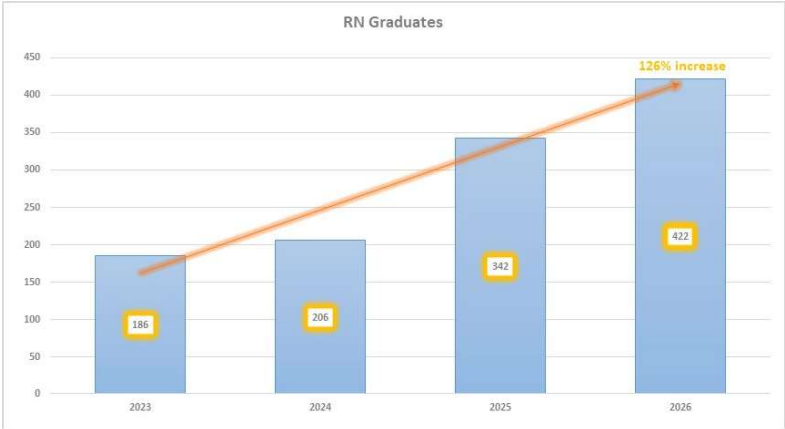
Work Plan (Tactics)

- Leader Learning Path incorporated into Leadership Team Meetings
- New Subject Matter Expert (SME) Leader Lunch & Learn Series
- New Management Mandatory Annual Training
- New Charge Nurse Conference
- New KHU Scholars Program
- Continuation of other programs, such as:
 - Emerging Leaders
 - New leader onboarding
 - Leadership Academy



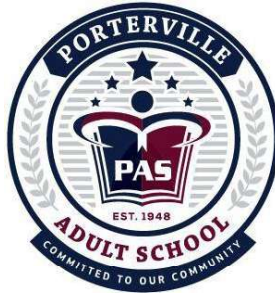
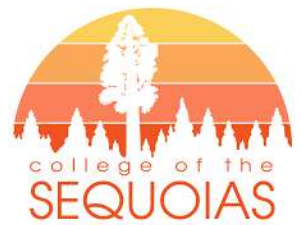
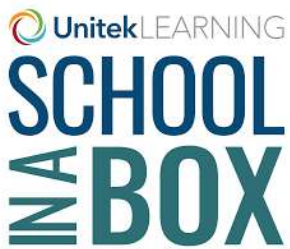
Growth in School Partnerships

Work Plan (Tactics)



Sponsored Employees

Work Plan (Tactics)



Kaweah Health Nursing Education Pathway

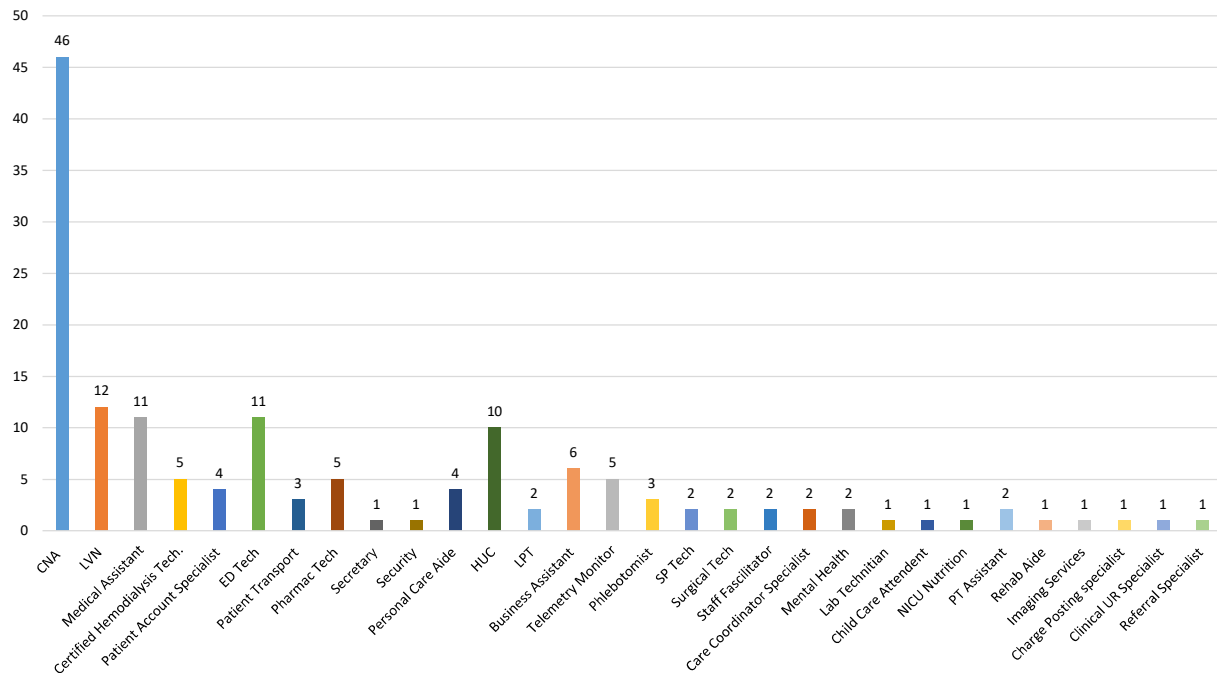
Work Plan (Tactics)

- Program approved by BRN November 2022
- First cohort March 2023
- 5 cohorts currently underway (122 students)
- Cohort of 25 twice a year (January and September)
- Graduating classes 2026 = 67
 - January- 17
 - March- 28
 - September- 22



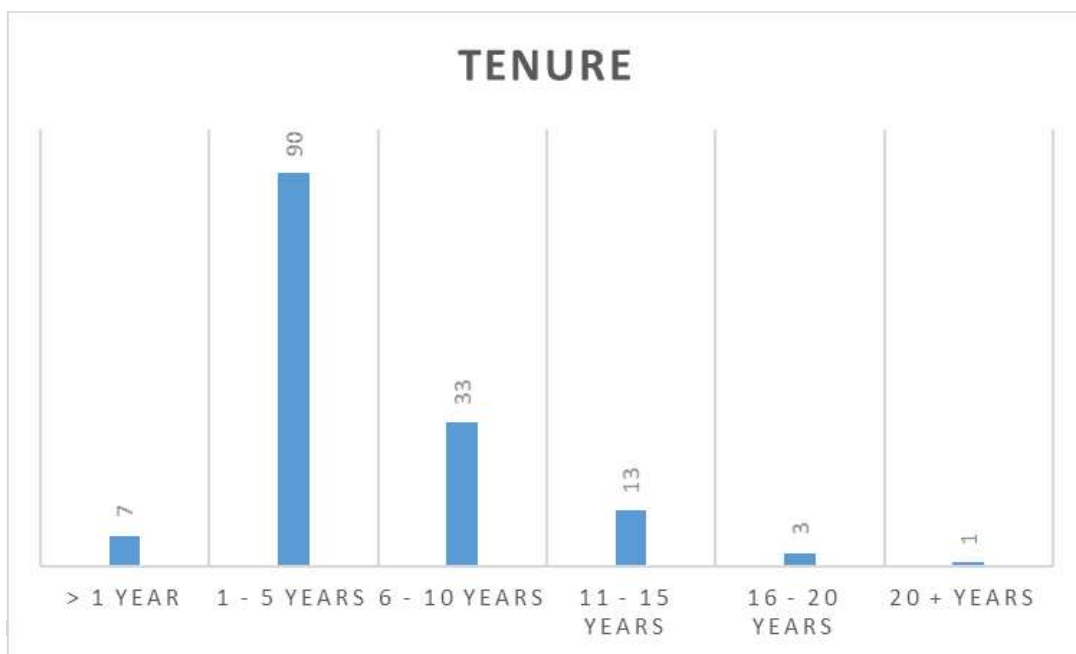
Sponsored Students by Position

Work Plan (Tactics)



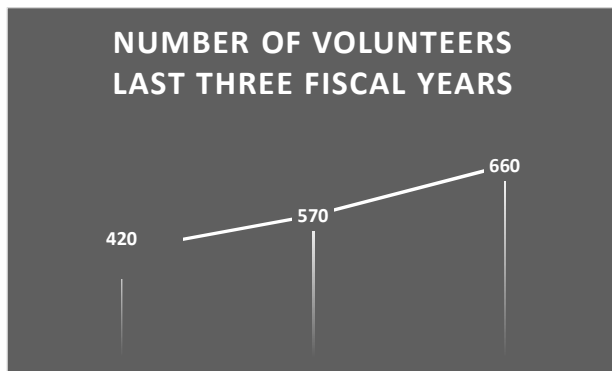
Sponsored Students by Tenure

Work Plan (Tactics)



Volunteer Pipeline

Work Plan (Tactics)



Volunteers Fiscal Year 2024

Work Plan (Tactics)

- 41,130 total hours - valued at over \$1.5M
- 75 Kaweah Health departments hosted volunteers
- 660 total number of volunteers that gave hours
 - 40% were under 18, from 24 different High Schools in Tulare and Kings Counties
 - 40% were 18-30
 - 20% were over the age of 30



Volunteers FYTD

Work Plan (Tactics)

- 650 individuals volunteered 31,000 hours
- 55% high school students
- CTE (Career Technical Education Programs)
 - Oroshi High School: Academy of Health Sciences
 - Hanford West: Medical Academy
 - Porterville High School: CNA Program
 - Tulare Western: Pre-Med Academy
 - Golden West: First Responders
 - Mt Whitney: Academy of Health Sciences
 - El Diamante: STRONG
- Numerous students/schools that aren't CTE



Ideal Practice Environment

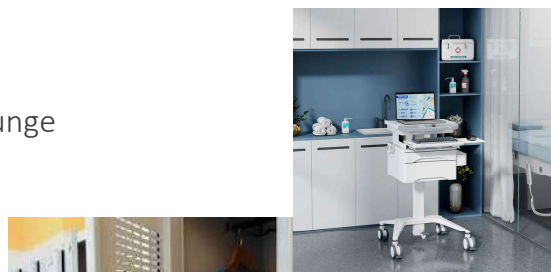
Work Plan (Tactics)

Work Plan (Tactics)						
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.2.1	Improve Physician and Advanced Practice Provider Retention and Wellness.	07/01/2024	06/30/2025	Dianne Cox	On Track	Various initiatives to improve create an ideal practice environment: team rounds, enhancing the workspaces (surgery locker room, med staff lounge, library, and physician work areas), onboarding and mentoring programs, and Cerner system optimization to improve efficiency.
1.2.2	Work with a team of physicians, advanced practice providers, and leaders on identified goals and initiatives to reach improved scores.	07/01/2024	06/30/2025	Dianne Cox	On Track	Focus on team rounds, dedicated workspace, onboarding/mentoring, and Cerner optimization
1.2.3	Develop Dyad Leadership Training Curriculum for Operational Directors, Division Chiefs and Medical Staff Service Line Directors.	07/01/2024	06/30/2025	Dianne Cox	Canceled	

Ideal Practice Environment

Work Plan (Tactics)

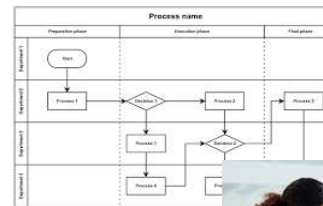
- Workspace Enhancement
 - Surgeon Locker Rooms and Lounge, and Physician Lounge
 - Medical Resource Center (Library)
- Dedicated Workspace
 - Medical Center Workstations
 - Clinic Workstation on Wheels (WOW)
- KDHub Optimization
 - Computer Access Optimization
 - Cerner Connect Messaging
 - Informatics Team Department Reps
 - Facilitate Computer Education/Reference Access
 - Implement Physician Documentation Improvements



Ideal Practice Environment

Work Plan (Tactics)

- Onboarding Medical Staff
 - Optimize Recruitment to Active Staff Process
 - Coordinate Process Across Stakeholders
- Mentoring Medical Staff
 - Provide Health System Education & Training
 - Regulatory Requirements
 - Medical Staff Policies
 - Support Physician Orientation
 - Utilize Established Physicians for Practice Guidance
 - Provide Support for Community Introductions



Ideal Practice Environment

Work Plan (Tactics)

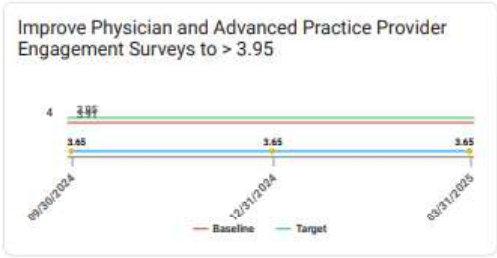
- Develop Dyad Leadership Training
 - Canceled for FY25 since the restructure is on hold
 - Will refocus efforts on Physician and Advanced Practice Provider educational opportunities in FY26



Ideal Practice Environment

Performance Measures (Outcomes)

Performance Measure (Outcomes)						
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.2.4	Improve Physician and Advanced Practice Provider Engagement Surveys to > 3.95	07/01/2024	06/30/2025	Dianne Cox	Off Track	



A photograph of the Kaweah Health Medical Center building, a modern multi-story structure with large glass windows and a concrete facade. The building is set against a blue sky with scattered white clouds. The text "Kaweah Health Medical Center" is visible on the upper part of the building's facade.

