MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, FEBRUARY 28, 2019
4:30 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

10941 Gurley Lane
Mendocino, CA 95460

Mendocino Coast District Hospital Mission Statement

MISSION

To make a positive difference in the health of our rural community.

VISION

MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES

MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. CLOSED SESSION

1. ***Information:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
2. ***Information:*** Pursuant to Government Code §54957.6: closed session Board Meeting with the District's Labor Union Negotiators, CFO Mike Ellis, Mr. Dan Camp, Special Labor Union and Employment Counsel David Reis, and the District's General Legal Counsel. Government Code §54957.6.

3. ***Information/Action:*** Anticipated Litigation, Government Code Section 54956.9(d)(2), Craig Griffin
4. ***Information/Action:*** Public Employment: Interim CEO Discussion Government Code §54954.5 & 54957
5. ***Information/Action:*** Hearings/Reports (Government Code 37624.3, Health & Safety Code 1461, 32155, Medical Staff Quality Assurance Committee, Dr. Miller
6. ***Information/Action:*** Public Employee Discipline/Dismissal, Release (Government Code 54957)

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– JESSICA GRINBERG, VICE CHAIR

IV. ROLL CALL

V. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VII. REVIEW OF THE AGENDA — ***Action***

VIII. BOARD COMMENTS — ***Information***

IX. APPROVAL OF CONSENT CALENDAR — ***Action***

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1.	Approval of Board of Directors meeting minutes of January 31, 2019	Tab 1
2.	Approval of Board of Directors Special meeting minutes of January 24, 2019	Tab 2
3.	Approval of Alysoun Huntley Ford Fund Draw	
4.	Bylaws Revision/Planning Committee Date and Time Change 2nd Request	

X. NEW BUSINESS

1.	Affiliation with other Health System: Ms. Jessica Grinberg, Vice Chair		***Information***
2.	Affiliation Ad Hoc Committee: Ms. Jessica Grinberg, Vice Chair		***Action***
3.	Consideration of New Finance Committee Members Dr. Jason Kirkman, Ms. Sara Spring: Mr. John Redding		***Action***
4.	Resolution 2019-5 HELP II Loan Signature Authority: Mr. Mike Ellis, CEO/CFO	Tab 4	***Action***
5.	Approval of LAIF Draw Request for Payment of IGT and Approval of Resolution 2019-6: Mr. Mike Ellis, CEO/CFO	Tab 5	***Action***
6.	Approval of ED and Surgery Flooring Bids: Mr. Mike Ellis, CEO/CFO	Tab 6	***Action***
7.	Consideration of Planning Committee Members: Ms. Cecilia Jimenez, Dr. Barbara Kilian; Ms. Jessica Grinberg, Vice Chair		***Action***
8.	Verbal Abuse Policy #112.001- 1st Read	Tab 7	***Action/Information***

XI. OLD BUSINESS

- None

XII. REPORTS

- CEO Report: Mr. Mike Ellis, CEO/CFO — *Information*
- Medical Staff Report: Dr. John Kermen

A. Appointments to Medical Staff — Tab 8

1. Zoe Berna, MD –Department of Medicine-Family Practice-NCFHC
2. Sanford Brown, MD –Department of Medicine-Family Practice
3. Lynette Chevalier-Paris, MD –Department of Medicine-Pediatrics
4. John Cottle, DO –Department of Medicine-Family Practice
5. Diane Harris, MD –Department of Medicine-Family Practice
6. Wade Gray, MD –Department of Medicine-Family Practice
7. Jennifer Kreger, MD –Department of Medicine-Family Practice-NCFHC
8. James Michael Sandys, MD –Department of Medicine-Family Practice-NCFHC

B. Appointments to Allied Health Professional Staff

1. Lilo Fink, DNP –Department of Medicine-Family Practice-NCFHC
2. Suzanne Hewitt, FNP –Department of Medicine-Family Practice-NCFHC

Joseph Martin, PA –Department of Medicine-Family Practice-NCFHC

4. Marilyn Magoffin, FNP –Department of Medicine-Family Practice-NCFHC
5. Michele Tellier, FNP –Department of Medicine-Family Practice-NCFHC

C. Release from Proctoring-Advance to Active Medical Staff

1. Samer Muala, MD –Department of Medicine-Hospitalist Service
2. Timothy Musick, MD –Department of Medicine-Hospitalist Service
3. Faraaz Osmani, MD –Department of Medicine-Hospitalist Service

- Chief Nursing Officer Report: Ms. Lynn Finley — Tab 9 *Information*
- Planning Committee Report: Ms. Jessica Grinberg — *Information*
- Parcel Tax Oversite Committee: Ms. Myra Beals — *Information*
- Finance Committee Report: Mr. John Redding — Tab 10 *Action*

XIII. FUTURE AGENDA ITEMS: MS. KAREN ARNOLD — *Information*

- ACHD Certified Healthcare District: Mr. Steve Lund — Tab 11

XIX. ASSOCIATION AND COMMUNITY SERVICE REPORTS — *Information*

XX. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

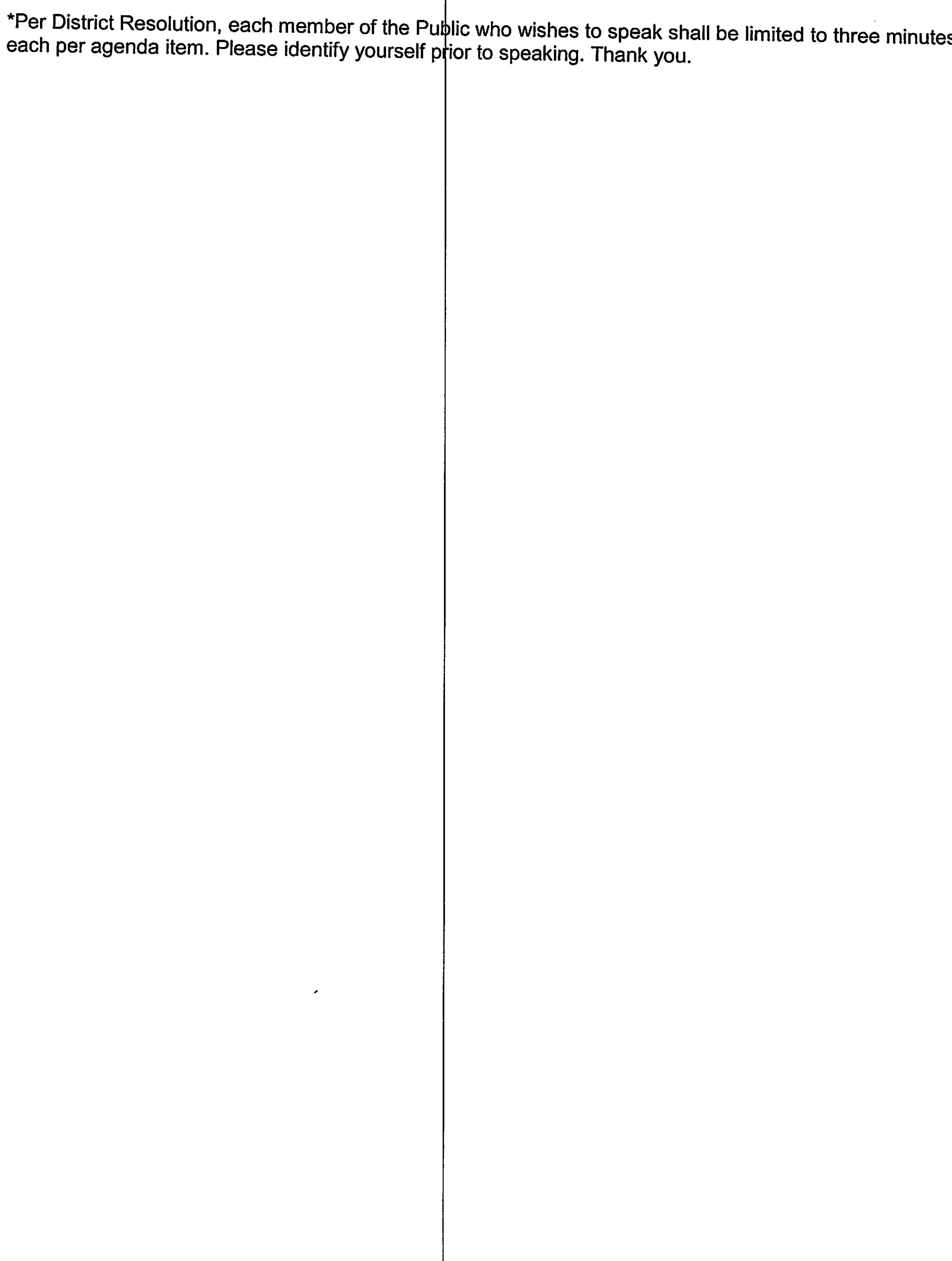
BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XXI. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.



T
A
B
1

BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JANUARY 31, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Ms. Arnold, Mr. Lund, Mr. Redding, Ms. McColley, Ms. Grinberg
Mr. Bob Edwards, CEO
Mr. Mike Ellis, CFO

I. **CALL TO ORDER:**
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Karen Arnold, Chair presiding

II. **ROLL CALL:**
PRESENT: Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding, Ms. Amy McColley, Mr. Steve Lund
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Mike Ellis, Interim CEO, CFO
Ms. Noel Caughman, Legal Counsel (via Skype)
Ms. Gayl Moon, Executive Assistant

III. **CLOSED SESSION MATTERS:**
The Board of Directors reviewed the following items in closed session:

- ***INFORMATION/ACTION:*** Pursuant to §32155 of the Health and Safety Code January Quality Management and Improvement Council Reports
  - The Board approved the January Quality Management and Improvement Council Report

- ***INFORMATION/ACTION:*** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), Summit Pain Alliance
  - The Board approved the Summit Pain Alliance settlement

3. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review
   - Received a Medical Staff Credentials and Privileges Report.

4. ***INFORMATION/ACTION:*** Pursuant to Government Code §54957.6: Closed Session Board Meeting with the District's Labor Union Negotiators, CFO Mike Ellis, Mr. Dan Camp, Special Labor Union and Employment Counsel David Reis, and the District's General Legal Counsel. Government Code §54,957.6
   - The Board received a report.

5. ***INFORMATION/ACTION:*** Consideration of Government Claim against Mendocino Coast District Hospital by R. E. Corporation. Government Code §§910, et seq. and 54956.9(e)(3)
   - The Board rejected this Government Claim against Mendocino Coast District Hospital by R. E. Corporation

6. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
   - The Board did not receive a report on this item

7. ***INFORMATION/ACTION:*** Public Employee: Interim CEO discussion Government Code §54954.5 & 54957
   - This item will be discussed when the Board reconvenes Closed Session after Open Session.

8. ***INFORMATION/ACTION:*** Public Employment: Personnel Matter Government Code §54954.5 & 54957
   - This item was not discussed, as the incorrect Government Code was cited.

9. ***INFORMATION/ACTION:*** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), ACLU information
   - This item was tabled.

10. ***INFORMATION/ACTION:*** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), LAFCO Boundaries
    - Legal counsel is currently working on this issue

11. ***INFORMATION/ACTION:*** Craig Griffin settlement notification: Evidence Code §1152
    - This item was not discussed, as the incorrect Government Code was cited.

Karen Arnold stated that the Board does want to hear the public's thoughts/comments; however she asked that the comments are stated courteously and respectfully.

IV. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues.

V. REVIEW OF THE AGENDA

- Remove "Bylaws Revision/Finance Committee Date and Time Change"; item #2 under New Business.
- Add Public Comments to the end of the agenda

MOTION: To add Public Comments at the end of the agenda

- Grinberg moved
- McColley second
- Roll call
  - ➢ Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None

- Motion carried

MOTION: To approve the agenda as modified
- Grinberg moved
- McColley second
- Roll call
  - ➢ Lund, McColley, Arnold, Grinberg, Redding

VI. BOARD COMMENTS

- Mr. Redding stated that he is disappointed that the Board's decision to terminate Mr. Edwards is being viewed as an attack on Medical Staff. The Board is committed to and energetic about improving this Hospital, and the Board felt that was the first step, and there will be many more. The Board will be able to accomplish improving the Hospital if they have the communities' support.
- Ms. Arnold stated that the decision to terminate Mr. Edwards was not made lightly or hastily. You don't ever forget that you have taken someone's job away; that is a tough thing to do. The decision was made with thought and discussion, and going forward what we want to do is pull together with the community and the staff so that we do have a successful Hospital. She stated the only reason she ran for this job was to help the Hospital stay open. The Board has asked Mike Ellis, and he has accepted being CFO & CEO for an interim period of time until a decision can be made on how the interim process will be handled. A search for a permanent CEO will be started as soon as the HR Director comes back.
- Dr. Kermen stated for the record that the Medical Staff does not feel under attack.

VII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT

1. Minutes: Regular Session, January 10, 2019
2. Minutes: Special Board Meeting, January 3, 2019
3. Alysoun Huntley Ford Fund Draw – There were no requests

MOTION: To approve the Consent Calendar
- Lund moved
- McColley second
- Roll call
  - ➢ Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

VIII. *ACTION/INFORMATION:* BYLAWS REVISION/PLANNING COMMITTEE DATE AND TIME CHANGE: MS. JESSICA GRINBERG

- The Planning Committee Bylaws are to be changed to reflect the following:
  - ➢ The Planning Committee will meet at least bi-monthly; the time will be at the discretion of the Planning Committee Chair, on Monday of the week immediately preceding the Thursday of the regular monthly of the Board of Directors. This committee will consist of up to nine (9) members: two (2) members of the Board of Directors, one which will serve as Chairperson and one will serve as Vice Chairperson; the Chief Executive Officer; the President of the Board of Governors of

the Mendocino Coast District Hospital Foundation; one (1) member of the Medical Staff; and up to four (4) community members that have relevant experience.
- The Planning Committee did approve this at their last meeting.

MOTION: To approve the change for the Planning Committee in the Bylaws
- Grinberg moved
- Arnold second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

IX. *ACTION/INFORMATION:* SUB-COMMITTEE TO REVIEW AND MAKE RECOMMENDATIONS TO BOARD ON POLICIES: MS. KAREN ARNOLD, CHAIR

- Discussed having a sub-committee of two (2) Board Members to review and make recommendations on changing the policies.

MOTION: To approve a sub-committee to review and make recommendations to the Board on Policies and Bylaws
- Grinberg moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

X. *ACTION/INFORMATION:* BOARD MEETING VENUE CHANGE: MS. AMY MCCOLLEY

- The Board discussed the possibility of changing the Board Meeting Venue.

MOTION: The Board of Directors will explore options for a different venue change
- McColley moved
- Redding second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XI. *ACTION/INFORMATION:* RESOLUTION 2019-1 BANK OF AMERICA SIGNATURE AUTHORITY: MR. MIKE ELLIS, CFO

MOTION: To approve Resolution 2019-1 Bank of America Signature Authority
- Arnold moved
- McColley second

- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XII. ***ACTION/INFORMATION:* RESOLUTION 2019-2 SAVINGS BANK SIGNATURE AUTHORITY: MR. MIKE ELLIS, CFO**

MOTION: To approve Resolution 2019-2 Savings Bank Signature Authority

- Grinberg moved
- Arnold second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIII. ***ACTION/INFORMATION*: RESOLUTION 2019-3 TRI COUNTIES BANK SIGNATURE AUTHORITY: MR. MIKE ELLIS, CFO**

MOTION: To approve Resolution 2019-3 Tri Counties Bank Signature Authority

- Grinberg moved
- McColley second
- Roll Call
  - Ayes: Grinberg, Arnold, McColley, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIV. ***ACTON/INFORMATION:* RESOLUTION 2019-4 LAIF ACCOUNT: MR. MIKE ELLIS, CFO**

MOTION: To approve Resolution 2019-4 LAIF Account

- Grinberg moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XV. *INFORMATION:* STRATEGIC PLAN UPDATE: MR. MIKE ELLIS, INTERIM CEO

- This is still in progress. Mr. Ellis will have a more extensive report at the February Board meeting.

XVI. *ACTION/INFORMATION:* MEDICAL STAFF APPOINTMENTS/REPORT: DR. JOHN KERMEN

- There was no Medical Staff report.

XVII. *INFORMATION:* CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- Ms. Finley would like to introduce the Board to the departments of the Hospital. This month is the Food and Nutrition Service Department and following is what they wrote:
- The Food and Nutrition Service Department is staff with nine (9) long term dedicated and talented workers. We all enjoy our responsibilities of assuring that the patients at MCDH are provided with wholesome, from scratch, healthy meals to meet their specific nutritional needs. From the initial assessment by the Registered Dietitian to the cleaning of the kitchen, the Food and Nutrition Service Department complies with all the current standards of practice for the care and wellbeing of patients. Service is patient driven and within the past year, the cycle menu has been revamped to better suit our population. Patients are encouraged to make their own meal selections and are allowed to request off-menu items if it is deemed appropriate. The Food and Nutrition Service Department also provides meals to the outpatient setting by offering meals to go for the transient or homeless persons who present to counseling for diabetes and renal education. We are all proud to be valuable members of the interdisciplinary healthcare team servicing the Fort Bragg community.

XVIII. *INFORMATION:* PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG

- The Planning Committee is working on the Strategic Plan in such a way that it becomes an active living plan in which things can be rotated off of it and things can be added. It will constantly be modified.
- A report from the Parcel Tax Oversight Committee will be included.
- Swing Bed Utilization will also now become a part of the Planning Committee as their project. As a result of sharing this in the Planning Committee, the Hospital was able to get potentially 1 transfer coming from Willits tomorrow.
- Dr. Bellah will no longer be a member of the Planning Committee. Dr. Kilian will be the joining the Planning Committee.

XIX. *INFORMATION:* PARCEL TAX OVERSIGHT COMMITTEE: MS. MYRA BEALS

- Myra Beals, Chair reported the Measure C Oversight Committee had their first meeting.
- Myra Beals is chair, Robert Becker is vice chair. The Bylaws and Brown Act were reviewed.
- The Oversight Committee is a sub-committee of the Board. Following is their purpose: *The Committee shall review proposed spending of Measure C funds and make recommendations to the Board about whether the proposed spending is consistent with the purposes set forth in Measure C. The committee shall review and report on the expenditure of Measure C revenues to verify said revenues are expended solely to attract and to retain high quality doctors and nurses, maintain local Emergency Room, Obstetrics, Surgical, Ambulance and related 911 services, as well as make critical repairs and upgrades to medical equipment and facilities.*
- Implicit in that purpose is to create trust with the community around the above stated issues.
- The next meeting will take place on February 22.

XX. *ACTION/INFORMATION:* FINANCE REPORT: MR. JOHN REDDING

Mr. Redding announced there are four (4) openings on the Finance Committee.

- The committee set four (4) goals:
  1. To assist in the preparation of the budget
  2. Develop a Strategic Financial Plan
  3. Develop a process for when a service is proposed to be eliminated.
  4. Develop a Marketing Plan

January Financial Statements Summary

- Mr. Ellis presented the December 2018 Financial Statements

MOTION: To approve the Chief Nursing Officer Report, the Planning Committee Report, the Parcel Tax Oversight Committee Report and the Finance Committee Report as indicated under reports Section XII on the agenda

- Grinberg moved
- Redding second
- Roll call
  - ➢ Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

XXI. *INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXII. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues.

XXIII. ADJOURN:

Open Session adjourned at 7:20 pm

____
Steve Lund, Secretary
Board of Directors

____
Gayl Moon, Secretary to the
Board of Directors

Reconvened Closed Session at 7:30

1. Reconvention of Open Session
   - A. Reporting out on Closed Session
   - 1. The Board heard a proposal from Mike Ellis regarding him staying Interim CEO/CFO for a longer period of time. No action was taken. Mike was asked to develop a formal proposal to be considered by the Board.

Closed Session adjourned at 8:00 pm

TAB 2

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
THURSDAY, JANUARY 24, 2019

1. **CALL TO ORDER:**
CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:00 P.m. at 700 River Drive, Fort Bragg, CA 95437: President Karen Arnold presiding

2. **ROLL CALL:** Arnold, Grinberg, Redding, McColley, Lund
ABSENT: None

3. **COMMENTS FROM THE COMMUNITY**
   - Community members discussed issues regarding MCDH.

4. **CLOSED SESSION:**
   1. ***INFORMATION/ACTION:*** Pursuant to Government Code §54,957.6: closed session Board Meeting with the District's Labor Union Negotiators, CEO Bob S. Edwards, Jr., CFO Mike Ellis, Mr. Dan Camp, Special Labor Union and Employment Counsel David Reis, and the District's General Legal Counsel. Government Code §54,957.6.
   2. ***INFORMATION/ACTION:*** Public Employee Performance Review and Evaluation, Chief Executive Officer of the District. Government Code §54957

5. **RECONVENTION OF OPEN SESSION:**

6. **ROLL CALL:** Redding, Lund, Arnold, McColley, Grinberg
ABSENT: None

   REPORT OUT OF CLOSED SESSION
   1. ***INFORMATION/ACTION:*** Pursuant to Government Code §54,957.6: closed session Board Meeting with the District's Labor Union Negotiators, CEO Bob S. Edwards, Jr., CFO Mike Ellis, Mr. Dan Camp, Special Labor Union and Employment Counsel David Reis, and the District's General Legal Counsel. Government Code §54,957.6.
      - The Board received an update on Labor Relations Negotiations
   2. ***INFORMATION/ACTION:*** Public Employee Performance Review and Evaluation, Chief Executive Officer of the District. Government Code §54957
      - The Board voted to terminate the District's employment of Mr. Edwards as CEO without cause per the terms and conditions as stipulated in his current contractual agreement.
      - The Board approved the appointment of Mr. Mike Ellis, CFO as Interim CEO.

7. **COMMENTS FROM THE COMMUNITY**
   - A community member discussed issues regarding the Hospital.

8. **COMMENTS FROM THE BOARD OF DIRECTORS**
   - There were no comments from the Board of Directors

9. **ADJOURN:**
The meeting adjourned at 8: 00 p.m.

Ms. Karen Arnold, President
Board of Directors

ATTEST:

Ms. Jessica Grinberg, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

TAB

3

The Planning Committee, will meet at least bi-monthly, the time will be at the discretion of the Planning Committee Chair, on Monday of the week immediately preceding the Thursday of the regular monthly meeting of the Board of Directors. This committee will consist of up to nine (9) members: two (2) members of the Board of Directors, one which will serve as Chairperson and one will serve as Vice Chairperson; the Chief Executive Officer; the President of the Board of Governors of the Mendocino Coast District Hospital Foundation; one (1) member of the Medical Staff; and up to four (4) community members that have relevant experience.

TAB 4

RESOLUTION OF MENDOCINO COAST HEALTH CARE DISTRICT AUTHORIZING EXECUTION AND DELIVERY OF A PROMISSORY NOTE, LOAN AND SECURITY AGREEMENT, AND CERTAIN ACTIONS IN CONNECTION THEREWITH FOR THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY HELP II LOAN PROGRAM

The HELP II Loan Program
2019-5

WHEREAS, **Mendocino Coast Health Care District** (the "Borrower") has determined that it is in its best interest to borrow an aggregate amount not to exceed **$1,500,000.00** from the California Health Facilities Financing Authority (the "Lender"), such loan to be funded with the proceeds of the Lender's HELP II Loan Program; and

WHEREAS, the Borrower intends to use the funds for the following project: **Finance the renovation of three separate projects mandated by Office of Statewide Health Planning and Development to meet facility compliance. The projects involve HVAC air handling units, the central sterile department, and the automatic transfer switch;**

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

Section 1. **Mike Ellis, Interim Chief Executive Officer** (an "Authorized Officer") is hereby authorized and directed, for and on behalf of the Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized officer deems necessary or advisable in order to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 2. The proposed form of Loan and Security Agreement (the "Agreement") dated as of **June 1, 2018** which contains the terms of the loan is hereby approved. The loan shall be in a principal amount not to exceed **$1,500,000.00** and the loan shall bear interest at a rate of 2% per annum until **August 1, 2018** (the "Maturity Date"). The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Agreement in substantially said form that includes the Assignment of Anticipated Ad Valorem Operating Tax Assessment Collections in the event of default, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 3. The proposed form of Promissory Note (the "Note") dated as of **June 1, 2018**, as evidence of the Borrower's obligation to repay the loan is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Note in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Environmental Compliance Certificate dated as of **June 1, 2018** certifying for the benefit of the Lender to the best knowledge of Borrower with regard to any violations of or claims regarding environmental laws or conditions, is approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Environmental Compliance Certificate in substantially said form, with such changes therein as the Authorized Officer May require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Date of Adoption: ____________________

SECRETARY'S CERTIFICATE

I, _________________________, Secretary of **Mendocino Coast Health Care District,** hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of **Mendocino Coast Health Care District** duly and regularly held at the regular meeting place thereof on the _______ day of ______________, 20____, of which meeting all of the members of said Board of Directors had due notice and at which the required quorum was present and voting and the required majority approved said resolution by the following vote at said meeting:

Ayes:

Noes:

Absent:

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

____

Secretary

Date: ______________________

TAB 5

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION 2019-6
RESOLUTION AUTHORIZING WITHDRAWAL OF FUNDS FROM THE LOCAL AGENCY INVESTMENT FUND

This Resolution of the MENDOCINO COAST HEALTH CARE DISTRICT, hereinafter referred to as 'DISTRICT', is for the purpose of the authorization of the borrowing of funds from the Local Agency Investment Fund, a separate account under the jurisdiction of the DISTRICT for use in Operations.

DISTRICT shall borrow from the Local Agency Investment Fund, a special sum of $300,000.00 for the purpose of paying Department of Health Care Services associated to funding IGTs. This said sum shall be repaid by the General Fund. The said sum shall be repaid into the Local Agency Investment Fund at the earliest convenience by DISTRICT.

I hereby certify that the forgoing is a full, true and correct copy of the Resolution duly passed and adopted by the Board of Directors of the MENDOCINO COAST HEALTH CARE DISTRICT at a regular meeting thereof held on , 2019 by the following vote:

AYES: ____________________
NOES: ____________________
ABSENT: ____________________
ABSTAIN: ____________________

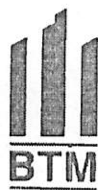
____
Karen Arnold, President
Board of Directors

ATTEST:

____
Steve Lund, Secretary
Board of Directors

TAB

6



B.T. Mancini Co., Inc.
2985 Dutton Avenue, Suite 1
Santa Rosa, CA 95407
707.568.5300 fax: 707.568.5302

www.btmancini.com

CA Contractors Lic. #229210

Bid Proposal

Date: 1/30/2019

Project: Surgical wing project

Attn: David Studebaker
Mendocino Coast Hospital
700 River Dr. Fort Brag

DIR# 0000002989

B.T. Mancini Co., Inc. to supply materials and labor to install new flooring per plan sheet A-21 dated 4/21 as follows: All work areas to be clean and ready to install cove vinyl in multiple phases. Operating room 1, Recovery, holding, supervisors station, half surgical corridor, & anesthesia work room are to be installed nights and weekends at premium time. Operating room 2, clean work room & 2nd half of surgical corridor to be installed at regular work hours Monday through Friday 8am to 5pm. All rooms to be coved and have heat welded seams.

Materials:
1. **Mannington Biospec MD sheet vinyl Color TBD**
2. **Adhesive/Sundries**

PROJECT CONDITIONS: (To be made part of the Contract Documents)
** All phases are to have infectious control set up prior to our arrival.
** G. C. or Owner is responsible for all environmental conditions, including heat, lighting and concrete moisture vapor emission control, including testing. Acceptable moisture emission test results are required prior to installation of flooring.
** Pricing includes all applicable tax and freight.
** **Pricing is valid for 30 days.**

EXCLUSIONS: (To be made part of the Contract Documents)

** **Exclude underlayment/sheathing & integral coving**
** Gypcrete floors/sealer, any furniture moving.
** Concrete moisture testing and remediation. In an effort to provide and maintain the product manufacture warranties, B.T. Mancini Co. can provide information for independent concrete testing companies.
** No asbestos removal, either floor covering or adhesives.
** Major floor preparation including: cleaning and filling of saw cuts, ramping and leveling of concrete, unforeseen sub floor repairs, And any grinding of concrete to make flat or to remove any existing adhesives.
** Any demo or removal of other trades construction materials, including marking paint, oils, grease, curing compounds release agents, sealers.
** Final cleaning and waxing of resilient flooring, vacuuming of carpet and protection of installed flooring.

** **Base Bid: $ 102,579.00**

Herman Garcia
Respectfully Submitted,
Herman Garcia 707.568.5300

QUOTATION ACCEPTANCE:
This quotation, unless otherwise noted, will remain in effect for 30 days from the above date. Upon acceptance by the Buyer and credit approval by the B.T. Mancini Co., Inc. this instrument shall constitute a binding contract. In the event the Buyer elects to issue his own purchase order or contract based on this quotation, the conditions contained herein shall be deemed to be incorporated in said purchase order or contract. This proposal expressly limits acceptance to terms of The General Conditions of Sale contained herein. No terms additional or different from The General Conditions will be accepted, including, but not limited to, any terms which establish a "condition precedent" to the Buyer making payment to the Seller other than any "condition precedent" already contained in this proposal. **The undersigned hereby accepts this proposal and states that he has read The General Conditions of Sale on the reverse side.**

Accepted:______________________ **Print Name:**______________________

Company:______________________ **Date:**______________________

INSTALLATION NOTES:
1. Extra work is quoted as an add to this subcontract to be done during work duration. After our work is complete, these quoted prices may increase.

2. Area of installation must be a minimum of 65 degrees F; building completely constructed with doors, windows, heating and HVAC fully operational.
3. Area of installation will require free and clear access to construction areas.
4. B.T. Mancini will not honor any back charges, unless notified in writing at the time of occurrence and given the opportunity to correct the situation.
5. B.T. Mancini Co., Inc. will not be responsible for any delays in obtaining special items, which are beyond our control.
6. B.T. Mancini Co., Inc. will not be responsible for any damage to finished or unfinished materials caused by other trades.
7. Proper electrical power, lighting and heat to be furnished at no cost to B.T. Mancini Co., Inc.
8. Prices based on material being fabricated and installed at one time.

General Condition of Sale

1. Definitions – The word "Seller" as used herein means B.T. Mancini Co., Inc. and the word "Buyer" means the purchaser of material and services hereunder from the Seller.
2. Safety – The Seller will take reasonable care to insure that no unsafe conditions are created by the Seller's work, but assumes no liability for injuries for which the Seller would not otherwise be responsible. The Seller agrees to notify the Buyer upon discovery of any hazardous condition which is correctable; however, failure to give such notice shall not create any liability on the Seller's part.
3. Delay – If the Seller's work is stopped or delayed due to causes beyond the control of the Buyer and not due to the fault of the Buyer, the Buyer shall not be liable to the Seller for such stoppage or delay, provided that if such stoppage or delay continues for more than thirty (30) days the Seller shall have the option to terminate this contract and the Seller shall be entitled to recover from the Buyer that portion of the work performed by the Seller, including reasonable overhead and profit. In the event the Seller's work is stopped or delayed because of the improper performance, lack of planning, negligence, or other fault of the Buyer and/or contractors under Buyer's control, the Seller shall be entitled to reimbursement of all actual costs incurred plus 15% overhead and 10% profit and compensation for reasonable field overhead and home office overhead (calculated according to the Eichleay formula) expenses arising out of such stoppage or delay, and in addition may, after such stoppage or delay has continued for more than thirty (30) days, terminate this contract and exercise all rights and remedies existing under the laws of the State of California. Stoppage or delay shall be presumed to be the fault of the Buyer until shown otherwise.
4. Indemnification – The Seller agrees to hold harmless the Buyer against claims or obligations arising out of acts or omissions done in whole by the Seller. The Buyer agrees to defend and hold the Seller harmless against any claims and/or obligations arising out of acts or omissions of the Buyer and/or contractor's under Buyer's control.
5. Attorneys' Fees – In the event suit is brought by either party to this contract to enforce the terms or to collect money damages for breach thereof, the prevailing party shall be entitled to reasonable attorney's fees, expert or consulting fees, court costs, costs of investigation, and other related expenses incurred in connection with such suit.
6. Prompt Performance – The Seller shall make reasonable efforts to perform the work promptly in accordance with the terms of this contract, but shall not be liable for delay arising from strikes, lockouts, fire, earthquake, war governmental act, Acts of God, or other events beyond the control of the Seller, whether effecting the production, loading, transportation, delivery or installation of material or the performance of labor.
7. Transportation and Claims – Claims by the Buyer for shortages or for improper, defective or damaged material must be made in writing specifying in detail the nature and extent of the shortage, defect or damage within five (5) days of delivery, accompanied, in the case of claim for shortage or damage, by the original freight bill with a notation on the face thereof by local agent of the carrier as to the items and quantity short or damaged. Risk of damage shall be on the Buyer when materials are delivered to a common carrier F.O.B. shipping point. Title to material to remain with Seller until payment is made in full by Buyer.
8. Limitation on Claims – Any claim by the Buyer whether for breach of contract, property damage, or personal injury based on faulty materials or workmanship must be made in writing within one (1) year of substantial completion of the work, or such claim shall be deemed forever waived.
9. Protection and Security – The Buyer shall take reasonable steps to protect material, tools and equipment installed and/or stored at the job site from damage, vandalism and theft, and shall provide, as appropriate, security guards and secure storage areas. Damaged or stolen materials shall be the responsibility of the Buyer.
10. Assignment – The Buyer shall not assign his rights under this contract, in whole or in part, without the written consent of the Seller.
11. Bankruptcy – In the event the Buyer is adjudicated bankrupt or files a voluntary petition in bankruptcy, makes an assignment for the benefit of creditors or applies for or consents to the appointment of a trustee or receiver over a substantial part of the Buyer's property, the Seller shall have the right to terminate this contract and collect far all work performed hereunder.
12. Payment – The Buyer shall pay the Seller according to the following schedule:
(a) For materials delivered to the job, the cost of those materials shall be paid by the 10th of the month following delivery.
(b) For installation, 90% of the value of the work performed in any month shall be paid by the 10th of the following month,
(c) Retention shall be paid with thirty (30) days of the completion and acceptance of the Seller's work. The benefit of any reduction of the retention under the prime contract (example, from 10% to 5%) will be passed proportionally on to the Seller.
(d) Buyer shall not make any payment to Seller in the form of a joint check, or any other type of payment other than payment solely in the name of Seller, unless agreed to by Seller in writing.
Any sums not paid when due shall bear a late charge at the rate of one and one half percent (1 ½%) per month, annual percent rate 18%, until paid provided that if such rate of late charge is not permitted by law, the highest legal rate shall be charged. In the event payment is not made as provided herein, the Seller shall have the right to withhold further material and labor until payment is made, or to terminate this contract and receive damages, until paid. If payment is not made as provided herein, the Seller may stop work and ultimately terminate the contract upon 5 days written notice to the Buyer.
13. Job Conditions – Unless otherwise stated herein. The working surfaces and job conditions shall be in a satisfactory state ready to receive the application of the Seller's materials upon the Buyer's notice to commence work. Seller is entitled to rely on Buyer's notice to commence work as a representation that Buyer has carefully inspected and approved the work performed by others that it is to receive, align, abut or similarly relate to the work of the Seller.
14. Penalties and Backcharges – No backcharges, penalties, liquidated damages or other deductions against the price setforth herein may be claimed unless the item involved has been (1) previously authorized and specifically approved in writing by the Seller, and (2) invoiced no later than thirty (30) days after the cost is established, provided that in no event will it be invoiced less than five (5) days before filing of the Notice of Completion. Lack of compliance with the foregoing shall constitute a waiver of the charge. Seller shall have a reasonable opportunity to cure any claimed defect.
15. Extra work – For any changes to the scope of work as provided herein. The Buyer will provided the Seller with appropriate written change order prior to the Seller proceeding. The Seller will be paid for extra work on the basis of actual direct costs, including taxes and insurance, plus15% overhead and 10% profit unless otherwise provided for. Seller is not obligated to perform any changes to the scope of work until it receives a written change order from the Seller and the price for the extra work and/or any time extension required by the extra work are agreed to by both parties.
16. Bonds – Unless specifically included. The cost of any required surety bonds shall be paid of by the Buyer.
17. Escalation – The Seller's price is based on completion of the Seller's portion of the work by the schedule as indicated in the contract documents or as otherwise described herein, in the event the project is delayed, through no fault of the Seller, the prices for materials and labor shall be adjusted by the actual Increases.
18. Contract and Credit Acceptance – All contracts are subject to approval and acceptance by authorized managerial employees of the Seller. Acceptance of contracts, and shipments and performance of work hereunder, shall at all times by subject to the Seller's credit approval, and the Seller reserves the right to require full or partial payment in advance if, in the Seller's opinion, th4e financial condition of the Buyer justify continued performance on the terms specified.
19. Material Approval – Samples furnished by the Seller, when approved by the Buyer or Architect, shall be deemed the correct interpretation of the materials to be furnished.
20. Inspection and Acceptance – Upon completion, the Buyer shall promptly inspect the Seller's work and materials. Failure of the Buyer to give approval or reject the Seller's work and materials within ten (10) days after completion, stating in detail, reasons for the rejection, if any, shall constitute complete and final acceptance of Seller's work and materials.
21. Labor Rates and Working Conditions – the contract is based on a normal working day at straight time hourly rates prevailing in the area where the work is to be done. If the Buyer requests overtime work, the price shall be adjusted accordingly to cover the resulting additional costs, including the actual increase in wages, taxes, insurance, overhead at 15% and profit at 10%. The contract price is further based on the Seller's labor working full time continuously without interruption during

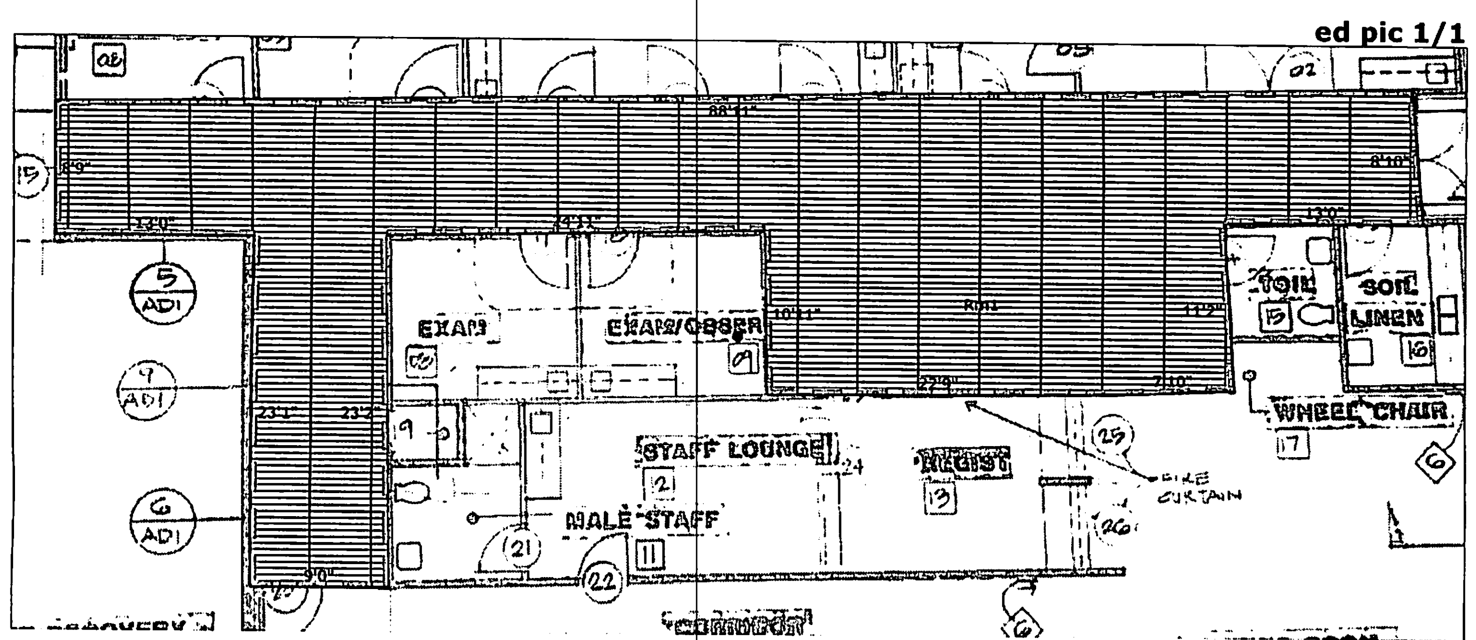
regular working hours until completion of the work and the Buyer shall pay all actual additional expense incurred by the Seller for idle time, overtime, traveling, and equipment set-up occasioned by interruption within the Buyer's control.

