

**TRI-CITY HEALTHCARE DISTRICT
AGENDA FOR A REGULAR MEETING
OF THE BOARD OF DIRECTORS
December 11, 2014 - 3:30 o'clock p.m.
Open Session – Assembly Rooms 1, 2, 3
Eugene L. Geil Pavilion
4002 Vista Way, Oceanside, CA 92056**

**The Board may take action on any of the items listed
below, unless the item is specifically labeled
“Informational Only”**

| | Agenda Item | Time Allotted | Requestor |
|----|---|--------------------------|---------------------|
| 1 | Call to Order | 3 min. | Standard |
| 2 | Approval of agenda | | |
| 3 | Public Comments – Announcement Members of the public may address the Board regarding any item listed on the Closed Session portion of the Agenda. Per Board Policy 14-018, members of the public may have three minutes, individually, to address the Board of Directors. NOTE: Members of the public may speak on any item not listed on the Board Agenda, which falls within the jurisdiction of the Board of Directors, immediately prior to Board Communications. | 3 min. | Standard |
| 4 | Roll Call / Pledge of Allegiance | 3 min. | Standard |
| 5 | Introduction and welcome of New Board Member Laura Mitchell | 3 min. | Chair |
| 6 | Special Award Presentation a. Honoring Paul V. L. Campo for his service on the TCHD Board of Directors b. Honoring Linda Cline for her 40 years of service | 5 min. | Chair |
| 7 | Special Presentation – Accountable Care Organization Presentation – Wayne Knight, Senior Vice President – Medical Services | 15 min. | Chair/ W. Knight |
| 8 | Report from TCHD Foundation – Glen Newhart, Executive Director | 5 min. | Standard |
| 9 | Report from Chief Executive Officer | 10 min. | Standard |
| 10 | Report from Chief Financial Officer | 10 min. | Standard |
| 11 | New Business | | |
| | a. Consideration and possible action to elect Board of Directors Officers for calendar year 2015 | 10 min. | Chair |

Note: Any writings or documents provided to a majority of the members of Tri-City Healthcare District regarding any item on this Agenda will be made available for public inspection in the Administration Department located at 4002 Vista Way, Oceanside, CA 92056 during normal business hours.

Note: If you have a disability, please notify us at 760-940-3347 at least 48 hours prior to the meeting so that we may provide reasonable accommodations.

| | Agenda Item | Time Allotted | Requestor |
|----|--|---------------|---|
| | b. Approval to amend the Tri-City Medical Hospital District Flexible Benefit Plan to revise the definition of spouse in plan document | 5 min. | Emp. Fid. Subcomm. |
| | c. Approval to appoint Dr. Paul Slowik to a two year term on the Governance & Legislative Committee | 3 min. | Gov. & Leg. Cmte. |
| 12 | Old Business - None | 5 min. | Chair |
| 13 | Chief of Staff a. Consideration of November 2014 Credentialing Actions Involving the Medical Staff – New Appointments Only | 5 min. | Standard |
| 14 | <p>Consideration of Consent Calendar</p> <p>(1) Medical Staff Credentials for November, 2014</p> <p>(2) Board Committees</p> <p>(1) All Committee Chairs will make an oral report to the Board regarding items being recommended if listed as New Business or pulled from Consent Calendar.</p> <p>(2) All items listed were recommended by the Committee.</p> <p>(3) Requested items to be pulled <u>require a second.</u></p> <p>A. Human Resources Committee Director Kellett, Committee Chair Open Community Seats – 0 <i>No meeting held in November, 2014</i></p> <p>B. Employee Fiduciary Retirement Subcommittee Director Kellett, Subcommittee Chair Open Community Seats - 0 <i>No meeting held in November, 2014</i></p> <p>C. Community Healthcare Alliance Committee Director Nygaard, Committee Chair Open Community Seats - 0 <i>No meeting held in November, 2014</i></p> <p>D. Finance, Operations & Planning Committee Director Dagostino, Committee Chair Open Community Seats - 1 (Committee minutes included in Board Agenda packets for informational purposes.)</p> <p>1) Approval of an agreement with Rady Children's Specialist Group as the Coverage Physicians for a term of 12 months beginning November 1, 2014 through October 31, 2015, not to exceed \$26,400.</p> <p>2) Approval of an ED On-Call Agreement with Dr. Anne Lee as ED On-Call Coverage Physicians for a term of 19 months beginning December 1, 2014 through June 30, 2016, not to exceed a daily rate of \$300 and a total cost for the term of \$173,400.</p> | 5 min. | <p>Standard</p> <p>HR Comm.</p> <p>Emp. Fid. Subcomm.</p> <p>CHAC Comm.</p> <p>FO&P Comm.</p> |

| | Agenda Item | Time Allotted | Requestor |
|--|--|---------------|-----------|
| | <p>3) Approval of an ED On-Call Agreement with Dr. Srinivas Iyengar for a term of 19 months beginning December 1, 2014 through June 30, 2015, not to exceed a daily rate of \$150.00 for an annual cost of \$54,900 and a total cost for the term of \$86,700.</p> <p>4) Approval of an agreement with Carefusion/Cerner for three replacement Pyxis supply and three Pyxis medication cabinets for a term of 60 months, beginning December 1, 2014 through November 30, 2019, for an annual cost of \$18,552 and a total cost of \$92,760 for the term.</p> <p>5) Approval of the capital purchase of the Talyst Automated Pharmacy Carousel System and the 60 month maintenance support agreement for a total cost not to exceed \$575,000.</p> <p>6) Approval of a Registry spend at an average of \$625,000/month for a term of eight months, beginning November 1, 2014 through June 30, 2015 for a total cost not to exceed \$5,000,000.</p> <p>7) Approval of an agreement with Vivify Health for a term of 33 months beginning October 01, 2014 and ending June 30, 2017 for a total expense for the term of \$178,780</p> <p>E. Professional Affairs Committee Director Reno, Committee Chair (Committee minutes included in Board Agenda packets for informational purposes.)</p> <p>1) <u>Patient Care Services Policies & Procedures:</u></p> <ol style="list-style-type: none"> Catheter Clearance with Cathflo Activase (Alteplase)- Procedure Code Adam- Policy Identifications of Patients - Policy Midline Catheters, Adults- Procedure Pertussis Nasopharyngeal (NP) Swab, Adult- Procedure Staff Development/Education - Policy Vaccination Administration- Policy Vaccine, Reporting Adverse Events- Policy <p>2) <u>Administrative Policies & Procedures</u></p> <ol style="list-style-type: none"> 340B Drug Pricing Policy – Policy 340 B Overview – Policy <p>3) <u>Unit Specific</u></p> <p><u>Infection Control</u></p> <ol style="list-style-type: none"> IC.8 Hand Hygiene – Policy <p><u>Emergency</u></p> <ol style="list-style-type: none"> ED Saturation, Ambulance Diversion – Policy | | PAC Comm. |

| | Agenda Item | Time Allotted | Requestor |
|--|---|---------------|--|
| | <p>F. Governance & Legislative Committee Director Schallock, Committee Chair Open Community Seats – 1 (Committee minutes included in Board Agenda packets for informational purposes.)</p> <ol style="list-style-type: none"> 1) Approval of revision to TCHD Bylaws – Article IV, Section 9 2) Approval of revision to Board Policy 14-028 – Authorizing Directors to Represent the District in Advocacy 3) Approval of revision to Board Policy 14-008 – Record Retention and Destruction <p><u>Medical Staff Recommendations</u></p> <ol style="list-style-type: none"> 4) <u>Medical Staff Policies:</u> Physician Orders/Family Members, 8710-529 5) <u>Pathology</u> Scope of Services & Responsibilities <p>G. Audit & Compliance Committee Director Finnila, Committee Chair Open Community Seats – 0 (Committee minutes included in Board Agenda packets for informational purposes.)</p> <ol style="list-style-type: none"> 1) Approval of revision to Compliance Code of Conduct to reflect the correct Conflicts of Interest and Acceptance of Gifts Policy 8610-483 <p>(5) Minutes – Approval of a) November 6, 2014 – Regular Board of Directors Meeting</p> <p>(6) Meetings and Conferences</p> <ol style="list-style-type: none"> a) ACHD Trustee Leadership Development January 22-23, 2015 - Sacramento b) CHA Governance Forum Meetings: Attendance by Chairman Schallock <ol style="list-style-type: none"> 1) March 10, 2015 – Sacramento, CA 2) June 10, 2015 – Sacramento, CA 3) September 23, 2015 – Sacramento, CA 4) December 2, 2015 – Sacramento, CA c) ACHD Legislative Days – April 6-7, 2015 – Sacramento, CA d) AHA Annual Meeting – May 3-6, 2015 – Washington, DC e) ACHD Annual Meeting – May 6-8, 2015 – Monterey, CA | | <p>Gov. Comm.</p> <p>Audit, Comp. & Ethics Comm.</p> <p>Standard</p> <p>Standard</p> |

| | Agenda Item | Time Allotted | Requestor |
|----|--|----------------------------|-----------|
| | (7) Dues and Memberships a) California Special Districts Association (CSDA) - \$5,691.00 b) Modern Healthcare Subscription Renewal - \$833.00 (\$119.00/Board Member) | | Standard |
| | (8) Proposed Board of Directors 2015 Meeting Calendar | | Standard |
| | (9) 2015 Board of Directors Meeting Rotation Schedule | | Standard |
| 15 | Discussion of Items Pulled from Consent Agenda | 10 min. | Standard |
| 16 | Reports (Discussion by exception only) (a) Dashboard - Included (b) Construction Report - None (c) Lease Report – (October, 2014) (d) Reimbursement Disclosure Report - (October, 2014) (e) Seminar/Conference Reports - None | 0-5 min. | Standard |
| 17 | Legislative Update | 5 min. | Standard |
| 18 | Comments by Members of the Public NOTE: Per Board Policy 14-018, members of the public may have three (3) minutes, individually, to address the Board. | 5-10 minutes | Standard |
| 19 | Additional Comments by Chief Executive Officer | 5 min. | Standard |
| 20 | Board Communications (three minutes per Board member) | 18 min. | Standard |
| 21 | Report from Chairperson | 3 min. | Standard |
| | Total Time Budgeted for Open Session (Includes 10 minutes for recess to accommodate KOCT tape change) | 2 hour/ 30 min. | |
| 22 | Oral Announcement of Items to be Discussed During Closed Session (Government Code Section 54957.7) | | |
| 23 | Motion to go into Closed Session | | |
| 24 | Closed Session | 3 hours | |
| | a. Conference with Legal Counsel – Potential Litigation Gov. Code Section 54956.9(d) (3 Matters) | | |
| | b. Conference with Labor Negotiators Gov. Code Section 54957.6 Agency Negotiator: Tim Moran Employee organization: SEIU | | |
| | c. Hearings on Reports of the Hospital Medical Audit or Quality Assurance Committees (Health & Safety Code, Section 32155) | | |
| | d. Conference with Real Property Negotiators: APN# 213-110-01-00 (Gov. Code Section 54956.8) Agency Negotiator: Tim Moran Under negotiation: Leasing | | |

| | Agenda Item | Time Allotted | Requestor |
|----|---|---------------|-----------|
| | e. Conference with Real Property Negotiators: APN# 166-010 31 (Gov. Code Section 54956.8) Negotiating Parties: Tri City Healthcare District Agency Negotiator: Tim Moran Under negotiations: Leasing | | |
| | f Reports Involving Trade Secrets (Authority: Health and Safety Code, Section 32106) Discussion Will Concern: Proposed new service or program Date of Disclosure: January, 2015 | | |
| | g. Appointment of Public Employee: Chief Compliance Officer (Authority: Government Code, Section 54957) | | |
| | h. Appointment of Public Employee: Chief Operating Officer (Authority: Government Code, Section 54957) | | |
| | i. Approval of prior Closed Session Minutes | | |
| | j. Conference with Legal Counsel – Existing Litigation Gov. Code Section 54956.9(d)1, (d)4 (1) Larry Anderson Employment Claims (2) TCHD vs. Burlew Case No. 37-2014-00034015-CU-NP-NC (3) Medical Acquisitions Company vs. TCHD Case No: 2014-00009108 (4) TCHD vs. Medical Acquisitions Company Case No. 2014-00022523 (5) Jennifer Randall vs. TCHD Case No. 37-2013-00036540-CU-CR-NC | | |
| 25 | Open Session | | |
| 26 | Report from Chairperson on any action taken in Closed Session (Authority: Government Code, Section 54957.1) | | |
| 27 | Adjournment | | |

**2014-1 AMENDMENT TO THE
TRI-CITY HEALTHCARE DISTRICT
457(b) DEFERRED COMPENSATION PLAN**
(As Amended And Restated Effective As Of January 1, 2008)

Effective as of June 26, 2013, the Tri-City Healthcare District 457(b) Deferred Compensation Plan (Plan) is hereby amended as follows:

Section 1.30, "Spouse," is amended in its entirety to read as follows:

- 1.30 Spouse. *"Spouse" means a person to whom the Participant is married if such marriage is recognized as valid in the State or foreign jurisdiction where it was entered into, provided that such marriage is recognized as valid under the laws of the United States of America.*

Except as amended above, all other provisions of the Plan as in effect prior to this Amendment shall remain unchanged by this Amendment.

Executed this _____ day of _____, 2014.

TRI-CITY HEALTHCARE DISTRICT

By: _____

Title: _____

RESOLUTION NO. 769

**A RESOLUTION OF THE BOARD OF DIRECTORS
OF TRI-CITY HEALTHCARE DISTRICT
ADOPTING AMENDMENT NUMBER FOUR TO THE TRI-CITY MEDICAL
HOSPITAL DISTRICT FLEXIBLE BENEFIT PLAN**

WHEREAS, the Internal Revenue Service and Department of Labor have issued agency guidance as a result of the U.S. Supreme Court's decision in *United States v. Windsor*, which held that Section 3 of the Defense of Marriage Act was unconstitutional;

WHEREAS, the Board of Directors has determined that an amendment to the Tri-City Medical Hospital District Flexible Benefit Plan is required to reflect these recent law and regulatory changes;

WHEREAS, the Board of Directors has determined that the Amendment Number Four to the Tri-City Medical Hospital District Flexible Benefit Plan revises the definition of "Spouse" in the plan document to comply with the requirements of these changes;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District:

That the Amendment Number Four to the Tri-City Medical Hospital District Flexible Benefit Plan (the Amendment), in the form attached hereto as Exhibit A and incorporated herein by reference, is hereby approved and adopted, and that an authorized representative of the Employer is hereby authorized and directed to execute and deliver to the Administrator of the Plan one or more counterparts of the amendment.

ADOPTED, SIGNED AND APPROVED this 11th day of December, 2014.

Larry W. Schallock, Chairperson of
TRI-CITY HEALTHCARE DISTRICT and
of the Board of Directors thereof

ATTEST:

Julie Nygaard, Secretary
of the TRI-CITY HEALTHCARE DISTRICT
and of the Board of Directors thereof

EXHIBIT A

(AMENDMENT NUMBER FOUR TO THE TRI-CITY MEDICAL HOSPITAL DISTRICT
FLEXIBLE BENEFIT PLAN)

**2014-1 AMENDMENT TO THE
TRI-CITY HEALTHCARE DISTRICT
457(b) DEFERRED COMPENSATION PLAN**
(As Amended And Restated Effective As Of January 1, 2008)

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Except as amended above, all other provisions of the Plan as in effect prior to this Amendment shall remain unchanged by this Amendment.

Executed this _____ day of _____, 2014.

TRI-CITY HEALTHCARE DISTRICT

By: _____

Title: _____

PAUL T. SLOWIK D.P.M.

3960 Sunnyhill Drive

Carlsbad, Ca. 92008

760 822-3132

paul.slowik@gmail.com

Medical Education

Doctor of Podiatric Medicine & Surgery 1980

Rosalind Franklin University of Medicine & Surgery Chicago, Il.

Undergraduate

B.S. Biology 1974 Western Michigan University, Kalamazoo, Mi.

LICENSURE

State of California licensed Doctor of Podiatric Medicine & Surgery – Current Disabled Status

CERTIFICATION

Diplomat – American Board of Podiatric Surgery

PRACTICE

Ann Arbor & Detroit, Michigan – 1980 through 1984

Oceanside, California – 1985 through 2007

HOSPITAL

Tri-City Medical Center – 1993 through 2007

Staff Division Chief – Podiatric Medicine & Surgery – 2005 through 2007

REFERENCES AVAILABLE UPON REQUEST

VOLUNTEER ACTIVITIES

Panel member – City of Carlsbad – Juvenile Justice Program – 2012 to Present

Jail Ministry – Vista Detention Center – 2011 to Present

Board President – San Diego County Restorative Justice Mediator Program – 2011 to 2013

Trained Moderator – Victim Offender Reconciliation Program



Medical Staff Office
Tri-City Medical Center

4002 Vista Way, Oceanside, CA 92056-4506 • (760) 940-3001

TO: Larry Schallock, Chairperson
FROM: Scott Worman, M.D., Chief of Staff
DATE: December 11, 2014
SUBJECT: Medical Executive Committee Credentialing Recommendations – New Appointments

The attached Medical Staff New Appointments Credentials report was reviewed and approved at Credentials Committee on November 12, 2014. Their recommendations were reviewed and approved by the Medical Executive Committee on November 24, 2014. This report is forwarded to the Board of Directors with recommendations for approval:

SUBMITTED BY:

Scott Worman, M.D., Chief of Staff

Date

GOVERNING BOARD DISPOSITION:

Approved: ☐

Denied: ☐

Julie Nygaard, Secretary
For and on behalf of the TCHD Board of Directors

Date



**TRI-CITY MEDICAL CENTER
MEDICAL STAFF INITIAL CREDENTIALS REPORT
November 12, 2014**

Attachment A

INITIAL APPOINTMENTS (Effective Dates: 12/11/2014 – 10/31/2016)

Medical Staff – Appoint to Provisional Staff and grant privileges as delineated:

Farrell, Melanie A., MD – Nephrology/Medicine
Penvose-Yi, Jan R., MD – Obstetrics/Gynecology
Urbanic, James J., MD – Radiation Oncology/Medicine

Allied Health Professionals – Appoint to Allied Health Professional Staff and grant privileges as delineated:

DiCaro, Audra V., PA-C – Urology/Surgery
Hermann, Linda, PA-C – Emergency Medicine

INITIAL APPLICATION WITHDRAWAL: (Voluntary unless otherwise specified)

Medical Staff:

Salguero Galland, Mario L., MD – Psychiatry/Medicine

Allied Health Professionals:

Thompson, Julie A., NP – Psychiatry/Medicine

TEMPORARY PRIVILEGES:

Medical Staff/Allied Health Professionals:

DiCaro, Audra V., PA-C – Urology/Surgery
Penvose-Yi, Jan R., MD – Obstetrics/Gynecology
Urbanic, James J., MD – Radiation Oncology/Medicine

TEMPORARY MEDICAL STAFF MEMBERSHIP:

Medical Staff:

Martin, David, MD – General Surgery – Proctor for da Vinci robotic surgery for Dr. Dhruvil Gandhi



Medical Staff Office
Tri-City Medical Center

4002 Vista Way, Oceanside, CA 92056-4506 • (760) 940-3001

TO: Larry Schallock, Chairperson
FROM: Scott Worman, M.D., Chief of Staff
DATE: December 11, 2014
SUBJECT: Medical Executive Committee Credentialing Recommendations – Reappointments

The attached Medical Staff Reappointments Credentials report was reviewed and approved at Credentials Committee on November 12, 2014. Their recommendations were reviewed and approved by the Medical Executive Committee on November 24, 2014. This report is forwarded to the Board of Directors with recommendations for approval:

SUBMITTED BY:

Scott Worman, M.D., Chief of Staff

Date

GOVERNING BOARD DISPOSITION:

Approved: ☐

Denied: ☐

Julie Nygaard, Secretary
For and on behalf of the TCHD Board of Directors

Date



TRI-CITY MEDICAL CENTER
MEDICAL STAFF CREDENTIALS REPORT – Part 1 of 3
November 12, 2014

Attachment B

REAPPOINTMENTS (Effective Dates: 01/01/2015 to 12/31/2016)

MEDICAL STAFF

Ambo, Stanley G., MD, Pediatrics

Reappoint to Active Staff and grant privileges as requested.

Baronofsky, Ian D., MD, Radiology/Teleradiology

Reappoint to Associate Staff and grant privileges as requested.

Belnap, Brian D., MD, Medicine/Physical Medicine & Rehab

Reappoint from Provisional to Courtesy Staff and grant privileges as requested.

Cho, Aaron A., MD, Radiology

Reappoint from Provisional to Active Staff and grant privileges as requested.

Frishberg, Benjamin M., MD, Medicine/Neurology

Reappoint to Active Staff and grant privileges as delineated.

Relinquish:

- Procedures
 - Nerve conduction velocities
 - Electromyography

Khawar, Osmar S., MD, Medicine/Nephrology

Reappoint from Provisional to Courtesy Staff and grant privileges as delineated.

Relinquish:

- Renal biopsy

Kyaw, Naing T., MD, Medicine/Nephrology

Reappoint to Active Staff and grant privileges as delineated.

Relinquish:

- Internal Medicine Procedures
 - Lumbar puncture
 - Paracentesis
 - Percutaneous arterial catheter insertion
 - Thoracentesis

Marcisz, Thomas J., MD, Surgery/Neurological Surgery

Reappoint to Active Staff and grant privileges as delineated.

Relinquish:

- Rehab Unit
 - Perform Medical History and Physical
 - Admit Patients
- Procedures
 - Peripheral Nerve Surgery – Primary Repairs
 - Peripheral Nerve Surgery – Delayed and immediate Nerve Grafts
 - Peripheral Nerve Blocks – Temporary and Permanent

TRI-CITY MEDICAL CENTER
MEDICAL STAFF CREDENTIALS REPORT – Part 1 of 3
November 12, 2014

Attachment B

Mayberry, Jennifer P., MD, Radiology

Reappoint from Provisional to Active Staff and grant privileges as requested.

Miller, Jason M., MD, Anesthesiology/Pain Medicine

Reappoint from Active to Courtesy Staff and grant privileges as requested.

Mostofian, Eimane, MD, OB/GYN

Reappoint from Provisional to Active Staff and grant privileges as delineated.
Add:

- Gynecology Privileges (Endoscopy-Laparoscopy Surgery)
 - Endometrial ablation

Ngo, Donald H., MD, Anesthesiology

Reappoint from Provisional to Active Staff and grant privileges as delineated.
Add:

- Evaluate and treat patients with anesthesia related problems

Relinquish:

- Pediatric Anesthesia

Nguyen, Minh Q., MD, Medicine/Internal Medicine

Reappoint to Active Staff and grant privileges as delineated.
Relinquish:

- Excision of subcutaneous lesions not requiring skin grafts
- Incision and drainage
- Removal of toenail
- Skin biopsy
- suturing

Nolan, Frank J., MD, Medicine/Rheumatology

Reappoint to Affiliate Staff, Refer and Follow only.

Powell, Carl A., DO, Surgery/General Surgery

Reappoint to Associate Staff and grant privileges as requested.

Shad, Javid A., MD, Medicine/Gastroenterology

Reappoint to Active Staff and grant privileges as requested.

Wiltse, Lise R., MD, Anesthesiology/Pain Medicine

Reappoint to Courtesy Staff and grant privileges as requested.
Add:

- Evaluate and treat patients with anesthesia related problems

Wine, David T., MD, Medicine/Internal Medicine

Reappoint to Affiliate Staff, Refer and Follow only.

**TRI-CITY MEDICAL CENTER
MEDICAL STAFF CREDENTIALS REPORT – Part 1 of 3
November 12, 2014**

Attachment B

ALLIED HEALTH PROFESSIONALS (Effective Dates: 01/01/2015 to 12/31/2016)

Liou, Melinda W., PAC, Emergency Department/ Allied Health Professional
Reappoint to Allied Health Professionals and grant privileges as requested.

Mortin, Melissa M., NP, Medicine/Allied Health Professional
Reappoint to Allied Health Professionals and grant privileges as requested.

Viskanta, Tomas L., PAC, Emergency Department/ Allied Health Professional
Reappoint to Allied Health Professionals and grant privileges as requested.

RESIGNATIONS (Effective December 11, 2014, unless otherwise specified)

Voluntary:

Advani, Sunil J., MD, Medicine/Oncology
Brogioitti, Teresa A., OT, Surgery/Allied Health Professional (effective 07/31/2014)
Brunner, David I., MD, Emergency Medicine (effective 10/15/2014)
Correia, Jennea A., MD, Emergency Medicine (effective 10/15/2014)
Fink, Marsha G., MD, Medicine/Oncology
Goldberg, Ruth, CNM, OB/GYN/Allied Health Professional (effective 09/05/2014)
Joshua, Alfred A., MD, Emergency Medicine (effective 10/27/2014)
Kajdasz, Stephen T., MD, Anesthesiology
Kaye, Howard N., MD, Medicine/Internal Medicine
Lee, John J., MD, Anesthesiology (effective 10/28/2014)
Lee, Michael J., MD, Anesthesiology (effective 09/30/2014)
Mathieu, Celine B., MFT, Medicine/Allied Health Professional
Meade, William A., MD, Emergency Medicine (effective 10/15/2014)
Oza, Dushyant, MD, Neonatology (effective 11/03/2014)
Quejada, Jaime A., DMD, Subspecialty of Surgery/Surgery
Ries, Marianne C., MD, Anesthesiology (11/03/2014)
Sandhu, Sujun K., MD, Pediatrics, (effective 08/22/2014)
Shangle, Carl E., MD, Neonatology (effective 10/30/2014)
Silverberg, Heather L., MD, Pediatrics (effective 08/20/2014)
Simpson, Jessica B., MD, OB/GYN (effective 07/30/2014)
Weinper, Traci E., MFT, Medicine (effective 11/07/2014)

**TRI-CITY MEDICAL CENTER
MEDICAL STAFF CREDENTIALS REPORT – Part 2 of 3
November 12, 2014**

Attachment B

NON-REAPPOINTMENT RELATED STATUS MODIFICATIONS (Effective Date: 12/11/2014, unless specified otherwise)

Aizarani-Hallak, Antoine, MD, Subspecialty of Surgery/Plastic Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Amani, Ramin, MD, Pediatrics

Relinquish: Intubation, pediatric

Batra, Munish, MD, Subspecialty of Surgery/Plastic Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Berry, Julie, MD, Subspecialty of Surgery/Otolaryngology

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Chaffoo, Richard, MD, Subspecialty of Surgery/Plastic Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Colangelo, Caroline, MD, Surgery/Urology

Add: Fluoroscopy

Esfandiari, Raheleh, MD, OB/GYN

Add: Exploratory laparotomy

Gold, Evan, DMD, Subspecialty of Surgery/Oral & Maxillofacial Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Gupta, Abhay, MD, Subspecialty of Surgery/Plastic Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Gupta, Anshu, MD, Subspecialty of Surgery/Plastic Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Jacobs, Robert, MD, Subspecialty of Surgery/ Otolaryngology

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Kneass, Zachary, MD, Subspecialty of Surgery/Otolaryngology

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Lo Sasso, Barry, MD, Pediatrics

Relinquish: Intubation, infant

Mehta, Ritvik, MD, Subspecialty of Surgery/Otolaryngology

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Parikh, Parag, MD, Subspecialty of Surgery/ Otolaryngology

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Park, Gregory, MD, Subspecialty of Surgery/Plastic Surgery

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

Reisman, Bruce, MD, Subspecialty of Surgery/Otolaryngology

Add: Privileges as listed on new Subspecialty of Surgery privilege forms; privileges have been re-categorized

TRI-CITY MEDICAL CENTER
MEDICAL STAFF CREDENTIALS REPORT – Part 3 of 3
November 12, 2014

Attachment B

PROCTORING RECOMMENDATIONS (Effective 12/11/14, unless otherwise specified)

Anthony, Julian, MD, Surgery/Urology **100% Complete** **Immediate release effective: 11/4/14**
Release from proctoring: Basic Urology Privileges category
 Holmium laser
 Laparoscopic nephrectomy/Renal laparoscopy

Barrus, Adam, MD, Anesthesiology **100% Complete**
Release from proctoring: Regional anesthesia
 General anesthesia

Jeswani, Sunil, MD, Surgery/Neurosurgery **Immediate release effective: 11/6/14**
Release from proctoring: Cranial and intracranial procedures including shunts

Johnson, Mark, PAC, Allied Health Professional
Release from proctoring: Second assisting during cardiac procedures using cardiopulmonary bypass

Hawkins, Melissa, MD, OB/GYN
Release from proctoring: Vaginal deliveries (Spontaneous and precipitous term deliveries)

Lee, Anna, MD, Pediatrics
Release from proctoring: Newborn care, Level 1 and Level 2

Phillips, Jason, MD, Surgery/Urology **Immediate release effective: 10/27/14**
Release from proctoring: Basic Urology Privileges category
 Holmium laser

Smith, Erica, MD, Anesthesiology **100% Complete**
Release from proctoring: Regional anesthesia
 General anesthesia

Stephens, Robert, MD, Anesthesiology **100% Complete**
Release from proctoring: General anesthesia
 Regional anesthesia

Tung, Howard, MD, Surgery/Neurosurgery **Immediate release effective: 11/6/14**
Release from proctoring: Complex spine procedures requiring instrumentation

Wang, Vanessa PAC, Allied Health Professional **100% Complete**
Release from proctoring: A physician assistant may also act as first or second assistant in surgery, under supervision of an approved supervising physician, including acting as a second assist during cardiac procedures using cardiopulmonary bypass.

**Human Resources Committee
(No meeting held in
November, 2014)**

**Employee Fiduciary Subcommittee
(No meeting held in
November, 2014)**

**Community Healthcare & Alliance
Committee
(No meeting held in November, 2014)**

Tri-City Medical Center
Finance, Operations and Planning Committee Minutes
November 18, 2014

Members Present

Dr. James Dagostino, Director Kellett, M.D., Director Paul Campo, Kathleen Mendez, Dr. Kroener
 Dr. Frank Corona, Steve Harrington, Dr. Contardo, William McGaughey

Non-Voting Members:

Tim Moran, CEO, Steve Dietlin, CFO, Matt Mushet, Legal Affairs,
 Wayne Knight, Sr. VP, Medical Services,

Others Present:

Director Julie Nygaard, Director RoseMarie Reno Linda Cline, Carol Smyth, Sharon Schultz, Tori Hong,
 Charlene Carty. Jane Dunmeyer, David Bennett, Ray Rivas, Wayne Lingenfelter,
 Donna Dempster, Tom Moore, Dr. Paul Slowik, Mary Regan, Glen Newheart, Kathy Topp
 Tom Moore

Absent:

Robert Knezek, Dr. Contardo,

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|--|--|--------------------------|
| 1. Call to order | Director Dagostino called the meeting to order at 12:34 pm. | | |
| 2. Approval of Agenda | Director Dagostino stated that item 7 C-Affiliation Agreements-Residents was being pulled from the agenda. | MOTION It was moved by Director Kellett, Director Campo seconded and was unanimously approved, that the agenda of October 21, 2014 be approved with the removal of item 7-C Affiliation Agreements-Residents | |
| 3. Comments by members of the public on any item of interest to the public before committee's consideration of the item. | Director Dagostino read the paragraph regarding comments from members of the public. | | Director Dagostino |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|--|---|--------------------------|
| 4. Ratification of minutes of October 21, 2014 | | Minutes ratified <u>MOTION</u> It was moved by Director Kellett, Dr. Corona seconded and was approved, that the minutes of October 21, 2014 be approved as written. | |
| 5. Old Business | None | | |
| 6. For Information only | None | | |
| 7. a. Interviews <ul style="list-style-type: none"> • Paul T. Slowik, D.P.M. • Michael H. Slavinski • Wayne M. Lingenfelter • Mary Regan | <p>All candidates stepped out of the room and each one was brought in separately for their interview.</p> <p>Director Dagostino handed out a voting sheet and asked the Committee to rank the candidates 1-4, 4 being the highest.</p> <p>Michael H Slavinski did not attend the meeting, therefore, was not interviewed,</p> <p>Each candidate gave a brief opening statement regarding their resumes and answered questions asked by the Committee and then a brief closing statement.</p> <p>All candidates waited in the hallway, the Committee discussed each candidate and made the decision that Wayne Lingenfelter was the most qualified.</p> | <u>MOTION</u> Director Campo moved, Director Kellett seconded and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Directors approve Wayne Lingenfelter as the new Community member for Finance, Operations and Planning. | Chair |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|--|---|--------------------------------------|
| b. Rady Children's Consulting Services- NICU | Mary Diamond explained this is for Ophthalmic Consultation Services for NICU for Retinopathy of Prematurity. It is a 15% increase over last year however Rady Children's is the only one available to do this service. | <p><u>MOTION</u> Director Campo moved Dr. Corona seconded and it was unanimously approved that the Finance, Operations and Planning Committee recommend that the TCHD Board of Director authorize Rady Children's Specialist Group as the Coverage Physicians for a term of twelve months starting November 1, 2014, ending on October 31, 2015, not to exceed \$26,400</p> <p>Discussion ensued regarding using the verbage "Concept Submitted to Legal" in the grid at the bottom of the write-ups. Director Campo suggested it would be better to say "Document Submitted to legal"</p> <p>Linda Cline will make this change on future write-ups</p> | Mary Diamond |
| c. Affiliation Agreements-Residents | This item was pulled from the agenda | | Linda Cline |
| d. ED Call Coverage Pediatric-Anna Lee, MD | Donna Dempster explained this is simply adding another doctor to the ED call panel to cover Pediatric. | <p><u>MOTION</u> Director Kellett moved, Director Campo seconded and it was unanimously approved that Finance, Operations and Planning Committee recommend that the Board of Directors of Tri-City Healthcare Directors authorize Dr. Anne Lee as ED On-Call Coverage Physicians for a term of 19 months beginning 12/1/14 and ending 6/30/16. Not to exceed a daily rate of \$300 and a total cost for the term of \$ 173,400.</p> | Donna Dempster Donna Dempster |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|---|--|---|--------------------------|
| e. ED Call Coverage Ophthalmology-Srinivas M.D. | Donna Dempster explained this is simply adding another doctor to the ED call panel to cover Ophthalmology Services, which is a very difficult spot to fill on the panel. | MOTION Dr. Corona moved, Dr. Kroener seconded and it was unanimously approved that Finance, Operations and Planning Committee recommend that the Board of Directors of Tri-City Healthcare District authorize Dr. Srinivas Iyengar as ED On-Call Coverage Physician for a term of 19 months beginning 12/1/14 and ending 6/30/16. Not to exceed a daily rate of \$150 for an annual cost of \$54,900 and a total cost for the term of \$86,700. | Donna Dempster |
| f. Replacement Pyxis Station Equipment Lease | Tom Moore and Tori Hong explained the Pyxis machines are the same as a vending machine but used for supplies and pharmaceuticals. Carefusion no longer supports the older versions. This swaps the old version out and will save approximately \$32,000 by supplying Tri-City with separate units. Now the units will be consistent throughout the Hospital. | MOTION Director Kellett moved, Dr. Corona seconded and it was unanimously approved that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Carefusion/Cerner for 3 replacement Pyxis supply and 3 Pyxis medication cabinets for a term of 60 months (5 years), beginning Dec 1, 2014 and ending on Nov 30, 2019 for an annual cost of \$18,552, and a total cost of \$92,760 for the term. | Tori Hong/Tom Moore |
| g. Proposal for Talyst Automated Pharmacy Carousel System | Tori Hong explained this system is the heart of the Pharmacy department for inventory control and is no longer supported. The | MOTION Dr. Corona moved, Director Campo seconded and it was unanimously | Tori Hong/Tom Moore |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|---|---|--|--------------------------|
| | <p>motor has reached end of life. The parts come from Germany and it would take 6 months to get new parts. We are unable to purchase refurbished machines.</p> <p>The new Carousel has a 10 year support system.</p> <p>This was not a budgeted item. Steve Dietlin explained the Board had approved a leasing product recently and we will use that to purchase the item.</p> | <p>approved that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the capital purchase of the Talyst Automated Pharmacy Carousel System and the 60 month maintenance support agreement for a total cost not to exceed \$575,000.</p> | |
| h. Registry Spend for Nursing and Allied Health Extension | <p>Kathy Topp explained this item was brought through Committee in January, 2014 for supplemental clinical staff for \$4,000,000 for support from February, 2014 through January 2015. We are approaching that limit due to a high need of specialty skilled travelers as well as filling local per diem needs.</p> <p>We are requesting the extension for support as there is a high demand during winter for the flu season, and high volume.</p> | <p><u>MOTION</u> Director Campo moved, Director Corona seconded and it was unanimously approved that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the Registry spend at an average of \$625,000/month for a term of eight (8) months, beginning November, 2014 and ending June, 30, 2015 for a total cost not to exceed \$5,000,000.</p> | Kathy Topp |
| i. Financials-October | Steve Dietlin gave the presentation on the financials ending October | | Steve Dietlin |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|--|---|--------------------------|-------------------|------------|------|--------|-------|----------|-------------------|-----|-----------------------|--------|---------------|-------|------------|-----|-----------|--------|-------------------|-----------|-------------------|-----------|------|--------|-------|----------|-----------------|--|---------------|---------|-----------------|------|---|---------|-----------------|------|--|--|
| | <p>31, 2014 (dollars in thousands)</p> <p><u>Fiscal Year to Date</u></p> <table><tr><td>Operating Revenue</td><td>\$110,503</td></tr><tr><td>Operating Expense</td><td>\$ 111,039</td></tr><tr><td>EROE</td><td>\$ 700</td></tr><tr><td>EBITA</td><td>\$ 6,093</td></tr></table> <p><u>TCMC –Key Indicators –FYTD</u></p> <table><tr><td>Avg. Daily Census</td><td>194</td></tr><tr><td>Adjusted Patient Days</td><td>38,364</td></tr><tr><td>Surgery Cases</td><td>2,240</td></tr><tr><td>Deliveries</td><td>986</td></tr><tr><td>ED Visits</td><td>23,452</td></tr></table> <p><u>Current Month</u></p> <table><tr><td>Operating Revenue</td><td>\$ 29,414</td></tr><tr><td>Operating Expense</td><td>\$ 29,137</td></tr><tr><td>EROE</td><td>\$ 568</td></tr><tr><td>EBIDA</td><td>\$ 1,888</td></tr></table> <p><u>Net Patient A/R & Days in Net A/R</u></p> <p><u>By Fiscal Year</u></p> <table><tr><td>Net Patient A/R</td><td></td></tr><tr><td>(in millions)</td><td>\$ 43.5</td></tr><tr><td>Days in Net A/R</td><td>53.6</td></tr></table> <p><u>TCMC-Net patient A/R & Days in Net A/R Dollars in Millions)</u></p> <table><tr><td>Net Patient Accounts Receivable (in Millions)</td><td>\$ 41.2</td></tr><tr><td>Days in Net A/R</td><td>49.1</td></tr></table> <p>Graphs:</p> <ul style="list-style-type: none">• TCMC-Net Days in Patient Accounts Receivable• TCMC-Average Daily Census-Total Hospital-Excluding Newborns• TCMC-Adjusted Patient | Operating Revenue | \$110,503 | Operating Expense | \$ 111,039 | EROE | \$ 700 | EBITA | \$ 6,093 | Avg. Daily Census | 194 | Adjusted Patient Days | 38,364 | Surgery Cases | 2,240 | Deliveries | 986 | ED Visits | 23,452 | Operating Revenue | \$ 29,414 | Operating Expense | \$ 29,137 | EROE | \$ 568 | EBIDA | \$ 1,888 | Net Patient A/R | | (in millions) | \$ 43.5 | Days in Net A/R | 53.6 | Net Patient Accounts Receivable (in Millions) | \$ 41.2 | Days in Net A/R | 49.1 | | |
| Operating Revenue | \$110,503 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating Expense | \$ 111,039 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EROE | \$ 700 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EBITA | \$ 6,093 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Avg. Daily Census | 194 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Adjusted Patient Days | 38,364 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Surgery Cases | 2,240 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Deliveries | 986 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ED Visits | 23,452 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating Revenue | \$ 29,414 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Operating Expense | \$ 29,137 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EROE | \$ 568 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EBIDA | \$ 1,888 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Patient A/R | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| (in millions) | \$ 43.5 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Days in Net A/R | 53.6 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Net Patient Accounts Receivable (in Millions) | \$ 41.2 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Days in Net A/R | 49.1 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|---|---------------------------------------|
| | Days <ul style="list-style-type: none"> TCMC-Paid Full Time Equivalents TCMC-Emergency Department Visits TCMC-EROE and EBITA | | |
| j. Work Plan <ul style="list-style-type: none"> Aionex Bed Board (quarterly) Dashboard Accountable Care Organization Distribution | <p>Aionex Bed Board Kathy Topp reviewed the report as it was the first time presented, discussion ensued.</p> <p>Dashboard No discussion just review</p> <p>Accountable Care Organization Distribution Wayne explained the process of how the figures were determined and noted this performance was for one year July 2012, - December 2013. He complimented the physicians for their support and helping making this a successful program.</p> | <p>It was requested that Wayne Knight give this presentation at the Board meeting to show the positive results.</p> | <p>Kathy Topp</p> <p>Wayne Knight</p> |
| 8. Comments by Committee Members. | | <p>Tim Moran thanked Director Campo for his service on the Committee. Director Kellett and Director Dagostino expressed their appreciation for his dedication and hard work.</p> <p>Director Campo thanked Linda Cline for her hard work on the Committee for the past years as the Committee assistant; this will be her last meeting as she is retiring. He expressed his appreciation to the hard work the committee does.</p> | Chair |
| 9. Date of next meeting. | January 20, 2015 | | Chair |

| Topic | Discussions, Conclusions Recommendations | Action Recommendations/ Conclusions | Person(s) Responsible |
|-------------------------|--|---|--------------------------|
| 10. Community Openings. | Wayne Lingenfelter is the new member and there are no other openings | | Chair |
| 11. Adjournment. | Meeting adjourned 2:10 pm. | | |

**FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: November 18, 2014
PHYSICIAN AGREEMENT for CONSULTING SERVICES - NICU**

| | | | | | | |
|----------------------------|--|-------------------|--|------------------------|---|--------|
| Type of Agreement | | Medical Directors | | Panel | | Other: |
| Status of Agreement | | New Agreement | | Renewal – New Rates | X | |

Physicians Name: Rady Children's Specialists of San Diego

Area of Service: NICU

Term of Agreement: Twelve Months (Nov 1, 2014- Oct 31, 2015)
Monthly Payment of \$2200 per month

Maximum Annual Total: \$26,400

| Number of Months | Monthly Payment | 12 Month (Term) Cost |
|-------------------------|------------------------|-----------------------------|
| 12 | \$2,200 | \$26,400 |

Position Responsibilities:

- Ophthalmic Consultation Services for NICU for Retinopathy Of Prematurity
- Prior years contract rate was \$1680 per month Nov 1, 2013- March 31, 2014, Rate increased to \$2000 per month April 1, 2014- Oct 31, 2014 for a total expenditure last contract year of \$22,400
- Current proposal now \$2200 per month, annual additional cost of \$4,000 over the November 1, 2013-October 31, 2014 expenditure

| | | | | |
|--|---|-----|---|----|
| Concept Submitted to Legal: | | Yes | X | No |
| Is Agreement a Regulatory Requirement: | X | Yes | | No |

Person responsible for oversight of agreement: Mary Diamond, Sr. Director Nursing,
Casey Fatch, COO

Motion:

I move that Finance Operations and Planning Committee Recommend that TCHD Board of Directors authorize Rady Children's Specialist Group as the Coverage Physicians for a term of twelve months starting November 1, 2014, ending on October 31, 2015, not to exceed \$26,400

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: November 18, 2014
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE

| | | | | | | |
|---------------------|---|-------------------|---|---------------------|--|----------------------|
| Type of Agreement | | Medical Directors | X | Panel | | Other: |
| Status of Agreement | X | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Physician's Name: Anna Lee, MD

Area of Service: ED On-Call: Pediatrics

Term of Agreement: 19 months Beginning 12/1/14 Ending 6/30/16

Maximum Totals:

| Rate/Day | Days per Year | Annual Cost | 19 month (Term) Cost |
|----------|----------------------------|-----------------------|----------------------|
| \$300 | FY2015: 212 FY2016: 366 | \$63,600 \$109,800 | \$173,400 |

Position Responsibilities:

- Provide 24/7 patient coverage for all specialty services in accordance with Medical Staff Policy #8710-520 (Emergency Room Call: Duties of the On-Call Physician)
- Complete related medical records in accordance with all Medical Staff, accreditation, and regulatory requirements.

| | | | | |
|--|---|-----|--|----|
| Concept Submitted to Legal: | X | Yes | | No |
| Is Agreement a Regulatory Requirement: | X | Yes | | No |

Person responsible for oversight of agreement: Donna Dempster, MSS Dir/Casey Fatch, EVP/COO

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Anne Lee as ED On-Call Coverage Physicians for a term of 19 months beginning 12/1/14 and ending 6/30/16. Not to exceed a daily rate of \$300 and a total cost for the term of \$ 173,400.