FY 2025 Strategic Plan

Ideal Environment
May 28, 2025



kaweahhealth.org

Kaweah Care Culture Champions: Dianne Cox, Raleen Larez, Brittany Taylor, and Hannah Mitchell

Description: *Integrate Kaweah Care culture into the various aspects of the organization.*

Work Plan (Tactics)

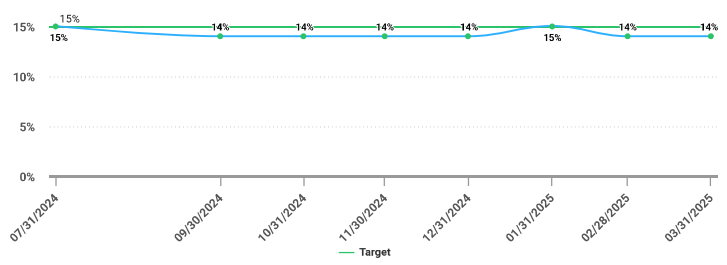
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.1.1	Continue development of the Kaweah Care Culture.	07/01/2024	06/30/2025	Dianne Cox	On Track	Kaweah Care Steering Committee began in September 2023 meeting monthly, includes subcommittees of Employee Engagement and Experience, Ideal Practice Environment Committee, and Patient Engagement and Experience Committee.
1.1.2	Improve and ensure appropriate, effective and consistent communication throughout Kaweah Health to leaders, employees, physicians, and advanced practice providers.	07/01/2024	06/30/2025	Dianne Cox	On Track	Standardizing talking points and communication methods. Cascading monthly Leadership Meeting presentation with bullets, continue bi-weekly virtual Executive Team Employee Huddles, mandatory department and unit staff meetings/huddles and communication boards and our intranet site, Compass. Leadership meetings are now held in person. Streamlined leadership team meeting notes for cascading. Evaluations include: - Employees in my unit/department make every effort to deliver safe, error-free care. - Employees in my unit/department follow proper procedures for patient care/customer service
1.1.3	Address Compensation and Benefits.	07/01/2024	06/30/2025	Dianne Cox	On Track	The executive team evaluating the employee benefits plan for CY2025. Market adjustments for base pay and minimum wage will continue into FY2025 to ensure competitive pay for retention and recruitment. Monitor impact of AB525 on recruitment and retention throughout FY25.

Performance Measure (Outcomes)

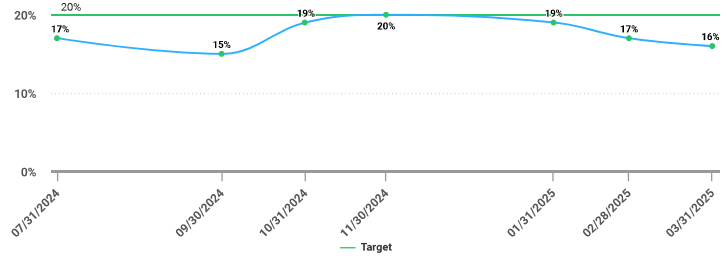
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.1.4	Improve Employee Engagement Surveys to > 4.2%	07/01/2024	06/30/2025	Dianne Cox	On Track	Survey scheduled for June 2025
1.1.5	Decrease overall KH turnover rate to meet CHA statewide statistics < 15%	07/01/2024	06/30/2025	Dianne Cox	On Track	
1.1.6	Decrease Direct Patient Care RN Turnover Rate to meet CHA statewide statistics < 17%	07/01/2024	06/30/2025	Dianne Cox	On Track	
1.1.7	Decrease New Hire Turnover Rate (leaving < 6 months) with 30/90 days Check-in < 20%	07/01/2024	06/30/2025	Dianne Cox	On Track	

Kaweah Care Culture Champions: Dianne Cox, Raleen Larez, and Hannah Mitchell

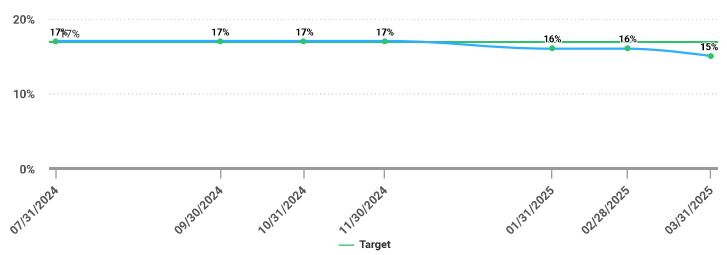
Decrease overall KH turnover rate (< 15%)



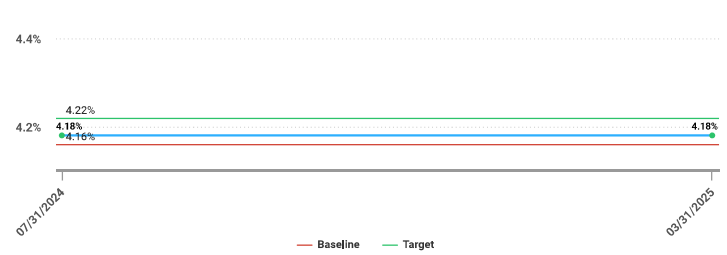
Decrease new hire turnover rate w/in 6 months (< 20%)



Decrease nursing turnover rate (< 17%)



Improve Employee Engagement Surveys (4.20%)



Ideal Practice Environment Champions: Dr. Paul Stefanacci and Amy Shaver

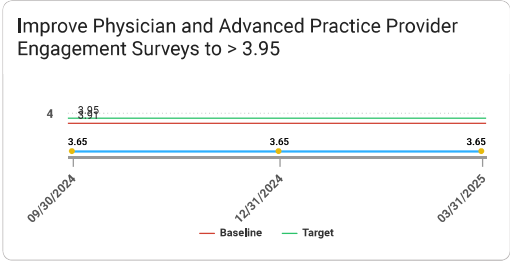
Description: Ensure a practice environment that is friendly and engaging for physicians and advanced practice providers, free of practice barriers.

Work Plan (Tactics)

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.2.1	Improve Physician and Advanced Practice Provider Retention and Wellness.	07/01/2024	06/30/2025	Dianne Cox	On Track	Various initiatives to improve create an ideal practice environment: team rounds, enhancing the workspaces (surgery locker room, med staff lounge, library, and physician work areas), onboarding and mentoring programs, and Cerner system optimization to improve efficiency.
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1.2.3	Develop Dyad Leadership Training Curriculum for Operational Directors, Division Chiefs and Medical Staff Service Line Directors.	07/01/2024	06/30/2025	Dianne Cox	Canceled	

Performance Measure (Outcomes)

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.2.4	Improve Physician and Advanced Practice Provider Engagement Surveys to > 3.95	07/01/2024	06/30/2025	Dianne Cox	Off Track	



Expand Kaweah Health University and Growth in School Partnerships Champions: Jaime Morales and Hannah Mitchell

Description: Increase the pool of local RN candidates with the local schools to increase RN cohort seats and increase development opportunities for our employees

Work Plan (Tactics)

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
1.3.1	Continue to build partnerships with local colleges and universities for nursing programs; expand into other educational programs beyond nursing for KH employees.	07/01/2024	06/30/2025	Dianne Cox	On Track	Have established partnerships with COS, Unitek, SJVC for registered nursing, Tulare Adult Schools for LVN, and Porterville College for surgical techs. Working on expanding to an apprenticeship model in early 2025 for the COS Traditional RN Program. Expanded partnerships beyond nursing. Established partnerships with other schools and colleges, to enroll Fresno City College for imaging, CSUF for therapists, and Gurnick for nuclear medicine. Established partnerships with additional high schools: Lindsay High school, John J Cairns High School, Visalia Charter Independent Study (VCIS), University Prep High school (UPHS). Early 2025 we will be welcoming students from Porterville High School. Assisting Exeter with the establishment of a CTE Program for Health Careers.
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FY26 STRATEGIC PLAN

A photograph of the Kaweah Health Medical Center building, a modern multi-story structure with large glass windows and a sign on the roof. The image is used as a background for the title slide.

Fiscal Year 2026 Annual Strategic Plan

**Kaweah Health Board
Presentation
May 28, 2025**



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Health is our passion.
Excellence is our focus.
Compassion is our promise.



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Strategic Planning Leaders

Initiative	Sponsor	Director/Leader	PMCO Team Member
Physician Alignment	Ryan Gates	JC Palermo	Suzy Plummer
Strategic Growth and Innovation	Marc Mertz	Kevin Bartel	Suzy Plummer
Outstanding Health Outcomes	Dr. Paul Stefanacci	Sandy Volchko	Suzy Plummer
Patient Experience and Community Engagement	Marc Mertz	Deborah Volosin	Suzy Plummer
Ideal Environment	Dianne Cox	Hannah Mitchell	Suzy Plummer

**To be your
world-
class
healthcare
choice, for
life.**



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FY26 Strategic Planning and Budget Planning Timeline

ID	Task Name	Start	Finish	Duration	Feb 2025				Mar 2025				Apr 2025				May 2025				Jun 2025					
					2/2	9/2	16/2	23/2	2/3	9/3	16/3	23/3	30/3	6/4	13/4	20/4	27/4	4/5	11/5	18/5	25/5	1/6	8/6	15/6	22/6	
1	Initiative leader meetings to revisit strategic plan	2/3/2025	3/20/2025	6.8w																						
2	Staffing Matrixes due to Director	2/12/2025	2/12/2025	.2w																						
3	Initiative leaders to share proposed strategic plan w/ Operational leaders for budget impact considerations	3/3/2025	3/21/2025	3w																						
4	Reclasses Due (Jul-Jan)	3/5/2025	3/5/2025	.2w																						
5	Finance Prepare Cost Center Operating Budgets	3/12/2025	3/21/2025	1.6w																						
6	Staffing Matrixes Due	3/14/2025	3/14/2025	.2w																						
7	Operating Budgets and Capital Budgets Distributed to Directors	3/21/2025	3/21/2025	.2w																						
8	Present proposed FY26 Strategic Plan to ET	3/27/2025	3/27/2025	.2w																						
9	Strategic Plan Board Committee Meeting	4/10/2025	4/10/2025	.2w																						
10	Completed VP Review and Approved Cost Center Budgets	4/18/2025	4/18/2025	.2w																						
11	First round of Budget meeting w/ ET and Leaders	4/21/2025	5/9/2025	3w																						
12	Final Strategic Plan Presentation to the Board	5/28/2025	5/28/2025	.2w																						
13	First draft of Budget to ET	5/19/2025	5/19/2025	.2w																						
14	Leadership/Finance submits final vetted capital equipment budget	5/19/2025	5/19/2025	.2w																						
15	Present Prelim Budget to the Board	5/21/2025	5/21/2025	.2w																						
16	Budget Finalized	6/11/2025	6/11/2025	.2w																						
17	Present Budget to Finance Board	6/18/2025	6/18/2025	.2w																						
18	Final Budget Presentation to the Board	6/25/2025	6/25/2025	.2w																						

- Strategic Planning
- Budget Planning

**Excellence is not a destination,
it is a journey that never ends.**

**"Perfection
is not
attainable,
but if we
chase
perfection
we can catch
excellence."**

**- Vince
Lombardi**



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Physician Alignment

To Recruit New Providers to our Community

- Increase our interactions with physician residents in the Central Valley
- Work with Key Medical Group, other medical groups and local independent physicians to recruit and place providers

Develop Services and Opportunities that Improve Alignment with and Support for Contracted and Affiliated Physician Practices

- Offer management services for contracted physicians and medical groups
- Promote Kaweah Health services and the physicians that provide them

Alignment through Integrated Delivery Network

- Align efforts with Sequoia Integrated Health to become the network of choice
- Invest in resources and infrastructure to support physician practices in management of their attributed, capitated and empaneled patients



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Strategic Growth and Innovation

Grow key service lines and new services

- Lung Cancer Screening Program, Orthopedic Traumatology, Cardiothoracic Services, and Women's Health

Enhance existing space and to grow capacity and focus on efficiency in surgery

- Focus on OR metrics including on time starts, turn around time and block utilization
- Complete renovation and expansion in key areas to increase capacity

Expand our Clinic Network

- Create new patient access points to better serve our community

Implement and Optimize Innovative Technological Solutions

- Improve patient experience, expand access to care, and become more efficient

Expand Client Enrollment in Health Plan Partnership Programs (e.g CalAim)

- Enroll more patients so that they can be served by our comprehensive programs

Patient Experience and Community Engagement

Integrate Strategic Patient-Centered Practices Across the Continuum of Care

- Advance a seamless, patient-centered journey by engaging leaders, departments, and the community in identifying and addressing opportunities across every stage of care.