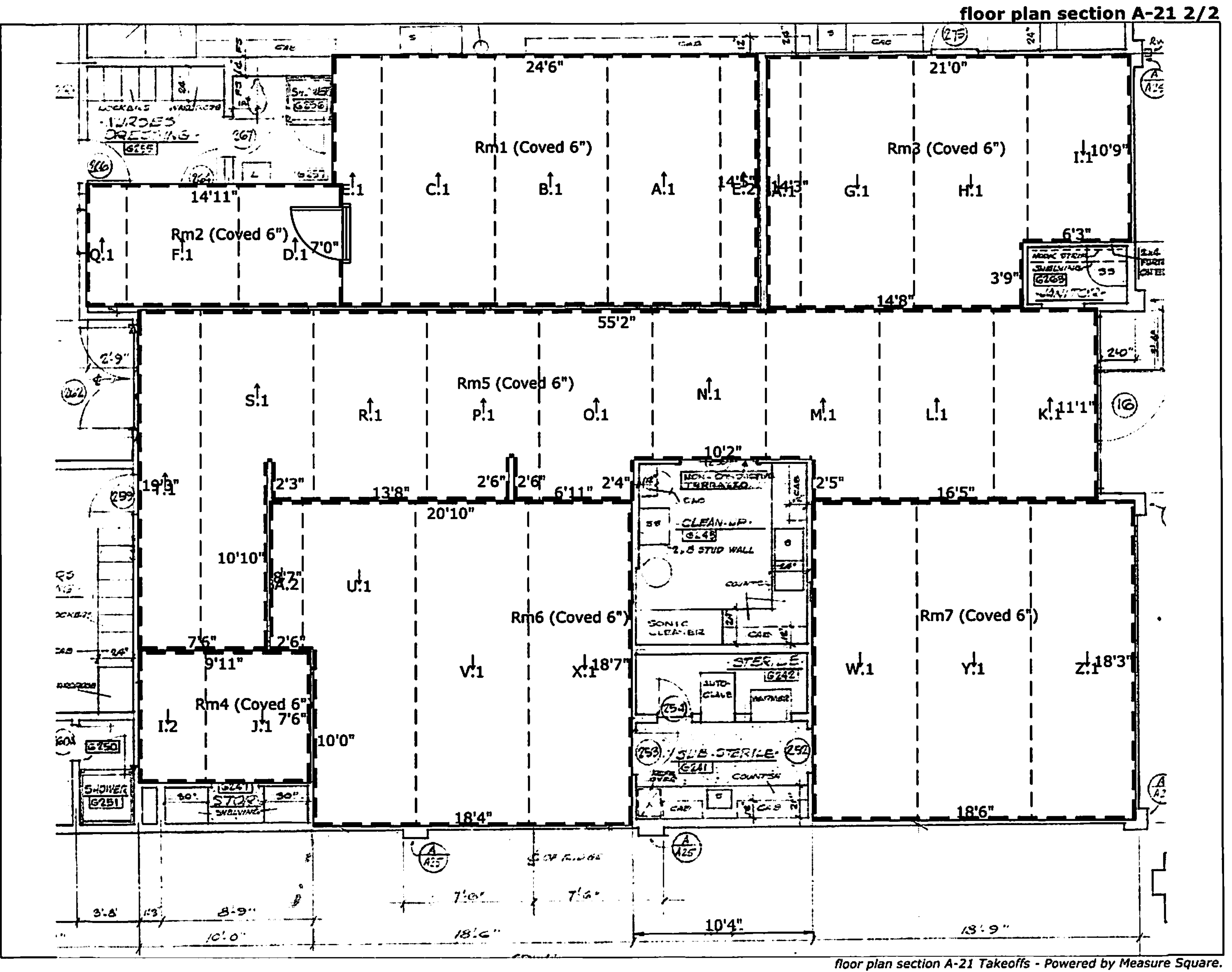
22. Insurance and Liability for Damage – The Seller carriers comprehensive general liability and workmen's compensation insurance and will furnish proof thereof upon request. Loss or damage to materials and work resulting from Acts of God, weather, fire, flood, windstorm, other trades or any other risk not caused by the Seller, shall be the Buyer's responsibility, and the Buyer shall indemnify and hold the Seller harmless from loss by reason thereof.

23. Upon award, all Project and or Contractor specific insurance requirements will be reviewed by BTM prior to acceptance. If requested by the insurance documents, BTM will name the Contractor and the Owner as additionally insured. However, all other agents not contracted by BTM such as the Architect/Engineer and other Consultants are excluded and will not be named as additionally insured. Coverage outlined will only be provided on forms CG 20 10 04/13 and CG 20 37 04/13, all other forms are excluded.

24.

CONTRACTORS ARE REQUIRED BY LAW TO BE LICENSED AND REGULATED BY THE CONTRACTORS' STATE LICENSE BOARD. ANY QUESTIONS CONCERNING A CONTRACTOR MAY BE REFERRED TO THE REGISTRAR OF THE BOARD WHOSE ADDRESS IS: CONTRACTORS' STATE LICENSE BOARD, 9821 BUSINESS PARK DRIVE, SACRAMENTO, CALIFORNIA 95827 OR 222.cslb.ca.gov.


EXAM
EXAM/OBSER
STAFF LOUNGE
MALE STAFF
REGIST
TOIL
SOIL
LINEN
WHEEL CHAIR
FIRE CURTAIN
ADI
88'11"
23'1"
23'2"
27'9"


Rm1 (Coved 6")
Rm2 (Coved 6")
Rm3 (Coved 6")
Rm4 (Coved 6")
Rm5 (Coved 6")
Rm6 (Coved 6")
Rm7 (Coved 6")
24'6"
21'0"
14'11"
55'2"
20'10"
18'4"
18'6"
10'2"
10'4"
CLEAN-UP
STERILE
SUB-STERILE
NURSES DRESSING
SHOWER
JANITOR

TAB 7

MENDOCINO COAST DISTRICT HOSPITAL
DEPARTMENT
POLICY AND PROCEDURE STATEMENT

TITLE: VERBAL ABUSE

PURPOSE: Left unchecked, verbal abuse and other unprofessional conduct may interfere with clinical performance, compromising the quality of patient care. The purpose of this policy is to appropriately respond to the problem and limit the District's exposure to liability under expanding legal theories of corporate negligence.

An additional purpose is to assure a balanced response. On one hand, a lax or slow response may create a hostile work environment, harassed customers, and negatively impact the District's reputation in the Community. A hasty response without sufficient legal justification may expose the District to litigation.

POLICY: Verbal abuse will not be tolerated in the Hospital. All Hospital associates and Medical Staff members are directed to document incidents of verbal abuse as outlined below in the procedure section. Appropriate action shall be taken through the existing Quality Review Procedure of the Hospital.

Verbal abuse is not an acceptable form of behavior in the Hospital, irrespective of whether it is committed by an employee, supervisor, manager, physician, board member, patient, vendor, or any other person, and irrespective of whom the intended target of such abuse may be.

Verbal abuse may include, but not necessarily be limited to vulgarity, profanity, loud or threatening talk, gestures or similar action, directed at one or more other persons, which is intended or likely to be perceived by the target person or by any other person present as degrading, insulting, fear inspiring, or otherwise threatening to a person's physical or mental well-being.

Verbal abuse may also consist of behavior which in any way interferes with appropriate methods of patient care, is upsetting to patients within hearing range of such conduct, or is detrimental to the health care work being carried on in the Hospital.

PROCEDURE: The Board of Directors, the attorney for the District, the Administration of the Hospital, and the Chief of the Medical Staff assure all employees and physicians that you may report these incidents without fear of future retribution by anyone in the Administration of the Hospital or by anyone on the Medical Staff.

The following procedure will be used to document incidents or perceived incidents of verbal abuse.

1. If you believe you have been verbally abused, first determine whether it is appropriate or prudent to directly approach the person you believe has committed the abusive behavior. If you think it is appropriate to talk directly to the person try to resolve the issue with that person by informally discussing your concerns. If, however, you do not consider it appropriate to talk directly to the person whom you believe has committed the verbal abuse, proceed to step 2.

2. Any person involved in or is directly aware of an incident of verbal abuse should prepare a written report as soon as possible after the occurrence (usually within 24 hours). This report must be prepared on, or appended to a Hospital "Quality Review Form".

   No copies of this report shall be made and its confidentiality will be maintained by all persons.

3. Keep the report short and to the facts: When did it occur, where did it occur, who was involved, and what was said. Ideally, get a witness.

4. Sign the "Quality Review Form". You may be called upon to testify as a witness in any hearing involving any disciplinary action if the accused is a physician; or an investigation involving suspension or termination of employment, if the accused is an employee.

   In most but not all circumstances, the only way in which action can be taken and penalties imposed is after establishment of a documented pattern of verbal abuse. An egregious incident will be immediately actionable.

5. Send the completed "Quality Review Form" and any other relevant information to the Chairperson of the Integrated Quality Management Committee or his/her designee.

~~5.~~6. The Chairperson of the Integrated Quality Management Committee will report these the number, nature an disposition of such incidences monthly to the Board of Directors meeting in Closed Session.

~~6.~~7. If the abusive behavior occurs during a medical procedure, complete the procedure. Then document the incident on a "Quality Review

~~7.~~8. Call the Police at 9-911 if there is a threat of physical abuse, or if there is property damage or other imminent danger.

Cooperate fully with the Police when filling out the complaint. Report and document the incident on the Hospital "Quality Review Form". If possible, get names of witnesses.

8. The person who is perceived to have or has committed verbally abusive behavior shall be notified by the appropriate person the Director of Human Resources or the CEO in accordance with established policies or procedures and if appropriate in accordance with the By-Laws of the Medical Staff.

New: 07/03
Reviewed: ~~08/18~~02/19
Revised:

Approval Signatures:

Chairperson, Board of Directors ______________ Date ______________

TAB 8

MCDH

MENDOCINO COAST DISTRICT HOSPITAL

DATE: February 20, 2019

TO: BOARD OF DIRECTORS

FROM: JOHN KERMEN, DO
CHIEF OF STAFF

SUBJECT: **MEDICAL EXECUTIVE COMMITTEE RECOMMENDATIONS**

The Medical Executive Committee considered the following items and recommends them to the Board of Directors for approval:

Re-Appointments to Medical Staff-

- **Zoe Berna, MD-** Department of Medicine-Family Practice-North Coast Family Health Center
- **Sanford Brown, MD-** Department of Medicine- Family Practice
- **Lynette Chevalier-Paris, MD-** Department of Medicine- Pediatrics
- **John Cottle, DO-** Department of Medicine- Family Practice
- **Diane Harris, MD-** Department of Medicine-Family Practice
- **Wade Gray, MD-** Department of Medicine-Family Practice
- **Jennifer Kreger, MD-** Department of Medicine-Family Practice-North Coast Family Health Center
- **James Michael Sandys, MD-** Department of Medicine-Family Practice-North Coast Family Health Center

Re-Appointments to Allied Health Professional Staff-

- **Lilo Fink, DNP-** Department of Medicine-Family Practice-North Coast Family Health Center
- **Suzanne Hewitt, FNP-** Department of Medicine-Family Practice-North Coast Family Health Center
- **Joseph Martin, PA-** Department of Medicine-Family Practice-North Coast Family Health Center
- **Marilyn Magoffin, FNP-** Department of Medicine-Family Practice-North Coast Family Health Center
- **Michele Tellier, FNP-** Department of Medicine-Family Practice-North Coast Family Health Center

Release from Proctoring-Advance to Active Medical Staff

- **Samer Muala MD-** Department of Medicine- Hospitalist Service
- **Timothy Musick, MD-** Department of Medicine- Hospitalist Service
- **Faraaz Osmani, MD-** Department of Medicine- Hospitalist Service

Department of Medical Staff Services
William Lee, CPCS, CPMSM~ Director
700 River Drive • Fort Bragg, California 95437
Phone: (707 961-4740 • Fax: (707) 961-4786

T

A

B

9

CNO Report February 2019

We just attended our first workshop for Beta Heart provided by our risk and liability insurance company. This is a three year project that will provide us tools to create a safer patient environment. As an added bonus, by participating we will receive a discount from Beta.

Beta Healing Empathy Accountability Resolution Trust

Culture (first focus)
Culture of Safety Survey: next year switch to Beta's SCORE/Culture Survey to bring us in alignment with the project and to incorporate employee engagement. We had been completing the AHRQ Culture of Safety Survey.

Just Culture training: We will be scheduling a 2 day train the trainer class. We will schedule this with Beta after we go live with Meditech.

Just culture is a supportive system of shared accountability designed to balance the assessment of systems, processes and human behavior when an error occurs, or an event is reported. The program puts special focus on system design and behavior management, enabling the organization to take action where needed. This model better equips an organization to learn about system vulnerabilities and correct errors before they affect the patient.

Rapid Event Response
Ensure the immediate needs of the patient and family are met
Ensures the immediate needs of caregivers are met
Timely contact with the patient and/or family within 60 minutes of an event or error
Supports a fair and accountable culture in investigation and response
Includes input from patient and family

Communication and transparency
Development of empathic communication process that includes open and ongoing dialogue after a adverse event.
TeamSTEPPS training

Care for the Caregiver
Development of a peer support system
Process for identification and support for individuals affected or involved in events
Includes training of peer supporters

Early Resolution
Provides a process for resolution when patient harm is the result of inappropriate care or medical error.

Team: Dr Serrahn, Heather Douglas-Brown, Nancy Schmidt, Clara Slaughter and Lynn Finley

Workshop II May 22 & 23
Workshop III September 26 & 27

TAB 10

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

Unaudited Financial Statements

for

For the month ended January 31, 2019

TABLE OF CONTENTS

EXECUTIVE SUMMARY	PAGE 2
BALANCE SHEET - ASSETS	PAGE 3
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 4
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 5
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 6
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGE 7
STATEMENT OF CASH FLOWS	PAGE 9
KEY OPERATING STATISTICS	PAGE 10
FINANCIAL RATIOS AND BENCHMARKS	PAGE 11

MENDOCINO COAST HEALTHCARE DISTRICT

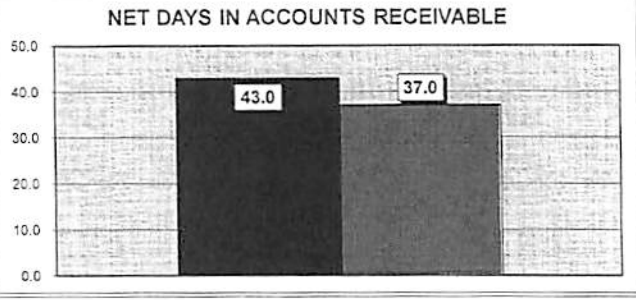
EXECUTIVE FINANCIAL SUMMARY

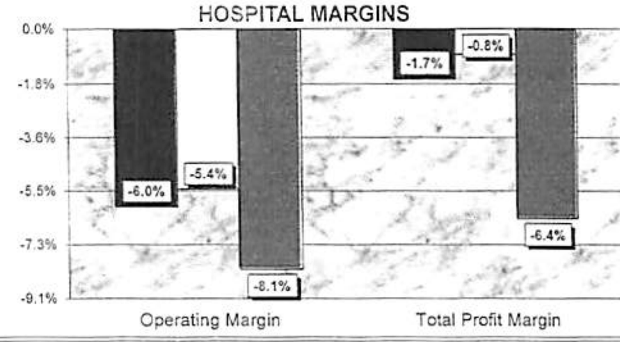
For the month ended January 31, 2019

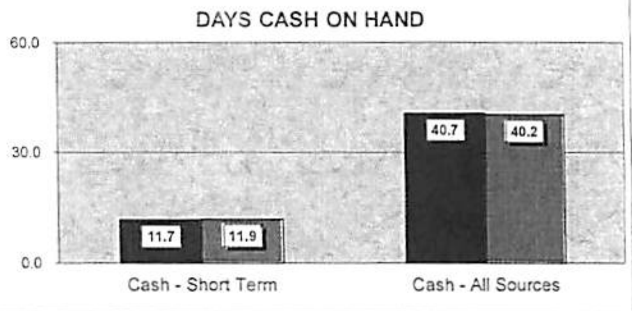
BALANCE SHEET	1/31/2019	6/30/2018
ASSETS		
Current Assets	$11,920,459	$12,244,405
Assets Whose Use is Limited	6,016,265	5,626,312
Property, Plant and Equipment (Net)	14,446,237	14,572,282
Total Unrestricted Assets	**32,382,961**	**32,442,999**
Total Assets	**$32,382,961**	**$32,442,999**
LIABILITIES AND NET ASSETS		
Current Liabilities	$12,253,437	$12,035,802
Long-Term Debt	13,055,765	12,815,206
Total Liabilities	**25,309,202**	**24,851,008**
Net Assets	7,073,759	7,591,991
Total Liabilities and Net Assets	**$32,382,961**	**$32,442,999**

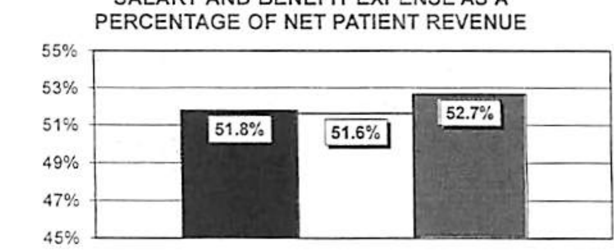
STATEMENT OF REVENUE AND EXPENSES - YTD	*ACTUAL*	*BUDGET*
Revenue:		
Gross Patient Revenues	$67,151,125	$68,478,000
Deductions From Revenue	(37,136,198)	(38,296,000)
Net Patient Revenues	30,014,927	30,182,000
Other Operating Revenue	1,068,868	1,225,000
Total Operating Revenues	**31,083,795**	**31,407,000**
Expenses:		
Salaries, Benefits & Contract Labor	19,201,676	18,919,000
Purchased Services & Physician Fees	5,056,893	5,522,000
Supply Expenses	5,247,295	5,180,000
Interest Expense	0	0
Depreciation Expense	894,505	896,000
Other Operating Expenses	2,548,772	2,588,000
Total Expenses	**32,949,141**	**33,105,000**
NET OPERATING SURPLUS	**(1,865,346)**	**(1,698,000)**
Non-Operating Revenue/(Expenses)	1,347,106	1,432,000
TOTAL NET SURPLUS	**($518,240)**	**($266,000)**

BOND COVENANTS	*REQUIREMENT*	*ACTUAL*
DEBT SERVICE COVERAGE RATIO	1.25	0.33
CURRENT RATIO	1.00	0.97
DAYS CASH ON HAND	30.0	40.7









Legend	Date
■ MENDOCINO COAST HEALTHCARE DISTF	1/31/2019
□ Budget	1/31/2019
▩ Prior Fiscal Year End	6/30/2018

Balance Sheet - Assets

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended January 31, 2019

	Current Month 1/31/2019	Prior Year End 6/30/2018
CURRENT ASSETS		
CASH	$ 1,765,208	$ 1,806,804
PATIENT RECEIVABLES	17,401,676	16,595,137
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(11,327,695)	(11,442,152)
NET PATIENT ACCOUNTS RECEIVABLES	6,073,981	5,152,985
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,340,232	3,254,576
OTHER RECEIVABLES	1,126,580	799,134
INVENTORIES	818,499	811,360
PREPAID EXPENSES	795,959	419,546
TOTAL CURRENT ASSETS	**$ 11,920,459**	**$ 12,244,405**
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,331,103	$ 4,280,052
PLAN FUND	13,759	13,759
BONDS	1,179,840	812,501
BOND COSTS	491,563	520,000
TOTAL LIMITED USE ASSETS	**$ 6,016,265**	**$ 5,626,312**
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,490	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	22,073,632	21,899,738
CONSTRUCTION-IN-PROGRESS	862,227	280,584
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 49,009,650	$ 48,254,113
LESS: ACCUMULATED DEPRECIATION	(34,563,413)	(33,681,831)
NET PROPERTY, PLANT, & EQUIPMENT	**$ 14,446,237**	**$ 14,572,282**
TOTAL ASSETS	**$ 32,382,961**	**$ 32,442,999**

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended January 31, 2019

	Current Month 1/31/2019	Prior Year End 6/30/2018
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 6,348,864	$ 6,383,566
ACCRUED PAYROLL	$ 1,085,038	$ 758,061
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,127,656	$ 1,173,087
PAYROLL TAXES PAYABLE	$ (160,143)	$ 52,256
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 1,312,593	$ 1,648,982
OTHER CURRENT LIABILITIES	$ 56,321	$ 36,543
INTEREST PAYABLE	$ 1,104,622	$ 1,123,094
PREVIOUS FY PENSION PAYABLE	$ 860,213	$ 860,213
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ 83,333	$ -
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 434,940	$ -
TOTAL CURRENT LIABILITIES	**$ 12,253,437**	**$ 12,035,802**
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 10,498,830	$ 10,610,090
OTHER NON-CURRENT LIABILITIES	$ 2,005,116	$ 2,205,116
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 551,819	$ -
TOTAL LONG TERM LIABILITIES	**$ 13,055,765**	**$ 12,815,206**
TOTAL LIABILITIES	**$ 25,309,202**	**$ 24,851,008**
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 7,591,999	$ 8,803,300
TEMPORARY RESTRICTED FUND BALANCE	$ -	$ -
Net Revenue/(Expenses) (YTD)	$ (518,240)	$ (1,211,309)
TOTAL NET ASSETS	**$ 7,073,759**	**$ 7,591,991**
TOTAL LIABILITIES AND NET ASSETS	**$ 32,382,961**	**$ 32,442,999**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended January 31, 2019

	CURRENT MONTH				
	Actual 01/31/19	Budget 01/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 01/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 1,946,223	$ 1,888,000	$ 58,223	3%	$ 2,435,408
SWING BED	$ 271,778	$ 206,000	$ 65,778	32%	$ 170,724
OUTPATIENT	$ 7,884,721	$ 7,631,000	$ 253,721	3%	$ 7,409,907
NORTH COAST FAMILY HEALTH CENTER	$ 463,344	$ 486,000	$ (22,656)	-5%	$ 520,402
HOME HEALTH	$ 123,260	$ 136,000	$ (12,740)	-9%	$ 122,497
TOTAL PATIENT SERVICE REVENUES	$ 10,689,326	$ 10,347,000	$ 342,326	3%	$ 10,658,939
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (6,074,385)	$ (5,619,000)	$ (455,385)	8%	$ (6,399,923)
POLICY DISCOUNTS	$ (6,458)	$ (12,000)	$ 5,542	-46%	$ (13,975)
STATE PROGRAMS	$ 96,000	$ 100,000	$ (4,000)	-4%	$ 118,562
BAD DEBT	$ (109,000)	$ (207,000)	$ 98,000	-47%	$ (354,172)
CHARITY	$ (46,276)	$ (50,000)	$ 3,724	-7%	$ (10,203)
TOTAL DEDUCTIONS FROM REVENUES	$ (6,140,119)	$ (5,788,000)	$ (352,119)	-6%	$ (6,659,711)
NET PATIENT SERVICE REVENUES	$ 4,549,207	$ 4,559,000	$ (9,793)	0%	$ 3,999,228
OTHER OPERATING REVENUES	$ 206,803	$ 175,000	$ 31,803	18%	$ 231,306
TOTAL OPERATING REVENUES	$ 4,756,010	$ 4,734,000	$ 22,010	0%	$ 4,230,534
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,577,412	$ 1,575,000	$ 2,412	0%	$ 1,514,147
EMPLOYEE BENEFITS	$ 795,016	$ 745,000	$ 50,016	7%	$ 797,370
PROFESSIONAL FEES - PHYSICIAN	$ 458,183	$ 571,000	$ (112,817)	-20%	$ 561,695
OTHER PROFESSIONAL FEES - REGISTRY	$ 567,028	$ 331,000	$ 236,028	71%	$ 566,752
OTHER PROFESSIONAL FEES - OTHER	$ 206,653	$ 118,000	$ 88,653	75%	$ 154,099
SUPPLIES - DRUGS	$ 496,553	$ 406,000	$ 90,553	22%	$ 335,916
SUPPLIES - MEDICAL	$ 273,077	$ 252,000	$ 21,077	8%	$ 308,642
SUPPLIES - OTHER	$ 63,509	$ 82,000	$ (18,491)	-23%	$ 83,697
PURCHASED SERVICES	$ 94,425	$ 131,000	$ (36,575)	-28%	$ 151,991
REPAIRS & MAINTENANCE	$ 66,037	$ 81,000	$ (14,963)	-18%	$ 67,831
UTILITIES	$ 72,356	$ 70,000	$ 2,356	3%	$ 66,886
INSURANCE	$ 36,453	$ 47,000	$ (10,547)	-22%	$ 50,516
DEPRECIATION & AMORTIZATION	$ 125,735	$ 128,000	$ (2,265)	-2%	$ 120,319
RENTAL/LEASE	$ 55,751	$ 46,000	$ 9,751	21%	$ 41,086
OTHER EXPENSE	$ 142,968	$ 124,000	$ 18,968	15%	$ 133,555
TOTAL OPERATING EXPENSES	$ 5,031,156	$ 4,707,000	$ (324,156)	-7%	$ 4,954,501
NET OPERATING SURPLUS (LOSS)	**$ (275,146)**	**$ 27,000**	**$ (302,146)**	**-1119%**	**$ (723,967)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 65,000	$ 66,000	$ (1,000)	-2%	$ 61,418
INVESTMENT INCOME	$ 17,020	$ 3,750	$ 13,270	354%	$ 1,000
DONATIONS	$ -	$ 27,000	$ (27,000)	-100%	$ 306,915
INTEREST EXPENSE (ALL)	$ (42,674)	$ (54,500)	$ 11,826	-22%	$ (73,024)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ -	$ -	0%	$ 63,482
BOND EXPENSE (ALL)	$ 1,112	$ 1,000	$ 112	11%	$ -
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 27,750	$ (34)	0%	$ 27,716
PARCEL TAX REVENUES	$ 133,000	$ 133,000	$ -	0%	$ -
TOTAL NON OPERATING INCOME (LOSS)	$ 201,174	$ 204,000	$ (2,826)	-1%	$ 387,508
TOTAL NET INCOME (LOSS)	**$ (73,972)**	**$ 231,000**	**$ (304,972)**	**-132%**	**$ (336,459)**
Operating Margin	-5.8%	0.6%			-17.1%
Total Profit Margin	-1.6%	4.9%			-8.0%
EBIDA	-3.3%	3.3%			-17.2%
Cash Flow Margin	0.5%	7.0%			-5.8%

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended January 31, 2019

	YEAR-TO-DATE				
	Actual 01/31/19	Budget 01/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 01/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 12,534,380	$ 13,468,000	$ (933,620)	-7%	$ 13,194,213
SWING BED	$ 1,816,216	$ 1,470,000	$ 346,216	24%	$ 1,475,475
OUTPATIENT	$ 48,775,009	$ 49,328,000	$ (552,991)	-1%	$ 49,457,739
NORTH COAST FAMILY HEALTH CENTER	$ 3,186,232	$ 3,294,000	$ (107,768)	-3%	$ 3,971,714
HOME HEALTH	$ 839,288	$ 918,000	$ (78,712)	-9%	$ 886,006
TOTAL PATIENT SERVICE REVENUES	$ 67,151,125	$ 68,478,000	$ (1,326,875)	-2%	$ 68,985,147
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (36,843,588)	$ (37,191,000)	$ 347,412	-1%	$ (40,354,074)
POLICY DISCOUNTS	$ (53,435)	$ (84,000)	$ 30,565	-36%	$ (97,742)
STATE PROGRAMS	$ 735,829	$ 700,000	$ 35,829	5%	$ 1,193,970
BAD DEBT	$ (808,460)	$ (1,371,000)	$ 562,540	-41%	$ (1,072,751)
CHARITY	$ (166,544)	$ (350,000)	$ 183,456	-52%	$ (107,861)
TOTAL DEDUCTIONS FROM REVENUES	$ (37,136,198)	$ (38,296,000)	$ 1,159,802	3%	$ (40,438,457)
NET PATIENT SERVICE REVENUES	$ 30,014,927	$ 30,182,000	$ (167,073)	-1%	$ 28,546,690
OTHER OPERATING REVENUES	$ 1,068,868	$ 1,225,000	$ (156,132)	-13%	$ 1,393,420
TOTAL OPERATING REVENUES	$ 31,083,795	$ 31,407,000	$ (323,205)	-1%	$ 29,940,110
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 10,412,024	$ 10,425,000	$ (12,976)	0%	$ 10,223,184
EMPLOYEE BENEFITS	$ 5,134,767	$ 5,277,000	$ (142,233)	-3%	$ 5,320,000
PROFESSIONAL FEES - PHYSICIAN	$ 3,545,574	$ 3,779,000	$ (233,426)	-6%	$ 3,748,164
OTHER PROFESSIONAL FEES - REGISTRY	$ 3,654,885	$ 3,217,000	$ 437,885	14%	$ 3,679,987
OTHER PROFESSIONAL FEES - OTHER	$ 754,393	$ 826,000	$ (71,607)	-9%	$ 733,847
SUPPLIES - DRUGS	$ 3,040,372	$ 2,842,000	$ 198,372	7%	$ 2,777,975
SUPPLIES - MEDICAL	$ 1,675,115	$ 1,764,000	$ (88,885)	-5%	$ 1,570,051
SUPPLIES - OTHER	$ 531,808	$ 574,000	$ (42,192)	-7%	$ 501,519
PURCHASED SERVICES	$ 756,926	$ 917,000	$ (160,074)	-17%	$ 868,111
REPAIRS & MAINTENANCE	$ 502,607	$ 567,000	$ (64,393)	-11%	$ 565,399
UTILITIES	$ 519,606	$ 490,000	$ 29,606	6%	$ 460,048
INSURANCE	$ 338,140	$ 329,000	$ 9,140	3%	$ 315,585
DEPRECIATION & AMORTIZATION	$ 894,505	$ 896,000	$ (1,495)	0%	$ 855,448
RENTAL/LEASE	$ 371,998	$ 322,000	$ 49,998	16%	$ 292,735
OTHER EXPENSE	$ 816,421	$ 880,000	$ (63,579)	-7%	$ 911,101
TOTAL OPERATING EXPENSES	$ 32,949,141	$ 33,105,000	$ 155,859	0%	$ 32,823,155
NET OPERATING SURPLUS (LOSS)	$ (1,865,346)	$ (1,698,000)	$ (167,346)	10%	$ (2,883,045)
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 455,000	$ 465,000	$ (10,000)	-2%	$ 429,927
INVESTMENT INCOME	$ 52,338	$ 27,250	$ 25,088	92%	$ 24,821
DONATIONS	$ 6,583	$ 189,000	$ (182,417)	-97%	$ 316,992
INTEREST EXPENSE (ALL)	$ (301,729)	$ (381,500)	$ 79,771	-21%	$ (410,748)
EXTRAORDINARY GAINS/(LOSS)	$ 2,118	$ -	$ 2,118	0.00%	$ 63,482
BOND EXPENSE (ALL)	$ 7,784	$ 7,000	$ 784	11%	$ 5,724
TAX SUBSIDIES FOR GO BONDS	$ 194,012	$ 194,250	$ (238)	0%	$ 194,012
PARCEL TAX REVENUES	$ 931,000	$ 931,000	$ -	0%	$ -
TOTAL NON OPERATING INCOME (LOSS)	$ 1,347,106	$ 1,432,000	$ (84,894)	-6%	$ 624,211
TOTAL NET INCOME (LOSS)	$ (518,240)	$ (266,000)	$ (252,240)	95%	$ (2,258,834)
Operating Margin	-6.0%	-5.4%			-9.6%
Total Profit Margin	-1.7%	-0.8%			-7.5%
EBIDA	-3.3%	-2.7%			-7.5%
Cash Flow Margin	0.6%	1.4%			-5.3%