Table 1: On-Call Physician Compensation — Daily Rate

| | Providers | Groups | Mean | Std Dev | 25th %tile | Median | 75th %tile | 90th %tile |
|-------------------------------------|-----------|--------|---------|---------|------------|---------|------------|------------|
| Anesthesiology All | 25 | 2 | . | . | . | . | . | . |
| Cardiology, Electrophysiology | 4 | 2 | . | . | . | . | . | . |
| Cardiology, Invasive | 13 | 7 | \$628 | \$119 | \$200 | \$633 | \$1,000 | \$1,340 |
| Cardiology, Invasive-Interventional | 44 | 11 | \$739 | \$290 | \$500 | \$775 | \$981 | \$1,100 |
| Cardiology, Noninvasive | 5 | 4 | \$435 | \$214 | \$219 | \$450 | \$647 | . |
| Critical Care, Intensivist | 2 | 2 | . | . | . | . | . | . |
| Emergency Medicine | 35 | 2 | . | . | . | . | . | . |
| Family Medicine (with OB) | 6 | 2 | . | . | . | . | . | . |
| Family Medicine (without OB) | 3 | 2 | . | . | . | . | . | . |
| Gastroenterology | 24 | 7 | \$335 | \$219 | \$200 | \$200 | \$500 | \$700 |
| Hospitalist | 8 | 1 | . | . | . | . | . | . |
| Infectious Disease | 1 | 1 | . | . | . | . | . | . |
| Internal Medicine, General | 9 | 3 | \$150 | \$428 | \$123 | \$400 | \$500 | . |
| Nephrology | 3 | 1 | . | . | . | . | . | . |
| Neurology | 29 | 9 | \$461 | \$70 | \$438 | \$500 | \$500 | \$500 |
| Obstetrics/Gynecology | 35 | 16 | \$464 | \$280 | \$219 | \$500 | \$500 | \$726 |
| Ophthalmology | 6 | 4 | \$583 | \$621 | \$100 | \$300 | \$1,275 | . |
| Orthopedic Surgery, All | 167 | 40 | \$1,016 | \$519 | \$800 | \$1,000 | \$1,050 | \$1,910 |
| Otorhinolaryngology | 27 | 11 | \$325 | \$155 | \$200 | \$300 | \$375 | \$615 |
| Pediatrics | 29 | 6 | \$237 | \$46 | \$207 | \$250 | \$250 | \$250 |
| Psychiatry | 13 | 8 | \$572 | \$336 | \$208 | \$550 | \$1,000 | \$1,000 |
| Pulmonary Medicine | 11 | 6 | \$801 | \$386 | \$690 | \$690 | \$897 | \$1,582 |
| Radiology, All | 90 | 3 | \$1,224 | \$621 | \$500 | \$1,500 | \$1,500 | \$2,000 |
| Surgery, General | 123 | 26 | \$854 | \$562 | \$450 | \$755 | \$1,000 | \$1,500 |
| Surgery, Cardiovascular | 22 | 5 | \$1,026 | \$470 | \$649 | \$725 | \$1,600 | \$1,600 |
| Surgery, Neurological | 29 | 12 | \$1,532 | \$588 | \$1,000 | \$1,600 | \$1,750 | \$2,300 |
| Surgery, Trauma | 24 | 8 | \$1,249 | \$601 | \$660 | \$1,375 | \$1,400 | \$2,400 |
| Surgery, Vascular (Primary) | 19 | 12 | \$731 | \$567 | \$500 | \$625 | \$750 | \$1,400 |
| Surgery, All Other | 41 | 16 | \$787 | \$176 | \$463 | \$725 | \$925 | \$1,400 |
| Urology | 61 | 13 | \$411 | \$255 | \$228 | \$300 | \$732 | \$840 |
| Surgical Other Subspecialty | 1 | 1 | . | . | . | . | . | . |
| Nonsurgical Other Specialty | 1 | 1 | . | . | . | . | . | . |

Table 2: On-Call Physician Compensation — Holiday Rate

| | Providers | Groups | Mean | Std Dev | 25th %tile | Median | 75th %tile | 90th %tile |
|-------------------------------------|-----------|--------|---------|---------|------------|---------|------------|------------|
| Anesthesiology, All | 16 | 1 | . | . | . | . | . | . |
| Cardiology, Electrophysiology | 4 | 2 | . | . | . | . | . | . |
| Cardiology, Invasive | 6 | 3 | \$450 | \$351 | \$200 | \$300 | \$850 | . |
| Cardiology, Invasive-Interventional | 35 | 5 | \$813 | \$246 | \$650 | \$800 | \$1,000 | \$1,200 |
| Emergency Medicine | 1 | 1 | . | . | . | . | . | . |
| Gastroenterology | 30 | 4 | \$1,255 | \$375 | \$200 | \$2,000 | \$2,000 | \$2,000 |
| Internal Medicine, General | 6 | 3 | \$777 | \$330 | \$615 | \$700 | \$900 | . |
| Neurology | 22 | 2 | . | . | . | . | . | . |
| Obstetrics/Gynecology | 32 | 4 | \$245 | \$268 | \$125 | \$125 | \$200 | \$500 |
| Ophthalmology | 4 | 2 | . | . | . | . | . | . |
| Orthopedic Surgery, All | 52 | 13 | \$1,071 | \$619 | \$525 | \$1,000 | \$1,200 | \$2,350 |
| Otorhinolaryngology | 5 | 2 | . | . | . | . | . | . |
| Pediatrics | 15 | 3 | \$413 | \$456 | \$250 | \$250 | \$250 | \$1,160 |
| Psychiatry | 1 | 1 | . | . | . | . | . | . |
| Pulmonary Medicine | 1 | 1 | . | . | . | . | . | . |
| Radiology, All | 85 | 2 | . | . | . | . | . | . |
| Surgery, General | 35 | 0 | \$822 | \$820 | \$450 | \$500 | \$925 | \$2,600 |
| Surgery, Cardiovascular | 6 | 2 | . | . | . | . | . | . |
| Surgery, Neurological | 9 | 3 | \$1,765 | \$468 | \$1,366 | \$1,750 | \$2,300 | . |
| Surgery, Trauma | 16 | 4 | \$2,172 | \$609 | \$2,000 | \$2,000 | \$2,600 | \$2,800 |
| Surgery, Vascular (Primary) | 2 | 2 | . | . | . | . | . | . |
| Surgery, All Other | 20 | 6 | \$941 | \$721 | \$500 | \$725 | \$1,000 | \$2,585 |
| Urology | 4 | 2 | . | . | . | . | . | . |

UNRESTRICTED EQUATED HOURLY RATES TABLES

UNRESTRICTED EQUATED HOURLY RATES *continued*

| Family Practice | | | | | | |
|-----------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 10 | \$12.50 | \$20.07 | \$12.81 | \$29.17 | \$38.13 |
| Trauma Center | 5 | \$12.50 | \$19.71 | \$13.13 | \$29.17 | isd |
| Non-Trauma Center | 5 | \$12.50 | \$20.43 | \$12.50 | \$25.00 | isd |
| Level I Trauma Center | 2 | isd | isd | isd | isd | isd |
| Trauma Coverage | 2 | isd | isd | isd | isd | isd |
| Non-Trauma Coverage | 8 | \$12.50 | \$21.96 | \$19.06 | \$30.21 | isd |

isd = insufficient data

| Gastroenterology | | | | | | |
|-----------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 31 | \$12.50 | \$21.10 | \$20.55 | \$20.83 | \$41.67 |
| Trauma Center | 15 | \$12.50 | \$19.03 | \$19.79 | \$20.83 | \$25.83 |
| Non-Trauma Center | 16 | \$14.58 | \$23.04 | \$20.69 | \$25.52 | \$45.83 |
| Level I Trauma Center | 3 | isd | isd | isd | isd | isd |
| Trauma Coverage | 3 | isd | isd | isd | isd | isd |
| Non-Trauma Coverage | 28 | \$14.06 | \$21.61 | \$20.69 | \$22.92 | \$41.67 |

isd = insufficient data

| General Pediatrics | | | | | | |
|-----------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 17 | \$9.92 | \$12.86 | \$10.42 | \$15.00 | \$22.92 |
| Trauma Center | 9 | \$9.92 | \$15.07 | \$12.50 | \$20.83 | isd |
| Non-Trauma Center | 8 | \$7.89 | \$10.36 | \$10.42 | \$13.54 | isd |
| Level I Trauma Center | 2 | isd | isd | isd | isd | isd |
| Trauma Coverage | 2 | isd | isd | isd | isd | isd |
| Non-Trauma Coverage | 15 | \$9.38 | \$12.21 | \$10.42 | \$15.00 | \$20.83 |

isd = insufficient data

Day

360

325

360

| General Surgery | | | | | | |
|-----------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 59 | \$20.83 | \$37.89 | \$35.42 | \$43.75 | \$65.63 |
| Trauma Center | 27 | \$20.83 | \$40.54 | \$33.33 | \$47.92 | \$75.00 |
| Non-Trauma Center | 32 | \$20.83 | \$35.66 | \$39.27 | \$42.33 | \$60.00 |
| Level I Trauma Center | 9 | \$33.33 | \$50.16 | \$41.67 | \$50.00 | isd |
| Trauma Coverage | 11 | \$33.33 | \$48.93 | \$41.67 | \$50.00 | \$75.00 |
| Non-Trauma Coverage | 48 | \$20.83 | \$35.36 | \$31.25 | \$41.67 | \$63.95 |

isd = insufficient data

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: November 18, 2014
PHYSICIAN AGREEMENT for ED ON-CALL COVERAGE

| | | | | | | |
|---------------------|---|-------------------|---|------------------------|--|-------------------------|
| Type of Agreement | | Medical Directors | X | Panel | | Other: |
| Status of Agreement | X | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Physician's Name: Srinivas Iyengar, MD

Area of Service: ED On-Call: Ophthalmology

Term of Agreement: Nineteen (19) months Beginning 12/1/14 Ending 6/30/16

Maximum Totals: For entire ED On-Call Area of Service coverage

| Rate/Day | Days per Year | Annual Cost | 19 month (Term) Cost |
|----------|----------------------------|----------------------|----------------------|
| \$150 | FY2015: 212 FY2016: 366 | \$31,800 \$54,900 | \$86,700 |

Position Responsibilities:

- Provide 24/7 patient coverage for all specialty services in accordance with Medical Staff Policy #8710-520 (Emergency Room Call: Duties of the On-Call Physician)
- Complete related medical records in accordance with all Medical Staff, accreditation, and regulatory requirements.

| | | | | |
|--|---|-----|--|----|
| Concept Submitted to Legal: | X | Yes | | No |
| Is Agreement a Regulatory Requirement: | X | Yes | | No |

Person responsible for oversight of agreement: Donna Dempster, MSS Director/Casey Fatch, EVP/COO

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize Dr. Srinivas Iyengar as ED On-Call Coverage Physician for a term of 19 months beginning 12/1/14 and ending 6/30/16. Not to exceed a daily rate of \$150 for an annual cost of \$54,900 and a total cost for the term of \$86,700.

Table 1: On-Call Physician Compensation — Daily Rate

| | Providers | Groups | Mean | Std Dev | 25th %tile | Median | 75th %tile | 90th %tile |
|-------------------------------------|-----------|--------|---------|---------|------------|---------|------------|------------|
| Anesthesiology All | 25 | 2 | . | . | . | . | . | . |
| Cardiology: Electrophysiology | 4 | 2 | . | . | . | . | . | . |
| Cardiology: Invasive | 13 | 7 | \$626 | \$419 | \$200 | \$633 | \$1,000 | \$1,341 |
| Cardiology: Invasive-Interventional | 41 | 11 | \$739 | \$290 | \$500 | \$775 | \$987 | \$1,100 |
| Cardiology: Noninvasive | 5 | 4 | \$436 | \$214 | \$219 | \$450 | \$64 | . |
| Critical Care: Intensivist | 2 | 2 | . | . | . | . | . | . |
| Emergency Medicine | 35 | 2 | . | . | . | . | . | . |
| Family Medicine (with OB) | 8 | 2 | . | . | . | . | . | . |
| Family Medicine (without OB) | 3 | 2 | . | . | . | . | . | . |
| Gastroenterology | 24 | 7 | \$335 | \$219 | \$200 | \$200 | \$500 | \$700 |
| Hospitalist | 8 | 1 | . | . | . | . | . | . |
| Infectious Disease | 1 | 1 | . | . | . | . | . | . |
| Internal Medicine: General | 9 | 3 | \$450 | \$429 | \$123 | \$400 | \$500 | . |
| Nephrology | 3 | 1 | . | . | . | . | . | . |
| Neurology | 29 | 9 | \$461 | \$70 | \$439 | \$500 | \$500 | \$500 |
| Obstetrics/Gynecology | 35 | 16 | \$464 | \$280 | \$219 | \$500 | \$500 | \$726 |
| Ophthalmology | 5 | 4 | \$583 | \$621 | \$10 | \$1 | \$1,275 | . |
| Orthopedic Surgery: All | 167 | 40 | \$1,016 | \$519 | \$800 | \$1,000 | \$1,056 | \$1,910 |
| Otorhinolaryngology | 27 | 11 | \$325 | \$155 | \$200 | \$300 | \$375 | \$64 |
| Pediatrics | 29 | 6 | \$237 | \$46 | \$207 | \$250 | \$250 | \$250 |
| Psychiatry | 13 | 8 | \$572 | \$336 | \$208 | \$530 | \$1,000 | \$1,000 |
| Pulmonary Medicine | 11 | 6 | \$801 | \$385 | \$690 | \$690 | \$897 | \$1,582 |
| Radiology: All | 90 | 3 | \$1,224 | \$624 | \$500 | \$1,500 | \$1,500 | \$2,000 |
| Surgery: General | 123 | 26 | \$854 | \$562 | \$450 | \$755 | \$1,000 | \$1,500 |
| Surgery: Cardiovascular | 22 | 5 | \$1,026 | \$470 | \$649 | \$725 | \$1,600 | \$1,600 |
| Surgery: Neurological | 29 | 12 | \$1,532 | \$588 | \$1,000 | \$1,600 | \$1,750 | \$2,300 |
| Surgery: Trauma | 24 | 8 | \$1,249 | \$601 | \$660 | \$1,375 | \$1,400 | \$2,400 |
| Surgery: Vascular (Primary) | 19 | 12 | \$731 | \$567 | \$500 | \$625 | \$750 | \$1,400 |
| Surgery: All Other | 41 | 16 | \$787 | \$476 | \$463 | \$725 | \$925 | \$1,400 |
| Urology | 61 | 13 | \$411 | \$255 | \$223 | \$300 | \$732 | \$840 |
| Surgical Other Subspecialty | 1 | 1 | . | . | . | . | . | . |
| Nonsurgical Other Specialty | 1 | 1 | . | . | . | . | . | . |

Table 2: On-Call Physician Compensation — Holiday Rate

| | Providers | Groups | Mean | Std Dev | 25th %tile | Median | 75th %tile | 90th %tile |
|-------------------------------------|-----------|--------|---------|---------|------------|---------|------------|------------|
| Anesthesiology All | 16 | 1 | . | . | . | . | . | . |
| Cardiology: Electrophysiology | 4 | 2 | . | . | . | . | . | . |
| Cardiology: Invasive | 8 | 3 | \$450 | \$351 | \$200 | \$300 | \$850 | . |
| Cardiology: Invasive-Interventional | 35 | 5 | \$813 | \$248 | \$550 | \$800 | \$1,000 | \$1,200 |
| Emergency Medicine | 1 | 1 | . | . | . | . | . | . |
| Gastroenterology | 30 | 4 | \$1,255 | \$875 | \$200 | \$2,000 | \$2,000 | \$2,000 |
| Internal Medicine: General | 6 | 3 | \$777 | \$380 | \$615 | \$700 | \$900 | . |
| Neurology | 22 | 2 | . | . | . | . | . | . |
| Obstetrics/Gynecology | 32 | 4 | \$245 | \$268 | \$125 | \$125 | \$200 | \$500 |
| Ophthalmology | 4 | 2 | . | . | . | . | . | . |
| Orthopedic Surgery: All | 52 | 15 | \$1,071 | \$648 | \$523 | \$1,000 | \$1,200 | \$2,350 |
| Otorhinolaryngology | 5 | 2 | . | . | . | . | . | . |
| Pediatrics | 15 | 3 | \$410 | \$456 | \$250 | \$250 | \$250 | \$1,000 |
| Psychiatry | 1 | 1 | . | . | . | . | . | . |
| Pulmonary Medicine | 1 | 1 | . | . | . | . | . | . |
| Radiology: All | 85 | 2 | . | . | . | . | . | . |
| Surgery: General | 35 | 10 | \$822 | \$820 | \$450 | \$500 | \$825 | \$2,600 |
| Surgery: Cardiovascular | 6 | 2 | . | . | . | . | . | . |
| Surgery: Neurological | 9 | 3 | \$1,765 | \$469 | \$1,366 | \$1,750 | \$2,300 | . |
| Surgery: Trauma | 16 | 4 | \$2,172 | \$609 | \$2,000 | \$2,000 | \$2,600 | \$2,800 |
| Surgery: Vascular (Primary) | 2 | 2 | . | . | . | . | . | . |
| Surgery: All Other | 20 | 8 | \$941 | \$721 | \$500 | \$725 | \$1,000 | \$2,585 |
| Urology | 4 | 2 | . | . | . | . | . | . |

UNRESTRICTED EQUATED HOURLY RATES TABLES

UNRESTRICTED EQUATED HOURLY RATES *continued*

| Obstetrics/Gynecology – First Call | | | | | | |
|------------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 37 | \$16.67 | \$29.62 | \$20.83 | \$33.33 | \$62.50 |
| Trauma Center | 19 | \$12.50 | \$29.76 | \$20.83 | \$41.67 | \$69.79 |
| Non-Trauma Center | 18 | \$20.83 | \$29.48 | \$20.83 | \$30.21 | \$60.00 |
| Level I Trauma Center | 4 | isd | isd | isd | isd | isd |
| Trauma Coverage | 5 | \$12.50 | \$17.17 | \$14.58 | \$20.83 | isd |
| Non-Trauma Coverage | 32 | \$19.38 | \$31.57 | \$20.83 | \$37.08 | \$62.50 |

isd = insufficient data

| Obstetrics/Gynecology – Second Call | | | | | | |
|-------------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 5 | \$6.55 | \$16.59 | \$11.42 | \$20.83 | isd |
| Trauma Center | 4 | isd | isd | isd | isd | isd |
| Non-Trauma Center | 1 | isd | isd | isd | isd | isd |
| Level I Trauma Center | 2 | isd | isd | isd | isd | isd |
| Trauma Coverage | 0 | isd | isd | isd | isd | isd |
| Non-Trauma Coverage | 5 | \$6.55 | \$16.59 | \$11.42 | \$20.83 | isd |

isd = insufficient data

| Ophthalmology | | | | | | |
|-----------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 29 | \$8.75 | \$17.76 | \$12.50 | \$20.83 | \$41.67 |
| Trauma Center | 20 | \$10.83 | \$18.60 | \$14.06 | \$20.83 | \$41.67 |
| Non-Trauma Center | 9 | \$5.98 | \$15.88 | \$10.42 | \$16.67 | isd |
| Level I Trauma Center | 9 | \$10.42 | \$19.91 | \$11.90 | \$28.57 | isd |
| Trauma Coverage | 8 | \$10.83 | \$20.30 | \$15.29 | \$31.25 | isd |
| Non-Trauma Coverage | 21 | \$8.33 | \$16.79 | \$12.50 | \$18.75 | \$28.57 |

isd = insufficient data

| Oral-Maxillofacial Surgery | | | | | | |
|-----------------------------------|--------|-----------------|---------|---------|-----------------|-----------------|
| Unrestricted Equated Hourly Rates | n Orgs | 25th Percentile | Mean | Median | 75th Percentile | 90th Percentile |
| Overall | 22 | \$15.63 | \$25.81 | \$20.83 | \$35.42 | \$39.58 |
| Trauma Center | 17 | \$16.67 | \$27.46 | \$20.83 | \$37.50 | \$41.67 |
| Non-Trauma Center | 5 | \$15.63 | \$20.22 | \$20.83 | \$25.00 | isd |
| Level I Trauma Center | 4 | isd | isd | isd | isd | isd |
| Trauma Coverage | 12 | \$17.71 | \$28.31 | \$27.08 | \$36.46 | \$39.58 |
| Non-Trauma Coverage | 10 | \$15.63 | \$22.82 | \$20.83 | \$31.33 | \$39.58 |

isd = insufficient data

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: Nov 18, 2014
PROPOSAL FOR: Replacement Pyxis Stations Equipment Lease

| | | | | | | |
|---------------------|---|-------------------|--|---------------------|---|----------------------|
| Type of Agreement | | Medical Directors | | Panel | X | Other: Equipment |
| Status of Agreement | X | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Vendor Name: Carefusion/Cerner

Areas of Service: Supply Chain and Pharmacy

Term of Agreement: 60 months - Beginning Dec 1, 2014, Ending Nov 30, 2019

Maximum Totals:

| Monthly Cost | Annual Cost | Total Term Cost |
|------------------|-------------------|--------------------|
| Proposed \$1,546 | Proposed \$18,552 | Proposed \$ 92,760 |
| Current \$2,086 | Current \$25,032 | Current \$125,160 |

Net Savings \$ 32,400
Description of Services/Supplies:

- Automated supply and pharmaceutical cabinetry that secures products, tracks inventory levels, send order notifications for replenishment, and charges patients for any products issued to patients.
- We currently have 3 Pyxis Duo-Station models which are supply stations with Rx Med Stations incorporated into the supply cabinetry. Due to IT security requirements increasing for Rx stations, we must trade in our 3 hybrid style Duo-Stations for 3 independent Supply Stations and 3 independent Rx Med Stations. **The new units are less expensive and will save TCHD \$32,400 over the term.**
- Carefusion is no longer capable of supporting the Duo-Station technology and are “sun setting” the Duo-Station models.
- The Pyxis Supply and Med Stations are the basis of our supply and Rx delivery and inventory system.

| | | | | |
|--|---|-----|---|----|
| Concept Submitted to Legal: | X | Yes | | No |
| Is Agreement a Regulatory Requirement: | | Yes | X | No |

Person responsible for oversight of agreement: Tom Moore, Director of Materials/Tori Hong, Director of Pharmacy/Sharon Schultz, CNE

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Carefusion/Cerner for 3 replacement Pyxis supply and 3 Pyxis medication cabinets for a term of 60 months (5 years), beginning Dec 1, 2014 and ending on Nov 30, 2019 for an annual cost of \$18,552, and a total cost of \$92,760 for the term.

**FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: Nov 18, 2014
PROPOSAL FOR: Talyst Automated Pharmacy Carousel**

| | | | | | | |
|---------------------|---|-------------------|--|---------------------|---|----------------------|
| Type of Agreement | | Medical Directors | | Panel | X | Other: Equipment |
| Status of Agreement | X | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Vendor Name: Talyst

Areas of Service: Pharmacy

Term of Agreement: Capital Equipment Purchase - Automated Pharmacy Carousel System
60 Month Maint Support Agreement – Dec 1, 2014 – Nov 30, 2019

Maximum Totals:

| Monthly Support Cost | Annual Support Cost | Total Purchase Price and Support Cost |
|----------------------|---------------------|--|
| \$4,200 | Proposed \$50,400 | Equipment Purchase: \$340,298 60 month Support: \$231,000 Includes 5 free months |

Total 60 month cost: \$571,298

Description of Services/Supplies:

- Automated drug management system that secures products, tracks inventory levels, and counts/dispenses doses
- We currently have an older Talyst carousel that was purchased in 2007 and is at the end of service life. This unit is the “heart” of TCHD’s Pharmacy operations and the current unit is no longer supported by the vendor and we are at risk if the highly mechanical unit needs repairs.
- This is a like-for-like swap which means there will be **very minimal facility modifications** required to install the new system.
- The current annual cost of maintenance and support is \$40,000.
- Two other comparison bids were obtained to validate the market price of the Talyst quote
 - RxWorks - \$683,024 including necessary facility modifications
 - Swisslog - \$618,000 including necessary facility modifications

| | | | | |
|--|---|-----|---|----|
| Submitted to Legal: | X | Yes | | No |
| Is Agreement a Regulatory Requirement: | | Yes | X | No |

Person responsible for oversight of purchase: Tori Hong, Director, Pharmacy\Sharon Schultz, CNE
Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the capital purchase of the Talyst Automated Pharmacy Carousel System and the 60 month maintenance support agreement for a total cost not to exceed \$575,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: November 18, 2014
PROPOSAL FOR: Registry Spend for Nursing and Allied Health

| | | | | | | |
|----------------------------|--|-------------------|--|------------------------|--|-------------------------|
| Type of Agreement | | Medical Directors | | Panel | | Other: |
| Status of Agreement | | New Agreement | | Renewal – New Rates | | Renewal – Same Rates |

Vendor Name: Multiple local and Travel Supplemental Staffing Registries

Area of Service: Nursing and Allied Health Areas

Term of Agreement: 8 months Beginning November 2014 Ending June 30, 2015

Maximum Totals:

| Average Monthly Cost | Total Term Cost |
|---------------------------------|------------------------|
| \$625,000 | \$5,000,000 |

Description of Services/Supplies:

- Previous Board approval in January, 2014 for supplemental clinical staff for \$4,000,000 for support from February, 2014 through January 2015.
- Payments are approaching that limit due to a high need of specialty skilled travelers as well as filling local per diem needs.
- Requesting extension for support through the end of Fiscal Year 2015 to support high demand during winter census, flu season and to cover high volume of staff FMLA/LOAs.

| | | | | |
|---|---|-----|---|----|
| Concept Submitted to Legal: | X | Yes | | No |
| Is Agreement a Regulatory Requirement: | | Yes | X | No |

Person responsible for oversight of agreement: Kathy Topp, Director, Education, Clinical Informatics, Staffing/Sharon Schultz, CNE

Motion:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the Registry spend at an average of \$625,000/month for a term of eight (8) months, beginning November, 2014 and ending June, 30, 2015 for a total cost not to exceed \$5,000,000.

FINANCE, OPERATIONS & PLANNING COMMITTEE
DATE OF MEETING: Sep 16, 2014
PROPOSAL FOR: Vivify Health

| | | | | | | |
|----------------------------|--|-------------------|--|---------------------|---|--|
| Type of Agreement | | Medical Directors | | Panel | X | Other: IT Solution - Remote, after care monitoring |
| Status of Agreement | | New Agreement | | Renewal – New Rates | | |

Vendor Name: Vivify Health

Area of Service: Case Management, IT, Hospital -Wide

Term of Agreement: 33 months - Begin: October 01, 2014 End: June 30, 2017

Maximum Totals: Proposed 20 patient minimum, final cost dependent on total patients enrolled and peripherals purchased:

| | |
|--|------------------|
| Purchase of 20 kits @ \$1,250/kit | \$25,000 |
| One time integration fee | 30,000 |
| Monthly fees for 20 patients for 33 months | 107,580 |
| Annual maintenance fee for 3 years | 16,200 |
| Total expected cost for 33 month term | \$178,780 |

Description of Services/Supplies

- Vivify will provide after care, in-home remote monitoring, on-going best practice, evidence-based disease specific educational information, and video communication solutions for TCMC patients at high risk for readmission. Monitoring to include blood glucose, pulse oximetry, blood pressure and weight. Vivify is able to support TCMC After-Care Management efforts through a clinical call center 24/7
- Patient kits featuring 10" wireless tablets and wireless health devices such as blood pressure monitors, weight scales and PulseOx devices will be purchased. A wireless blood glucose device has also been specified for use in diabetes cases. The proposal assumes TCMC purchases patient kits
- Vivify Health can also provide ancillary solutions for remote clinical services monitoring, including RN escalation plans as appropriate. Essentially, Vivify Health offers a "turnkey" clinical call center for our interested customers

| | | | | |
|---|---|-----|---|----|
| Concept Submitted to Legal: | X | Yes | | No |
| Is Agreement a Regulatory Requirement: | | Yes | X | No |

Person responsible for oversight of agreement: Scott Livingstone, Director of Case Management/Casey Fatch, COO

Resolution:

I move that Finance Operations and Planning Committee recommend that TCHD Board of Directors authorize the agreement with Vivify Health for a term of 33 months beginning October 01, 2014 and ending June 30, 2017 for a total expense for the term of \$178,780.

DRAFT

**Tri-City Medical Center
Professional Affairs Committee Meeting
Open Session Minutes
November 20, 2014**

Members Present: Chairman Director RoseMarie Reno, Director Jim Dagostino, Director Ramona Finnilla, Dr. Frank Corona, Dr. Marcus Contardo, Dr. Scott Worman and Dr. Jamie Johnson.

Non-Voting Members Present: Tim Moran, CEO, Sharon Schultz, CNE/Sr. VP, Marcia Cavanaugh, Sr. Director of Quality & Risk Management, Jami Pearson, Director for Quality and Regulatory.

Others present: Tracie Stender, On Behalf of the General Counsel, Donna Dempster, Director of Medical Staff, Sharon Davies, Tori Hong, Patricia Guerra, Monica Marshall and Karren Hertz.

Members absent: NONE.

| Topic | Discussion | Follow-Up Action/ Recommendations | Person(s) Responsible |
|--|---|---|--------------------------|
| 1. Call To Order | Director Dagostino, on behalf of Chair Reno, called the meeting to order at 12:07 p.m. in Assembly Room 1. | | Director Dagostino |
| 2. Approval of Agenda | The group reviewed the agenda. There were no additions or modifications made. | Motion to approve the agenda was made by Director Finnilla and seconded by Dr. Worman. | Director Dagostino |
| 3. Comments by members of the public on any item of interest to the public before committee's consideration of | Director Dagostino read the paragraph regarding comments from members of the public. Dr. Corona pulled out the procedure on Midline Catheters, Adult. | Dr. Corona reported that that are contraindications for this policy so it needs to have some work done with IR and Pharmacy | Director Dagostino |

| Topic | Discussion | Follow-Up Action/ Recommendations | Person(s) Responsible |
|---|---|---|--------------------------|
| the item. | | before it goes back to this committee for approval. | |
| 4. Ratification of minutes of October 23, 2014. | Director Dagostino called for a motion to approve the minutes of the October 23, 2014 meeting. | Minutes ratified. Director Finnila moved and Dr. Corona seconded the motion to approve the minutes for the October meeting of PAC. | Director Dagostino |
| 5. Old Business | None. | | |
| 6. New Business | | | |
| Quality Outcomes Dashboard | The group briefly reviewed the dashboard of the Core Measures indicators. It was reported that the hospital is taking a closer look at the glucose monitoring of post –op cardiac patients. | Informational. | Administration |
| Consideration and Possible Approval of Policies and Procedures | | | |
| Patient Care Policies and Procedures: | | | |
| 1. Catheter Clearance with Cathflo Activase (Alteplase) Procedure | It was clarified by Sharon that this procedure is just standard operating procedure (SOP). It is not important to indicate how many times were tried on which medications; what matters most is documentation in EHR. | *The Patient Care Services policies and procedures were all approved . Director Dagostino moved and Director Finnila seconded the motion to approve all the Patient Care policies and | Monica Marshall |

| Topic | Discussion | Follow-Up Action/ Recommendations | Person(s) Responsible |
|--|---|--|--------------------------|
| 2. Code Adam- Policy | There was a clarification made on infant and child identification (ID). It was explained that this policy was already expanded from its original version. | procedures with suggested additions and move forward for Board approval. | |
| 3. Identification of Patients -- Policy | There was a typo on the word "indentify" and also, it was noted that more information are obtained from an inpatient admission versus an outpatient admit. | | |
| 4. Midline Catheters, Adults- Procedure | This policy was pulled out by Dr. Corona. | | |
| 5. Pertussis Nasopharyngeal (NP) Swab, Adult Procedure | No discussion on this policy. | | |
| 6. Staff Development/ Education- Policy | The definition of a Clinical Documentation Specialist was specified. He/she has the ability to make changes in the medical record so this role needs specialized training. Also, this person serves as a check and balance for nursing orientation for Travelers/ Registry. | | |
| 7. Vaccination Administration- Policy | No discussion on this policy. | | |
| 8. Vaccine, Reporting Adverse Events, Policy | No discussion on this policy. | | |

| Topic | Discussion | Follow-Up Action/ Recommendations | Person(s) Responsible |
|--|---|--|--------------------------|
| Administrative Policies and Procedures: 1. 340 B Drug Pricing Policy 2. 340 B Overview-Policy | <p>Tori gave a brief description of the 340 B drug pricing program that is geared only for the outpatient population. She also mentioned that the definitions, rules and limitations were set forth by OPA (Office of Pharmacy Affairs) and we "custom fit" the policy for TCMC use. Director Finnilla made a recommendation to change the policy into 340B Outpatient Drug Pricing Policy.</p> | <p>*The Administrative policies were approved with no changes. Dr. Corona moved the motion and Dr. Worman seconded to move forward for Board approval.</p> | Monica Marshall |
| Unit Specific Policies and Procedures: <u>Infection Control</u> 1. IC.8 Hand Hygiene Policy | <p>As a response to Director Finnilla's question, Jami mentioned to the group that the hospital only used alcohol-based hand sanitizers. As of current, it was noted that it is still a challenge to reinforce hand-washing to the staff.</p> | <p>*The Infection Control policy was approved and is moving forward for Board approval as moved by Director Finnilla and seconded by Chair Reno.</p> | Monica Marshall |
| <u>Emergency Department</u> 1. ED Saturation, Ambulance Diversion- Policy | <p>Sharon stated that the hospital used to divert ED patients in the past but has been minimizing it lately due to the fact that we cannot shut down the county when other hospitals do the same.</p> | <p>*The ED policy was approved and is moving forward for Board approval as moved by Dr. Worman and seconded by Dr. Corona.</p> | Monica Marshall |
| 7. Closed Session | <p>Director Dagostino made a motion to go into Closed Session.</p> | <p>Dr. Corona moved, Director Finnilla seconded and it was unanimously approved to go into closed session at 12:30PM.</p> | Director Dagostino |

| Topic | Discussion | Follow-Up Action/ Recommendations | Person(s) Responsible |
|---|--|--------------------------------------|--------------------------|
| 8. Return to Open Session | The Committee return to Open Session at 1:50 PM. | | Director Dagostino |
| 9. Reports of the Chairperson of Any Action Taken in Closed Session | There were no actions taken. | | Director Dagostino |
| 10. Comments from Members of the Committee | No Comments. | | Director Dagostino |
| 11. Adjournment | Meeting adjourned at 2:00 PM | | Director Dagostino |



PROFESSIONAL AFFAIRS COMMITTEE

November 20th, 2014

CONTACT: Sharon Schultz, CNE

| Patient Care Services Policies & Procedures | | |
|---|-----------------|--|
| 1. Catheter Clearance with Cathflo Activase (Alteplase) Procedure | 3 Year Review | Forward to BOD for approval |
| 2. Code Adam - Policy | 3 Year Review | Forward to BOD for approval |
| 3. Identification of Patients - Policy | Practice Change | Forward to BOD for approval |
| 4. Midline Catheters, Adults – Procedure | NEW | Rejected by Dr. Corona for more review |
| 5. Pertussis Nasopharyngeal (NP) Swab, Adult Procedure | 3 Year Review | Forward to BOD for approval |
| 6. Staff Development/Education – Policy | 3 Year Review | Forward to BOD for approval |
| 7. Vaccination Administration - Policy | 3 Year Review | Forward to BOD for approval |
| 8. Vaccine, Reporting Adverse Events - Policy | 3 Year Review | Forward to BOD for approval |
| Administrative Policies & Procedures | | |
| 1. 340B Outpatient Drug Pricing Policy | NEW | Forward to BOD for approval |
| 2. 340B Overview - Policy | NEW | Forward to BOD for approval |
| Unit Specific | | |
| Infection Control | | |
| 1. IC.8 Hand Hygiene – Policy | 3 Year Review | Forward to BOD for approval |
| Emergency | | |
| 1. ED Saturation, Ambulance Diversion - Policy | 3 Year Review | Forward to BOD for approval |
| | | |
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**PROCEDURE: CATHETER CLEARANCE WITH ALTEPLASE (CATHFLO ACTIVASE) (ALTEPLASE)**

Purpose: Provide a standard for safely restoring patency of occluded central venous catheters with **Alteplase** (Cathflo Activase) in the adult population and outline the process for opening central venous catheters with fibrin related occlusions.