Empower all team members to Deliver Patient-Centered Care

- Empower leaders and departments with the training, tools, and data needed to drive accountability and improve patient experience across the organization.

Foster a Culture of Human Understanding

- Cultivate a culture of empathy and responsiveness by training staff to deliver compassionate care and exceptional service at every patient interaction.



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Patient Experience and Community Engagement, Cont.

Focus on the Enhancement of the Environment

- Enhance the care environment by addressing cleanliness, acting on patient feedback, and completing facility upgrades that support comfort and healing.

Build Strong Relationships with the Community to Improve Health Outcomes

- Strengthen partnerships with patients, families, and community leaders to co-design care experiences, expand advisory participation, and elevate Kaweah Health's presence in the community.



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Ideal Environment

Integrate Kaweah Care Culture into the various aspects of the organization

- Competitive Compensation and Benefits
- New Leader Selection and Development

Ensure a Practice Environment that is Friendly and Engaging for Physicians and Advanced Practice Providers, free of Practice Barriers

- Develop Leadership Training curriculum for Operational Directors, Division Chiefs, and Med Staff Service Line Directors

Increase Growth and Development for Employees of Kaweah Health

- Partnerships with local colleges and universities; grow volunteer opportunities
- Expand Kaweah Health University



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Outstanding Health Outcomes

Reduce Hospital Acquired Infections

- Utilize the subject matter expertise of Healthcare Acquired Infection Team
- Expand the use of Bio-Vigil and promote best practices
- Expand multidisciplinary rounds

Reduce Surgical Complications

- Utilize the subject matter expertise of Surgical Quality Team
- Implement best practices to address preventable complications

Safety Program Support

- Apparent cause analysis for leaders; goal 2 ACAs per leader
- Develop standardized roles and responsibility and training for all leaders



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Questions?



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LEAPFROG SAFETY SCORE REPORT

Kaweah Health Leapfrog Quality & Patient Safety Rating SPRING 2025

Quality & Patient Safety

May 2025

Leapfrog Scorecard Overview: SPRING 2025 & YTD

Measure Domain	Measure	Kaweah Health Score (Most Recent YTD)	Most Recent Timeperiod (Most Recent YTD)	Kaweah Health SPRING 2025 Score	SPRING 2025 Score Timeperiod	Leapfrog SPRING 2025 Mean	Final Weight (N/A redistributed)
Process/Structural Measures	Computerized Physician Order Entry (CPOE)	100	2024	100	2024	80.21	6.2%
	Bar Code Medication Administration (BCMA)	100	2024	100	2024	81.84	6.0%
	ICU Physician Staffing (IPS)	100	2024	100	2024	65.13	6.9%
	Safe Practice 1: Culture of Leadership Structures and Systems	120	2024	120	2024	117.49	3.1%
	Safe Practice 2: Culture Measurement, Feedback, & Intervention	120	2024	120	2024	116.86	3.2%
	Total Nursing Care Hours per Patient Day	100	1/1/2023 - 12/31/2023	100	01/01/2023 - 12/31/2023	77.08	4.7%
	Hand Hygiene	40	2024	40	2024	74.38	4.9%
	H-COMP-1: Nurse Communication	82.10	2/2024-1/2025	89.00	01/01/2023 - 12/31/2023	90.19	3.0%
	H-COMP-2: Doctor Communication	80.70	2/2024-1/2025	89.00	01/01/2023 - 12/31/2023	89.91	3.0%
	H-COMP-3: Staff Responsiveness	67.40	2/2024-1/2025	82.00	01/01/2023 - 12/31/2023	81.63	3.0%
	H-COMP-5: Communication about Medicines	66.80	2/2024-1/2025	78.00	01/01/2023 - 12/31/2023	74.43	3.1%
	H-COMP-6: Discharge Information	92	2/2024-1/2025	85.00	01/01/2023 - 12/31/2023	85.25	3.0%
Outcome Measures	Foreign Object Retained	0.000	3/2024-2/2025	0.000	07/01/2021 - 06/30/2023	0.014	4.2%
	Air Embolism	0.000	3/2024-2/2025	0.000	07/01/2021 - 06/30/2023	0.002	2.4%
	Falls and Trauma	0.301	3/2024-2/2025	0.293	07/01/2021 - 06/30/2023	0.384	4.9%
	CLABSI	0.799	3/2024-2/2025	1.07	07/01/2023 - 06/30/2024	0.651	4.5%
	CAUTI	0.382	3/2024-2/2025	0.503	07/01/2023 - 06/30/2024	0.539	4.7%
	SSI: Colon	0.592	3/2024-2/2025	1.001	07/01/2023 - 06/30/2024	0.830	3.4%
	MRSA	0.93	3/2024-2/2025	0.854	07/01/2023 - 06/30/2024	0.719	4.5%
	C. Diff.	0.302	3/2024-2/2025	0.542	07/01/2023 - 06/30/2024	0.401	4.5%
	PSI 4: Death rate among surgical inpatients with serious treatable conditions	271.429	2/2024-1/2025	208.940	07/01/2021 - 06/30/2023	177.42	2.0%
	CMS Medicare PSI 90: Patient safety and adverse events composite	1.818	2/2024-1/2025	1.050	07/01/2021 - 06/30/2023	1.00	15.0%
Process Measure Domain Score:				0.1345		0.000	
Outcome Measure Domain Score:				-0.1078		0.000	
Process/Outcome Domains - Combined Score:				0.0267		0.000	
Normalized Numerical Score:				3.0267		3.00	
Hospital Safety Grade (Letter Grade):				B		B	

*All payer (HCAHPS surveys a random sample of adult inpatients, regardless of insurance type)

Safety Letter Grade Criteria: A = > 3.202 > B= > 2.991 C= > 2.464 D= > 1.938 F= > 1.640

Leapfrog Scorecard Overview: SPRING 2025 & YTD

YTD Performance (Compared to Leapfrog Spring 2025 Mean)

- Outperforming Areas:
 - ✓ Computerized Physician Order Entry (CPOE)
 - ✓ Bar Code Medication Administration (BCMA)
 - ✓ ICU Physician Staffing (IPS)
 - ✓ Safe Practice 1: Culture of Leadership Structures and Systems
 - ✓ Safe Practice 2: Culture Measurement, Feedback, & Intervention
 - ✓ Total Nursing care Hours per Patient Day
 - ✓ HACs: Air Embolism, Foreign body left during procedure, Falls and Trauma
 - ✓ Hospital Acquired Conditions (HAIs): Catheter-Associated Urinary Tract Infection (CAUTI), Surgical Site Infection – Colon (SSI Colon)
- Underperforming Areas
 - ✓ Hand Hygiene
 - ✓ Patient Experience
 - ✓ HAIs: Methicillin-Resistant Staphylococcus aureus (MRSA), Central Line-Associated Bloodstream Infection (CLABSI)
 - ✓ PSI 4 - PSI 4: Death rate among surgical inpatients with serious treatable conditions
 - ✓ PSI 90 - CMS Medicare PSI 90: Patient safety and adverse events composite

Safety Letter Grade Criteria: A = > 3.202 > B= > 2.991 C= > 2.464 D= > 1.938 F= > 1.640

Kaweah Health YTD Performance

Process items that we did not achieve full points in Spring 2025 & YTD performance:

❖ Hand Hygiene (current score 40/100)

The Leapfrog “Safe Practice #6d” Hand Hygiene (HH) section focuses on monitoring and program processes, not on compliance rates. KH is on track for 100 points in the 2025 data submission period for Leapfrog Survey.

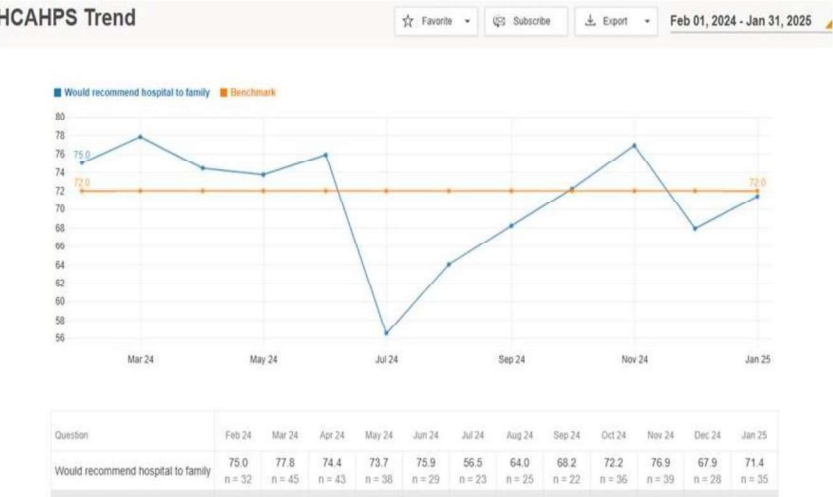
Past gaps include:

- 200 HH electronic observations (Bio vigil) per Patient Care Area: Required for all defined Leapfrog areas.
 - Action 2024: Evaluated locations, installed BioVigil in targeted areas.
- 20 HH visual observations (in person) per pt. care location per quarter - required through direct observation by trained HH observers
 - Action 2024: Trained manual observers in targeted areas to meet Leapfrog's audit volume, reports sent to Infection Prevention.
- 2024 actions will result in achievement in full points in 2025 Leapfrog Survey

Kaweah Health YTD Patient Experience Performance and Action Plan

Process items that we did not achieve full points in Spring 2025 & YTD performance (Higher scores = Better Performance)

❖ Patient Experience is underperforming for the Spring 2025 grade in all measures **except** Staff responsiveness & Communication about medicines. In addition Patient Experience is underperforming in all measures except Discharge Information for YTD performance



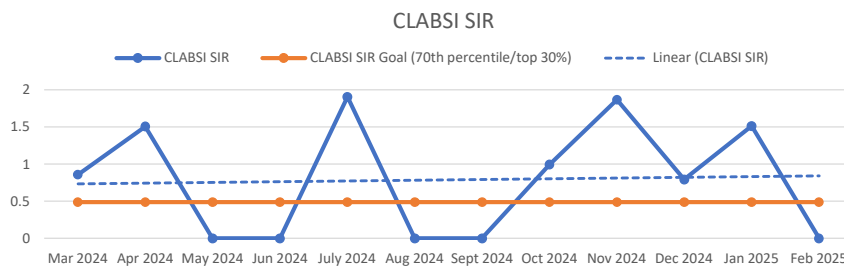
- Action: Continue work through the new Patient Experience Team & Patient Experience Steering Committee
- Nurse Communication: Patient experience score reports to nursing so they are aware of how they are doing & are looking at the Priority Matrix of each of their areas. Education focused on Service Recovery at the Charge Nurse conference
 - Doctor Communication: Education provided to the GME residents in March 2025 with focus on narrating the care, empathy, & communication accommodation.
 - Care Coordination/Care Transitions/Discharge: Education to Case Management team focus on these areas presented at their weekly huddles.
 - Executive rounding with facilities, patient experience & EVS

Kaweah Health YTD HAI Performance & Action Plan

Outcomes Measures not achieving at least national mean in YTD Performance Period (lower scores = better outcomes)