Statement of Revenue and Expense - 13 Month Trend

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

	1	2	3	4	5	6	7
	Actual 1/31/2019	Actual 12/31/2018	Actual 11/30/2018	Actual 10/31/2018	Actual 9/30/2018	Actual 8/31/2018	Actual 7/31/2018
GROSS PATIENT SERVICE REVENUES							
INPATIENT	1,946,223	1,568,434	2,069,493	1,911,377	1,455,829	1,765,957	1,817,067
SWING BED	271,778	138,319	367,023	361,702	97,364	183,436	396,594
OUTPATIENT	7,884,721	7,007,476	6,048,538	6,757,366	6,238,897	8,389,301	6,448,710
NORTH COAST FAMILY HEALTH CEN'	463,344	408,422	401,435	534,850	428,398	500,685	449,098
HOME HEALTH	123,260	110,380	128,944	135,916	115,086	111,764	113,938
TAL PATIENT SERVICE REVENUES	10,689,326	9,233,031	9,015,433	9,701,211	8,335,574	10,951,143	9,225,407
DEDUCTIONS FROM REVENUE							
CONTRACTUAL ALLOWANCES	(6,074,385)	(5,164,683)	(4,930,977)	(5,229,079)	(4,512,033)	(6,230,003)	(4,702,428)
POLICY DISCOUNTS	(6,458)	(7,056)	(7,568)	(5,199)	(8,342)	(10,454)	(8,358)
STATE PROGRAMS	96,000	96,000	324,790	132,039	87,000	0	0
BAD DEBT	(109,000)	(87,000)	(83,000)	(135,000)	(85,460)	(143,827)	(165,173)
CHARITY	(46,276)	(55,062)	(20,860)	(25,221)	(5,894)	(5,081)	(8,150)
AL DEDUCTIONS FROM REVENUES	(6,140,119)	(5,217,801)	(4,717,615)	(5,262,460)	(4,524,729)	(6,389,365)	(4,884,109)
NET PATIENT SERVICE REVENUES	4,549,207	4,015,230	4,297,818	4,438,751	3,810,845	4,561,778	4,341,298
OPERATING TAX REVENUES	0	0	0	0	0	0	0
OTHER OPERATING REVENUES	206,803	203,221	180,391	141,819	96,496	131,304	108,834
TOTAL OPERATING REVENUES	4,756,010	4,218,451	4,478,209	4,580,570	3,907,341	4,693,082	4,450,132
OPERATING EXPENSES							
SALARIES & WAGES - STAFF	1,577,412	1,397,120	1,570,346	1,531,359	1,423,551	1,450,481	1,461,755
EMPLOYEE BENEFITS	795,016	753,734	715,009	697,464	744,099	683,304	746,141
PROFESSIONAL FEES - PHYSICIAN	458,183	448,795	557,119	540,482	463,019	531,274	546,702
OTHER PROFESSIONAL FEES - REGI:	567,028	507,800	462,034	460,916	498,128	603,309	555,670
OTHER PROFESSIONAL FEES - OTHE	206,653	71,067	116,661	107,941	90,932	75,301	85,838
SUPPLIES - DRUGS	496,553	430,828	454,386	441,700	347,892	452,113	416,900
SUPPLIES - MEDICAL	273,077	244,499	234,165	244,958	158,867	262,701	256,848
SUPPLIES - OTHER	63,509	94,774	83,452	96,098	69,112	60,665	64,198
PURCHASED SERVICES	94,425	104,262	124,308	131,133	78,668	124,097	100,033
REPAIRS & MAINTENANCE	66,037	71,189	65,445	66,778	75,267	99,133	58,758
UTILITIES	72,356	69,039	73,234	82,745	75,579	72,748	73,905
INSURANCE	36,453	36,597	37,257	37,263	69,640	64,061	56,869
INTEREST	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	125,735	128,316	131,797	127,156	127,169	140,089	114,243
RENTAL/LEASE	55,751	55,359	50,463	54,585	50,857	54,841	50,142
OTHER EXPENSE	142,968	106,320	122,936	112,191	128,277	109,321	94,408
TOTAL OPERATING EXPENSES	5,031,156	4,519,699	4,798,612	4,732,769	4,401,057	4,783,438	4,682,410
NET OPERATING SURPLUS (LOSS)	(275,146)	(301,248)	(320,403)	(152,199)	(493,716)	(90,356)	(232,278)
NON-OPERATING REVENUES (EXPENSES)							
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	17,020	4,000	4,000	4,000	15,318	4,000	4,000
DONATIONS	0	0	6,583	0	0	0	0
INTEREST EXPENSE (ALL)	(42,674)	(42,820)	(42,862)	(43,233)	(43,619)	(42,989)	(43,532)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	0	0	0	2,118
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	201,174	188,008	194,549	187,595	198,527	187,839	189,414
TOTAL NET INCOME (LOSS)	(73,972)	(113,240)	(125,854)	35,396	(295,189)	97,483	(42,864)
Operating Margin	-6%	-7%	-7%	-3%	-13%	-2%	-5%
Total Profit Margin	-2%	-3%	-3%	1%	-8%	2%	-1%
EBIDA	-3%	-4%	-4%	-1%	-9%	1%	-3%
Cash Flow Margin	-1%	-2%	-2%	1%	-7%	3%	-1%

Statement of Revenue and Ex[illegible]

MENDOCINO COAST HEALTHCARE DIS						PAGE 8
FORT BRAGG, CA	8	9	10	11	12	13
	Actual 6/30/2018	Actual 5/31/2018	Actual 4/30/2018	Actual 3/31/2018	Actual 2/28/2018	Actual 1/31/2018
GROSS PATIENT SERVICE REVENUES						
INPATIENT	1,637,141	1,710,663	1,918,063	2,345,794	1,401,056	2,435,408
SWING BED	218,491	220,196	286,394	146,671	119,614	170,724
OUTPATIENT	7,118,539	7,406,473	6,633,628	7,221,110	6,289,580	7,409,907
NORTH COAST FAMILY HEALTH CEN	460,370	524,096	426,332	471,848	455,403	520,402
HOME HEALTH	114,398	142,913	127,248	134,653	119,436	122,497
TAL PATIENT SERVICE REVENUES	9,548,939	10,004,341	9,391,665	10,320,076	8,385,088	10,658,939
DEDUCTIONS FROM REVENUE						
CONTRACTUAL ALLOWANCES	(4,882,616)	(5,256,354)	(4,848,733)	(5,707,481)	(4,607,106)	(6,399,923)
POLICY DISCOUNTS	(9,154)	(6,463)	(11,048)	(12,931)	(5,306)	(13,975)
STATE PROGRAMS	0	0	4,332	115,274	115,274	118,562
BAD DEBT	(140,282)	(156,000)	(146,000)	(160,124)	(125,126)	(354,172)
CHARITY	(96,506)	(10,580)	(29,245)	(454)	(24,611)	(10,203)
AL DEDUCTIONS FROM REVENUES	(5,128,558)	(5,429,397)	(5,030,694)	(5,765,716)	(4,646,875)	(6,659,711)
NET PATIENT SERVICE REVENUES	4,420,381	4,574,944	4,360,971	4,554,360	3,738,213	3,999,228
OPERATING TAX REVENUES	0	0	0	0	0	0
OTHER OPERATING REVENUES	209,313	206,014	158,264	155,205	218,356	231,306
TOTAL OPERATING REVENUES	4,629,694	4,780,958	4,519,235	4,709,565	3,956,569	4,230,534
OPERATING EXPENSES						
SALARIES & WAGES - STAFF	1,468,205	1,547,441	1,424,056	1,521,365	1,303,034	1,514,147
EMPLOYEE BENEFITS	709,468	752,490	735,667	714,786	716,454	797,370
PROFESSIONAL FEES - PHYSICIAN	477,514	562,637	585,949	545,248	525,065	561,695
OTHER PROFESSIONAL FEES - REGI	575,451	615,241	603,219	582,688	485,542	566,752
OTHER PROFESSIONAL FEES - OTHE	96,497	128,543	116,212	170,740	182,466	154,099
SUPPLIES - DRUGS	302,744	418,903	343,074	356,336	363,368	335,916
SUPPLIES - MEDICAL	249,974	249,205	310,746	323,152	204,694	308,642
SUPPLIES - OTHER	85,889	106,722	74,882	78,263	115,777	83,697
PURCHASED SERVICES	145,486	134,783	184,502	119,827	125,112	151,991
REPAIRS & MAINTENANCE	65,282	80,652	71,791	81,919	93,613	67,831
UTILITIES	68,676	73,138	67,452	65,622	71,501	66,886
INSURANCE	49,203	42,769	49,884	41,691	42,732	50,516
INTEREST	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	133,809	130,675	139,628	126,792	125,175	120,319
RENTAL/LEASE	52,701	54,614	64,701	42,232	41,440	41,086
OTHER EXPENSE	96,024	129,830	157,475	134,852	145,370	133,555
TOTAL OPERATING EXPENSES	4,576,923	5,027,643	4,929,238	4,905,513	4,541,346	4,954,501
NET OPERATING SURPLUS (LOSS)	52,771	(246,685)	(410,003)	(195,948)	(584,777)	(723,967)
NON-OPERATING REVENUES (EXPENSI						
OPERATING TAX REVENUES	61,418	61,418	61,418	61,418	61,418	61,418
INVESTMENT INCOME	13,404	2,000	2,000	12,843	2,000	1,000
DONATIONS	13,859	0	0	8,076	0	306,915
INTEREST EXPENSE (ALL)	(43,476)	(44,017)	(44,480)	(44,213)	(48,446)	(73,024)
EXTRAORDINARY GAINS/(LOSS)	0	0		0	0	63,482
BOND EXPENSE (ALL)	3,337	4,450		0	0	0
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE						
. NON OPERATING INCOME (LOSS)	76,258	51,567	46,654	65,840	42,688	387,508
TOTAL NET INCOME (LOSS)	129,029	(195,118)	(363,349)	(130,108)	(542,089)	(336,459)
Operating Margin	1%	-5%	-9%	-4%	-15%	-17%
Total Profit Margin	3%	-4%	-8%	-3%	-14%	-8%
EBIDA	4%	-2%	-6%	-1%	-12%	-14%
Cash Flow Margin	6%	-1%	-5%	0%	-10%	-4%

Statement of Cash Flows

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended January 31, 2019

	1/31/2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (Loss)	($518,240)
Adjustments to Reconcile Net Income to Net Cash	
Provided by Operating Activities:	
Depreciation	894,505
(Increase)/Decrease in Net Patient Accounts Receivable	(920,996)
(Increase)/Decrease in Other Receivables	(327,446)
(Increase)/Decrease in Inventories	(7,139)
(Increase)/Decrease in Pre-Paid Expenses	(376,413)
(Increase)/Decrease in Third Party Receivables	1,914,344
Increase/(Decrease) in Accounts Payable	(34,702)
Increase/(Decrease) in Notes and Loans Payable	499,801
Increase/(Decrease) in Accrued Payroll and Benefits	69,147
Increase/(Decrease) in Previous Year Pension Payable	0
Increase/(Decrease) in Third Party Liabilities	(336,389)
Increase/(Decrease) in Other Current Liabilities	19,778
Net Cash Provided by Operating Activities:	876,250
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(768,460)
(Increase)/Decrease in Limited Use Cash and Investments	(51,051)
(Increase)/Decrease in Other Limited Use Assets	(338,902)
Net Cash Used by Investing Activities	(1,158,413)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase/(Decrease) in Bond/Mortgage Debt	(111,260)
Increase/(Decrease) in Capital Lease Debt	0
Increase/(Decrease) in Other Long Term Liabilities	351,819
Net Cash Used for Financing Activities	240,559
(INCREASE)/DECREASE IN RESTRICTED ASSETS	8
Net Increase/(Decrease) in Cash	(41,596)
Cash, Beginning of Period	1,806,804
Cash, End of Period	$1,765,208

Patient Statistics

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended January 31, 2019

Current Month					Year-To-Date			
Actual 01/31/19	Budget 01/31/19	Positive/ (Negative) Variance	Prior Year 01/31/18	STATISTICS	Actual 01/31/19	Budget 01/31/19	Positive/ (Negative) Variance	Prior Year 01/31/18
				Admissions				
15	12	25%	12	Critical Care Services	78	84	(7%)	87
48	49	(2%)	70	General	309	347	(11%)	357
63	61	3%	82	Subtotal Medical & Surgical Admissions	387	431	(10%)	444
6	8	(25%)	8	OB	66	56	18%	66
69	69	0%	90	**Total Admissions**	453	487	(7%)	510
13	11	18%	15	**Swing Bed**	66	77	(14%)	87
6	8	(25%)	8	**Total Deliveries**	57	56	2%	61
				Inpatient Days				
[illegible]	42	[illegible]	45	Critical Care Services	241	294	(18%)	280
181	172	5%	260	General	1107	1216	(9%)	1268
222	214	[illegible]	305	Subtotal Medical & Surgical Inpatient Days	1348	1510	(11%)	1548
13	18	(28%)	22	OB	147	126	17%	161
235	232	1%	327	Total Inpatient Days	1495	1636	(9%)	1709
75	99	(23%)	103	**Swing Bed**	542	693	(22%)	720
13	16	(19%)	17	**Total Newborn Days**	117	112	4%	138
				Average Length of Stay				
2.7	3.5	(22%)	3.8	Critical Care Services	3.09	3.50	(12%)	3.22
3.8	3.5	[illegible]	3.7	General	3.58	3.50	2%	3.55
3.5	3.5	[illegible]	3.7	Subtotal Medical & Surgical	3.48	3.50	(1%)	3.49
2.2	2.3	(4%)	2.8	OB	2.23	2.25	(1%)	2.44
[illegible]	3.4	[illegible]	3.6	Total Inpatient (CAH)	3.30	3.36	(2%)	3.35
5.8	9.0	(35%)	6.9	**Swing Bed**	8.21	9.00	(9%)	8.28
				Avg Daily Census - Hospital				
[illegible]	1.4	[illegible]	1.3	Critical Care Services (4 Beds)	1.[illegible]	1.4	(18%)	1.3
5.8	5.7	[illegible]	8.4	General (8 Beds)	5.[illegible]	5.7	(9%)	5.9
[illegible]	[illegible]	[illegible]	[illegible]	Subtotal Medical & Surgical (12 Beds)	6.3	7.[illegible]	(11%)	7.2
[illegible]	0.6	[illegible]	0.7	OB (3 Beds)	0.7	0.6	16%	0.8
[illegible]	7.7	[illegible]	10.5	Subtotal Acute (15 Beds)	7.0	7.6	(9%)	8.0
2.5	3.3	[illegible]	3.3	Swing Care (10 Beds)	2.5	3.2	(22%)	3.4
10.3	11.0	[illegible]	13.9	Total Hospital (25 Beds Available)	9.5	10.9	(13%)	11.4
				Emergency Department				
660	777	(15%)	750	Outpatients Treated in ED - Emergent	5347	5537	(3%)	5,641
56	48	17%	65	Patients Admitted from ED	327	340	(4%)	355
716	825	(13%)	815	Total Patients treated in ED	5,674	5877	(3%)	5,996
				Ambulance Service				
136	164	(17%)	156	911 - Transports	1043	1168	(11%)	1082
0	1	(100%)	2	Transfer - Transports	13	7	86%	8
136	165	(18%)	158	Total Ambulance Transports	1056	1175	(10%)	1090
				Surgery - Cases				
20	18	11%	23	Inpatient Cases	100	125	(20%)	121
8	7	14%	8	Total Implant Cases	38	42	(10%)	31
176	201	(12%)	197	Outpatient Cases	1095	1364	(20%)	1321
204	226	(10%)	228	Total Surgery Cases	1233	1531	(19%)	1473
				North Coast Family Health Center				
2,879	2,783	3%	2,961	Visits	18,748	18,846	(1%)	18,375
				Home Health				
515	548	(6%)	536	Visits	3,491	3,711	(6%)	3,687
				Outpatient				
4,880	5,391	(9%)	5,424	Encounters	34,985	36,512	(4%)	34,981

Key Financial Ratios

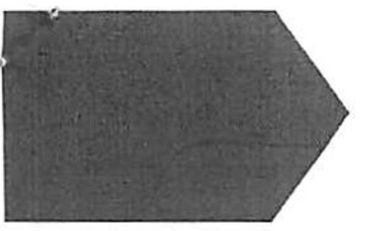
MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended January 31, 2019

	Year to Date 1/31/2019	BUDGET	Prior Fiscal Year End 06/30/18
Profitability:			
Operating Margin	-6.0%	-3.1%	-8.1%
Total Profit Margin	-1.7%	1.5%	-6.4%
EBIDA	-3.3%	-0.2%	-5.7%
Contractual Allowance % To Gross Charges	58.5%	58.0%	60.5%
Inpatient Gross Revenue Percentage (Hospital)	22.7%	23.2%	22.7%
Outpatient Gross Revenue Percentage (Hospital)	77.3%	76.8%	77.3%
Liquidity:			
Days of Cash on Hand, Short Term	11.7		11.9
Days Cash, All Sources	40.7		40.2
Net Days in Accounts Receivable	43.0		37.0
Hospital Gross Days in AR	60.7		60.6
Cash Flow Margin	0.6%		-4.2%
Days in Accounts Payable	32		76
Current Ratio	1.0		0.9
Capital Structure:			
Average Age of Plant (Annualized)	23.2		22.3
Capital Costs as a % of Total Exp.	3.6%		3.8%
Capital Spend as a % of Annual Depreciation	85.9%		58.0%
Long Term Debt to Net Position	64.9%		69.7%
Debt Service Coverage Ratio	0.3		0.3
Productivity and Efficiency:			
Net Patient Service Revenue per FTE	$170,378	$173,393	$167,990
Salary & Benefits Expense per Paid FTE	($85,250)	$104,740	($88,474)
Salary & Benefits as a % of Total Expenses	47.2%	48.1%	46.5%
Salary and Benefits as a % of Net Pat Rev.	51.8%	51.6%	52.7%
Employee Benefits as a % of Salaries	49.3%	49.2%	51.2%
Other Ratios:			
FTE - PRODUCTIVE	235.7		231.0
FTE - NON-PRODUCTIVE	37.4		36.0
FTE - REGISTRY/CONTRACT	28.9		31.8
FTE - TOTAL PAID	302.0	300.0	298.8
Cost To Charge Ratio	49.1%	50.0%	48.7%
Medicare Revenue as a % of Total Revenue	58%	56%	56%
Medi-cal Revenue as a % of Total Revenue	21%	22%	22%
BC/BS Ins Revenue as a % of Total Revenue	14%	15%	15%
Other Ins Revenue as a % of Total Revenue	5%	5%	5%
Self-Pay Revenue as a % of Total Revenue	2%	2%	2%

TAB 11



GET CERTIFIED

What is Certification?

The Association of California Healthcare Districts (ACHD) is leading the way for Healthcare Districts to be leaders in the transformation of California's evolving health care landscape. ACHD helps local Districts meet the changing needs of local communities. To assist Members in demonstrating exemplary compliance in meeting the health and governance needs of the public, ACHD has developed a set of standards, referred to as "Best Practices in Governance". Healthcare Districts that demonstrate compliance with these practices are eligible to be designated as a Certified Healthcare District. Please note that these do not ensure that a District is compliant with all State and Federal regulations.

Requirements for Certification

The Healthcare District Certification Program is an ACHD solely sponsored program that incorporates current legislative requirements with public governance best practices. ACHD Members in good standing are eligible for the Certified Healthcare District Program. Districts that seek certification must demonstrate compliance with all requirements of certification by submitting their documentation in our online certification portal. Certification must be renewed every three years.

Certification Portal

ACHD has created an online portal for certification. The online portal allows each Healthcare District to upload all requirements and have access to all prior certifications awarded in the past. To access the online portal, click here. Districts seeking certification can view sample policies in the online library to assist in the completion of the District's certification application.

Demonstrating Compliance

Districts seeking to demonstrate compliance with the Healthcare District Certification Program must provide evidence of meeting the certification standards, either through a pdf document or a weblink form and as directed.

Transparency

Government entities exist to serve the people. As a special district, Healthcare Districts are required to conduct their public business in accordance with California Law; as well as demonstrate that they are responsible stewards of public funds. Healthcare Districts must provide public access to District information. To demonstrate best practices in transparency, Districts are required to provide:

- Completion of Ethics Training
  Cities, counties and special districts in California are required by law (AB 1234, Chapter 700, Stats. of 2005) to provide ethics training to their local officials. The law also provides that if an entity develops criteria for the ethics training required by AB 1234, the Fair Political Practices Commission and the Attorney General must be consulted regarding any proposed course content. Several training options are available to your agency, including training conducted by commercial organizations, nonprofits, or an agency's own legal counsel. In addition, an online training program has been established that allows local officials to satisfy the requirements of AB 1234 on a cost-free basis.

  Training Options:
  To access an online AB 1234 Training Course, click here. When the training is finished, you must print the certification of completion provided at the end. For in-person AB 1234 Training, please register for the ACHD Leadership Academy. The Leadership Academy occurs every January or February in Sacramento.

To demonstrate compliance, provide copies of AB 1234 Training Certificates for all Trustees and Executives.

- Ralph M. Brown Act
  The Ralph M. Brown Act, California Government Code 54950 et seq., is an act of the California State Legislature, authored by Assemblymember Ralph M. Brown and passed in 1953, that guarantees the public's right to attend and participate in all public meetings of local legislative bodies.

  To demonstrate compliance, provide a copy of the Board's Policy on the Brown Act.

- Public Records Requests
  The California Public Records Act was enacted in 1968 to: (1) safeguard the accountability of government to the public; (2) promote maximum disclosure of the conduct of governmental operations; and (3) explicitly acknowledge the principle that secrecy is antithetical to a democratic system of "government of the people, by the people and for the people." The law specifies how the public may access governmental public records.

  To demonstrate compliance, provide a copy of the Board's Policy on public records requests.

- Conflict of Interest Policy
  California State Government and Corporate conflict-of-interest laws are based upon the principle that government officials owe paramount loyalty to the public, and that personal or private financial considerations on the part of government officials should not be allowed to enter their decision-making process.

  To demonstrate compliance, provide a copy of the Board's conflict of interest policy.

- Fair Political Practices Commission Required Filers
  Every elected official and public employee who makes or influences governmental decisions is required to submit a Statement of Economic Interest, also known as the Form 700. Every governmental entity is required to designate individuals that are required to file the Form 700. The Form 700 provides transparency and ensures accountability in two ways:

  1) It provides necessary information to the public about an official's personal financial interests to ensure that officials are making decisions in the best interest of the public and not enhancing their personal finances.
  2) It serves as a reminder to the public official of potential conflicts of interest, so the official can abstain from making or participating in governmental decisions that are deemed conflicts of interest.

  To demonstrate compliance, provide a list of all designated Form 700 filers for your District.

- State Controllers Compensation Report
  Government Code (GC) 53891 requires cities, counties and special districts to submit an annual Government Compensation in California (GCC) report to the State Controller's Office. Pursuant to GC 53891, the GCC report for the

previous calendar year is due no later than April 30th. If the special district did not have any paid employees, a GCC report is still required listing the unpaid Board Members.

To access reporting instructions, click here. To find out more about government compensation reporting for special districts, click here.

To demonstrate compliance, please provide a copy of the report submitted to the State Controller's Office.

- Grant Policy
  AB 1728 (Aguiar Curry, 2017) requires the Board of a Healthcare District to adopt annual policies for financial assistance or grant funding provided by the District. The policies must include:
  1) A nexus between the allocation of assistance and grant funding with health care and the mission of the District
  2) A process for the District to ensure all allocated grant funding is spent consistently with the grant application and the mission of the District.

  To learn more about AB 1728, click here.

  To demonstrate compliance, provide a copy of the District's most recently adopted grant policy.

Website Requirements

There are more than 2,000 special districts in California, including 79 Healthcare Districts, however less than half of those Districts have a website. These statistics led the Little Hoover Commission, in its 2017 report on special districts, entitled Special Districts: Improving Oversight & Transparency, to recommend that the Legislature require every special district to have a website.

In response to requests from the State Legislature and the Little Hoover Commission, and in furtherance of ACHD's efforts to increase the awareness, accessibility, and transparency of special districts, ACHD supported AB 1728 which requires all Healthcare Districts to have a website to increase the awareness, accessibility, and transparency of Healthcare Districts. ACHD believes there are key components of a website that promote transparency, in addition to those mandated by AB 1728.

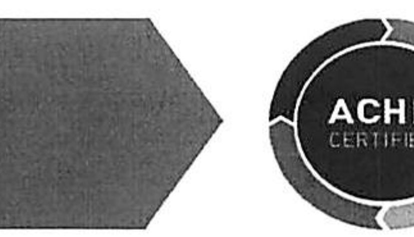
To demonstrate best practices in website content, Districts are required to provide:

- District's mission statement
  To demonstrate compliance, provide a link to the District's mission statement

- Map of District Boundaries
  To demonstrate compliance, provide a link to the District's boundaries

- ACHD's Definition of a Healthcare District
  The definition of a Healthcare District, according to ACHD, is as follows:

  Healthcare Districts are public entities that provide community-based health care services to residents throughout the state. They respond to the needs in their District by providing a range of services, which may include a hospital, clinic, skilled nursing facility or emergency medical services; as well as education and wellness programs. Each of California's Healthcare Districts is governed by a locally elected Board of Trustees who are directly accountable to the communities they serve.



GET CERTIFIED

To demonstrate compliance, post the definition of a Healthcare District on the District's website and provide a link to the page where the definition is listed.

- Link to ACHD.org
  To demonstrate compliance, place a link to www.achd.org on the District's website. Provide a link to the District's webpage with this link.

- Trustee, Manager, Staff Contact Information and Board Biographies
  AB 1728 (Aguiar Curry, 2017) requires that a Healthcare District website contain contact information for the District. ACHD further requires that the District website contain all managers and staff contact information, and the biographies of individual Board Members.

  To demonstrate compliance, provide a link to the page(s) containing the list of Board Members, managers and staff contact information, and Board Member biographies.

- Board Meeting Information
  AB 1728 (Aguiar Curry, 2017) recommends Healthcare Districts post information relating to Board of Directors meetings. Districts seeking certification must have 12 months of Board meeting information available on their website. This includes links to access Board meeting minutes and attachments, agendas, or upcoming meetings 72 hours in advance of a public meeting.

  To demonstrate compliance, provide a link to the District's webpage that lists 12 months of meeting information.

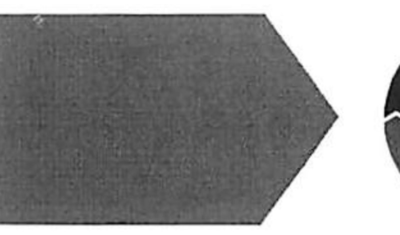
- Enterprise Systems Catalog
  SB 272 (Hertzberg, 2015) requires each local agency to create a catalog of enterprise systems that store information about the public, as defined in Government Code 6270.5, utilized by the agency. The bill further requires that catalog to be posted on the agency's website.

  To demonstrate compliance, provide a link to the District's catalog of enterprise systems.

- Programs and Services Offered
  To demonstrate compliance, please provide a link to the District's webpage that describes all the programs and services offered by the District.

- Annual Operating Budget
  Recommended by AB 1728 (Aguiar Curry, 2017), Districts may post their annually adopted budget on their website.

  To demonstrate compliance, provide a link to the District's webpage that provides the most recently adopted annual operating budget for the District.



- Financial Audits
  AB 1728 (Aguiar Curry, 2017) recommends that a Healthcare District website contain the District's annual external financial audit. ACHD further requires the last three years of external financial audits be posted on the District's website.

  To demonstrate compliance, provide a link to the last three years of audits for District.

- District Election/Vacancy Process
  Often, there are vacancies that occur on a Healthcare District Board during the middle of a term. ACHD requires Healthcare Districts to have a policy on how elections and vacancies on the Board are filled so that members of the public may better understand how to apply and be elected to serve on the Board.

  To demonstrate compliance, provide a link to the District's policy on electing or filling vacancies on the Board.

- Authorizing Statute
  Healthcare Districts are governed by Health and Safety Code Section 32000.

  To demonstrate compliance, provide a link to the District's webpage with a link to Health & Safety Code Section 32000.

- Recipients of Grant Funding
  AB 1728 (Aguiar Curry, 2017) recommends Healthcare District's that provide grants in the community to post a list of entities that have received grant funding from the District on their website.

  To demonstrate compliance, provide a link to the list of current grant recipients of the District.

- Municipal Services Reviews conducted by the Local Agency Formation Commissions (LAFCO)
  A Municipal Service Review (MSR) is a comprehensive study to determine the adequacy of governmental services being provided by the local agencies under LAFCO jurisdiction (Government Code Section 56430). An MSR is a comprehensive study designed to better inform LAFCO, local agencies, and the community about the provision of municipal services. MSRs attempt to capture and analyze information about the governance structures and efficiencies of service providers, and to identify opportunities for greater coordination and cooperation between providers. LAFCOs are required to complete MSRs for all special districts as needed or every five years.

  AB 1728 (Aguiar Curry, 2017) recommends that the most recent MSRs must be placed on a Healthcare District website.

  To demonstrate compliance, provide a link to the latest MSR conducted (if completed) by your LAFCO.

- Annual Financial Reports sent to the State Controller (State Controllers Financial Report)
  Government Code 53908 requires cities, counties and special districts to submit an annual Government Compensation in California (GCC) report to the State Controller's Office (SCO). Pursuant to Government Code 53891, the GCC report for the previous calendar year is due no later than April 30th.

To demonstrate compliance, provide a link to the State Controllers Financial Report on the District's website.

- AB 1234 Ethics Certificate for all Trustees and Executives
  As previously stated, cities, counties and special districts in California are required by law (AB 1234, Chapter 700, Stats. of 2005) to provide ethics training to their local officials. The law also provides that if an entity develops criteria for the ethics training required by AB 1234, the Fair Political Practices Commission and the Attorney General must be consulted regarding any proposed course content.

  ACHD requires that Healthcare Districts post AB 1234 Ethics Certificate for all Trustees and Executives on their website to demonstrate the District's commitments to ethical standards.

  To demonstrate compliance, provide a link to AB 1234 Ethics Training certificates for all Trustees and Executives.

- Reimbursement Policy
  Healthcare Districts are obligated to ensure that expenditures made by the District are for public purposes. Districts are accountable to taxpayers and citizens of the District to be prudent and wise in making those expenditures. The purpose of these procedures is to provide the process by which a District Trustee or employee may seek reimbursement for expenses that the officer or employee has incurred in the conduct of District business as authorized by the employee's supervisor or manager or other action.

  To access sample reimbursement policies by other government entities, click here.

  To demonstrate compliance, provide a link to the District's reimbursement policy.

- Compensation Policy
  Government compensation and employment policies are important for the efficient delivery of public services by Healthcare Districts. By conducting regular compensation studies, Districts may revise wages paid to senior executives consistent with labor markets, supply and demand. Conducting such studies ensures that Districts set appropriate and competitive compensation to attract and retain skilled staff and incentivize performance, and the flexibility to adjust the level and composition of employment to respond efficiently to demographic and technological developments.

  To demonstrate compliance, provide a link to the District's compensation policy.

- Public Records Request Form
  As previously stated, the California Public Records Act was enacted in 1968 to: (1) safeguard the accountability of government to the public; (2) promote maximum disclosure of the conduct of governmental operations; and (3) explicitly acknowledge the principle that secrecy is antithetical to a democratic system of "government of the people, by the people and for the people."

  To demonstrate compliance, provide a link to the District's Public Records Request Form.

- Financial Reserves Policy
  ACHD believes that it is a best practice when Healthcare Districts inform their constituents and community about general District operations, including, how the Board manages their financial reserves. Reserves are necessary for the sustainable delivery of core services and to manage through various cash flow cycles. A healthy reserve may provide Healthcare Districts with significant benefits, including, savings to balance budgets, ability to respond to emergencies, maintenance of infrastructure, and to provide investment capital for future needs.

  To promote transparency and commitment to a strong financial plan, Districts seeking certification must adopt a Financial Reserves Policy that demonstrates how the District manages their reserves.

  To access a financial reserves guide for special districts, click here.

  To demonstrate compliance, provide a link to the District's financial reserves policy.

- District Bylaws
  California State Law and Corporations Code requires that organizations have adopted bylaws. Bylaws regulate the way a Healthcare District is governed. The bylaws are established by the Board of Directors and legally guide the District in operations. Within the bylaws, the specific roles, duties and responsibilities for the Board of Directors and Executive Staff are defined.

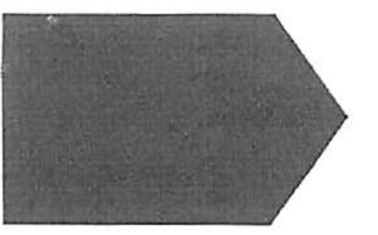
  To demonstrate compliance, provide a link to the District's bylaws.

- Mobile Friendly Website
  More and more Californians are using smartphones to access government services. ACHD believes that Healthcare Districts have a responsibility to keep pace with technological innovation and make it easy for citizens to engage with their government.

  To demonstrate compliance, provide a link to your Healthcare District's home page to allow staff to test compatibility.

- Website Transparency
  In an effort to increase Healthcare District Transparency, ACHD has incorporated into the Certification Standards as a best practice, opportunities for Healthcare Districts to illustrate their role to the public. A District is required to select from at least one of the options to illustrate their compliance with website transparency:

  - Annual Utilization Report
  - Annual Services Report
  - Patient Demographics Report
  - Quality Reports
  - Annual Report to the Community
  - Hospital License



GET CERTIFIED

To demonstrate compliance, provide a link to one of the six District reports.

Executive Compensation

Healthcare Districts should have a written policy that defines the process for determining executive compensation, including all benefits received. As government entities, Healthcare Districts must be transparent in how compensation is determined, and the standards used to evaluate compensation of executives.

To demonstrate effective executive compensation, Districts are required to provide:

- Board Policy on Executive Compensation
  Ensuring that the Board has approved "reasonable and not excessive" compensation for the Executive Director/CEO/General Manager of the Healthcare District is one of the fiduciary responsibilities of every special district. The Board must have an approved executive compensation (salary and benefits) policy.

  To demonstrate compliance, provide a copy of the Board's policy on executive compensation.

- Listing of Executive Positions
  The highest-level executives in senior management usually have titles beginning with "Chief." The traditional three such officers are Chief Executive Officer, Chief Operations Officer and Chief Financial Officers. Special Districts also often utilize the term Administrator or Director as the "CEO" of their organizations

  To demonstrate compliance, provide a copy of the District's listing of executive positions.

State and Local Agency Reporting

All special districts, including Healthcare Districts are subject to LAFCO review. An MSR, is a comprehensive study to determine the adequacy of governmental services being provided by the local agencies under LAFCO jurisdiction (Government Code Section 56430). These studies may be used by LAFCO, other governmental agencies, and the public to better understand and improve provision of services and to identify opportunities for greater cooperation between service providers. The service review is a prerequisite to a sphere of influence update and may lead a LAFCO to recommend actions to other agencies or to take actions under its own authority.

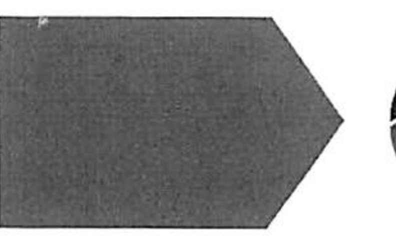
To demonstrate state/local agency reporting, Districts are required to provide:

- Recent MSR Report
  LAFCOs are required to complete MSRs for all special districts as needed or every five years.

  To demonstrate compliance, provide the most recent LAFCO report filed.

- Responses to MSR Report
  Healthcare Districts have an opportunity to respond to MSRs conducted on the District.

  To demonstrate compliance, please provide a copy of the MSR response by the District.



Financial Reporting

Public financial reporting is legally required and essential to hold government officials accountable for making appropriate decisions, minimize corruption, and provide citizens an opportunity to understand how government dollars are spent.

To demonstrate financial reporting, Districts are required to provide:

- Reimbursable Expenses Policy
  To demonstrate compliance, provide a copy of the District's policy on reimbursable expenses.

- Signature Authority Policy
  To demonstrate compliance, provide a copy of the District's signature authority policy for authorizing expenditures and making financial commitments for the District.

- Annual External Financial Audit
  To demonstrate compliance, provide a copy of the District's most recent external financial audit.

- Request for Public Funds
  To demonstrate compliance, provide a copy of the District's policy on reviewing and granting public funds.

Best Practices

ACHD has identified a set of best practices that should enhance the effectiveness of a Healthcare District. By definition, best practices are a set of methods or programs that have been found to be successful by other governmental entities (or corporations) in helping a Board establish and manage the Healthcare District's strategic objectives.

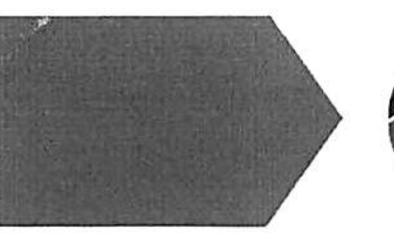
To demonstrate compliance, Districts are required to provide:

- CEO Evaluation
  Boards should annually evaluate the performance of their Chief Executive Officer.

  To demonstrate compliance, provide proof of completion of an Annual CEO evaluation, either in the form of adopted Board minutes or a signed letter from the Board Chair notating the date(s) the evaluation was completed. For initial certification, Districts must provide the most recent annual evaluation of the CEO. For renewal applications, Districts must provide three years of documentation relating to the annual evaluation of the CEO.

- Board Self Evaluation
  Boards should annually assess their effectiveness.

  To demonstrate compliance, provide proof of completion of an annual board evaluation, either through the form of adopted Board minutes or a signed letter from the Board Chair notating the date(s) the evaluation was completed. For initial certification, Districts must provide the most recent annual evaluation of the Board. For renewal applications, Districts must provide three years of documentation relating to the annual evaluation of the Board.



- Job Descriptions for Officers of the Board
  The Board has a clear statement of its roles and responsibilities posted on its website.

  To demonstrate compliance, provide a copy of the roles and responsibilities of officers.

In addition to the best practice requirements above, ACHD requires demonstration of additional examples of how the District engages in planning for the future and for engaging with the community. To demonstrate additional examples of best practices, please provide at least <u>three</u> of the following:

- Strategic Plan
  To demonstrate compliance, provide a copy of the District's most recently adopted strategic plan.

- Community Messaging
  To demonstrate compliance, provide an example of how the District communicates and informs the public. Examples may include: social media plan, newsletters, notice procedures, or any form of communication used to inform the community of its services, programs, meetings, projects, or events.

- Community Engagement
  To demonstrate compliance, provide a description of how the District engages the public to interact with and have input into the services and programs of the District. For example, does the Board have committees or opportunities for the public to serve? How is the community notified of these opportunities?

- Annual Budget Hearing
  To demonstrate compliance, provide a description of how the District solicits and engages the public when reviewing the District's budget.

- Live or Recorded Board Meetings
  To demonstrate compliance, provide a link to the District's website where members of the public can access recordings or watch live streaming of Board meetings.

- Board Continuing Education
  To demonstrate compliance, provide the District's policy for ensuring that Trustees complete a specified number of hours of continuing education on a yearly basis.

BOARD OF DIRECTORS

AGENDA
WEDNESDAY, MARCH 20, 2019
5:00 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

2058 45th AVENUE
SAN FRANCISCO, CA

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on January 24, 2019 at 5:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

OPEN SESSION: MS. KAREN ARNOLD, CHAIR

1. Call to Order
2. Roll Call
3. Comments from the Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

CLOSED SESSION:

1. ***Information/Action:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.