Supportive Data: Skill Level: **Registered Nurse (RN)**– requires physician order

Equipment: 2 mg vial of Cathflo Activase from pharmacy
(Alteplase) Catheter specific flush
 6 alcohol pads x 2
 Non-vented port protector or sterile needleless cap
 Sterile gloves
 (2) 10 mL sterile water
 10 mL syringe filled with normal saline
 (2) 10 mL syringes
 Antireflux valves (Microclave) for each clotted lumen
Swabcap~~Swab-Cap~~ for each clotted lumen
 (2) packages of 4x4 gauze

A. PROCEDURE:

1. Obtain physician order for **Alteplase** (Cathflo Activase) to restore patency to each occluded central venous lumen.
2. Obtain reconstituted **Alteplase** (Cathflo Activase) from pharmacy
 - a. If not reconstituted by pharmacy:
 - i. Reconstitute **Alteplase** (Cathflo Activase) to final concentration of 1 mg/mL.
 - ii. Aseptically withdraw 2.2 mL of sterile water using 10 mL syringe. (Do not use Bacteriostatic Water)
 - iii. Inject the 2.2 mL of sterile water into the **Alteplase** (Cathflo Activase) vial. Slight foaming is not unusual; let the vial stand undisturbed to allow large bubbles to dissipate
 - iv. Mix by swirling until the contents are completely dissolved. Complete dissolution should occur within 3 minutes. **DO NOT SHAKE**. The reconstituted **Alteplase** (Cathflo Activase) is a colorless to pale yellow solution.
3. Perform hand hygiene and withdraw 2 mg (2 mL) of **Alteplase** (Cathflo Activase) using a 10 mL syringe.
4. Clamp clotted lumen
5. Disconnect IV tubing (if applicable); place ~~sterile luer cap~~~~non-vented port protector or sterile needleless cap~~ on end of tubing.
6. Open one package of 4x4 gauze, keep gauze on top of opened package, and place both the opened package and gauze under the clotted lumen.
7. Open three (3) alcohol preps using aseptic technique and place on opened 4x4 package.
 - a. Remove anti-reflux valve and use alcohol pad to vigorously cleanse the threads of the clotted lumen.
 - b. Repeat two times using a new alcohol pad each time.
8. Attach 10 mL syringe containing **Alteplase** (Cathflo Activase) to clotted port.
9. Unclamp catheter and instill **Alteplase** (Cathflo Activase) slowly
 - a. **Do not force**
 - b. If resistance met, gently pump syringe to facilitate instillation of **Alteplase** (Cathflo Activase)
10. Clamp lumen, remove syringe, and apply antireflux (Microclave) valve and **Swabcap**.

| Department Review | Clinical Policies & Procedures | Nursing Executive Council | Pharmaceutical & Therapeutics Committee | Medical Executive Committee | Professional Affairs Committee | Board of Directors |
|-------------------------|--------------------------------|---------------------------|---|-----------------------------|--------------------------------|-------------------------------|
| 05/03, 5/08, 2/11; 7/14 | 03/11; 7/14 | 03/11; 7/14 | 9/14 | 04/11; 10/14 | 05/11 | 7/03, 3/04, 3/06, 8/08; 05/11 |

11. Apply label marked "Do not touch" directly to microclave
12. Allow to dwell undisturbed for 30 minutes
13. Instruct patient to alert nurse performing **Alteplase** (Cathflo Activase) procedure if any requests to draw from line by other staff during dwell time occur.
14. After 30 minutes, perform hand hygiene, don clean gloves, remove label and microclave using aseptic technique, attach a 10 mL syringe, unclamp lumen, and aspirate for blood return
 - a. If resistance is met, gently pump syringe to facilitate movement of lysed clot, being careful not to flush lumen contents into the ~~patients~~ system.
 - b. Maintain negative pressure with the syringe for at least 30 seconds, then attempt to aspirate for blood return.
 - c. If blood easily aspirates, complete the following steps:
 - i. Aspirate 5 mL blood, clamp lumen, and discard blood.
 - ii. Unclamp lumen and flush with (**alteplase**) catheter specific flush, then reclamp lumen
 - iii. Remove syringe and clean lumen treads with alcohol pads
 - iv. Attach a new microclave and ~~Swab-Cap~~ **Swabcap** or return to IV infusion
 - v. Document administration of **Alteplase** (Cathflo Activase) and flush volume on **electronic medication administration record (eMAR)**.
 - vi. Document (**alteplase**) catheter clearance in medical record
 - vii. Discard any unused solution
15. If unable to aspirate blood return after 30 minutes, allow the **Alteplase** (Cathflo Activase) to dwell an additional 90 minutes (total dwell time is 120 minutes). Replace microclave with **Swabcap** and label and repeat patient education instructions.
16. After 120 minutes, perform hand hygiene, don clean gloves, remove label and microclave using aseptic technique, attach a 10 mL syringe, unclamp lumen, and aspirate for blood.
 - a. If blood easily aspirates, complete the following steps:
 - i. Aspirate 5 mL of blood, clamp lumen, and discard blood.
 - ii. Unclamp lumen and flush with (**alteplase**) catheter specific flush, then reclamp lumen.
 - iii. Remove syringe and clean lumen treads with alcohol pads
 - iv. Attach a new microclave and ~~Swab-Cap~~ **Swabcap** or return to IV infusion
 - v. Document administration of **Alteplase** (Cathflo Activase) and flush volume on **MAR**
 - vi. Document (**alteplase**) catheter clearance in medical record
 - vii. Discard any unused solution
17. If unable to aspirate for blood return after 120 minutes:
 - a. Discard unused **Alteplase** (Cathflo Activase).
 - b. Obtain equipment as outlined in the equipment section of procedure.
 - c. Notify pharmacy and request a second dose of 2 mg of **Alteplase** (Cathflo Activase)
 - d. Repeat procedure beginning with step 1
18. If blood easily aspirates after using a total of 4 mg of **Alteplase** (Cathflo Activase):
 - a. Aspirate 5 mL blood, clamp lumen and discard blood
 - b. Unclamp lumen and flush with (**alteplase**) catheter specific flush, then reclamp lumen
 - c. Remove syringe and clean lumen treads with alcohol pads
 - d. Attach a new microclave and ~~Swab-Cap~~ **Swabcap** or return to IV infusion
 - e. Document administration of **Alteplase** (Cathflo Activase) and flush volume on **MAR**
 - f. Document catheter clearance in medical record
 - g. Discard any unused solution
19. If unable to aspirate for blood return after using a total of 4 mg of **Alteplase** (Cathflo Activase):
 - a. Clamp clotted lumen, remove syringe, and discard unused **Alteplase** (Cathflo Activase)
 - b. Clean lumen treads with a total of three alcohol wipes using aseptic technique
 - c. Place microclave and ~~Swab-Cap~~ **Swabcap** on clamped clotted lumen
 - d. Apply label to microclave marked "Do Not Touch and date, time, and your initials."
 - e. Document administration of **Alteplase** (Cathflo Activase) on **MAR**

- f. Notify physician and document unable to obtain patency of lumen in the medical record
 - g. Communicate events during hand-off
20. ~~If able to aspirate for brisk blood return after using 4 mg of Cathflo Activase repeat the steps outlined in 18-20.~~

Patient Care Services Administrative Policy Manual

ISSUE DATE: 6/97

SUBJECT: Code Adam

REVISION DATE: 12/98; 5/03; 10/04; 12/05; 10/10; 5/14 POLICY NUMBER: 8610-369
09/14

Clinical Administrative Policies & Procedures Committee Approval: 10/10 09/14
~~Operations Team Committee Approval: 11/10~~
Nursing Executive Council Professional Affairs Committee Approval: 01/11 10/14
Medical Executive Committee Approval: 10/14
Professional Affairs Committee Approval: 11/14
Board of Directors Approval: 01/11

A. PURPOSE:

1. To provide a systematic method for responding to the report of a missing infant/child.

B. POLICY:

1. When staff concludes that an infant or child is missing, the staff member will immediately call a CODE ADAM by dialing "66". An announcement will be made over the PA system by the operator, "Code Adam {location}," such as Women's & ~~and Children~~ **Newborn's Services** or, Neonatal Intensive Care Unit (NICU), ~~or 3-Pavilion Pediatric Unit.~~ This will be repeated three times.
2. ~~Appointed Response Team members~~ **(Security, Lift Team, Emergency Medical Technician, Environmental Services)**, will immediately go to their predetermined ~~area assigned zones~~ and secure the exits. ~~See attachment for zones.~~ Any **available staff member not involved in direct patient care should secure the closest exit.** Any person carrying an infant, wrapped bundle, car seat or large carryall bag will be detained and Security will be called STAT. All other Response Team members will report to the location identified by PBX for further instructions from the security supervisor.
3. Any employee witnessing a suspicious activity or, situations involving an infant/child will notify PBX immediately by dialing "66" and PBX will notify Security.
4. Security will notify:
 - a. ~~Clinical Manager~~ **Director** of Women's & ~~and Children~~ **Newborn's Services**
 - b. Security Supervisor
 - c. Oceanside Police Department dial: 809-911
 - d. Administration (after hours, the ~~Administrator~~ **Oen-Ceall**)
 - e. Director of Engineering
 - f. Environment of Care/Safety Officer
 - g. Director of Risk Management
 - h. Public Information Officer.
5. Security Department Officer will recall additional Security Officers as needed.
6. The ~~ANM Clinical Manager/Charge RN~~ of the department involved will compile a complete written description of the missing child, including any available photos. **The description/photo will be given to Security.** The medical records of the infant/child will be secured in Medical Records/HIMS.
7. The ~~Clinical Manager~~ **Director** of Women's & ~~and Children~~ **Newborn's Services**, the ~~Administrative Coordinator~~ **Supervisor** or designee, will relocate the parents of the infant to a private location within the unit **(as available)** and remain with them at all times to support and protect them from any additional stressful interference. Social Services or Chaplaincy Services may assist in this service.

8. The Security Supervisor will immediately organize an expanded search of the hospital, using all available Security, Environmental Services and Engineering, and Lift Team personnel. This search will include the exterior of the Medical Center (per Administrative Policy #305, Missing Person).
 - a. The Security Supervisor will allocate their office to the local police, or other law enforcement agency.
 - b. The first Security Officer on the scene will secure the crime scene. Nothing should be moved or removed from the area until the senior law enforcement officer releases the area.
 - c. Police Officer from the Oceanside Police Department, or other law enforcement agencies, will be in charge of the situation upon arrival to TCMC.
9. The TCMC Administrator-on-Call (AOC) or designee will be in charge of the overall situation.
10. Interviews will be conducted with everyone on the unit at the time of the incident. This will include names, addresses, and phone numbers of employees, patients, visitors, etc.
11. Security Department personnel will be assigned to check and verify all persons leaving or entering the unit.
12. All employees are not to make statements to patients, visitors or other employees to ensure patient confidentiality.
13. The Public Information Officer or designee will prepare all community/media communication.

C. **PRESUMED KIDNAPPED:**

1. Security Department
 - a. Assist all law enforcement agencies.
 - b. Monitor visitor control to critical areas of the hospital.
 - c. Provide necessary security personnel to affected nursing unit or department.
 - d. Provide parking escorts and parking location as needed.
 - e. Document all pertinent activity in security log, commence case report, and document on Quality Review Report.
2. Departments
 - a. Continue to provide care to patients.
 - b. Assist Security in visitor control and identification.
 - c. Reassure patients of their safety.
3. Chaplaincy Service/Social Service
 - a. Provide continuous support to the family of the missing child.
 - b. Provide assistance and support to patient and family.
4. **Marketing Public Affairs**
 - a. Designate an area for the press to use.
 - b. Select a spokesperson for the Medical Center (confer with the Administrator on Call).
 - c. Schedule press conferences.
 - d. Consult with legal staff and hospital management concerning patient confidentiality.
 - e. All contact with the media will be conducted only through the Public Affairs.

D. **RECOVERY/EVALUATION:**

1. Security Department
 - a. Provide a complete case report to Risk Management.
 - b. Determine how the infant/child was taken and take immediate steps to correct any deficiencies.
 - c. Review all security policies and instructions relating to abductions.
 - d. Assist law enforcement agencies as needed.
 - e. Review operational plan relevant to this incident.

E. **DEPARTMENT:**

1. Review all policies and instructions relating to infant/children (i.e., visiting hours, screening of employees).
2. Make appropriate changes that are deemed necessary after review.

F. **REFERENCES:**

1. Reporting to California Department of Public Health et al.,
2. **Mandatory Reporting Requirements** Administrative Policy #236

PATIENT CARE SERVICES POLICY MANUAL

ISSUE DATE: 8/01

SUBJECT: Identification, Patient


REVISION DATE: 3/03; 2/05; 6/06; 6/09; 2/12;

POLICY NUMBER: IV.A

| | |
|---|--------------------|
| Clinical Policies & Procedures Committee Approval: | 04/12 09/14 |
| Nursing Executive Council: | 04/12 10/14 |
| Medical Executive Committee Approval: | 05/12 10/14 |
| Professional Affairs Committee Approval: | 06/12 11/14 |
| Board of Directors Approval: | 06/12 |

A. POLICY

1. It is the policy of Tri-City Medical Center to reliably identify the individual as the person for whom the service or treatment is intended and co-match the service or treatment to that individual.
Exception: Patients unable to provide identifying information, who experience conditions requiring emergency care will receive treatment prior to identification if such care and treatment is necessary to stabilize the patient's condition (example: unidentified patient arriving comatose to the emergency department, i.e. John/Jane/Baby Doe).
2. All patients must wear a correct and legible patient identification (ID) band at all times.
3. The patient's primary nurse is responsible for the accuracy of the patient's ID band.
4. Two patient identifiers are used when administering medication, blood or blood components, when collecting blood samples and other specimens for clinical testing and when providing treatments or procedures and diagnostic testing (excluding consultation and teaching) to ensure the correct patient is involved.
 - a. The first identifier is the patient name (**If the name is too long an exact match up to 13 characters is required**).
 - b. The second identifier is:
 - i. Patient date of birth (Outpatient Areas)
 - ii. Patient Medical Record Number (Inpatients)
 - iii. Patient Account Number (Emergency Department)
 - c. All containers used for blood and other specimens will be labeled in the presence of the patient.
5. Additionally, staff shall verbally assess the patient to assure proper identification, asking the patient's name consistent with age, condition and ability to understand and matching the verbal confirmation to the written information on the identification band.
6. If a patient is to have blood products administered, a Transfusion Service ID band must be applied by either laboratory staff or nursing personnel and can only be removed by laboratory staff.
7. Any staff person removing an ID band for any reason is responsible for replacing the ID band and ensuring accuracy and legibility.
8. If the patient is not alert, a family member or representative may verify accuracy of the information.
9. Name alert signs for similar patient names shall be posted on the chart and at the nurse's station.
10. All newborns must be banded before being separated from their mother (see Patient Care Services Identification of Newborns Procedure).
11. No procedure shall be conducted when patient identification cannot be verified because the imprinted band is illegible or missing. Defective or missing ID bands shall be replaced immediately with new, accurate, legible ID bands.

| | | |
|--|---|--|
|  Tri-City Medical Center | | Distribution: Patient Care Services |
| PROCEDURE: | PERTUSSIS NASOPHARYNGEAL (NP) SWAB, ADULT | |
| Purpose: | To identify the process for obtaining a nasopharyngeal swab for <i>Bordetella pertussis</i> . | |
| Supportive Data: | Proper technique for obtaining a nasopharyngeal specimen for isolation of <i>Bordetella pertussis</i> is essential for optimal results. Once a NP swab has been collected it should be placed into a collection container and transported immediately to the lab. | |
| Equipment: | Nasopharyngeal Swab with flexible wire handle Transport Container Personal Protective Equipment (i.e. Mask, Gloves, Face Shield) Tissue Nurse Collectable Requisition Patient Label | |

A. ORDERING A PERTUSSIS SWAB

1. Place patient in droplet isolation until an order is obtained to discontinue isolation.
2. Ensure a physician order is obtained prior to collecting a NP swab
3. Ensure a **STAT** order is placed in Cerner for a Nurse Collectable Pertussis Nasal Swab and notify the laboratory.
4. Obtain the following equipment from the Microbiology laboratory department:
 - a. Nasopharyngeal swab with flexible wire handle (blue top).
 - b. Specimen collection container (blue top).

B. OBTAINING SPECIMEN

1. Perform hand hygiene
2. Don personal protective equipment.
3. Identify patient per TCMC policy.
4. Place supplies on clean surface.
5. Open Culture Swab Collection and Transport package.
6. Remove nasopharyngeal swab with flexible wire handle (blue-top) from package.
7. Remove the collection and transport culture from the package and discharge (white top).
8. Have patient sit up in bed, place pillow behind shoulders to assist in maintaining an upright position.
9. Insert swab into one nostril **straight back** (not upwards) along the floor of the nasal passage for several centimeters until reaching the posterior wall of the nasopharynx (resistance will be met). See diagram below.
 - a. The distance from the nose to the ear gives an estimate of the distance the swab should be inserted. Do not force the swab, if obstruction is encountered before reaching the nasopharynx, remove swab and try the other side.

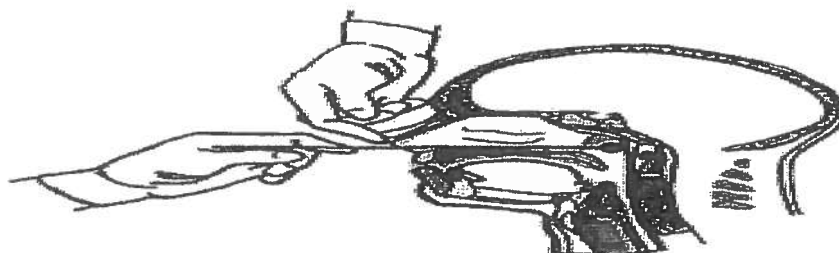


Image: Manual for the Surveillance of Vaccine-Preventable Diseases, 4th ed, 2008

10. Rotate the swab gently for 5-10 seconds to loosen the epithelial cells.

| Department Review | Clinical Policies & Procedures | Nursing Executive Committee | Medical Executive Committee | Professional Affairs Committee | Board of Directors |
|-------------------|--------------------------------|-----------------------------|-----------------------------|--------------------------------|--------------------|
| 10/10; 09/14 | 12/10;10/14 | 12/10;10/14 | 01/11; 10/14 | 02/11 | 02/11 |

11. Remove swab without touching sides of speculum or nose.
12. Remove the cap from blue-capped specimen container and insert wire swab.
13. Break or cut wire swab handle with clean scissors to fit the specimen container and reattach cap securely.
14. Offer patient facial tissue or using a tissue, wipe any residual nasal secretions from patient's nose.
15. Discard used supplies, remove gloves, and perform hand hygiene.
16. Label specimen and complete the NC requisition.
17. Send specimen to the laboratory immediately.
18. Perform hand hygiene.
19. Document collection of specimen in the medical record.

C. **REFERENCES:**

1. California Department of Public Health. (2010, March). Pertussis: laboratory testing. Retrieved October 26, 2010 from http://www.cdph.ca.gov/programs/immunize/Documents/CDPH_Pertussis
2. Centers for Disease Control and Prevention (CDC). (2009, August 10). Manual for the surveillance of vaccine-prevention disease. (4th e.d.). Chapter 10 pertussis. Retrieved October 26, 2010 from <http://www.cdc.gov/vaccines/pubs/surv-manual/chpt10-pertussis.htm>
3. Centers for Disease Control and Prevention (CDC). (2010, August 26). Pertussis (whooping cough) diagnostic testing. Retrieved October 26, 2010 from <http://www.cdc.gov/pertussis/clinical/diagnostic.html>
4. Mosby's Nursing Skills. (2006-2010). Specimen collection: nose throat specimens for culture. Retrieved October 27, 2010 from TCMC intranet.

PATIENT CARE SERVICES POLICY MANUAL

ISSUE DATE: 3/02

SUBJECT: Staff Development/Education

REVISION DATE: 2/03, 5/05, 7/06; 10/08; 05/11

POLICY NUMBER: VIII.L

| | |
|---|--------------------|
| Clinical Policies & Procedures Committee Approval: | 04/11 09/14 |
| Nursing Executive Council Approval: | 04/11 10/14 |
| Professional Affairs Committee Approval: | 05/11 10/14 |
| Board of Directors Approval: | 05/11 |

A. POLICY:

1. The general organization of the Professional Education Department consists of a Director of Education, Clinical Informatics and Staffing, ~~an American Heart Association (AHA) Training Center Coordinator, a Nurse Informaticist, Clinical Nurse Analysts, a Clinical Documentation Specialist,~~ Education Specialists, and secretarial support. The Clinical Educators report to the Director via a matrix-reporting schedule.
2. The Professional Education Department collaborates with the nursing management team to identify needs and formulate goals for nursing education.
3. The Chief Nurse Executive is ultimately responsible for staff development. This is accomplished through collaboration with the Education staff and the nursing management team.
4. Human Resources provides New Employee Orientation to all new employees. The Education Staff provides Nursing and Cerner Orientation for all new nursing employees immediately following the new employee hospital orientation. This program introduces the new nursing employees to Tri-City Medical Center's administrative and patient care services policies and procedures, nursing philosophy, nursing standards, essential technical aspects of nursing practice, and documentation requirements in Cerner.
5. The Education Staff coordinates and facilitates in-service education consisting of activities which assist personnel to fulfill assigned responsibilities specific to the performance standards of a nursing unit. These activities are conducted internally within the facility and are directed at current patient care services and unit specific structure standard and process standards. The aim of in-service is to maintain competency (in relation to existing standards); create new competency (in relation to newly developed standards); respond to Quality Assurance (QA) findings (convert non-compliance to compliance).
6. The needs identified for training and education are based on, as appropriate:
 - a. The patient population served and the type and nature of care provided by the hospital and the department/service
 - b. Individual staff member needs
 - c. Information from quality assessment and improvement activities
 - d. Needs generated by advances made in health care management and health care science and technology
 - e. Findings from department/service performance appraisals of individuals
 - f. Findings from review activities by peers, if appropriate
 - g. Findings from the organization's plant, technology, and safety
 - h. Findings from infection control activities
7. Staff or management may make requests for special classes to the Professional Education Department who will evaluate the scheduling of the class based on the organizational/strategic education plan. A monthly calendar of upcoming educational events is distributed to all departments.

8. The Professional Education Department maintains education records via computer systems and hard copy files.
9. Nursing Services requires both staff and members of the nursing management team complete select educational events on an annual basis. These events are generally related to regulatory requirements for patient/employee safety and staff competency. These annual mandatory educational requirements are completed through the computer-based learning system on the Hospital Intranet. Non-compliance with requirements invokes disciplinary action which may include termination.
10. Written participant evaluations, post-tests, and quality improvement findings are utilized to evaluate the effectiveness of educational offerings.
11. Refer to the Education Department Policy and Procedures on the TCMC Intranet for further details on specific operations.

PATIENT CARE SERVICES POLICY MANUAL

ISSUE DATE: 4/03

SUBJECT: Vaccination Administration

REVISION DATE: 6/03, 9/05; 8/08; 04/11; 09/14

POLICY NUMBER: IV.I.10

Clinical Policies & Procedures Committee Approval: 02/11 09/14

Nursing Executive Council Approval: 03/11 10/14

Pharmacy and Therapeutics Approval: 09/14 09/14

Professional Affairs Committee Approval: 04/11 10/14

Board of Directors Approval: 04/11

A. PURPOSE:

- A-1. National Childhood Vaccine Injury Act [42 U.S.C. Sections 300aa-14 and 300aa-26, 42 C.F.R. Section 100.3] requires health care providers to furnish a Vaccine Information Statement (VIS) to a patient (or the patient's legal representative) before administering measles, mumps, rubella, polio, diphtheria, tetanus, hepatitis B, Varicella (chickenpox), haemophilus influenzae type B (Hib), pertussis and pneumococcal conjugate vaccinations. The patient or the patient's legal representative must be given this information to keep and in appropriate cases, the written material is supplemented with visual presentations or oral explanations.
- 1-2. Each health care provider who administers a vaccine is required to document the following information:
 - a. Administration date
 - b. Vaccine manufacturer and lot number of the vaccine
 - c. Name, address, and title of the healthcare provider administering the vaccine
 - d. Publication date of the VIS given to the patient or legal representative and the date the materials were given.

B. POLICY:

- 2-1. Federal and California state laws do not require special informed consent prior to vaccination.
- 3-2. Not all vaccines are covered by the National Childhood Vaccine Injury Act, but at Tri-City Medical Center, appropriate VIS will be given and reviewed prior to any vaccination. The most current copies of VIS are available at <http://www.cdc.gov/vaccines/> or www.immunize.org as well as on the hospital intranet on the home page under patient education.
- 4-3. If the patient has a medical record, the information is charted there. If the patient is seen and an individual chart is not constructed (i.e. flu-shot clinic) the above information is recorded in a log. Stickers or a stamp can be used to prompt the health care provider to record required information (see example below).

| Vaccine | Date of Admin. | Manufacturer | Lot # | VIS Edition Date | Date VIS Given |
|--|----------------|--------------|-------|------------------|----------------|
| | | | | | |
| Name/Title of Health Care Provider Administering | | | | | |

- 5-4. Any adverse occurrence from administration of a vaccination must be reported. Refer to Patient Care Services Reporting Adverse Vaccine Events policy #IV.I.11, ~~Adverse Drug Reaction Reporting #IV.I.3~~ and Administrative Policy #236, "Mandatory Reporting."

PATIENT CARE SERVICES POLICY MANUAL

ISSUE DATE: 4/03

SUBJECT: Vaccine, Reporting Adverse Events

REVISION DATE: 11/05; 6/08; 05/11; 09/14

POLICY NUMBER: IV.I.11

| | |
|---|--------------------|
| Clinical Policies & Procedures Committee Approval: | 02/11 09/14 |
| Nursing Executive Council Approval: | 03/11 10/14 |
| Pharmacy and Therapeutics Approval: | 09/14 |
| Medical Executive Committee Approval: | 04/11 10/14 |
| Professional Affairs Committee Approval: | 05/11 |
| Board of Directors Approval: | 05/11 |

A. PURPOSE:

1. The National Childhood Vaccine Injury Act requires health-care providers to report selected events occurring after vaccination to the Vaccine Adverse Event Reporting System (VAERS).
 - a. Persons other than health-care providers also can report adverse events to VAERS.

B. POLICY:

1. All adverse events that occur after administration of vaccines, including events that are serious or unusual, shall be reported to VAERS.
2. Any adverse occurrence from administration of a vaccination must be reported. Refer to ~~Patient Care Services Reporting Adverse Vaccine Events policy #IV.I.11, Adverse Drug Reaction Reporting #IV.I.3 and Administrative Policy #236, "Mandatory Reporting."~~
3. VAERS forms and instructions are available in the FDA Drug Bulletin, by calling the 24-hour VAERS Hotline at 800-822-7967, or from the VAERS website at <http://www.vaers.hhs.gov/> (accessed June 10, 2008).

C. REFERENCES:

1. National Vaccine Injury Compensation Program, Health Resources and Services Administration, Parklawn Building, Room 8-46, 5600 Fishers Lane, Rockville, MD 20857
Telephone: 800-338-2382 (24-hour recording)

Administrative Policy Manual

ISSUE DATE:

SUBJECT: 340B Outpatient Drug Pricing Program

REVISION DATE:

POLICY NUMBER:

Administrative Policies & Procedures Committee Approval:

04/14

Professional Affairs Committee Approval:

11/14

Board of Directors Approval:

A. PURPOSE:

1. To define the processes that allows Tri-City Medical Center (TCMC) to purchase pharmaceuticals at discounted prices for its qualified outpatients that is consistent with the Human Resources Services Administration (HRSA) 340B Drug Discount Purchasing Program as defined by the enactment Section 340B of the Public Health Service Act.

B. SCOPE:

1. Administration
2. Pharmacy
3. Finance Department

C. POLICY:

1. TCMC participates in the 340B Drug Pricing Program for outpatient drugs and complies with guidelines and regulations to insure that 340B drug products are purchased only for eligible facilities and patients.
2. TCMC is listed as an eligible covered entity with the office of Pharmacy Affairs (OPA) on the website <http://www.hrs.gov/opa>
3. It is the policy of TCMC to capture drug utilization for qualified outpatients on a defined schedule, and to retrospectively purchase replacement drugs using 340B contracts. **Exception:** Medications purchased for treatment areas that are exclusively for outpatient use will be ordered prospectively via the hospital's 340B account.
4. 340B drugs are not resold or otherwise transferred to anyone other than to TCMC patients.
5. Medications purchased under the 340B program may be dispensed **ONLY** to the following patients:
 - a. Outpatients receiving medical care at TCMC. Outpatient treatment areas where medications are administered in the hospital may include, but are not limited to:
 - i. Outpatient Clinics
 - ii. Outpatient Surgery
 - iii. Emergency Department
 - iv. SPRA
 - b. Patients receiving medical care at a clinic outside TCMC, provided that:

TCMC has the financial responsibility for providing medical care to the patient as evidenced by the hospital's Medicare Cost Report, OR

- i. TCMC has an established medical relationship with the patient and the outside clinic is providing a service that is not provided at TCMC
- ii. The patient has a medical record number that is not solely for the purpose of filling prescriptions
- iii. Areas outside of the TCMC where medications purchased through the 340B account may be used include:
 1. Outpatient Infusion Clinic
 2. Outpatient Forensic
- c. The cost of the operating the clinics must appear on the reimbursable section of the Medicare Cost Report.

D. **PROCEDURE:**

1. ~~340B Patient Definition:~~ **Determining 340B patient eligibility**
 - a. Only "patients" of TCMC will receive 340B drugs. An individual is a "patient" of the hospital only if:
 - i. TCMC has established a relationship with the individual, such that the hospital maintains records of the individual's health care and,
 - ii. The individual receives health care services from a health care professional who is either employed by TCMC or provides health care under a contractual or other arrangement (e.g., referral for consultation) with the hospital, such that responsibility for the care provided remains with the hospital.
 - b. An individual is not considered a "patient" of TCMC for purposes of 340B if the only health care services received by the individual from the hospital is the dispensing of a drug for subsequent self-administration or administration in the home setting
 - c. 340B drugs are only used on an outpatient basis
 - d. TCMC does not fill prescriptions written by physicians in connection with services provided in clinics and other locations that are not reimbursable on the hospital's cost report.
 - e. TCMC has a system in place to ensure the above requirements are met through appropriate recordkeeping
 - i. TCMC maintains a list of health care professionals that meet (1)(a)(ii).
 - f. TCMC regularly samples and reviews dispensing and medication administration records to ensure that only eligible outpatients receive 340B drugs.

E. **PURCHASING:**

1. 340B medications are purchased for outpatients only.
2. A list of active 340B drugs is noted under the Medicaid Drug Rebate Program via the link to the Centers for Medicare and Medicaid Services. Select link to "Medicaid Drug Rebate Program Data". http://www.cms.gov/MedicaidDrugRebateProgram/09_DrugProdData.asp.
3. Pursuant to Apexus FAQs as of September 2013, TCMC may determine that certain outpatient drugs are not "covered outpatient drugs" if the drugs are part of/incident to another service and payment is not made as direct reimbursement for the drug (Apexus FAQ ID: 2030). TCMC

- consistently applies its covered outpatient drug policy to different types of drugs and to all areas of the entity.
4. Since the GPO exclusion only applies to “covered outpatient drugs,” TCMC may purchase non-covered outpatient drugs through a GPO, other group purchasing arrangement, or other non-340B arrangement (e.g., direct purchase from manufacturer or purchase through non-340B PVP accounts).
 5. Per HRSA's exemption to the GPO exclusion, TCMC uses GPO drugs for outpatients in offsite facilities only when:
 - a. Facility is located at a different physical address than the parent hospital
 - b. Facility is not registered on the OPA 340B database as participating in the 340B program
 - c. Facility purchases drugs through a separate wholesaler account
 - d. TCMC maintains records demonstrating that any “covered outpatient drugs” purchased through a GPO at these sites are not used or otherwise transferred to the parent hospital or any outpatient facilities registered on the OPA 340B database.
 6. TCMC has established a non-340B, non-GPO account (e.g., WAC account) with its wholesaler or directly with the manufacturer to purchase “covered outpatient drugs” in the situations described
 7. All 340B medications for outpatient use are purchased through the 340B Pricing Program.
 - a. As a DSH hospital, purchase of medications through the group purchasing organization (GPO) for use in eligible outpatients is **prohibited**. The practice of “cherry picking”, defined as selecting a less expensive GPO drug over a 340B drug for an outpatient is **prohibited**.
 - b. The Prime Vendor Program is utilized to increase savings opportunities via the 340B program.
 8. All drugs identified for purchase on 340B recommended purchase orders, which are derived from outpatient charge reports, are ordered via the 340B account, unless any of the following occurs:
 - a. A product-specific NDC number is no longer available through 340B. In this case the replacement product is purchased under the 340B account.
 - b. The use of the 340B drug presents a patient safety issue.
 9. Pharmaceutical companies are responsible for providing 340B drug prices to the wholesaler in a timely manner

F. WHOLESALE ORDERING

1. Separate accounts are maintained with TCMC's hospital medication wholesaler.
 - a. One account is specifically for purchasing 340B medications for outpatient use. This account is used for 340B eligible outpatient treatment areas and for items that have total outpatient utilization.
 - b. Another account(s) is used for inpatient purchasing and may utilize a GPO. This account may also be used to purchase medications, devices, diagnostic agents, etc. that are bundled together with other supplies and services into one procedural charge code. Examples include but are not limited to are anesthesia gases and contrast agents.

G. **CHANGES TO WHOLESALE DRUG ORDERING PROCEDURES**

1. For the purpose of 340B compliance, changes in wholesaler drug ordering procedures are managed using the following guidelines:
 - a. Long Term Shortages - for situations in which there will be an extensive shortage of a medication (e.g., manufacturer backorder), the following steps occur:
 - i. The pharmacy information system is updated with the new NDC number.
 - ii. It is assumed that drugs in stock in the pharmacy as of this date will be used on qualified outpatients for the next 30 days.
 - iii. The 340B database is updated 30 days later to allow existing inventory to be used.
2. GPO Contract Rolls - the following steps occur:
 - i. Identify the start date of the new contract(s).
 - ii. The pharmacy information system is updated with the new NDC number.
 - iii. It is assumed that drugs in stock in the pharmacy as of this date will be used on qualified outpatients for the next 30 days.
 - iv. The 340B database is updated 30 days later to allow existing inventory to be used.
3. Package Size Changes – products are tracked by NDC and mapped to the appropriate CDM for billing and dispensation information.

H. **INVENTORY STORAGE AND REPLENISHMENT**

1. TCMC uses a virtually separate inventory to segregate 340B drugs from non-340B drugs in those areas where both 340B and non-340B drugs are used.
2. Physical inventory separation is used for 340B medications when the medications are exclusively used in areas identified as clean on the cost center list. For example, medications ordered for the outpatient infusion clinic are stored in a separate location from inpatient drugs.
3. Split-billing software automatically determines the eligibility of patients and medications dispensed; and maintain a 340B virtual drug inventory to assist the Pharmacy in the operation of its 340B Program. This software is used in 'mixed use' patient population where both outpatient and inpatient medications are used; and in some instances, in the 340B settings where only outpatient medications are used.
4. Charges are fed into the appropriate accumulator
 - a. Charges for drugs dispensed or administered to outpatients that meet the 340B definition of "patient" and received services at a site registered with OPA are fed into the 340B accumulator
 - b. Charges for drugs given to inpatients are fed into the GPO accumulator
 - c. The following charges are purchased through a non-GPO, non-340B (e.g. WAC) account:
5. Charges for drugs that cannot be replenished at the 11-digit National
 - a. Drug Code (NDC) level
 - b. Charges for drugs dispensed or administered to an outpatient who received services at a clinic that is within the four walls of the hospital but is not 340-B eligible or at an offsite

clinic that is not registered with OPA to participate in 340B, unless the offsite clinic qualifies for the exception listed in ...

- c. Lost charges
6. TCMC makes its initial purchase of any new NDC using its non-340B account, non-GPO account.
7. TCMC does not replenish a drug based on what is listed in an accumulator until the amount used has reached a full package size.
8. TCMC replenishes waste using its 340B account if the waste can be attributed to a 340B-eligible patient and supported by documentation. Similarly, TCMC replenishes waste with its GPO account if the waste can be attributed to an inpatient and supported by documentation.
9. TCMC purchases anything beyond what is listed in its 340B and GPO accumulators using a non-340B, non-GPO account.
10. TCMC replenishes drugs based on an 11-digit NDC match unless the 11-digit NDC replenishment is not possible.
 - a. If 11-digit NDC replenishment is not possible, TCMC replenishes at the 9-digit NDC level
 - i. When using 9-digit NDC replenishment, TCMC maintains records demonstrating that the appropriate amounts of a drug are replenished from the same manufacturer, regardless of package size.
 - ii. If the package size under a drug's billing code (e.g., J code) changes, TCMC updates the code in the hospital's billing system to ensure the drug accumulates and is replenished under the appropriate NDC.

I.

PRICING

1. Prescriptions for outpatient medications are priced according to specific price agreements with payers.
2. Prescriptions for Medi-Cal patients are priced in accordance with state requirements.
 - a. TCMC will use 340B drugs for Medicaid/Medi-Cal patients.
 - b. TCMC will confirm that all Medicaid billing numbers and NPIs used by the hospital to bill Medicaid for 340B drugs are listed in Medicaid's exclusion file database.

J.

MONITORING AND AUDITING - The following guidelines are used for the purpose of monitoring 340B compliance:

1. Monthly: Database Crosswalk
 - a. Randomly select any drugs from the Pharmacy Information System.
 - b. Record the NDC number assigned to each drug product.
 - c. Determine if each NDC number matches the NDC number of the product on the shelf.
 - d. Review accuracy of units of measure for each product.
 - e. Validate that the product is currently mapped accurately in the database crosswalk.
2. Quarterly: Validation of Eligibility
 - a. Log onto the Office of Pharmacy Affairs web site to validate participation in the program.
<http://www.hrsa.gov/opa/introduction.htm>.
 - b. Review the hospital Medicare Cost Report to identify:
 - i. Changes in classifications of departments and outpatient treatment areas.

- ii. The DSA% (Medicare Cost Report line 4.03 on worksheet E Part A) remains at 11.75% or higher; or at or above 8% respectively for DSH and SCH covered entities.
- 3. Wholesaler Pricing
 - a. The availability of the prices will be verified by random checks of pricing in the wholesaler database.
- 4. Compliance Checklists
 - a. Complete SNHPA's 340B Compliance Checklist. Any significant findings should have a recommended corrective action plan and be reported to Chief Financial Officer.
 - b. Complete Automated Inventory Management Audit Plan Check Sheet as defined by the proprietary software.

Administrative Policy

ISSUE DATE: 1/14

SUBJECT: Overview of Hospital's 340B
Obligations

REVISION DATE:

POLICY NUMBER:

Administrative Policies & Procedures Committee Approval:
Professional Affairs Committee Approval:
Board of Directors Approval:

07/14

A. PURPOSE:

1. The purpose of this policy is to provide the background, definitions, and general compliance obligations relating to the 340B drug discount program. The definitions and policies have been established to help govern decisions regarding all 340B transactions and to ensure they are highly auditable. Specific information regarding how to comply with each compliance obligation is provided in subsequent policies.

B. POLICY STATEMENT:

1. Tri-City Medical Center will comply with all applicable requirements of the 340B drug discount program as set forth in these policies and procedures.

C. BACKGROUND:

1. The 340B drug pricing program is a federal program that requires participating pharmaceutical manufacturers to sell "covered outpatient drugs" at a discount to certain types of providers, referred to as "covered entities." Drug manufacturers that would like for their products to be covered and reimbursed under Medicaid and/or Medicare Part B must enter into pharmaceutical pricing agreements (PPAs) with the Secretary of the Department of Health and Human Services (HHS). Such manufacturers may not sell covered outpatient drugs above 340B ceiling prices to covered entities. Significant savings on pharmaceuticals may be seen by those providers that participate in this program. 340B drugs prices are calculated quarterly.
2. The 340B program is administered by the Office of Pharmacy Affairs (OPA), which is located within the Health Resources and Services Administration (HRSA) within HHS. OPA and HRSA are responsible for interpreting and implementing the program.
3. Hospitals that participate in the 340B program face a number of critical compliance responsibilities including:
 - a. Using 340B drugs only for eligible "patients"
 - b. Using 340B drugs only on an outpatient basis
 - c. Registering the main hospital and all offsite outpatient facilities that use 340B drugs with OPA
 - d. Not billing Medicaid on a fee-for-service basis for 340B drugs, if doing so will result in duplicate discounts
 - e. Not purchasing covered outpatient drugs through a group purchasing organization (GPO) or other group purchasing agreement
 - f. Maintaining auditable records
 - g. Maintaining compliance with eligibility criteria and notifying OPA if the hospital loses eligibility.

4. Maintaining the 340B inventory either physically or virtually separate from non-340B inventory
5. Self-reporting to OPA any material breach of 340B requirements.
6. Information about the 340B drug discount program can be found at <http://www.hrsa.gov/opa>. This site is where covered entity's registration information is posted and where all updates of such information are performed.

D. **DEFINITIONS:**

1. **340B Ceiling Price:** The maximum price that manufacturers can charge covered entities. The 340B discount is calculated using the Medicaid rebate formula and the rebate amount is deducted from the manufacturer's selling price rather than paid as a rebate. Compared to the drug's Average Manufacturer Price (AMP), covered entities receive a minimum discount of 23.1% for brand name drugs (except clotting factor and drugs approved exclusively for pediatric use), and 13% for generic and over-the-counter drugs. Brand name drugs are entitled to an additional discount if a manufacturer's best price for a drug is lower than AMP minus 23.1% for that drug or if the price of the drug has increased more quickly than the rate of inflation. Covered entities are free to negotiate discounts that are lower than the maximum allowable statutory price, i.e., sub-ceiling prices.
2. **340B Eligible "Covered Entity":** The statutory name for facilities and programs eligible to purchase discounted drugs through the Public Health Service's 340B Drug Pricing Program
3. **340B Prime Vendor Program:** The original 340B statute required HHS to create a "prime vendor" program for the entities participating in the 340B drug discount program. The prime vendor's key responsibilities are to negotiate prices below 340B ceiling price and provide distribution services for covered entities that choose to join the program. As of September 2012, the prime vendor's duties were expanded to include providing technical assistance to covered entities. The prime vendor works with a variety of wholesalers in distribution of pharmaceuticals and provides other value-added services (e.g. vaccines). HRSA has a contract with Apexus to serve as the prime vendor. Participation in the prime vendor program is optional for covered, though they may be able to access more favorable prices through the prime vendor program than they would on their own.
4. **Actual Acquisition Cost (AAC):** The net cost of a drug paid by pharmacy. It varies with the size of container purchased (e.g., 10 bottles of 100 tablets typically costs more than one bottle of 1,000 tablets) and the source of the purchase (manufacturer or wholesaler). A drug's AAC includes discounts, rebates, charge backs and other adjustments to the price of the drug, but excludes dispensing fee.
5. **Average Wholesale Price (AWP):** A national average of list prices charged by wholesalers to pharmacies. AWP is sometimes referred to as the "sticker price" because it is not the actual price that larger purchasers normally pay. For example, in a study of prices paid by retail pharmacies in eleven states, the average acquisition price was 18.3 percent below AWP. Discounts for health maintenance organizations and other large purchasers can be even greater.
6. **Covered Entities:** The statutory name for a facility or program eligible to purchase discount through the 340B program.
7. **Covered Outpatient Drugs:** The category of drugs for which manufacturers must pay rebates to state Medicaid agencies under the Medicaid rebate program and give 340B discounts to covered entities under the 340B program. The 340B statute defines "covered outpatient drug" by referencing the definition found in the Medicaid rebate statute at 42 USC §1396r-8(k) (2). As

of November 2012, OPA explained on its website that the 340B program generally covers the following outpatient drugs:

- i. Prescription drugs approved by the Food and Drug Administration (FDA)
- ii. Over-the-counter (OTC) drugs dispensed pursuant to a prescription
- iii. Biological products that can be dispensed only by prescription (other than vaccines)
- iv. FDA-approved insulin

OPA further cautions that "drugs purchased under the 340B program must be limited to outpatient use and provided to eligible patients. Whether a drug qualifies as outpatient and the individual meets the definition of patient depends upon the factual circumstances surrounding the care of that particular individual."