❖ CLABSI Targeted opportunities:

- Reduced central line utilization, less lines less opportunity for infection to occur
- Reduced use of femoral line access site

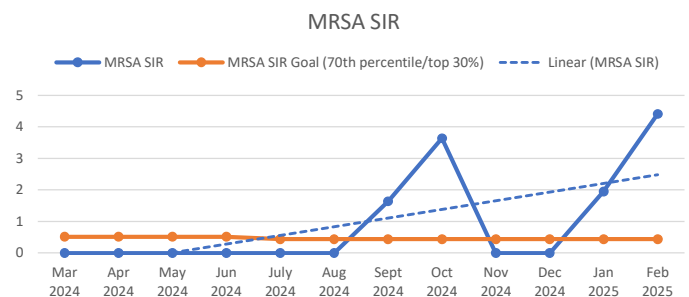


Action: Continue targeted work through Healthcare Acquired Infection – HAI Quality Focus Team

- Daily Device Rounds (May 2025) – to improve consistency with best practice prevention strategies for line utilization and care
- Nurse Skills Fair (May 2025) – emphasizing best practice prevention bundles for line maintenance
- Evaluating NEW central line CHG impregnated Tegaderm dressing
- Evaluating universal CHG bathing & bath refusal escalating process

❖ MRSA Targeted opportunities:

- MRSA - increasing nasal and skin decolonization through focused work on identification of at risk patients upon admission



Action: Continue work through Healthcare Acquired Infection – HAI Quality Focus Team

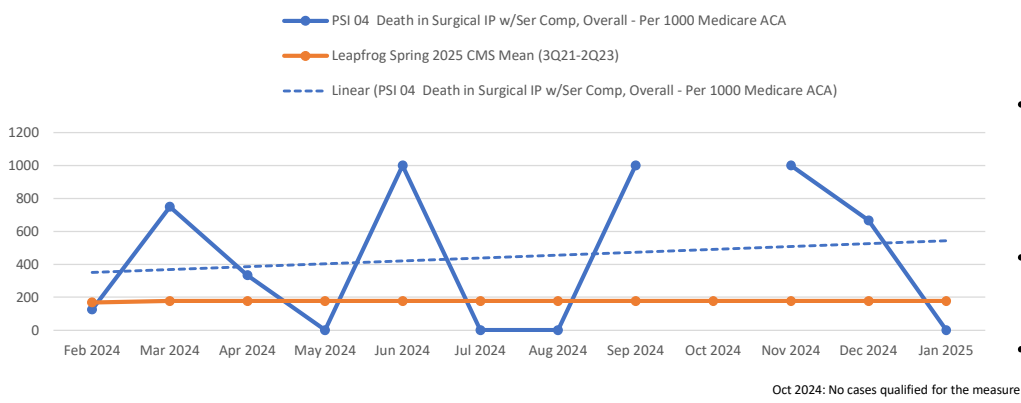
- Reestablishing expectations to improve hand hygiene (HH) through increased use of BioVigil electronic HH monitoring system
- Targeted decolonization of high risk patients
- Universal CHG bathing & bath refusal escalating process
- Environmental Cleaning

Kaweah Health YTD PSI Performance and Action Plan

Outcome Measures not achieving at least national mean in Spring 2025 & YTD performance (lower scores = better outcomes)

- ❖ PSI 4 (CMS has not released performance that will be used in Fall 2025 grade)
 - PSI 4 Spring 2025 & YTD performance are above the leapfrog national mean
 - CMS has replaced PSI 4 with a new measure & leapfrog will be evaluating the new measure & likely replacing it in 2026 or 2027
 - Additional focus through Sepsis committee for expired patients

PSI 04 Death in Surgical IP w/Ser Comp, Overall - Per 1000 Medicare ACA



- Action: Continue PSI 4 work through weekly Harm meeting/PSI committee & SQIP Committee
- Concurrent or close to real time review of events through 3M system
 - Ongoing case review for documentation, coding and clinical opportunities trough weekly harm meeting and monthly PSI committee
 - If applicable cases forwarded for further review trough Mortality committee, Physician Peer review and/or other care team for appropriate follow up
 - Ongoing collaboration with department of surgery chair to enhance or improve processes
 - Additional case review for death of patients under PSI 4 Sepsis stratum

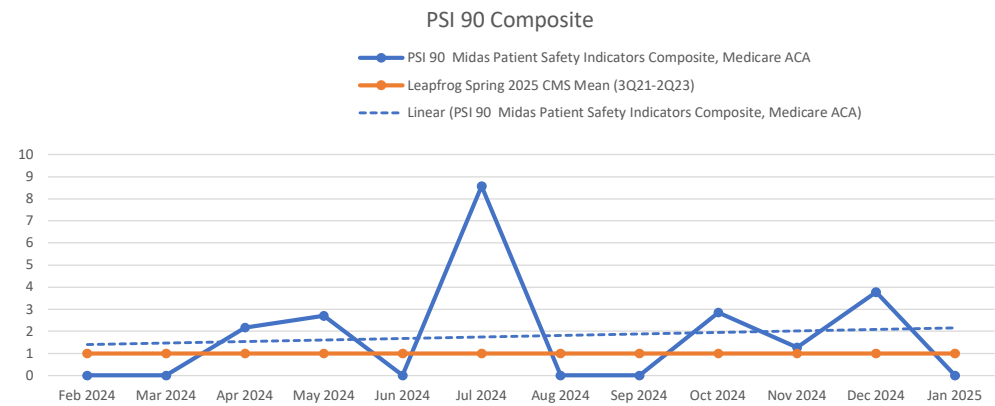
Kaweah Health YTD PSI Performance and Action Plan

Outcome Measures not achieving at least national mean in Spring 2025 & YTD performance (lower scores = better outcomes)

- ❖ PSI 90 (CMS has not released performance that will be used in Fall 2025 grade)
- ❖ PSI 90 YTD is above the leapfrog national mean
- ❖ PSI 90 is heavily weighted **15%** of the overall weight for leapfrog letter grade
- ❖ PSI 90 is composed of 10 individual PSI indicators
- ❖ Ongoing SQIP focus on PSI 12 Post Op PE/DVT

Action: Continue PSI 90 work through weekly Harm meetings, PSI committee & SQIP Committee

- Concurrent or close to real time review of events through 3M system
- Ongoing case review for documentation, coding and clinical opportunities through weekly harm meeting and monthly PSI committee
- If applicable cases forwarded for further review through Mortality committee, Physician Peer review and/or other care team for appropriate follow up
- PSI 12 prevention focused on EMR PE/DVT risk assessment, ALPs and SCD timely placement & partnering with Trauma team to review trauma related PE/DVTs



Leapfrog Hospital Safety Score Regional Comparison Spring 2025

Hospitals within 100 Miles	Spring 2025 Grade
Adventist Health – Tulare	A
Adventist Health - Hanford	A
Adventist Health - Selma	A
Sierra View Medical Center	B
Community Regional Medical Center	C
Clovis Community Medical Center	C
Saint Agnes Medical Center	C
Kaiser Permanente Medical Center - Fresno	A
Adventist Health - Delano	B
Adventist Health – Bakersfield	B
Bakersfield Heart Hospital	C

Hospitals within 100 Miles	Spring 2025 Grade
Mercy Hospital – Bakersfield Downtown	B
Bakersfield Memorial Hospital	A
Kern Medical Center	B
Mercy Hospital - Bakersfield Southwest	A
Other Facilities	
Cleveland Clinic – Euclid Hospital	B
University of California Ronald Reagan UCLA Medical Center	A
Los Angeles County - Harbor UCLA Medical Center	C
Los Angeles General Medical Center – LA County Hospital	A

Timeframe	KH Grade
5/2025	B
10/2024	C
5/2024	C
10/2023	C
5/2023	B
10/2022	A
5/2022	A
10/2021	A
5/2021	B
12/2020	B
5/2020	C
10/2019	C

Acronyms

- HAI – Hospital Acquired Condition
- CAUTI - Catheter-Associated Urinary Tract Infection
- C Diff - Clostridium difficile Infection
- CLABSI - Central Line-Associated Bloodstream Infection
- SSI – Surgical Site Infection
- MRSA - Methicillin-Resistant Staphylococcus aureus
- CPOE - Computerized Provider Order Entry
- HAC - Healthcare Acquired Condition
- PSI - Patient Safety Indicator
- PSI 4 - Death rate among surgical inpatients with serious treatable conditions
- PSI 90 - Patient safety and adverse events composite
- SP – Safe Practice
- H-Comp - Refers to composite score that combines multiple questions for a specific topic area within the Hospital Consumer Assessment of Healthcare Providers Survey
- HH - Hand Hygiene
- Tegaderm™ CHG - Chlorhexidine Gluconate
- ICU – Intensive Care Unit
- PSI Committee: Patient Safety Indicator Committee
- SQIP – Surgical Quality Improvement Committee
- Post Op - Post Operative
- PE/DVT – Pulmonary Embolism/Deep Vein thrombosis (blood clots)
- EMR – Electronic Medical Record
- SCD – Sequential Compression Devices (medical device to prevent blood clots)
- ALPs - Sequential Compression Device pumps used in OR (medical device to prevent blood clots)

Reference Materials

Patient Safety Indicator (PSI) 4: Death in Surgical Inpatients with Serious Treatable Complications

PSI 4 YTD Overall Rate: 382.35

PSI 4 Spring 2025 Mean: 177.42

PSI 4 Individual Stratum Feb 2024 - Jan 2025 (Stratums are not publically reported)	Actual Events Medicare Population (N/D)	Medicare Risk Adjusted Rate	Actual Events ALL Payer (N/D)	ALL Payer Risk Adjusted Rate
PSI 04c Death in Surgical IP w/Ser Comp, Sepsis - Per 1000 Medicare	2/2	1000	6/10	600
PSI 04d Death in Surgical IP w/Ser Comp, Shock - Per 1000 Medicare	7/10	700	18/43	418.61
PSI 04e Death in Surgical IP w/Ser Comp, GI - Per 1000 Medicare	0/2	0	2/18	111.11
PSI 04b Death in Surgical IP w/Ser Comp, Pneumonia - Per 1000 Medicare	3/16	187.5	12/74	162.16
PSI 04a Death in Surgical IP w/Ser Comp, PE/DVT - Per 1000 Medicare	1/4	250	1/11	90.91

- PSI 4 Sepsis & Shock are the PSI 4 stratums driving the PSI 4 overall rate
- Overall rate is publically reported for PSI 4
- **PSI 4 will be replaced by a new updated and improved measure: Failure to Rescue 30 day Mortality, that will exclude a case if the complication was present on admission**

Patient Safety Indicator (PSI) 90 Individual Components Performance

PSI 90 Individual Component Feb 2024 - Jan 2025	Actual Events Medicare Population (N/D)	Medicare Risk Adjusted Rate Publicly Reported	Actual Events ALL Payer (N/D)	ALL Payer Risk Adjusted Rate Internal Tracking	Spring 2025 leapfrog mean individual Component (not used in grade scoring)
PSI 03 Pressure Ulcer [†]	2/2241	0.89	6/10579	0.57	0.20
PSI 06 Iatrogenic Pneumothorax	1/2955	0.39	3/14046	0.21	0.21
PSI 08 In-Hospital Fall-Associated Fracture	0/2952	0	0/14406	0	0.24
PSI 09 Postoperative Hemorrhage or Hematoma	1/674	1.48	7/3305	2.12	1.84
*PSI 10 Postop Acute Kidney Injury Requiring Dialysis	2/225	8.89	3/828	3.62	2.65
*PSI 11 Postoperative Respiratory Failure [†]	5/231	21.65	11/813	11.78	10.76
PSI 12 Perioperative Pulmonary Embolism or DVT [†]	1/684	1.46	7/3306	2.12	5.58
*PSI 13 Postoperative Sepsis [†]	0/215	0	2/793	2.52	7.17
PSI 14 Postoperative Wound Dehiscence	0/123	0	1/715	1.40	1.65
PSI 15 Accidental Puncture or Laceration	1/444	0	1/2705	0.37	1.58

- PSI 90 Composite YTD Rate: **1.82****
- PSI 90 Composite score Spring 2025 Mean: 1.00
- PSI 12 Perioperative PE/DVT improving based on past performance
- Highest weighted PSIs driving YTD PSI 90 Rate: PSI 3, PSI 10, PSI 11

[†] Highest weighted PSIs (risk adjusted based on volume & potential for pt. harm)
^{*} Elective procedures
^{**} The weighted average of the observed-to-expected ratios for the PSI 90 component indicators (PSI 90 is composed of 10 individual components: PSI 3,6,8,9,10,11,12, 13, 14, & 15)
Midas software data is an estimate utilizing the same software CMS uses however it is not apples to apples comparison

Thank you

Live with passion.