RECONVENTION OF OPEN SESSION: CALL TO ORDER – MS. KAREN ARNOLD, CHAIR

- Roll call

REPORT OUT ON ANY ACTION TAKEN IN CLOSED SESSION: GOVERNMENT CODE 94957.1

OPEN SESSION ITEMS:

1. ***Information:*** Board Interaction and Communication
2. ***Information:*** Strategic Plan vs Financial Strategic Plan
3. ***Information:*** Various Initiatives a subset of the Board could pursue
4. ***Information:*** Health Care District Law
5. Comments from Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.
6. Comments from Board of Directors
7. Adjourn

Dated: March 19, 2019

____
Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on March 19, 2019

_________________________ ______________
Gayl Moon Date
Secretary to the Board of Directors

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, APRIL 25, 2019
4:30 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room & Patient Registration Area
700 River Drive
Fort Bragg, California 95437

Mendocino Coast District Hospital Mission Statement

MISSION

To make a positive difference in the health of our rural community.

VISION

MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES

MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. CLOSED SESSION

1. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code March Quality Management and Improvement Council Reports
2. ***Information:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***Information/Action:*** Consideration of Termination of Legal Services Contract with Best, Best & Krieger, Attorneys at Law, dated 9/25/18. Government Code §§54954.5(e), 54957; Evidence Code §952, et seq.

4. ***Information/Action:*** Consideration of Proposal for Legal Services by Baker, Manock & Jensen, Attorneys at Law, including services to assist the Hospital District in any proposed affiliation or acquisition of the Hospital by another entity. Government Code §§54954(e), 54957; Evidence Code §952, et seq.
5. ***Information/Action:*** Pursuant to Government Code §54957.6: closed session Board Meeting with the District's Labor Union Negotiators, Interim CEO Wayne Allen, Mr. Dan Camp. Government Code §54,957.6.
6. ***Information/Action*** Association of California Healthcare Districts' Survey of January, 2014 required by The Joint Commission (TJC). Exempt from public disclosure pursuant to Government Code §6254(s); Evidence Code §1157; and Health & Safety Code §32,155

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

IV. ROLL CALL

V. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VII. REVIEW OF THE AGENDA ***Action***

VIII. BOARD COMMENTS ***Information***

IX. APPROVAL OF CONSENT CALENDAR ***Action***

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of March 28, 2019 — Tab 1
2. Approval of Special Board of Directors meeting minutes of March 20, 2019 — Tab 2
3. Approval of Special Board of Directors meeting minutes of April 1, 2019 — Tab 3
4. Approval of Alysoun Huntley Ford Fund Draw

X. NEW BUSINESS

1. Interim CEO Agreement: Ms. Karen Arnold, Chair — Tab 4 ***Action***
2. Resignation of CFO: Ms. Karen Arnold, Chair — Tab 5 ***Action***
3. Appointment of CFO: Ms. Karen Arnold, Chair — ***Action***
4. Ratification of April 11, 2019 Request for Proposal for Potential Affiliation with extension of deadline for response and Public Records Act Disclosure: Mr. Wayne Allen, Interim CEO — Tab 6 ***Action***
5. Resolution 2019-13 HELP II Loan Signature Authority for Wayne Allen: Ms. Karen Arnold, Chair — Tab 7 ***Action***
6. Resolution 2019-10 Bank of America Signature Authority for Wayne Allen: Ms. Karen Arnold, Chair — Tab 8 ***Action***
7. Resolution 2019-11 Savings Bank Signature Authority for Wayne Allen: — Tab 9 ***Action***

Ms. Karen Arnold, Chair

8. Resolution 2019-12 Tri Counties Bank Signature Authority for Wayne Allen: Ms. Karen Arnold, Chair — Tab 10 ***Action***
9. Dr. Jason Kirkman Medical Director Contract Renewal: Mr. Mike Ellis, CFO — Tab 11 ***Action***
10. Dr. Zoe Berna Physician Champion Agreement for Meditech: Mr. Mike Ellis, CFO — Tab 12 ***Action***
11. Code of Ethical Behavior and the Standards of Conduct 1st Read: Ms. Amy McColley — Tab 13 ***Action***
12. Board Members' Conflict of Interest: Ms. Karen Arnold, Chair — ***Information***
13. Resolution 2019-14 Authorizing Investment of Monies in LAIF Account — Tab 14 ***Action***

XI. OLD BUSINESS

- Measure C Update: Mr. Mike Ellis, CFO — ***Information***

XII. REPORTS

- CEO Report: Mr. Wayne Allen, Interim CEO — ***Information***
- Medical Staff Report: Dr. John Kermen — Tab 15 ***Action***

  A. <u>Re-Appointments to Medical Staff</u>

  1. Jeffrey Berenson, MD –Department of Medicine-Internal Medicine
  2. Michael Brown, MD –Department of Medicine-Psychiatry
  3. Lawrence Goldywn, MD –Department of Medicine-Internal Medicine
  4. Jason Kirkman, MD –Department of Medicine-Internal Medicine
  5. John Rochat, MD –Department of Medicine-Internal Medicine
  6. James Swallow, MD –Department of Medicine-Internal Medicine

  B. <u>Release from Proctoring-Allied Health Professional</u>

  1. Anne Hall, PA-C –Department of Surgery-Orthopedics
- Chief Nursing Officer Report: Ms. Lynn Finley — ***Information***
- Planning Committee Report: Ms. Jessica Grinberg — ***Information***
  - Strategic Planning RFP for Facilitator — ***Information***
- Finance Committee Report: Mr. John Redding — Tab 16 ***Action***

XIII. <u>FUTURE AGENDA ITEMS: MS. KAREN ARNOLD</u> — ***Information***

XIV. <u>ASSOCIATION AND COMMUNITY SERVICE REPORTS</u> — ***Information***

XV. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments. Any person desiring to speak on an agenda item will be given an opportunity to do so prior to the Board of Directors taking action on the item.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XVI. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the

Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.
*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

T
A
B

1

BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, MARCH 28, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Mr. Lund, Ms. McColley, Mr. Arnold, Ms. Grinberg, Mr. Redding

Mr. Mike Ellis, Interim CEO/CFO

I. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Patient Registration Lobby, Ms. Karen Arnold Chair presiding

II. ROLL CALL:

PRESENT: Mr. Steve Lund, Ms. Amy McColley, Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Mike Ellis, Interim CEO, CFO
Ms. Gayl Moon, Executive Assistant

III. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

1. ***INFORMATION/ACTION:*** Conference with legal counsel regarding consideration of retention of insurance coverage counsel for the Hospital District. Government Code §54956.9
2. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***INFORMATION/ACTION:*** Public Employment: To review and approve Professional Services Medical Director Agreement for Dr. Jason Kirkman Government Code §54954.5 & 54957
4. ***INFORMATION/ACTION:*** Public Employment: To review and approve EHR Champion Contract for Dr. Zoe Berna: Government Code §54954.5 & 54957
5. ***INFORMATION/ACTION:*** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), ACLU information
6. ***INFORMATION/ACTION:*** Public Employment: Interim CEO Discussion Government Code §54954.5 & 54957

IV. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

- The Board approved a contract with Farella Braun & Martel for insurance coverage counsel not to exceed $20,000.
- Items 3 & 4 were removed from Closed Session and they will both be in Open Session at the April meeting.

V. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- There were no changes.

VII. BOARD COMMENTS

- Mr. Redding stated that he met with Assemblyman Jim Wood, and he said that if MCDH submitted a plan that showed the Hospital is earnestly making progress toward the 2030 seismic regulations deadline, there is a possibility that they would delay a year or two.
- Ms. McColley stated that at the last meeting and talk of the affiliation the Board made a motion to look at all of the types of affiliation, not just Adventist Health. Affiliation has a lot of different meanings. All options will be explored.
- Ms. Arnold gave some information regarding the ACLU. The ACLU wrote the Hospital a letter regarding their obligation to provide abortions. The Hospital is working on this issue.

VIII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT

1. Minutes: Regular Session, February 28, 2019
2. Minutes: Special Board Meeting,
3. Alysoun Huntley Ford Fund Draw

- Mr. Ellis recommended a change on item #3 regarding the Rejection of Claim on the February minutes. The line needs to be moved under item 3 in section 3.

MOTION: To approve the Consent Calendar with the minutes of February 28th being changed per the above stated change

- Lund moved
- Redding second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

IX. *ACTION:* RESOLUTION 2019-5 HELP II LOAN SIGNATURE AUTHORITY: MR. MIKE ELLIS, INTERIM CEO/CFO

- This is resolution is to change signature authority from Bob Edwards to Mike Ellis on the HELP II Loan for expenditure of funds.

MOTION: To approve Resolution 2019-5 HELP II Loan Signature Authority

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None

- Absent: None
- Abstain: None

- Motion carried

X. ***ACTION:* APPROVAL OF LAIF DRAW REQUEST FOR PAYMENT OF IGT AND APPROVAL OF RESOLUTION 2019-7: MR. MIKE ELLIS, INTERIM CEO/CFO**

- This is to withdraw from the LAIF Account for the IGT payment. This is a federal matching program and the Hospital will get funds back. This is a temporary withdrawal from the LAIF Fund; the funds will be put back into the account when the federal funds are received.

MOTION: To approve Resolution 2019-7 LAIF Request for Payment of IGT

- Redding moved
- Arnold second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XI. ***ACTION:* RESOLUTION 2019-8 MENDOCINO TV: MR. JOHN REDDING**

- Mr. Redding wanted to thank Marianne McGee and Terry Vaughn with Mendocino TV for many years of service to the community.

MOTION: To approve Resolution 2019-8 Mendocino TV

- Arnold moved
- Redding second
- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XII. ***ACTION:* MEDICAL ABORTION SERVICES: MS. KAREN ARNOLD, CHAIR**

MOTION: To take no action at this time as additional fact finding is still underway

- Grinberg moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIII. ***INFORMATION:* INTRODUCTION OF DR. MILLER: MS. KAREN ARNOLD, CHAIR**

- Dr. Miller introduced himself to the Board.
- Dr. Miller is the Medical Director for Inpatient Services.

XIV. ***INFORMATION*: TEMPORARY FINANCIAL ANALYST: MR. MIKE ELLIS, INTERIM CEO/CFO**

- Due to the fact that Mr. Ellis has been doing the CEO and the CFO jobs for a couple of months, he hired a Financial Analyst for four (4) months at $70,000. This is a week to week contract.

XV. ***ACTON:* BIOFIRE LAB ANALYZER LEASE AGREEMENT: MR. MIKE ELLIS, INTERIM CEO/CFO**

- This agreement is for a Biofire Lab Analyzer lease.

MOTION: To approve the Biofire Analyzer Lease Agreement

- Arnold moved
- McColley second
- Roll call
- ➢ Ayes: Redding, McColley, Lund, Arnold, Grinberg
- ➢ Noes: None
- ➢ Absent: None
- ➢ Abstain: None
- Motion carried

XVI. ***ACTION:* RESOLUTION 2019-9 JPA TO MEET ANNUALLY: MR. MIKE ELLIS, INTERIM CEO/CFO**

- The Joint Powers Authority was formed several years ago. They will now meet on an annual basis.

MOTION: To approve Resolution 2019-9 JPA to meet annually

- Lund moved
- Grinberg second
- Roll call
    - ➢ Ayes: Grinberg, Lund, McColley, Redding, Arnold
    - ➢ Noes:
    - ➢ Absent:
    - ➢ Abstain
- Motion carried

XVII. ***MOTION:* ORGANIZATIONAL ANALYSIS ACTION PLAN: MS. JESSICA GRINBERG**

- Ms. Grinberg stated she feels the Board needs to work together better as well as have more communication, and they don't have the opportunity to do that. She feels there need to be committees that happen outside of the Board meetings, but they take the Board members down two (2) separate paths rather than actually bringing them together. She stated the Planning Committee members want to know when the strategic plan will merge with that of Finance. The only Board member missing from the committees is Karen Arnold. She feels the two committees should be joined in order to have meetings that create a fluid relationship between Finance and what they are analyzing in the way of the Hospital financially as well as what is being done in analyzing and trying to pull together and create a strategic plan for the planning of the Hospital. She feels more Board meetings are necessary, and these would include merging the two committees in order to have more information on a given subject rather than each committee going in their own direction. She feels it would be beneficial to have shared conversations and looking at issues together. She would like to do a deep dive possibly by department of the Hospital. These meetings would

be open to the community. Ms. Grinberg and Ms. McColley are running the ad hoc committee not only for affiliation, but what the Hospital's future as far as sustainability is concerned. All options will be explored. To date the following community members will be participating in the ad hoc committee:

- ✓ Linda Ruffing
- ✓ Linda Jo Stern
- ✓ Dr. Berenson
- ✓ Dr. Miller
- ✓ Lawrence Turner

- The ad hoc committee will reach out to various organizations in the community in order to get a good understanding of what the interests of the community are regarding the Hospital's future.
- Ms. Grinberg had some concerns that on the last Finance Committee agenda there was an item entitled "Process to Eliminate a Service.
- Mr. Redding stated that the process was in response to a recent event at the Hospital, and a public desire for a systematic process. That process did include working with the Planning Committee before any decision was made.
- Mr. Redding, Ms. Arnold and Mr. Ellis recently met with representatives of Cal Mortgage who guarantee the Hospitals loans. They were complimentary of the Hospital looking into affiliation.
- Ms. Arnold stated the suspension of the Finance & Planning Committee meetings is not forever.
- Ms. McColley stated that to clarify what Ms. Arnold means by suspension of the meetings is that in a diplomatic way Ms. Grinberg was trying to say that she would like to suspend the Finance and Planning Committees for a couple of months in order to have more Board meetings that would include the Finance and Planning Committees represented by the Board members.
- Ms. Arnold stated that it is very unusual for a Board to have 4 new members when the Board consists only of 5 members total. She suggested that at least in April, and maybe longer, the Board have 2 meetings a month instead of having Finance and Planning Committee meetings. In one of the meetings the Board will actively engage the audience in more discussion. She feels the Board needs to tackle some of the issues that need their attention. The Board will have a retreat in late April, possibly the 27th. There will not be any committee meetings in April.
- Mr. Lund stated that he disagrees. He supports the idea of a Board retreat. He feels the retreat should cover:
    1. Role and responsibilities of the Board, governance vs. management's responsibilities in relation to operations.
    2. How, process wise, the Board will work with the Planning and Finance Committee meetings moving forward.
- He disagrees with suspending Finance and Planning Committee meetings. He feels it is premature to suspend the meetings without having a conversation with the Board regarding what takes the place of those meetings. The Bylaws would need to be amended.
- Ms. Grinberg would like to blend the Finance and Planning committees and have a series of joint meetings in order to have a more fluid conversation among the two committees.
- Mr. Lund recommended the Planning Committee come up with a recommendation and be more specific about the proposal. The Finance and Planning Committees have held joint meetings in the past to work on a specific issue.
- Ms. McColley stated there are two specific issues:
    1. Strategic Plan

2. Seismic regulations re: 2030

- Mr. Redding stated he is concerned the above stated will interfere with the need to prepare a budget, and least two hours is required at every meeting. The purpose of this deep dive is to prepare budgets, which have an action plan to meet that budget. To the extent that those action plans hinge upon services or other aspects from planning, that is where the joint meeting would be welcome.
- Ms. Arnold stated that the Board is committed to having a hospital on the coast. Maybe there should be a combined meeting in April and have an action plan on the agenda.
- Ms. Grinberg stated there needs to be a joint committee meeting sooner rather than later.
- Mr. Redding suggested the Planning Committee come up with a strategic plan, and then give it to the Finance Committee to cost it out.
- Ms. Grinberg withdrew her suggestion to suspend the Finance and Planning Committee meetings in April.
- The two committee chairs, Ms. Grinberg and Mr. Redding will meet to discuss what is wanted/needed by both committees.

XVIII. *INFORMATION:* CAL MORTGAGE MEETING REPORT: MR. MIKE ELLIS, INTERIM CEO/CFO

- Mr. Ellis, Ms. Arnold and Mr. Redding recently met with Cal Mortgage Representatives. It was a very positive meeting.

XIX. *ACTION/INFORMATION:* VERBAL ABUSE POLICY #112.001 2ND READ

- This needs modern language. Lynn Finley has the Code of Ethical Behavior and the Standard of Conduct, which compliments what OSHA requires for verbal abuse. Ms. McColley would like to bring back the policy 1712 and the Code of Ethical Behavior and the Standards of Conduct for the entire facility, and not the Verbal Abuse Policy.
- This 2nd reading was be tabled.
- The Code of Ethical Behavior and the Standards of Conduct will be put on the next agenda.

XX. *ACTION:* INTERIM CEO AGREEMENT: MS. KAREN ARNOLD, CHAIR

- Mr. Ellis has withdrawn his application to be Interim CEO. Wayne Allen has submitted a contract for the position.
- A Special Board meeting will be scheduled to take place within the next couple of days to take care of this issue.

XXI. *INFORMATION:* PARCEL TAX PARCEL CONSOLIDATION UPDATE: MR. MIKE ELLIS, INTERIM CEO/CFO

- The Parcel Tax Consolidation is still under legal review.

XXII. *INFORMATION:* CEO REPORT: MR. MIKE ELLIS, INTERIM CEO/CFO

- Beta is the Hospital's insurance company. Beta has a Beta Heart Program. This program will help employee morale, patient safety and quality of care.
- An Employee Activity Committee has been formed.

XXIII. *ACTION/INFORMATION:* MEDICAL STAFF APPOINTMENTS/REPORT: DR. JOHN KERMEN

- Doctors Day will be celebrated tomorrow.

A. Appointments to Medical Staff

1. William Bowen, MD –Department of Surgery-Orthopedics Surgery
2. Lingie Chiu, MD –Department of Medicine-Pediatrics

3. Nguyen Pham, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend approval of Appointment to Medical Staff for William Boren, MD: Lingie Chui, MD: Nguyen Pham, MD

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

B. Reappointments to Medical Staff
1. Ethan Ross, MD –Department of Medicine-Emergency Department
2. Christopher Ryan, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend approval of Reappointments to Medical Staff for Ethan Ross, MD: Christopher Ryan, MD

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

C. Release from Proctoring
1. Jennifer Brown, PA-C –Department of Surgery-Orthopedics
2. John Leighton, MD –Department of Medicine-Family Practice-NCFHC

MOTION: After careful consideration recommend approval of Release from Proctoring for Jennifer Brown, PA-C: John Leighton, MD

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XXIV. *INFORMATION:* CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- There was no report.

XXV. *INFORMATION:* PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG

- The meeting was cancelled due to lack of quorum.

XXVI. _*ACTION:*_ <u>FINANCE REPORT: MR. JOHN REDDING</u>

Mr. Redding

- Colene Hickman gave a Revenue Cycle presentation and the progress that is being made.
- Rhonda Wilson would like to become a member of the Finance Committee.

MOTION: To approve Rhonda Wilson as a member of the Finance Committee

- Redding moved
- Lund second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

February Statements Summary

- Mr. Ellis presented the February 2019 Financial Statements

MOTION: To approve the February 2019 Financial Statements

- Lund moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XXI. *INFORMATION:* FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR

- Ms. McColley would like the Medical Staff appointments on the Consent Calendar.
- Every month Old Business should include:
  - ✓ Measure C update
  - ✓ Policies that have not been reviewed

XXII. *INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXIII. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues.

XXIV. ADJOURN:

Open Session adjourned at 8:25 pm

____
Steve Lund, Secretary
Board of Directors

____
Gayl Moon, Secretary to the
Board of Directors

BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, MARCH 28, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Mr. Lund, Ms. McColley, Mr. Arnold, Ms. Grinberg, Mr. Redding

Mr. Mike Ellis, Interim CEO/CFO

I. **CALL TO ORDER:**
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Patient Registration Lobby, Ms. Karen Arnold Chair presiding

II. **ROLL CALL:**
PRESENT: Mr. Steve Lund, Ms. Amy McColley, Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Mike Ellis, Interim CEO, CFO
Ms. Gayl Moon, Executive Assistant

III. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

1. ***INFORMATION/ACTION:*** Conference with legal counsel regarding consideration of retention of insurance coverage counsel for the Hospital District. Government Code §54956.9
2. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***INFORMATION/ACTION:*** Public Employment: To review and approve Professional Services Medical Director Agreement for Dr. Jason Kirkman Government Code §54954.5 & 54957
4. ***INFORMATION/ACTION:*** Public Employment: To review and approve EHR Champion Contract for Dr. Zoe Berna: Government Code §54954.5 & 54957
5. ***INFORMATION/ACTION:*** Consideration of legal advice re: Potential Litigation, Government Code Section §54956.9(d)(2), ACLU information
6. ***INFORMATION/ACTION:*** Public Employment: Interim CEO Discussion Government Code §54954.5 & 54957

IV. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

- The Board approved a contract with Farella Braun & Martel for insurance coverage counsel not to exceed $20,000.
- Items 3 & 4 were removed from Closed Session and they will both be in Open Session at the April meeting.

V. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- There were no changes.

VII. BOARD COMMENTS

- Mr. Redding stated that he met with Assemblyman Jim Wood, and he said that if MCDH submitted a plan that showed the Hospital is earnestly making progress toward the 2030 seismic regulations deadline, there is a possibility that they would delay a year or two.
- Ms. McColley stated that at the last meeting and talk of the affiliation the Board made a motion to look at all of the types of affiliation, not just Adventist Health. Affiliation has a lot of different meanings. All options will be explored.
- Ms. Arnold gave some information regarding the ACLU. The ACLU wrote the Hospital a letter regarding their obligation to provide abortions. The Hospital is working on this issue.

VIII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT

1. Minutes: Regular Session, February 28, 2019
2. Minutes: Special Board Meeting,
3. Alysoun Huntley Ford Fund Draw

- Mr. Ellis recommended a change on item #3 regarding the Rejection of Claim on the February minutes. The line needs to be moved under item 3 in section 3.

MOTION: To approve the Consent Calendar with the minutes of February 28th being changed per the above stated change

- Lund moved
- Redding second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

IX. *ACTION:* RESOLUTION 2019-5 HELP II LOAN SIGNATURE AUTHORITY: MR. MIKE ELLIS, INTERIM CEO/CFO

- This is resolution is to change signature authority from Bob Edwards to Mike Ellis on the HELP II Loan for expenditure of funds.

MOTION: To approve Resolution 2019-5 HELP II Loan Signature Authority

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None

- Absent: None
- Abstain: None

- Motion carried

X. ***ACTION:*** APPROVAL OF LAIF DRAW REQUEST FOR PAYMENT OF IGT AND APPROVAL OF RESOLUTION 2019-7: MR. MIKE ELLIS, INTERIM CEO/CFO

- This is to withdraw from the LAIF Account for the IGT payment. This is a federal matching program and the Hospital will get funds back. This is a temporary withdrawal from the LAIF Fund; the funds will be put back into the account when the federal funds are received.

MOTION: To approve Resolution 2019-7 LAIF Request for Payment of IGT

- Redding moved
- Arnold second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XI. ***ACTION:*** RESOLUTION 2019-8 MENDOCINO TV: MR. JOHN REDDING

- Mr. Redding wanted to thank Marianne McGee and Terry Vaughn with Mendocino TV for many years of service to the community.

MOTION: To approve Resolution 2019-8 Mendocino TV

- Arnold moved
- Redding second
- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XII. ***ACTION:*** MEDICAL ABORTION SERVICES: MS. KAREN ARNOLD, CHAIR

MOTION: To take no action at this time as additional fact finding is still underway

- Grinberg moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIII. ***INFORMATION:*** INTRODUCTION OF DR. MILLER: MS. KAREN ARNOLD, CHAIR

- Dr. Miller introduced himself to the Board.
- Dr. Miller is the Medical Director for Inpatient Services.

XIV. ***INFORMATION*: TEMPORARY FINANCIAL ANALYST: MR. MIKE ELLIS, INTERIM CEO/CFO**

- Due to the fact that Mr. Ellis has been doing the CEO and the CFO jobs for a couple of months, he hired a Financial Analyst for four (4) months at $70,000. This is a week to week contract.

XV. ***ACTON:* BIOFIRE LAB ANALYZER LEASE AGREEMENT: MR. MIKE ELLIS, INTERIM CEO/CFO**

- This agreement is for a Biofire Lab Analyzer lease.

MOTION: To approve the Biofire Analyzer Lease Agreement

- Arnold moved
- McColley second
- Roll call
- ➢ Ayes: Redding, McColley, Lund, Arnold, Grinberg
- ➢ Noes: None
- ➢ Absent: None
- ➢ Abstain: None
- Motion carried

XVI. ***ACTION:* RESOLUTION 2019-9 JPA TO MEET ANNUALLY: MR. MIKE ELLIS, INTERIM CEO/CFO**

- The Joint Powers Authority was formed several years ago. They will now meet on an annual basis.

MOTION: To approve Resolution 2019-9 JPA to meet annually

- Lund moved
- Grinberg second
- Roll call
  - ➢ Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - ➢ Noes:
  - ➢ Absent:
  - ➢ Abstain
- Motion carried

XVII. ***MOTION:* ORGANIZATIONAL ANALYSIS ACTION PLAN: MS. JESSICA GRINBERG**

- Ms. Grinberg stated she feels the Board needs to work together better as well as have more communication, and they don't have the opportunity to do that. She feels there need to be committees that happen outside of the Board meetings, but they take the Board members down two (2) separate paths rather than actually bringing them together. She stated the Planning Committee members want to know when the strategic plan will merge with that of Finance. The only Board member missing from the committees is Karen Arnold. She feels the two committees should be joined in order to have meetings that create a fluid relationship between Finance and what they are analyzing in the way of the Hospital financially as well as what is being done in analyzing and trying to pull together and create a strategic plan for the planning of the Hospital. She feels more Board meetings are necessary, and these would include merging the two committees in order to have more information on a given subject rather than each committee going in their own direction. She feels it would be beneficial to have shared conversations and looking at issues together. She would like to do a deep dive possibly by department of the Hospital. These meetings would

be open to the community. Ms. Grinberg and Ms. McColley are running the ad hoc committee not only for affiliation, but what the Hospital's future as far as sustainability is concerned. All options will be explored. To date the following community members will be participating in the ad hoc committee:

- ✓ Linda Ruffing
- ✓ Linda Jo Stern
- ✓ Dr. Berenson
- ✓ Dr. Miller
- ✓ Lawrence Turner

- The ad hoc committee will reach out to various organizations in the community in order to get a good understanding of what the interests of the community are regarding the Hospital's future.
- Ms. Grinberg had some concerns that on the last Finance Committee agenda there was an item entitled "Process to Eliminate a Service.
- Mr. Redding stated that the process was in response to a recent event at the Hospital, and a public desire for a systematic process. That process did include working with the Planning Committee before any decision was made.
- Mr. Redding, Ms. Arnold and Mr. Ellis recently met with representatives of Cal Mortgage who guarantee the Hospitals loans. They were complimentary of the Hospital looking into affiliation.
- Ms. Arnold stated the suspension of the Finance & Planning Committee meetings is not forever.
- Ms. McColley stated that to clarify what Ms. Arnold means by suspension of the meetings is that in a diplomatic way Ms. Grinberg was trying to say that she would like to suspend the Finance and Planning Committees for a couple of months in order to have more Board meetings that would include the Finance and Planning Committees represented by the Board members.
- Ms. Arnold stated that it is very unusual for a Board to have 4 new members when the Board consists only of 5 members total. She suggested that at least in April, and maybe longer, the Board have 2 meetings a month instead of having Finance and Planning Committee meetings. In one of the meetings the Board will actively engage the audience in more discussion. She feels the Board needs to tackle some of the issues that need their attention. The Board will have a retreat in late April, possibly the 27th. There will not be any committee meetings in April.
- Mr. Lund stated that he disagrees. He supports the idea of a Board retreat. He feels the retreat should cover:
  1. Role and responsibilities of the Board, governance vs. management's responsibilities in relation to operations.
  2. How, process wise, the Board will work with the Planning and Finance Committee meetings moving forward.
- He disagrees with suspending Finance and Planning Committee meetings. He feels it is premature to suspend the meetings without having a conversation with the Board regarding what takes the place of those meetings. The Bylaws would need to be amended.
- Ms. Grinberg would like to blend the Finance and Planning committees and have a series of joint meetings in order to have a more fluid conversation among the two committees.
- Mr. Lund recommended the Planning Committee come up with a recommendation and be more specific about the proposal. The Finance and Planning Committees have held joint meetings in the past to work on a specific issue.
- Ms. McColley stated there are two specific issues:
  1. Strategic Plan

2. Seismic regulations re: 2030

- Mr. Redding stated he is concerned the above stated will interfere with the need to prepare a budget, and least two hours is required at every meeting. The purpose of this deep dive is to prepare budgets, which have an action plan to meet that budget. To the extent that those action plans hinge upon services or other aspects from planning, that is where the joint meeting would be welcome.
- Ms. Arnold stated that the Board is committed to having a hospital on the coast. Maybe there should be a combined meeting in April and have an action plan on the agenda.
- Ms. Grinberg stated there needs to be a joint committee meeting sooner rather than later.
- Mr. Redding suggested the Planning Committee come up with a strategic plan, and then give it to the Finance Committee to cost it out.
- Ms. Grinberg withdrew her suggestion to suspend the Finance and Planning Committee meetings in April.
- The two committee chairs, Ms. Grinberg and Mr. Redding will meet to discuss what is wanted/needed by both committees.

XVIII. *INFORMATION:* CAL MORTGAGE MEETING REPORT: MR. MIKE ELLIS, INTERIM CEO/CFO

- Mr. Ellis, Ms. Arnold and Mr. Redding recently met with Cal Mortgage Representatives. It was a very positive meeting.

XIX. *ACTION/INFORMATION:* VERBAL ABUSE POLICY #112.001 2ND READ

- This needs modern language. Lynn Finley has the Code of Ethical Behavior and the Standard of Conduct, which compliments what OSHA requires for verbal abuse. Ms. McColley would like to bring back the policy 1712 and the Code of Ethical Behavior and the Standards of Conduct for the entire facility, and not the Verbal Abuse Policy.
- This 2nd reading was be tabled.
- The Code of Ethical Behavior and the Standards of Conduct will be put on the next agenda.

XX. *ACTION:* INTERIM CEO AGREEMENT: MS. KAREN ARNOLD, CHAIR

- Mr. Ellis has withdrawn his application to be Interim CEO. Wayne Allen has submitted a contract for the position.
- A Special Board meeting will be scheduled to take place within the next couple of days to take care of this issue.

XXI. *INFORMATION:* PARCEL TAX PARCEL CONSOLIDATION UPDATE: MR. MIKE ELLIS, INTERIM CEO/CFO

- The Parcel Tax Consolidation is still under legal review.

XXII. *INFORMATION:* CEO REPORT: MR. MIKE ELLIS, INTERIM CEO/CFO

- Beta is the Hospital's insurance company. Beta has a Beta Heart Program. This program will help employee morale, patient safety and quality of care.
- An Employee Activity Committee has been formed.

XXIII. *ACTION/INFORMATION:* MEDICAL STAFF APPOINTMENTS/REPORT: DR. JOHN KERMEN

- Doctors Day will be celebrated tomorrow.

A. Appointments to Medical Staff

1. William Bowen, MD –Department of Surgery-Orthopedics Surgery
2. Lingie Chiu, MD –Department of Medicine-Pediatrics

3. Nguyen Pham, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend approval of Appointment to Medical Staff for William Boren, MD: Lingie Chui, MD: Nguyen Pham, MD

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

B. Reappointments to Medical Staff
1. Ethan Ross, MD –Department of Medicine-Emergency Department
2. Christopher Ryan, MD –Department of Medicine-Hospitalist Service

MOTION: After careful consideration recommend approval of Reappointments to Medical Staff for Ethan Ross, MD: Christopher Ryan, MD

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

C. Release from Proctoring
1. Jennifer Brown, PA-C –Department of Surgery-Orthopedics
2. John Leighton, MD –Department of Medicine-Family Practice-NCFHC

MOTION: After careful consideration recommend approval of Release from Proctoring for Jennifer Brown, PA-C: John Leighton, MD

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XXIV. ***INFORMATION:*** **CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY**

- There was no report.

XXV. ***INFORMATION:*** **PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG**

- The meeting was cancelled due to lack of quorum.

XXVI. ***ACTION:*** FINANCE REPORT: MR. JOHN REDDING

Mr. Redding

- Colene Hickman gave a Revenue Cycle presentation and the progress that is being made.
- Rhonda Wilson would like to become a member of the Finance Committee.

MOTION: To approve Rhonda Wilson as a member of the Finance Committee

- Redding moved
- Lund second
- Roll call
  - ➢ Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

February Statements Summary

- Mr. Ellis presented the February 2019 Financial Statements

MOTION: To approve the February 2019 Financial Statements

- Lund moved
- McColley second
- Roll call
  - ➢ Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

XXI. ***INFORMATION:*** FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR

- Ms. McColley would like the Medical Staff appointments on the Consent Calendar.
- Every month Old Business should include:
  - ✓ Measure C update
  - ✓ Policies that have not been reviewed

XXII. ***INFORMATION:*** ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXIII. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues.

XXIV. ADJOURN:

Open Session adjourned at 8:25 pm

_____________________________	_____________________________
Steve Lund, Secretary Board of Directors	Gayl Moon, Secretary to the Board of Directors

TAB 2

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
WEDNESDAY, MARCH 20, 2019

1. **CALL TO ORDER:**
   CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:00 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Karen Arnold presiding

2. **ROLL CALL:** Arnold, Grinberg, Redding, McColley (telephonically), Lund (telephonically)
   ABSENT: None

3. **COMMENTS FROM THE COMMUNITY**
   - Community members discussed issues regarding MCDH.

4. **CLOSED SESSION:**
   1. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.

5. **RECONVENTION OF OPEN SESSION:**

6. **ROLL CALL:** Redding, Lund (telephonically), Arnold, McColley (telephonically), Grinberg
   ABSENT: None

   REPORT OUT OF CLOSED SESSION
   1. ***INFORMATION/ACTION:***
      - No action was taken, it was information only.

7. **OPEN SESSION ITEMS:**
   1. ***INFORMATION:*** Board Interaction and Communication
   2. ***INFORMATION:*** Strategic Plan vs Financial Strategic Plan
   3. ***INFORMATION:*** Various Initiatives a subset of the Board could pursue
   4. ***INFORMATION:*** Health Care District Law

   MOTION: To table items 1 through 4 in Open Session
   - Grinberg moved
   - Redding second
   - Roll call
     - Ayes: Lund, Grinberg, Arnold, Redding
     - Noes: None
     - Abstain: McColley
     - Absent: None
   - Motion carried

8. **COMMENTS FROM THE COMMUNITY**
   - Community members commented on issues regarding the Hospital.

9. **COMMENTS FROM THE BOARD OF DIRECTORS**
   - Mr. Redding thanked everyone for attending.
   - Ms. Grinberg stated that in recent days many things have come to her attention. She stated the following: "I am concerned about working on long term visions when we are in crisis mode. I feel we need to focus strongly on organizational dissection of productivity by department and designated management by each department. I'm incredibly concerned about what is happening at this hospital, so I am putting right out there in the public that we need to look very carefully at every department in this hospital; the money coming from each department; the patient care in each department, and how we are managing that issue."
   - Mr. Redding stated "that is what we will be doing in the budget process. As I have said on a number of occasions, we are going to do a deep dive into each of those six areas."

- Ms. Grinberg stated "Right, and as a partner to that, I want in the way of Planning, I want to not only understand the budget, but really what is happening in the department in the way of patient care and management. I am really concerned on a whole new level about what is going on here, and we need to really expose this."
- Mr. Redding stated "I agree that we should all have a sense of urgency, and pick up the pace."
- Ms. McColley stated "I would like to second that. It is very difficult for me to discuss the long term strategic plan when we have a short term issue going on that we need to address. It has to be brought to the table of the full Board of Directors before we go to our single committees, so I'm hoping to see this on the agenda on Thursday the 28th. I have very high concerns too and I agree with Jessica and John. I also have concerns of accessibility to everything. The agenda on the website doesn't have Steve's address right now; my email address is still incorrect on the website even though I got confirmation today that from our PR guy that he has fixed it. I think our day to day operations needs to tighten up and just do our best every day."
- Mr. Redding stated "If we are going to do the seismic upgrades at this Hospital, or build a new Hospital, we are required by regulation by law to submit a plan to OSHPD by 2023. If we fail to do so, I don't know what they will do; they may just decide that that's the end of us. We need to work back from that date to know when we have to start having a discussion of whether we are going to do those seismic upgrades, or whether we are going to build a new Hospital or what. I believe the short term focus is on righting the ship. At the same time we have to find a way to do the strategic planning in parallel. We can't risk that 2023 deadline."
- Ms. McColley stated "The 2023 deadline is in three years; I'm worried about 2019 and 2020."
- Mr. Redding stated "Well we all are, but I'm saying is there some reason why we can't do both."
- Ms. McColley stated "No, I agree, but a think right now we have to look short term to improve our long term, because if we are going to have to close the doors in a year, why are we talking seismic stuff. I don't know why the Board prior to us wasn't talking seismic stuff in 2030, so I mean we're picking it up, but I think we have a short term goal and a long term goal, and 2023 is a long term goal right now. We're not really sure where we are going to be in our first goal year."
- Ms. Arnold stated "What I am hearing is that we need to add to the agenda for Thursday a short term."
- Ms. Grinberg stated "I want organizational analysis. I have been asking for the organizational chart for over a month now, and have not received it. I'm concerned not only about this issue around exactly how many people we employ, what their jobs are, are we top heavy, middle heavy or what. That hasn't come to the Board. Now I am also concerned that we need to delve, and John and I are agreeing we need to delve by department what is going on at the Hospital. To sum it up, I think we need an understanding as a group to discuss how we can dive into the organization in its entirety."
- Ms. McColley stated "I think in trying to be transparent Jessica, we have asked for that organizational chart from our first day of planning so that we could share it with the Planning Committee, because even prior to our election, they felt that management was top heavy and we haven't been to address that strategically, financial plan or our Planning Committee because we never received it and that was a goal we wanted and that we have been asking for. It starts from leadership and trickles down, it is difficult right now."
- Mr. Redding asked "Isn't the Organization Chart on the Website?"
- Ms. McColley stated "No, we are talking revenues and money per department and what the organization is being operated on. We are talking financial organization. We have been asking for it for almost 30 days."
- Mr. Redding stated "I'm not sure that exists. That is what we are trying to do during the budgeting process."
- Ms. Arnold stated "We will put something on the agenda for next week."
- Mr. Redding stated "The plan from the Finance Committee is to pick six different areas. We will have the head of that area or department come in, talk about their operation and budget, create an action plan to ensure that their budget is met and monitor that on a monthly basis the

progress that is being made towards meeting those goals. If it is necessary to take additional action, the committee will identify and discuss it with the Planning Committee probably in a Joint Session. This is serious work."