8. **Disproportionate Share Hospital (DSH):** A hospital with a disproportionately large share of low income patients. The Medicare and Medicaid programs augment payments to DSH hospitals to compensate for the added financial burden.
9. **Disproportionate Share Adjustment (DSA):** The Medicare disproportionate share adjustment is an additional Medicare payment to hospitals which treat a high percentage of low-income patients. The factors used to calculate this adjustment are the sum of the ratios of Medicare Part A Supplemental Security Income (SSI) patient days to total Medicare patient days, and Medicaid patient days to total patient days in the hospital. A figure that is used in the calculation of hospital's Medicare DSH adjustment, which is an add-on to Medicare prospective payment system payments, available only to hospitals that serve a disproportionate number of indigent patients. In the context of eligibility for the 340B program, the Medicare DSH adjustment percentage serves as a proxy of how many indigent or low-income patients are served by the hospital. DSH hospitals must have a Medicare DSH adjustment that exceeds 11.75% to qualify for 340B.
10. **Manufacturer:** For purposes of the 340B program, a "manufacturer" is defined to include any entity engaged in:
 - i. The production, preparation, propagation, compounding, conversion, or processing of prescription drug products, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, or
 - ii. The packaging, repackaging, labeling, relabeling, or distribution of prescription drugs.
 - b. Such term does not include a wholesale distributor of drugs or a retail pharmacy licensed under State Law. 42 USC §1396r-8(k) (5). "Manufacturer" also includes an entity, described in (i) or (ii) above, that sells outpatient drugs to covered entities, whether or not the manufacturer participates in the Medicaid rebate program.
11. **Medicare Cost Report:** Required by CMS, an annual financial report that details all fixed and variable costs expensed to the care of Medicare patients.
12. **HRSA:** Health Resources and Services Administration of the Department of Health and Human Services. The agency within HHS that is charged with improving access to health services for people who are poor and uninsured or live in areas where health care resources are scarce. Working in partnership with many state and community organizations, HRSA also supports programs that help to ensure the health of mothers and children, increase the number and diversity of health care professionals in underserved communities, and provide supportive

- services for people fighting HIV/AIDS through the Ryan White Care Act. The 340B program is administered by HRSA through its Office of Pharmacy Affairs.
13. **GPO Prohibition:** Prohibits 340B participating Disproportionate Share Hospitals (DSH), Children's Hospitals (PED), and Free Standing Cancer Hospitals (CAN) from obtaining covered outpatient drugs through group purchasing organizations.
 14. **Wholesale Acquisition Cost (WAC):** The price paid by a wholesaler (or direct purchasers) in the United States for drugs purchased from the drug's manufacturer or supplier. On financial statements, the total of these amounts equals the wholesaler's cost of goods sold.
 15. **Parent/Child Sites:** The primary covered entity is often referred to as the "parent" site. All outpatient services of the covered entity that are not located within the four walls of the parent location (same physical address) must be registered on the HRSA/OPA database as a "child" of the covered entity (Parent).
 16. **Medicaid Carve-out:** 340B entities may elect to purchase drugs for Medicaid patients on a non-340B contract. This activity is termed a "Medicaid carve-out." Entities may choose to do this in order to receive fair Medicaid reimbursement (many states reimburse entities that use 340B for Medicaid patients on a cost plus dispensing fee basis, as the dispensing fee is often not high enough to cover costs). Entities must inform OPA whether they are carving in or out.
 17. **National Drug Code (NDC):** The NDC is the identifying drug number maintained by the Food and Drug Administration. The NDC number specifies drug identity, package size, and manufacturer. NDC numbers can be reported in nine-digit format, which represents a weighted average of all package sizes for a particular drug, or 11-digit format, which is package-size-specific. Manufacturers that have executed pharmaceutical pricing agreements report quarterly information to OPA by NDC number including labeler code, product code, and package size code. NDCs are used by Medicaid programs to identify specific drugs on which rebates and supplemental rebates are due.
 18. **Pharmaceutical Pricing Agreement (PPA):** An agreement that a drug manufacturer must enter into with the HHS Secretary as a condition of Medicaid or Medicare Part B covering and reimbursing the manufacturer's covered outpatient drugs. An executed PPA obligates the manufacturer to comply with the terms of the 340B program which include, for example, providing a 340B discount on covered outpatient drugs.
 19. **Ship-To Address or Shipping Address:** A "ship to" or "shipping" address is an address authorized to receive 340B drugs on behalf of a hospital parent or child site and is registered as such on the OPA website. Because pharmacies are not permitted to be registered as covered entity sites, they may be listed as shipping addresses of the parent entity or registered outpatient child site, depending on which location the pharmacy serves.
 20. **Wholesaler:** A wholesaler is a company that purchases drugs from a supplier, usually the manufacturer, for the purpose of distributing the drugs to pharmacies, hospitals, physicians and other purchasers that dispense and/or administer drugs to patients. Wholesalers are regulated under federal and state law and, as a result, are subject to numerous standards designed to protect the integrity of drug products.

E. **PROCEDURES:**

1. Covered entities are prohibited from selling, giving, or otherwise transferring covered outpatient drugs purchased under the program to anyone other than a "patient" of the covered entity as defined under HRSA guidance.

2. Covered entities are prohibited from requesting payment under Medicaid for a covered outpatient drug purchased under the 340B program and billed on a fee-for-service, non-managed care basis, if the state claims a Medicaid rebate for the same covered outpatient drug from the manufacturer. If the covered entity plans to bill Medicaid for such drugs, then the entity must provide OPA with the relevant Medicaid billing number(s) and/or National Provider Identifier(s).
3. 340B hospitals must monitor their continuing eligibility to participate in the 340B program, must inform HRSA if it is determined that the hospital or any of its child sites are no longer eligible (e.g., hospital was sold, services were discontinued), and must cease purchasing 340B drugs for the hospital or its registered outpatient sites once the hospital has concluded such locations are no longer eligible.
4. The main hospital, all off-site hospital outpatient locations that dispense or otherwise use 340B Drugs must be registered with OPA.
5. The 340B information on the OPA website database (<http://opanet.hrsa.gov/opa/CESearch.aspx>) should be reviewed and updated as needed, but no less often than annually.
6. DSH hospitals enrolled in the 340B program are not allowed to purchase covered outpatient drugs through a GPO or other group purchasing arrangement.
7. All 340B covered entities must maintain auditable records that demonstrate compliance with 340B program requirements and are accessible to government auditors, manufacturers or any other party authorized to audit the covered entity's 340B program. Auditable records will be maintained for a period of time that complies with federal, state, and local requirements.
8. No 340B purchased drugs may be dispensed, administered, or otherwise transferred to a hospital inpatient.
9. The covered entity must retain ownership of the 340B drugs purchased through the approved wholesaler. Although the 340B inventory is the covered entity's property, it must be kept physically or virtually separate from drugs purchase for inpatient use. This can be done by physical or virtual separation. Virtual separation of 340B drugs requires tracking and replenishment at the NDC-11 level.

F. **References/Resources:**

1. <http://www.hrsa.gov/opa/index.html>
2. <http://opanet.hrsa.gov/opa/CESearch.aspx>
3. <https://www.340bpvp.com/controller.html>
4. <http://snhpa.org/public/index.cfm>

Infection Control Policy Manual

ISSUE DATE: 7/2003

SUBJECT: Hand Hygiene

NEXT REVIEW DATE: 7/2017

STANDARD NUMBER: IC. 8

REVISED: 4/08, 7/14

Infection Control Committee Approval: 7/14

Medical Executive Committee Approval: 7/14

Professional Affairs Committee Approval:

Board of Directors Approval:

A. **PURPOSE:**

1. The purpose of hand hygiene is to remove microorganisms and reduce the risk of transmitting disease and/or significant pathogens to patients, healthcare workers, **environment**, and visitors.

B. **GENERAL INFORMATION:**

1. Hand hygiene is the single most important activity for preventing transmission of infectious microorganisms.
2. Multiple studies have shown that the hands of healthcare workers carry large numbers of germs. Transient flora are acquired from patients or contaminated environmental surfaces and are more likely to cause ~~facility-acquired~~ **healthcare-associated** infections than resident flora – bacteria always found on the skin. Normal shedding of skin cells spreads germs that are carried on the skin.
3. Artificial Fingernails:
 - a. Long natural nails carry twice the number of germs compared to short (less than ¼ inch) natural fingernails. Freshly applied nail polish does not increase the number of bacteria but chipped nail polish may support the growth of larger numbers of organisms on fingernails.
 - b. **Pursuant to Center for Disease Control (CDC) guidelines, Tri City Health District employees who deliver direct patient care cannot wear artificial fingernails or nail jewelry and nails must be less than one fourth inch in length, clean and trimmed per Administrative Dress and Appearance Philosophy Policy #415.**
4. Wearing gloves does not provide complete protection against microorganisms. Up to 30% of healthcare workers who wear gloves during patient contact will be carrying germs from the patient they just touched after the gloves are removed. Bacteria and viruses gain access to their hands through small holes in gloves and/or during glove removal.
5. Adding soap to a partially empty soap container or "topping off" can lead to bacterial contamination of the soap.
6. **Three** ~~3~~ Indications for handwashing and hand antisepsis
 - a. Wash hands with hospital-approved soap and water when hands are visibly dirty or contaminated with blood or other potentially infectious material (all body fluids except sweat).
 - b. If hands are not visibly soiled, use an alcohol-based waterless antiseptic agent.
 - c. Standard Precautions include:
 - i. Perform hand hygiene after contact with any patient even for simple activities, such as ~~in~~-taking a pulse or blood pressure, or lifting a patient.

- ii. Perform hand hygiene after contact with body fluids or excretions, mucous membranes, non-intact skin, or wound dressings, as long as hands are not visibly soiled.
7. Perform hand hygiene if moving from a contaminated body site to a clean body site during patient care.
8. Perform hand hygiene after contact with inanimate objects (including medical equipment) in the immediate vicinity of the patient.
9. Perform hand hygiene before caring for patients
10. Decontaminate hands before donning gloves when performing invasive procedures such as inserting a intravascular catheter, indwelling urinary catheter or naso-gastric tube.
11. Decontaminate hands after removing gloves.

C. **HAND HYGIENE TECHNIQUES**

1. Waterless based products.
2. When decontaminating hands with a waterless alcohol-based ~~handrub~~**hand rub**, apply product to palm of one hand and rub hands together, covering all surfaces of hands and fingers, until hands are dry.
3. If an adequate volume of an alcohol-based ~~handrub~~**hand rub** is used, it should take 15 to 25 SECONDS for hands to dry. Follow the manufacturer's recommendations for the volume of product to use.
4. When washing hands with soap, wet hands first with warm water, apply 3 to 5 ml of detergent to hands and rub hands together vigorously for at least 15 seconds, covering all surfaces of the hands and fingers. Rinse hands with warm water and dry thoroughly with a disposable towel. Use the towel to turn off the faucet.
5. Surgical hand antisepsis - See Surgical Services Unit Specific Procedure #59 "Surgical Hand Asepsis" for details.
6. Gloves
 - a. Wear gloves when it can be reasonably anticipated that contact with blood or other potentially infectious materials, mucous membranes, and non-intact skin will occur.
 - b. Remove gloves after caring for a patient. Do not wear the same pair of gloves for the care of more than one patient, and do not wash gloves between patients.
 - c. Change gloves during patient care if moving from a contaminated body site to a clean body site.

~~e~~.D. **RELATED DOCUMENTS:**

- ~~d~~.1. **Dress and Appearance Philosophy Policy, Human Resources Policy #86401-415**

~~D~~.E. **REFERENCES:**

1. Center for Disease Control and Prevention. Guideline for Hand Hygiene in Health-Care Settings: Recommendations of the Healthcare Infection Control Practices Advisory Committee and the HICPAC/SHEA/APIC/IDSA Hand Hygiene Task Force. MMWR 2002;51(No.RR-16:1-45)
2. California OSHA, Title 8, Subchapter 7. General Industry Safety Orders, Group 16. Control of Hazardous Substances Article 109. Hazardous Substances and Processes, 5193. Bloodborne Pathogens. 1991, revised 1998.
3. US Dept. of Labor, OSHA Part 1910, Occupational Safety and Health Standards, -29 CFR Toxic and Hazardous Substances 1910.1030 Bloodborne Pathogens. 1991 rev. 1992, 1996 and 2001.



EMERGENCY DEPARTMENT POLICY MANUAL

ISSUE DATE: 05/04

SUBJECT: ED Saturation, Ambulance Diversion

REVISION DATE: 04/06, 06/06, 04/09, 02/11

POLICY NUMBER: 7010-002

| | |
|--|-------|
| Medical Department/Director Approval Date(s): | 10/14 |
| Department of Emergency Medicine Approval Date(s): | 10/14 |
| Pharmacy and Therapeutics Approval Date(s): | n/a |
| Medical Executive Committee Approval Date(s): | n/a |
| Professional Affairs Committee Approval Date(s): | |
| Board of Directors Approval Date(s): | 06/09 |

A. POLICY:

1. As a designated Base Hospital it is the responsibility of Tri-City Medical Center (TCMC) Mobile Intensive Care Nurse (MICN) in coordination with the Base Hospital Emergency Medicine Physician (BHMD) to make decisions regarding ambulance destination and diversion in accordance with County and State regulatory standards.

B. GRANTING DIVERSION: ONLY THE FOLLOWING REASONS MAY BE USED.

1. Emergency Department (ED) Saturation: The hospital's ED resources are fully committed and are not available for additional incoming ambulance patients. This includes such things as no monitors available for use in the ED; ED MD and Assistant Nurse Manager (ANM) or Charge RN agree that overall patient volume and acuity in the department have reached or exceeded a maximum level that can be safely handled by the current nursing and medical staff available.
2. Neuro/Ct Scan Unavailability: The hospital is unable to provide appropriate care due to non-functioning CT scan and/or unavailability of a Neurosurgeon (only for patients exhibiting possible neurological problems).
3. Internal Disaster: The hospital cannot receive any patients because of a disaster leading to a physical plant or operational breakdown (e.g. fire, bomb threat, power outage, etc.).

C. PROCEDURE:

1. The following reasons individually are NOT acceptable for approving ED diversion: (combined situations may be appropriate)
 - a. Full waiting room or long waiting room time.
 - b. No intensive care (ICU) or telemetry beds.
 - c. CT Scan down, with the exception of section B.2 which would be patient specific.
 - d. Staffing shortage, with the exception of B.1 above.
2. Before placing TCMC on diversion the following chain of communication will be followed for the purpose of problem solving, notification and final approval:
 - a. Emergency Department ANM or Charge RN.
 - b. Emergency Department Clinical Operations Manager.
3. When TCMC ED goes on diversion the MICN will change the bypass screen in the QA net computer.
4. The ED will come off diversion as soon as possible or after one (1) hour to receive at least one ambulance patient. At this time the ANM and/or Charge RN will notify the MICN to enter information into the QA Net Computer.
5. In order to return to diversion status, the steps in #2 and #3 must be followed.

6. In the case of anticipated prolonged periods of diversion, greater than three (3) hours, notification shall be made to the ED Clinical Operations Manager and Base Hospital Nurse Coordinator.
7. Base Hospital will attempt to honor diversion requests by the patient or EMS provider if:
 - a. The involved MICU (Mobile Intensive Units or ambulances) estimates that it can reach an "alternate" facility within a reasonable time. Reasonable considerations should be given to limit transport time to no more than twenty (20) minutes.
 - b. Patients are not perceived as exhibiting uncontrollable life threatening problems in the field (e.g. unmanageable airway, uncontrolled non-traumatic hemorrhage, or non-traumatic full arrest) or any other condition that warrants immediate physician intervention.
 - c. Patients meeting trauma criteria shall be transported according to Trauma Policies and Procedures.
8. When all the area receiving hospitals are requesting diversion due to ED saturation, diversion requests may not be honored and patients will be transported to the most accessible emergency medical facility within the area involved.
9. MICN's and Prehospital personnel will make the best effort to ensure ambulance patients are transported to their requested facility or facility where patient claims to obtain their healthcare.

C. **REFERENCES:**

1. California Health and Safety Code, Division 2.5, Section 1797.222.
2. California Code of Regulations, Title 13, Section 1105c.
3. San Diego County Division of Emergency Medical Services Policy S-010.

Governance & Legislative Committee Meeting Minutes
Tri-City Healthcare District
December 2, 2014

| Members Present: | | Larry Schallock, Chairperson; Director Paul Campo; Director Ramona Finnilla; Blake Kern, Community Member; Al Memmolo, Community Member; Eric Burch, Committee Community Member; Dr. Marcus Contardo, Physician Member; Dr. Henry Showah, Physician Member | | |
|---|---|--|-----------------------|--|
| Non-Voting Members: | | Greg Moser, General Counsel; Tim Moran, CEO | | |
| Others Present: | | Teri Donnellan, Executive Assistant; Trina Perez, Credentialing Specialist; Dr. Paul Slowik, Community Member | | |
| Absent: | | None | | |
| Topic | Discussion | Action Follow-up | Person(s) Responsible | |
| 1. Call To Order | The meeting was called to order at 12:35 p.m. in Assembly Room 3 at Tri-City Medical Center by Director Schallock, Committee Chairman. | | | |
| 2. Approval of Agenda | It was moved by Director Campo to approve today's agenda as presented. Director Finnilla seconded the motion. The motion passed unanimously. | Agenda approved. | | |
| 3. Comments from members of the public | Chairman Schallock read the Public Comments announcement as listed on today's Agenda. | There were no public comments. | | |
| 4. Ratification of prior Minutes | It was moved by Director Finnilla and seconded by Ms. Blake Kern to ratify the minutes of the November 4, 2014 Governance & Legislative Committee. The minutes were approved unanimously. | Minutes ratified. | Ms. Donnellan | |
| 5. Old Business | | | | |
| a. Review of revision for TCHD Bylaws – Article IV, Section 9 | In follow-up to discussion at the committee's October meeting, Mr. Moser reviewed revisions to TCHD Bylaws – Article IV, Section 9 which recognizes the Chair's authority to attend or designate another Board member to attend meetings of the District including but not limited to the Medical Executive Committee, Foundation and Auxiliary Board meetings. The revision also gives the | | | |

| Topic | Discussion | Action Follow-up | Person(s) Responsible |
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| | <p>Chair authority to remove a designee at any time at their sole discretion. Discussion was held regarding the current rotation schedule for meetings of this type and it was recommended this practice continue for 2015 with Board members assigned to the monthly meetings as described above on an alphabetical basis. Chairman Schallock clarified the designee has no voting authority at these meetings.</p> <p>It was recommended Article I Section 2. b. be revised to read as follows: "to assure the highest level of patient care in the hospital". It was also recommended that revisions be made to reflect the correct title of the Compliance Officer throughout (Chief Compliance Officer) and consistently capitalize the word Board and Medical Staff throughout.</p> <p>Discussion was held regarding Article II Section 7. Absences from Meetings. Mr. Moser explained the statute is stricter than our policy in that Special Meetings would be counted toward absences according to the statute. Mr. Moser also clarified that Committee meetings are not considered Board meetings and would not be cause for removal from office; however, the Chair would have the authority to remove the Board member from the committee seat.</p> <p>It was suggested when the Board policies are reviewed next spring Board Policy 14-042 Duties of the Board of Directors include the expectation that Board members assigned to committees fulfill their duties.</p> <p>It was moved by Director Campo to recommend approval of the revisions to the TCHD Bylaws as presented and amended as described. Mr. Eric Burch seconded the motion. The motion passed unanimously.</p> | <p>Recommendation to be sent to the Board of Directors to approve the revisions to TCHD Bylaws as presented and amended as described; item to appear on next Board agenda and included in Board Agenda packet</p> | Ms. Donnellan |
| b. Review of revision to Board Policy 14-028 – Authorizing Governance & Legislative Committee Meeting | In follow-up to discussion at the Committee's October meeting, Mr. Moser reviewed the revisions to Board | | |
| | | -2- | December 2, 2014 |

| Topic | Discussion | Action Follow-up | Person(s) Responsible |
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| Directors to Represent the District in Advocacy | <p>Policy #14-028 which addresses attendance expectations by Board members at other organizations, District committee meetings or District Board meetings at which the Board member has been designated to attend.</p> <p>There was a typographical error noted in paragraph 2, last sentence.</p> <p>Discussion was held regarding consequences to Board members who do not obey the policy. Mr. Moser referred the committee to the Board Policy related to Code of Conduct.</p> <p>It was moved by Director Finnilla to recommend approval of the revisions to Board Policy 14-028 as presented and amended as described. Mr. Eric Burch seconded the motion. The motion passed unanimously.</p> | <p>Recommendation to be sent to the Board of Directors to approve Board Policy 14-028 – Authorizing Directors to Represent the District in Advocacy as presented and amended as described to correct typographical error; item to appear on next Board agenda and included in Board Agenda packet.</p> | Ms. Donnellan |
| <p>c. Review of revisions to Board Policy 14-008 – Records Retention and Destruction for consistency with Administrative Policy 8610-237 – Hospital Records Retention</p> | <p>In follow-up to discussion at the committee's October meeting, Mr. Moser reviewed the revisions to Board Policy 14-008 – Records Retention and Destruction. Ms. Colleen Thompson, Director of Medical Records explained the process currently used for destruction of records and our relationship with Iron Mountain. Mr. Moser stated the District currently keeps records longer than we are legally required to do so. Ms. Thompson explained that Medical Records are kept for 25 years. She also reviewed the format of the proposed policy noting it is more user friendly and eliminates the need for other policies such as clinical research. Ms. Thompson clarified we no longer microfilm records however past records may be stored on microfilm.</p> <p>Ms. Thompson asked Dr. Contardo if the policy as written is consistent with the Lab's policy. Dr. Contardo provided background on the Lab's retention of records</p> | | |

| Topic | Discussion | Action Follow-up | Person(s) Responsible |
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| | <p>and slides. He explained there is no way of knowing the ages of patients in the slides. A duplication of Pathology reports and slides" was noted on page 13 on the policy. Upon further discussion it was recommended those records be kept for 25 years.</p> <p>Director Campo recommended a record retention space analysis be performed.</p> <p>It was moved by Director Campo to approve the revisions to Board Policy 14-008 – Records Retention and Destruction Paul as presented and amended as described. Director Finnilla seconded the motion. The motion passed unanimously.</p> | <p>Recommendation to be sent to the Board of Directors to approve the revisions to Board Policy 14-008 – Records Retention and Destruction as presented and amended; item to appear on next Board agenda and included in Board Agenda packet.</p> | Ms. Donnellan |
| <p>6. New Business</p> <p>a. Medical Staff Policies:</p> <p>1) Physician Orders/Family Members, 8710-529</p> <p>2) Pathology: Scope of Services & Responsibilities</p> | <p>Chairman Schallack explained the Physician Orders/Family Members Medical Staff policy is in place to outline the ethical and compliance issues for a physician who wants to order tests or therapies on themselves or their family members. No revisions were suggested to the policy.</p> <p>It was moved by Director Finnilla to recommend approval of Medical Staff Policy 8710-529 as presented. Ms. Blake Kern seconded the motion. The motion passed unanimously.</p> <p>Dr. Marcus Contardo explained the Pathology: Scope of Services & Responsibilities defines the breadth and availability of clinical laboratory services made available to the patients of the Medical Center. No revisions were suggested.</p> <p>It was moved by Ms. Blake Kern to recommend approval of the Pathology: Scope of Services & Responsibilities as presented. Director Campo seconded the motion. The motion passed</p> | <p>Recommendation to be sent to the Board of Directors to approve Medical Staff Policy Physician Orders/Family Members #8710-529 as presented; item to appear on next Board agenda and included in Board Agenda packet</p> <p>Recommendation to be sent to the Board of Directors to approve Pathology: Scope of Services & Responsibilities as presented; item to</p> | Ms. Donnellan |

| Topic | Discussion | Action Follow-up | Person(s) Responsible |
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| | unanimously. | appear on next Board agenda and included in Board Agenda packet. | |
| b. Interviews of community candidates for open community seat on Governance & Legislative Committee: 1) Mary Regan 2) Paul Slowik, D.P.M. | <p>Chairman Schallock reported candidate Mary Regan withdrew her application for the open seat on the Governance & Legislative Committee.</p> <p>Chairman Schallock invited Dr. Paul Slowik to review his background with the committee and his desire to serve on the committee.</p> <p>Dr. Slowik stated he had been on staff at Tri-City for 25 years prior to retiring due to health issues. During that time Dr. Slowik served as Chief of Podiatry and also maintained his private practice. Dr. Slowik explained he was responsible for the implementation of a new directive which allowed Podiatrists to admit their own patients. Dr. Slowik stated he is a detail oriented individual who is interested in giving back to Tri-City and the community and believes he would be a worthwhile addition to the committee.</p> <p>It was moved by Director Finnla to recommend approval of Dr. Paul Slowik to the open community seat on the Committee. Dr. Contardo seconded the motion. The motion passed unanimously.</p> | <p>Recommendation to be sent to the Board of Directors to appoint Dr. Paul Slowik to the open community seat on the committee; ; item to appear on next Board agenda and included in Board Agenda packet.</p> | Ms. Donnellan |
| 7. Discussion regarding Current Legislation | Chairman Schallock reported the legislature is back in session however there is nothing to report at this time. | None | |
| 8 Review of FY2015 Committee Work Plan | The FY2015 Committee Work Plan was included in today's meeting packet for reference. | Information only. | |
| 9. Committee Communications | Director Campo stated today is his last meeting of the Committee and he expressed his appreciation to Drs. | Information only. | |

| Topic | Discussion | Action Follow-up | Person(s) Responsible |
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| | <p>Contardo and Showah who are exemplary of the fine physicians here at Tri-City. He also acknowledged the community members who volunteer their time on the committee.</p> <p>Chairman Schallock acknowledged Director Campo and his vast knowledge that he brought to both the Board and the Committee.</p> | | |
| 10. Community Openings – One | The committee recommended Dr. Paul Slowik fill the open community seat. | Ratification of Dr. Slowik's appointment will occur at the December 11, 2015 Board of Directors meeting. | |
| 11. Confirm date and time of next meeting | The committee's next meeting is scheduled for Tuesday, January 6, 2015, at 12:30 p.m. | Committee will meet on January 6, 2015.. | |
| 12. Adjournment | Chairman Schallock adjourned the meeting at 1:40 p.m. | | |

TRI-CITY HEALTHCARE DISTRICT

BYLAWS

Approved ~~May 29, 2014~~ December 11, 2014

[proposed change in article IV]

PREAMBLE

The name of this District shall be TRI-CITY HEALTHCARE DISTRICT, organized December 10, 1957, owning and operating TRI-CITY MEDICAL CENTER, under the terms of The Local Health Care District Law of the State of California (H&S Code § 32000 et seq.)

The objectives of this District shall be to promote the public health and general welfare of the communities it serves.

This District shall be empowered to receive and administer funds for the attainment of these objectives, in accordance with the purposes and powers set forth in The Local Health Care District Law of the State of California (H&S Code § 32000 et seq.) and other applicable law.

ARTICLE I

Purposes and Scope

Section 1. Scope of Bylaws.

These Bylaws shall be known as the "District Bylaws" and shall govern the TRI-CITY HEALTHCARE DISTRICT, its Board of Directors, and all of its affiliated and subordinate organizations and groups.

The Board of Directors may delegate certain powers to the Medical Staff and to other affiliated and subordinate organizations and groups, such powers to be exercised in accordance with the respective Bylaws of such groups. All powers and functions not expressly delegated to such affiliated or subordinate organizations or groups in the Bylaws of such other organizations or groups are to be considered residual powers vested in the Board of Directors of this District.

The Bylaws of the Medical Staff and other affiliated and subordinate organizations and groups, and any amendments to such Bylaws, shall not be effective until they are approved by the Board of Directors of the TRI-CITY HEALTHCARE DISTRICT. In the event of any conflict between the Bylaws of the Medical Staff and any other affiliated or subordinate organization or group, and the provisions of these District Bylaws, these District Bylaws shall prevail. In the event the District Bylaws are in conflict with any statute of the State of California governing hospital and health care districts, such statute shall be controlling.

Section 2. Purposes.

The purposes of the TRI-CITY HEALTHCARE DISTRICT shall include, but not necessarily be limited to, the following:

- a. Within the limits of community resources, to provide the best facilities and services possible for the acute and continued care of the injured and all, regardless of race, creed, national origin, age or disability.
- b. To assure ~~one~~ the highest level of patient care in the hospitals of the District.
- c. To coordinate the services of the District with community agencies and other hospitals providing health care services.
- d. To conduct educational and research activities essential to the attainment of its purposes.
- e. To do any and all other acts necessary to carry out the provisions of the Local Health Care District Law, other applicable law, and District Bylaws and policies.

Section 3. Profit or Gain.

There shall be no contemplation of profit or pecuniary gain, and no distribution of profits, to any individual, under any guise whatsoever, nor shall there be any distribution of assets or surpluses to any individual on the dissolution of this District.

Revised May, 2014

Section 4. Disposition of Surplus.

Should the operation of the District result in a surplus of revenue over expenses during any particular period, such surplus may be used and dealt with by the Directors for charitable hospital purposes, such as the establishment of free or part-free hospital beds, or for improvements in the hospital's facilities for the care of the sick, injured, or disabled, or for other purposes not inconsistent with the Local Health Care District Law, other applicable law, and District Bylaws and policies.

ARTICLE II

OFFICES

Section 1. Offices.

The principal office for the transaction for the business of the TRI-CITY HEALTHCARE DISTRICT is hereby fixed at TRI-CITY MEDICAL CENTER, 4002 Vista Way, Oceanside, California. Branch offices may at any time be established by the Board of Directors at any place within or without the boundaries of TRI-CITY HEALTHCARE DISTRICT, for the benefit of TRI-CITY HEALTHCARE DISTRICT and the people served by TRI-CITY HEALTHCARE DISTRICT.

Section 2. Mailing Address.

The mailing address of TRI-CITY HEALTHCARE DISTRICT shall be as follows:

TRI-CITY HEALTHCARE DISTRICT
c/o Tri-City Medical Center
4002 Vista Way
Oceanside, CA 92056

Revised May, 2014

ARTICLE III

DIRECTORS

Section 1. Number, Qualifications, Election or Appointment.

The Board of Directors shall consist of seven (7) members, who are elected (or appointed) in accordance with the Local Health Care District Law of the State of California, and other applicable law, each of whom shall be a registered voter, residing in the District. The members of the Board of Directors shall be elective officers of the local health care district. (H&S Code §§ 32100 and 32100.5.)

Section 2. Term.

The term of each member of the Board of Directors elected shall be four (4) years, or until his or her successor is elected and has qualified. The person receiving the highest number of votes for each office to be filled at the health care district general election shall be elected thereto. A member of the Board of Directors elected (or appointed pursuant to the provisions of the Uniform District Election Law, Elections Code §§ 10500-10556) shall take office at noon on the first Friday in December next following the District general election. (H&S Code §§ 32002, 32100 and 32100.5; Elections Code § 10554.)

Section 3. Powers and Duties.

The Board of Directors shall have and exercise all the powers of a Health Care District set forth in the Local Health Care District Law (H&S Code § 32000 et seq.), other applicable law, and District Bylaws and policies, as well as the powers listed herein:

- a. To control and be responsible for the management of all operations and affairs of the District.
- b. To make and enforce all rules and regulations necessary for the administration, government, protection, and maintenance of hospitals and other facilities under District jurisdiction.
- c. To appoint the President/Chief Executive Officer and to define the powers and duties of such appointee.
- d. To appoint the Chief Compliance Officer ~~and Vice President, Legal Affairs~~ and to define the powers and duties of such appointee(s).
- e. To delegate certain powers to the Medical Staff and other affiliated or subordinate organizations in accordance with their respective bylaws. The Medical Staff shall notify the Board of Directors upon election of the Chief of the Medical Staff and of all Chairpersons of the various medical departments and services, whose powers and duties shall be defined by the Medical Staff Bylaws as approved by the Board of Directors.

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- f. To approve or disapprove all constitutions, bylaws, rules and regulations, including amendments thereto; of all affiliated or subordinate organizations.
- g. To appoint, promote, demote and remove all members of the Medical Staff. The Medical Staff shall make recommendations in this regard.
- h. To establish policies for the operation of this District, its Board of Directors and its facilities.
- i. To designate by resolution persons who shall have authority to sign checks drawn on the funds of the District.
- j. To do any and all other acts necessary to carry out the provisions of these Bylaws or the provisions of the Local Health Care District Law and other applicable law.
- k. To negotiate and enter into agreements with independent contractors, including physicians, paramedical personnel, other agencies and other facilities within the District's jurisdiction. (H&S Code §§ 32121 and 32128.)

Along with the powers of the Board of Directors, it shall be the duty of the Board of Directors to establish rules of the hospitals and other facilities within District jurisdiction, which shall include the following:

- aa. Provision for the organization of physicians and surgeons, podiatrists, and dentists, licensed to practice in the State of California who are permitted to practice in the hospitals and other facilities within District jurisdiction into a formal ~~medical staff~~ Medical Staff, with appropriate officers and bylaws and with staff appointments on an annual or biennial basis.
- bb. Provision for a procedure for appointment and reappointment of ~~medical staff~~ Medical Staff as provided by the standards of the Joint Commission on Accreditation of Healthcare Organizations.
- cc. Provision that the ~~medical staff~~ Medical Staff shall be self governing with respect to the professional work performed in hospitals and other facilities within District jurisdiction; that the ~~medical staff~~ Medical Staff shall meet in accordance with the minimum requirements of the Joint Commission on Accreditation of Healthcare Organizations; and that the medical records of the patients shall be the basis for such review and analysis.
- dd. Provision that accurate and complete medical records be prepared and maintained for all patients.
- ee. Limitations with respect to the practice of medicine and surgery in the hospitals and other facilities within District jurisdiction as the Board of Directors may find to be in the best interests of the public health and welfare, including appropriate provision for proof of ability to respond in damages by applicants for staff membership, as long as no duly licensed physician and surgeon is excluded from staff membership solely because he or she is licensed by the Osteopathic Medical Board of California.

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Members of the Board of Directors shall also have the following duties:

- aaa. Duty of Care. Directors shall exercise proper diligence in their decision-making process by acting in good faith in a manner that they reasonably believe is in the best interest of the District, and with the level of care that an ordinarily prudent person would exercise in like circumstances.
- bbb. Duty of Loyalty. Directors shall discharge their duties unselfishly, in a manner designed to benefit only the District and not the Directors personally or politically, and shall disclose to the full Board of Directors situations that they believe may present a potential for conflict with the purposes of the District.
- ccc. Duty of Obedience. Directors shall be faithful to the underlying purposes of the District described in Article I, section 2, herein.

If it is found, by a majority vote of all of the Board of Directors in office at that time, that a Director has violated any of his or her duties to the detriment of the District, such Director is subject to removal from office according to the procedures set forth in section 9, subdivision a, of Article IV.

The rules of the hospitals and other facilities within District jurisdiction shall, insofar as is consistent with the Local Health Care District Law and other applicable law, be in accord with and contain minimum standards not less than the rules and standards of private or voluntary hospitals. Unless specifically prohibited by law, the Board of Directors may adopt other rules which could be lawfully adopted by private or voluntary hospitals. (H&S Code §§ 32121 and 32128.)

Section 4. Compensation.

- a. The Board of Directors shall serve without compensation, except that the Board of Directors, by a Resolution adopted by a majority vote of the members of the Board of Directors, may authorize the payment of not to exceed One Hundred and No/100 Dollars (\$100.00) per meeting not to exceed five meetings a month as compensation to each member of the Board of Directors. (H&S Code § 32103.)
- b. For purposes of this provision, "meeting" shall mean the following, to the extent permitted by applicable law: (1) any congregation of a majority of the members of the Board of Directors or of a committee or other body established by the Board of Directors, at the same time and place to hear, discuss, or deliberate upon any item that is within the subject matter jurisdiction of the Board of Directors or of the committee, if the congregation is subject to the open meeting requirements of Government Code Section 54953 and other applicable law; (2) and any other occurrences described in Government Code section 53232.1, if authorized pursuant to a written BBoard of Directors Policy; provided that payment of compensation shall be further subject to a member's compliance with such policies as the Board of Directors may establish. A Director is eligible for compensation under this provision for attendance at a regular or special meeting of a committee or subcommittee only if the Director is a duly-appointed member of that committee or subcommittee as of the

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date of attendance, or as may be authorized by Board of Directors Policy as an "occurrence" and permitted by law..

- c. Each member of the Board of Directors shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board of Directors in accordance with applicable law, including but not limited to the provisions set forth in AB 1234, as they may be revised from time to time. (H&S Code § 32103.)

Section 5. Vacancies.

Any vacancy upon the Board of Directors shall be filled by the methods prescribed in Section 1780 of the Government Code, State of California laws and other applicable law. (H&S Code § 32100.)

Section 6. Resignations.

Any member of the Board of Directors may resign at any time by giving written notice to the Board of Directors, or to the Chairperson, or to the Secretary or to the Clerk of the Board of Directors. Any such resignation shall take effect as of the date of the receipt of the notice or any later time specified therein and unless specified therein, the acceptance of such resignation shall not be necessary to make the resignation effective.

Section 7. Absences From Meetings.

The term of any member of the ~~b~~Board of ~~d~~Directors shall expire if he or she is absent from three consecutive regular meetings, or from three of any five consecutive regular meetings of the ~~b~~Board of Directors, and the ~~b~~Board of Directors by resolution declares that a vacancy exists on the ~~b~~Board of Directors.

MEETINGS OF DIRECTORS

Section 8. Regular Meetings.

Regular meetings of the Board of Directors of the District shall be scheduled for the last Thursday of each calendar month at a time determined by the Board of Directors at least annually, in Assembly Room 3 of the Eugene L. Geil Pavilion, Tri-City Medical Center, 4002 Vista Way, Oceanside, California. The Board of Directors may, from time to time, change the time, the day of the month of such regular meetings and the location (provided the location is within the boundaries of the District) as dictated by holiday schedules or changing circumstances. (H&S Code § 32104; Gov. Code § 54954.)

Section 9. Special Meetings.

A special meeting of the Board of Directors may be called at any time by the presiding officer of the Board of Directors or by four (4) members of the Board of Directors, by providing written notice as specified herein to each member of the Board of Directors and to each local newspaper of general circulation, radio or television station requesting notice in writing.

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The notice shall be delivered by any means to effectuate actual notice, including but not limited to, personally or by mail and shall be received at least twenty-four (24) hours before the time of the meeting as specified in the notice.

The call and notice shall specify the time and place of the special meeting and the business to be transacted or discussed. No other business shall be considered at these meetings by the Board of Directors.

The written notice may be dispensed with as to any ~~b~~Board of Directors member who at or prior to the time the meeting convenes files with the Clerk or Secretary of the Board of Directors a written waiver of notice. The waiver may be given by telegram. The written notice may also be dispensed with as to any Board of Directors member who is actually present at the meeting at the time it convenes.

The call and notice shall be posted at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public. (Gov. Code § 54956.)

Section 10. Quorum.

A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business. (H&S Code § 32106.) A quorum of the Board of Directors is the number of members that must be present in order to transact business. Members of the Board of Directors who are disqualified by law from participating in a given matter may not be counted toward a quorum for that matter. Members who are entitled to vote, but who voluntarily abstain from voting on a given matter, shall be counted toward a quorum for that matter.

Section 11. Number of Votes Required for Board of Directors Action.

In order for the Board of Directors to take action, a majority of the Directors entitled to vote on the matter and who have not abstained must vote in favor of the motion, proposal or resolution.

Section 12. Adjournment.

The Board of Directors may adjourn any regular, adjourned regular, special or adjourned special meeting to a time and place specified in the order of adjournment. Less than a quorum may so adjourn from time to time. If all members are absent from any regular or adjourned regular meeting, the Secretary or Assistant Secretary of the Board of Directors may declare the meeting adjourned to a stated time and place and he or she shall cause a written notice of the adjournment to be given in the same manner as provided for special meetings, unless such notice is waived as provided for in special meetings.

A copy of the order or notice of adjournment shall be conspicuously posted on or near the door of the place where the regular, adjourned regular, special or adjourned special meeting was held within twenty-four (24) hours after the time of adjournment.

When a regular or adjourned regular meeting is adjourned as herein provided, the resulting adjourned regular meeting is a regular meeting for all purposes. When an order of adjournment of any meeting fails to state the hour at which the adjourned meeting is to be held, it shall be held at the hour specified for regular meetings by these Bylaws. (Gov. Code § 54955.)

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Section 13. Public Meetings.

All meetings of the Board of Directors shall be open and public, and all persons shall be permitted to attend any meeting of the Board of Directors, except as otherwise provided in the Ralph M. Brown Act, the Local Health Care District Law and other applicable law. (Gov. Code § 54953(a); H&S §§ 32106 and 32155.)

Section 14. Setting the Agenda.

At least seventy-two (72) hours before a regular meeting, the Board of Directors of Tri-City Healthcare District or its designee shall post an agenda containing a brief general description of each item of business to be transacted or discussed at the meeting, including items to be discussed in closed session. A brief general description of an item generally need not exceed 20 words. The agenda shall specify the time and location of the regular meeting and shall be posted in a location that is freely accessible to members of the public. If requested, the agenda, shall be made available in appropriate alternative formats to persons with a disability, as required by Section 202 of the Americans with Disabilities Act of 1990 (42 U.S.C. Sec. 12132). In addition, the agenda shall include information regarding how, to whom, and when a request for disability related modification or accommodation, including auxiliary aids or services may be made by a person with a disability who requires a modification or accommodation in order to participate in the public meetings. The agenda is developed by the Board of Directors' Chairperson, President/Chief Executive Officer and General Legal Counsel. Any other Board of Directors member has the right to place an item on the agenda through the Chairperson. In the absence of the Chairperson, the Vice Chairperson has the authority to place an item on the agenda, and in the absence of both the Chairperson and Vice Chairperson, the Secretary has the right to place an item on the agenda. In the absence of the Chairperson, Vice Chairperson, and Secretary, the President/Chief Executive Office or General Legal Counsel shall place an item on the agenda, as requested by any Board of Directors member. All requests by Board of Directors members regarding placement of an item on the agenda shall be in writing.

No action or discussion shall be undertaken on any item not appearing on the posted agenda, except that members of the Board of Directors or its staff may briefly respond to statements made or questions posed by persons exercising their public testimony rights under Government Code Section 54954.3 of the Brown Act. In addition, on their own initiative or in response to questions posed by the public, a member of the Board of Directors or its staff may ask a question for clarification, make a brief announcement, or make a brief report on his or her own activities. Furthermore, a member of the Board of Directors or the Board of Directors itself, subject to rules or procedures of the Board of Directors, may provide a reference to staff or other resources for factual information, request staff to report back to the body at a subsequent meeting concerning any matter, or take action to direct staff to place a matter of business on a future agenda.

The Board of Directors may take action on items of business not appearing on the posted agenda under any of the conditions stated in subsection (b) of Government Code Section 54954.2 or other applicable law. Prior to discussing any item pursuant to subdivision (b) of Government Code Section 54954.2, the Board of Directors shall publicly identify the item.

There must be a determination by a majority vote of the members of the Board of Directors that an emergency situation exists, as defined in Government Code Section 54956.5, as it may be revised

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from time to time, or upon a determination by a two-thirds vote of the members of the Board of Directors present at the Board of Directors meeting, or, if less than two-thirds of the members are present, a unanimous vote of those members present, that there is a need to take immediate action, and that the need for action came to the attention of the Board of Directors subsequent to the agenda being posted.

Section 15. Rules of Order.

The rules contained in Robert's Rules of Order on Parliamentary Procedure shall govern the meetings of the Board of Directors of TRI-CITY HEALTHCARE DISTRICT in all cases to which they are applicable and in which they are not inconsistent with the law of the State of California, the United States, or these Bylaws and/or policies and procedures as adopted by this governing body.

Section 16. Conflicts of Interest.