Health is our passion. Excellence is our focus. Compassion is our promise.



FISCAL YEAR 2026 BUDGET-

FY25 Preliminary Budget Presentation May 28, 2025

FY2026 | Budget Update

March 21st: Volume, Capital and Operational budget workbooks **Completed**

April 21st - May 9th: 1st round budget meetings (446 Budgets) **Completed**

May 21th: Finance (FPSA) Board of Directors presented preliminary budget concepts

May 22nd - June 11th : Analysis and Breakout budget meetings

June 12th : Final Budget Discussions at Special Board meeting

June 25th: Final Presentation to the Board of Directors

FY2026 Preliminary Budget Review

- **Guiding Principles**
- **Initial Assumptions**
- **Challenges**
- **Changes to Service**
- **Initial Labor Projections**
- **Key Volume Projections**

Note: The FY25 Projected amounts are based on 10 months of actual (July 2024-April 2025) plus 2 projected months for May and June 2025.

Guiding Principles| FY 2026

- Bond Covenants: Budget must show a minimum of a 1.75 - Debt Service Coverage Ratio (MADS)
- Positive cash flow
- Days Cash on Hand to exceed 90 days
- Capital Budget not to exceed \$17M and will depend on final budgeted cash flow results
- Maintain or improve productivity ratios
- Reduce reliance on contract labor and use of premium pay
- Improve and stabilize patient quality

Initial Assumptions | FY 2026

- No material change in the payer mix of patients
- Average 3% increase in contracted rates
- Increase in supplemental payments
- Decrease contract labor gradually throughout FY 2026
- 2.6% increase in employee rates
- 100% 401K Match
- Staffing higher ratios in ED and Nursing floors
- Physician fees increase of approximately 12%
- System Maintenance agreements will increase over 32%
- Inflation anticipated at approximately 3-4% on supplies

FY26 Budget

Initial Assumptions | FY 2026 Supplemental Income

	FY23	FY24	FY25 Projected	FY25 Budgeted	FY26 Budget	BDGT FY 26 - FY 25
HQAF	23,344,900	20,607,238	18,534,800	20,767,913	16,200,000	(2,334,800)
Directed Payments	11,628,806	21,257,616	46,774,232	19,371,185	71,800,000	25,025,769
Medi-Cal DSH	2,755,675	21,814,312	(23,809,987)	17,250,000	0	23,809,987
Rate Range	16,538,463	27,080,346	38,346,476	25,615,558	27,400,000	(10,946,476)
Fee for Service	7,139,188	13,970,732	4,704,427	6,712,585	5,700,000	995,573
Total Supplemental	\$61,407,032	\$104,730,244	\$84,549,947	\$89,717,241	\$121,100,000	\$36,550,053
Prime (QIP) Program	8,718,510	8,831,798	14,263,260	9,504,000	8,267,999	(5,995,261)
Total	\$70,125,542	\$113,562,042	\$98,813,207	\$99,221,241	\$129,367,999	\$30,554,792

Key Challenges | FY 2026

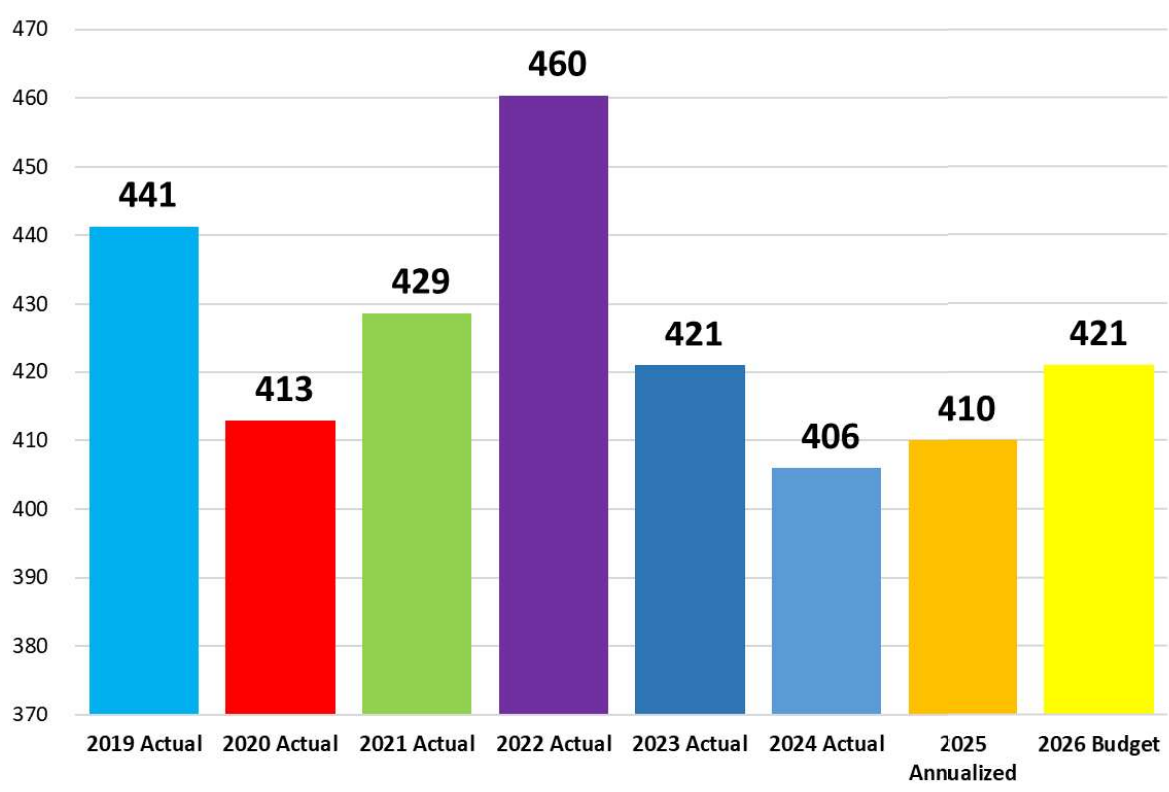
- Shortage of Providers – especially considering growth of service locations
- Resources needed to ensure growth is supported - bandwidth
- Proposed Federal and State Reductions on Supplemental Funds and Medi-Cal DSH and Rates
- Shortage of RNs creating need for contract labor
- Increased Staffing requested not relating to volume
- Increase in Market Rates
- Overall Inflation Impacts on Costs of Goods and Services
- Increase in Physician Fees

Key Statistical Indicators | Timing of Changes

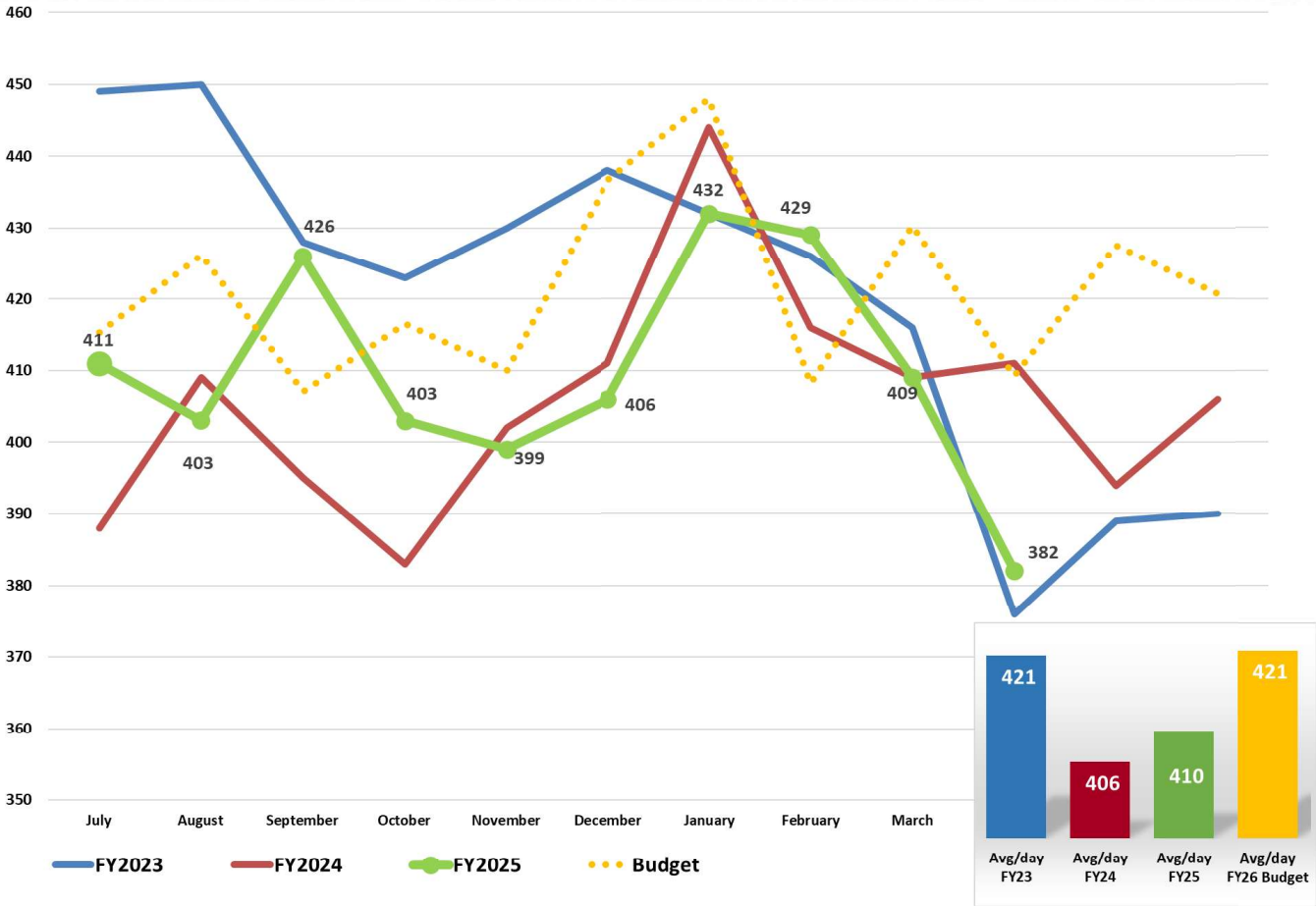
FY25-FY26: New and Future Go Lives:

- Willow: Specialty Clinic: throughout FY25
- Willow: Women's Health: April 2025
- RHC Woodlake Clinic Valencia: June 2025
- Crisis Stabilization Unit: August/September 2025
- Tulare Therapy Clinic: October 2025
- Akers Clinic: October 2025
- Plaza: Occupational Medicine January 2026
- Plaza: Radiology Services – January 2026
- Plaza: Primary Care PCP - TBD
- Lindsey Mobile Clinic: February 2026

Key Statistical Indicators | Average Daily Census



Key Statistical Indicators | Trended Avg. Daily Census



FY 26 Budget

Key Statistical Indicators | Inpatient days

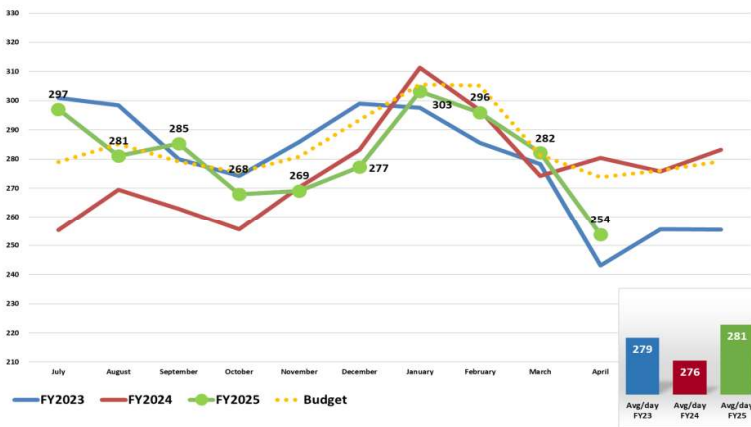
Actual Results			Budget	Budget Variance	
FY2024	FY2025 Proj	% Change	FY 2026 Bdgt	Change	% Change