- Ms. Grinberg stated "This is serious, and budget is important, but it can't be at the expense that we need to take care of the health of this community. I am looking forward to working well together."

10. ADJOURN:

The meeting adjourned at 7: 20 p.m.

____

Ms. Karen Arnold, President
Board of Directors

ATTEST:

____

Ms. Jessica Grinberg, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

TAB 3

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
MONDAY, APRIL 1, 2019

1. **CALL TO ORDER:**
   CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 5:30 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Karen Arnold presiding

2. **ROLL CALL:** Lund, McColley, McColley, Redding, Grinberg
   ABSENT: None

3. **COMMENTS FROM THE COMMUNITY**
   - Community members discussed issues regarding MCDH.

4. **CLOSED SESSION:**
   1. ***INFORMATION/ACTION:*** Public Employment: Interim CEO Discussion Code §54954.6
      Conference with Labor Negotiations

5. **RECONVENTION OF OPEN SESSION:**

6. **ROLL CALL:** Redding, Lund, Arnold, McColley, Grinberg
   ABSENT: None

   REPORT OUT ON ANY ACTION TAKEN IN CLOSED SESSION: GOVERNMENT CODE 94957.1
   1. ***INFORMATION/ACTION:*** Public Employment: Interim CEO Discussion Code §54954.6
      Conference with Labor Negotiations

      MOTION: To employ Mr. Wayne Allen as Interim CEO to begin tomorrow or as soon as practical with the finalization of a longer term month to month agreement being made at the next Regular Board Meeting
      - Lund moved
      - McColley second
      - Roll call
        - Ayes: Lund, McColley, Grinberg, Arnold
        - Noes: None
        - Abstain: Redding
          (Mr. Redding stated that the reason he is abstaining is because he felt the process was flawed from the very beginning, and no matter what the outcome, there will be people who are unhappy, and he is reluctant to support the decision. He stated he will support the decision, but this was a flawed process and should not have happened the way it did.)
        - Absent: None
      - Motion carried

7. **COMMENTS FROM THE COMMUNITY**
   - A community member discussed issues regarding the Hospital.

8. **COMMENTS FROM THE BOARD OF DIRECTORS**
   - Ms. McColley thanked the IT Department and both interview candidates.

9. **ADJOURN:**

The meeting adjourned at 7:56 p.m.

Ms. Karen Arnold, President
Board of Directors

ATTEST:

Ms. Jessica Grinberg, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

TAB

4

INTERIM CHIEF EXECUTIVE OFFICER CONSULTING AGREEMENT

THIS CONSULTING AGREEMENT (the "Agreement") is entered into to be effective as of __________, 2019 (the "Effective Date"), by and between MENDOCINO COAST DISTRICT HOSPITAL, a California Health Care District ("MCDH"), and SILVERTON MANAGEMENT COMPANY, a Nevada LLC business entity (the "Consultant"). MCDH and the Consultant are sometimes collectively referred to herein as the "Parties" or singularly by their individual names or as a "Party".

BACKGROUND:

A. MCDH is presently without a CEO and is in need of certain administrative and professional services on an interim basis.

B. Consultant has the expertise and knowledge to provide certain consulting services required by MCDH as more specifically described on Exhibit A attached hereto and made a part hereof (the "Services"). Consultant shall provide Wayne Allen ("Allen") to perform the Services set forth in this Agreement.

C. MCDH desires to contract with Consultant to assist in providing the Services pursuant to the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, for valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

AGREEMENT

1. **Provision of Services**. MCDH hereby contracts with Consultant, and Consultant hereby agrees to assist in providing the Services, pursuant to the terms and subject to the conditions set forth in this Agreement. The Services shall only be performed by Allen and Consultant shall not substitute Allen with another individual without the express written consent of MCDH.

2. **Independent Contractor**. In the performance of the Services provided pursuant to this Agreement, the Parties agree and acknowledge that the Consultant shall at all times be deemed to be an independent contractor of MCDH. For purposes of this Agreement, no deductions shall be made from the payments made by MCDH to Consultant, including, but not limited to, withholding or other employment taxes, social security, state and federal unemployment contributions, or state or federal income tax or disability insurance contributions. Consultant hereby agrees to indemnify, defend and hold MCDH free and harmless from any and all liabilities, fees, interest, penalties or taxes arising out of Consultant's failure to withhold and pay over to the appropriate taxing authorities such employment- related taxes.

3. **Term of Service**. The term of this Agreement shall commence on the Effective Date and shall continue thereafter for a period of one (1) year; subject, however, to prior termination as provided below (the "Initial Term").

4. **Duties**. During the Term hereof, the Consultant shall have the duty to render the Services as directed by MCDH on the schedule mutually agreed upon between MCDH and Consultant, to the best of Consultant's ability and capacity.

5. **Availability**. Consultant shall be available to provide the Services for MCDH on a full time basis (1.0 FTE), on the schedule mutually agreed upon between the Parties. Consultant shall notify MCDH before any time off is scheduled for the Consultant, except in the event of sick time or in emergencies.

6. **Services Compensation**. MCDH agrees to pay Consultant for providing the Services, as set forth on Exhibit B attached hereto and incorporated herein by this reference.

7. **Automobile and Telephones**. It is a condition of this Agreement and for the purpose of discharging Consultant's duties hereunder that the Consultant: (i) own or lease and maintain, at all times, a properly functioning automobile; and (ii) have a properly functioning telephone at Consultant' s residence, and a cellular telephone with text messaging capabilities on Consultant's person. All expenses relating to any of the foregoing shall be the responsibility of the Consultant.

8. **Travel Costs**. Out-of-pocket travel costs for on-site services at MCDH will be reimbursed to Consultant as set forth on Exhibit B. The travel costs are limited to auto mileage at IRS prevailing rate in accordance with MCDH's normal and customary policies. Out-of-pocket travel costs shall not exceed Five Hundred Dollars ($500) per month

9. **Benefits**. MCDH is under no duty or obligation to provide any fringe benefits for Consultant. Consultant hereby indemnifies and holds MCDH free and harmless from any and all claims by Consultant for damages, interest, penalties or the like (including legal fees and costs) relating to benefits, including, but not limited to, sick time, vacation pay, retirement plan participation, fringe benefits or the like.

10. **Termination**. MCDH shall have the right, in its sole and absolute discretion, to immediately terminate this Agreement by written notice to Consultant, upon the occurrence of any of the following:

    10.1 Allen becomes permanently disabled. For purposes of this Section, the term "permanent disability" shall be defined as the inability of Allen, as a result of sickness or injury, to perform his duties under this Agreement for a period of more than thirty (30) days in the aggregate during any ninety (90) day period. MCDH shall not be required to purchase disability insurance for the Allen; payment for any such disability insurance shall be at the sole cost and responsibility of Consultant;

    10.2 Death of the Allen;

    10.3 Allen is convicted of a crime involving moral turpitude or professional misconduct;

    10.4 Allen continuously fails or refuses to comply with the policies, standards and regulations of MCDH; provided that MCDH shall give the Consultant written notice of any such breach and shall be provided ten (10) days within which to cure such breach. The Consultant shall be provided with only one (1) opportunity to cure a noticed breach of a policy, standard, or regulation of MCDH and any subsequent failure or refusal to comply with a policy, standard or regulation of MCDH shall result in termination effective upon written notice to Consultant;

    10.5 If any state or federal agency assumes control of MCDH;

10.6 A governmental agency, including, without limitation, the Internal Revenue Service, Employment Development Department or the Workers Compensation Appeals Board, determines (or is likely to determine in the sole opinion of MCDH) that the performance of the Services by Consultant in accordance with this Agreement creates a relationship whereby the Consultant and/or Allen is the employee of MCDH;

10.7 Consultant gives thirty (30) days prior written notice of termination to MCDH, without cause;

10.8 MCDH gives thirty (30) days prior written notice of termination to Consultant, without cause.

11. **Notification of Certain Events**. Consultant shall notify MCDH in writing within twenty-four (24) hours of the occurrence of any of the following:

11.1 Consultant or Allen becomes the subject of, or is otherwise materially involved in, any government investigation regarding business practices, the provision of Services under this Agreement or the provision of any other services to any person, including, without limitation, being served with a search warrant in connection with such activities;

11.2 Consultant or Allen becomes the subject of any suit, action or other legal proceeding arising out of Services;

11.3 Consultant or Allen is required to pay damages or any other amount in any action by way of judgment or settlement related in any way to MCDH;

11.4 Allen becomes incapacitated or disabled from providing Services;

11.5 Consultant or Allen is convicted of a crime. For purposes of this Agreement, the term "crime" shall mean a felony as defined by the laws of the State of California or the United States of America punishable by imprisonment for a term of at least one (1) year;

11.6 Any event or occurrence which has a material adverse effect on Consultant's or Allen's ability to perform any or all of the Services under this Agreement; or

11.7 Consultant or Allen is debarred, suspended or otherwise ineligible to participate in any federal or state health care program.

12. **Responsibility for Acts and Omissions/Indemnity**. Consultant and MCDH are each responsible for their own acts and/or omissions, and are not responsible for the acts and/or omissions of the other. Consultant indemnifies and holds MCDH and all the partners thereof individually, free and harmless from any and all liability (including legal fees and costs) from claims, damages and the like, for all acts and omissions of Consultant, its employees, representatives and agents, committed within the scope of this Agreement. MCDH indemnifies and holds Consultant individually, free and harmless from any and all liability (including legal fees and costs) for claims, damages and the like, for all acts and omissions of MCDH, committed within the scope of this Agreement.

I3. **Confidential Information.**

13.I Consultant hereby expressly acknowledges, understands and agrees that all documents, records, charts, files and other information (collectively referred to in this paragraph as the "trade secrets"), relating to MCDH, including, without limitation, patient volumes, market share, the names and addresses of MCDH patients, all patient records, charts, files and other patient information, and all business and financial information relating to the business of MCDH (including, without limitation, business plans, expansion plans, marketing plans, the substance of any and all strategic planning, or other business meetings, MCDH fees and nature and terms of any contracts to which MCDH is a party), whether they are prepared in whole or in part by Consultant or by any other person, are and shall remain the exclusive property of MCDH, and that all such trade secrets are confidential, material and important to the business and financial success of MCDH, and that their disclosure or unauthorized use would seriously and adversely affect the business of MCDH. Consultant hereby expressly covenants and agrees that Consultant will not, either directly or indirectly, whether on behalf of Consultant or others, do any of the following either during the term of this Agreement or at any time thereafter (or for such shorter period as may be specified below), except as is necessary to perform its obligations in the course of this Agreement:

13.1.1 Divulge, disclose or communicate to any person, firm or entity any of MCDH's trade secrets except as may be required by law;

13.1.2 For a period of two (2) years following termination: (a) solicit, induce or attempt to influence any employee or contractor of MCDH to terminate his or her relationship with MCDH; (b) solicit, induce or attempt to influence any health plans, or any hospital or any other health care facility, clinic or other contracting third party with a relationship with MCDH to terminate that relationship; (c) induce or attempt to influence any physician or any other professional with a referring relationship with MCDH to terminate that relationship; or (d) solicit any patient/service contractual arrangement of MCDH;

13.I.3 Otherwise engage in unfair competition with MCDH.

13.2 Consultant acknowledges, understands and agrees that Consultant's continuing breach of this provision would cause substantial and irreparable harm to MCDH. Accordingly, in the event Consultant breaches this provision, MCDH shall be entitled to preliminary and permanent injunctive relief preventing any further breaches by Consultant and enforcing this provision and Consultant hereby consents to the issuance of such relief and hereby waives any requirements that MCDH secure or post a bond in connection with MCDH obtaining any injunctive or other equitable relief. In addition, MCDH shall be entitled to such damages from Consultant as MCDH can demonstrate it suffered by reason of Consultant's breaches prior to the issuance of injunctive relief.

14. **Compliance**.

14.1 **Compliance with Applicable Laws**. To the best of the Consultant's knowledge and belief, Consultant has operated in compliance with all federal, state, county and municipal laws, ordinances and regulations applicable thereto and Consultant represents that he/she has not received payment or any remuneration whatsoever to induce or encourage the referral of patients or the purchase of goods and/or services as prohibited under 42 U.S.C. Section 1320a-7b(b), or otherwise perpetrated any Medicare or Medicaid fraud or abuse, nor has any fraud or abuse been alleged within the last five (5) years by any Governmental Authority, a carrier or a third party payor.

14.2 **Fraud and Abuse**. Consultant shall not engage in any activities which are prohibited by or are in violation of the rules, regulations, policies, contracts or laws pertaining to any third party and/or governmental payor programs, or which are prohibited by rules of professional conduct ("Governmental Rules and Regulations"), including but not limited to the following: (i) knowingly and willfully making or causing to be made a false statement or representation of a material fact in any application for any benefit or payment; (ii) knowingly and willfully making or causing to be made any false statement or representation of a material fact for use in determining rights to any benefit or payment; (iii) failing to disclose knowledge by a claimant of the occurrence of any event affecting the initial or continued right to any benefit or payment on Consultant's own behalf or on behalf of another, with intent to fraudulently secure such benefit or payment; or (iv) knowingly and willfully soliciting or receiving any remuneration (including any kickback, bribe, or rebate), directly or indirectly, overtly or covertly, in cash or in kind or offering to pay or receive such remuneration (1) in return for referring an individual to a person for the furnishing or arranging for the furnishing or any item or service for which payment may be made in whole or in part by Medicare or Medicaid, or (2) in return for purchasing, leasing, or ordering or arranging for or recommending purchasing, leasing, or ordering any good, facility, service or item for which payment may be made in whole or in part by Medicare or Medicaid. Consultant acknowledge that this list is not an exhaustive or complete list of all governmental requirements and Consultant represents and warrants to MCDH that Consultant will endeavor, to the best of his/her knowledge, to educate, to seek information, and/or to make themselves aware of these governmental requirements.

14.3 **Changes in The Law**. In the event of any changes in law or regulations implementing or interpreting any Federal or State law relating to the subject matter of fraud and abuse or to payment for patient referral, including the laws referenced above, the parties shall use all reasonable efforts to revise this Agreement to conform and comply with such changes. In the event that the Parties cannot revise this Agreement in a manner which will conform and comply with such changes and preserve to the extent possible the intent of the Parties in entering into this Agreement, then either Party may terminate those portions of the Agreement which cannot be revised to conform and comply with such changes and the intent of the Parties.

14.4 **Books and Records**. To the extent required by law, upon written request of the Secretary of Health and Human Service, the Comptroller General or any of their duly authorized representatives, Consultant, shall make available those contracts, books, documents and records necessary to verify the nature and extent of the costs of providing

Services to MCDH. Such inspection shall be available for up to four (4) years after the rendering of such services. If Consultant carries out any of the duties of this Agreement through a subcontract with a value of ten thousand dollars ($10,000.00) or more over a twelve (12) month period with a related individual or organization, Consultant shall include this requirement in any such subcontract. This Section is included pursuant to and is governed by the requirements of 42 C.F.R. §§300-304, and notwithstanding any reference in this Section to "subcontract," Consultant shall not assign, delegate or subcontract its obligations under this Agreement to any other person or entity except with the express written consent of MCDH. No attorney-client, accountant-client or other legal privilege shall be deemed waived by Consultant or District by virtue of this Agreement.

15. **Conflict of Interest**. Consultant shall inform MCDH of any other arrangements which may enter which presents a conflict of interest or materially interfere in the performance of Consultant's duties under this Agreement. If Consultant pursues conduct which in fact does constitute a conflict of interest or which materially interferes with or is reasonably anticipated to interfere with Consultant's performance under this Agreement, MCDH has the right to terminate this Agreement immediately.

16. **Waiver**. A waiver of any of the terms and conditions hereof shall not be construed as a general waiver by MCDH or Consultant.

17. **Partial Invalidity**. Should any portion of this Agreement be held unenforceable or inoperative for any reason, such shall not affect any other portion of this Agreement, but the remainder shall be as effective as though such ineffective portion had not been contained herein.

18. **Gender**. Words used in the masculine shall apply to the feminine where applicable, and vice versa. Any personal pronoun shall include any gender or number according to the context.

19. **Law Governing Agreement**. This Agreement shall be governed by and construed in accordance with the laws of the State of California.

20. **Entire Agreement and Modification**. The Parties hereby agree and acknowledge that this Agreement and the Exhibits incorporated herein constitute the complete agreement between the Parties with regard to the subject matter contained herein. This Agreement may only be modified by an agreement in writing executed by the Parties.

21. **Notices**. All notices, offers, elections, and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service if served personally on the Party to whom notice is to be given, or within forty-eight (48) hours after mailing, if mailed to the Party to whom notice is to be given by first class mail, registered or certified, postage prepaid, and properly addressed to the Party at the Party's last known address, or any other address that any Party may designate by written notice to the other Party.

IN WITNESS WHEREOF, the Parties hereof have executed and delivered this Agreement as of the day and year first above written.

"MCDH"

MENDOCINO COAST DISTRICT HOSPITAL
a California Health Care District

By: ______________________________
Karen S. Arnold, Board President

"Consultant"

SILVERTON MANAGEMENT COMPANY
LLC, a Nevada business entity

____
By: Wayne C. Allen, Managing Member

EXHIBIT A

The Services

- Perform the duties and responsibilities of the Chief Executive Officer of MCDH on a full time basis as needed by MCDH.

- Perform other duties as directed by the Board of Directors of MCDH

EXHIBITB

The Services Compensation

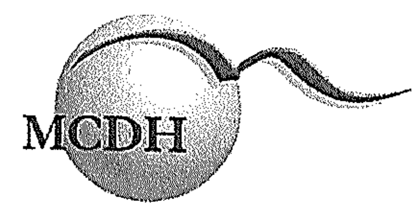
- Compensation shall be $24,000 (Twenty-four thousand dollars) per month and payable in two equal payments of $12,000 on the fifteenth and the last day of the month.

- Out-of-pocket reimbursable travel costs identified in paragraph 8 will be billed monthly and payable within ten days of the invoice date. Such out-of-pocket costs shall not exceed Five Hundred Dollars ($500) per month and shall be incurred in accordance with MCDH normal and customary policies and procedures.

TAB

5

MEMORANDUM



TO: Wayne Allen, CEO

FROM: Mike Ellis, CFO

DATE: 4/10/19

RE: resignation

I am tendering my resignation as CFO of Mendocino Coast District Hospital. Pursuant to my contract with the District, my last day at work will be 30 days from today, Friday May 10th.

My plans are to have a draft budget prepared by May 10th, with only the major decisions of benefit costs and program changes to be made.

TAB 6

Mendocino Coast District Hospital
Request for Proposal (RFP)

Mendocino Coast District Hospital ("MCDH") is a 25 bed Critical Access Hospital located in Fort Bragg, California and is accredited by the Joint Commission. Its services include a 24-hour emergency department, intensive care unit, obstetrics, inpatient acute care medical/surgical unit, swing bed unit, pharmacy, surgery, imaging, laboratory, home health, ambulance, hematology/oncology, respiratory, physical and occupational/speech therapies and a rural health clinic. Since 1971 MCDH has provided health care services to the residents of Mendocino County who reside along a 70-mile stretch of rural coastal communities. MCDH is a vital resource for the residents and visitors along the somewhat isolated coast of Mendocino County.

It serves a District of approximately 23,500 individuals. The District is divided into a primary service area and a secondary service area. The primary service area consists of seven zip codes, encompassing the communities of Westport, Fort Bragg, Caspar, Mendocino, Little River, Albion, Elk and Comptche. The secondary service area consists of three zip codes in the southern coastal communities of Gualala, Manchester and Point Arena.

MCDH is unionized and UFCW 8 is the recognized representative of all the employees paid on an hourly basis including regular full-time, regular part-time and per diem employees (excluding supervisor, management and confidential employees).

MCDH is a 501 (c)(3) non-profit entity and is classified as a Special District in the State of California. For almost 50 years, MCDH has been dedicated to a mission of making a positive difference in the health of our rural community. MCDH's vision is to:

- Play a vital role in the overall health and well-being of the community and will be the key element in the healthcare system serving the needs of our community. MCDH will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.
- Continue to be the healthcare provider and employer of choice within our community by implementing technology updates and achieving superior clinical skills.
- Have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

After careful thought and deliberation, the Board of Directors of MCDH (the "Board") has determined that the timing is appropriate to seek options regarding a potential lease or sale. The Board is committed to finding the right lease partner or buyer to ensure that exceptional local healthcare continues continue to be delivered on the Mendocino Coast and the surrounding area.

The purpose of this Request for Proposal ("RFP") is to provide a structure which allows the Board to differentiate between potential leasers or buyers and to give each responding organization an opportunity to articulate what makes them an attractive option for the community. In considering proposals, the Board is interested in identifying a partner having the following nine characteristics:

- A commitment to the continued provision of quality healthcare services to the residents of the Mendocino Coast and the surrounding area
- A strategic vision for the future of MCDH
- A demonstrated culture of quality and accountability
- A proven track record of operational success to ensure the ongoing vitality of MCDH, as a stable and professionally rewarding organization for its employees and medical staff

- Sufficient capital to allow MCDH to maintain high-quality care for its patients and improve its physical facilities
- A system reputation that will add value to MCDH's existing brand and reputation within our community and among physicians, consumers, and insurance plans
- Capabilities, facilities, clinical integration, leadership, and strategies necessary to be well positioned for success in an era of healthcare reform
- A commitment to transparency in dealing with all its constituencies
- A demonstrated history of following through on its promises and commitments

Please be assured that all organizations submitting a response will be accorded fair and equal treatment in the review of their respective proposals. The District's interim CEO will be available for questions or to provide additional information whenever necessary.

To be considered responsive to this RFP, your proposal should address the elements outlined below and in the following pages. Not all transaction elements may be relevant to all participants.

Background Information on Your Organization

- Business and Hospital Operational Experience
  - Describe your business and indicate the number of years of hospital operational experience you can bring to MCDH through your operations, governance, and management.
- Organizational Structure and Current Scope of Services
  - Describe the organizational structure or structures under which your business or businesses are conducted (including joint ventures and partnerships) and the current scope of services you provide.
- Please provide the following information regarding your organization:
  - Organizational chart
  - Description of your management, including key management personnel
  - Description of your relevant experience with the type of transaction proposed
  - Tax status

  - Description of the nature and extent of medical school affiliations, if any
  - Locations of facilities and businesses operated
  - Audited financial statements for the most recent three (3) fiscal years.
  - Description of the basis on which you believe that you have sufficient current and future financial resources to support the payments due under the terms of the proposed transaction and to operate MCDH on a basis which is consistent with the commitments set forth in this RFP.
  - Identification and contact information for your team members, including legal and financial advisors, if any.
  - Description of programs you have implemented that have changed healthcare in the communities in which you operate.
- Strategic Planning
  - Describe your strategic focus, plan, direction, and goals, as well as the challenges you face in achieving these objectives, and how you plan to address these challenges.
  - Describe how you see MCDH helping your system accomplish these goals and how you plan to integrate MCDH into your system.
- Legal Actions/Inquiries
  - Describe any prior or current/pending state or federal legal actions/inquiries involving your organization, your management, or Board of Directors.
- Ethical and Religious Directives
  - Describe any ethical or religious directives of your organization that would impact the future operations of MCDH.

Structure of the Proposed Transaction

- Describe the specific amount, terms, timing, and form of capital commitments you are prepared to make in a relationship with MCDH.
- Describe your commitment to assume all pre-transaction and post-transaction liabilities of MCDH and provide indemnification of MCDH against such liabilities, along with evidence of appropriate financial resources to support such indemnification.

- Legal Entity for Agreement with MCDH

  Describe the legal entity that will enter into an agreement with MCDH regarding the transaction that will own, operate, or hold any required licenses for the delivery of healthcare services at MCDH.

- Board of Directors
  - Describe the proposed governance structure and the ongoing role of MCDH's current Board.

Commitments/Objectives

As to each of the Commitments set forth below, you are asked to agree to the Commitment, describe how you are handling similar commitments within your existing organization, and how you intend to ensure meeting the Commitment if you are chosen as the successful party to negotiate with MCDH.

- Operational Commitments
  - Describe your commitment to operate MCDH as a full service acute care hospital for the foreseeable future.
  - Describe the proposed management organization structure for MCDH following the closing of a transaction.
- Rights of Reversion
  - Describe your commitment to provide MCDH, or a surviving organization, with rights of reversion of the operations and assets of MCDH in the event you fail to meet your commitments or if there is a bond default or sale, insolvency, or bankruptcy of your organization.
- Maintaining Charitable Purposes and Meeting Community Healthcare needs
  - Describe your commitment to maintain the mission/vision of MCDH, and collaborate with the District to meet the current and future healthcare needs of the community.
- MCDH Staffing
  - Retention of current MCDH staff, who are currently under the employment of the current lessee of the Hospital.

- ☐ Describe your commitment to retain MCDH employees following the closing of a transaction.
- ☐ Describe any anticipated employee benefit changes.
- ☐ Demonstrate any staffing or other plans to achieve economies of scale.

- Clinical Services and Physician Recruiting

  Describe your commitment to take steps to ensure that, subject to patient choice, all medical services for which there exists financial capability at MCDH will be performed locally rather than at outlying, tertiary care facilities, whether or not owned or controlled by your organization.

  - Describe your commitment to maintaining existing clinical services at MCDH and indicate the minimum timing that you are prepared to make for maintaining such services.
  - Describe any new services you anticipate implementing during the next five years.
  - Describe commitment to expend significant financial resources to recruit new physicians to the community and grow MCDH's current complement of clinical services, and specify what level of capital commitment you are making to do so.
  - Describe which, if any, clinical services may not be maintained at MCDH.

- Clinical Quality Improvement

  - Quality Measurement
    - ☐ Describe your commitment to develop and implement a proven plan for clinical quality measurement utilizing national and regional benchmarks and accountability.
  - Staff Development
    - ☐ Describe your commitment to develop and implement a proven plan for improvement of the medical staff, nursing staff and non-physician practitioners with corresponding education and training programs, including development and implementation of centers for excellence in specific clinical areas.

- Capital Improvements

  - Describe your commitment to needed capital improvements, including funding of growth initiatives intended to maintain facilities, equipment, and other capital items at a state-of-the-art level for comparable community hospitals.

- Competition and Right of First Refusal
  - Describe your commitment (a) not to own or operate any other entity which competes with MCDH in its service area and (b) to afford MCDH or a surviving organization with the right of first refusal in the event you should seek to sell the assets or operations of MCDH following the closing.
- Strategic Vision

  Describe the strategic vision you have for your presence and role in Mendocino County. How does MCDH fit into and allow you to achieve that vision? Describe the strategies that are currently beyond the reach of MCDH and that are possible with your involvement to deal with evolving payment systems, including a well-designed strategy for Accountable Care and population health management readiness.
- Information Technology
  - Describe your commitment to provide MCDH with information technology that will support clinical excellence, integrate MCDH with other system facilities, meet all federal and state requirements for funding, and promote participation and success in evolving payment structures.

Submitters should be aware that proposals will become public records when in the judgment of the District the Public Records Act requires disclosure. If there is a need to maintain confidentiality of any specific information such need will be brought forward by the Proposer and then discussed with the District for consideration under the Public Records Act. All material submitted regarding this RFP becomes the property of the District. Proposers should take special note of this as it relates to any proprietary information that might be included in their offer. Any resulting contract may be reviewed by any person after the contract has been executed by the District. The District has the right to use any or all information/material submitted in response to this RFP process and/or any resulting contract from the same. Disqualification of a proposal does not eliminate this right.

After receipt of Proposals, MCDH may, based at its sole discretion, select organizations with which to continue affiliation discussions. MCDH requests that your Proposal be as specific and detailed as possible. Site visits at MCDH can be arranged prior to the Proposal submission deadline.

Proposal Submission Deadline: May 17, 2019

Contact Person:

Wayne C. Allen
Interim CEO
707-961-4630
wallen@mcdh.net

Mendocino Coast District Hospital
700 River Drive
Fort Bragg, CA. 95437

TAB

7

RESOLUTION OF **MENDOCINO COAST HEALTH CARE DISTRICT**
AUTHORIZING SIGNATURE AUTHORITY FOR DISTRIBUTION PAYMENTS IN CONNECTION THEREWITH FOR THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY HELP II LOAN PROGRAM

The HELP II Loan Program
2019-13

WHEREAS, **Mendocino Coast Health Care District** (the "Borrower") has determined that it is in its best interest to borrow an aggregate amount not to exceed **$1,500,000.00** from the California Health Facilities Financing Authority (the "Lender"), such loan to be funded with the proceeds of the Lender's HELP II Loan Program; and

WHEREAS, the Borrower intends to use the funds for the following project: **Finance the renovation of three separate projects mandated by Office of Statewide Health Planning and Development to meet facility compliance. The projects involve HVAC air handling units, the central sterile department, and the automatic transfer switch;**

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

Wayne C. Allen, Interim Chief Executive Officer (an "Authorized Officer") is hereby authorized and directed, for and on behalf of the Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized officer deems necessary or advisable in order to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

The Board of Directors of the Mendocino Coast Health Care District at a regularly scheduled meeting of the Board passed this Resolution on _______________, 2019 by the following vote.

AYES: ____

NOES: ____

ABSENT: ____

ABSTAIN: ____

____
KAREN ARNOLD, President of the Board of Directors
Mendocino Coast Health Care District

ATTEST:

____

STEVEN LUND, Secretary of the Board of Directors
Mendocino Coast Health Care District

T
A
B

8

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION NO. 2019-10

WHEREAS, the Mendocino Coast Health Care District dba Mendocino Coast District Hospital (hereinafter "District") maintains various bank accounts with the Bank of America; and

WHEREAS, due to the District having a new Interim Chief Executive Officer (CEO), it will be necessary to notify Bank of America of the change of personnel; and

WHEREAS, all persons who act as authorized signatories for the District are required to be covered under Alliant Insurance Services, Inc. Crime Healthcare Insurance Program for government entities for the benefit of Mendocino Coast Health Care District.

A complete list of the District's accounts at Bank of America is attached to this Resolution as EXHIBIT A and incorporated by reference herein as though set forth in full.

NOW, THEREFORE, IT IS ORDERED AND RESOLVED that the following District Officers and/or Directors of the District have authority to disburse or withdraw funds from the District's bank accounts with Bank of America: Wayne C. Allen, Interim Chief Executive Officer (CEO), or in his absence, Karen Arnold or Chairperson (President) of the Board of Directors or Jessica Grinberg, Vice-President of the Board of Directors. With the exception of routine authorized employee payroll, routine District accounts payable, approved vendor and professional contracts (e.g. physician payments and other authorized contractual obligations), disbursement or withdrawals of District funds in excess of $25,000.00 require the authorization of at least two (2) of the Officers/ Directors identified in this Resolution.

The Board of Directors of the Mendocino Coast Health Care District at a regularly scheduled meeting of the Board passed this Resolution on April 25, 2019 by the following vote.

AYES: ______________________________

NOES: ______________________________

ABSENT: ______________________________

ABSTAIN: ______________________________

____
KAREN ARNOLD, President of the Board of Directors

ATTEST:

____
STEVEN LUND, Secretary to the Board of Directors
Mendocino Coast Health Care District

MENDOCINO COAST HEALTH CARE DISTRICT
BANK ACCOUNTS

ACCOUNT	ACCT#
BANK OF AMERICA	
MASTER	14997-01263
ACCTS PAYABLE	14997-01268
PAYROLL	14997-01282
CORE	01295-80155
HOME HEALTH ACCTS PAYABLE	14991-83743
HOME HEALTH PAYROLL	14991-87680

T
A
B
9

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION NO. 2019-11

WHEREAS, the Mendocino Coast Health Care District dba Mendocino Coast District Hospital (hereinafter "District") maintains various bank accounts with the Savings Bank of Mendocino County; and

WHEREAS, due to the District having a new Interim Chief Executive Officer (CEO), it will be necessary to notify the Savings Bank of Mendocino County of the change of personnel; and

WHEREAS, all persons who act as authorized signatories for the District are required to be covered under Alliant Insurance Services, Inc. Crime Healthcare Insurance Program for government entities for the benefit of Mendocino Coast Health Care District

A complete list of the District's accounts at the Savings Bank of Mendocino County is attached to this Resolution as EXHIBIT A and incorporated by reference herein as though set forth in full.

NOW, THEREFORE, IT IS ORDERED AND RESOLVED that the following District Officers and/or Directors of the District have authority to disburse or withdraw funds from the District's bank accounts with the Savings Bank of Mendocino County: Wayne C. Allen, Interim Chief Executive Officer (CEO), or in his absence, Karen Arnold, Chairperson (President) of the Board of Directors or Jessica Grinberg, Vice-President of the Board of Directors. With the exception of routine authorized employee payroll, routine District accounts payable, approved vendor and professional contracts (e.g. physician payments and other authorized contractual obligations), disbursement or withdrawals of District funds in excess of $25,000.00 require the authorization of at least two (2) of the Officers/ Directors identified in this Resolution.

The Board of Directors of the Mendocino Coast Health Care District at a regularly scheduled meeting of the Board passed this Resolution on April 25, 2019 by the following vote.

AYES: ______________________________

NOES: ______________________________

ABSENT: ______________________________

ABSTAIN: ______________________________

____
KAREN ARNOLD, President of the Board of Directors

ATTEST:

____
STEVEN LUND, Secretary of the Board of Directors

MENDOCINO COAST HEALTH CARE DISTRICT
BANK ACCOUNTS

ACCOUNT	ACCT#
SAVINGS BANK OF MENDOCINO	
GIFT & MEMORIAL	04-230686
PLAN FUND	04-233748
CORPORATE ACCOUNT	04-230660
HOME HEALTH & HOSPICE	04-230678

EXHIBIT A

TAB 10

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION NO. 2019-12

WHEREAS, the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (hereinafter "District") maintains various bank accounts with Tri Counties Bank; and

WHEREAS, the District's accounts at Tri Counties Bank are:

MASTER	67100-7207
DEPOSIT ACCOUNT	67100-7219
ACCTS PAYABLE	67100-7244
PAYROLL	67100-7232
MCHCD CERTIFICATE OF DEPOSIT	67400-9039
HOME HEALTH ACCTS PAYABLE	67100-7888
HOME HEALTH PAYROLL	67100-7256
HELP II	67101-3827
PARCEL TAX	67101-5861

WHEREAS, due to the District having new Board of Director Officers and a new Interim Chief Executive Officer, it is necessary to notify Tri Counties Bank of the needed changes of signatory authority.

NOW, THEREFORE, IT IS ORDERED AND RESOLVED that the following District Officers and/or Directors of the District have authority to disburse or withdraw funds from the District's bank accounts with Tri Counties Bank: Wayne C. Allen, Interim Chief Executive Officer Karen Arnold, Chairperson (President) of the Board of Directors, or Jessica Grinberg, Vice-President of the Board of Directors, or John Redding, Treasurer of the Board of Directors. With the exception of routine authorized employee payroll, routine District accounts payable, approved vendor and professional contracts (e.g. physician payments and other authorized contractual obligations), disbursement or withdrawals of District funds in excess of $25,000 require the authorization of at least two (2) of the Officers/ Directors identified in this Resolution.

The Board of Directors of the Mendocino Coast Health Care District at a regularly scheduled meeting of the Board passed this Resolution on April 25, 2019 by the following vote.

AYES: __________

NOES: __________

ABSENT: _______

ABSTAIN: ______

____

KAREN ARNOLD, President of the Board of Directors
Mendocino Coast Health Care District

ATTEST:

____

STEVE LUND, Secretary of the Board of Directors
Mendocino Coast Health Care District

TAB 11

MENDOCINO COAST DISTRICT HOSPITAL
NORTH COAST FAMILY HEALTH CENTER
PROFESSIONAL SERVICES AGREEMENT
MEDICAL DIRECTOR

THIS AGREEMENT is made and entered into on June 1, 2019 ("the Effective Date") by and between MENDOCINO COAST HEALTH CARE DISTRICT, a political subdivision of the State of California (the "District"), which owns and operates MENDOCINO COAST DISTRICT HOSPITAL, 700 River Drive, Fort Bragg, County of Mendocino, State of California (the "Hospital") and JASON KIRKMAN, M.D., a licensed California physician (the "Physician').