The Board of Directors of TRI-CITY HEALTHCARE DISTRICT shall comply with all applicable laws regarding conflicts of interest, including but not limited to the California Political Reform Act, the provisions of the California Government Code regarding Prohibited Interests in Contracts, the California Doctrine of Incompatible Offices, as these laws may be amended from time to time.

ARTICLE IV

OFFICERS

Section 1. Officers.

The officers of the Board of Directors shall be a Chairperson, a Vice Chairperson, a Secretary, a Treasurer, an Assistant Secretary, and an Assistant Treasurer. No person shall hold more than one office. Whenever a Board of Directors officer is authorized to execute a written instrument in his or her official capacity, other than for reimbursement of expenses, the Chairperson and Secretary shall do so.

The Board of Directors has the power to prescribe the duties and powers of the District President/Chief Executive Officer, the secretary, and other officers and employees of any health care facilities of the District, to establish offices as may be appropriate and to appoint Board of Directors members or employees to those offices, and to determine the number of and appoint all officers and employees and to fix their compensation. The officers and employees shall hold their offices or positions at the pleasure of the Board of Directors. (H&S Code §§ 32100.001 and 32121(h).)

Section 2. Election of Officers.

The officers of the Board of Directors shall be chosen every calendar year by the Board of Directors at the regular December meeting. Board of Directors members who are unable to be present at the regular December meeting may attend via teleconference and vote on the election of officers provided their teleconference location meets the applicable legal requirements for participation. They shall assume office at the close of that meeting, and each officer shall hold office for one year, or until his or her successor shall be elected and qualified, or until he or she is otherwise disqualified to serve.

Section 3. Chairperson.

The Board of Directors shall elect one of their members to act as Chairperson. If at any time the Chairperson shall be unable to act, the Vice Chairperson shall take his or her place and perform his or her duties. If the Vice Chairperson shall also be unable to act, the Board of Directors may appoint some other member of the Board of Directors to do so and such person shall be vested temporarily with all the functions and duties of the office of the Chairperson.

The Chairperson, or member of the Board of Directors acting as such as above provided:

- a. Shall preside over all the meetings of the Board of Directors.
- b. Board of Directors Chairperson, or his or her designee, shall attend Medical Executive Committee, Joint Conference Committee meetings and other similar meetings of non-District organizations related to operations of the hospital (including those of medical staff, Medical Staff committees and the hospital foundation) on behalf of the Board of Directors. Designees shall be Board of Directors members and shall at all times exclusively represent the interests of the Board of Directors.

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~~designated by the Board of Directors. Designees may be removed at any time at the sole discretion of the Board of Directors Chairperson.~~

- c. Shall sign as Chairperson, on behalf of the District, all instruments in writing which he or she has been specifically authorized by the Board of Directors to sign, provided that such instruments shall also be signed by the Secretary of the Board of Directors (other than for reimbursement requests).
- d. Shall have, subject to the advice and control of the Board of Directors, general responsibility for management of the affairs of the District during his or her term in office. (H&S Code § 32100.001.)

Section 4. Vice Chairperson.

The Board of Directors shall elect one of their members to act as Vice Chairperson. The Vice Chairperson shall, in the event of death, absence, or other inability of the Chairperson, exercise all the powers and perform all the duties herein given to the Chairperson.

Section 5. Secretary.

The Board of Directors shall elect one of their members to act as Secretary. The Secretary of the Board of Directors shall perform ministerial duties (i.e. sign legal documents on behalf of the Board of Directors of TRI-CITY HEALTHCARE DISTRICT. (H&S Code § 32100.001.)

Section 6. Treasurer.

The Board of Directors shall elect one of their members to act as Treasurer. The Treasurer shall be required to fulfill the duties under Health and Safety Code Section 32127; provided, however, that these duties are hereby delegated to the District's Chief Financial Officer to the extent permitted by law. (H&S Code § 32127; Gov. Code § 53600 et seq.)

Section 7. Assistant Secretary.

The Board of Directors shall elect one of their members to act as Assistant Secretary. The Assistant Secretary shall in the event of death, absence or other inability of the Secretary, exercise all the powers and perform all the duties herein given to the Secretary.

Section 8. Assistant Treasurer.

The Board of Directors shall elect one of their members to act as Assistant Treasurer. The Assistant Treasurer shall in the event of death, absence or other inability of the Treasurer, exercise all the powers and perform all the duties herein given to the Treasurer.

Section 9. Removal, Resignation or Vacancy.

- a. Any officer appointed or elected by the Board of Directors may be removed from that office for failure to discharge the duties of that office, for violation of any of the policies of the Board of Directors, or for any other good cause, as determined by a majority vote of all the Board of Directors in office at that time, at any regular or special meeting of the Board of Directors.

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- b. Any officer may resign from said office at any time by giving written notice to the Chair of the Board of Directors, the Board of Directors Secretary or to the Clerk of the Board of Directors. Any such resignation shall take effect as of the date of the receipt of the notice or any later time specified therein, and, unless specified therein, the acceptance of such resignation shall not be necessary to make the resignation effective.
- c. In the event of a vacancy in the office of the Chairperson, the Vice-Chairperson shall succeed to that office for the balance of the unexpired term of the Chairperson. In the event of a vacancy in the office of the Secretary or Treasurer, the Assistant Secretary or Treasurer, as applicable, shall succeed to that office for the balance of the unexpired term of that officer. The Board of Directors may, but is not required to elect an officer to fill the vacancy in a subordinate office.

Section 10. Determination of and Sanctions for Willful or Corrupt Misconduct in Office

The following procedure may be used, in addition to any other procedures authorized by law or policy, to determine whether a Board of Directors member has engaged in willful or corrupt misconduct in office within the meaning of Government Code section 3060.

- a. Any member of the Board of Directors may present an accusation in writing to the Board of Directors against another member of the Board of Directors alleging willful or corrupt misconduct in office, together with any written materials to support the accusation. "Misconduct in office" shall be broadly construed and include any willful malfeasance, misfeasance, and/or nonfeasance in office, and shall be interpreted in a manner consistent with Government Code section 3060.
- b. After consideration of the accusation, the ~~b~~Board of Directors members present shall then vote on the question of authorizing a formal hearing on the accusation presented. A formal contempt hearing is authorized by the Board of Directors upon the concurrence of a majority of the members present, excluding the accused who shall not have a vote.
- c. Within 7 days of the authorization for a formal contempt hearing, the Board of Directors shall serve upon the accused a copy of the accusation, a statement identifying the reasons for the hearing, and a notice of the date of the hearing. The date of the hearing shall not be less than 10 days from the service of the accusation. Service shall be in person, or if that fails, by leaving a copy of the accusation taped to the entry door of the accused's last known address in plain view.
- d. The accused shall appear before the Board of Directors at the time and date stated in the accusation. However, if the date chosen by the Board of Directors is unacceptable to the accused for good cause as determined by the Board of Directors, another date shall be assigned, but shall not be more than 30 days beyond the original date set by the Board of Directors.
- e. The accused may be represented by counsel in preparing for and/or to be present at the hearing. The cost of such counsel shall be borne by the accused. If the accused chooses to have an attorney represent him at the hearing, he must notify the

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Secretary of the Board of Directors in writing of that fact at least 5 days before the hearing. The Board of Directors may have a lawyer who is not the regular Board of Directors lawyer, present at the hearing who will conduct the presentation of the Board of Directors's case and question witnesses. Formal rules of evidence shall not apply; however, witnesses and statements shall be made under oath and documentary evidence shall be authenticated. The Board of Directors may establish reasonable time limits on the duration of the hearing. Board of Directors counsel shall not participate in any way in the preparation of the accusation or presentation of evidence, but shall advise the Board of Directors on procedural matters.

- f. Five days before the scheduled hearing, each party shall submit to the Secretary of the Board of Directors a witness list and outline of anticipated evidence, either oral or written, which they intend to introduce at the hearing. Upon demand by either party, this information shall be given to the opposing party by the Board of Directors Secretary on this date. A willful failure to supply this information on a timely basis may cause it to be excluded at the hearing.
- g. At the hearing, the accused may introduce any oral testimony he or she feels will be helpful to the defense. The member of the Board of Directors who presented the accusation may introduce rebuttal evidence. The ~~Board of Directors~~ shall give weight to all evidence presented. The Board of Directors shall have the power to limit or exclude evidence which is repetitive, not relevant, or has little probative value. The proceeding shall be recorded.
- h. The Board of Directors shall have the burden of establishing the willful or corrupt misconduct by the accused and the burden of proof shall be by a preponderance of the evidence. The Board of Directors may introduce any evidence, oral or written testimony, the Board of Directors feels will be helpful to its case.
- i. If the accused fails to appear before the Board of Directors on the specified hearing date, the hearing may be held, based upon the evidence previously provided to the accused and other relevant evidence.
- j. At the conclusion of presentation of evidence, the Board of Directors shall vote whether to hold the accused in contempt. The accused shall not be present during deliberation. A determination of misconduct shall be upon the concurrence of a majority of the Board of Directors members present, excluding the accused who shall not have a vote and cannot take part in deliberations.
- k. Upon the determination by the Board of Directors of misconduct by the accused, the Board of Directors shall ask if the accused wishes to make a statement to the Board of Directors. Thereafter, the Board of Directors shall excuse the accused from the hearing and move to the determination of sanctions, which may include:
 - 1. A statement of censure, identifying the misconduct;
 - 2. Removal of the offending Board of Directors member from membership on one or more Board of Directors committees, or, if chair of any committee,

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removal from that position, for a specified period, or if no period is specified, until the annual election of Board of Directors officers;

3. Removal of the offending Board of Directors member from holding any Board of Directors office or other appointment currently held;
4. A determination that no compensation shall be earned by the offending Board of Directors member for attendance at the meeting at which the contempt occurred, or for a specified period;
5. A determination that the offending Board of Directors member shall not be provided any defense or indemnity in any civil actions or proceedings arising out of or related to the member's misconduct;
6. Rendering the offending Board of Directors member ineligible to receive any advances or reimbursement of expenses to attend future conferences or meetings (except those previously-approved for which expenses have been incurred prior to the time of the finding of misconduct, for a period of time or subject to conditions specified in the motion;
7. Referral of the matter to the County Grand Jury pursuant to Government Code section 3060, including the evidence adduced during the hearing.
8. Declaring a vacancy in the office of the accused. [May require legislation]

ARTICLE V

COMMITTEES

Section 1. Committees.

The Chairperson, with the concurrence of the Board of Directors, may, from time to time, appoint one or more members of the Board of Directors and other persons as necessary or appropriate, to constitute committees for the investigation, study or review of specific matters. At the time of appointing and establishing the committee(s), the Chairperson, with the concurrence of the Board of Directors, shall establish the responsibilities of the committee(s).

The Chairperson, with the approval of the majority of the Board of Directors, may, from time to time, with or without cause, remove one or more members of the Board of Directors and any other persons from membership in any standing or other committee, or may temporarily discontinue, change the functions of, or combine standing or other committees.

Any committee(s) established to deliberate issues affecting the discharge of ~~medical staff~~ Medical Staff responsibilities shall include ~~medical staff~~ Medical Staff members.

No committee appointed shall have any power or authority to commit the Board of Directors or the District in any manner, unless the Board of Directors, by a motion duly adopted at a meeting of the Board of Directors, has specifically authorized the committee to act for and on behalf of the District.

Any advisory committee, whether permanent or temporary, which is a legislative body as defined in the Brown Act and other applicable law, shall post agendas and have meetings open to the public as provided by law.

Notices of meetings of committees which are legislative bodies shall be made in accordance with Article IV, Section 7 of these Bylaws.

Section 2. Standing Committees.

Standing committees as defined by the Brown Act are open to the public and require posting of Notice of Meetings and Agendas. The following committees are the only current standing committees of the Board of Directors:

- A. Finance, Operations & Planning Committee
- B. Community Healthcare Alliance Committee
- C. Governance & Legislative Committee
- D. Human Resources Committee
- E. Professional Affairs Committee
- F. Audit, Compliance & Ethics Committee

The Board of Directors shall review annually the committees, their functions, and their membership.

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ARTICLE VI
MANAGEMENT OFFICIALS

Section 1. President/Chief Executive Officer.

The Board of Directors shall select and employ a hospital administrator to be known as “President/Chief Executive Officer” who, subject to such policies as may be adopted and such orders as may be issued by the Board of Directors, or by any of its committees to which it has delegated power for such action, shall have the responsibility, as well as the authority, to function as the President/Chief Executive Officer of the institution, translating the Board of Directors’ policies into actual operation. Additionally, the President/Chief Executive Officer has the authority to make recommendations to the Board of Directors on policies related to the effective ongoing operations of the District. The Chief Operating Officer/Chief Nurse Executive and/or the Chief Financial Officer are granted signing authority on behalf of the Chief Executive Officer, in order to maintain day-to-day operation of the District.

Section 2. Clerk of the Board of Directors.

The Clerk of the Board of Directors shall be the Executive Assistant under the immediate supervision of the President/Chief Executive Officer. The President/Chief Executive Officer may assign other staff members as may be necessary to complete the work of the Board of Directors.

Section 3. Chief Compliance Officer.

The Chief Compliance Officer, hired by the Board of Directos, shall advise the Board of Directors and Chief Executive Officer regarding the design and implementation of the organization’s ethics and compliance programs. The Chief Compliance Officer shall report directly to the Board of Directors regarding material legal and compliance risks and mitigation efforts.

Section 4. President/Chief Executive Officer’s Evaluation.

The Board of Directors shall evaluate the President/Chief Executive Officer’s performance annually. Such evaluation shall be reduced to writing, with a copy furnished to the President/Chief Executive Officer. The President/Chief Executive Officer shall have an opportunity to reply in writing to the Board of Directors in reference to such evaluation. All written communications concerning any evaluations shall be retained in the confidential files of the Board of Directors. (Gov. Code § 54957.)

Section 5. Chief Compliance Officer’s Evaluation.

The Board of Directors shall evaluate the Chief Compliance Officer’s performance annually. Such evaluation shall be reduced to writing, with a copy furnished to the Compliance Officer and Vice President, Legal Affairs. The Chief Compliance Officer shall have an opportunity to reply in writing to the Board of Directors in reference to such evaluation. All written communications concerning any evaluations shall be retained in the confidential files of the Board of Directors. (Gov. Code § 54957.)

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ARTICLE VII
MEDICAL STAFF

Section 1. Medical Staff.

The physicians, surgeons, podiatrists, dentists, and allied health professionals, licensed to practice in the State of California, who are permitted to practice in the hospitals and other facilities under the jurisdiction of TRI-CITY HEALTHCARE DISTRICT, shall be formed into a formal ~~medical staff~~Medical Staff, in accordance with the Medical Staff Bylaws, Rules and Regulations, which have been approved by the Board of Directors of TRI-CITY HEALTHCARE DISTRICT. The Medical Staff Bylaws shall include, but not be limited to, the following provisions:

- a. Appropriate officers.
- b. Staff appointments on an annual or biennial basis.
- c. Procedure for appointment and reappointment of Medical Staff as provided by the Standards of the Joint Commission on Accreditation of Health Care Organizations.
- d. That the Medical Staff shall meet in accordance with the minimum requirements of the Joint Commission on Accreditation of Health Care Organizations.

The Medical Staff shall be self-governing with respect to the professional work performed in the hospital and the medical records of the patients shall be the basis for such review and analysis of the professional work of the Medical Staff. The Medical Staff members shall be responsible for preparing and maintaining accurate and complete medical records for all patients (medical records to include, but not be limited to, identification data, personal and family history, history of present illness, physician examination, special examinations, professional or working diagnosis, treatment, gross and microscopic pathological findings, progress notes, final diagnosis, condition on discharge and such other matters as the Medical Staff shall determine or as may be required by applicable law). The practice of medicine and surgery in the hospitals and other facilities under the jurisdiction of the District shall be within the limitations as the Board of Directors may find to be in the best interests of the public health and welfare, including appropriate provision for proof of ability to respond in damages by applicants for staff membership as long as no duly licensed physician and surgeon is excluded from staff membership solely because he or she is licensed by the Osteopathic Medical Board of California. The Medical Staff shall be responsible for the development, adoption and annual review of the Medical Staff Bylaws and Rules and Regulations that are consistent with District policy and with any applicable law. The Medical Staff are subject to, and effective upon, appointment and reappointment by the Board of Directors in accordance with the standards of the Joint Commission on Accreditation of Health Care Organizations. (H&S Code § 32128.)

The Tri-City Healthcare District shall maintain a Quality Assurance/Performance Improvement ("QA/PI") Program developed by a committee composed of at least five (5) physicians who are members of the Medical Staff and one (1) clerical staff member. The QA/PI Program shall be implemented by the QA/PI Committee, and shall be a data-driven, quality assessment and performance improvement program, implemented and maintained on a hospital-wide basis, in

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compliance with the requirements of Section 482.21 of Title 42 of the Code of Federal Regulations, and other applicable law, as it may be amended from time to time.

Section 2. Medical Staff Membership.

Membership on the Medical Staff is a privilege, not a right, which shall be extended only to physicians, surgeons, podiatrists, dentists, and allied health professionals, licensed to practice in this State whose education, training, experience, demonstrated competence, references and professional ethics, assures, in the judgment of the Board of Directors, that any patient admitted to or treated in the hospitals and other facilities under District jurisdiction will be given high quality professional care. Each applicant and member shall agree to abide by the District Bylaws, Medical Staff Bylaws and Rules and Regulations of the District, and applicable law. The word "Physician" when used hereafter in this Article, shall be deemed to include physicians, surgeons, dentists, and podiatrists. (H&S Code § 32128.)

Section 3. Exclusion from the Medical Staff.

- a. The Board of Directors shall have the power to exclude from Medical Staff membership, to deny reappointment to the Medical Staff, or to restrict the privileges of any physician, whether a general practitioner or specialist, in any hospital operated by the District, who has not exhibited that standard of education, training, experience, and demonstrated competence, references and professional ethics which will assure, in the judgment of the Board of Directors, that any patient admitted to or treated in the hospitals and other facilities under District jurisdiction will be given high quality professional care.
- b. In the case of both general practitioners and specialists, the medical resources available in the field of his or her practice shall be considered in determining the skill and care required. No physician shall be entitled to membership on the Medical Staff, or to the enjoyment or particular privileges, merely by virtue of the fact that he or she is duly licensed to practice medicine or surgery in this or any other state, or that he or she is a member of some professional organization, or that he or she, in the past or presently, has such privileges at another hospital. The burden shall be upon the physician making an initial application for membership to establish that he or she is professionally competent and ethical. (H&S Code §§ 32128 and 32150; B&P Code § 809.3.)

Section 4. Hospital Rules.

The Bylaws of the Medical Staff shall set forth the procedure by which eligibility for Medical Staff membership and establishment of professional privileges shall be determined. Such Bylaws shall provide that the Medical Staff or a committee or committees thereof, shall study the qualifications of all applicants in the establishment of professional privileges, and shall submit to the Board of Directors recommendations thereon. Such recommendations shall be considered by the Board of Directors, but shall not be binding upon the Board of Directors. The Medical Staff shall be responsible for a process or processes designed to assure that individuals who provide patient care services, but who are not subject to the Medical Staff privilege delineation process, are competent to provide such services and that the quality of patient care services provided by these individuals is reviewed as a part of the District's quality assurance programs. (H&S Code § 32150.)

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Section 5. Hearings and Appeals.

The Board of Directors hereby incorporates by reference the provisions of the Medical Staff Bylaws relating to hearing procedures and appeals regarding the professional privileges of any member of, or applicant for membership on, the Medical Staff, as those Bylaws may be amended from time to time, subject to applicable law. These provisions are presently outlined in the relevant sections of the Medical Staff Bylaws.

ARTICLE VIII
MISCELLANEOUS

Section 1. Title to Property.

The title to all property of the District shall be vested in the District, and the signature of any officers of the Board of Directors, authorized at any meeting of the Board of Directors, shall constitute the proper authority for the purchase or sale of property or for the investment or other disposal of funds which are subject to the control of the District. (H&S Code §§ 32121(c) and 32123.)

Section 2. Seal.

The Board of Directors shall have the power to adopt a form of Corporate Seal, and to alter it at its pleasure. (H&S Code § 32121(a).)

Section 3. Amendment.

These Bylaws may be altered, amended, repealed, added to or deleted, by a majority vote of all of the Board of Directors in office at that time, at any regular or special meeting of the Board of Directors.

Section 4. Annual Review of Bylaws.

The Board of Directors shall review the Bylaws annually and make any necessary changes that are necessary to be consistent with District policy, any applicable laws or other rules and regulations connected with operation of a hospital or other facility within District jurisdiction.

Section 5. Board of Directors' Evaluation Policy.

The Board of Directors shall establish a written policy and procedure for evaluation and review of the Board of Directors' performance as a group. This written copy of the Board of Directors' policy and procedures shall be reviewed by the Board of Directors, the President/Chief Executive Officer and the District Legal Counsel for the Board of Directors.

Section 6. Affiliated Organizations.

- a. Auxiliary Organizations. The Board of Directors may authorize the formation of auxiliary organizations to assist in the fulfillment of the purposes of the District. Each such organization shall establish its bylaws, rules, and regulations, which shall be subject to Board of Directors approval and which shall not be inconsistent with these bylaws or the policies of the Board of Directors.
- b. Foundations. The Board of Directors may authorize the formation of non-profit public benefit corporations, under applicable law, to assist in the fulfillment of the purposes of the District. Each such corporation shall establish its bylaws, rules, and regulations, which shall be subject to Board of Directors approval and which shall not be inconsistent with these bylaws or the policies of the Board of Directors.

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CODE FOR LEGISLATIVE AUTHORITY

- H&S - The Local Health Care District Law, Health and Safety Code Section 32000 et seq., State of California
- Elections Code - Uniform District Election Law, Elections Code, State of California
- Government Code - Government Code, State of California
- B&P - Business and Professions Code, State of California

This amendment to the TRI-CITY HEALTHCARE DISTRICT Bylaws is approved this 29th day of May, 2014.

Larry W. Schallock Date
Chairperson

ATTEST:

Julie Nygaard, Date
Secretary

**TRI-CITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS POLICY**

BOARD POLICY #14-028

I. POLICY TITLE: Authorizing Directors To Represent The District In Advocacy

All advocacy for or on behalf of the District shall be subject to the review and approval of the Board of Directors. For the purposes of this Policy, "advocacy" shall mean any oral or written advocacy to local, state and federal legislative or executive agencies, or statements to the public or persons or organizations with whom the District transacts or is discussing transaction of business, concerning matters affecting the District, or its patients, employees, health care professionals, or the healthcare interests of the communities contained within the District. (See also, Board Policy #10-41, Board Policy on Public Information.)

The President/CEO shall keep the Board informed regarding advocacy pursued by the Administration on behalf of the District. Upon approval of a position of the District with respect to a particular matter, the Board of Directors may appoint a member of the Board to represent the District in advocacy regarding such matter. In addition, when designated by the Chairperson to attend meetings of related or affiliated organizations (such as the foundation supporting the District or a Medical Staff committee) Directors shall act in a representative capacity in the best interests of the District. Directors may represent the District in support of positions taken by professional organizations of which the District is a member (i.e., AHA, CHA, HASDIC, ACHD), unless a different position has been approved by the Board of Directors.

All such activities and reimbursement for actual, necessary, and reasonable expenses incurred in connection therewith shall be conducted in conformity with applicable state and federal laws and District Bylaws and Policies.

Except as specifically authorized herein or by authorization of the Board of Directors, no Director shall engage in any advocacy or otherwise announce or pursue any policy initiative or position in the name of the District or the Board of Directors. Public statements made by individual members of the Board of Directors which have not been authorized are not binding upon the District. Use of District stationery shall be limited to authorized advocacy on behalf of the District. Directors making statements covered by this policy shall make clear when they are expressing personal opinions, rather than speaking on behalf of the District, and if denoting their public office shall expressly disclaim that they are authorized to speak on behalf of the District. No employee of the District shall undertake advocacy on behalf of the District without approval of the Board of Directors or the President/CEO.

The Board hereby directs the President/CEO of the District to ensure that all advocacy by employees of the District is handled in accordance with this Policy. To the extent required by law, nothing contained in this Policy is intended to prevent or prohibit members of the Board or employees of the District from engaging in advocacy on their own behalf.

Reviewed by the Gov/Leg Committee: 8/10/05

Approved by the Board of Directors: 9/22/05
Reviewed by the Gov/Leg Committee: 11/8/06
Approved by the Board of Directors: 12/14/06
Reviewed by the Gov/Leg Committee: 10/10/07
Approved by the Board of Directors: 12/13/07
Reviewed by the Gov/Leg Committee: 12/01/10
Approved by the Board of Directors: 12/16/10
Reviewed by the Gov/Leg Committee: 11/14/12
Approved by the Board of Directors: 12/13/12
Reviewed by the Gov/Leg Committee: 6/4/13
Approved by the Board of Directors: 6/27/13
Reviewed by the Gov/Leg Committee: 4/01/14
Approved by the Board of Directors: 4/24/14
Reviewed by the Gov/Leg Committee: 12/2/14
Approved by the Board of Directors:

Procopio, Cory, Hargreaves & Savitch LLP
525 B Street, Suite 2200
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F. 619.235.0398

TO: Governance & Legislative Committee
Tri-City Healthcare District

FILE NO: 116569/000004

FROM: Procopio, Cory, Hargreaves & Savitch LLP

CC: Colleen Thompson, RHIA,
Director Medical Records /
HIM & Registration/Privacy
Officer

DATE: November 26, 2014

RE: Proposed Changes to Board Records Retention and Destruction Policy No. 14-008

The Governance & Legislative Committee previously directed that changes be made to Board of Directors Policy No. 14-008 entitled "Records Retention and Destruction" to streamline the District's record retention policies, align the required retention periods with actual practices, and eliminate any inconsistencies due to the separate Administrative Policy No. 8610-237 entitled "Hospital Records Retention." This memorandum summarizes the proposed changes to Board Policy No. 14-008. (Administrative Policy No. 8610-237 would be retired based on these changes).

Summary of Changes:

1. Section I General Guidelines is generally the same as in the current policy. However, the references in subdivisions F, G and H to specific record retention periods were relocated to the appropriate Exhibit (discussed below).
2. Based on staff's recommendation, the policy was revised from a narrative to exhibit format (Exhibits A (Public Agency), B (Medical Records) and C (Administrative Records).)
3. The Exhibits incorporate records retention descriptions previously set forth in Section II Special Guidelines of the Board Policy. Additionally, based on staff's recommendations, the retention periods in Exhibits B and C are generally aligned with the CHA Manual which periods tend to be longer than those provided in applicable laws and regulations. We understand that the Hospital has been following the CHA guidelines.
4. Descriptions previously located in Exhibit A to the Board Policy (no legally required time period) or Section I General Guidelines (as noted above) were incorporated in the new Exhibits (shown in green highlight). Additional records descriptions were added to the Exhibits (shown in yellow highlight).

**TRI-CITY HEALTHCARE DISTRICT
BOARD OF DIRECTORS POLICY**

BOARD POLICY #14-008

POLICY TITLE: Records Retention and Destruction

The purpose of this Policy is to provide guidelines regarding the retention and disposal of District records; provide for the identification, maintenance, safeguarding and periodic disposal of records in the normal course of business; ensure prompt and accurate retrieval of records; and ensure compliance with legal and regulatory requirements.

I. GENERAL GUIDELINES

The following general guidelines apply to all District records.

- A. The Board of Directors hereby authorizes the destruction of any record, paper, or document, which is not expressly required by State or Federal law to be retained if the document is microfilmed in accordance with Government Code section 60203, once the retention period set forth in this policy has been attained.
- B. Except where a longer retention period is required according to this Policy, or by State or Federal law, the Board of Directors hereby authorizes the Chief Executive Officer to destroy any original document without the District retaining a copy of these documents in accordance with the procedures set forth in Government Code section 60201. (Gov. Code, § 60201.) The Chief Executive Officer shall periodically provide a report of the records destroyed in accordance with this policy. Notwithstanding the foregoing, all records, including duplicate records, subject to a litigation hold described in subdivision F below shall be retained by the District in accordance therewith.
- C. In addition to this general authorization, the Board of Directors may adopt a resolution directing the destruction or disposition of any duplicate record, paper or document, the original or a permanent photographic record (or category of records) which is in the files of the District, if no longer needed. (Gov. Code, § 60200.)
- D. Electronic mail ("E-mail") texts sent by mobile phones, and similar electronic messages containing information relating to the conduct of the public's business prepared, owned, used, or retained by the District constitute "public records" and shall be retained by the District pursuant to the District's public record retention guidelines. The District does not have to retain preliminary drafts, notes, interagency or intra-agency e-mail not retained by the District in the ordinary course of business. Therefore, draft e-mails that are not retained by the District in the ordinary course of business (*i.e.*, deleted) do not have to be retained. E-mails and other electronic messages found on District equipment shall be retained only for sixty (60) days and need not be archived. Additionally, e-mails containing purely personal information that is unrelated to the conduct of the people's

business need not be retained for any minimum period. Electronic communications using personal e-mail accounts and personally-owned electronic devices are not considered public records and are not subject to this policy.

- E. Pursuant to Government Code section 53160, after one year, the District may destroy recordings of routine video monitoring, and after 100 days may destroy recordings of telephone and radio communications maintained by the District. This destruction shall be approved by the District Board and the written consent of the District Legal Counsel shall be obtained. In the event that the recordings are evidence in any claim filed or any pending litigation, they shall be preserved until pending litigation is resolved. "Routine video monitoring" means video recording by a video or electronic imaging system designed to record the regular and ongoing operations of the District, including mobile in-car video systems, jail observation and monitoring systems, and building security recording systems. Notwithstanding the foregoing, all original video and/or audiotapes of Board meetings shall be retained for 10 years.
- F. Federal and State law requires that documents pertaining to threatened or pending litigation be preserved once litigation becomes "reasonably anticipated." Litigation becomes "reasonably anticipated" under a variety of circumstances, including but not limited to receipt of a formal complaint, subpoena, or other notification of a lawsuit, receipt of a verbal or written threat of litigation, the initiation of an investigation by a regulatory or governmental body, a request by an attorney or investigator for facts relating to a dispute or particular incident, an injury suffered by an employee, officer, or third party, or receipt of an employee complaint regarding personnel issues. Notwithstanding the retention periods established in this policy, a "litigation hold" shall be instituted in the event of pending or "reasonably anticipated" litigation to prevent the destruction or disposal of records, including electronic records, relating to such litigation. The "litigation hold" shall apply to all records, regardless of whether such records would be retained by the District in the ordinary course of business.
- G. The District shall indefinitely retain records that have not fulfilled the administrative, fiscal or legal purposes for which such records were created unless such records are microfilmed in accordance with Government Code section 60203. (Gov. Code §§ 60201(d)(10) and 60203.)

II. SPECIFIC GUIDELINES

A. Public Agency Records

The retention standards set forth in Exhibit "A" apply to public agency records.

B. Medical Records

Except where otherwise indicated, the retention standards identified in the California Hospital Association's ("CHA") Records & Data Retention Schedule (Eighth Edition, March

2011), and set forth in Exhibit "B" apply to medical records. To the extent a particular medical record is not identified in Exhibit "B", the CHA recommended retention period shall apply.

C. **Administrative Records**

Except where otherwise indicated, the retention standards identified in the California Hospital Association's ("CHA") Records & Data Retention Schedule (Eighth Edition, March 2011), and set forth in Exhibit "C" apply to the District's administrative records. To the extent a particular administrative record is not identified in Exhibit "C", the CHA recommended retention period shall apply.

**PUBLIC AGENCY RECORDS--EXHIBIT "A" TO POLICY 008
TRI-CITY HEALTHCARE DISTRICT**

| Type of Record | Law | Recommended Retention Period |
|--|-----------------------------|--|
| ASSESSING & TAX COLLECTING RECORDS | | |
| <i>Assessing records</i> | Rev. & Tax. Code § 465 | 6 years from lien date* |
| <i>Original unsecured tax roll</i> | Rev. & Tax. Code § 2928 | 5 years if the delinquent roll or abstract list has first been certified as correct and complete by the county auditor or District auditor* |
| <i>Tax rolls</i> | Rev. & Tax. Code § 4377 | 12 years if all necessary data needed from the secured delinquencies has been transferred to a delinquency abstract which should be retained indefinitely* |
| INCOME TAX RETURNS | CHA Manual | Permanent |
| CONSTRUCTION & ENGINEERING RECORDS | | |
| <i>Construction records</i> (e.g. bids, correspondence, change orders, etc.) | | 7 years unless the records relate to pending construction the District has not accepted, as to which a stop notice claim may be legally presented, or they pertain to a project which includes a guarantee or grant and, in that event, they should be kept for the life of the guarantee or grant plus 7 years. |
| <i>As-built plans for any public facilities or works</i> | | As long as said facility is in existence |
| <i>Unaccepted bids or proposals for public works</i> | Gov. Code § 60201(d)(11) | 2 years but must be microfilmed in accordance with Government Code section 60203 |
| CONTRACTS | | |
| <i>Contracts</i> | Code of Civ. Proc. § 337 | Life of the contract + 4 years |
| <i>Contracts with any person or entity who develops real property or furnishes the design, specifications, surveying, planning, supervision, testing, or observation of construction of improvement to real property</i> | Code of Civ. Proc. § 337.15 | 10 years after the completion of the construction or improvement |
| <i>Records relating to any nondischarged contract to which the District is a party</i> | Gov. Code § 60201 | Indefinitely* |
| LONG-TERM DEBT RECORDS | | |
| <i>Records relating to nondischarged debt</i> | Gov. Code § 60201(d)(7) | Indefinitely* |

| | | |
|--|---------------------------|---|
| <i>Original records of proceedings for the authorization of long-term debt, bonds, warrants, loans</i> | | Indefinitely* |
| <i>Original records of the terms and conditions of bonds, warrants and other long-term agreements</i> | | After final payment if the District retains microfilm copies* |
| <i>Paid bonds, warrant certificates, and interest coupons</i> | | 6 months if detailed payment records are retained for 10 years* |
| OTHER DISTRICT RECORDS | | |
| <i>Records relating to a reasonably anticipated or pending claim or litigation or any settlement or other disposition of litigation, including electronic communications</i> | Gov. Code § 60201(d)(4) | 2 years following final adjudication of such claim, litigation, settlement, or other disposition of litigation. |
| <i>Press releases</i> | | 5 years |
| <i>Records relating to endowments, trusts and bequests</i> | | Indefinitely |
| ORGANIZATIONAL RECORDS | | |
| <i>Records which are the subject of a Public Records Act</i> | Gov. Code § 60201(d)(5) | Until the District discloses the records or for two (2) years following the date upon which the District notifies the requesting party that the request has been denied |
| <i>Original video and/or audiotapes of Board meetings</i> | | 10 years |
| <i>Board of Directors Records</i> (e.g. minutes of the meetings of the Board of Directors) | | Indefinitely* |
| <i>Property Records</i> (e.g. documents of title of which the District has an interest) | Gov. Code § 60201(d)(8) | Until the District no longer has interest in the property |
| <i>Records relating to the formation, change of organization, or reorganization of the District</i> | Gov. Code § 60201(d)(1) | Indefinitely* |
| <i>Resolutions/ordinances adopted by the District</i> | | Indefinitely* |
| <i>Repealed or otherwise invalid (or unenforceable) resolutions/ordinances adopted by the District</i> | Gov. Code § 60201 (d)(2) | 5 years after the resolutions/ordinances were repealed or become invalid or unenforceable |
| STATEMENTS AND REPORTS FILED PURSUANT TO THE POLITICAL REFORM ACT | | |
| <i>Original campaign statement and reports</i> | Gov. Code § 81009(c), (e) | 7 years |
| <i>Copies of campaign statements or reports</i> | Gov. Code § 81009(f) | 4 years |

* May upon authorization by the Board of Directors, be destroyed if record is microfilmed as provided in Government Code section 60203.

**MEDICAL RECORDS--EXHIBIT "B" TO POLICY 008
TRI-CITY HEALTHCARE DISTRICT**

| Type of Record | Recommended Retention Period |
|---|--------------------------------|
| PATIENT RECORDS | |
| <p><i>Patient Medical Records</i> including:</p> <ul style="list-style-type: none"> • Admission Records, including, but not limited to: <ul style="list-style-type: none"> ○ Admission and discharge records ○ Advance beneficiary notice ○ Conditions of admission agreements ○ Emergency Department logs ○ Emergency Department transfer records ○ Medicare secondary payer beneficiary ○ Index to patient's medical records/card file • Autopsy records and consent for autopsy records • Consent forms • Consultation Reports • Diagnoses • Discharge Summary • X-Ray Films • Imaging and Radiology Reports • Labor and Delivery Records • Laboratory Reports • Medication Records • Nurses' Notes • Pathologists' Reports • Patient histories • Patient identification information • Patient's principal spoken language • Physical examinations • Physical therapy notes • Patient transfer records (e.g. medical and other records related to patient transfers to or from the hospital) • Physicians' orders • Progress notes • Psychiatric Records • Reports of all other tests: EKG, EEG, etc. • Surgical Records, complete with: Anesthetic records, findings, operative procedures, postoperative diagnoses, preoperative diagnoses and tissue diagnoses • Summary of final diagnoses • Vital sign sheets | 10 years adults/25 years minor |

| OTHER RECORDS | |
|---|--------------------------------|
| <i>Emergency Department Transfer records</i> | 6 years |
| <i>X-Ray Records and Film</i> (e.g. other imaging data and studies) | 10 years adults/25 years minor |
| <i>Video records of diagnostic tests</i> (e.g. arthroscopies) selected by the physician to accompany the report in the patient's medical record | 10 years adults/25 years minor |
| <i>Fetal heart monitor</i> strips selected by the physician to accompany the report in the patient's medical record | 10 years adults/25 years minor |
| <i>Surgery records, register of operations and operation room logs</i> | 10 years |
| <i>Records relating to the disposition of a deceased patient's property</i> | 5 years |
| <i>Psychiatric Reports to State Health Department</i> | 5 years |
| <i>Social service confidential case histories</i> | 5 years |
| <i>Research & Clinical Trial record information</i> (e.g. participant's research informed consent document, HIPAA authorization, documentation of research procedures or interventions that may impact a patient's clinical care, information related to the investigational product, study termination or participant attrition information) | 10 years adults/25 years minor |
| <i>Anatomical gift documents</i> | Permanent |
| <i>Birth records and certificates</i> | Permanent |
| <i>Birth room records</i> | Permanent |
| <i>Cancer/tumor registry files</i> | Permanent |
| <i>Human tissue intended for transplantation</i> | Permanent |
| <i>Index to patient's medical records</i> | Permanent |

* Not in CHA

**ADMINISTRATIVE RECORDS-- EXHIBIT "C" TO POLICY 008
TRI-CITY HEALTHCARE DISTRICT**

| Type of Record | Law | Recommended Retention Period |
|--|------------------------|------------------------------|
| BUSINESS & FINANCE RECORDS | | |
| <i>Claims, billings, and charges to patients, fiscal intermediates, third-party payers, etc.</i> | | 7 years |
| <i>Medi-Cal electronic claims submission source documents</i> | 22 CCR § 51502.1(f)(2) | 7 years |
| Medicare cost report records including: <ul style="list-style-type: none"> Billing material, such as but not limited to, claim forms, supporting documents and forms (e.g. charge slips, daily patient census records, business and accounting records related to specific claims.) Cost report material, such as but not limited to, all data necessary to support the accuracy of entries on annual cost reports, original invoices, cancelled checks, material used in preparing the annual cost reports and contracts of records of dealings with outside sources of medical supplies and services. Medical record material, such as but not limited to, utilization review committee reports, physician's certification and recertifications, discharge summaries, clinical and other medical records relating to health insurance claims. Hospital physician material such as but not limited to, hospital physician agreements on which Part A and Part B allocations are based. | | 7 years |
| <i>Medicare Part D-related documents</i> (e.g. prescription drug benefit) | | 10 years |
| <i>Medicare Advantage-related documents</i> | | 10 years |
| <i>Medi-Cal remittance advices</i> | | 6 years |
| Finance Records including, but not limited to: <ul style="list-style-type: none"> Audit reports Bank deposits Bank statements Budgets Cash receipts Cashier's tapes from bookkeeping machines Charge slips to patients Chargemaster | | 7 years |

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| <ul style="list-style-type: none"> • Check registers • Checks (including payroll, taxes, capital, purchases, important contracts, etc.) • Patient accounting files • Payment receipt books | | |
| Financial Statements (Year-end) | | Permanent |
| Original accounting records (e.g. invoices, purchase orders, deposit permits, warrants, vouchers, requisitions, receipts, claims, bank deposits, checks, bills, various accounting authorizations taken from Board minutes, resolutions or contracts, cash receipts or disbursement books, accounts receivable or payable register, check or warrant register, etc.) | | 7 years if there is no continuing need for said record (e.g. long term transactions, special project, pending litigation, etc.); There exists in a permanent file, an audit report or reports covering the inclusive period of said record, and that; Said audit report or reports were prepared pursuant to procedures outlined in Government Code section 26909 and other State and Federal audit requirements; and Said audit or audits contains the expression of an unqualified opinion. |
| Original accounting records (e.g. general journal, payroll journal, ledgers and bank statements) | | 7 years |
| Original accounting record created for a specific event or action | | 7 years after event has terminated |
| Original source document that is detailed in a register, journal, ledger or statement | | 7 years from end of the fiscal period to which it applies |
| Licenses and certificates held by the District or District employees (including copies) | | Life of the license or certificate + 6 years |
| Duplicates (original duplicates are subject to aforementioned requirements); rough drafts, notes, working papers (except audit); and Cards, listings, nonpermanent indices, other papers used for controlling work or transitory files | | May be destroyed at any time* |
| Financial statistical and other records related to Health and Human Services grants received by the District | 45 CFR § 74.53 | 6 years. If any litigation, claim, financial management review, or audit is started before the end of the three year period, all records must be retained until all litigation, claims, or audit findings involving the records have been resolved and final action taken. |
| Records of food purchased by the District | 22 CCR §§ 70273(g)(6), | 3 years |