Average Daily Census

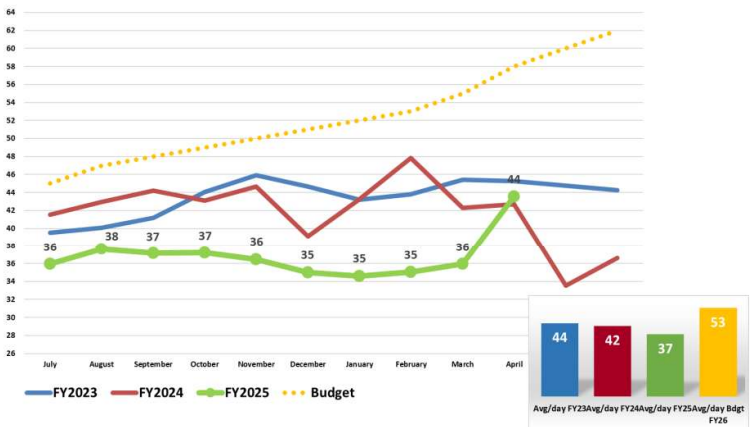
Medical Center	276.5	281.2	1.7%	284.5	3.3	1.2%
Acute I/P Psych	41.8	36.8	-12.0%	52.5	15.7	42.7%
Sub-Acute	30.0	29.7	-1.0%	30.0	0.3	1.0%
Rehab	17.9	20.4	14.0%	21.5	1.1	5.4%
TCS-Ortho (Short Stay Rehab)	11.2	11.9	6.3%	12.6	0.7	5.9%
NICU	13.3	13.1	-1.5%	13.5	0.4	3.1%
Nursery	16.3	16.8	3.07%	17.2	0.4	2.4%
Average Daily Census	407	410	0.7%	432	22	5.3%

FY 26 Budget

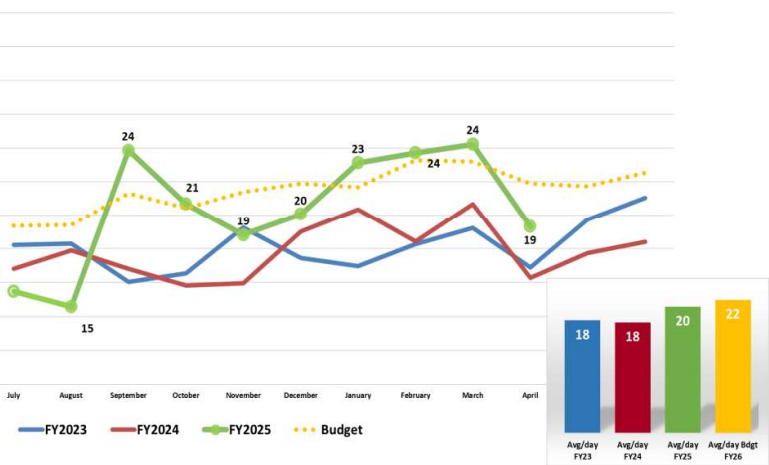
Medical Center (Avg Patients Per Day)



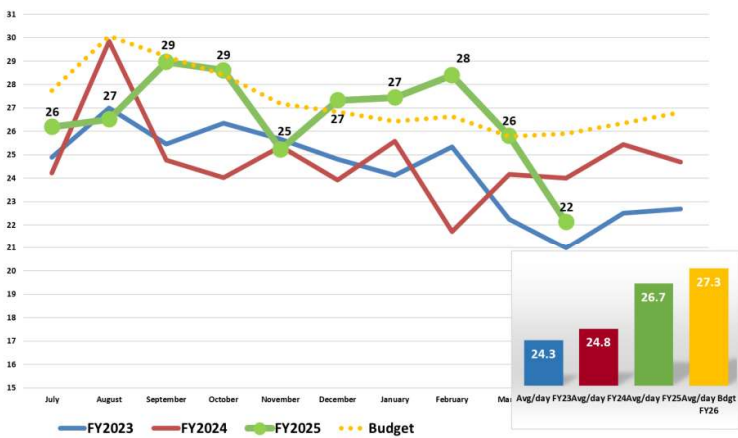
Acute I/P Psych (Avg Patients Per Day)



Rehabilitation Hospital - Avg Patients Per Day



Obstetrics - Avg Patients Per



FY 26 Budget

Key Statistical Indicators | Volume

	FY 24 Actual	FY 25 Projected Jul- Apr(10 mos)	FY 26 Budget	Change Bdgt FY26- Proj FY25	% Change from FY25 Proj
Average Daily Census	407	410	432	22	5.3%
Emergency Department Avg Treated/Day	261	262	278	16	6.0%
Surgery Minutes	9,946	9,581	9,806	225	2.4%
Cath Lab Minutes	3,887	4,253	4,326	73	1.7%
Cardiac Surgery	320	336	372	36	10.7%
Endoscopy	7,438	6,598	6,224	(374)	(5.7%)
Deliveries	4,675	4,847	4,991	144	3.0%
Rural Health Clinic Visits	145,765	164,379	173,739	9,360	5.7%
Urgent Care - Court Visits/Day	103	83	97	13	16.0%
Urgent Care - Demaree Visits/Day	71	51	66	15	28.6%
KH Medical Clinic - Willow	115	8,107	12,870	4,763	100.0%
Sequoia Cardiology Clinic	17,664	18,530	19,577	1,047	5.6%
Neuroscience Center Registrations	121	364	480	116	31.9%
Outpatient Rehabilitation Units	244,375	248,291	249,148	857	0.3%
Physical & Other Therapy Units	210,219	221,236	244,236	23,000	10.4%
Home Health Visits	37,088	34,636	36,508	1,872	5.4%
Hospice	42,460	42,438	48,585	6,147	14.5%
Radiation Oncology	20,666	19,274	20,432	1,158	6.0%
Radiology Xray	115,420	116,202	116,994	792	0.7%
Radiology CT	53,697	56,272	55,286	(986)	(1.8%)
Radiology MRI	10,070	10,429	10,520	90	0.9%
Radiology US	32,098	36,365	36,579	214	0.6%

FY 26 Budget

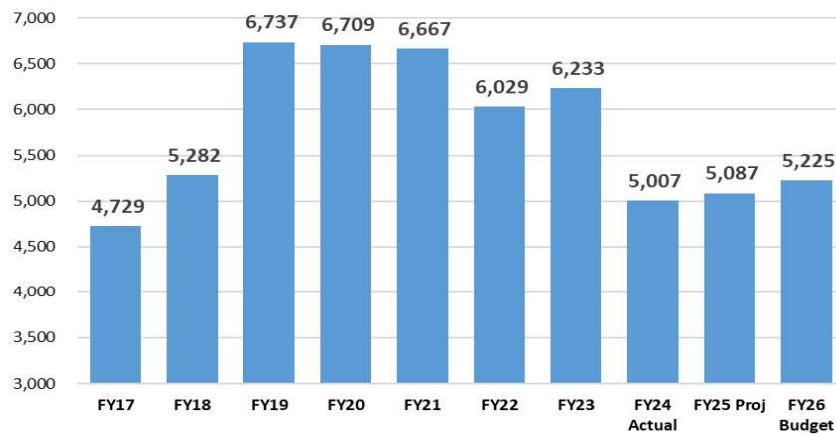
Key Statistical Indicators | FTEs (includes Contract)

Job Types	Sum of FTE FY25 Bdgt	Sum of FTE FY25Actual	Sum of FTE FY26 BDGT	Bdgt FY 26- FY 25 Proj	Bdgt FY 26- Bdgt FY 25	% Change Bdgt to Bdgt
Mgmt/Supervision Prod	251	253	284	31	32	13%
Tech/Professional	1,015	995	1,158	162	142	14%
Registered Nurse	888	869	959	90	71	8%
Licensed Voc Nurse	225	199	235	35	9	4%
Aides/Orderlies	707	704	723	19	16	2%
Clerical/Admin	643	610	676	66	33	5%
Environmental/Food	372	369	419	50	47	13%
Oth Medical Practioner	43	38	43	5	1	1%
Miscellaneous	214	208	223	14	8	4%
Contract	61	97	90	(6)	30	49%
Total FTEs	4,420	4,343	4,810	467	390	8.8%

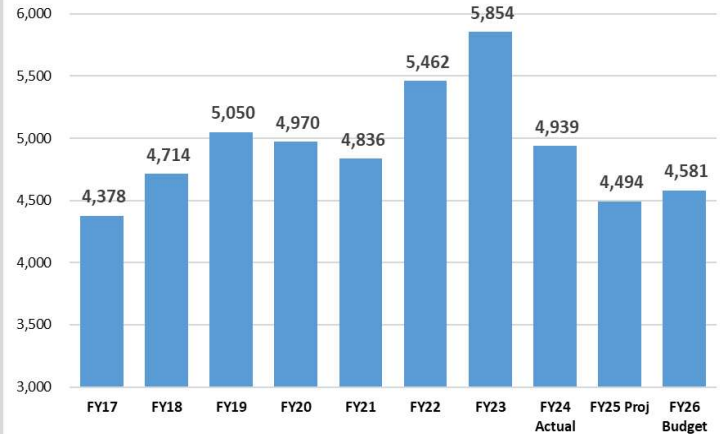
Volume	104
New Service / Close	77
Other/Add'l Staffing	102
New Position	107
Total Change	390