RECITALS

WHEREAS, District owns and operates Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, County of Mendocino, State of California (the "Hospital") and maintains and operates the North Coast Family Health Center, a provider-based rural health clinic (the "Clinic"), located at 721 River Drive, Suites A, B & C, Fort Bragg, California, as an outpatient department of the Hospital to provide multi-specialty services to patients residing both within and outside the District, and District desires to assure adequate physician services for such population; and

WHEREAS, Physician is a physician licensed to practice medicine in the state of California; and

WHEREAS, the District is in need of a medical director for the Clinic and Physician represents that he is fully qualified and licensed to provide all medical director services for the Clinic as set forth herein; and

WHEREAS, the District and Physician previously entered into an agreement dated June 1, 2017 for the Physician to be the medical director of the Clinic, that previous agreement will expire as of May 31, 2019 and the Parties hereto desire to execute a new agreement so that the Physician can continue to perform as the medical director of the Clinic for the term of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants herein contained, District and Physician agree as follows:

1. Physician's Obligations

a. Medical Director. Physician is hereby appointed by District as the Medical Director of the Clinic, on the terms and conditions set forth herein. Physician's responsibilities as Medical Director of the Clinic (the "Services") are set forth in Attachment A.

b. Physician's Personal Responsibility. Physician shall provide services as Medical Director of the Clinic a minimum of 16 hours per month and will submit to the Clinic

Practice Administrator a monthly report detailing his activities.

c. Physician Personnel Qualifications. Physician represents and covenants that, upon entering into and during the term of this Agreement, he: (i) shall hold an unrestricted license to practice medicine in California; (ii) be a member in good standing of the Hospital's active medical staff; (iii) be certified under the Medicare and Medicaid programs and not be suspended, excluded, or otherwise ineligible to participate in any federal or state health care program; and (iv) if a physician, maintain current and valid DEA registration. Further, Physician represents and warrants that he has never: (i) suffered suspension, revocation or restriction of his medical license in any state; (ii) been reprimanded, sanctioned, or disciplined by any licensing board or specialty board; (iii) been excluded or suspended from participation in, or sanctioned by, any state or federal health care program, including Medicare and Medicaid/Medi-Cal; (iv) been denied membership on or reappointment to the medical staff of any hospital; or (v) suffered suspension, restriction or revocation of his or medical staff membership or clinical privileges at any hospital for a medical disciplinary cause or reason.

d. Notification of Certain Events and Noncompliance.

(1) Physician shall notify District in writing within twenty-four (24) hours after Physician becomes aware of any of the following events or circumstances: (i) Physician becomes the subject of, or materially involved in, any investigation, proceeding, or disciplinary action by any state or federal health care program, any state's medical board or professional board, any agency responsible for professional licensing, standards or behavior, or any hospital's medical staff; (ii) Physician becomes the subject of any legal action or legal proceeding arising out of the provision of medical services; (iii) any other event which materially alters the status of Physician's compliance with the requirements of any part of this Section 1; or (iv) Physician changes office locations outside of the District.

(2) Physician shall immediately report to the Hospital any conflict or potential conflict of interest of Physician and give full disclosure of the facts pertaining to any transaction or related activity that may be reasonably construed to be a conflict of interest with District or that would have an adverse effect on Physician's satisfactory performance of this Agreement.

g. Participation in Other Activities. Physician may engage in independent medical practice, as long as such practice does not interfere with Physician's performance of services under this Agreement.

j. Participation in Medical Staff. Physician shall (a) attend meetings within the Hospital or Clinic that he is asked to attend by the hospital administrator as well as the routine meetings of the medical staff; and (b) perform such other duties as may from time to time be requested by the hospital, the hospital's governing board, and the hospital's medical staff.

k. Records and Reports. Physician shall not provide clinical services under this Agreement. Physician shall provide or cause to be provided to District or the Hospital all

records and reports requested by District or the Clinic associated with his duties as Medical Director of the Clinic. All records and reports required by this Agreement shall be the exclusive property of the Hospital.

l. Use Of Premises. Physician shall not use or knowingly permit any other person to use any part of the District's premises for any purpose other than the performance of professional services for the District and its patients pursuant to this agreement.

m. No Discrimination. Physician shall not discriminate against any patient because of race, ethnicity, national origin, citizenship, preexisting medical condition, age, sex, marital status, religion, sexual orientation, physical or mental handicap, insurance status, economic status, or ability to pay, except to the extent that a circumstance such as age, sex, preexisting medical condition, disruptive behavior or failure to cooperate, or physical or mental handicap is medically significant to the provision of appropriate medical care to the patient.

n. Residence Within District. Physician recognizes that, as Hospital is owned and operated by the District, which is a political subdivision of the State of California, it is important that he or she live within the geographic area of the District, Physician agrees that he shall be a full-time resident within that area.

2. Independent Contractor.

a. The Parties acknowledge that Physician is and shall remain at all times an independent contractor and nothing herein shall be construed to create the relationship of employer/employee between Physician and District. Neither the District or any of its representatives shall have any control over the manner or methods by which Physician performs his duties hereunder; provided that Physician shall perform the Services in accordance with the Hospital's and Clinic's written policies and procedures, corporate compliance policy and program, Bylaws and Medical Staff Bylaws and rules and regulations, accrediting body (such as The Joint Commission), the rules and regulations of regulatory agencies having jurisdiction over the Hospital, and community standards of practice, as applicable. Physician shall at all times treat Hospital medical and administrative staff in a courteous and respectful manner.

b. Physician shall be responsible for all federal and state income taxes and all other payments or deductions required to be made as a result of compensation paid to him for the Services. Physician shall not have any claims under this Agreement or otherwise against District for employee benefits of any kind, including, but not limited to, social security benefits, workers' compensation benefits, disability benefits, unemployment benefits, vacation pay, or sick leave.

3. Hospital's Duties and Responsibilities. Hospital shall provide the facilities and space it determines to be necessary for the performance of the Services.

4. Compensation and Benefits

As compensation for the Medical Director and the Professional Services, Hospital shall pay Physician the amounts set forth in Attachment B.

5. Term and Termination

a. Term: Subject to earlier termination as provided in Subsection 5. b. (Termination), this Agreement shall be effective as of the Effective Date and shall remain in full force for a period of twelve (12) months.

b. Termination: This Agreement may be sooner terminated on the first to occur of the following:

(1) In the event Hospital and Physician shall mutually agree, in writing, this Agreement may be terminated on the terms and date stipulated therein.

(2) Either party may terminate this contract without cause upon 60 days' notice to the other party; in which event this Agreement shall terminate at the end of the 60-day notice period.

(3) Either party may terminate this Agreement on ten (10) days' written notice in the event of a material breach by the other party which is not cured to the reasonable satisfaction of the terminating party within the period of the notice.

(4) Physician fails to meet any of the qualifications set forth in Section 1 hereof. In such event, the District may terminate this Agreement immediately upon written notice to the Physician.

(5) The closure of the Clinic, cessation of the patient care operations at the Clinic, or sale of Clinic or of substantially all of Clinic's assets.

c. Effect of Termination. Upon termination or expiration of this Agreement:

(1) All rights and obligations of the Parties shall cease except (i) those rights and obligations that have accrued and remain unsatisfied prior to the termination or expiration; and (ii) those rights and obligations which expressly survive termination or expiration of this Agreement;

(2) Physician shall immediately vacate the Clinic premises, removing any and all of his personal property, and District may remove and store, at Physician's expense, any personal property that Physician has not so removed;

(2) Physician shall immediately return to District or Clinic all of District's or Clinic's property, including equipment, supplies, furniture, furnishings and patient records, in their possession or under their control; and

(3) Physician shall not do anything or cause or permit any other person to do anything that interferes with District's efforts to engage any other person or entity for the provision of Services, or interferes in any way with any relationship between District and any other person or entity who may be engaged to provide Services to District.

(4) In the event this Agreement is terminated prior to the one-year anniversary of the Effective Date, the Parties shall not enter into a contract with each other for similar services hereunder until such date that is at least one year from the Effective Date of this Agreement.

(5) No Hearing Rights. Expiration or termination of this Agreement for any reason shall not provide Physician with the right to a "fair hearing" or any other similar rights or procedures more particularly set forth in the Medical Staff Bylaws.

6. Insurance

a. Administrative Services. District agrees to provide insurance coverage for Physician with respect to his administrative duties in connection with this Agreement, and to the extent not covered by such insurance, to hold Physician harmless from any claims or charges that might befall him in that capacity, including, but not limited to reasonable attorney's fees in defending said claims or charges when they arise out of their actions in performing said administrative and organizational functions for the District and Clinic. District shall provide Physician with a certificate of such insurance, and said insurance shall provide for notice to Physician of at least thirty (30) days in writing in the event of cancellation of said coverage. The insurance and hold harmless protection provided by District herein shall be solely for administrative services provided in connection with this Agreement.

b. The obligations set forth in this Section 6 shall survive the termination of this Agreement. Nothing in this Section 6 shall obligate either Party to extend this Agreement beyond the term set forth in Section 5 (Term and Termination) or affect either Party's right to terminate this Agreement as provided in Section 5 (Term and Termination).

7. Records and Information**.**

a. Access to Books and Records. To the extent that it may be applicable only, the Parties agree that the Comptroller General of the United States, the federal Department of Health and Human Services ("HHS"), and their duly authorized representatives shall have access to Physician's contracts, books, documents and records regarding Physician's Services under this Agreement for which Medicare reimburses the Clinic and/or District, as applicable. Such access shall be to the extent necessary to certify the nature and extent of those Services and such access shall be permitted until four (4) years after Professional Services are furnished under this Agreement. Access shall be provided in accordance with Section 1861(v)(1)(I) of the Social Security Act (42 USC § 1395x (v)(1)(I)), as amended, and 42 CFR § 420.301 through 42 CFR §

420.304. In the event that the requirements of those provisions are reduced or eliminated, the obligations of the Parties under this Subsection 7.a. shall likewise be reduced or eliminated.

If Physician is requested to disclose any books, documents, or records relevant to this Agreement for the purpose of an audit or investigation, Physician shall notify District immediately of the nature and scope of the request.

b. Proprietary Information. Physician acknowledges that he may obtain or have access to certain information of District that is confidential, including, but not limited to, patient information, medical records, confidential financial, operational, business and planning information, the Clinic and/or Hospital's procedures and manuals, know-how, and trade secrets (the "Proprietary Information") whether such information is disclosed orally, visually, or in writing, and whether or not bearing any legend or marking indicating that such information or data is confidential or proprietary. Physician shall keep such Proprietary Information confidential and shall not directly or indirectly disclose such Proprietary Information to a third party, except as required to perform Physician's obligations hereunder, or as required by law, or with the prior written consent of District. The foregoing sentence shall not apply to information: (i) reasonably required by other health care providers involved in a particular patient's case; or (ii) which is or becomes public knowledge through no fault of Physician. Physician further agrees not to use any Proprietary Information in a manner adverse to the interests of District and recognizes District's right to obtain judicial relief, including injunctive relief and damages, for any violation of this provision.

Physician will return to District all Proprietary Information and all copies thereof in Physician's possession or control promptly upon the written request of District, or the termination or expiration of this Agreement. Physician shall not copy, duplicate or reproduce any Proprietary Information without the prior written consent of the District.

c. Health Information Privacy and Security.

(1) HIPAA Compliance. Physician and District shall each comply with all applicable laws and regulations concerning the privacy and security of health information, including, but not limited to, the Federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and Subtitle D of the Federal HITECH Act, as amended from time to time, and the regulations promulgated thereunder, as well as the District's policies and procedures, as applicable, regarding health information confidentiality and security.

(2) Medical Records and Claims. Any and all patient records and charts produced as a result of any Party's performance under this Agreement shall be and remain the property of District, both during and after the Term of this Agreement. Upon termination of this Agreement Physician shall not keep or copy any lists, charts, files, or other documents in any form, including electronic, that include patient-identifiable information.

Notwithstanding, consistent with applicable state and federal law and patient privacy, both during and after the Term of this Agreement, Physician shall be permitted to inspect and/or duplicate, at Physician's expense, patient charts or records to the extent

necessary to meet professional responsibilities to such patients and/or in the course of an investigation or to assist in the defense of any investigation or claim to which such chart or record may be pertinent. Such inspection or duplication, however, must be permitted and conducted in accordance with the applicable legal requirements and pursuant to commonly accepted standards of patient confidentiality.

d. Survival. The obligations created by this Section 7 shall survive the termination of this Agreement.

8. Miscellaneous

a. Jurisdiction and Venue. This Agreement has been executed and delivered and shall be interpreted, construed and enforced pursuant to and in accordance with the laws of the State of California. All duties and obligations of the Parties created hereunder are to be performed in Mendocino County, State of California, and Mendocino County, State of California, shall be the sole and exclusive venue for any litigation, special proceeding or other proceeding, not including appellate proceedings, as between the Parties that may be brought or arise out of, in connection with or by reason of this Agreement.

b. Attorneys' Fees. The prevailing Party shall be entitled to recover reasonable attorneys' fees and costs, including attorneys' fees and costs incurred in connection with appellate proceedings, in connection with any litigation arising out of the Agreement.

c. Notices. All notices to be given under the terms of this Agreement shall be in writing, signed by the person serving the same and shall be sent by personal delivery or registered or certified mail, return receipt requested, and postage prepaid to the address of the Parties below specified:

District
Chief Executive Officer
Mendocino Coast District Hospital
700 River Drive
Fort Bragg, CA 95437

Physician
Jason Kirkman, M.D.
24772 Sashandre Lane
Fort Bragg, CA 95437

Notices given personally shall be effective upon delivery and notices sent by mail as provided for above shall be effective upon the date shown on the delivery receipt.

d. Paragraph Headings. The titles of the paragraphs contained herein are for convenience only and do not define, limit, or construe the contents of such paragraphs and are in no way to be construed as part of this Agreement.

e. No Assignment. Neither Party shall assign or delegate any of its respective obligations or rights hereunder without the prior written consent of the other Party. Nothing contained in this Agreement shall be construed to permit the assignment or delegation by District or Physician of any obligations or rights hereunder, without the prior written consent of the other Party.

f. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, between the Parties hereto concerning the provision of by Physician at the Clinic and/or Hospital, and contains all the promises and arrangements between the Parties with respect to such Agreement. Each Party acknowledges that no representations, promises, or agreements orally or otherwise, have been made that are not embodied herein.

g. Responsibility. Each Party shall be solely responsible for its own acts or omissions in connection with the performance of its obligations under this Agreement.

h. Independent Representation. Each Party has had the opportunity to be represented by and to have this Agreement reviewed by its own separate legal, accounting, and tax counsel. Each Party has looked to such independent counsel representing that Party for advice regarding this Agreement. No Party makes or represents to the other any representation of law or fact except as specifically provided in this Agreement.

i. Ambiguities. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Agreement. Accordingly, any rule of law (including Section 1654 of the California Civil Code or any other similar federal or state statute) or legal decision that would require interpretation of any ambiguities in this Agreement against the Party that has drafted it is not applicable and is waived. The provisions of this Agreement shall be interpreted in a reasonable manner to affect the purpose of the Parties.

j. Amendment. No amendment or change to the terms of this Agreement is valid unless made in writing and signed by a duly authorized representative of each of Physician and District.

k. Counterparts. This Agreement may be executed in counterparts, and counterpart signatures pages, including photocopied, faxed, or scanned copies, may be assembled to form a single, fully-executed document.

l. Unanticipated Events. In the event that the District's operations are substantially interrupted by an act of war, fire, insurrection, riot, earthquake, strikes or other labor issues, or other acts or causes that are not the fault of District, or are beyond the reasonable control of District shall be relieved of their obligations pursuant to this Agreement for the duration of any such interruptions.

m. Cross-Reference to Other Agreements. As of the Effective Date, the arrangements listed in Attachment C are in force between the District and the Physician or any immediate family member of the Physician.

n. Severability: The invalidity or unenforceability of any provision of this Agreement shall not affect the validity of any other provision.

[Signature page follows]

HOSPITAL:

____________________________________ ________________________________

Wayne Allen, Interim Chief Executive Officer Date

____________________________________ ________________________________

Jason Kirkman, M.D., Physician Date

ATTACHMENT A

Medical Director Services

The Medical Director shall have the following authority and responsibilities:

1. Provide medical direction for the Clinics health care activities and consultation for, and medical supervision of, the health care staff;

2. In conjunction with the physician assistant and/or nurse practitioner member(s), participating in the development, execution, and periodic review of the Clinic's written policies and the services provided to Federal program and other patients;

3. Periodically review and audit the Clinic's patient records, provide medical orders, and provide medical care services to the patients of the Clinic;

4. Develop and promote strategies for access to care for Clinic patients;

5. Ensure Clinic's non-physician practitioners are supervised as required by law by the Physicians of the Clinic;

6. Participate in medical staff quality improvement and review activities for the Clinic, including attendance at meetings as mutually agreed upon;

7. Coordinate and participate in appropriate peer review and chart audits as needed for quality of care;

8. Participate in regular meetings with the Clinic Practice Administrator and Providers; and

9. Promote coordination and cooperation between professional and technical staff.

ATTACHMENT B

Compensation

Medical Director Fees. As compensation for his services hereunder, Physician shall be paid the sum of Twenty-Four Thousand Dollars ($24,000) annually, paid in equal monthly amounts, on or before the first day of the month, on the condition that Physician submit to Hospital written confirmation of services performed, and the time of such services to the nearest quarter hour, on a form provided by Hospital.

ATTACHMENT C

Other Agreements

Professional Services Agreement with term of August 1, 2016 to July 31, 2020.

Cardiopulmonary Interpretive Services Agreement with term of December 1, 2017 to July 31, 2020.

TAB 12

MENDOCINO COAST HEALTH CARE DISTRICT

PHYSICIAN CHAMPION AGREEMENT

ZOÉ BERNA, M.D.

This Physician Champion Agreement (the "Agreement") is entered into as of March 28, 2019, by and between **MENDOCINO COAST HEALTH CARE DISTRICT**, a political subdivision of the State of California (the "District") and **ZOÉ BERNA, M.D.**, an individual licensed to practice medicine in the State of California (the "Physician"). District and Physician are sometimes referred to in this First Amendment as a "Party" or collectively as the "Parties".

WHEREAS, the Physician currently performs professional medical services for the District in the District's Rural Health Clinic ("RHC") pursuant to a certain Professional Services Agreement (the "PSA") dated December 28, 2015 as amended by a First Amendment to that Professional Services Agreement dated December 6, 2018; and

WHEREAS, the Parties previously entered into a Physician Champion Agreement (the "Prior Agreement") for the same Services (as defined below) as of August 31, 2017 (with an effective date of September 1, 2017) which expired on August 31, 2018;

WHEREAS, the District has purchased a new electronic health record ("EHR") system that will replace the current EHR system that is in use in the RHC and in Mendocino Coast District Hospital (the "Hospital"); and

WHEREAS, Physician represents that she has expertise in the use and optimization of EHR systems that will enable her to function as a champion for the physicians who utilize the new EHR system that will be operational for both the RHC and the Hospital as set forth later in this Agreement; and

WHEREAS, the Physician began performing the Services on March 1, 2019 pursuant to the verbal agreement between her and the administration of the Hospital and RHC that her performance of the Services would be governed by the same terms and conditions that existed in the Prior Agreement; and

WHEREAS, notwithstanding the verbal agreement between the Parties they did not immediately sign a new agreement covering the Physician's performance of Services beginning March 1, 2019; and

WHEREAS, the Parties desire to enter into this Agreement in order to document that the Physician has been performing the Services regarding the new EHR system for the Hospital and the RHC since March 1, 2019 pursuant to the same terms and conditions that existed in the Prior Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the District and Physician agree to the following:

1. Physician's Obligations. Physician shall perform those duties set forth in Attachment A (the "Services") to this Agreement.

2. Compensation. District shall pay Physician at the rate of $150.00 per hour for performance of the Services, not to exceed $9,000. The Physician agrees that the payment is fair market value for the Services only. The fee should be paid within thirty (30) days following receipt of a statement from Physician listing the

particular service, complete and accurate time records documenting all time spent in providing Services and the date of performance. The statement submitted shall be in the form as mutually agreed to by the parties. The District shall maintain a record of all statements submitted by Physician.

3. Relationship of Parties. Both Parties shall be deemed to be independent contractors and nothing in this Agreement shall be construed to create any employer-employee relationship between District and Physician. Physician shall not be entitled to receive any benefits provided by District to its employees, such as health insurance benefits, paid vacation or workers' compensation coverage. Nor shall District be required to withhold or pay any taxes or Social Security contributions on behalf of Physician, and all withholdings shall be the responsibility of Physician.

4. No Referral Obligation. The Parties expressly agree that nothing contained in this Agreement shall require Physician to refer or admit any patients to, or order any goods or services from the RHC, the Hospital or other District facility.

5. Licenses, Permits and Standards. Physician shall obtain and maintain any and all licenses, permits and other authorization, which are dependent upon or applicable to, in whole or in part, to Physician's Services under this Agreement. Physician further agrees to perform all Services under this Agreement in accordance with any and all regulatory and accreditation standards applicable to the Services including, without limitation, those requirements imposed by The Joint Commission, the Medicare/Medicaid conditions of participation and any amendments thereto.

6. Representation and Warranty Not Ineligible, Convicted or Under Investigation. Physician represents and warrants to District and District Affiliates that Physician (i) is not currently excluded, debarred, or otherwise ineligible to participate in the Federal health care programs as defined in 42 USC § 1320a-7b(f) (the "Federal healthcare programs"); (ii) has not been convicted of a criminal offense related to the provision of healthcare items or services and has not yet been excluded, debarred, or otherwise declared ineligible to participate in the Federal healthcare programs, and (iii) is not under investigation or otherwise aware of any circumstances which may result in Physician being excluded from participation in the Federal healthcare programs. This shall be an ongoing representation and warranty during the term of this Agreement and Physician shall immediately notify District of any change in the status of the representations and warranty set forth in this section. Any breach of this section shall give District the right to terminate this Agreement immediately for cause.

7. Reporting. Physician shall prepare and deliver to District administrative, clerical, and business records and reports related to the Services provided in such format and upon time intervals mutually agreed to by the Parties. Said records and reports shall be the property of District.

8. Work Product. Any deliverables Physician is required to develop for, and to deliver to, District pursuant to this Agreement, herein referred to as "Work Product", shall be deemed to be a "Work-for-hire" with District owning all right, title and interest in such Work Product. To the extent any Work Product is not deemed to be a "Work-for-hire", Physician hereby assigns all of her right, title and interest in the Work Product to District. Physician warrants that Work Product will not contain any information, material, data, computer code, or any other content that is owned or controlled by any third party except as expressly disclosed to and approved by District in writing. Physician also warrants that she has the unqualified right to transfer all right, title and interest in the Work Product to District, and that if any third party rights exist in the Work Product, that she has the right to, and hereby grants to District a license to use such third party content in the Work Product.

Physician further warrants that the Work Product and District's use thereof shall not infringe or violate any patent, trademark, copyright, trade secret, or any other intellectual property right of any third party.

9. Books and Records. Pursuant to the requirements of 42 CFR 420.300 et seq., Physician agrees to make available to the Secretary of Health and Human Services ("HHS"), the Comptroller General of the Government Accounting Office ("GAO") or their authorized representatives, all contracts, books, documents and records relating to the nature and extent of costs hereunder for a period of four (4) years after the furnishing of Services hereunder for any and all Services furnished under this Agreement.

10. Authority. Physician shall not have the right or authority to enter into any contract in the name of District without express permission of the District.

11. Confidentiality. Physician recognizes that in the course of providing Services to District, District will necessarily disclose proprietary information relating to District's business to Physician. Physician agrees that she will maintain such proprietary information received from District, in confidence and not disclose such to any third parties without the prior written permission of District. Physician further agrees that she will use such proprietary information only as is necessary to provide Services to District.

12. HIPAA and HITECH. Physician acknowledges that District and/or its affiliated facilities are "covered entities" as that term is defined at 45 C.F.R. §160.103. Physician agrees to comply with the Health Information Technology for Economic and Clinical Health Act of 2009 (the "HITECH Act"), the Administrative Simplification Provisions of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 U.S.C.A. §1320d *et seq.* ("HIPAA") and any current and future regulations promulgated under the HITECH Act or HIPAA, including without limitation the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the "Federal Privacy Regulations"), the federal security standards contained in 45 C.F.R. Parts 160, 162 and 164 (the "Federal Security Regulations"), and the federal standards for electronic transactions contained in 45 C.F.R. Parts 160 and 162 (the "Federal Electronic Transaction Regulations"), all as amended from time to time and collectively referred to herein as the "HIPAA Requirements". Physician agrees not to use or further disclose any "Protected Health Information," including "Electronic Protected Health Information," (as such terms are defined in the HIPAA Requirements) other than as permitted by the HIPAA Requirements and the terms of this Agreement.

13. Reserved.

14. Term. This Agreement shall be effective as of March 1, 2019 (the "Effective Date"). The term of the Agreement shall be for one year.

15. Termination. Either Party may terminate this Agreement upon breach by the other Party that is not cured within ten (10) calendar days following receipt of notice thereof. Furthermore, either Party may terminate this Agreement at any time without cause upon thirty (30) days prior written notice to the other Party. If this Agreement is terminated prior to the end of one year from the Effective Date the Parties shall not enter into another agreement for the same or similar services until the expiration of at least one year from the Effective Date. The provisions of this Agreement which by their nature must survive termination in order to be effective (such as, but without limitation, obligations to pay money, obligations to submit reports and confidentiality obligations) shall be deemed to remain in effect after termination of this Agreement.

16. Notices. All notices required or permitted under this Agreement shall be deemed given upon receipt, and shall be in writing and delivered either in person, by United States Registered or Certified Mail (Return Receipt requested) or overnight delivery service, with proof of delivery, addressed as follows:

If to District:

Mendocino Coast Health Care District
700 River Drive
Fort Bragg, CA 95437

If to Physician:

Zoé Berna, MD
15051 Cypress Lane #140
Caspar, CA 95420

Such addresses may be changed from time to time by either party by providing written notice to the other in the manner set forth above.

17. Assignment. This Agreement and any obligations hereunder shall not be assigned or subcontracted to any third party without the prior written consent of the other Party. Failure to obtain such prior written consent shall deem such assignment or subcontract void and of no effect and be grounds for immediate termination of this Agreement by the non-assigning Party.

18. Severability. If any provision of this Agreement shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision in this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed and enforced as so limited.

19. Amendment. This Agreement may be modified or amended only by written amendment executed by authorized representatives of the Parties hereto and containing language therein expressly indicating an intent to amend the terms of this Agreement.

20. Waiver. The failure of either Party to enforce any provision in this Agreement shall not be construed as a waiver or limitation of that Party's right to subsequently enforce or compel strict compliance with the terms of this Agreement.

21. Entire Agreement. This Agreement contains the entire Agreement of the Parties and supersedes any prior written or oral Agreement between the Parties concerning the subject matter herein.

22. Applicable Law. The laws of the State of California, excluding its conflicts of law provisions, shall govern this Agreement, and jurisdiction and venue for any dispute between Physician and District concerning this Agreement shall exclusively rest within the state and federal courts of the county and state where District is located.

23. Other Agreements. Attachment B contains a list of all other agreements or services furnished by the Physician (or an immediate family member of the physician) to the District as of the date of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement which shall be effective as of the Effective Date.

PHYSICIAN

____

Name: Zoé Berna, M.D.

Date: __________________________

MENDOCINO COAST HEALTH CARE DISTRICT

By: ______________________________

Name: ____________________________

Title: _____________________________

Date: _____________________________

ATTACHMENT A

PHYSICIAN DUTIES AND SERVICES

Physician shall be responsible to perform the administrative services set forth below. The administrative services set forth below shall be the only duties to be performed by Physician, regardless of whether the time reporting form attached to this Agreement or included in the "Terms" (or other electronic time reporting module) contains additional categories.

Physician shall not report any time performing administrative services on her Time Report that are related to the care of her own patients, including supervision, training and education and/or charting or chart review.

Role Description:

- Partner with the District Administration, RHC Medical Director and the District IS Department to guide the preparation for, and implementation of, the new EHR system.
- Participate in the development of standards policies and procedures for the new EHR system.
- Lead physicians in the training for use of the new EHR system.
- Help recruit "Subject Matter Experts" in key clinical areas.
- Serve as a liaison between the Ambulatory EHR and the Inpatient EHR Implementation Team of the Hospital.
- Serve as coordinator or chair of local physician user group(s).
- Serve as physician resource for other local (non-physician) user group(s).
- Recommend guidelines for optimizing physician adoption of the EHR in their daily practices.
- Provide guidance in the development of and/or create EHR training materials using a delivery approach to most effectively reach clinicians.
- Participate in EHR meetings as requested.
- Travel to trainings and conferences as requested by the District.

Skills Needed:

- Assist other providers in developing skills in the EHR that will move them from basic competency to proficient use of the EHR.
- Communicate with Individuals and groups on how to optimize EHR skills.

- Act as a communication link between the EHR design teams and local physicians, nurses, departments, committees, operational staff and administration at MCDH.
- Proficient in the use of EHR.

ATTACHMENT B

OTHER AGREEMENTS

Physician Recruitment and Credit Agreement

Promissory Note

Professional Services Agreement

TAB 13

matters.

SECTION II — CODE OF CONDUCT

Our Compliance Mission

Mendocino Coast District Hospital's mission statement: To make a positive difference in the health of our rural community.

In concert with our medical staff, Mendocino Coast District Hospital strives to provide comprehensive quality health care to our community. Our team of dedicated health care professionals shall provide a compassionate and caring environment for patients, and their families and friends, while continuously striving to improve the quality of care that is accessible and affordable.

Mendocino Coast District Hospital shall collaborate with its medical staff and affiliated organizations to improve health outcomes, enhance quality of life, and promote human dignity through health education, prevention and services across the health care continuum.

Mendocino Coast District Hospital's Board of Directors (referred to herein as the "Governing Board") adopted the Compliance Program, including this Code of Conduct, to provide standards by which Personnel must conduct themselves in order to protect and promote Mendocino Coast District Hospital's integrity and to enhance Mendocino Coast District Hospital's ability to achieve its objectives. Mendocino Coast District Hospital believes this Code of Conduct will significantly contribute to a positive work environment for all.

No written policies can capture every scenario or circumstance that can arise in the workplace. Mendocino Coast District Hospital expects Personnel to consider not only the words written in this Code of Conduct, but the meaning and purpose of those words as well. You are expected to read this Code of Conduct and exercise good judgment. You are encouraged to talk to your supervisor or Mendocino Coast District Hospital's Compliance Officer if you have any questions about this Code of Conduct or what is expected of you.

All Personnel are expected to be familiar with the contents of this Code of Conduct. Training and education will be provided periodically to further explain this Code of Conduct and its application.

Compliance With Laws

It is the policy of Mendocino Coast District Hospital, its affiliates, contractors and employees to comply with all applicable laws. When the application of the law is uncertain, Mendocino Coast District Hospital will seek guidance from legal counsel.

Open Communication

Mendocino Coast District Hospital encourages open lines of communication between Personnel. If you are aware of an unlawful or unethical situation, there are several ways you can bring this to Mendocino Coast District Hospital's attention. Your supervisor is the best place to start, but you can also contact Mendocino Coast District Hospital's Compliance Officer or call the Compliance Hotline to express your concerns. All reports of unlawful or unethical conduct will be investigated promptly. Mendocino Coast District Hospital does not tolerate threats or acts of retaliation or retribution against employees for using these communication channels.

Your Personal Conduct

Mendocino Coast District Hospital's reputation for the highest standards of conduct rests not on periodic audits by lawyers and accountants, but on the high measure of mutual trust and responsibility that exists

between Personnel and Mendocino Coast District Hospital. It is based on you, as an individual, exercising good judgment and acting in accordance with this Code of Conduct and the law.

Ethical behavior on the job essentially comes down to honesty and fairness in dealing with other Personnel and with patients, vendors, competitors, the government and the public. It is no exaggeration to say that Mendocino Coast District Hospital's integrity and reputation are in your hands.

Mendocino Coast District Hospital's basic belief in the importance of respect for the individual has led to a strict regard for the privacy and dignity of Personnel. When management determines that your personal conduct adversely affects your performance, that of other Personnel, or the legitimate interests of Mendocino Coast District Hospital, Mendocino Coast District Hospital may be required to take action.

The Work Environment

Mendocino Coast District Hospital strives to provide Personnel with a safe and productive work environment. All Personnel must dispose of medical waste, environmentally sensitive materials, and any other hazardous materials correctly. You should immediately report to your to supervisor any situations that are likely to result in falls, shocks, burns, or other harm to patients, visitors, or Personnel.

The work environment also must be free from discrimination and harassment based on race, color, religion, sex, sexual orientation, age, national origin, disability, veteran status or other factors that are unrelated to Mendocino Coast District Hospital's legitimate business interests. Mendocino Coast District Hospital will not tolerate sexual advances, actions, comments or any other conduct in the workplace that creates an intimidating or otherwise offensive environment. Similarly, the use of racial or religious slurs — or any other remarks, jokes or conduct that encourages or permits an offensive work environment — will not be tolerated.

If you believe that you are subject to such conduct, you should bring such activity to the attention of Mendocino Coast District Hospital, either by informing your supervisor, Mendocino Coast District Hospital's Compliance Officer, or by calling the Compliance Hotline. Mendocino Coast District Hospital considers all complaints of such conduct to be serious matters, and all complaints will be investigated promptly.

Some other activities that are prohibited because they clearly are not appropriate are:

- Threats;
- Violent behavior;
- The possession of weapons of any type;
- The distribution of offensive jokes or other offensive materials via e-mail or any other manner; and
- The use, distribution, sale or possession of illegal drugs or any other controlled substance, except to the extent permitted by law for approved medical purposes.

In addition, Personnel may not be on Mendocino Coast District Hospital premises or in Mendocino Coast District Hospital work environment if they are under the influence of or affected by illegal drugs, alcohol or controlled substances used other than as prescribed.

Employee Privacy

Mendocino Coast District Hospital collects and maintains personal information that relates to your employment, including medical and benefit information. Access to personal information is restricted solely to people with a need to know this information. Personal information is released outside Mendocino Coast District Hospital or to its agents only with employee approval, except in response to appropriate investiga-

tory or legal requirements, or in accordance with other applicable law. Employees who are responsible for maintaining personal information and those who are provided access to such information must ensure that the information is not disclosed in violation of Mendocino Coast District Hospital's Personnel policies or practices.

Use of Hospital Property

Hospital equipment, systems, facilities, corporate charge cards and supplies must be used only for conducting Hospital business or for purposes authorized by management.

Personal items, messages or information that you consider private should not be placed or kept in telephone systems, computer systems, offices, work spaces, desks, credenzas or file cabinets. Employees should have no expectation of privacy with regard to items or information stored or maintained on Hospital equipment or premises. Management is permitted to access these areas. Employees should not search for or retrieve articles from another employee's workspace without prior approval from that employee or management.

Since supplies of certain everyday items are readily available at Hospital work locations, the question of making personal use of them frequently arises. The answer is clear: employees may not use Hospital supplies for personal use.

Use of Hospital Computers

The increasing reliance placed on computer systems, internal information and communications facilities in carrying out Hospital business makes it absolutely essential to ensure their integrity. Like other Hospital assets, these facilities and the information they make available through a wide variety of databases should be used only for conducting Hospital business or for purposes authorized by management. Their unauthorized use, whether or not for personal gain, is a misappropriation of Hospital assets.

While Mendocino Coast District Hospital conducts audits to help ensure that Hospital systems, networks and databases are being used properly, it is your responsibility to make sure that each use you make of any Hospital system is authorized and proper.

Personnel are not allowed to load or download software or data onto Hospital computer systems unless it is for business purposes and is approved in advance by the appropriate supervisor. Personnel shall not use Hospital e-mail systems to deliver or forward inappropriate jokes, unauthorized political materials, or any other potentially offensive materials. Personnel are strictly forbidden from using computers to access the Internet for purposes of gambling, viewing pornography or engaging in any illegal activities.

Employees should have no expectation of privacy with regard to items or information stored or maintained on Hospital premises or computer, information, or communication systems.

Use of Proprietary Information

Proprietary Information

Proprietary information is generally confidential information that is developed by Mendocino Coast District Hospital as part of its business and operations. Such information includes, but is not limited to, the business, financial, marketing and contract arrangements associated with Hospital services and products. It also includes computer access passwords, procedures used in producing computer or data processing records, personnel and medical records, and payroll data. Other proprietary information includes management know-how and processes; Hospital business and product plans with outside vendors; a variety of internal databases; and copyrighted material, such as software.

The value of this proprietary information is well known to many people in Mendocino Coast District Hos-

ing and is prohibited.

Dishonest reporting of information to organizations and people outside Mendocino Coast District Hospital is also strictly prohibited and could lead to civil or even criminal liability for you and Mendocino Coast District Hospital. This includes not only reporting information inaccurately, but also organizing it in a way that is intended to mislead or misinform those who receive it. Personnel must ensure that they do not make false or misleading statements in oral or written communications provided to organizations outside of Mendocino Coast District Hospital.

Exception

Nothing contained herein is to be construed as prohibiting conduct legally protected by the National Labor Relations Act or other applicable state or federal law.