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| | 71243(g)(6), 72341(h) and 73333(g) | |
| <i>Historical clippings from publications, institutional photographs or in-house publications</i> | | Permanent |
| <i>Contributor Records</i> | | Permanent |
| <i>Permission to release information/photographs</i> | | 6 years |
| <i>Annual Department Reports</i> | | Permanent |
| <i>Non- Annual Department Reports</i> | | 6 Years |
| <i>Daily Census</i> | | 6 years |
| <i>Statistics on admissions and services</i> | | 6 years |
| <i>Correspondence (e.g. general, credits and collections and insurance)</i> | | 6 years |
| <i>Income- daily summary</i> | | 7 years |
| <i>Patient cash and valuables receipt</i> | | 6 years |
| <i>Welfare agency records</i> | | 6 years |
| EQUIPMENT RECORDS | | |
| <i>Equipment depreciation records</i> | | Life of equipment + 6 years |
| <i>Equipment operating records</i> | | Life of equipment + 6 years |
| <i>Calibration records</i> | 22 CCR §§ 70837(f) and 71641(f) | Life of equipment + 6 years |
| <i>Air filter maintenance records</i> | 22 CCR §§ 70839(b), 71643(b), 72639(b) and 73637(b) | Life of filter + 6 years |
| <i>Emergency generator records including inspection, performance, exercising period and repairs</i> | 22 CCR §§ 70841(e), 71645(e), 72641(f) and 73639(f) | Life of generator + 6 years |

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| <i>Maintenance logs</i> (e.g. heating, air conditioning, ventilation) | 22 CCR §§ 70837(d), 71641(d), 72655(b) and 77155(b) | Life of equipment + 6 years |
| <i>Thermometer charts and monthly bacteriological tests for autoclaves and sterilizers</i> | 22 CCR §§ 70833, 71637, 72619 and 73677 | Life of equipment + 6 years |
| <i>Records for property and equipment purchased with federal health and Human Services grant funds</i> | | 6 years following the disposition of the property or equipment |
| <i>Medical device reports event file relating to an adverse event</i> | 21 CFR § 803.18(c) | Life of device + 6 years |
| <i>Medical device tracking records</i> | 21 CFR § 821.60 | Life of device + 6 years |
| EXPOSURE/SAFETY RECORDS & MATERIAL SAFETY DATA SHEETS (MSDS) | | |
| <i>Hazardous materials records</i> (e.g. all documentation regarding the disposal and treatment of hazardous substances, including hazardous waste manifests.) | 22 CCR § 66263.16 | Permanent |
| <i>Employee exposure records and exposure assessment records.</i> Such records should reveal the identity of the toxic substance or harmful physical agent and where and when such substance or agent was used. | 8 CCR § 3204 | Permanent |
| <i>Background data to work place monitoring.</i> (e.g. sampling results, the collection methodology (sampling plan), a description of the analytical and mathematical methods used, and a summary of other background data relevant to interpretation of the results) | 8 CCR § 3204(d)(1)(B)(1) | Permanent |
| <i>Material Safety Data Sheet (MSDS) for a hazardous substance</i> | 8 CCR § 3204(d)(1)(B)(2) | Permanent |
| FACILITIES RECORDS | | |
| <i>Blueprint of buildings</i> | | Permanent |
| <i>Inspection reports of grounds and buildings</i> | | 6 years |
| <i>Watchman clock dials</i> | | 2 years |
| <i>Housekeeping - Check-out transfer isolation records</i> | | 2 years |
| <i>Cleaning records, policies and procedures</i> | | 3 years |
| <i>Pest control records</i> | | Permanent |

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| Appraisal Reports | | Permanent |
| Permits | | Life of Permit + 6 years |
| HIPAA RECORDS | | |
| <p>The HIPAA Privacy Rule requires that the following documentation must be retained, either in written or electronic form:</p> <ul style="list-style-type: none"> • Group health plan documents, any amendments and summary plan descriptions; • Any plan sponsor certifications to the health plan(s) regarding plan amendments; • Information on whether covered entity is a hybrid or affiliated entity or an organized health care arrangement; • HIPAA privacy policies and procedures on uses and disclosures of protected health information; • Signed authorizations and written revocations of authorizations; • Notice of Privacy Practices; • Signed agreements to receive Notice of Privacy Practices electronically • Business associate contracts/agreements; • All individual complaints alleging violations to the Privacy Rule or the HIPAA privacy policies and procedures, response to complaints and any materials relating to complaints; • Records of any sanctions for violating the Privacy Rule or the HIPAA privacy policies and procedures imposed on employees, agents or business associates; • Records of disclosures of protected health information not for treatment, payment or health care operations purposes which must be made available to an individual for six years after the request date; • HIPAA Confidentiality Agreements; • Documentation regarding participants' individual rights such as: <ul style="list-style-type: none"> ○ the designated record sets that are subject to inspection and copying by an individual, and the name or title of persons or offices responsible for receiving and processing the requests; ○ the name and title of the persons or offices responsible for receiving and processing individual requests for PHI amendment; ○ documentation of any agreed-upon restrictions on the PHI use or disclosure | | 6 years |

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| <ul style="list-style-type: none"> requested by an individual; documentation relating to the right of access to PHI; documentation relating to the right to request an accounting of disclosures; documentation relating to the right to request confidential communications; Minimum necessary policies and procedures, including protocols for protected health information use, routine disclosures and request; Minimum necessary policies and procedures, including protocols for protected health information use, routine disclosures and requests; Workforce training certifications; Any other documents required to be retained under HIPAA as provided in the District's HIPAA privacy policies and procedures | | |
| INSURANCE RECORDS | | |
| <i>Insurance Records</i> (e.g. Fidelity/Faithful Performance Bonds, General Commercial Liability Policies, Automobile Insurance Policies) | | Permanent |
| LABORATORY & PATHOLOGY RECORDS | | |
| <i>Blood and blood-product testing records, blood donor histories and related documents, blood transfusion records and immunohematology records and reports</i> | 21 CFR § 606.160 | 10 years adults/25 years minor |
| <i>Cytology reports</i> | 17 CCR § 1050 | 10 years adults/25 years minor |
| <i>Equipment inspection, validation, calibration, repair and replacement records</i> | Bus. & Prof. Code § 1265; 17 CCR § 1050. | Life of equipment plus 6 years |
| <i>Test result errors retained with the original report and corrected report</i> | Bus. & Prof. Code § 1265; 42 CFR § 493.1105 | 10 years adults/25 years minor |
| <i>Histopathology stained slides and pathology specimen blocks and reports</i> | 42 CFR § 493.1105 | 10 years 25 years |
| <i>Patient specimen testing records</i> | Bus. & Prof. § 1265; 17 CCR § 1050. | 6 years |
| <i>Radioisotope records</i> | 10 CFR §§ 20.2203 and 30.51 | Permanent |

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| MAMMOGRAPHY RECORDS | | |
| <i>Film and Reports</i> | 42 USC § 263b(f)(1)(G)(i); 21 CFR § 900.12(b) | 10 years adults/25 years minor |
| <i>Personnel Records</i> | 21 CFR § 900.12(a) and (d) | Duration of employment + 6 years |
| <i>Quality Records</i> | 21 CFR § 900.12(a) and (d) | 6 years |
| MEDICAL STAFF, AHPs, & NURSING RECORDS | | |
| <i>Medical staff committee records, including minutes, reports and other records</i> | 22 CCR §§ 70703, 70733, 71503, 71531, 79303 and 79337 | Permanent |
| <i>Medical Staff Credentialing Files</i> | | Permanent |
| <i>Medical staff applications, rejected</i> | | Permanent |
| <i>Continuing education records</i> | | 7 years |
| <i>Allied Health Professionals files, non-employee</i> | | Permanent |
| <i>Residents, interns, and fellows records</i> | | Permanent |
| <i>Nursing records including minutes of meetings, nursing education, training records, policies, procedures, private duty name files</i> | | 5 years |
| <i>On-call lists</i> | 42 CFR § 489.20(e) | 5 years |
| PAYROLL & PERSONNEL RECORDS | | |
| <i>All payroll and personnel records:</i> <ul style="list-style-type: none"> • Accident reports, injury claims and settlements; • Acknowledgement of child abuse and neglect reporting requirements and elder and dependent adult abuse reporting requirement; medical histories; • Injury frequency charts; • Applications, changes and terminations of employees; • Insurance records of employees; time cards; • Pension; • Job description and classification; | 22 CCR §§ 70725, 71525, 72533, 73527, 75052, 77119, 79333 and 87866 | Permanent** |

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| <ul style="list-style-type: none"> • Performance or rating cards; • Earning records and summaries; exposure records- OSHA; • Retirements; • Health records; • Expense reimbursement; • Use of district paid credit cards or any travel compensation mechanism, etc.) | | |
| <i>W-2 and W-4 forms</i> | 26 CFR § 31.6001-1(e)(2) | 7 years |
| <i>Social Security reports and unemployment tax records</i> | 26 CFR §31.6001-1 and 22 CCR § 1085-2 | 7 years from the end of the tax year covered |
| <i>Collective bargaining agreements</i> | 29 CFR § 516.5 | Life of agreement + 10 years |
| <i>Equal pay records</i> | 29 CFR 516.6 | Permanent |
| <i>Dietetic Service personnel</i> (e.g. number of personnel, job titles and hours worked) | 22 CCR §§ 70275 and 71245 | 2 years |
| <i>Employment applications for temporary, permanent and non-employees</i> | 29 CFR § 1602.14; Gov. Code 12946 | Permanent |
| <i>Application form submitted by prospective employees, requests for reasonable accommodation and other records relating to hiring, promotions, demotions, transfers, lay-offs or terminations, rates of pay or other terms of compensation and selection for training or apprenticeship required by Title VII of the Civil Rights Act, the Americans with Disabilities Act and the Age Discrimination in Employment Act</i> | | Permanent |
| <i>Records of a charge of discrimination that has been filed, or an action brought by the Commission or the Attorney General against the District under Title VII or the Americans with Disabilities Act, the District must preserve all personnel records relevant to the charge or action until final disposition of the charge or action.</i> | 29 CFR §§ 1602.14, 1627.3 | Permanent |
| <i>Dietary in-service training records</i> | 22 CCR §§ 71243(j) and 73335 | 6 years |
| <i>OSHA logs, summaries and reports</i> (e.g. OSHA form 300 Log/301 Incident reports, etc.) | 29 CFR § 1904.33 | 6 years following the end of the calendar year for which the records cover |
| <i>Pesticide training program records, records of training provided on the hazards and use of pesticides, including employees; job assignments, dates and extent of training</i> | 3 CCR § 6724 | 6 years |
| <i>Hazardous waste training records</i> | 22 CCR § 66285-10 | 6 years |

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| Policy and procedure manuals | | Life of manual - 6 years |
| Overtime Reports | | Permanent |
| Labor management reporting records | | 6 years after filing report |
| Garnishment records | | 7 years |
| PHARMACEUTICAL RECORDS | | |
| <i>Alcohol inventory</i> | 27 CFR § 22.164 | 6 years |
| <i>Inspection reports of emergency drug supplies</i> | 22 CCR 71233(f) | 3 years |
| <i>Methodone dispensing records for each patient, prescription records and records of sale, acquisition, and disposition of drugs</i> | Health & Safety Code § 11179; Bus. & Prof. Code §§ 4081, 4333 | 6 years |
| <i>Controlled substances dispensed daily records showing the kind and quantity of narcotics dispensed or administered, the names and addresses of persons to whom narcotics were dispensed or administered and the names and addresses of those persons upon whose authority and the purpose for which the narcotics were dispensed or administered</i> | 21 CFR §§ 1304.04 and 1304.22 | 6 years |
| <i>Narcotics inventory records</i> | 21 CFR §§ 1304.04(a) | 6 years |
| <i>Prescription records for controlled substances</i> | 21 CFR §§ 1304.04(h) | 6 years |
| <i>Prescription records in a pharmacy</i> | Health & Safety Code § 11179 | 6 years |
| Recall records of pharmaceutical products | | 6 years |
| RECORDS OF DISTRICT REPORTS | | |
| <i>Accident or Incident Reports</i> | | 10 years |
| <i>Communicable disease reports to state and local health departments</i> | | 3 years |
| <i>Unusual Occurrence Reports to CDPH/public health officer</i> | | 6 years |
| Survey reports (e.g. reports to the Fair Commission, etc.) | | 10 years |
| RESEARCH & CLINICAL TRIAL RECORDS | | |
| Research Prescriptions (e.g. Records regarding prescriptions purposely mislabeled as part of a research study or by order of | | 10 years adults/ 25 year minor |

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| prescriber) | | |
| Research Contracts (e.g. Contracts with study sponsors and principal investigators, including related Documentation) | | 30 years after completion of the research |
| Human subject research records | | 30 years after completion of research |
| Institutional Review Board (IRB) Records (e.g. research proposals and scientific evaluations; approved sample consent documents; progress reports submitted by investigators; reports of injuries to subjects; minutes of IRB meetings; records of continuing review activities; correspondence between the IRB and investigators; list of IRB members, including name, degrees, representative capacity, experience; any employment or other relationship with the institution; written procedures for the IRB; statements of significant new findings provided to subjects) | 21 C.F.R. Section 56.108 (a) and (b); 21 C.F.R. Section 50.25; 21 C.F.R. Section 56.115; 45 C.F.R. Section 46.115 | Records regarding particular research projects: 30 years after completion of the research; General IRB records: 6 years |
| Other research reports | | 6 years |

* Not in CHA

** Originals may upon authorization be destroyed after seven years retention, provided said records have been microfilmed and qualify for destruction under Government Code section 60203.

^ The District may microfilm and destroy the original after two years

Reviewed by the Gov/Leg Committee: 8/10/05
Approved by the Board of Directors: 9/22/05
Reviewed by the Gov/Leg Committee: 11/8/06
Approved by the Board of Directors: 12/14/06
Reviewed by the Gov/Leg Committee: 10/10/07
Approved by the Board of Directors: 12/13/07
Received by the Gov/Leg Committee: 12/01/10
Approved by the Board of Directors: 12/16/10
Reviewed by the Gov/Leg Committee: 4/01/14
Approved by the Board of Directors: 4/24/14
Reviewed by the Gov/Leg Committee:



Medical Staff Office
Tri-City Medical Center

4002 Vista Way, Oceanside, CA 92056-4506 • (760) 940-3001

TO: Larry Schallock, Chairperson
FROM: Scott Worman, M.D., Chief of Staff
DATE: December 11, 2014
SUBJECT: Medical Executive Committee Recommendations

The following documents were reviewed and approved by the Governance Committee on December 2, 2014. These documents are forwarded to the Board of Directors with recommendations for approval.

Medical Staff Policies:

1. Physician Orders/Family Members, 8710-529

Pathology:

1. Scope of Services & Responsibilities

The above recommendations are presented to the Board of Directors for final review and disposition.

SUBMITTED BY:

Scott Worman, M.D., Chief of Staff

Date

GOVERNING BOARD DISPOSITION:

Approved: ☐

Denied: ☐

Julie Nygaard, Secretary
For and on behalf of the TCHD Board of Directors

Date





MEDICAL STAFF POLICY MANUAL

ISSUE DATE: 11/03

SUBJECT: Physician Orders/Family Members

REVISION DATE: 3/05, 6/06, 5/07, 9/11

POLICY NUMBER: 8710 – 529

Medical Executive Committee Approval:

09/11

Board of Directors Approval:

09/11

A. **PURPOSE:**

1. To outline the ethical and compliance issues for a physician who wants to order tests or therapies on themselves or their family members.

B. **POLICY:**

1. It is the policy of the Medical Staff of TCMC that it is inappropriate for physicians to evaluate and treat themselves or immediate family members except in emergency settings, isolated settings where there is no other qualified physician available, or in situations in which routine care is acceptable for short-term, minor problems.
2. The AMA issued a statement, E-8.19 regarding physicians treating themselves or members of their immediate families and the Medical Staff supports that statement. (See attached AMA Statement)
3. The Code of Federal Regulations states that Medicare will not cover charges for services provided to a patient who is an immediate family member of the physician or a member of the physician's household.
4. TCMC follows Medicare rules with regard to compliance issues.

C. **DEFINITIONS OF TERMS:**

1. Immediate family members are defined as follows:
 - a. Husband or wife
 - b. Natural or adoptive parent, child or sibling
 - c. Stepparent, stepchild, stepbrother, stepsister,
 - d. Father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law.
 - e. Grandparent or grandchild
 - f. Spouse of grandparent or grandchild.
2. Member of the household means:
 - a. Any person sharing a common abode as part of a single-family unit.
 - b. Domestic employees and others who live together as part of a family unit, not a roomer or boarder.
3. Physician:
 - a. Immediate family member
 - b. Member of household
 - c. MD, DO, DDS with membership to TCMC Medical Staff
4. Patient means whoever of the following is receiving the tests or therapies:
 - a. Physician
 - b. Immediate family member
 - c. Member of household

D. **PROCESS:**

1. Medical Staff members can only order tests and prescribe treatment for themselves, their immediate family members, and members of their household in an emergency, if there is no other qualified physician available, or in situations in which routine care is acceptable for short-term, minor problems.

2. Per Code of Federal Regulations and other TCMC contractual agreements, the patient may be responsible for charges incurred.

E. **GUIDELINES:**

1. AMA Ethical Opinion E-8.19.
2. 42 C.F.R. § 411.12

AMA STATEMENT

E-8.19 Self-Treatment or Treatment of Immediate Family Members.

Physicians generally should not treat themselves or members of their immediate families. Professional objectivity may be compromised when an immediate family member or the physician is the patient; the physician's personal feelings may unduly influence his or her professional medical judgment, thereby interfering with the care being delivered. Physicians may fail to probe sensitive areas when taking the medical history or may fail to perform intimate parts of the physical examination. Similarly, patients may feel uncomfortable disclosing sensitive information or undergoing an intimate examination when the physician is an immediate family member. This discomfort is particularly the case when the patient is a minor child, and sensitive or intimate care should especially be avoided for such patients. When treating themselves or immediate family members, physicians may be inclined to treat problems that are beyond their expertise or training. If tensions develop in a physician's professional relationship with a family member, perhaps as a result of a negative medical outcome, such difficulties may be carried over into the family member's personal relationship with the physician.

Concerns regarding patient autonomy and informed consent are also relevant when physicians attempt to treat members of their immediate family. Family members may be reluctant to state their preference for another physician or decline a recommendation for fear of offending the physician. In particular, minor children will generally not feel free to refuse care from their parents. Likewise, physicians may feel obligated to provide care to immediate family members even if they feel uncomfortable providing care.

It would not always be inappropriate to undertake self-treatment or treatment of immediate family members. In emergency settings or isolated settings where there is no other qualified physician available, physicians should not hesitate to treat themselves or family members until another physician becomes available. In addition, while physicians should not serve as a primary or regular care provider for immediate family members, there are situations in which routine care is acceptable for short-term, minor problems.

Except in emergencies, it is not appropriate for physicians to write prescriptions for controlled substances for themselves or immediate family members. (I, II, IV) Issued June 1993.



October 29, 2014

Scott Worman, M.D.
Chief of the Medical Staff
Tri-City Medical Center
4002 Vista Way
Oceanside, CA 92056

**Regarding: Services Available from Tri-City Medical Center Clinical Laboratory.
Scope of Services and Availability of Services.**

Dear Dr. Worman:

In response to the request of the Medical Executive Committee (MEC), please find the enclosed "Scope of Services and Responsibilities" policy which defines the breadth and availability of clinical laboratory services made available to the patients of the Medical Center. As the document indicates, our services are available on a 7/24 basis. This document also resides in our Laboratory Quality Management Manual. Please feel free to incorporate it into the Medical Staff's evidence materials.

Sincerely yours,

Marcus Contardo, M.D., M.P.H.
Laboratory Director
Tri-City Medical Center

Enclosure: Procedure entitled *Scope of Services and Responsibilities, Tri-City Medical Center Clinical Laboratory*

| | |
|---|--|
| Tri-City Medical Center Clinical Laboratory | Distribution: QUALITY MANAGEMENT MANUAL |
| PROCEDURE: SCOPE OF SERVICES AND RESPONSIBILITIES | |
| PURPOSE: The goal of the laboratory is to provide clinically relevant, reliable (accurate and precise) results of patient testing in a timely and cost effective manner. | |
| SUPPORTIVE DATA: | |
| AUTHORIZED TO PERFORM PROCEDURE: | |

SCOPE OF SERVICES:

Tri-City Medical Center Clinical Laboratory provides accredited services to meet the needs of the patient population and licensed independent practitioners in the areas of anatomic pathology, transfusion service and immunohematology, chemistry, cytology, coagulation, hematology, clinical microscopy, immunology and serology, microbiology (bacteriology, anaerobic bacteriology, mycology, parasitology and virology), limited toxicology and phlebotomy. The laboratory also manages and supervises the point-of-care or waived testing program for the medical center.

These Laboratory services, including those required for emergencies, are determined by the Laboratory Director in consultation with the medical staff, and are immediately available within the hospital and emergency department. The more esoteric tests or those requiring specialized methods, instruments, or expertise are referred to accredited laboratories. The laboratory endeavors to provide test results on a timely basis to diagnose and treat individuals.

EMERGENCY LABORATORY SERVICES:

Emergency laboratory services are available 24 hours a day, seven days a week by the on-site Clinical Laboratory for the following services: general chemistry, toxicology, immunochemistry, blood gases, therapeutic drug monitoring, hematology, coagulation, urinalysis, body fluid analysis, transfusion service including the emergency release of O Negative packed red blood cells, microbiology (gram stains, India ink, malaria smears, viral serology, bacterial antigens serology), phlebotomy, and Anatomic Pathology including frozen sections. The services provided in these sections are directly available on stat and routine basis.

RESPONSIBILITIES:

1. LABORATORY DIRECTOR

The Laboratory Director (Physician) is responsible for ensuring the overall laboratory goals are met through the implementation of the Laboratory Quality Management Plan. The Director:

- Reviews and approves all technical procedures within the laboratory.
- Receives reviews and approves all reports regarding quality assurance and improvement activities.

| EFFECTIVE DATE: | REVIEWED / DATE: | REVISED: | PREPARED BY: 10/28/14 |
|-----------------|--|-------------------|-----------------------|
| 8/22/03 | 8/30/04cs, 8/27/05cs, 5/21/06cs 5/31/07cs; 11/15/07cs; 5/19/08cs; | 8/27/03, 10/28/14 | Charles Sygstra |
| | 5/19/09cs; 5/21/10cs; 5/27/11cs; | | APPROVED BY: 10/28/14 |
| | 5/29/12cs; 5/30/13cs, 5/27/14cs | | W. R. Anderson |

- Participates in the lab Quality Assurance / Improvement Committee.
- Responsible for ensuring policies and procedures are established for assessing and monitoring the competency of lab personnel. (Responsibility for performing competency assessment is delegated to the Operations Managers).
- Responsible for Medical Education activities.

2. OPERATIONS MANAGERS

- Implements all aspects of the Quality Management Plan and oversees all Quality Assurance / Improvement activities.
- Responsible for maintaining accreditation standards in all assigned laboratory sections.
- Coordinates the Laboratory Quality Assurance / Improvement Committee.

3. TECHNICAL SPECIALISTS

- Responsible for daily and monthly Quality Assurance / Improvement activities.
- Report to the Operations Manager all QA/I problems and corrective action plans.
- Responsible for maintaining QA/I monitors.

Tri-City Medical Center
Audit, Compliance & Ethics Committee
November 20, 2014
Assembly Room 3
8:30am-10:30am

| | |
|----------------------------|--|
| Members Present: | Director Ramona Finnilla (Chair); Director Larry W. Schallock; Director Julie Nygaard, Carlo Marcuzzi, Community Member, Jack Cumming, Community Member, Barton Sharp, Community Member, Kathryn Fitzwilliam, Community Member; Dr. Frank Corona, Physician Member |
| Non-Voting Members: | Tim Moran (CEO); Steve Dietlin (CFO, Matt Mushet, Legal & Compliance |
| Others Present: | Teri Donnellan, Executive Assistant; Nellie Brown, Senior Administrative Assistant |
| Absent: | Ruth Gossard, Legal & Compliance |

| | Discussion | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|-------------------------------------|-----------------------|
| 1. Call to Order | The meeting was called to order at 8:35 a.m. in Assembly Room 3 at Tri-City Medical Center by Director Finnilla, Chairperson. Introductions were made for new committee members. | | |
| 2. Approval of Agenda | It was moved by Director Nygaard and seconded by Director Schallock to approve the agenda as presented. The motion passed unanimously. | Agenda approved. | |
| 3. Comments by members of the public and committee members on any item of interest to the public before Committee's consideration of the item. | There were no members of the public present. | | |
| 4. Ratification of minutes- October 16, 2014. | It was moved by Director Nygaard and seconded by Director Schallock to approve the minutes of the October 16, 2014 meeting. Ms. Fitzwilliam noted her name was spelled incorrectly on page 4 of the minutes. The motion passed unanimously with the correction made as indicated. | Amended minutes ratified. | |

| | Discussion | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|--|-----------------------|
| 5. New Business A)Revision to Compliance Code of Conduct to reflect the correct Conflicts of Interest and Acceptance of Gifts Policy, 8610-483 | <p>Director Finnilla reported the current Code of Conduct references Policy 8610-425 and 8610-462 which are no longer in existence. Mr. Matt Musher explained that Policy 8610-483 was recently amended and combined both former policies 8610-425 and 8610-462 to reflect a more stringent and clear gift policy in which employees may not accept gifts of any kind over \$50. He suggested the Code of Conduct be revised to reflect the current policy.</p> <p>It was moved by Director Schallack to recommend the Code of Conduct be amended to reflect the current policy 8610-483 related to gifts. Director Nygaard seconded the motion. The motion passed unanimously.</p> | <p>Recommendation to be sent to the Board of Directors to approve the amended Code of Interest Code as described. Committee's recommendation to Board item to appear on next Board agenda and included in Board Agenda packet.</p> | <p>Ms. Donnellan</p> |
| B) MEC Update | <p>Director Schallack reported a new process has been implemented where revisions to Medical Staff Policies & Procedures and Departmental Rules and Regulations will come to the Governance Committee to be reviewed prior to going to the Board. Director Schallack explained the Audit Committee would not be involved unless there is a compliance issue.</p> | <p>Information only.</p> | |
| C) Financial YTD update | <p>Mr. Dietlin gave a brief financial update for the four months ending October 31, 2014. He reviewed the following:</p> <ul style="list-style-type: none"> ➤ Operating Revenue - \$110,503 ➤ Operating Expense - \$111,039 ➤ EREO - \$700 ➤ EBITDA - \$6,093 ➤ Average Daily Census – 194 ➤ Adjusted Patient Days 38,364 ➤ Surgery Cases – 2,240 ➤ Deliveries – 986 ➤ ED Visits – 23,452 <p>Committee members asked questions which were answered by Mr. Dietlin and Mr. Moran.</p> <p>Mr. Dietlin explained the financial update is given on a monthly basis at both the Finance, Operations & Planning Committee and at the Board meeting and he welcomed</p> | <p>Financial YTD update will be presented on a quarterly basis.</p> | <p>Steve Dietlin</p> |

| | Discussion | Action Recommendations/ Conclusions | Person(s) Responsible |
|--|---|---|-----------------------|
| | committee members to attend those meetings to hear the financial report. It was recommended Mr. Dietlin provide a similar financial update on a quarterly basis. | | |
| 6. Old Business A) Chief Compliance Officer Update | Chairperson Finnila reported that the search has been expanded for this position. | Information only. | |
| 7. Oral Announcement of items to be discussed during closed session (Government Code Section 54957.7) | Director Finnila made an oral announcement of the items listed on the closed session. | | |
| 8. Motion to go into Closed Session. | It was moved by Carlo Marcuzzi and seconded by Director Nygaard to go into Closed Session at 9:09 a.m. The motion passed unanimously. | | |
| 10. Open Session | The committee returned to open session at 9:10 a.m. with attendance as noted above. | | |
| 11. Report from Chairperson on any action taken in closed session (Government Code, Section b 54957.1) | Chairperson Finnila reported no action was taken in closed session. | | |
| 12. Date of Next Meeting | Chairperson Finnila recommended the December Committee meeting be cancelled due to the Board holiday schedule. | December Committee meeting is cancelled. The committee's next meeting is scheduled for January 15, 2015. | Ms. Brown |
| 13. Adjournment | Chairperson Finnila adjourned the meeting at 9:30 a.m. | | Chair |

Tri-City Healthcare District

Code of Conduct

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About Our Code and Your Responsibilities

OUR COMMITMENT TO QUALITY CARE – OUR VALUES

Quality
Caring
Safety
Integrity
Innovation
Stewardship

Tri-City Healthcare District exists to serve the healthcare needs of its community. We are committed to furnishing each and every patient with high quality, compassionate care. To achieve this, we must all adopt a strong and deep commitment to embracing and living our values: quality, caring, safety, integrity, innovation, and stewardship.

Our values must be more than words on paper. Each of us has a responsibility to think about and be guided by the Tri-City values in everything we do, especially when faced with difficult decisions. Our values, as embodied in this Code of Conduct, applicable Policies and Procedures, and the support we provide to one another, will help guide us and ensure that we meet our ethics and compliance responsibilities and aspirations.

TO WHOM THIS CODE APPLIES

The Code of Conduct provides the ethical guidelines and expectations for conducting business for, or on behalf of Tri-City Healthcare District. It applies to all District officers and employees, at every level, and to our Board of Directors. It also applies to the District's medical staff, as well as vendors, consultants, contractors, and temporary employees, who often serve as an extension of the District.

COMPLIANCE WITH THE LAW AND REGULATIONS

This Code of Conduct reflects our commitment to conduct business consistent with fundamental ethical standards and to comply with applicable laws and regulations, including all applicable federal health care program laws, regulations, and program requirements.

Each of us is responsible for knowing and upholding the rules that apply to our jobs, including, as applicable, the requirements of Medicare, Medicaid, the Emergency Medical Treatment and Active Labor Act (EMTALA), the Health Insurance Portability and Accountability Act (HIPAA), the Health Information Technology for Economic and Clinical Health Act (HITECH), the False Claims Act, California's Confidentiality of Medical Information Act (CMIA), and all other applicable state and federal healthcare laws and regulations.

We are also required to seek advice from a manager, the Chief Compliance Officer, or the Legal Department if we are in doubt about the appropriateness and/or legality of an action. To help us understand and meet these obligations, this Code defines expectations, provides guidance, and identifies resources to help us address concerns.

RESPONSIBILITIES

Everyone is responsible for maintaining our reputation as a quality healthcare provider that practices legally and ethically. Meeting these responsibilities is critical to the District's success today and in the future. We need to act with integrity.

Without integrity, we fail our patients, our community, our coworkers, and ourselves. We must strive to maintain the highest ethical standards:

- Be honest in all you do.
- Always obey the law and all District policies and procedures, and act in a professional, honest, and ethical manner when acting on behalf of the District. Seek advice if in doubt about the appropriateness and/or legality of an action.
- Know the information contained in this Code and the related District policies and procedures, paying particular attention to the policies and procedures that pertain to your job responsibilities.
- Complete all required training in a timely manner.
- Promptly report concerns about possible violations of laws, regulations, this Code, or any District policies or procedures in accordance with the District's policies.
- Cooperate and tell the whole truth when responding to a compliance review or investigation. Never alter or destroy any records.
- No excuses! No reason, including the need to meet job responsibilities or organizational goals, is an excuse for violating laws, regulations, this Code, or District policies and procedures.

ADDITIONAL RESPONSIBILITIES OF DISTRICT LEADERSHIP

Individuals who manage others or are otherwise in a position of authority have these additional responsibilities:

- Lead by example. Managers are expected to exemplify the highest standards of ethical conduct.
- Create a positive working environment where everyone feels comfortable asking questions and reporting potential violations of this Code and its underlying policies and procedures. Never retaliate or seek retribution against those who raise issues or concerns.
- Never ask or pressure anyone to do something that you would be prohibited from doing yourself.
- Be aware of the limits of your authority and do not take any action that exceeds those limits. Never delegate authority to any individual whom you believe may engage in unlawful or unethical conduct.
- If you supervise contractors working on our behalf, ensure that they understand our expectations that they comply with applicable law, regulations and our Code.

As a manager, you need to monitor what is happening with those whom you supervise. If you become aware of conduct that may violate applicable law, regulations, our Code, or our policies and procedures, you MUST report it immediately. Not reporting a violation when you know or should have known about it may result in discipline up to and including termination of your employment.

Managers should not consider ethics concerns as threats or challenges to their authority. We want open, honest, and truthful dialogue to become a natural part of our daily work.

Q: I'm a manager, and I'm not clear what my obligations are if someone comes to me with an allegation – and what if it involves a senior leader?

A: No matter who the allegation involves, you must report it. See the next section of this Code for more detail on how to report it.

ASKING QUESTIONS AND REPORTING SUSPECTED VIOLATIONS

In today's complex healthcare environment, legal and ethical concerns routinely occur. When they do, employees must report the issues so that they can be addressed quickly and appropriately, minimizing the damage to the District and any involved parties. The sooner we know about possible problems, the sooner we can address them and find solutions. And of course, employees MUST report misconduct which they commit, witness, or hear about.

For reporting, employees have several options:

- Bring matters involving employee relations and discipline, work safety, job duties, harassment, and employee health to the attention of your manager or the Human Resources Department.
- Ask your manager or the Legal Department questions regarding handling legal documents, responding to regulatory inquiries, and how to determine and interpret the laws that apply to your job.
- Concerns regarding noncompliance with applicable laws and regulatory requirements must be reported to your manager, the Chief Compliance Officer, or by calling the Values Line (800) 273-8452.

The Values Line is available 24 hours per day, 365 days per year. Translators are available to speak in your native language, all calls are kept confidential, and you can make your report anonymously, if you so choose. If you make a report through the Values Line, you will receive an identification number so you can follow up on the concern. This is especially important if you have submitted a report anonymously, because it will enable you to provide additional information, and track the resolution of the matter.

Tri-City Healthcare District has an opportunity to improve every time an employee asks a question or raises a concern. When employees take action, speak up, and report questionable conduct, they are protecting their colleagues and our reputation. Remember, an issue cannot be addressed unless it is brought to someone's attention.

PROTECTION FROM RETALIATION

To build trust, we must listen openly to concerns about misconduct, respond appropriately, and never retaliate or seek retribution against those who raise issues or participate in investigations.

We take claims of retaliation and retribution seriously. All such claims will be thoroughly investigated. If they are substantiated, retaliators will be disciplined, up to and including dismissal from the District. If an employee believes he or she has experienced retaliation, the individual should report it using any of the methods described in the above section on Asking Questions and Reporting Suspected Violations.

ACCOUNTABILITY AND DISCIPLINE

All employees of Tri-City Healthcare District are required to obey all federal, state, and local laws and to abide by the rules set forth in this Code of Conduct and all District policies and procedures. Any individual who fails to do so is subject to penalties up to and including dismissal from the District along with criminal and/or civil prosecution.

AMENDMENTS AND WAIVERS

On rare occasions, Tri-City Healthcare District may amend or waive certain provisions of this Code. Anyone who believes that a waiver may be appropriate should discuss the matter with the Chief Compliance Officer or the CEO.

Any proposed waiver or exception must be approved by the Chief Compliance Officer and CEO in writing, per policy 8750-566.

OUR ETHICS AND COMPLIANCE RESOURCES

This Code and District policies serve as resources for employees to help guide their actions.

Employees also should be alert to changes in the law or new requirements that may affect their work as well as new District services that may be subject to special legal requirements.

In addition to the Code, it is important to remember that District leaders are a good resource when it comes to ethical business conduct, as are the Chief Compliance Officer, the Legal Department, the Human Resources Department, and the Values Line (800) 273-8452. Employees should feel free to take advantage of any of the resources provided.

MAKING THE RIGHT DECISION

Pressure often clouds our judgment, and occasionally, the right choice is not clear. Remember, support is available for employees facing a tough call. Our colleagues and managers can help us think through our options. Employees also may rely on this Code for help, or contact the Values Line (800) 273-8452.

When making a difficult decision, employees should ask three simple questions:

- Is it legal? If it isn't, don't do it.
- Is it right? How do you feel about the choice? Does your conscience give you pause? Would a close, trusted friend be okay with it?
- How would I feel if the conduct appeared on YouTube or in the newspaper? If someone posted a video of (or a blog entry about) what you had done and individuals around the world saw it, would it hurt your reputation or the reputation of Tri-City Healthcare District? If so, it is the wrong choice – don't do it!

Our Commitment to Our Patients

PROVIDING QUALITY MEDICAL CARE

The only acceptable standard of care at Tri-City Healthcare District is that of the highest quality. We provide care that is compassionate and that advances the health and wellness of all the people we serve. Our commitment in this regard is more fully set forth in the District's Patient Handbook, Policy 8610-302, and the Joint Commission's National Patient Safety Goals.

CARING FOR OUR PATIENTS AND THEIR RIGHTS

The District adheres to the highest standards in the realm of patients' rights and respecting patients' privacy, safety, and sovereignty over their own bodies. We communicate clearly with our patients about their rights and their options, and we make sure that they are empowered while availing themselves of our services and care.

District employees must be mindful that each of our patients has specific rights including:

- Considerate and respectful care, personal dignity, and comfort.
- To receive information about his or her health status, diagnosis, prognosis, and treatment.
- Free interpreter services available.
- To make decisions regarding medical care and to receive needed information.
- To request or refuse treatment, to the extent permitted by law.
- To have personal privacy respected.
- To receive care in a safe setting, free from abuse, neglect, or exploitation.

Patient Safety

No patient care goal is more important than that of ensuring patient safety. Employees of the District work diligently to correctly identify our patients, promptly communicate key care information to correct staff, properly use medications, and identify and manage other patient safety risks.

The Joint Commission provides certain patient safety goals, generally including:

- Identifying patients correctly.
- Maintaining and communicating accurate patient medication information.
- Preventing infection of all types, making use of all appropriate guidelines.
- Identify patient safety risks, including suicide risk.
- Complying with current CDC and WHO hand hygiene guidelines.

Safeguarding Patient Privacy and Confidentiality

Our commitment to upholding the law includes patient information privacy and security. Employees should disclose confidential patient information only as permitted by law to those with a need to know. We will hold our contractors and care partners to the same standards.

Our Commitment to One Another

RESPECT IN THE WORKPLACE

We are committed to fair and respectful treatment and equal opportunity in our employment interactions and decisions. Our colleagues and job applicants are entitled to respect and should be judged only on the basis of their qualifications, demonstrated skills, and achievements.

Remember:

- Treat others as you wish to be treated.
- Review your own decisions to ensure that only objective merit and healthcare considerations drive your actions.
- If you supervise others, judge them on performance. Avoid introducing unrelated considerations into your decisions.

Equal Employment Opportunity

We believe every employee deserves to work and grow in an environment free of unlawful discrimination, harassment, intimidation, and abuse. We understand that the District is best served when all perspectives are considered fairly and without prejudice. We prohibit any form of discrimination on the basis of a characteristic protected by state and federal law, and our policies. For more detailed information, please consult Policy 8610-418, or ask Human Resources.

Harassment

The District is committed to providing a harassment-free environment. The District's anti-harassment policy applies to all persons involved in the operation of the District and prohibits unlawful harassment by any employee of the District, including supervisors and managers, as well as vendors and customers. For more specific information regarding harassment, please consult Policy 8610-403, or ask Human Resources.

Remember:

- Treat coworkers with respect. Do not discriminate or harass anyone. Be open to different points of view, backgrounds, and experiences and recognize the value that diversity brings to our work.
- Let people know if you find their behavior to be demeaning or disrespectful of you or others. Don't tolerate discrimination or harassment in any form.
- Be professional. Do not visit inappropriate internet sites or display sexually explicit or offensive pictures. This prohibition does not include internet sites or pictures legitimately used in connection with your work for the District.
- Report all incidents of harassment and discrimination that may compromise our ability to work together in an appropriate environment.

Q: One of my co-workers sends e-mails and text messages containing jokes and comments that make fun of certain nationalities. They make me uncomfortable, but no one else has spoken up about them. What should I do?

A: You should notify your manager or the Human Resources Department. Jokes that demean or stereotype people's national origin, or any other protected characteristic, are inappropriate. Raise the issue now, so that it does not continue or even escalate.

Q: While attending an educational program with some coworkers at a local hotel, a colleague repeatedly asked me out for drinks and made comments about my appearance that made me uncomfortable. I asked him to stop, but he wouldn't. We weren't in the office and it was "after hours" so I wasn't sure what I should do. Does this violate our Code?

A: Yes. This type of conduct will not be tolerated, not only during working hours but in all work-related situations. Tell your colleague such actions are inappropriate. If they do not stop immediately, or if you don't feel comfortable confronting your colleague, report the issue.

HEALTH AND SAFETY

Safe Working Environment

The District is committed to providing a safe and healthy workplace for our employees, as well as for patients and visitors to our facilities. We need to protect ourselves and others in our everyday actions. Situations that may pose a health, safety, or environmental hazard must be immediately fixed or reported to management. We can only achieve our goal of a safe and healthy workplace through the active participation and support of everyone. The more we communicate, the better we can respond to any unsafe or unhealthy working conditions.

Remember:

- Comply with all applicable health and safety laws, policies, and procedures. If you don't know what the safe thing to do is, ask someone who knows.
- Understand your job fully and follow instructions. Wear personal protective equipment in accordance with the job you are performing. Use, adjust, and repair equipment only if you are trained and qualified.
- If an unsafe condition cannot be immediately fixed, notify your manager or Human Resources immediately.

Q: I've noticed some practices in my area that don't seem safe. Who can I speak to? I'm new here, and don't want to be considered a troublemaker.

A: Discuss your concerns with your manager. There may be very good reasons for the practices. On the other hand, sometimes new eyes see things that more experienced eyes have missed. Raising a concern about safety is not making trouble; it is being responsible.

Abuse of Drugs and Alcohol

Part of maintaining a safe working environment is being certain that every employee is fully awake, aware, and able to do his or her job carefully and safely. We must be mindful of how others might be affected by our actions. We also should be mindful of our intake of alcohol at work-related events.

Remember:

- While at work or on District business, you should be alert, never impaired, and always ready to carry out your work duties.
- The use of alcoholic beverages or illegal substances during working hours will not be tolerated. The possession of alcoholic beverages or illegal substances on District property is forbidden.
- If you have a medical condition that requires you to use medication while working, and that medication could impair your mental or physical capabilities, you must notify Employee Health.

Workplace Violence

The District has a zero tolerance for acts and threats of violence. All such acts and threats, even those made in apparent jest, will be taken seriously, and will lead to discipline up to and including termination.

It is every employee's responsibility to assist in establishing and maintaining a violence-free work environment. Therefore, each employee is expected and encouraged to report any incident which may be threatening to you or your co-workers or any event which you reasonably believe is threatening or violent.