FY26 Trended Budget Volume Graphs

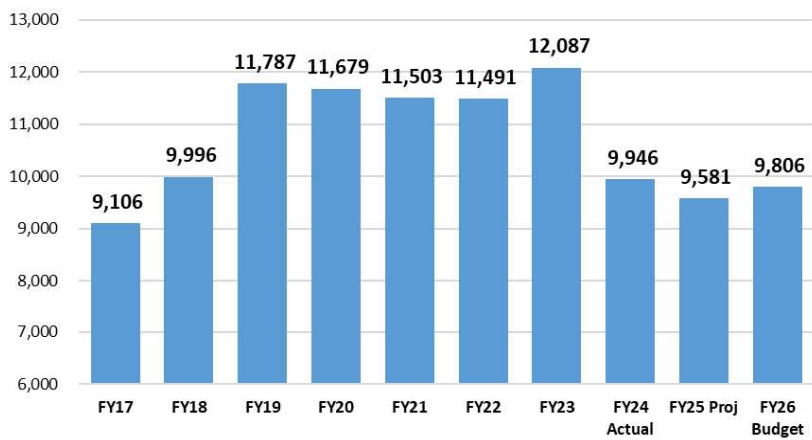
Inpatient Surgery Minutes per 100



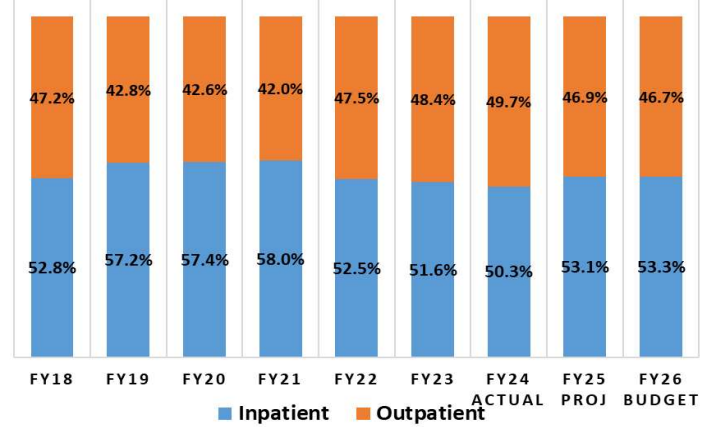
Outpatient Surgery Minutes per 100



Total Surgery Minutes per 100

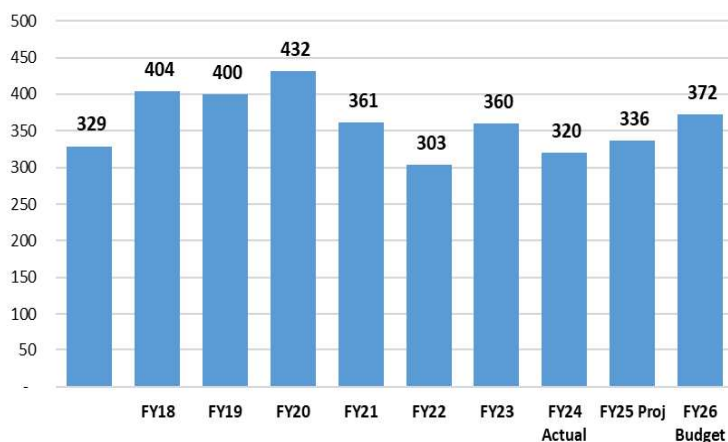


Surgeries by Patient Type %

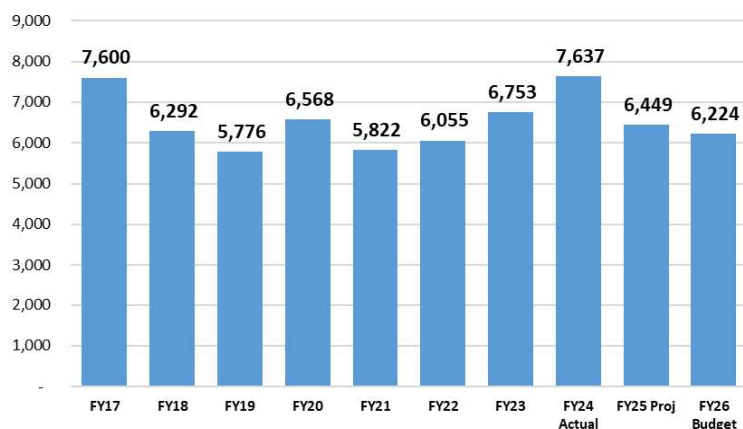


FY26 Trended Budget Volume Graphs

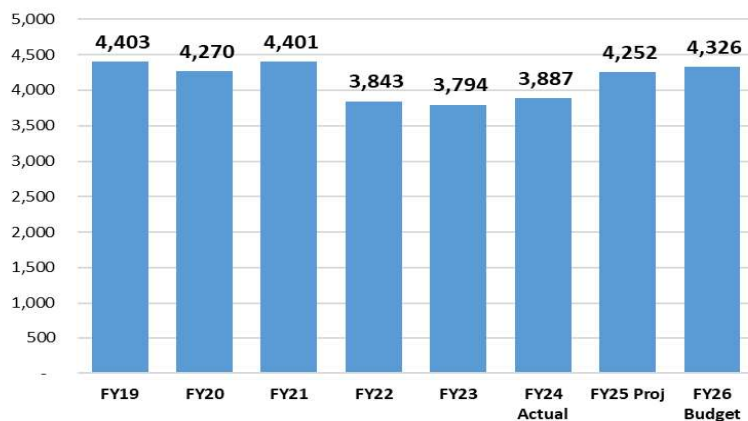
Cardiac Surgeries



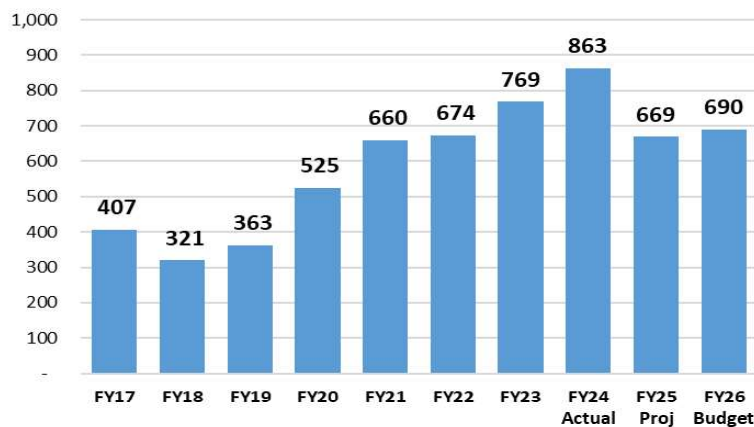
Endoscopy Procedure Hours



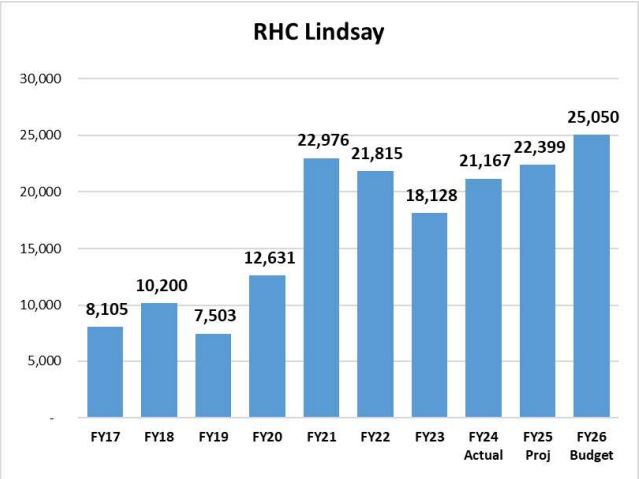
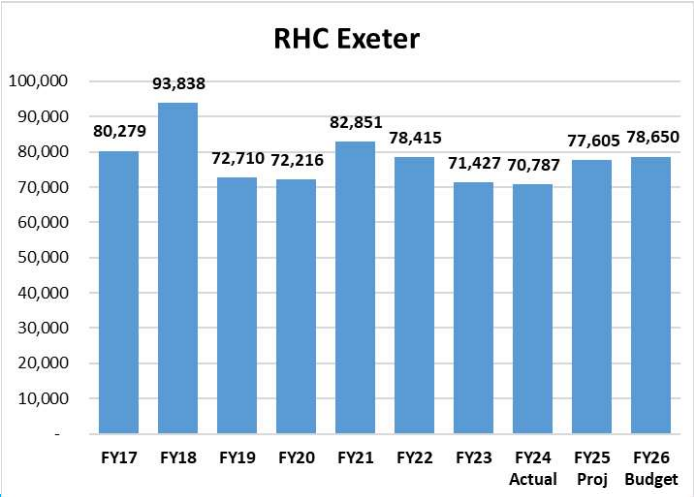
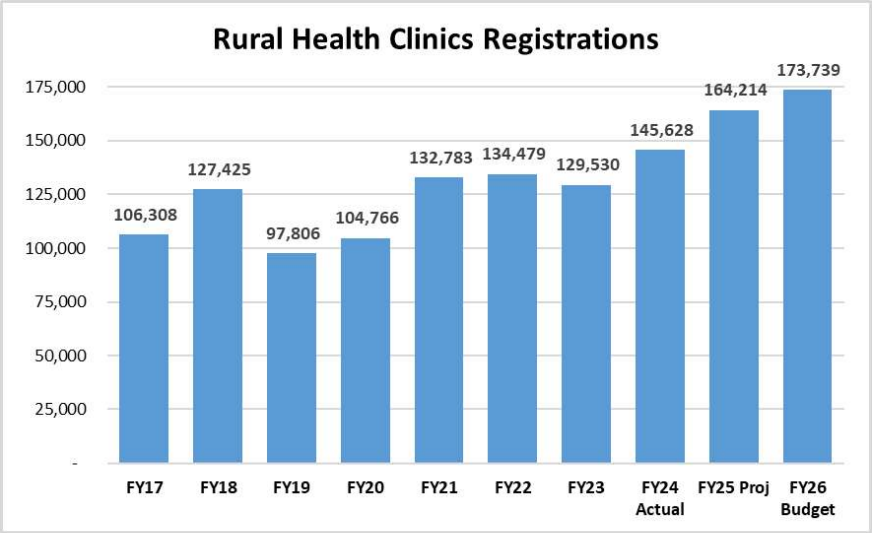
Cath Lab Minutes per 100



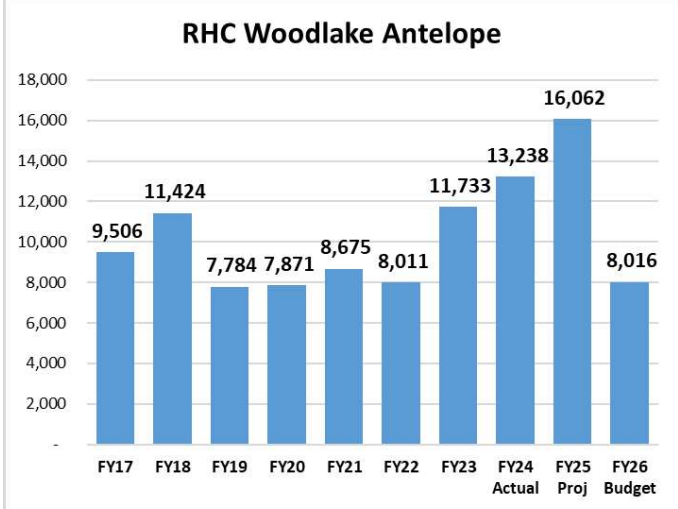
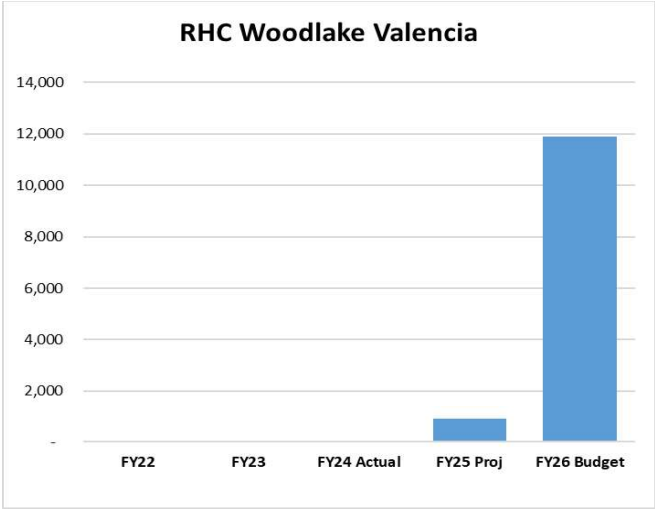
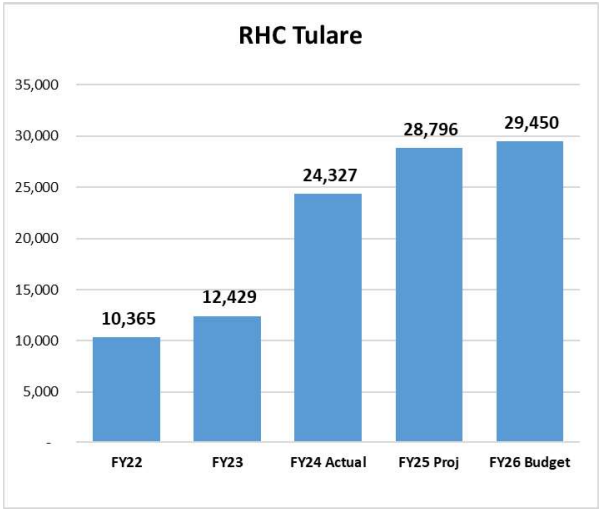
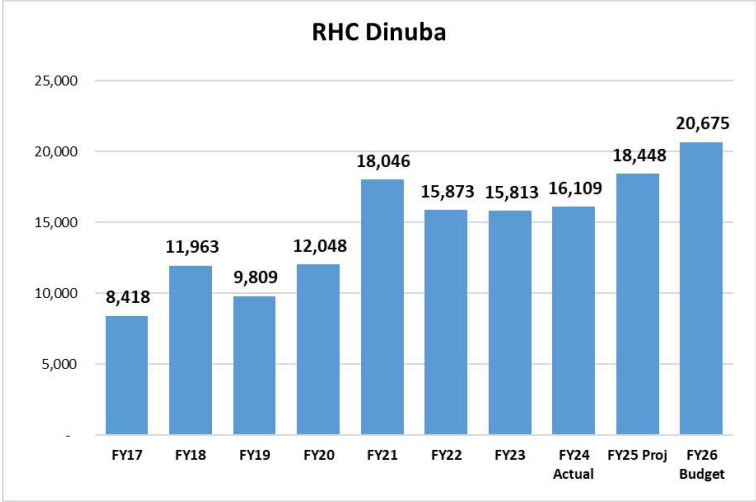
Robotic Surgery Minutes per 100