Gifts and Entertainment

Mendocino Coast District Hospital understands that vendors and others doing business with Mendocino Coast District Hospital may wish to provide gifts, promotional items and entertainment to Hospital Personnel as part of such vendors' own marketing activities. Mendocino Coast District Hospital also understands that there may be occasions where Mendocino Coast District Hospital may wish to provide reasonable business gifts to promote Mendocino Coast District Hospital's services. However, the giving and receipt of such items can easily be abused and have unintended consequences; giving and receiving gifts, particularly in the health care industry, can create substantial legal risks.

General Policy

It is the general policy of Mendocino Coast District Hospital that neither you nor any member of your family may solicit, receive, offer or pay any money or gift that is, or could be reasonably construed to be, an inducement in exchange for influence or assistance in conducting Hospital business. It is the intent of Mendocino Coast District Hospital that this policy be construed broadly such that all business transactions with vendors, contractors and other third parties are transacted to avoid even the appearance of improper activity.

Spending Limits — Gifts, Dining and Entertainment

Mendocino Coast District Hospital has developed policies that clearly define the spending limits permitted for items such as gifts, dining and entertainment. All Personnel are strictly prohibited from making any expenditures of Hospital or personal funds for gifts, dining or entertainment in any way related to Hospital business, unless such expenditures are made in strict accordance with Hospital policies.

Marketing and Promotions in Health Care

As a provider of health care services, the marketing and promotional activities of Mendocino Coast District Hospital may be subject to anti-kickback and other laws that specifically apply to the health care industry. Mendocino Coast District Hospital has adopted policies elsewhere in this Compliance Program to specifically address the requirements of such laws.

It is the policy of Mendocino Coast District Hospital that Personnel are not allowed to solicit, offer or receive any payment, compensation or benefit of any kind (regardless of the value) in exchange for referring, or recommending the referral of, patients or customers to Mendocino Coast District Hospital.

Marketing

Mendocino Coast District Hospital has expended significant efforts and resources in developing its services and reputation for providing high-quality patient care. Part of those efforts involve advertising, marketing and other promotional activities. While such activities are important to the success of Mendocino Coast District Hospital, they are also potential sources of legal liability as a result of health care laws (such

as the anti-kickback laws) that regulate the marketing of health care services. Therefore, it is important that Mendocino Coast District Hospital closely monitor and regulate advertising, marketing and other promotional activities to ensure that all such activities are performed in accordance with Hospital objectives and applicable law.

This Compliance Program contains various policies applicable to specific business activities of Mendocino Coast District Hospital. In addition to those policies, it is the general policy of Mendocino Coast District Hospital that no Personnel engage in any advertising, marketing or other promotional activities on behalf of Mendocino Coast District Hospital unless such activities are approved in advance by the appropriate Hospital representative. You should ask your supervisor to determine the appropriate Hospital representative to contact. In addition, no advertising, marketing or other promotional activities targeted at health care providers or potential patients may be conducted unless approved in advance by Mendocino Coast District Hospital's legal counsel.

All content posted on Internet websites maintained by Mendocino Coast District Hospital must be approved in advance by Mendocino Coast District Hospital's Compliance Officer or legal counsel.

Conflicts of Interest

A conflict of interest is any situation in which financial or other personal considerations may compromise or appear to compromise any Personnel's business judgment, delivery of patient care, or ability of any Personnel to do his or her job or perform his or her responsibilities. A conflict of interest may arise if you engage in any activities or advance any personal interests at the expense of Mendocino Coast District Hospital's interests.

An actual or potential conflict of interest occurs when any Personnel is in a position to influence a decision that may result in personal gain for that Personnel, a relative or a friend as a result of Mendocino Coast District Hospital's business dealings. A relative is any person who is related by blood or marriage, or whose relationship with the Personnel is similar to that of persons who are related by blood or marriage, including a domestic partner, and any person residing in the Personnel's household. You must avoid situations in which your loyalty may become divided.

An obvious conflict of interest is providing assistance to an organization that provides services and products in competition with Mendocino Coast District Hospital's current or potential services or products. You may not, without prior consent, work for such an organization as an employee (including working through a registry or "moonlighting" and picking up shifts at other health care facilities), independent contractor, a consultant, or a member of its Governing Board. Such activities may be prohibited because they divide your loyalty between Mendocino Coast District Hospital and that organization. Failure to obtain prior consent in advance from Mendocino Coast District Hospital's Compliance Officer or legal counsel may be grounds for termination.

Outside Employment and Business Interests

You are not permitted to work on any personal business venture on Mendocino Coast District Hospital premises or while working on Hospital time. In addition, you are not permitted to use Hospital equipment, telephones, computers, materials, resources or proprietary information for any outside work. You must abstain from any decision or discussion affecting Mendocino Coast District Hospital when serving as a member of an outside organization or board or in public office, except when specific permission to participate has been granted by Mendocino Coast District Hospital's Compliance Officer or legal counsel.

Contracting with Mendocino Coast District Hospital

You may not contract with Mendocino Coast District Hospital to be a supplier, to represent a supplier to Mendocino Coast District Hospital, or to work for a supplier to Mendocino Coast District Hospital while

you are an employee of Mendocino Coast District Hospital. In addition, you may not accept money or benefits, of any kind, for any advice or services you may provide to a supplier in connection with its business with Mendocino Coast District Hospital.

Required Standards

All decisions and transactions undertaken by Personnel in the conduct of Mendocino Coast District Hospital's business must be made in a manner that promotes the best interests of Mendocino Coast District Hospital, free from the possible influence of any conflict of interest of such Personnel or the Personnel's family or friends. Personnel have an obligation to address both actual conflicts of interest and the appearance of a conflict of interest. You must always disclose and seek resolution of any actual or potential conflict of interest — whether or not you consider it an actual conflict — before taking a potentially improper action.

No set of principles or standards can cover every type of conflict of interest. The following standards address conduct required of all Personnel and provide some examples of potential conflict of interest situations in addition to those discussed above.

1. Personnel may not make or influence business decisions, including executing purchasing agreements (including but not limited to agreements to purchase or rent equipment, materials, supplies or space) or other types of contracts (including contracts for personal services), from which they, a family member, or a friend may benefit.
2. Personnel must disclose their "significant" (defined below) financial interests in any entity that they know to have current or prospective business, directly or indirectly, with Mendocino Coast District Hospital. There are two types of significant financial interests:
    a. Receipt of anything of monetary value from a single source in excess of $10,000 annually. Examples include salary, royalties, gifts and payments for services including consulting fees and honoraria; and
    b. Ownership of an equity interest exceeding 5 percent in any single entity, excluding stocks, bonds and other securities sold on a national exchange; certificates of deposit; mutual funds; and brokerage accounts managed by third parties.
3. Personnel must disclose any activity, relationship or interest that may be perceived to be a conflict of interest so that these activities, relationships and interests can be evaluated and managed properly.
4. Personnel must disclose any outside activities that interfere, or may be perceived to interfere, with the individual's capacity to satisfy his or her job or responsibilities at Mendocino Coast District Hospital. Such outside activities include leadership participation (such as serving as an officer or member of the board of directors) in professional, community or charitable activities; self-employment; participation in business partnerships; and employment or consulting arrangements with entities other than Mendocino Coast District Hospital.
5. Personnel may not solicit personal gifts or favors from vendors, contractors, or other third parties that have current or prospective business with Mendocino Coast District Hospital. Personnel may not accept cash gifts and may not accept non-monetary gifts including meals, transportation or entertainment valued in excess of $50.00 and annual maximum of $470.00 from vendors, contractors or other third parties that have current or prospective business with Mendocino Coast District Hospital. Personnel may not accept gifts of any value from patients but may direct those gifts to the Hospital. Questions regarding the gift limitations should be directed to Mendocino Coast District Hospital's Compliance Officer.
6. Any involvement by Personnel in a personal business venture shall be conducted outside Mendocino

Coast District Hospital work environment and shall be kept separate and distinct from Mendocino Coast District Hospital's business in every respect.

7. Personnel should not accept employment or engage in a business that involves, even nominally, any activity during hours of employment with Mendocino Coast District Hospital, the use of any of Mendocino Coast District Hospital's equipment, supplies or property, or any direct relationship with Mendocino Coast District Hospital's business or operation.
8. Personnel must guard patient and Hospital information against improper access or use by unauthorized individuals.
9. Mendocino Coast District Hospital's materials, products, designs, plans, ideas and data are the property of Mendocino Coast District Hospital and should never be given to an outside firm or individual, except through normal channels with appropriate prior authorization.
10. Personnel must avoid any appearance of impropriety when dealing with clinicians and referral sources.
11. All vendors and contractors who have or desire business relationships with Mendocino Coast District Hospital must abide by this Code of Conduct. Personnel having knowledge of vendors or contractors who violate these standards in their relationship with Mendocino Coast District Hospital must report these to their supervisor or manager.
12. Personnel shall not sell any merchandise on Hospital premises and shall not sell any merchandise of a medical nature that is of a type or similar to what is sold or furnished by Mendocino Coast District Hospital, whether on or off Hospital premises, unless prior approval is obtained from Mendocino Coast District Hospital's Compliance Officer.
13. Personnel shall not request donations for any purpose from other Personnel, patients, vendors, contractors or other third parties, unless prior approval is obtained from Mendocino Coast District Hospital's Compliance Officer.
14. Personnel may not endorse any product or service without explicit prior approval to do so by Mendocino Coast District Hospital's Compliance Officer.

Disclosure of Potential Conflict Situations

You must disclose any activity, relationship, or interest that is or may be perceived to be a conflict of interest and complete the attached Conflict of Interest Certification Form within 90 days of being subject to this Code of Conduct (that is, being hired by Mendocino Coast District Hospital, beginning to volunteer at Mendocino Coast District Hospital, or assuming any responsibilities at Mendocino Coast District Hospital). At least annually thereafter, you must review this Code of Conduct and your most recent Conflict of Interest Certification. You are not required to file a Conflict of Interest Certification Form annually unless there is a change in your circumstances that you have not previously reported. At any time during the year, when an actual, potential, or perceived conflict of interest arises, you must revise your certification form and contact Mendocino Coast District Hospital's Compliance Officer. It is your responsibility to promptly report any actual or potential conflicts.

All certification forms must be sent to Mendocino Coast District Hospital's Compliance Officer. The Compliance Officer will review all disclosures and determine which disclosures require further action. The Compliance Officer will consult with Mendocino Coast District Hospital's Chief Executive Officer or legal counsel if it is unclear whether an actual conflict of interest exists or if the Compliance Officer determines that an actual conflict of interest exists. The outcome of these consultations will result in a written determination, signed by all decision-makers involved, stating whether or not an actual conflict of interest exists. If a conflict of interest is determined to exist, the written determination shall set forth a plan to man-

age the conflict of interest which may include that:

1. The conflict of interest is permitted;
2. The conflict of interest is permitted with modification or oversight, including such steps as reassignment of responsibilities or establishment of protective arrangements;
3. The conflict of interest will require the Personnel to abstain from participating in certain governance, management or purchasing activities related to the conflict of interest; or
4. The conflict of interest must be eliminated or, if it involves a proposed role in another organization or entity, must not be undertaken.

The Compliance Officer will review any written determination with you, discuss any necessary action you are to take, and ask you to sign the written determination. The signed written determination will be kept with your certification form.

Anti-Competitive Activities

If you work in sales or marketing, Mendocino Coast District Hospital asks you to perform your job not just vigorously and effectively, but fairly, as well. False or misleading statements about a competitor are inappropriate, invite disrespect and complaints, and may violate the law. Be sure that any comparisons you make about competitors' products and services are fair and accurate. (Competitors are other hospitals and health facilities.)

Reporting Violations

Mendocino Coast District Hospital supports and encourages each employee and contractor to maintain individual responsibility for monitoring and reporting any activity that violates or appears to violate any applicable statutes, regulations, policies or this Code of Conduct.

Mendocino Coast District Hospital has established a reporting mechanism that permits anonymous reporting, if the person making the report desires anonymity. Employees who become aware of a violation of Mendocino Coast District Hospital Compliance Program, including this Code of Conduct, must report the improper conduct to their departmental manager or the Compliance Officer. The Compliance Officer, or a designee, will then investigate all reports and ensure that appropriate follow-up actions are taken.

Hospital policy prohibits retaliation against an employee who makes such a report in good faith. In addition, it is the policy of Mendocino Coast District Hospital that no employee will be punished on the basis that he/she reported what he/she reasonably believed to be improper activity or a violation of this Program.

However, employees are subject to disciplinary action if after an investigation Mendocino Coast District Hospital reasonably concludes that the reporting employee knowingly fabricated, or knowingly distorted, exaggerated or minimized the facts to either cause harm to someone else or to protect or benefit themselves.

Ends Here

SECTION III — COMPLIANCE PROGRAM SYSTEMS AND PROCESSES

This Compliance Program contains a comprehensive set of policies. In order to effectively implement and maintain these policies, Mendocino Coast District Hospital has developed various systems and processes. The purpose of this section of the Compliance Program is to explain the various systems and processes that Mendocino Coast District Hospital has established for the purpose of providing structure and support to the Compliance Program.

TAB 14

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION NO. 2019-14

AUTHORIZING INVESTMENT OF MONIES
IN THE LOCAL AGENCY INVESTMENT FUND; ACCOUNT NO. 20-23-001

WHEREAS, the Local Agency Investment Fund is established in the State Treasury under Government Code Section 16429.1 et seq. for the deposit of money of a local agency for purposes of investment by the State Treasurer; and

WHEREAS, the Board of Directors hereby finds that the deposit and withdrawal of money in the Local Agency Investment Fund in accordance with Government Code Section 16429.1 et seq. for the purpose of investment as provided therein is in the best interests of the Mendocino Coast Health Care District;

NOW THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes the deposit and withdrawal of Mendocino Coast Health Care District monies in the Local Agency Investment Fund in the State Treasury in accordance with Government Code Section 16429.1 et seq. for the purpose of investment as provided therein.

BE IT FURTHER RESOLVED, as follows:

Section 1. The following Mendocino Coast Health Care District officers holding the title(s) specified herein below or their successors in office are each hereby authorized to order the deposit or withdrawal of monies in the Local Agency Investment Fund and may execute and deliver any and all documents necessary or advisable in order to effectuate the purposes of this resolution and the transactions contemplated hereby:

Wayne C. Allen, Interim Chief Executive Officer ____________________

Karen Arnold, Board President ____________________

Jessica Grinberg, Board Vice-President ____________________

Section 2. This resolution shall remain in full force and effect until rescinded by the Board of Directors by resolution and a copy of the resolution rescinding this resolution is filed with the State Treasurer's Office. This resolution rescinds any previous resolution pertaining to the District's LAIF account.

PASSED AND ADOPTED, by the Board of Directors of Mendocino Coast Health Care District, 700 River Dr., Fort Bragg, Mendocino County, California 95437 at a regular meeting of the Board on 4/25/19 by the following vote:

AYES: ____________________

NOES: ____________________

ABSENT: ____________________

ABSTAIN: ____________________

____

KAREN ARNOLD, President of the Board of Directors
Mendocino Coast Health Care District

ATTEST:

____

STEVE LUND, Secretary of the Board of Directors
Mendocino Coast Health Care District

TAB 15

MENDOCINO COAST DISTRICT HOSPITAL

DATE: April 18, 2019

TO: BOARD OF DIRECTORS

FROM: JOHN KERMEN, DO
CHIEF OF STAFF

SUBJECT: MEDICAL EXECUTIVE COMMITTEE RECOMMENDATIONS

The Medical Executive Committee considered the following items and recommends them to the Board of Directors for approval:

Re-Appointments to Medical Staff-

- **Jeffrey Berenson, MD-**Department of Medicine-Internal Medicine
- **Michael Brown, MD-** Department of Medicine-Psychiatry
- **Lawrence Goldyn, MD-** Department of Medicine-Internal Medicine
- **Jason Kirkman, MD-** Department of Medicine-Internal Medicine
- **John Rochat, MD-** Department of Medicine-Internal Medicine
- **James Swallow, MD-** Department of Medicine-Internal Medicine

Release from Proctoring-Allied Health Professional

- **Anne Hall, PA-C-** Department of Surgery- Orthopedics

Department of Medical Staff Services
William Lee, CPCS, CPMSM~ Director
700 River Drive ▪ Fort Bragg, California 95437
Phone: (707 961-4740 ▪ Fax: (707) 961-4786

TAB 16

This document will be provided at the meeting

BOARD OF DIRECTORS

AGENDA
WEDNESDAY, MAY 1, 2019
5:00 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

2058 45th AVENUE
SAN FRANCISCO, CA 94116

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on May 1, 2019 at 5:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

OPEN SESSION: MS. KAREN ARNOLD, CHAIR

1. Call to Order
2. Roll Call
3. Comments from the Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

CLOSED SESSION:

1. ***Information/Action:*** Consideration of Termination of Legal Services Contract with Best, Best & Krieger, Attorneys at Law, dated 9/25/18. Government Code §§54954.5(e), 54957; Evidence Code §952, et seq.

2. ***Information/Action:*** Public Employment: Interview candidates for Interim Chief Financial Officer of the District, Government Code §54954.6 Conference with Labor Negotiator; Interim CEO as the Agency Designated Representative; Position: Interim CFO

3. ***Information/Action:*** Pursuant to Government Code §54,957.6: closed session Board Meeting with the District's Labor Union Negotiators, Interim CEO Wayne Allen, Mr. Dan Camp, Special Labor Union §54,957.6.

RECONVENTION OF OPEN SESSION: CALL TO ORDER – MS. KAREN ARNOLD, CHAIR

- Roll call

REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

OPEN SESSION:

1. ***Action:*** Tentative Agreement between UFCW 8-Golden State and Mendocino Coast District Hospital: Ms. Karen Arnold, Chair
2. ***Action:*** Appointment of Interim CFO: Ms. Karen Arnold, Chair
3. ***Information:*** Public Records Request: Mr. Wayne Allen, Interim CEO
4. Comments from Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.
5. Comments from Board of Directors
6. Adjourn

Dated: April 30, 2019

____

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on April 30, 2019

______________________ ______________

Gayl Moon Date
Secretary to the Board of Directors

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JUNE 27, 2019
4:30 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room & Patient Registration Area
700 River Drive
Fort Bragg, California 95437

Mendocino Coast District Hospital Mission Statement

MISSION

To make a positive difference in the health of our rural community.

VISION

MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES

MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. CLOSED SESSION

1. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code May Quality Management and Improvement Council Reports
2. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***Information/Action:*** Conference with Legal Counsel. Anticipated Litigation. Gov't Code 54956.9(d)(2). Letter from ACLU regarding medication abortion services.

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

IV. ROLL CALL

V. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VI. PUBLIC COMMENTS
This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VII. REVIEW OF THE AGENDA — ***Action***

VIII. BOARD COMMENTS — ***Information***

IX. Recognition of the MCDH Foundation: Mr. Wayne Allen, Interim CEO — ***Information***

X. APPROVAL OF CONSENT CALENDAR — ***Action***
The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of May 30, 2019 — Tab 1
2. Approval of Special Board of Directors meeting minutes of May 22, 2019 — Tab 2
3. Approval of Alysoun Huntley Ford Fund Draw

XI. NEW BUSINESS

1. To continue the 501c(3) IRS Designation & meet the requirements of 501R; the Board Approves the CHNA Implementation Plan and the PRIME projects for tax year 2019: Ms. Nancy Schmid & Mr. Vanlee Waters — Tab 3 ***Action***
2. Policy 1712 Code of Ethical Behavior and Standards of Conduct, 2nd Read — Tab 4 ***Action***
3. Approval of updated Conflict of Interest Code 1st Read — Tab 5 ***Action***
4. Establish a Legislative Committee, First Read: Mr. John Redding — Tab 6 ***Action***
5. Policy 1325 Competencies for Employees and Registry Staff, 2nd Read — Tab 7 ***Action***
6. Fiscal year 2019/2020 Budget: Mr. Doran Hammett, Interim CFO — Tab 8 ***Action***

XII. OLD BUSINESS

- None

XIII. REPORTS

- CEO Report: Mr. Wayne Allen, Interim CEO — ***Information***
- Medical Staff Report: Dr. John Kermen — ***Information***
- Chief Nursing Officer Report: Ms. Lynn Finley — ***Information***
- Finance Committee Report: Mr. John Redding — Tag 9 ***Action***

XIV. <u>FUTURE AGENDA ITEMS: MS. KAREN ARNOLD</u> — ***Information***

XV. <u>ASSOCIATION AND COMMUNITY SERVICE REPORTS</u> — ***Information***

XVI. Public Comments

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JUNE 27, 2019
4:30 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room & Patient Registration Area
700 River Drive
Fort Bragg, California 95437

Mendocino Coast District Hospital Mission Statement

MISSION

To make a positive difference in the health of our rural community.

VISION

MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES

MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. CLOSED SESSION

1. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code May Quality Management and Improvement Council Reports
2. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***Information/Action:*** Conference with Legal Counsel. Anticipated Litigation. Gov't Code 54956.9(d)(2). Letter from ACLU regarding medication abortion services.

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

IV. ROLL CALL

V. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VI. PUBLIC COMMENTS
This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VII. REVIEW OF THE AGENDA — ***Action***

VIII. BOARD COMMENTS — ***Information***

IX. Recognition of the MCDH Foundation: Mr. Wayne Allen, Interim CEO — ***Information***

X. APPROVAL OF CONSENT CALENDAR — ***Action***
The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of May 30, 2019 — Tab 1
2. Approval of Special Board of Directors meeting minutes of May 22, 2019 — Tab 2
3. Approval of Alysoun Huntley Ford Fund Draw

XI. NEW BUSINESS

1. To continue the 501c(3) IRS Designation & meet the requirements of 501R; the Board Approves the CHNA Implementation Plan and the PRIME projects for tax year 2019: Ms. Nancy Schmid & Mr. Vanlee Waters — Tab 3 ***Action***
2. Policy 1712 Code of Ethical Behavior and Standards of Conduct, 2nd Read — Tab 4 ***Action***
3. Approval of updated Conflict of Interest Code 1st Read — Tab 5 ***Action***
4. Establish a Legislative Committee, First Read: Mr. John Redding — Tab 6 ***Action***
5. Policy 1325 Competencies for Employees and Registry Staff, 2nd Read — Tab 7 ***Action***
6. Fiscal year 2019/2020 Budget: Mr. Doran Hammett, Interim CFO — Tab 8 ***Action***

XII. OLD BUSINESS

- None

XIII. REPORTS

- CEO Report: Mr. Wayne Allen, Interim CEO — ***Information***
- Medical Staff Report: Dr. John Kermen — ***Information***
- Chief Nursing Officer Report: Ms. Lynn Finley — ***Information***
- Finance Committee Report: Mr. John Redding — Tag 9 ***Action***

XIV. <u>FUTURE AGENDA ITEMS: MS. KAREN ARNOLD</u> — ***Information***

XV. <u>ASSOCIATION AND COMMUNITY SERVICE REPORTS</u> — ***Information***

XVI. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XVII. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.
*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

TAB 1

BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, MAY 30, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Mr. Lund, Ms. McColley, Mr. Arnold, Ms. Grinberg, Mr. Redding

Mr. Wayne Allen, Interim CEO
Mr. Mike Ellis, Interim CFO

I. **CALL TO ORDER:**
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Patient Registration Lobby, Ms. Karen Arnold Chair presiding

II. **ROLL CALL:**
PRESENT: Mr. Steve Lund, Ms. Amy McColley, Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Wayne Allen, Interim CFO
Ms. Gayl Moon, Executive Assistant

III. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

1. ***INFORMATION/ACTION:*** Pursuant to §32155 of the Health and Safety Code April Quality Management and Improvement Council Reports
2. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9

IV. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

- The Board approved the April Quality Management and Improvement Council Reports.
- Received a Medical Staff report from Dr. Kermen.
- Received an update on the Hardin Case.

V. **PUBLIC COMMENTS**

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- There were no changes to the agenda.

VII. BOARD COMMENTS

- There were no Board Comments.

VIII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT

1. Minutes: Regular Session, April 25, 2019
2. Minutes: Special Board Meeting May 1, 2019
3. Alysoun Huntley Ford Fund Draw Requests (there were no requests)

MOTION: To approve the Consent Calendar

- Lund moved
- Grinberg second
- Roll call
  - Ayes: Lund, Arnold, Grinberg, Redding,
  - Noes: None
  - Absent: None
  - Abstain: McColley
- Motion carried

IX. *ACTION:* RFQ FOR FACILITIES ARCHITECT: MS. NANCY SCHMID

- Ms. Schmid presented an RFQ for Facilities Architect.

MOTION: To approve the RFQ as submitted

- Lund moved
- Grinberg second
- Discussion ensued. Ms. Schmid stated there is a typo on page three (3). The word "unity" should actually be the word "unit".
- Mr. Lund amended his motion to reflect the above stated change.
- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

X. *ACTION:* COMMUNITY NEEDS ASSESSMENT: MR. WAYNE ALLEN, INTERIM CEO

- Mr. Allen will bring a proposal to the Board in June to conduct a very comprehensive Community Needs Assessment.

XI. *ACTION:* POLICY 1712 CODE OF ETHICAL BEHAVIOR AND STANDARDS OF CONDUCT, FIRST READ

- This policy will be brought back to the Board next month as a second read and for Board approval.

MOTION: To approve Policy 1712 Code of Ethical Behavior and Standards of Conduct as a First Read

- Grinberg moved
- McColley second
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None

- Absent: None
- Abstain: None
- Motion carried

XII. *ACTION:* LETTER OF SUPPORT FOR NOMINATION OF FORT BRAGG CITY COUNCILMEMBER WILLIAM LEE TO CALIFORNIA COASTAL COMMISSION: MR. WILL LEE

MOTION: To approve the Board support Will Lee's nomination as Fort Bragg City Mayor to the California Coastal Commission

- Lund moved
- Grinberg second
- Roll call
- Ayes: McColley, Arnold, Grinberg, Lund, Redding
- Noes: None
- Absent: None
- Abstain: None
- Motion carried

XIII. *ACTION:* RATIFICATION/APPROVAL OF AGREEMENT BETWEEN UFCW 8-GOLDEN STATE AND MENDOCINO COAST DISTRICT HOSPITAL: MS. KAREN ARNOLD, CHAIR

- The Union members have agreed to this Union contract.

MOTION: To approve the ratification of the agreement between UFCW 8-Golden State and Mendocino Coast District Hospital

- McColley moved
- Grinberg second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIV. *ACTION:* ESTABLISH A LEGISLATIVE COMMITTEE, FIRST READ: MR. JOHN REDDING, CHAIR

- Mr. Redding suggested forming a group to discuss legislative issues.
- A proposal will be brought before the Board at the June meeting.

XV. *ACTION:* POLICY 1325 COMPETENCIES FOR EMPLOYEES AND REGISTRY STAFF, FIRST READ:

MOTION: To accept Policy 1325 Competencies for Employees and Registry Staff as a First Read

- Lund moved
- Grinberg second
- Mr. Lund stated that Item J would make more sense if it were worded:
  If deficiencies are found in the competency area, the manager and staff will design a plan of correction timeline and provide continued feedback.

- Roll call
    - Ayes: Lund, Redding, Arnold, Grinberg, McColley
    - Noes: None
    - Absent: None
    - Abstain: None
- Motion carried

XVI. <u>*ACTON:* CHEMICAL ABORTION ACLU LETTER: MS. KAREN ARNOLD, CHAIR</u>

- Legal counsel has been asked for clarification and their opinion on this subject. Ms. Arnold stated that this will hopefully be brought back to the next Board meeting.

XVII. <u>*ACTION:* ROLES AND RESPONSIBILITIES OF THE BOARD: MR. JOHN REDDING & MS. AMY MCCOLLEY</u>

MOTION: For the Board to develop both an agenda and a date for a Board Retreat as soon as practical

- Lund moved
- Grinberg second
- Ms. McColley and Mr. Redding gave a power point presentation showing some of the results of the Board Self Evaluation.
- Discussion ensued.
- Steve Lund and Jessica Grinberg will develop a framework for professional development as a Board of Directors. This will be brought back to the Board to be discussed/modified before taking the next step.
- The retreat to take place within forty-five (45) days.
- The Board will look into attending an Estes Park conference at some point in the future.
- Mr. Lund amended his motion to reflect the following motion:

MOTION: The Board to schedule a Board Retreat to take place within 45 days for the Board to begin working on our relationship and defining the roles and responsibilities

- Lund moved
- Grinberg second
- Roll call
    - Ayes: Arnold, Grinberg, Redding, McColley, Lund
    - Noes:
    - Absent:
    - Abstain
- Motion carried

XVIII. <u>*INFORMATION:* CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO</u>

- National Hospital Week was in May, and the Hospital celebrated by having root beer floats one day, a pasta sauce contest one day, and then ending the week with a BBQ. Mr. Allen thanked everyone for their hard work in making it a great success.
- For the last six months, the Hospital has been working on upgrading their EHR to Meditech. The intended Go Live date was for July 1. Early next week the go or no go decision will be made as to whether the system is ready to go live July 1st. The Hospital staff and physicians don't feel the system is ready to Go Live on July 1.

XIX. <u>*ACTION:* MEDICAL STAFF REPORT: DR. JOHN KERMEN</u>

a. <u>Re-Appointments to Medical Staff</u>

1. William Miller, MD –Department of Medicine-Internal Medicine
2. Eleanor Oakley, MD –Department of Medicine-Emergency Medicine
3. Robert Pollard, MD –Department of Medicine-Emergency Medicine

b. Appointments to Medical Staff
1. Steven Lalliss, MD –Department of Surgery Orthopedic Surgery
2. Victoria Mohr, MD –Department of Surgery-Obstetrics-Gynecology

c. Release from Proctoring-Allied Health Professional
1. Joseph Martin, PA-C –Department of Medicine-Family Practice

d. Appointment to V-Rad Teleradiology Staff
1. Scott Baginsky, MD –Department of Medicine-Teleradiology

MOTION: To approve the Medical Staff report as presented by Dr. Kermen and as is listed in the agenda

- Lund moved
- McColley second
- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XX. ***INFORMATION:*** CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- The nurses were honored during Nursing Week during the month of May.
- Last week the BETA Heart team went to a workshop in Pasadena.

XXI. ***INFORMATION:*** PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG

- The committee is looking at a Critical Action Management Plan "CAMP". This would help look into the day to day function of the Hospital.
- Completed projects from Planning:
  - ✓ Swing Bed Program review
  - ✓ Finalized the review of expanding Ambulance Services
- Reviewed new programs:
  - ✓ Ms. McColley gave a review of laparoscopically gynecological services. This is in the exploring phase.
  - ✓ Would like to have an assessment of Dialysis for patients who are in need of acute care services and how to keep them on the coast.
  - ✓ Looking into conducting a community survey.
- American Advanced Management Group joined the meeting via Webex, spoke of their organization and gave an overview of their vision.

ACTION: REVISION OF BYLAWS

- Amy McColley and Carole White will review the Bylaws and the standing committee configurations across the Board that would include the Finance Committee.
- The Planning Committee would like the Board to review the Bylaws and look into the ways the current committees are configured.

MOTION: To have a sub-committee that is McColley and Grinberg to review the Bylaws on behalf of the Board of Directors of Mendocino Coast District Hospital

- McColley moved
- Grinberg second
- Roll call
  - ➢ Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

XXII. *ACTION:* FINANCE REPORT: MR. JOHN REDDING

April Financial Statements Summary

- Mr. Allen presented the April 2019 Financial Statements
- Mr. Redding stated there was an EHR presentation given and the inability to meet the July 1 deadline.
- Mr. Redding is pleased with the developing relationship between the Planning Committee and the Finance Committee.
- The Finance Committee has two (2) openings.
- Mr. Redding stated that the Hospital's cash balance has been between 1 ½ and 2 million dollars.
- The Finance Committee, through the Audit process is looking into finding the extent of the Hospital's financial problems, and what changes are necessary to improve the situation.

MOTION: To approve the April 2019 Financial Statements

- Lund moved
- Redding second
- Roll call
  - ➢ Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

XXIII. *INFORMATION:* FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR

- The Board Retreat.

XXIV. *INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXV. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues.

XXVI. ADJOURN:

Open Session adjourned at 8:15 pm

____
Steve Lund, Secretary
Board of Directors

____
Gayl Moon, Secretary to the
Board of Directors

TAB 2

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
WEDNESDAY, MAY 22, 2019

1. **CALL TO ORDER:**
CLOSED Session of the Board of Directors of the Mendocino Coast Health Care District convened at 4:30 p.m. at 700 River Drive, Fort Bragg, CA 95437: President Karen Arnold presiding

2. **ROLL CALL:** McColley (telephonically), Arnold, Lund, Grinberg, Redding
ABSENT: None

3. **COMMENTS FROM THE COMMUNITY**
    - Community members discussed issues regarding MCDH.

4. **CLOSED SESSION:**
    1. ***INFORMATION/ACTION:*** Public Employment: Interview with candidates for Interim Chief Financial Officer of the District, Government Code §54957

    2. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 17-CV-05554-JST, conference with legal counsel. Government Code §54956.9.

    3. ***INFORMATION/ACTION:*** Extension of Contract with Farella, Braun & Martel, Insurance coverage legal counsel for the District. Government Code §54957, Evidence Code §950, et seq; Government Code §54956.9.

    4. ***INFORMATION/ACTION:*** Consideration of Applications to the District for retention as independent "Cumis" counsel for the District pursuant to California Civil Code §2860 in the case of Hardin v MCDH, et al., U.S. District Court for the Northern District of California, San Francisco Division, Case No. 17-cv-05554-JST. California Civil Code §2860, Government Code §§54957, 54956.9.

5. **RECONVENTION OF OPEN SESSION:**

6. **ROLL CALL:** Redding, Lund, Arnold, McColley, Grinberg
ABSENT: None

    REPORT OUT ON ANY ACTION TAKEN IN CLOSED SESSION: GOVERNMENT CODE 94957.1
    1. ***INFORMATION/ACTION:*** Public Employment: Interview with candidates for Interim Chief Financial Officer of the District, Government Code §54957
        - The Board interviewed and voted to hire Doran Hammett as Interim Chief Financial Officer.
        - The vote was 3 ayes & 2 nays
    2. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 17-CV-05554-JST, conference with legal counsel. Government Code §54956.9.
        - The Board received an update on the Hardin Case.

3. ***INFORMATION/ACTION:*** Extension of Contract with Farella, Braun & Martel, Insurance coverage legal counsel for the District. Government Code §54957, Evidence Code §950, et seq; Government Code §54956.9.
    - The Board voted to extend the contract of Farella, Braun & Martel as coverage counsel.

4. ***INFORMATION/ACTION:*** Consideration of Applications to the District for retention as independent "Cumis" counsel for the District pursuant to California Civil Code §2860 in the case of Hardin v MCDH, et al., U.S. District Court for the Northern District of California, San Francisco Division, Case No. 17-cv-05554-JST. California Civil Code §2860, Government Code §§54957, 54956.9.
    - The Board approved the retention of Maureen Bogue as Independent Counsel.

7. COMMENTS FROM THE COMMUNITY

- A community member spoke on issues concerning the District.

8. COMMENTS FROM THE BOARD OF DIRECTORS

- There were no comments.

9. ADJOURN:

The meeting adjourned at 6:26 p.m.

____

Ms. Karen Arnold, President
Board of Directors

ATTEST:

____

Ms. Jessica Grinberg, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

TAB 3

BACKGROUND: In 2010 MCDH applied and received a 501(c)3 tax exempt designation. Hospitals with this designation have to follow 501(r) regulations.

- District hospital are not required to be 501(c)3
  - District hospitals are exempt from filling out IRS Form 990 for Charitable Organizations
  - District Hospitals do have to follow 501(r) regulations if they have a 501(c)3 designation.

REQUIREMENTS: A hospital organization is required to conduct a community health needs assessment (CHNA) every three years and to adopt an implementation strategy to meet the community health needs identified through the CHNA – 501(r)(3)(B)

1. Community Health Needs Assessment (CHNA) –Section 501(r)(3)
2. Financial Assistance Policy - Section 501(r)(4)
3. Emergency Medical Care Policy - Section 501(r)(4)
4. Limitation on Charges - Section 501(r)(5)
5. Billing and Collections - Section 501(r)(6)

BOARD ADOPTION: An authorized body of the hospital facility has to adopt an implementation strategy to meet the community health needs identified through the CHNA on or before the 15th day of the fifth month after the end of such taxable year.

- April 27, 2017 Implementation plan Adoption by the Board
- June 28, 2018 Implementation plan and Prime Progress Adoption by the Board
- June 27, 2019 Annual Report to the Board and Action Item to adopt will be presented
  - Adoption is for Fiscal year 2020 but tax year 2019

COMMUNITY: The hospital must define the community. MCDH community is defined as all people living in the zip codes of the district.

MENDOCINO COAST DISTRICT HOSPITAL
RECOMMENDATION
June 27, 2019

COMMUNITY HEALTH NEEDS ASSESSMENT
Implementation Plan

As recommend for the 2017, 2018 and 2019 the following will continue as the Implementation Plan for the activities surrounding the Community Health Needs Assessment (CHNA)

Findings: Cancer is the leading cause of death in the Mendocino County area. Cancer deaths equal 22.4% of our population's deaths (Mendocino County). We know that effective and early screening of three cancers: Breast, Cervical and Colorectal Cancers; may have a dramatic effect on lowering death rates. Early detection can improve the Survival Rate of people experiencing these three cancer diagnoses.