Threats include any indication of intent to harm a person or damage District property. Threats may be direct or indirect, and they may be communicated verbally or nonverbally.

Q: Are visiting physicians, medical personnel, and contractors expected to follow the same health, safety, and security policies and procedures as employees?

A: Absolutely. Managers and supervisors are responsible for ensuring that anyone working on District premises understands and complies with all applicable laws, regulations and policies.

PROTECTING DISTRICT ASSETS

It is our responsibility to care for, properly use, and protect our assets and resources. We must each use our best judgment to make sure District assets are not lost, stolen, or wasted, and are used only for legitimate business purposes. We must never use District assets for personal gain.

Our assets include:

- Our physical facilities;
- Computers, files, documents, and passwords;
- Confidential information;
- Employee time; and
- Machines, equipment, materials, and supplies.

Remember:

- Ask your manager before you take hospital property, such as files or personal computers, off District premises.
- Be aware that Tri-City Healthcare District reserves the right to search all our property, as well as anything brought onto or taken from District premises (including employee personal possessions).
- Do not use our equipment or systems, including email and the internet, to download, create, store, or send content that others might find offensive or that is illegal.
- Do not share passwords or allow others to use District assets.

CONFIDENTIAL INFORMATION

One of the District's most valuable assets is its confidential information. Confidential information includes information not publicly released such as patient information, personnel information, staffing changes, trade secrets, business plans, and employee medical information. The obligation to preserve and protect District confidential information is ongoing, even after employment ends.

Remember:

- Use confidential information only for legitimate operational purposes.
- Share confidential information only with people who need to know it.
- Forward all requests for information regarding a current or former employee's position/compensation with the District to the Human Resources Department.
- Avoid discussing confidential information when others might be able to overhear what is being said.
- Never use confidential information for personal financial gain or to compete with Tri-City Healthcare District.

Employee Privacy

Tri-City Healthcare District is committed to respecting the confidentiality of employees' personal information, such as personal records, photos, social security numbers, medical information, and home addresses. Only such personal data as is necessary will be acquired and retained by the District.

Employees authorized to have access to personal employee data are expected to ensure the security of the information and share it only with authorized persons on a "need-to-know" basis. We must make sure such information is stored securely and we should refrain from holding the information longer than is necessary to meet the legal or business reason for which it was acquired.

Q: Are the emails I send from my computer protected by the District's privacy policy?

A: Tri-City Healthcare District respects the confidentiality of the personal information of employees; however, it is important to remember that employees have no expectation of privacy with regard to workplace communication, including emails, texts, and voicemails. Even communications with your personal attorney will not be privileged if the District email system or computers are used.

Confidential Information – Business partners

Everyone with necessary access to District confidential information who is not employed by the District, including visiting physicians and medical personnel, contractors, and consultants, is expected to adhere to the District's specific policies and procedures with regard to information protection. Managers are responsible for ensuring that our business partners are duly authorized to handle our confidential information and are appropriately cautious with it.

ACCURATE CODING, BILLING, AND RECORDS

Trustees, patients, insurance companies, government officials, and others need to be able to rely on the accuracy and completeness of our business records and invoices. We must be honest in what we say, what we write and what we do. Accurate information is also essential within the District so that we can make good business decisions. This is why our coding, billing, and records must be accurate, timely, complete, and understandable.

Each of us is responsible for helping to ensure that invoices we submit are legitimate and appropriate, and that the codes and information we record are accurate, complete, and maintained in a manner consistent with our system of internal controls.

Remember:

- Always code and bill accurately, only for services rendered and documented properly. Ensure that any bills submitted are consistent with federal billing standards and federal medical program requirements.
- Make sure that financial entries are clear and complete and do not hide or disguise the true nature of any transaction.
- Do not record, understate, or overstate known liabilities and assets, or defer the recording of items which should be expensed.
- Do not maintain undisclosed or unrecorded funds, assets, or liabilities.
- Do not back date documents.
- Never make false claims on an expense report, time sheet, or in billing a health care program.
- If you are uncertain about the validity of an entry or process consult with your manager, or contact Human Resources.
- Only sign documents that you are authorized to sign and that you are certain are accurate and truthful. This includes approving invoices and journal entries as well as 'signing off' on financial statements.
- Bring any evidence of fraud in accounting, financial reporting, or internal controls to the attention of your manager, the Chief Compliance Officer, or the Values Line (800) 273-8452.

PROPER USE OF ELECTRONIC MEDIA

Electronic media includes everything from the content of CDs to email and text messages to websites, television, and radio broadcasts. We should all exercise discretion when using electronic media. These tools should never be used in a way that interferes with the conduct of District business. We also should avoid any usage that might lead to loss or damage, such as the introduction of viruses or a breach of our firewalls. We also must be aware of software licensing rules and never use unauthorized copies of software on District computers, or use District software on our personal computers in a way not intended by the license.

Remember, do not use District equipment:

- To download, save, send, or access any defamatory, discriminatory, obscene or illegal material.
- To gain or attempt to gain unauthorized or unlawful access to computers, equipment, networks, or systems of Tri-City Healthcare District or any other person or entity.
- In connection with any infringement of intellectual property rights, including but not limited to copyrights.
- In connection with the violation or attempted violation of any law.

Use of Social Media

District employees who choose to use social media should do so on their own time, be careful to comply with Policy 8610-479, and avoid discussing any District confidential or work information. Employees also should be careful when posting online to avoid giving the impression that they are speaking on behalf of the District unless authorized to do so.

Think carefully before hitting the 'send' button. These types of communications live forever. Remember, if you are not authorized to speak publically on behalf of the District, you should not do so.

RETENTION AND DISPOSAL OF DOCUMENTS AND RECORDS

Medical and business documents and records must be maintained in accordance with procedures and time frames established by applicable laws, accreditation standards, and the District's document retention policies. Medical and business documents include paper documents, such as letters and memoranda; computer-based information, such as e-mail or computer files on disk or tape; and any other medium that contains information about the District or its business activities.

We will not tamper with records, nor remove or destroy them before the time period specified in the District's document retention policies, and we will not destroy any records we know relate to pending litigation or government investigation.

Meeting the Letter and the Spirit of Laws and Regulatory Requirements

COMPLIANCE AND TRANSPARENCY

We are obligated to follow all relevant local, state, and federal laws and regulations. Each of us is responsible for knowing which of these apply to our respective jobs. An employee who is unclear about a law is responsible for asking questions of his or her manager, the Legal Department, or Human Resources. Failure to comply with the laws and regulations which govern our services undermines our mission and will ultimately lead to serious consequences for the District and its employees.

Transparency is key to maintaining a culture of compliance with healthcare laws and regulations. When we are open and clear about our actions we can more readily demonstrate our compliance, and we can more easily spot and remedy any errors or confusion about a law or regulation.

CONFLICTS OF INTEREST

A conflict of interest occurs whenever an employee has a competing interest that may interfere with his or her ability to make a sound, objective decision for the District. We must never use our positions with Tri-City Healthcare District, or with any of its patients or vendors, for private gain, to advance personal interests, or to obtain favors or benefits for ourselves, members of our families, or any other individuals or entities. Each of us is expected to use good judgment and avoid situations that can lead to even the appearance of a conflict.

It is impossible to describe every potential conflict. Therefore, the District relies on each of us to uphold the highest standards of integrity and to seek advice when needed. Please consult Policy 8610-483 or Human Resources for more specific information.

Remember:

- If you believe a conflict or potential conflict exists, you must disclose it to your manager, or Human Resources.
- Any situation that creates, or even appears to create, a conflict of interest between your personal interests and the interests of the District and our patients should be avoided.

Personal Relationships

We must not let personal relationships with friends or family members influence our work-related decisions in a way that causes us to act against the best interests of Tri-City Healthcare District. This includes decisions made about hiring employees, selecting vendors, and billing. Employees should obtain management approval before becoming involved in such decisions.

Financial Incentives to Provide Care

We should be especially careful to avoid even the appearance of any conflicts of interest in our dealings with physicians and other healthcare providers. We must never offer or provide anything of value to encourage or reward referrals from other healthcare professionals, and we also must not accept them. These types of gifts are typically viewed as bribes or kickbacks, which are illegal.

Remember:

- Do not offer, pay, or accept bribes or kickbacks.
- Do not tie compensation to volume or value of referrals.
- If you are aware of a District employee who is offering, paying, or receiving kickbacks or bribes, or if you suspect such behavior is occurring, report your concern to your manager, the Chief Compliance Officer, or the Values Line (800) 273-8452.

Outside Business or Employment

Tri-City Healthcare District employees occasionally take on additional, outside employment. This could constitute a conflict of interest if that outside work interferes with the employee's ability to fulfill his or her responsibilities to the District, or if there is a risk that the outside employment may cause the employee to disclose District confidential information.

An employee who plans to take on outside employment or who already has an outside job or consulting arrangement that is related in any way to the healthcare industry must disclose it to Human Resources. Please see Policy 8610-483 for more detailed information.

Personal Investments or Transactions

Ownership by a District employee of an investment in a vendor, competitor or business partner could influence decisions made by that employee. For those employees who are not already required to annually disclose such interests under the District Conflict of Interest Code, such ownership interests in companies not publicly traded on a national stock exchange must be reported to Human Resources.

Additionally, any District employee who holds an ownership stake in any other healthcare entities (e.g., labs, outpatient imaging centers, rehabilitation facilities, etc.) must be careful about how this ownership affects any decisions made on behalf of the District. Referring Tri-City patients to such entities is called self-referral and may implicate and violate various anti-self-referral and anti-inducement laws and regulations. In addition, such interests are reportable by employees designated in the District Conflict of Interest Code, and may result in disqualification from some decision-making.

Boards, Panels, Foundations, Consulting Arrangements

Memberships or participation in outside organizations, especially those which oversee, approve actions by, receive grants from, or have contracts with the District, should be disclosed in advance to Human Resources. Examples of such arrangements are municipal Board memberships; focus groups, discussion panels and advisory boards for makers of healthcare products; community health clinic boards; and participation in a Foundation that distributes financial support to research or healthcare entities. You may be directed to manage such conflicts by removing yourself from any decision making that will impact Tri-City Healthcare District. In some instances in which a conflict of interest precludes you from carrying out your responsibilities to the District, resignation may be necessary.

ACCEPTING GIFTS AND ENTERTAINMENT

District employees are not allowed to accept gifts or gratuities that are inconsistent with Policy 8610-483 or this Code, or that could influence decisions regarding patient care or business. We have one excellent standard of care for all patients, and that standard should not be affected in any way by gifts.

PROVIDING GIFTS, MEALS AND ENTERTAINMENT

Gifts, meals or entertainment may only be given to others if they are reasonable complements to business relationships, are of modest value, and are not against the law or the policy of the District or the recipient's organization. While it is a legitimate business activity to entertain our business partners and prospects ancillary to our business with them, no such activity should involve behavior that would otherwise violate policies or reflect poorly on our reputation. In addition, these activities may implicate the federal health care program anti-kickback law (the "Anti-Kickback Law"), 42 U.S.C. § 1320a-7b(b), and the federal physician self-referral law (the "Stark Law"), 42 U.S.C. § 1395nn.

Remember:

- Before you provide gifts or entertainment, be sure it is consistent with both District policy and the policies of the recipient's employer.
- Never provide gifts to government officials without prior Legal Department approval.

COMPLIANCE WITH GOVERNMENT HEALTHCARE REGULATIONS

Tri-City Healthcare District complies with all federal, state, and local laws that govern our healthcare practices. We operate in full cooperation with the Federal False Claims Act and the Deficit Reduction Act, which are intended to protect government programs including Medicare, Medicaid, and TRICARE from fraud, waste and abuse. Our policies promote accuracy and transparency in our coding and billing practices for both government and private payers, and we offer protection for whistleblowers.

We comply fully with EMTALA, which protects patients seeking emergency care, and are committed to providing all necessary care to any patients who come to us requiring emergency medical treatment. We adhere to all laws governing improper payments, such as the Federal Anti-Kickback Law, which prohibits offering, giving, or accepting anything of value to motivate or reward referrals.

WORKING WITH REGULATORY AUTHORITIES

Tri-City Healthcare District and its employees are committed to cooperate with all regulatory authorities. We will provide any information required by state and federal audits and investigations promptly, fully, and honestly. We will not alter, withhold, or destroy any records related to an investigation.

Employees should notify the Legal Department before responding to a subpoena, search warrant, request for an interview or other non-routine request for access to information related to District matters.

Our Commitment to the Community

TRI-CITY HEALTHCARE DISTRICT – IN THE COMMUNITY

We have a responsibility, as a healthcare provider, to be a good corporate citizen. We encourage participation in, and strive for the improvement of, the communities in which we live and work. We support giving and volunteering in our communities, and we understand the value of our good reputation to our communities.

While employees are encouraged to be involved in community organizations and projects of their choice, we should never present our personal views or actions as if they represent Tri-City Healthcare District's position. Any charitable contributions or donations on behalf of the District must be approved by the Board of Directors.

Outside activities must not interfere with job performance. Employees should not exert improper influence in business decisions regarding a charity or other organization where they volunteer.

- Q: My manager often asks me to buy candy bars as part of fund raising activities for his children's schools. He also encourages us to support his favorite charities and sponsor him in fundraising walks and races. Sometimes I feel I don't have a choice. What can I do?
- A: Selling, soliciting, or collecting contributions for any purpose on the District's premises is prohibited. The only exception is for District-approved fundraisers such as March of Dimes. In addition, pressuring others to contribute to or join charities, groups, or political activities is not allowed. Your manager may not view his actions as 'pressure' and may not be aware of our policy. If you are comfortable doing so, talk to him about the problem. As an alternative, you can contact Human Resources.

ENVIRONMENTAL COMPLIANCE

The District actively seeks opportunities to improve the quality of life in our communities and to improve the environment that sustains us all. We recognize the need to provide our services in a way that protects and improves the state of the environment for future generations.

We are committed to meeting or exceeding applicable environmental laws and regulations and to continuously improving our environmental performance through resource conservation, waste minimization, and water and energy efficiency.

Remember, we must:

- Comply with all applicable environmental laws, regulations, and District policies.
- Be proactive and help identify opportunities for improving our environmental performance, including, for example, additional ways that we can conserve and recycle.
- Support waste reduction and recycling efforts at the District and in our communities.
- Comply with medical waste disposal protocols.

COMMUNICATING WITH THE PUBLIC

Tri-City Healthcare District needs a clear, consistent voice when providing information to the public and the media. For this reason, it is important that only authorized persons speak on behalf of the District. Employees should never give the impression that they are speaking on behalf of the District in any communication that may become public if they are not authorized to do so.

Remember:

- If you receive an inquiry regarding District activities, results, or plans, or its position on public issues, and are not specifically authorized by District leadership to respond, refer the request to your manager.
- Obtain approval from the Legal Department, Chief Executive Officer, or Director of Public Relations before making public speeches, writing articles for professional journals, or engaging in other public communications on behalf of the District.

POLITICAL CONTRIBUTIONS AND POLITICAL ACTIVITY

As a responsible healthcare provider and member of our community, we respect the rights of employees to voluntarily participate in the political process outside of work hours and beyond District premises.

We also are committed to following the rules and requirements set forth by the Political Reform Act of 1974 in its most current form.

Employees must always make it clear that their views and actions are their own and not those of Tri-City Healthcare District. Employees must not use the District's resources to support their personal choice of political parties, causes, or candidates.

Remember:

- Lobbying activities or government contacts on behalf of the District must be coordinated with management, and be consistent with Board-adopted policies, as well as local and state registration laws.
- The District may not engage in any political spending, including donating products, services, transportation, or facilities to politicians or political organizations.
- Holding or campaigning for political office must not create, or appear to create, a conflict of interest or incompatibility with your duties at the District.

Q: What types of expenditures are covered by the prohibition on political contributions by the District?

A: Political contributions include monetary spending, as well as indirect contributions such as the purchase of tickets to a political fundraiser. The prohibition also applies to "in-kind" contributions such as the use of District personnel or facilities, telephones, email systems, or payment for services.

Human Resource Manual

ISSUE DATE: 08/12

SUBJECT: Conflicts of Interest and
Acceptance of Gifts

REVISION DATE: 08/12

POLICY NUMBER: 8610-483
(Former Policies 8610-462 & 8610-425)

Human Resources Committee Approval:

Governance Committee Approval:

10/14

Board of Directors Approval:

10/14

A. PURPOSE:

1. This policy (1) helps policy-making managers and other employees avoid actual, potential, and perceived conflicts of interest; (2) establishes procedures designed to ensure conflicts are properly disclosed and resolved; and (3) provides guidance regarding the acceptability of gifts and gratuities.
2. This policy does not apply to acceptance of gifts from pharmaceutical vendors. Employees and their Immediate Family Members are prohibited from accepting gifts from pharmaceutical vendors. For TCHD's pharmaceutical vendor policy, see Pharmacy Services Policy Manual, Policy No. 8390-10025: "Pharmaceutical Vendors".

B. GENERAL POLICIES:

1. TCHD's policy-making managers and other employees must devote their best efforts and attention to the performance of their duties and obligations at TCHD, and must avoid and promptly disclose conflicts of interest.
2. Employees shall not use TCHD information, property, or labor for personal gain, or disclose or use TCHD's confidential information for any purpose inconsistent with their official duties.
3. Employees and their Immediate Family Members are prohibited from accepting monetary gifts or gratuities, or non-monetary gifts costing more than \$50, for their own personal benefit, from anyone doing business with, or seeking to do business with, the District.
4. Employees are prohibited from soliciting gifts for their own personal benefit, of any amount or kind, from anyone doing business with, or seeking to do business with, the District.
5. Employees who receive honoraria (money) for speaking on behalf of the District or for participating in surveys in the course of their duties on behalf of the District must give the money to Tri-City Hospital Foundation to the extent they exceed associated travel expenses.
6. At the discretion of a department manager or director, gifts such as flowers or food that can be consumed or shared by the employee's coworkers, may be accepted provided the total cost is not greater than \$50 per person. This policy does not preclude employees from sending flowers or modest gifts to one another for the condolence of a death or to celebrate a special occasion.
7. Vendors, patients, visitors, physicians, and employees who wish to show their appreciation or support of TCHD and its employees by means of a substantial gift should be referred to the Tri-City Hospital Foundation.

C. DEFINITIONS:

1. Conflict of Interest. A conflict of interest occurs when an individual is in a position to control or influence a business decision and has a personal, financial, or other competing interest in the outcome of the decision.
2. A competing interest arises when an individual, or his/her immediate family member, stands to gain or lose - directly or indirectly - as a result of the outcome of the matter or decision.

3. Immediate Family Member. This term means a spouse or civil union partner, natural or adoptive parent, child, or sibling: stepparent, stepchild, stepbrother or stepsister, father-in law, mother-in-law, son-in-law, daughter-in-law, brother-in- law, or sister-in-law: grandparent or grandchild: and the spouse of a grandparent or grandchild.

D. EXAMPLES:

1. The following is a non-exhaustive list of examples of Conflicts of Interest:
2. An employee is a partner in an entity seeking to do business with TCHD.
3. A manager provides confidential information to a patient to encourage a lawsuit against TCHD.
4. An employee suggests TCHD hire a firm owned by her spouse to create hospital signage.
5. An employee purchases property for the purpose of selling it to TCHD.
6. A manager pressures a subordinate to hire a friend or relative.
7. An employee commits TCHD to contract with a bank in exchange for a decreased interest rate on her car loan.

E. PROCEDURES:

1. All employees who believe they may have a Conflict of Interest, as described in this policy with respect to any District matter or decision must bring this concern to the immediate attention of the Compliance Officer, or the Values Line (800) 273-8452.
2. The Compliance Officer will review all Conflict of Interest disclosures and provide a written determination and instruction with respect to compliance with this policy.
3. The failure to fully, accurately, and promptly disclose actual, potential, or perceived Conflicts of Interest may result in disciplinary action, up to and including termination.

F. SCOPE OF POLICY:

1. This policy establishes rules for employee conduct that supplement and do not replace or excuse non-compliance with conflict of interest laws applicable to policy-making management and other employees of the District under California or Federal laws.
 - a. Review of a disclosure by and receipt of instructions from the Compliance Officer do not relieve any employee from adherence to other applicable laws and policies governing local healthcare district employees, including but not limited to:
 - b. Limits on positions and ownership interests in competing hospitals (Health & Safety Code section 32110);
 - c. Disclosure and disqualification from participating in governmental decisions as a designated person under the District's conflict of interest code under the Political Reform Act;
 - d. Prohibitions on making contracts which may affect personal finances under Government Code section 1090;
 - e. Use of confidential information for personal gain under Government Code section 1098;
 - f. Engaging in inconsistent, incompatible, or conflicting employment activities or enterprises, as proscribed by Government Code section 1126.

**TRI-CITY HEALTHCARE DISTRICT
MINUTES FOR A REGULAR MEETING AND
OF THE BOARD OF DIRECTORS**

**November 6, 2014 – 1:30 o'clock p.m.
Classroom 6 – Eugene L. Geil Pavilion
4002 Vista Way, Oceanside, CA 92056**

A Regular Meeting of Board of Directors of Tri-City Healthcare District was held at the location noted above at Tri-City Medical Center, 4002 Vista Way, Oceanside, California at 1:30 p.m. on November 6, 2014.

The following Directors constituting a quorum of the Board of Directors were present:

Director Paul V. L. Campo
Director James Dagostino, DPT, PT
Director Ramona Finnila
Director Cyril F. Kellett, M.D.
Director Julie Nygaard
Director RoseMarie Reno
Director Larry Schallock

Also present were:

Greg Moser, General Legal Counsel
Tim Moran, Chief Executive Officer
Casey Fatch, Chief Operating Officer
Steven L. Dietlin, Chief Financial Officer
Dr. Scott Worman, Chief of Staff
Teri Donnellan, Executive Assistant
Richard Crooks, Executive Protection Agent

1. The Board Chairman, Director Schallock, called the meeting to order at 1:30 p.m. in Classroom 6 of the Eugene L. Geil Pavilion at Tri-City Medical Center with attendance as listed above.

2. Approval of Agenda

**It was moved by Director Dagostino to approve the agenda as presented.
Director Campo seconded the motion. The motion passed unanimously (7-0).**

3. Public Comments – Announcement

Chairman Schallock read the Public Comments section listed on the November 6, 2014 Regular Board of Directors Meeting Agenda.

There were no public comments.

4. Oral Announcement of Items to be discussed during Closed Session.

Chairman Schallock deferred this item to the Board's General Counsel. General Counsel, Mr. Moser made an oral announcement of items listed on the November 6, 2014 Regular Board of Directors Meeting Agenda to be discussed during Closed Session which included three matters of potential litigation, two matters of existing litigation, Hearings on Reports of the Hospital Medical Audit or Quality Assurance Committees and approval of closed session minutes.

5. Motion to go into Closed Session

It was moved by Director Nygaard and seconded by Director Finnila to go into Closed Session. The motion passed unanimously (7-0).

6. The Board adjourned to Closed Session at 1:35 p.m.
8. At 3:30 p.m. in Assembly Rooms 1, 2 and 3, Chairman Schallock announced that the Board was back in Open Session.

The following Board members were present:

Director Paul V. L. Campo
Director James Dagostino, DPT, PT
Director Ramona Finnila
Director Cyril F. Kellett, M.D.
Director Julie Nygaard
Director RoseMarie Reno
Director Larry Schallock

Also present were:

Greg Moser, General Legal Counsel
Tim Moran, Chief Executive Officer
Casey Fatch, Chief Operating Officer
Steven Dietlin, Chief Financial Officer
Sharon Schultz, RN, Chief Nurse Executive
Esther Beverly, VP, Human Resources
Dr. Scott Worman, Chief of Staff
Teri Donnellan, Executive Assistant
Richard Crooks, Executive Protection Agent

9. Chairman Schallock reported the Board took no action in closed session.
(The numbering sequence below follows that of the Board Agenda)
10. Chairman Schallock noted all Board members were present. Director Kellett led the Pledge of Allegiance.
11. Chairman Schallock read the Public Comments section of the Agenda, noting members of the public may speak immediately following Agenda Item Number 23.
12. Community Activity Update – EBOLA

Ms. Sharon Schultz, CNE provided an update and public service announcement related to EBOLA. Ms. Schultz reported we have had an overwhelming response from employees to learn how to protect themselves and others. She stated 288 staff were trained in 15 four hour sessions which were held over the past few weeks. Ms. Schultz noted training materials and a video are also available on all of the units. She assured the Board and community that we are using all the highest level PPE that has been recommended by the CDC. In addition, drills have been conducted and all entry points to the hospital, especially the Emergency Department screen for travel history on all patients and we believe we are prepared to receive and evaluate patients that are suspect for EBOLA. Ms. Schultz stated a Taskforce convened three weeks ago and met every day with leaders of hospital departments to address and evaluate our areas and information that is disseminated to us from the Department of Health Services and the CDC to ensure we have the highest level of preparedness and safety and care for our patients.

Ms. Schultz stated we are also getting into the flu season and cautioned that some of the symptoms mimic EBOLA. Therefore we have put some restrictions in our NICU and also encourage visitors who have coughs or colds not to visit. She noted hand gel and masks are available throughout the hospital.

Ms. Schultz stated we are pleased that the UC system is the designated hospital for more definitive care for our EBOLA patients. However, if a patient does present to our Emergency Room we will isolate the patient immediately in a negative pressure room that has access from the ambulance bay. She explained blood will be drawn and a specimen will then be taken to Los Angeles. Ms. Schultz stated we will continue to contain those patients until we receive further instructions from the CDPH.

Ms. Schultz stated vigilant and proper hand washing is vital and can make all the difference.

Director Reno stated Ms. Schultz and her staff have done a great job in educating staff on the complexities of the infectious disease process which is key to prevention. She noted the United States Military is going beyond CDC guidelines and isolating returning military for 21 days that are now on duty in the countries that suffer from this disease. Director Reno applauded Tri-City Medical Center for all we have done in this effort to keep our staff and community safe.

Director Dagostino stated he has seen the staff in drills and it is a very proficient process.

No action taken.

Chairman Schallock introduced Ms. Laura Mitchell, newly elected Board member for one of the four year terms.

Chairman Schallock also noted there are some updated policies on the back table that have been distributed to the Board members at the Dais that are on the Consent Agenda related to the Medial Staff that came through the Governance Committee.

13. Special Presentation - None
14. Report from TCHD Auxiliary – Sandy Tucker, President

Ms. Sandy Tucker gave a brief report, reviewing the following:

- The Auxilians have volunteered 66,102 hours so far this year with 700 volunteers.
- The Auxiliary will be teaming with the Foundation for the second annual *Tails on the Trails* scheduled for May 30th.
- The Scholarship Committee plans to award between \$50,000 and \$80,000 in scholarships to students attending Palomar, Mira Costa or Cal State San Marcos. Scholarship information will be available December 1st.
- The Auxiliary Cookie Extravaganza is scheduled for December 11th with all proceeds going to the Scholarship fund.
- The Auxiliary will have a Tree Lighting Ceremony and well as music in the lobby as part of our holiday celebration.

Director Campo expressed his appreciation to Ms. Tucker and the Auxiliary for their hard work and stated what a pleasure it was to work with them over the past 18 months.

No action was taken.

15. Report from Chief Executive Officer

Chairman Schallock reported Ms. Gigi Gleason, and Ms. Jodie Wingo, Senior Director of Marketing will be making a presentation to Mr. Moran from the North County Philanthropy Counsel.

Ms. Gleason reported this afternoon at the annual volunteer appreciation luncheon for the North County Philanthropy Counsel, TCMC was honored with the 2014 Corporate Philanthropy award which was accepted by Ms. Jodie Wingo, Senior Director of Marketing. Ms. Gleason stated as a Board Member of the North County Philanthropy Counsel, she wanted to officially present the award to Mr. Moran.

Mr. Moran expressed his appreciation to Ms. Gleason and the North County Philanthropy Counsel and also acknowledged Tri-City's leadership in their active role and being engaged in the community.

Mr. Moran reported the hospital continues to maintain a stable profile financially, despite payor mix issues particularly in OB and Mental Health.

Mr. Moran stated outreach efforts continue in the community with primary care physicians. He stated a main focus is on the transition of care on patients and the hospital tries to provide information to primary care physicians on the care that was given to their patients. Mr. Moran stated we make a good faith and conscious effort to meet meaningful use requirements of the government in that effort and have learned from talking with physicians that there are modifications they would like to see so that the information we provide is as meaningful as possible.

With regard to Service Line strategies, our Joint Conference Committee meets monthly on areas of common interest for the Medical Staff, leadership and the Board including service lines and evaluate plans for long range planning for the community and the Medical Staff.

In follow-up with our strategic plan development of Crisis Stabilization Unit, Mr. Moran reported leadership has been with Supervisor Horn regarding our application which must be signed off by the county and includes an RFP process that will take us into this time next year. Mr. Moran stated our Emergency Room is impacted by an increase in patients seeking mental health.

Mr. Moran explained we are hoping for an arrangement that allows us to focus on outpatient stabilization and treatment for patients that are in crisis and help to avoid inpatient admissions that are much more expensive.

Lastly, Mr. Moran stated he is in the process of data development and working with our leadership team to look at trends in the services we provide, campus development and service development and will bring this information back to the Board in a workshop strategic planning session in January.

No action was taken.

16. Report from Chief Financial Officer

Mr. Dietlin reported on the September YTD financial results as follows (dollars in Thousands):

- Net Operating Revenue – \$81,089
- Operating Expense – \$81,902
- EROE - \$132
- EBITDA – \$4,204

Other Key Indicators for the current year included the following:

- Average Daily Census - 194
- Adjusted Patient Days – 28,810
- Surgery Cases – 1,660
- Deliveries – 753
- ED Visits – 17,703

Mr. Dietlin also reviewed the current month financial summary as follows (dollars in thousands):

- Operating Revenue - \$27,124
- Operating Expense - \$27,309
- EROE - \$112
- EBITDA - \$1,456

Mr. Dietlin reported Net Patient A/R & Days in Net A/R for FY15YTD average \$40.9 million and days in Net A/R for the same time period of 47.9.

Mr. Dietlin presented graphs that reflected Average Daily Census excluding Newborns, Adjusted Patient Days, Paid Full Time Equivalents, Emergency Department Visits and EROE and EBITDA.

Director Reno requested clarification on our line of credit. Mr. Dietlin explained we have a 3-year \$25 million revolving line of credit which is subject to a borrowing base based on available Accounts Receivables. He explained as collections come in, the revolving line of credit is paid down. Mr. Dietlin stated the District is in strict compliance with its loan covenants.

Director Dagostino inquired about any anticipated revenue changes or reimbursements that we did not expect. Mr. Dietlin stated there will always be increases and decreases that we did not expect and the key is to be flexible. He noted there is constant pressure on reimbursement.

With regard to sequestration, Mr. Dietlin explained sequestration remains in effect and the effect on the District is \$200,000 per month. He stated we budgeted as a projection that sequestration would remain in effect.

No action was taken.

17. New Business

- a. Approval of an agreement with Cepheid for the GeneXpert Microbiology System for a term of 60 months (5 years) beginning December 1, 2014 through November 30, 2019 for an annual cost of \$166,704, and a total cost for the term of \$883,520 and (2) Cerner interface charges which will be determined, estimated at \$20,000 – Presentation by Dr. Marcus Contardo

It was moved by Director Dagostino that the TCHD Board of Directors approve an agreement with Cepheid for the GeneXpert Microbiology System with the terms presented and described on today's agenda as recommended by the Finance, Operations & Planning Committee. Director Campo seconded the motion.

Chairman Schallock introduced Dr. Marcus Contardo. Dr. Contardo provided a brief presentation on the GeneXpert Microbiology System. He explained this system replaces traditional culture methods which usually take two or more days with a method yielding actionable results in four hours or less. Dr. Contardo stated the system profoundly affects Tri-City's ability to successfully identify and rapidly isolate potentially infectious patients and conversely will enable us to work smarter and faster.

Directors expressed their support of this remarkable system, noting it is money very well spent.

Director Reno stated she believes the motion to approve the agreement needs to specifically state the dollar amounts.

Director Reno moved to amend the motion to approve an agreement with Cepheid for the GeneXpert Microbiology System for a term of 60 months (5 years) beginning December 1, 2014 through November 30, 2019 for an annual cost of \$166,704, and a total cost for the term of \$883,520 and (2) Cerner interface charges which will be determined, estimated at \$20,000.

Director Dagostino clarified the full motion including terms and costs were included on the agenda.

Director Campo seconded the amended motion.

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

The vote on the main motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

- a. Approval to appoint Mrs. Kathryn Fitzwilliam to a two-year term on the Audit Compliance & Ethics Committee

Director Finnila stated Mrs. Kathryn Fitzwilliam was unable to attend today's meeting, however she is a very fine candidate with outstanding credentials. She explained Mrs. Fitzwilliam was the Director of Management Audit for Walt Disney and also the Director of Business Systems. Director Finnila stated the Audit, Compliance & Ethics Committee unanimously supported the nomination of Mrs. Fitzwilliam.

It was moved by Director Finnila that the TCHD Board of Directors appoint Mrs. Kathryn Fitzwilliam to a two year term on the Audit, Compliance & Ethics Committee, as recommended by the Audit, Compliance & Ethics Committee. Director Nygaard seconded the motion.

The vote on the motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

- b. Approval to appoint Mr. Barton Sharp to a two-year term on the Audit, Compliance & Ethics Committee

Director Finnila stated Mr. Barton Sharp was also unable to attend today's meeting, however his credentials are also quite impressive. She explained Mr. Sharp worked for a major retailer store in the United States and involved in extensive audit work, not only with that retailer but with 30 different gift shops. In addition, he has extensive community service background. Director Finnila stated the committee unanimously supported the nomination of Mr. Sharp.

It was moved by Director Finnila that the TCHD Board of Directors appoint Mr. Barton Sharp to a two year term on the Audit, Compliance & Ethics Committee, as recommended by the Audit, Compliance & Ethics Committee. Director Nygaard seconded the motion.

The vote on the motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

- e. Certificate of Appreciation to Mr. Robert Pearman for his two terms of service on the Audit, Compliance & Ethics Committee

Chairman Schallock announced that Mr. Pearman was unable to attend today's meeting, however the Board wanted to express their appreciation to him for his two terms of service on the Audit, Compliance & Ethics Committee and his insight and input with regard to Audit & Compliance. Director Finnila also acknowledged Mr. Pearman and stated he has been an exemplary committee member and will be missed.

No action taken.

18. Old Business - None

19. Chief of Staff

- a. Consideration of October 2014 Credentialing Actions involving the Medical Staff as recommended by the Medical Executive Committee at their meeting on October 27, 2014.

It was moved by Director Kellett to approve the October 2014 Credentialing Actions involving the Medical Staff as recommended by the Medical Executive Committee at their meeting on October 27, 2014. Director Dagostino seconded the motion.

The vote on the motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

20. Consent Calendar

It was moved by Director Campo to approve the Consent Calendar. Director Dagostino seconded the motion.

It was moved by Director Finnila to pull item 20(4) A. 2) – Approval of AP&P #8610-448 –Reduction in Work Force.

It was moved by Director Reno to pull item 20(4) E. 3. b). Triage of Emergency Department Patients-Procedures and 20(4) F. 4. Approval of AP&P 8610-483 – Conflicts of Interest and Acceptance of Gifts. Director Kellett seconded the motions.

The vote on the main motion minus the items pulled was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

The vote on the main motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

21. Discussion of items pulled from Consent Agenda.

Director Finnila who pulled item 20(4) A. 2) – Approval of Administrative Policy & Procedure #8610-448 –Reduction in Work Force stated she pulled this item to make it clear that there are times when it is necessary for the hospital to do a reduction in force and there is a clear policy that is followed which outlines who makes these decisions and allows us to proceed without disruption. Ms. Esther Beverly, Vice President of Human Resource explained when there is a reduction in force it is an objective process that is based on business need and is reviewed by leadership.

It was moved by Director Finnila to approve Administrative Policy & Procedure #8610-448 – Reduction in work Force. Director Dagostino seconded the motion.

The vote on the main motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

Director Reno who pulled item 20(4) E. 3. b). Triage of Emergency Department Patients-Procedures stated she pulled this item to explain that at the Professional Affairs Committee meeting she suggested we go back to a “whole bed unit” of at least six beds in the Emergency Department and requested this issue be revisited.

It was moved by Director Reno to approve item 20(4) E. 3. b) Triage of Emergency Department Patients-Procedures. Director Dagostino seconded the motion.

The vote on the main motion was as follows:

| | | |
|-----------------|-------------------|--|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard, Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

Director Reno who pulled item 20(4) F. 4. Approval of AP&P 8610-483 – Conflicts of Interest and Acceptance of Gifts stated that she feels strongly that in fairness to all Board Members, items such as AP&P 8610-483 and Article IV Section 9 of the Bylaws should be discussed at a general educational Workshop of the Board. Chairman Schallock stated the Board will consider scheduling a workshop after the first of the year.

It was moved by Director Reno to approve AP&P 8610-483 – Conflicts of Interest and Acceptance of Gifts. Director Nygaard seconded the motion.

There was general discussion regarding items that would be discussed at a Workshop and who might facilitate that Workshop.

The vote on the motion is as follows:

| | | |
|-----------------|-------------------|---|
| AYES: | Directors: | Campo, Dagostino, Finnila, Kellett, Nygaard Reno and Schallock |
| NOES: | Directors: | None |
| ABSTAIN: | Directors: | None |
| ABSENT: | Directors: | None |

22. Reports (Discussion by exception only)

23. Legislative Update

Chairman Schallock reported the legislature is not in session, thus there is no legislative update.

24. Comments by members of the Public

Chairman Schallock recognized Mr. Glen Newhart, Vice President of the Foundation. Mr. Newhart spoke regarding a feature in the latest edition of the *O'sider Magazine*, a high-quality lifestyle magazine published in Oceanside related to our NICU here at Tri-City Medical Center. Mr. Newhart also displayed an ad in the magazine highlighting Tri-City Medical Center's "#Movember".

Mr. Newhart invited Mrs. Ellen Stotmesiter, Chairperson of the Diamond Ball to give a brief update on the Diamond Ball scheduled for November 15th.

Mrs. Stotmeister reported the Diamond Ball is sold out at 630 tickets and we have received a great response from many sponsors. She stated it is estimated to be the most profitable Diamond Ball ever. She encouraged those who are unable to attend the event but want to support the organization to participate in the opportunity drawing.

Mr. Newhart expressed his appreciation to the sponsors that have made this event possible including Procopio, the Medical Staff and a number of physician groups.

Lastly, Mr. Newhart reported TCHD has recently received an "A" safety rating which has been published on social media. He stated we have been receiving incredible comments from both staff and the community. He expressed his appreciation on behalf of our donors for such a wonderful hospital in this community.

Chairman Schallock recognized Ms. Jane Mitchell. Ms. Mitchell congratulated those Board members who were re-elected and also extended congratulations on behalf of candidate Frank Gould. Ms. Mitchell expressed appreciation to everyone who works at the hospital and the great jobs they do.

25. Additional Comments by Chief Executive Officer

Mr. Moran did not have any further comments.

26. Board Communications

Director Kellett expressed his appreciation to the public and all those who supported him and the incumbents in the election. He noted the importance of continuing with the progress that the Board has made.

Director Kellett commented on the interviews and appointments made by the Board over the past 18 months. Although the Board interviewed many competent individuals, he was extremely pleased with the Board's decision to appoint Director Campo. He expressed his appreciation to Director Campo for his service and expertise and stated what a pleasure it was to serve with him.

Director Nygaard recognized Director Campo for his efforts over the past 18 months. She noted the role of a Board member is not an easy task and Director Campo stepped up and gave a great deal.

Director Nygaard also recognized Chairman Schallock who has been selected by the CHA for his leadership in governance.

Director Reno stated there was a group of individuals who worked very hard for the recent election, however the "public has spoken" and we will try to make this a good year collectively. Director Reno commented that Director Campo was a delight to work with and his service on the Board was appreciated. Director Reno congratulated Ms. Laura Mitchell on her appointment and is looking forward to working with another colleague.

Director Reno expressed concern with our high expenditures on educational reimbursement. Ms. Sharon Schultz, CNE explained staff that go back to school for their Bachelors or Masters Degrees are allotted a total amount of \$5,000. She explained the school must be accredited and the student must show their grades and pay upfront prior to reimbursement. Ms. Schultz further explained there is a policy that is strictly adhered to and a budget and protocols that we follow.

Lastly, Director Reno wished everyone a happy Thanksgiving holiday.

Director Finnila commented that just having come off the election process she is heartened by the strength of this Tri-City community and the outpouring of care and support for our hospital. She stated it was the strongest statement she has seen about the value of our hospital. Director Finnila expressed sadness that Director Campo will not be here to share this vision but encouraged him to participate as a community member. Director Finnila commented how extremely important it was that our print media and KOCT gave a fair hearing to all the candidates on the issues. She feels fortunate to have KOCT do this for the communities and stated KOCT is able to reach a wider range of people and indicates the strength of the commitment that they have to Tri-City Medical Center.

Director Finnila congratulated Ms. Laura Mitchell on her appointment to the Board of Directors. Director Finnila stated she is extremely proud to have been re-elected to the Board of Directors and expressed her appreciation to those who supported her.

Director Dagostino commented that having run in his first ever campaign election he is extremely humbled for the support he received from the community and getting the opportunity to serve again. He also congratulated Ms. Laura Mitchell on her appointment. Lastly, Director Dagostino acknowledged Director Campo noting what he has learned from Director Campo is invaluable and immeasurable.

Director Campo congratulated Ms. Laura Mitchell on her recent appointment to the Board. Director Campo recognized C-Suite staff, Dr. Worman, Chief of Staff and each Director individually and stated it has been a pleasure to have served on the Tri-City Healthcare District Board of Directors and worked alongside Administration and the Medical Staff.

26. Report from Chairperson

Chairman Schallock commented that last week the hospital hosted the Patient Safety Conference which re-emphasized how important our patients are and how we care for them. He expressed appreciation to Kevin McQueen, Patient Safety Officer for organizing the event. Chairman Schallock reminded everyone of the importance of proper hand-washing and the need for patients to be their own advocate in this regard.

Secondly, Chairman Schallock encouraged everyone to get their flu shot and the need to get ourselves protected.

Chairman Schallock reported the annual "Turkey Trot" is on Thanksgiving morning and the hospital is a sponsor of the event.

Chairman Schallock extended his appreciation for the community's support in the recent election.