FY26 Trended Budget Volume Graphs

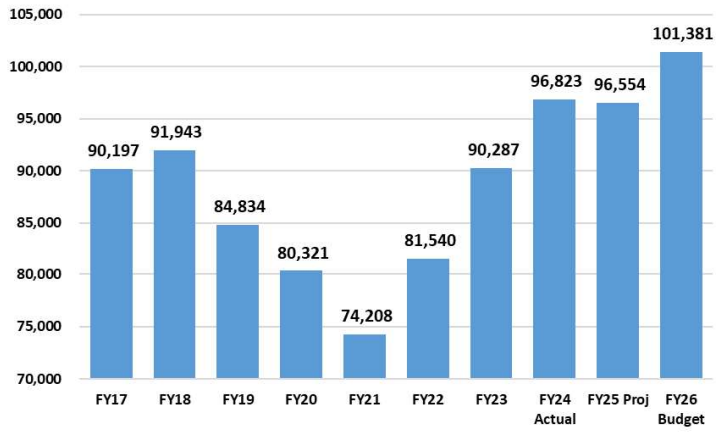


FY26 Trended Budget Volume Graphs

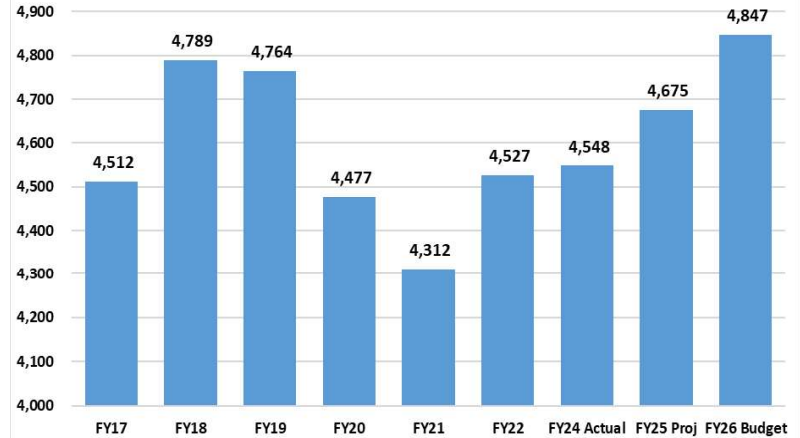


FY26 Trended Budget Volume Graphs

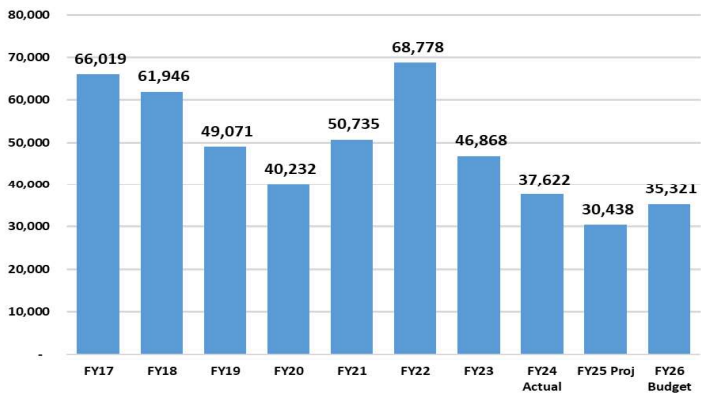
Emergency Visits



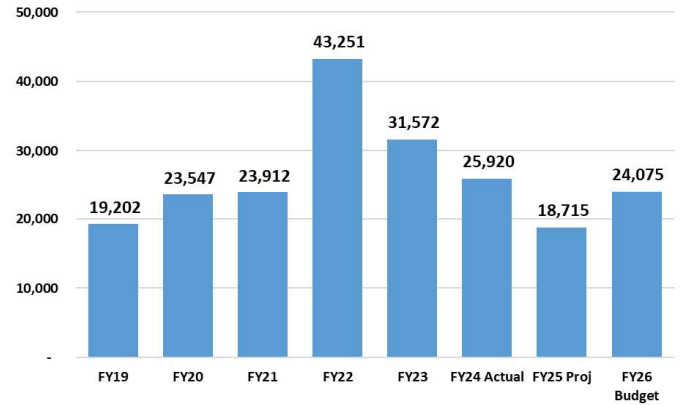
Deliveries



Urgent Care Registrations - Court Street

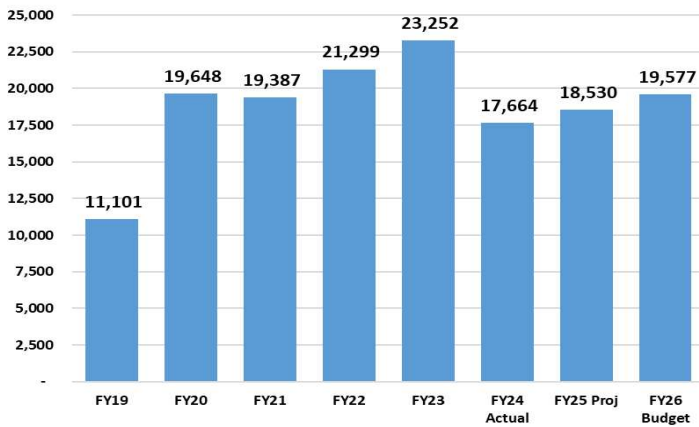


Urgent Care Registrations - Demaree

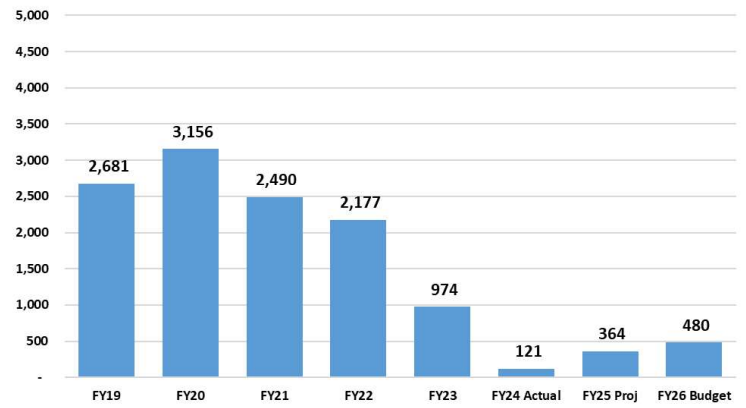


FY26 Trended Budget Volume Graphs

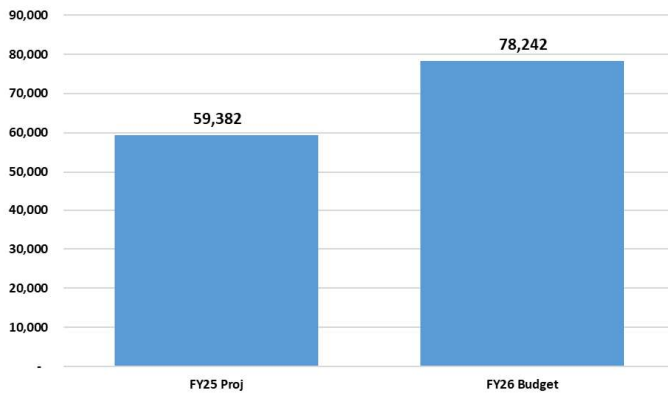
Cardiology Clinic Registrations



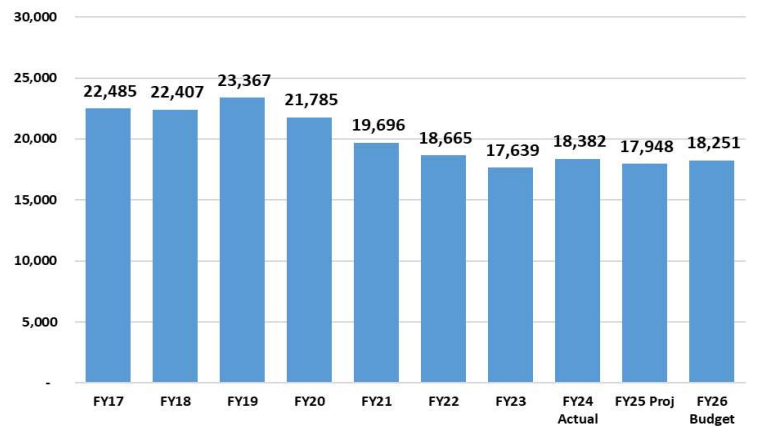
Neuroscience Center Registrations



Wound Care Visits

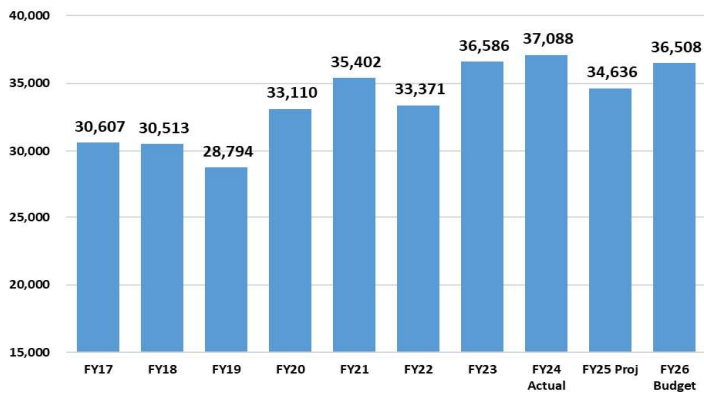


Outpatient Dialysis Treatments

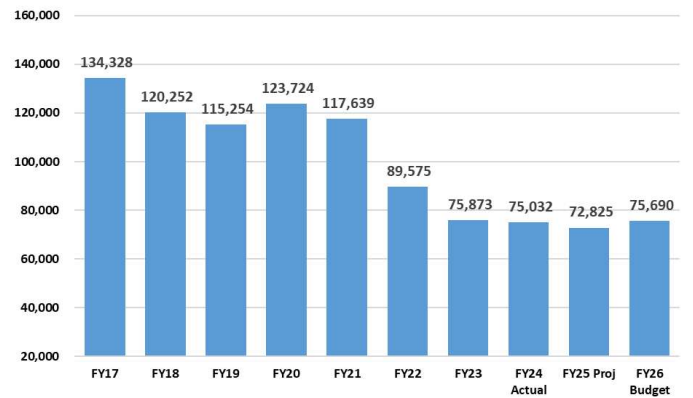


FY26 Trended Budget Volume Graphs

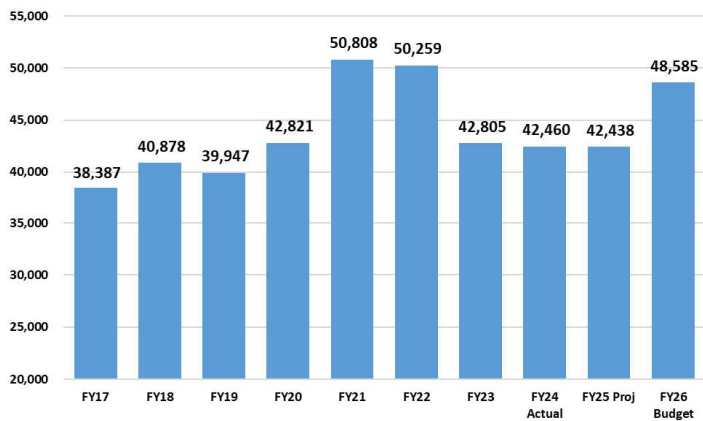
Home Health Outpatient Visits



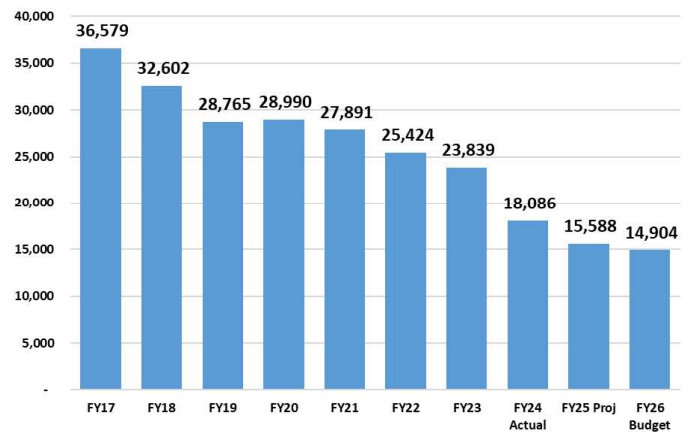
Private Homecare Outpatient Hours



Hospice Outpatient Days



Specialty Home Care Hours



Agenda item intentionally omitted