Lastly, Chairman Schallock commented on Director Campo's tenure as a Board member over the past 18 months. He stated Director Campo has been actively engaged and brought a different dimension to the Board and asks questions that healthcare Board members may take for granted. Chairman Schallock wished Director Campo luck in his future endeavors and hopes to see his insight and involvement again.

31. There being no further business Chairman Schallock adjourned the meeting at 5:12 p.m.

ATTEST:

Larry Schallock, Chairman

Julie Nygaard, Secretary

Teri Donnellan

From: Association of California Healthcare Districts [brenda.mcguire@alphafund.org]
Sent: Tuesday, December 02, 2014 5:05 PM
To: Teri Donnellan
Subject: You're invited to the ACHD 2015 Leadership Academy!



ACHD
ASSOCIATION OF CALIFORNIA
HEALTHCARE DISTRICTS

2015 LEADERSHIP ACADEMY



Join Us January 22-23, 2015!

This important educational program is designed for Trustees and District Executives who are new to their roles, but this program is open to all Trustees and Executives. This program will provide an overview of the key accountabilities associated with Healthcare District Governance.



Public Entity Accounting: Understanding District Financial Statements

James Marta, CPA, ARPM
James Marta & Company

Register Now!

When

January 22-23, 2015

Where

Hyatt Regency Sacramento
1209 L Street
Sacramento, CA 95814

Questions

Brenda McGuire
Director of Participant
Services



**Key Tools for Governance Effectiveness:
Establishing a Healthy Board Culture**

Karma Bass, MPH, FACHE
Via Consulting



**The Brown Act and Fair Political
Practices Commission: Rules of
Engagement**

Martha Ann Knutson, JD, CHC
Attorney at Law, Knutson Law Firm



The Trustee's Role in Quality

Julie Morath, RN, MS
President/CEO, Hospital Quality Institute (HQI)

916.266.5216
brenda.mcguire@achd.org

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ACHD PO Box 619084 Roseville CA 95661

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CHA Governance Forum 2015 Meeting Schedule

Wednesday, March 10, 2015
(In conjunction with CHA's Legislative Day)
10:00 am – 2:00 pm
CHA Board Room
Sacramento

Wednesday, June 10, 2015
10:00 am – 2:00 pm
CHA Board Room
Sacramento

Wednesday, September 23, 2015
10:00 am – 2:00 pm
CHA Board Room
Sacramento

Wednesday, December 2, 2015
10:00 am – 2:00 pm
CHA Board Room
Sacramento



RECEIVED
8-11-14

July 30, 2014

Mr. Tim Moran, Chief Executive Officer
Tri-City Healthcare District
4002 Vista Way,
Oceanside, California, 92056

Dear Mr. Moran,

The Association of California Healthcare Districts (ACHD) held its Annual Meeting this past May; the meeting theme was "Leading the Way to Effective Governance". As one would judge from the theme, the educational sessions focused on District Trustee's obligations to understand and operationalize best practices' in governance. The sessions were interactive and, based upon the level of audience engagement, the nature of the questions raised and the comments on session feed-back sheets, the program content was well received. One clear takeaway from the conference was the importance of CEO engagement with the Board and the indispensable role that plays in successful governance.

Over the past year ACHD has been focused on promoting best practices in governance and this process culminated in the rollout of a new program where Districts may receive a certification from the Association for meeting specific criteria for governance and transparency practices. This certification program follows two online tools now available to the membership introduced over the past two years. The first being a Board Self-Assessment which will allow member district boards to gauge board member perception of how their districts function and their performance as board members relative to their obligations. The second tool is a Chief Executive Officer Evaluation developed for those districts that do not already have an effective process in place.

Another focus of the Association has been in the area of developing and communicating key messages relative to your District. Healthcare Districts as a group have been subject to some very negative press the past few years and the Association's goal is to help Members proactively convey their accomplishments and successes to constituents, media and local and state elected officials. As a step in this process, the Association has been conducting regional media training workshops to assist Members craft a clear and consistent message. The resources to support our Members in communicating to their community and to the media are available as tool kits that can be accessed via My ACHD on the ACHD webpage.

Legislative advocacy on behalf of the Membership continues to be an area where ACHD employs significant resources; with approximately 2200 Bills introduced in each Legislative Session it is imperative that close attention be paid to legislative efforts that may have an impact on Healthcare Districts. Information about Bills of interest may be found on the ACHD web page under the heading "Advocacy". Additionally, Members receive an e-version of the reports the first Monday of each month; please consider adding these reports to your monthly Board agenda.

Enclosed is your ACHD dues invoice for Fiscal Year 2015 in the amount of \$45,000.00. The Association's dues structure groups Districts in tiers according to operating revenues as reported to OSHPD, or in the case of Districts not reporting operating revenues, total assets are used for tier assignment. There are 7 tiers and your District is in tier 1; dues remain at the 2014 level.


In preparation for 2015, we'd like to make you aware of key ACHD events. You'll want to make sure to mark your calendar for these important events:

- ❖ Trustee Leadership Development – January 22-23, 2015, Sacramento
- ❖ Legislative Day – April 6-7, 2015, Sacramento
- ❖ Annual Meeting – May 6-8, 2015, Monterey

Thank you for your support of the Association and we look forward to serving you in the year ahead!

Best regards,


Samuel M. McCreary, PhD, ACHD Board Chair
Chair, John C. Fremont Healthcare District


Dave McGhee, CEO
Association of California Healthcare Districts

**American Hospital Association
Section for Metropolitan Hospitals
2015 Governance Meetings Schedule**

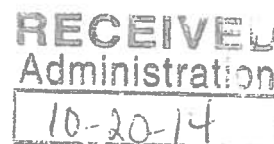
| EVENT | 2015 DATES | LOCATION |
|---|--|---|
| Annual Meeting | May 3-6, 2015 | Washington, DC |
| Board of Trustees Meetings: | January 26-28 May 2 July 22-23 November 19-20 | TBA Washington, DC San Diego, CA Chicago, IL |
| Metropolitan Governing Council Meetings: | March 2-3 June 8-9 October 5-6 | Washington, DC Phoenix, AZ Chicago, IL |
| Regional Policy Boards: | March 12-13 or March 26-27 June 18-19 or 25-26 September 17-18 or October 1-2 | TBA TBA TBA |

AHA reimburses members of the governing council for their travel in conjunction with attending the three governing council meetings per year. Governing Council members are asked to support the AHA Annual Meeting.



California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814
Phone: (916) 442-7887 Fax: (916) 442-7889
Toll-Free Phone: (877) 924-2732

First Invoice



Tri-City Healthcare District
4002 Vista Way
Oceanside, CA 92056

Membership ID: 1590
RM-Regular Member

(Please note if address correction needed.)

| | |
|------------------------------|----------|
| 2015 Membership Dues-Regular | |
| Total | 5,691.00 |
| | 5,691.00 |

Full payment due no later than January 1, 2015

Thank you for your membership in the California Special Districts Association. We appreciate your prompt payment.

To view dues categories, please visit the CSDA Transparency page at www.csda.net.

OBRA 1993 prohibits taxpayers from deducting, for federal income tax purposes, the portion of membership dues that are allocable to the lobbying activities of trade organization. The nondeductible portion of your dues is estimated to be 8%.

California Special Districts Association
1112 I Street, Suite 200
Sacramento, CA 95814

REMITTANCE STUB

(Please Return)

| | | | |
|------|-------------------|------------------------------|----------|
| 1590 | RM-Regular Member | 2015 Membership Dues-Regular | 5,691.00 |
| | | Total | 5,691.00 |

Tri-City Healthcare District
4002 Vista Way
Oceanside, CA 92056

CREDIT CARD PAYMENTS - may be submitted by mail or by fax to (916) 442-7889

CIRCLE TYPE: [VISA] [MC] [AMEX] [DISCOVER]

CARDHOLDER NAME: _____

CARD NUMBER _____

CC BILLING ADDRESS (IF DIFFERENT): _____

EXP: _____

AMOUNT: _____

AUTH SIGNATURE: _____

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RENEWAL INSTRUCTIONS

Customer Service: 800-669-6562

Remit By: 11/4/14

REF: 34508409 0601 R51109GG 15490764
A H01708TERI DONNELLON
TCMC ADMINISTRATION
4002 VISTA WAY
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PAYMENT IN U.S. FUNDS ONLY☐ Check to renew/enter your own subscription☐ Check enclosed☐ Charge to: [] VISA [] MASTERCARD [] AMEX

Acct No. _____

Expiration Date: _____

Signature: _____

Type of Business: _____

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JULIE NYGAARD
3405 SPANISH WAY, CARLSBAD, CA 92008
3389644 EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

| | |
|-----|----|
| YES | NO |
|-----|----|

LARRY SCHALLOCK
PO BOX 428, SAN LUIS REY, CA 92068
7411194 EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

| | |
|-----|----|
| YES | NO |
|-----|----|

CYRIL F KELLETT, TRICITY MEDICAL CENTER
6011 DASSIA WAY, OCEANSIDE, CA 92056
36652737 EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

| | |
|-----|----|
| YES | NO |
|-----|----|

RAMONA FINNILA
4808 COURAGEOUS LN, CARLSBAD, CA 92008
36652740 EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

| | |
|-----|----|
| YES | NO |
|-----|----|

~~PAUL V CAMPO~~
~~1208 CLEAR CREST CIR, VICTORIA, CA 92084~~
~~38677423~~ EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

| | |
|-----|----|
| YES | NO |
|-----|----|

JAMES DAGOSTINO
3456 CAMDEN CIR, CARLSBAD, CA 92008
38677433 EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

| | |
|-----|----|
| YES | NO |
|-----|----|

ROSEMARIE V RENO, TRICITY MEDICAL CENTER
4916 BELLA COLLINA ST, OCEANSIDE, CA 92056
90104411 EXPIRES JAN 2015 1 COPY 51 ISSUES \$119.00

Laura Mitchell

161 Polk St.

Oceanside, CA 92057

Return form in enclosed
reply envelope/or mail to:MODERN HEALTHCARE
SUBSCRIBER SERVICES
P.O. BOX 433290, Palm Coast, FL 32143-3290

PAGE 1 of 2

18

**TCHD BOARD OF DIRECTORS
MEETING SCHEDULE
CALENDAR YEAR 2015
APPROVED DECEMBER 11, 2014**

**Regular Board of Directors Meetings – Open Session to begin at 3:30 p.m.;
Closed Session to begin at 1:30 p.m. and again immediately following Open
Session, if required**

- January 29, 2015 (Last Thursday)
 - February 26, 2015 (Last Thursday)
 - March 26, 2015 (Last Thursday)
 - April 30, 2015 (Last Thursday)
 - May 28, 2015 (Last Thursday)
 - June 25, 2015 (Last Thursday)
 - July 30, 2015 (Last Thursday)
 - August 27, 2015 (Last Thursday)
 - September 24, 2015 (Last Thursday)
 - October 29, 2015 (Last Thursday)
 - December 10, 2015 (Packets Out 12/04/2015)
-

Special Board of Directors Meeting – May, 2015 Date TBD
Closed Session to review biennial quality reports

Special Board of Directors Meetings – Held at 6:00 p.m.
June 11, 2015 (2nd Thursday)
– Budget/Planning Workshop

Special Board of Directors Meeting – November, 2015 Date TBD
- Closed Session to review biennial quality reports
-

201 Dates to Note

- ACHD Leadership Academy – January 22-23, 2015, Sacramento, CA
- ACHD Legislative Day – April 6-7, 2015, Sacramento, CA
- CHA Health Policy Legislative Day – March 10-11, 2015, Sacramento, CA
- AHA Annual Meeting – May 3-6, 2015, Washington, D.C.
- ACHD Annual Meeting – May 6-8, 2015 – Monterey, CA

Approved by Board of Directors: December 11, 2014

**TCHD BOARD OF DIRECTORS
MEETING ROTATION CALENDAR YEAR 2015**

(Individual Board members will rotate attendance at MEC, Auxiliary and Foundation Board Meetings)

| Month | MEC—Meets 4 th Monday of Month at 6:00 pm (except as noted) | *Foundation Board—Meets 3 rd Wednesday @ Noon (does NOT meet every month) | Auxiliary BOD Meets 3 rd Wed. from 9-11 a.m. (attendance welcome anytime during that time period) |
|-----------|--|--|--|
| January | Dagostino – January 26 | Dagostino – January 21 | Dagostino – January 21 |
| February | Finnila – February 23 | Finnila– February 18 | Finnila – February 18 |
| March | Kellett – March 23 | Kellett – March 18 | Kellett– March 18 |
| April | Mitchell – April 27 | Mitchell – April 15 | Mitchell – April 15 |
| May | Nygaard – May 18* | Nygaard – May 20 | Nygaard – May 20 |
| June | Reno – June 22 | Reno – June 17 | Reno – June 17 |
| July | Schallock– July 27 | Schallock – July 15 | Schallock – July 15 |
| August | Dagostino – August 24 | Dagostino – August 19 | Dagostino- August 19 |
| September | Finnila – September 28 | Finnila – September 16 | Finnila – September 16 |
| October | Kellett – October 26 | Kellett – October 21 | Kellett – October 21 |
| November | Mitchell – November 23 | Mitchell – November 18 | Mitchell – November 18 |
| December | Cancelled | Nygaard – December 16 | Nygaard – December 16 |

NOTE: The Foundation and Auxiliary Board may not meet every month

***MEC moved to May 18th due to Memorial Day Holiday**

Approved by Board of Directors: December 11, 2014



Core Measures
Center for Medicare & Medicaid Services (CMS)

AMI-8a: Primary PCI Received Within 90 Minutes of Hospital Arrival

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|-----|------|------|------|------|------|------|------|
| FY15 | 100% | 100% | 100% | 100% | 100% | 88% | 86% | 100% | 100% | 100% | 100% | 100% | 100% |
| FY14 | 88% | 100% | 100% | 100% | 100% | 88% | 100% | 100% | 100% | 100% | 100% | 100% | 95% |

California (Apr. 2013 - Mar. 2014): 95%

SCIP-Inf 1: Prophylactic Antibiotic Received Within 1 Hour Prior to Surgical Incision

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| FY15 | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| FY14 | 100% | 96% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |

California (Apr. 2013 - Mar. 2014): 99%

SCIP-Inf 2: Prophylactic Antibiotic Selection for Surgical Patients

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|-----|------|------|------|------|------|-----|------|------|
| FY15 | 100% | 100% | 100% | 100% | 96% | 100% | 100% | 100% | 100% | 100% | 97% | 100% | 100% |
| FY14 | 96% | 100% | 100% | 100% | 96% | 100% | 100% | 100% | 100% | 100% | 97% | 100% | 99% |

California (Apr. 2013 - Mar. 2014): 99%

SCIP-Inf 3: Prophylactic Antibiotics Discontinued Within 24 Hrs After Surgery End Time

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|-----|------|-----|------|------|-----|------|------|
| FY15 | 100% | 100% | 100% | 100% | 100% | 96% | 100% | 94% | 100% | 100% | 96% | 100% | 100% |
| FY14 | 95% | 100% | 100% | 100% | 100% | 96% | 100% | 94% | 100% | 100% | 96% | 100% | 98% |

California (Apr. 2013 - Mar. 2014): 98%

SCIP-Inf 4: Cardiac Surgery Patients with Controlled 6 A.M. Postoperative Blood Glucose

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|-----|-----|-----|-----|------|-----|------|-----|------|------|
| FY15 | 100% | 100% | 100% | 92% | 88% | 86% | 75% | 100% | 83% | 100% | 88% | 100% | 100% |
| FY14 | 100% | 100% | 100% | 92% | 88% | 86% | 75% | 100% | 83% | 100% | 88% | 100% | 93% |

California (Apr. 2013 - Mar. 2014): 94%

Performance compared to prior year:

| | | |
|--------|------|-------|
| Better | Same | Worse |
|--------|------|-------|

| SCIP-Inf-9: Urinary Catheter Removed on POD 1 (Post-Op Day) or POD 2 | | | | | | | | | | | | | California (Apr. 2013 - Mar. 2014): | | |
|--|------|------|-----|-----|-----|-----|-----|-----|------|-----|-----|-----|-------------------------------------|--|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | |
| FY15 | 94% | 100% | | | | | | | | | | | 98% | | |
| FY14 | 100% | 100% | 95% | 95% | 95% | 92% | 88% | 93% | 100% | 96% | 92% | 95% | 95% | | |

| SCIP-Card-2: Surgery Patients on Beta Blocker Therapy Prior to Arrival | | | | | | | | | | | | | California (Apr. 2013 - Mar. 2014): | | |
|--|------|------|------|------|-----|------|------|-----|------|------|------|------|-------------------------------------|--|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | |
| FY15 | 92% | 100% | | | | | | | | | | | 96% | | |
| FY14 | 100% | 100% | 100% | 100% | 89% | 100% | 100% | 82% | 100% | 100% | 100% | 100% | 98% | | |

| SCIP-VTE-2: Surgery Patients Who Received Appropriate VTE Prophylaxis after Surgery | | | | | | | | | | | | | California (Apr. 2013 - Mar. 2014): | | |
|---|------|------|------|-----|------|------|------|------|------|------|------|------|-------------------------------------|--|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | |
| FY15 | 100% | 100% | | | | | | | | | | | 100% | | |
| FY14 | 100% | 100% | 100% | 96% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | | |

Emergency Department (ED)

| Left without Treatment (LWOT) | | | | | | | | | | | | | | | |
|-------------------------------|------|------|------|------|------|------|------|------|------|------|------|------|------|--|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | |
| FY15 | 5.2% | 4.5% | 7.1% | | | | | | | | | | 5.6% | | |
| FY14 | 2.6% | 3.3% | 3.3% | 3.0% | 2.7% | 3.6% | 4.8% | 2.4% | 4.0% | 3.8% | 5.8% | 3.5% | 3.6% | | |

| Transfers out of the ED | | | | | | | | | | | | | | | |
|-------------------------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|--|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | |
| FY15 | 1.83% | 2.36% | 2.56% | | | | | | | | | | 2.24% | | |
| FY14 | 2.68% | 2.75% | 2.58% | 2.09% | 2.44% | 2.93% | 2.61% | 2.53% | 2.15% | 2.57% | 2.16% | 2.48% | 2.49% | | |

| Door to Bed Assignment - Median Time in min. | | | | | | | | | | | | | | | |
|--|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|--|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | |
| FY15 | 31 | 32 | 47 | | | | | | | | | | 35 | | |
| FY14 | 16 | 17 | 21 | 18 | 18 | 20 | 31 | 24 | 26 | 26 | 36 | 22 | 22 | | |

Performance compared to prior year:

Better

Same

Worse



Employee Satisfaction



National 90th Mean Scores

Partnership: 79.9
Satisfaction: 77.1
Engagement: 83.6

Partnership™
"Satisfaction + Engagement"
Mean = 66.1 (-1.0)
Percentile = 28th (from 13th)

Satisfaction
"What do I get?"
Mean = 61.9 (-1.2)
Percentile = 27th (from 13th)

Engagement
"What do I give?"
Mean = 71.8 (-0.6)
Percentile = 31st (from 12th)

Voluntary Employee Turnover Rate (Annual Rate - Rolling Quarters)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 |
|------|-----|-----|-------|-----|-----|-------|-----|-----|-------|-----|-----|-------|-------|
| FY15 | | | 9.9% | | | | | | | | | | 9.9% |
| FY14 | | | 12.1% | | | 12.2% | | | 11.7% | | | 11.4% | 11.4% |

Involuntary Employee Turnover Rate (Annual Rate - Rolling Quarters)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 |
|------|-----|-----|------|-----|-----|------|-----|-----|------|-----|-----|------|------|
| FY15 | | | 1.9% | | | | | | | | | | 1.9% |
| FY14 | | | 6.9% | | | 8.0% | | | 6.8% | | | 3.2% | 3.2% |

HCAHPS (Top Box Score)

Hospital Consumer Assessment of Healthcare Providers & Systems

Source: Hospital Compare

Benchmark Period: 10/1/2012-9/30/2013

"Overall Rating of Hospital"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|----------------------|---------|------|---------------------|-------------------|-----------------|
| FY15 | 66% | 60% | 61% | 57% | | | | | | | | | | | | | | | |
| FY14 | 60% | 63% | 58% | 71% | 65% | 75% | 61% | 64% | 64% | 63% | 65% | 59% | 64% | 71% | 76% | 70% | 76% | 68% | 71% |

Performance compared to prior year: Better Same Worse

"Recommend The Hospital"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-------------------|---------|------|------------------|----------------|--------------|
| FY15 | 73% | 69% | 66% | 61% | | | | | | | | | 68% | 77% | 79% | 78% | 80% | 70% | 71% |
| FY14 | 63% | 67% | 67% | 78% | 65% | 77% | 65% | 69% | 65% | 61% | 72% | 64% | | | | | | | |

"Communication with Nurses"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-------------------|---------|------|------------------|----------------|--------------|
| FY15 | 79% | 77% | 72% | 71% | | | | | | | | | 74% | 78% | 75% | 76% | 81% | 74% | 79% |
| FY14 | 76% | 72% | 74% | 84% | 73% | 81% | 74% | 76% | 68% | 69% | 73% | 75% | | | | | | | |

"Communication with Doctors"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-------------------|---------|------|------------------|----------------|--------------|
| FY15 | 80% | 71% | 77% | 75% | | | | | | | | | 78% | 79% | 78% | 80% | 82% | 78% | 82% |
| FY14 | 75% | 75% | 78% | 79% | 80% | 85% | 73% | 77% | 73% | 75% | 80% | 81% | | | | | | | |

"Response of Hospital Staff"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-------------------|---------|------|------------------|----------------|--------------|
| FY15 | 63% | 76% | 74% | 62% | | | | | | | | | 65% | 63% | 63% | 64% | 65% | 62% | 64% |
| FY14 | 63% | 65% | 66% | 72% | 69% | 73% | 64% | 62% | 61% | 64% | 68% | 56% | | | | | | | |

"Hospital Environment"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-------------------|---------|------|------------------|----------------|--------------|
| FY15 | 60% | 57% | 53% | 55% | | | | | | | | | 58% | 61% | 66% | 64% | 62% | 61% | 67% |
| FY14 | 54% | 53% | 56% | 59% | 58% | 59% | 62% | 62% | 55% | 56% | 62% | 64% | | | | | | | |

"Pain Management"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|-------------------|---------|------|------------------|----------------|--------------|
| FY15 | 74% | 68% | 68% | 66% | | | | | | | | | 68% | 71% | 68% | 70% | 76% | 68% | 71% |
| FY14 | 75% | 60% | 73% | 76% | 71% | 76% | 75% | 70% | 63% | 60% | 66% | 64% | | | | | | | |

Performance compared to prior year:

Better Same Worse

"Communication about Medicines"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|----------------------|---------|------|---------------------|-------------------|-----------------|
| FY15 | 65% | 63% | 59% | 64% | | | | | | | | | | | | | | | |
| FY14 | 65% | 64% | 61% | 62% | 55% | 69% | 65% | 53% | 55% | 52% | 62% | 52% | 60% | 62% | 62% | 62% | 65% | 61% | 64% |

"Discharge Information"

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | FY15 | Scripps Encinitas | Palomar | UCSD | Scripps La Jolla | California Avg | National Avg |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|----------------------|---------|------|---------------------|-------------------|-----------------|
| FY15 | 88% | 81% | 86% | 85% | 79% | 88% | 80% | 77% | 86% | 80% | 89% | 86% | 83% | 84% | 81% | 86% | 83% | 83% | 85% |
| FY14 | 85% | 80% | 76% | 84% | 79% | 88% | 80% | 77% | 86% | 80% | 89% | 86% | 83% | 84% | 81% | 86% | 83% | 83% | 85% |

Performance compared to prior year:

■ Better
 ■ Same
 ■ Worse



Financial Information

TCMC Days in Accounts Receivable (A/R)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| FY15 | 46.3 | 48.8 | 47.9 | 48.9 | | | | | | | | | 48.1 |
| FY14 | 49.0 | 48.7 | 48.0 | 49.9 | 51.3 | 52.5 | 53.2 | 50.3 | 48.2 | 48.1 | 49.1 | 48.3 | 49.7 |

TCMC Days in Accounts Payable (A/P)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD Avg |
|------|------|------|------|------|------|------|------|------|------|------|------|------|---------|
| FY15 | 78.1 | 77.1 | 81.2 | 77.9 | | | | | | | | | 78.6 |
| FY14 | 78.0 | 87.4 | 90.8 | 90.5 | 91.5 | 89.8 | 82.8 | 73.4 | 87.4 | 83.3 | 81.1 | 75.2 | 84.3 |

TCHD EROE \$ in Thousands (Excess Revenue over Expenses)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|---------|---------|-------|-------|---------|-------|--------|---------|---------|-------|---------|-------|---------|
| FY15 | \$368 | (\$348) | \$112 | \$568 | | | | | | | | | \$700 |
| FY14 | (\$467) | (\$406) | \$845 | \$83 | \$4,171 | \$214 | (\$45) | (\$279) | (\$511) | \$788 | (\$264) | \$257 | \$4,385 |

TCHD EROE % of Total Operating Revenue

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|--------|--------|-------|-------|--------|-------|--------|--------|--------|-------|--------|-------|-------|
| FY15 | 1.33% | -1.32% | 0.41% | 1.93% | | | | | | | | | 0.63% |
| FY14 | -1.77% | -1.55% | 3.23% | 0.30% | 16.29% | 0.81% | -0.16% | -1.05% | -1.99% | 2.82% | -0.96% | 1.00% | 1.37% |

TCHD EBITDA \$ in Thousands (Earnings before Interest, Taxes, Depreciation and Amortization)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|----------|
| FY15 | \$1,761 | \$988 | \$1,456 | \$1,888 | | | | | | | | | \$6,093 |
| FY14 | \$1,160 | \$1,081 | \$2,278 | \$1,620 | \$5,653 | \$1,717 | \$1,655 | \$1,188 | \$1,012 | \$2,307 | \$1,124 | \$1,121 | \$21,917 |

TCHD EBITDA % of Total Operating Revenue

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-------|-------|-------|-------|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| FY15 | 6.38% | 3.75% | 5.37% | 6.42% | | | | | | | | | 5.51% |
| FY14 | 4.40% | 4.11% | 8.71% | 5.95% | 22.08% | 6.49% | 5.89% | 4.45% | 3.94% | 8.25% | 4.10% | 4.34% | 6.85% |

TCHD Paid FTE (Full-Time Equivalent) per Adjusted Occupied Bed

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD Avg |
|------|------|------|------|------|------|------|------|------|------|------|------|------|---------|
| FY15 | 5.93 | 5.89 | 6.01 | 6.09 | | | | | | | | | 5.98 |
| FY14 | 6.03 | 6.00 | 6.05 | 6.06 | 6.22 | 5.93 | 5.75 | 5.86 | 6.09 | 6.04 | 5.95 | 5.99 | 6.01 |

TCHD Fixed Charge Coverage Covenant Calculation

| | YTD Jul | YTD Aug | YTD Sep | YTD Oct | YTD Nov | YTD Dec | YTD Jan | YTD Feb | YTD Mar | YTD Apr | YTD May | YTD Jun |
|------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| FY15 | 1.55 | 1.60 | 1.52 | 1.49 | | | | | | | | |
| FY14 | - | - | 1.45 | 1.69 | 2.50 | 2.37 | 2.08 | 1.94 | 1.78 | 1.78 | 1.50 | 1.45 |

TCHD Liquidity \$ in Millions (Cash + Available Revolving Line, in Excess of Covenant Requirement)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun |
|------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| FY15 | \$27.7 | \$21.4 | \$19.9 | \$18.8 | | | | | | | | |
| FY14 | \$17.7 | \$21.6 | \$20.2 | \$19.3 | \$27.1 | \$27.3 | \$22.0 | \$21.9 | \$23.6 | \$24.5 | \$30.7 | \$32.6 |

Foundation

| Funds Raised | | | | | | | | | | | | | | |
|--------------|-----------|-----------|-----------|------------|------------|------------|-----------|-----------|-----------|-----------|------------|-----------|------------|--|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | |
| FY15 | \$ 7,507 | \$ 41,024 | \$ 87,154 | \$ 176,052 | | | | | | | | | \$ 311,737 | |
| FY14 | \$ 18,153 | \$ 8,490 | \$ 20,751 | \$ 243,582 | \$ 199,040 | \$ 141,909 | \$ 20,016 | \$ 12,697 | \$ 50,627 | \$ 45,735 | \$ 120,625 | \$ 52,731 | \$ 934,357 | |

Endowment Portfolio Value*

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| FY15 | \$ 775,459 | \$ 795,002 | \$ 776,207 | \$ 787,203 | | | | | | | | | \$ 787,203 |
| FY14 | \$ 717,484 | \$ 704,609 | \$ 733,341 | \$ 751,741 | \$ 764,377 | \$ 776,902 | \$ 758,698 | \$ 788,703 | \$ 786,194 | \$ 763,512 | \$ 777,913 | \$ 791,841 | \$ 791,841 |

*fully restricted and subject to market fluctuations

Performance compared to prior year:

| | | |
|--------|------|-------|
| Better | Same | Worse |
|--------|------|-------|

Covered California / Healthcare Reform

Number of Covered California Patients Treated

| Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 173 | 209 | 228 | 198 | | | | | | | | 808 |
| FY14 | | | N/A | | 60 | 66 | 54 | 78 | 114 | 171 | | 543 |

Covered California Patient Charges

| Covered California Patient Charges | | | | | | | | | | | | | | | | | | | | |
|------------------------------------|-----|-----------|-----|-----------|-----|-----------|-----|-----------|-----|-----------|-----|---------|-----|-----------|----|-----------|----|-----------|----|-----------|
| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | | | | | | |
| FY15 | \$ | 2,232,644 | \$ | 1,661,397 | \$ | 1,976,644 | \$ | 1,660,343 | | | | | \$ | 7,531,028 | | | | | | |
| FY14 | | | N/A | | | | \$ | 421,882 | \$ | 1,278,266 | \$ | 852,155 | \$ | 1,442,508 | \$ | 1,397,561 | \$ | 2,295,174 | \$ | 7,687,546 |

Covered California Expected Net Revenue

| Covered California Expected Net Revenue | | | | | | | | | | | | | | | | | | | | | |
|---|----|---------|-----|---------|-----|---------|-----|---------|--------|-----|---------|-----|---------|-----|---------|----|---------|----|---------|----|-----------|
| | | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD | | | | | | | |
| FY15 | \$ | 647,467 | \$ | 481,805 | \$ | 573,227 | \$ | 481,499 | | | | | | \$ | | | | | | | |
| FY14 | | | | N/A | | | | \$ | 77,204 | \$ | 233,923 | \$ | 155,944 | \$ | 263,979 | \$ | 313,054 | \$ | 514,174 | \$ | 1,558,278 |

Performance compared to prior year:

| | | |
|--------|------|-------|
| Better | Same | Worse |
|--------|------|-------|



Volume

Spine Surgery Cases

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 35 | 32 | 46 | 49 | | | | | | | | | 162 |
| FY14 | 28 | 27 | 28 | 32 | 38 | 25 | 25 | 40 | 31 | 34 | 34 | 41 | 383 |

Mazor Robotic Spine Surgery Cases

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 14 | 9 | 22 | 24 | | | | | | | | | 69 |
| FY14 | 14 | 7 | 13 | 17 | 16 | 16 | 12 | 18 | 19 | 19 | 16 | 14 | 181 |

Inpatient DaVinci Robotic Surgery Cases

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 6 | 10 | 8 | 8 | | | | | | | | | 32 |
| FY14 | 5 | 8 | 8 | 9 | 9 | 13 | 9 | 7 | 9 | 8 | 7 | 11 | 103 |

Outpatient DaVinci Robotic Surgery Cases

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 10 | 7 | 11 | 12 | | | | | | | | | 40 |
| FY14 | 14 | 10 | 15 | 4 | 16 | 16 | 10 | 10 | 12 | 7 | 14 | 9 | 137 |

Performance compared to prior year:

| | | |
|--------|------|-------|
| Better | Same | Worse |
|--------|------|-------|

Major Joint Replacement Surgery Cases (Lower Extremities)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 45 | 51 | 32 | 43 | | | | | | | | | 171 |
| FY14 | 20 | 41 | 27 | 35 | 44 | 32 | 50 | 33 | 29 | 38 | 35 | 35 | 419 |

Inpatient Behavioral Health - Average Daily Census (ADC)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| FY15 | 23.3 | 26.5 | 27.1 | 21.2 | | | | | | | | | 24.5 |
| FY14 | 19.3 | 21.7 | 22.0 | 17.6 | 19.8 | 19.9 | 18.1 | 22.4 | 24.3 | 21.3 | 21.9 | 24.9 | 21.1 |

Acute Rehab Unit - Average Daily Census (ADC)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 5.2 | 3.5 | 4.3 | 5.0 | | | | | | | | | 4.5 |
| FY14 | 4.7 | 4.8 | 4.0 | 3.5 | 4.6 | 3.8 | 3.7 | 6.1 | 5.7 | 4.0 | 4.2 | 5.0 | 4.5 |

Neonatal Intensive Care Unit (NICU) - Average Daily Census (ADC)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| FY15 | 13.2 | 18.2 | 19.7 | 18.1 | | | | | | | | | 17.3 |
| FY14 | 12.4 | 13.5 | 16.7 | 19.3 | 16.0 | 16.8 | 17.2 | 18.6 | 10.1 | 11.0 | 12.1 | 14.0 | 14.8 |

Hospital - Average Daily Census (ADC)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|-------|
| FY15 | 190.8 | 195.0 | 195.1 | 195.6 | | | | | | | | | 194.1 |
| FY14 | 181.9 | 179.2 | 184.2 | 197.9 | 188.6 | 196.4 | 202.2 | 210.9 | 187.7 | 193.1 | 198.1 | 199.0 | 193.1 |

Performance compared to prior year:

| | | |
|--------|------|-------|
| Better | Same | Worse |
|--------|------|-------|

Deliveries

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|------|
| FY15 | 246 | 263 | 244 | 233 | | | | | | | | | 986 |
| FY14 | 226 | 223 | 237 | 229 | 224 | 220 | 229 | 188 | 177 | 208 | 218 | 197 | 2576 |

Inpatient Cardiac Interventions

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 16 | 19 | 12 | 19 | | | | | | | | | 66 |
| FY14 | 22 | 15 | 18 | 18 | 15 | 18 | 27 | 11 | 20 | 14 | 12 | 16 | 206 |

Outpatient Cardiac Interventions

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 4 | 6 | 2 | 1 | | | | | | | | | 13 |
| FY14 | 7 | 10 | 8 | 12 | 13 | 5 | 12 | 7 | 13 | 8 | 9 | 2 | 106 |

Open Heart Surgery Cases

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|-----|
| FY15 | 10 | 9 | 10 | 10 | | | | | | | | | 39 |
| FY14 | 6 | 9 | 12 | 11 | 9 | 6 | 10 | 15 | 10 | 7 | 12 | 16 | 123 |

TCMC Adjusted Factor (Total Revenue/IP Revenue)

| | Jul | Aug | Sep | Oct | Nov | Dec | Jan | Feb | Mar | Apr | May | Jun | YTD |
|------|------|------|------|------|------|------|------|------|------|------|------|------|------|
| FY15 | 1.64 | 1.63 | 1.58 | 1.58 | | | | | | | | | 1.61 |
| FY14 | 1.65 | 1.69 | 1.63 | 1.53 | 1.57 | 1.56 | 1.58 | 1.49 | 1.60 | 1.58 | 1.59 | 1.58 | 1.59 |

Performance compared to prior year:

| | | |
|--------|------|-------|
| Better | Same | Worse |
|--------|------|-------|

**Building Operating Leases
Month Ending October 31, 2014**

| Lessor | Sq. Ft. | Base Rate per Sq. Ft. | | Total Rent per current month (a) | LeaseTerm | | Services & Location | Cost Center |
|--|-----------------|--------------------------------|-----|-------------------------------------|-----------|----------|---|--|
| | | | | | Beginning | Ending | | |
| Gary A. Colner & Kathryn Ainsworth- Colner Family Trust 4913 Colusa Dr. Oceanside, Ca 92056 V#79235 | 1,650 | \$1.85 | (a) | \$ 4,149.39 | 8/1/12 | 7/31/15 | Dr Dhruvil Gandhi 2095 West Vista Way, Ste.106 Vista, Ca 92083 | 8460 |
| Tri-City Wellness, LLC 6250 El Camino Real Carlsbad, CA 92009 V#80388 | Approx 87000 | \$4.08 | (a) | \$232,282.00 | 7/1/13 | 6/30/28 | Wellness Center 6250 El Camino Real Carlsbad, CA 92009 | 7760 |
| GCO 3621 Vista Way Oceanside, CA 92056 #V81473 | 1,583 | \$1.50 | (a) | \$ 3,398.15 | 1/1/13 | 12/31/14 | Performance Improvement 3927 Waring Road, Ste.D Oceanside, Ca 92056 | 8756 |
| Golden Eagle Mgmt 2775 Via De La Valle, Ste 200 Del Mar, CA 92014 V#81553 | 4,307 | \$0.95 | | \$ 5,628.12 | 5/1/13 | 4/30/18 | Nifty After Fifty 3861 Mission Ave, Ste B25 Oceanside, CA 92054 | 9551 |
| Investors Property Mgmt. Group c/o Levitt Family Trust 2181 El Camino Real, Ste. 206 Oceanside, Ca 92054 V#81028 | 5,214 | \$1.65 | (a) | \$ 9,126.93 | 9/1/12 | 8/31/17 | OP Physical Therapy, OP OT & OP Speech Therapy 2124 E. El Camino Real, Ste.100 Oceanside, Ca 92054 | 7772 - 76% 7792 - 12% 7782 - 12% |
| Melrose Plaza Complex, LP c/o Five K Management, Inc. P O Box 2522 La Jolla, CA 92038 V#43849 | 7,247 | \$1.22 | (a) | \$ 9,811.17 | 7/1/11 | 7/1/16 | Outpatient Behavioral Health 510 West Vista Way Vista, Ca 92083 | 7320 |
| Medical Acquisition Co., Inc. 2772 Gateway Rd. Carlsbad, Ca 92009 J0390 | 3,527 | \$2.00 | (a) | \$ 7,054.00 | 4/1/11 | 3/30/15 | Human Resources Office 1211 West Vista Way Vista, Ca 92083 | 8650 |
| OPS Enterprises, LLC 3617 Vista Way, Bldg. 5 Oceanside, Ca 92056 V#81250 | 4,760 | \$3.55 | (a) | \$ 22,377.00 | 10/1/12 | 10/1/22 | Chemotherapy/Infusion Oncology Office 3617 Vista Way, Bldg.5 Oceanside, Ca 92056 | 7086 |
| Ridgeway/Bradford CA LP DBA: Vista Town Center PO Box 19068 Irvine, CA 92663 V#81503 | 3,307 | \$1.10 | (c) | \$ 4,857.46 | 10/28/13 | 3/3/18 | Nifty after Fifty 510 Hacienda Drive Suite 108-A Vista, CA 92081 | 9550 |
| Tri City Real Estate Holding & Management Company, LLC 4002 Vista Way Oceanside, Ca 92056 | 6,123 | \$1.37 | (b) | \$ 8,211.03 | 12/19/11 | 12/18/16 | Vacant Medical Office Building 4120 Waring Rd Oceanside, Ca 92056 | 8462 Until operational |
| Tri City Real Estate Holding & Management Company, LLC 4002 Vista Way Oceanside, Ca 92056 | 4,295 | \$3.13 | (b) | \$ 13,148.00 | 1/1/12 | 12/31/16 | Vacant Bank Building 4000 Vista Way Oceanside, Ca 92056 | 8462 Until operational |
| Total | | | | \$ 320,043.25 | | | | |

(a) Total Rent includes Base Rent plus property taxes, association fees, insurance, CAM expenses, etc.

(b) Rate per Square Foot is computed based on the initial base rent at inception of lease. The current rent payment is based on the related outstanding debt, therefore the rent payment declines over time.



Education & Travel Expense

Month Ending October 31, 2014

| Cost Centers | Description | Invoice # | Amount | Vendor # | Attendees |
|--------------|--|-----------|----------|----------|------------------------|
| 6340 | BEHAVIORAL HEALTH SYMPOSIUM | 82614 | 200.66 | 82230 | JOY MELHADO |
| 6340 | BEHAVIORAL HEALTH SYMPOSIUM | 82614 | 490.00 | 14365 | JOY MELHADO |
| 7010 | CHA CONFERENCE | 92614 | 121.62 | 81463 | SUE KIRK |
| 7010 | BEHAVIORAL HEALTH SYMPOSIUM | 826142 | 200.66 | 82230 | KELLEY WRIGHT |
| 7320 | CONTINUING EDUCATION | 71514 | 200.00 | 78833 | KELLI LAROSE |
| 7420 | CNDR CERTIFICATE | 92514 | 315.00 | 79190 | JENNIFER STEPHENSON |
| 7420 | LOWER CADAVER PRGRM - DaVinci Training | 620515 | 1,000.00 | 80421 | DR. DHUVIL GANDHI |
| 7420 | LOWER PORCINE PRGRM- DaVinci Training | 620446 | 3,000.00 | 80421 | DR. DHUVIL GANDHI |
| 8390 | PHARMACY CONFERENCE | 328142 | 540.46 | 10894 | LAURA BALL |
| 8614 | AM COLLEGE OF HOSPITAL EXE | 92514 | 1,332.80 | 77376 | JEREMY RAIMO |
| 8615 | CPU USER CONFERENCE | 92314 | 416.48 | 14413 | MELISSA NAIL |
| 8700 | WEBINAR-PREPARING 2015 CPT | 102714 | 259.00 | 31497 | MEDICAL RECORDS STAFF |
| 8723 | ACM CERTIFICATION | 92314 | 100.00 | 33906 | ARLENE HOLMES |
| 8740 | TUITION REIM | 101014 | 100.00 | 81969 | MARTINA WETZEL |
| 8740 | CONTINUING EDUCATION | 92914 | 160.00 | 79446 | GERALD HINOJOSA |
| 8740 | TUITION REIM | 92914 | 190.00 | 81295 | LORRAINE BULLA |
| 8740 | TUITION REIM | 101014 | 198.40 | 81968 | KARMEN FRANCES SALGADO |
| 8740 | TUITION REIM | 92914 | 200.00 | 82219 | VICTORIA BRINKLEY |

**This report shows reimbursements to employees and Board members in the Education & Travel expense category in excess of \$100.00.

**Detailed backup is available from the Finance department upon request.