Implementation Plan: By utilizing the MCDH PRIME project managed by North Coast Family Health Center we will apply Population Health processes to improve the screening frequency for breast, cervical and colorectal cancers, which have very high survival rates (92-99%) if diagnosed early. These screening frequency improvements will be measured over a three year period with incremental improvement each year. NCFHC will apply this Population Health process to meet the clinically-proven standards of care recommended by the U.S. Preventive Services Task Force for each of these cancers.

Examples of this type of screening include:

1. Biennial mammograms for females 50 to 74 years of age.
2. Cervical Cancer pap smears every three years for women ages 21 to 64.
3. Cervical Cancer PaP/HPV testing every 5 years for women ages 30 to 65.
4. Colorectal Cancer screening, for men and women, ages 50 to 75:
    a. every year (FIT or FOBT)
    b. every 10 years (colonoscopy)
5. Colorectal screening follow up to a Positive FIT/FOBT: colonoscopy within 6 months

Action: To continue the 501c(3) IRS designation and meet the requirements of 501R, the MCDH Board approves the CHNA Implementation Plan and the PRIME projects for Tax Year 2019.

TAB 4

MENDOCINO COAST DISTRICT HOSPITAL	TITLE: Code of Ethical Behavior and Standards of Conduct
	POLICY#: 1712

Department(s): Corporate Compliance	PolicyTech Version #: 1
Policy Owner: Nancy Goodfellow-Schmid Approvers: Mike Ellis, Nancy Goodfellow-Schmid	Date Created: 04/01/2000 Last PolicyTech Review Date: 02/13/2019 Last PolicyTech Revision Date: 02/13/2019

PURPOSE:
It is the purpose of this policy to identify the behavior that is expected by all employees, medical staff, auxiliary and leadership of Mendocino Coast District Hospital.

POLICY:
The employees, medical staff, auxiliary, contractors, and leadership of Mendocino Coast District Hospital (MCDH) will abide by a set of ethical principles developed to safeguard the public and to contribute within the scope of each activity, providing quality and efficiency in the delivery of health care to our patients. Each healthcare professional should follow the ethical standards dictated by their respective organizations. This code of ethics defines the standard of behavior, which promotes ethical conduct that is expected by MCDH and the Board of Directors.

PROCEDURE:

I. The governing board of Mendocino Coast District Hospital has established this statement of organizational ethics in recognition of the institution's responsibility to our patients, staff, physicians, and the community we serve.

II. It is the responsibility of every member of this hospital, community-governing board members, administration, medical staff members, and employees, to act in a manner that is consistent with this policy and its supporting policies.

III. The behavior of all members of this hospital community will be guided by the following principles:

   A. All patients, employees, physicians, and visitors deserve to be treated with dignity, respect, and courtesy.

   B. We will fairly and consistently represent our capabilities and ourselves.

   C. We will provide services to meet the identified needs of our patients and will constantly seek to avoid providing those services that are unnecessary or ineffective.

   D. We will observe a uniform standard of care throughout the organization.

   E. We will uphold the values, ethics and mission of the organization.

   F. We will conduct all personal and professional activities with honesty, integrity, respect, fairness, and good faith.

   G. We will comply with all laws.

   H. We will avoid the exploitation of professional or business relationships for personal gain.

   I. We will constantly strive to follow our organization's Code of Respect

   J. The organization will constantly strive to follow and expand on these principles.

   K. The above principles will be followed as we provide the following activities:

      1. Admission, transfer, and discharge:

a. Regardless of the settings in which this organization provides patient services, MCDH employees, physicians, auxiliary, contractors and leadership will follow well-designed standards of care based upon patient needs. We will provide services only to those patients for whom this organization can safely provide care. Even as we work to provide care in a more economical manner to patients and providers, we will strive to provide care that meets our own standard of quality. Written criteria will guide care-givers in deciding to admit, treat, transfer, or discharge patients.

b. We will not turn patients away who are in need of our services because they are unable to pay or because of any other factor that is substantially unrelated to patient care.

2. Marketing:

a. MCDH employees, physicians, auxiliary, contractors and leadership will fairly and accurately represent ourselves, and our capabilities in all marketing that is conducted. We will use advertising campaigns to advance the community's healthcare and support the mission of MCDH for such areas as: educating the public, reporting healthcare information to the community, to increase awareness of available resources, to increase support for the organization, and to recruit employees, contractors and/or physicians. All healthcare advertising will be truthful, fair, accurate, complete and sensitive to the healthcare needs of the public. False or misleading statements or statements that might lead the uninformed to draw false conclusions about Mendocino Coast District Hospital, its competitors, or other healthcare providers is unethical and an unacceptable practice.

3. Respect for the patient:

a. MCDH employees, physicians, auxiliary, contractors and leadership will treat all patients with dignity, respect, and courtesy. All patients, family members, and/or their significant others, will be involved, to the extent that is practical and possible, in decisions regarding the care that is delivered. We will inform patients about the benefits of therapies, as well as the alternative therapies, and explain the risks associated with the care that is being offered them. We will constantly seek to understand and respect their objectives for care.

b. In all circumstances, we will attempt to treat patients in a manner appropriate to their ages, their backgrounds, cultures, religions, and their heritages. We will work to ensure the existences of a process to evaluate the quality of care or services we render.

4. Resolution of conflicts in patient care decisions:

a. MCDH employees, physicians, auxiliary, contractors and leadership recognize that conflicts might arise among those who participate in hospital and patient care decisions. Whether this conflict is between members of administration, medical staff, employees, or governing board members, or between patient care givers and the patient, we will seek to fairly and objectively resolve all conflicts. In cases where mutual satisfaction cannot be achieved, it is the policy of MCDH's Board of Directors to involve Administration, department managers/supervisors, the Bio-Ethics Committee or the Administrator on call to oversee resolution of the conflict. Other staff and second opinions will be involved as needed to pursue a mutually satisfactory resolution. (Also see Administrative policies on: Patient and Visitor Complaints, Bio-Ethics Committee, Chain of Command, and Guidelines for Forgoing Medical Interventions.)

5. Recognition of potential conflicts of interest:

a. MCDH understands that the potential for conflict of interest exists for decision makers at all levels within the hospital, including governing board members, administration, the medical staff, and all other employees. It is the policy of MCDH to request the disclosure of potential conflicts of interest so that appropriate action may be taken to ensure that the conflict does not inappropriately influence important decisions. (Also see Human Resources policy on Conflict of Interest)

b. Governing board members, administration, and medical staff leaders are required to submit an annual disclosure form and to disclose potential conflicts related to decisions that arise during the course of a year. The governing board or the medical executive committee will review potential conflicts and take appropriate action. In the event a potential conflict of interest has a direct impact on patient care, the institution may convene the Bio-Ethics Committee to assist in the resolution of the issue.

6. Fair billing practice:

a. MCDH and its medical staff will invoice patients or third party payers only for services actually provided to patients, and will provide assistance to patients seeking to understand the cost of their care. We will attempt to resolve questions and objections to the patient's satisfaction while considering the institution's best interest as well. (Also see Finance's policies on Fair Billing Practices)

7. Confidentiality:

a. The organization recognizes the extreme need to maintain the confidentiality of patient related information. As such, patient information will not be shared in an unauthorized manner, and sensitive information concerning personnel and management issues will be maintained in the strictest confidence, and accessible only to those individuals authorized to review and act upon such information. (Also see Administrative policy on Confidentiality, and Compliance policies on Disclosure and Use of Protected Health Information and Notice of Privacy

Practices)

8. Integrity:

   a. Clinical decision-making is based on patient need without regard to how the hospital compensates its leaders, managers, clinical staff, and licensed independent practitioners.

   b. Underlying each of the above principles is our overall commitment to act with integrity in all of our activities and to treat the organization's employees, patients, physicians, and the many constituents we serve with utmost respect. In our relationships, with professionals and educational institutions, while we respect their values, our actions must always be consistent with our organizational integrity.

IV. Responsibilities to the Organization:

A. We will conduct both competitive and cooperative activities in ways that improve community healthcare services

B. We will lead the organization in the use and improvement of standards of management and sound business practices

C. We will be truthful in all forms of professional and organizational communication, and avoid disseminating information that is false, misleading, or deceptive.

V. Responsibilities to Employees:

A. We will work to create a working environment conductive for underscoring employee ethical conduct and behavior

B. All will work to ensure that individuals may freely express ethical concerns and provide mechanisms for discussing and addressing such concerns

C. We are committed to provide a work environment that is free from harassment, sexual and other; coercion of any kind, especially to perform illegal or unethical acts; and discrimination on the basis of race, creed, color, sex, ethnic origin, sexual orientation, age, or disability.

D. We are committed to ensure an environment that is conductive to proper utilization of employee's skills and abilities.

New: 04/2000
Revised: 11/08

T

A

B

5

CONFLICT OF INTEREST CODE

OF THE
MENDOCINO COAST HEALTH CARE DISTRICT, DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended May 30, 2019)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Mendocino Coast Health Care District dba Mendocino Coast District Hospital (the "District").**

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Executive Assistant** as the District's Filing Officer. The **Executive Assistant** shall make and retain a copy of all statements filed by Members of the Board of Directors and the Chief Executive Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of Mendocino County. If the County allows, the Members of the Board and Chief Executive Officer may file statements electronically directly with the Clerk of the Board of Supervisors. The **Executive Assistant** shall retain the original statements filed by all other designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

MENDOCINO COAST HEALTH CARE DISTRICT
DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended May 30, 2019)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments[1]:

Members, Board of Directors

Chief Executive Officer

Chief Financial Officer

Investment Consultants

---

[1] Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITION'S TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Activities Program Coordinator	5
Chief Human Resources Officer	5
Chief Nursing Officer	5
Clinical Coordinator	5
Clinical Supervisor	5
Controller	4
Director, Ancillary Services	5
Director, General Support Services	4
Director, Home Health	5
Director, Information Systems	5
Director, Pharmacy	5
Director, PR/Communications Marketing	5
Director, Quality & Risk Management	5
Director, Support Services	5
General Counsel	1, 2
Manager, Assistant Nutrition Services	5
Manager, Business Office	5
Manager, Case Management & Utilization Review	5
Manager, Diagnostic Imaging Department	5
Manager, Infusion/Hematology/Oncology	5
Manager, Laboratory Services	5
Manager, Medical Records	5
Manager, Medical Transport Services	5
Manager, Nutrition Services	5
Manager, Plant Services	4

Manager, Rehabilitation Services	5
Network Administrator	5
Plant Services Supervisor	5
Purchasing Agent, Materials Management	4
Respiratory Therapist Lead	5

Consultants and New Positions[2]

[2] Individuals providing services as a Consultant defined in Regulation 18700.3 or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Director may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The Chief Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned. "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, if such entities or sources have filed claims against the District in the past 2 years, or have a claim pending before the District.

RESOLUTION OF ADOPTION FOR ADOPTION BY THE BOARD

RESOLUTION NO. 2019 – ______

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT, dba MENDOCINO COAST DISTRICT HOSPITAL, AMENDING THE CONFLICT OF INTEREST CODE

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (the District) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the District being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated position and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on May 30, 2019, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Board of Directors of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, as follows:

Section 1. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto;

Section 2. The Conflict of Interest Code shall be on file with the Executive Assistant and available to the public for inspection and copying during regular business hours;

Section 3. The Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of Mendocino for approval and said Code shall become

effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

Section 4. All previous Conflict of Interest Codes of the District shall be rescinded as of the effective date of the said proposed Code as approved by the County of Board of Supervisors.

PASSED, APPROVED AND ADOPTED by the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, at a regular meeting on the 30th day of May, 2019, by the following vote:

AYE:
NAY:
ABSTAIN:
ABSENT:

____
President of the Board of Directors

____
Chief Executive Officer

Attest:

____
Secretary of the Board of Directors

CONFLICT OF INTEREST CODE

OF THE
MENDOCINO COAST HEALTH CARE DISTRICT, DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended May 30, 2019)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Mendocino Coast Health Care District dba Mendocino Coast District Hospital (the "District")**.

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Executive Assistant** as the District's Filing Officer. The **Executive Assistant** shall make and retain a copy of all statements filed by Members of the Board of Directors and the Chief Executive Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of Mendocino County. If the County allows, the Members of the Board and Chief Executive Officer may file statements electronically directly with the Clerk of the Board of Supervisors. The **Executive Assistant** shall retain the original statements filed by all other designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

MENDOCINO COAST HEALTH CARE DISTRICT
DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended May 30, 2019)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments[1]:

Members, Board of Directors

Chief Executive Officer

Chief Financial Officer

Investment Consultants

---

[1] Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITION'S TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Activities Program Coordinator	5
Chief Human Resources Officer	5
Chief Nursing Officer	5
Clinical Coordinator	5
Clinical Supervisor	5
Controller	4
Director, Ancillary Services	5
Director, General Support Services	4
Director, Home Health	5
Director, Information Systems	5
Director, Pharmacy	5
Director, PR/Communications Marketing	5
Director, Quality & Risk Management	5
Director, Support Services	5
General Counsel	1, 2
Manager, Assistant Nutrition Services	5
Manager, Business Office	5
Manager, Case Management & Utilization Review	5
Manager, Diagnostic Imaging Department	5
Manager, Infusion/Hematology/Oncology	5
Manager, Laboratory Services	5
Manager, Medical Records	5
Manager, Medical Transport Services	5
Manager, Nutrition Services	5
Manager, Plant Services	4

Manager, Rehabilitation Services	5
Network Administrator	5
Plant Services Supervisor	5
Purchasing Agent, Materials Management	4
Respiratory Therapist Lead	5

Consultants and New Positions[2]

[2] Individuals providing services as a Consultant defined in Regulation 18700.3 or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Director may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The Chief Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned. "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

<u>Category 1:</u> All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

<u>Category 2:</u> All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

<u>Category 3:</u> All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

<u>Category 4:</u> All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

<u>Category 5:</u> All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

<u>Category 6:</u> All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, if such entities or sources have filed claims against the District in the past 2 years, or have a claim pending before the District.

EXPLANATION OF DESIGNATION OF OFFICIALS AND THE ASSIGNMENT OF DISCLOSURE RESPONSIBILITIES

April 24, 2019

MENDOCINO COAST HEALTH CARE DISTRICT

EXPLANATION OF AMENDMENT OT CONFLICT OF INTEREST CODE AND FILER DESIGNATIONS AND ASSIGNMENT OF DISCLOSURE REQUIREMENTS

Pursuant to the Political Reform Act (Gov. Code § 81000, et seq.) (the "Act") the MENDOCINO COAST HEALTH CARE DISTRICT dba Mendocino Coast District Hospital (the "District") adopted a Conflict of Interest Code (the "Code"). The Code must designate those employees, members, officers, and consultants who make or participate in the making of decisions which may foreseeably have a material effect on the filers' financial interests and are therefore, subject to the disclosure and disqualification requirements of the Code.

The Code must also set forth Disclosure Categories to be assigned to the designated positions requiring individuals holding each position to disclose personal interests that may be affected by the exercise of the individual's duties.

Codes are to be regularly reviewed and amended as necessary. After completing a review of its Conflict of Interest Code of the District it was determined that an amendment is necessary to reflect changed circumstances within the District as well as update language for required information of a Code.

Below is an explanation of the specific amendments proposed:

"INCORPORATION PAGE"

The Fair Political Practices Commission ("FPPC") has instituted a "Standard Code" for adoption by local public agencies. This is done by creating an Incorporation Page using the language provided by the FPPC for incorporating 2 California Code of Regulations Section 18730 as the provisions of the Code containing all standard terms. Regulation 18730 is regularly amended by the FPPC to conform to amendments in the Act. This language has been amended to reflect that provided by the FPPC to adopt the FPPC's Standard Code. This area of the Code has also been amended to include the FPPC's language on the handling of statements of economic interests and availability to the public. Statements are to be filed with the District's Executive Assistant as the District's Filing Officer who shall make and keep copies of statements filed by Members of the Board and the Chief Executive Officer and forward the originals to the Clerk of the Board of Supervisors. The Filing Officer shall keep the original statements filed by all other filers. If the County allows, Members of the Board and the Chief Executive officer may file statements electronically with the Clerk of the Board of Supervisors.

APPENDIX

The Appendix is separated into two parts – Part A to address and designate official positions who make or participate in the making of governmental decisions and subject to disclosure requirements; and Part B which establishes the categories of disclosure requirements which are assigned to designated positions depending on the duties of each position.

PART "A"

"OFFICIALS WHO MANAGE PUBLIC INVESTMENTS"

Primary officials determined to fall under the definition of "Officials Who Manage Public Investments" as required by the FPPC must file disclosure statements under Government Code section 87200. It was found that the Board Members, CEO, CFO and possibly Investment Consultants are such officials. These positions have full disclosure requirements under the Act and are not to be assigned disclosure requirements under the District's Code.

"DESIGNATED POSITIONS"

The District's list of Designated Positions specifically enumerates all positions within the District which make or participate in the making of District decisions which may foreseeably have a material effect on that position's financial interests.

Disclosure Categories have been assigned to the Designated Positions on a narrow basis in relation to their official duties with the District to prevent requiring over-disclosure.

Positions that, by virtue of their positions, are involved in all facets of District operations have been assigned Categories 1 and 2 indicating "full disclosure" requirements under the Code. Likewise, positions having narrower involvement and/or responsibilities with the District have been assigned more limited disclosure requirements based on the duties of the position. (See Explanation of Types of Disclosure Categories, below.)

Revisions to the Designated Positions are as follows:

The positions listed below are officials who manage public investments and have been declared as such and removed the list of designated positions subject to the Code.

Member, Board of Directors
Chief Executive Officer
Chief Financial Officer

All auditors of the Hospital - This designation was removed since specific positions must be listed and any independent auditors would not be covered by the District's Code unless contracted for services outside of the independent audit.

NEWLY DESIGNATED POSITIONS – It was determined that the positions below make or participate in the making of governmental decisions which could materially affect some of their financial interests. Disclosure requirements have been narrowed to the types of interests that could be affected by their duties with the District or their department, unit or division.

Activities Program Coordinator	**5**
Chief Human Resources Officer	**5**
Chief Nursing Officer	**5**
Clinical Coordinator	**5**
Clinical Supervisor	**5**
Controller	**4**
Director, Ancillary Services	**5**
Director, General Support Services	**4**
Director, Home Health	**5**
Director, Information Systems	**5**
Director, Pharmacy	**5**
Director, PR/Communications Marketing	**5**
Director, Quality & Risk Management	**5**
Director, Support Services	**5**
General Counsel	**1, 2**
Manager, Assistant Nutrition Services	**5**
Manager, Business Office	**5**
Manager, Case Management & Utilization Review	**5**
Manager, Diagnostic Imaging Department	**5**
Manager, Infusion/Hematology/Oncology	**5**
Manager, Laboratory Services	**5**
Manager, Medical Records	**5**
Manager, Medical Transport Services	**5**
Manager, Nutrition Services	**5**
Manager, Plant Services	**4**
Manager, Rehabilitation Services	**5**
Network Administrator	**5**
Plant Services Supervisor	**5**
Purchasing Agent, Materials Management	**4**
Respiratory Therapist Lead	**5**

Consultants and New Positions

Consultant is a generic designated position to cover any contracted positions not specifically designated meeting the definition of Consultant under the Act and required to file disclosure statements because they may participate in making or influence decisions, as defined.

New Positions covers any newly created positions for interim filing requirements pending amendment of the Code.

Consultants and New Positions have specific footnote language appended to them indicating that these positions have full disclosure responsibilities unless specifically narrowed or waived, in writing, by the Chief Executive Officer, based on their duties and placed on file with the District's Filing Officer. Identification of New Positions and Consultants will be done on FPPC Forms 804 and 805, respectively.

EXPLANATION OF DISCLOSURE CATEGORIES

Disclosure Categories identify the types of investments, business entities, sources of income, including gifts, loans and travel payments, or real property which the Designated Position must disclose for each disclosure category to which he or she is assigned.

The District cannot require the Designated Position to over-disclose. Disclosure Categories must be designed and assigned **depending on the duties and responsibilities of the position held**. Therefore, five Disclosure Categories have been designed to be assigned to the various designated positions listed in Part "A" of the Appendix of the Code. This list of Disclosure Categories provides flexibility in the application of the various Categories to the different designated positions but are narrow enough so as not to require over-disclosure by a Designated Position or Consultant.

ASSIGNMENT OF DISCLOSURE CATEGORIES:

Category 1 requires the disclosure of reportable investments, business positions, and sources of income in the jurisdiction of the District. (Previous Category 1 was split to provide better flexibility in applying the requirements to various positions.)

Category 2 requires the disclosure of reportable interests in all real property (not including personal residence) located in the jurisdiction of the District (or within 2 miles thereof). (Previous Category 2 duplicated Category 1.)

The assignment of Categories 1 and 2 means the Designated Position has full disclosure requirements under the District's Code. These Categories are usually assigned to General Counsel, and other very broad decision-makers whose responsibilities are too broad to be narrowed and warrant full disclosure. These are also the Categories provided Consultants, as defined, and New Positions if not narrowed in writing as described, above.

Category 3 is limited to business interests and sources of income engaged in land development, construction or the acquisition or sale of real property. This is normally

assigned to positions or consultants involved specifically in these areas, such as project managers, or involved with purchasing or leasing of facilities or real property.

Category 4 is limited to interests in entities that provide services, supplies, etc. of the type used by the District. This Category is reserved for positions that are involved in the District on a broad basis touching a variety of departments and are therefore, unable to be narrowed to one department, division or area. Positions assigned this Category are usually involved in broad areas of administration and fiscal services.

Category 5 is limited to interests in entities that provide services, supplies, etc. of the typed used by a Designated Position's department, division or unit. This Category is assigned to positions involved in limited aspects of the District so that disclosure requirements can be narrowed to the position's specific area in order to avoid requiring over-disclosure. This Category is also used to assign to Consultants in specific areas, such as IT.

PUBLIC NOTICE
FOR POSTING ON
BULLETIN BOARD
OR OTHER PUBLIC AREA
(SAME AS POSTING AGENDA)

NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE MENDOCINO COAST HEALTH CARE DISTRICT, dba MENDOCINO COAST DISTRICT HOSPITAL

NOTICE IS HEREBY GIVEN that the Board of Directors of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (the District) intends to amend the District's Conflict of Interest Code (the "Code") pursuant to Government Code Section 87306.

The Appendix of the Code designates those employees, members, officers, and consultants who make or participate in the making of decisions and are subject to the disclosure requirements of the District's Code. The District's proposed amendment is to include positions that must be designated, delete positions, remove and declare primary positions who manage the investment of public funds, create disclosure categories applicable to District positions, assign disclosure categories based on the scope of duties of the designated positions, and adopt the standard code language and format of the Fair Political Practices Commission (FPPC).

The proposed amended Code will be considered by the Board of Directors on May 30, 2019, at 6:00 p.m. at Mendocino Coast District Hospital, Redwoods Room, 700 River Drive, Fort Bragg, California. Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of Gayle Moon, Executive Assistant, Mendocino Coast District Hospital, 700 River Drive, Fort Bragg CA 95437; 707) 961-4610. Written comments must be submitted no later than May 30, 2019, at 6:00 p.m.

The proposed amended Code may be reviewed at, and copies obtained from, the office of the Executive Assistant.

NOTICE PACKET

(Notice of Intention and legislative version of proposed Code)

For affected positions – newly designated and those whose disclosure requirements have changed

NOTICE OF INTENTION TO AMEND THE CONFLICT OF INTEREST CODE OF THE MENDOCINO COAST HEALTH CARE DISTRICT, dba MENDOCINO COAST DISTRICT HOSPITAL

NOTICE IS HEREBY GIVEN that the Board of Directors of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (the District) intends to amend the District's Conflict of Interest Code (the "Code") pursuant to Government Code Section 87306.

The Appendix of the Code designates those employees, members, officers, and consultants who make or participate in the making of decisions and are subject to the disclosure requirements of the District's Code. The District's proposed amendment is to include positions that must be designated, delete positions, remove and declare primary positions who manage the investment of public funds, create disclosure categories applicable to District positions, assign disclosure categories based on the scope of duties of the designated positions, and adopt the standard code language and format of the Fair Political Practices Commission (FPPC).

The proposed amended Code will be considered by the Board of Directors on May 30, 2019, at 6:00 p.m. at Mendocino Coast District Hospital, Redwoods Room, 700 River Drive, Fort Bragg, California. Any interested person may be present and comment at the public meeting or may submit written comments concerning the proposed amendment. Any comments or inquiries should be directed to the attention of Gayle Moon, Executive Assistant, Mendocino Coast District Hospital, 700 River Drive, Fort Bragg CA 95437; 707) 961-4610. Written comments must be submitted no later than May 30, 2019, at 6:00 p.m.

The proposed amended Code may be reviewed at, and copies obtained from, the office of the Executive Assistant.

TAB 6

This document will be provided at the meeting

TAB 7

	TITLE: Competencies for Employees and Registry Staff **POLICY#:** 1325

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 10/01/2008 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 06/12/2019

PURPOSE: To have a consistent process at Mendocino Coast District Hospital (MCDH) to assess and document all employee and registry staff's ~~staff's~~ ability to carry out assigned responsibilities safely, competently, and in a timely manner.

POLICY: All newly hired or transferring employees and registry staff will participate in orientation competencies. ~~(see policy number 130.2001).~~ All employees will also be required to do annual department specific competencies. These are assessed at the time of the employee's annual performance evaluation. Throughout the year, there may be newly required competencies if there are new procedures, equipment, medications, or processes in that department. There are also required Certification Competencies for certain clinical positions.

PROCEDURE:

I. Department Specific Competencies:

A. There will be competencies for every position at MCDH. The competencies are department specific and applicable to the work being done.

B. The Manager determines the department specific competencies with input from Senior Management, Staff Development, Staff and Physicians.

C. The competencies will be based on the population served.

1. For example: Competencies in the Emergency Department will include the care of patients that are all ages, infant to geriatric.
2. Sensitivity to cultural diversity is an integral part of any competency.

D. Competencies are dynamic and constantly in revision. This would be based on techniques, procedures, technology, equipment, or skills that are needed to provide care, treatment, or services to our patients. The Manager will forward these revisions to Human Resources where they will be formatted to keep the process uniform.

E. Competencies are often chosen because of low volume, high risk or problem prone patient needs.

F. Each department will keep a binder with the following information:

1. The list of competencies for the current year;
2. The criteria for meeting that competency (articles, information, policies, testing material);
3. The list of employees in that department.
4. Competencies are assessed by actual performance (preferred), simulated performance, or tested verbally or in writing.
5. The binder should be accessible to all employees, charge nurses, supervisors, and manager for that unit. That way everyone can see what progress is being made throughout the year.

G. Preceptors are chosen for their expertise in competencies. This could be the charge nurse, the supervisors, or a staff member who has shown expertise. The decision lies with the manager with the assistance of Staff Development.

H. Throughout the year, the staff and preceptors work on the competencies and keep this information in the binders.

I. At the annual performance appraisal, the manager completes the competency list and submits to Human Resources. This is documented and kept in the eEmployee file.

J. If deficiencies are found in the competency area, the manager and staff ~~development, with time lines and continued feedback,~~ will design a plan of correction timeline and provide continued feedback.

K. If competencies cannot be met, appropriate action will be taken: reassignment or disciplinary action.

II. Nursing-wide Competencies

A. At orientation, all nursing staff (where appropriate) receive nNursing-wide competencies including but not limited to:

1. Glucometer;
2. Medication Administration;
3. IV Certification;
4. IV Admixture (when applicable);
5. PCA;
6. Epidural;
7. Transfusion;
8. Restraint;
9. Fall Prevention;
10. Respiratory Therapy.

B. Some competencies, such as Glucometer, are also performed annually where regulations stipulate or there is a need determined by ~~the Organization~~MCDH.

~~B.~~C. Upon completion of the initial nursing-wide competencies, Staff Development will review and forward the competencies packet to Human Resources (for MCDH employees) or to the Staffing Coordinator (for Registry staff) for placement in the individual's file.

III. Facility-wide Safety Competencies

A. Annually there is a mandatory Safety Training ~~Fair~~ for ALL employees.

1. Topics addressed include, but are not limited to:

a. Risk management;

b. Quality assurance;
c. Code of ethics;
d. Chain of command;
e. Corporate compliance;
f. Complaint management;
g. Patient rights;
h. Patient safety goals;
i. Employee health requirements;
j. Infection control;
k. Medical equipment management;
l. Back and ergonomic training;
m. Fire safety;
n. Emergency management;
o. Customer service.

B. Documentation is kept in the educational file.

New: 10/08
Revised:
Reviewed: 11/2018

TAB 8

Mendocino Coast District Hospital
Budget Assumptions
Fiscal Year Ending June 30, 2020

Assumptions:		
Revenue-No increase in prices or volume		0.0%
Revenue Deductions-Adjust to allow for increased operating expenses		53.7%
Operating Expenses:		
Salaries & Wages-Per Negotiated Agreement		2.5%
Benefits (Includes 9% increase in group health premiums)		3.5%
Other Operating Expenses:		1.0%
Purchased Services (Includes new Meditech software)		60.0%
Insurance:		
D&O	$	50,000
Liability		Pending
Property	$	25,000
Workers Comp		2.5%
Employee Health		9.0%
Supplies-Drugs		5.0%
Non-Operating Revenues (Expenses)		
Contributions-Run rate from previous four years	$	300,000
Tax Revenue for Debt Service		0
Parcel Tax Revenues		0
Bond Expense		0
All Interest		0

Mendocino Coast District Hospital
Budget
Fiscal Year Ending June 30, 2020

YTD Months: 10

	Actual 4/30/2019	Projected 6/30/2019		FY 2020 Adjustments	Budget Fiscal Year 2020
OPERATING REVENUES					
Inpatient	18,127,300	21,752,760	0.0%	-	21,752,760
Swing Bed	3,799,497	4,559,396	0.0%	-	4,559,396
Outpatient	70,063,001	84,075,601	0.0%	-	84,075,601
NCFHC	4,438,483	5,326,180	0.0%	-	5,326,180
Home Health	1,211,851	1,454,221	0.0%	-	1,454,221
TOTAL PATIENT SERVICE REVENUES	97,640,132	117,168,158	0.0%	-	117,168,158
REVENUE DEDUCTIONS					
Current Year Contractuals	53,413,419	64,096,103	-1.5%	(975,585)	63,120,518
Policy Discounts	84,662	101,594	0.0%	-	101,594
State Programs	(1,597,575)	(1,917,090)	0.0%	-	(1,917,090)
Bad Debt	1,042,247	1,250,696	0.0%	-	1,250,696
Charity	286,559	343,871	0.0%	-	343,871
TOTAL DEDUCTIONS	53,229,312	63,875,174	-1.5%	(975,585)	62,899,589
	54.5%	54.5%			53.7%
NET PATIENT SERVICE REVENUE	44,410,820	53,292,984	1.8%	975,585	54,268,569
Other Operating Revenues (Footnote 1)	1,681,765	2,018,118	0.0%	-	2,018,118
TOTAL OPERATING REVENUES	46,092,585	55,311,102	1.8%	975,585	56,286,687

Footnote 1-Other Operating Revenues

340B Program	967,106
Prime Project	493,750
Hospice Thrift Store Revenue	282,446
	1,743,302

	Actual 4/30/2019	Projected 6/30/2019		FY 2020 Adjustments	Budget Fiscal Year 2020
OPERATING EXPNESES					
Salaries & Wages-Staff	15,391,930	18,655,019	2.5%	466,375	19,121,395
Employee Benefits	7,380,941	8,857,129	3.5%	310,000	9,167,129
Professional Fees-Physician	5,251,565	6,301,878	1.0%	63,019	6,364,897
Other Professional Fees-Registry	5,262,954	6,315,545	1.0%	63,155	6,378,700
Other Professional Fees-Other	1,640,950	1,969,140	1.0%	19,691	1,988,831
Supplies-Drugs	4,343,323	5,211,988	5.0%	260,599	5,472,587
Supplies-Medical	2,411,327	2,893,592	1.0%	28,936	2,922,528
Supplies-Other	832,568	999,082	1.0%	9,991	1,009,072
Purchased Services (Footnote 1)	1,092,469	1,310,963	60.0%	786,578	2,097,540
Repairs & Maintenance	682,366	818,839	1.0%	8,188	827,028
Utilities	726,975	872,370	1.0%	8,724	881,094
Insurance	456,653	547,984	15.0%	82,198	630,181
Depreciation and Amortization	1,233,709	1,480,451	1.0%	14,805	1,495,255
Rental/Lease	537,093	644,512	1.0%	6,445	650,957
Other Expenses	1,286,700	1,544,040	1.0%	15,440	1,559,480
TOTAL OPERATING EXPENSES	48,531,523	58,422,531	3.7%	2,144,144	60,566,675
NET REVENUE (LOSS) FROM OPERATIONS	(2,438,938)	(3,111,429)	37.6%	(1,168,559)	(4,279,988)
NON-OPERATING REVENUES (EXPENSES)					
Tax Revenues	650,000	780,000	1.0%	7,800	787,800
Funded Depreciation Income	64,338	77,206	1.0%	772	77,978
Contributions	20,141	24,169	0.0%	300,000	324,169
Gains (Losses) on Sale of Assets	2,118	2,542	1.0%	25	2,567
TOTAL NON-OPERATING REVENUE (EXPENSE)	736,597	883,916	34.9%	308,597	1,192,514
NET INCOME (LOSS) BEFORE TAX REVENUE	(1,702,341)	(2,227,512)	38.6%	(859,962)	(3,087,474)
Tax Revenue for Debt Service	277,160	332,592	0.0%	-	332,592
Parcel Tax Revenues	1,330,000	1,596,000	0.0%	-	1,596,000
Bond Expense	11,124	13,349	0.0%	-	13,349
All Interest	(425,425)	(510,510)	0.0%	-	(510,510)
NET INCOME (LOSS)	(509,482)	(796,082)	108.0%	(859,962)	(1,656,043)

Footnote 1:

Purchased services includes increase in Meditech cost.

Meditech cost projected fiscal year 2020	1,440,000
Meditech cost fiscal year 2019	870,000
Increase in Meditech cost	570,000

Mendocino Coast District Hospital
Projected Cash Flow
Fiscal Year Ending June 30, 2020

Beginning Cash	$ 225,000
Operating Profit (Loss)	(1,656,043)
Depreciation	1,495,255
Fixed Asset Purchases	(1,596,000)
Debt Service (Footnote 1)	(1,175,831)
Transfer From Board Designated Funds	**2,932,619**
Ending Cash	$ 225,000

Footnote 1: Principal Payments

Cal Mortgage	200,000
2016 Revenue Bonds	625,000
UHC of California	210,000
HELP II Loan	140,831
	1,175,831

TAB 9

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

Unaudited Financial Statements

for

For the month ended May 31, 2019

FORT BRAGG, CA

For the month ended May 31, 2019

TABLE OF CONTENTS

EXECUTIVE SUMMARY	PAGE 2
BALANCE SHEET - ASSETS	PAGE 3
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 4
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 5
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 6
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGE 7
STATEMENT OF CASH FLOWS	PAGE 9
KEY OPERATING STATISTICS	PAGE 10
FINANCIAL RATIOS AND BENCHMARKS	PAGE 11

MENDOCINO COAST HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

For the month ended May 31, 2019

BALANCE SHEET

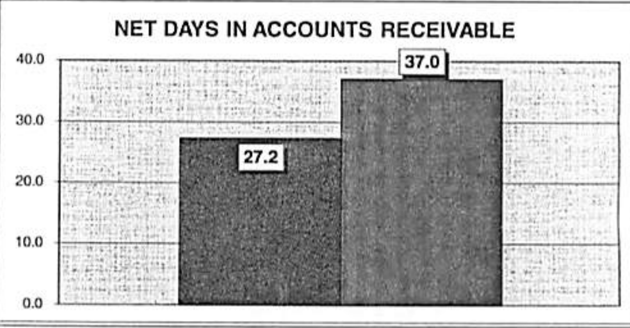
	5/31/2019	6/30/2018
ASSETS		
Current Assets	$10,990,166	$12,244,405
Assets Whose Use is Limited	5,576,008	5,626,312
Property, Plant and Equipment (Net)	14,737,908	14,572,282
Total Unrestricted Assets	**31,304,082**	**32,442,999**
Total Assets	**$31,304,082**	**$32,442,999**
LIABILITIES AND NET ASSETS		
Current Liabilities	$11,841,721	$12,035,802
Long-Term Debt	12,514,405	12,815,206
Total Liabilities	**24,356,126**	**24,851,008**
Net Assets	6,947,956	7,591,991
Total Liabilities and Net Assets	**$31,304,082**	**$32,442,999**

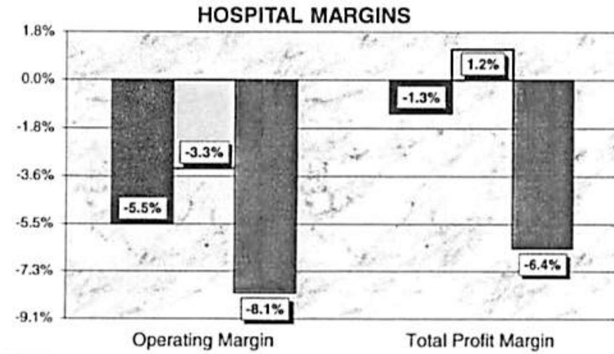
STATEMENT OF REVENUE AND EXPENSES - YTD

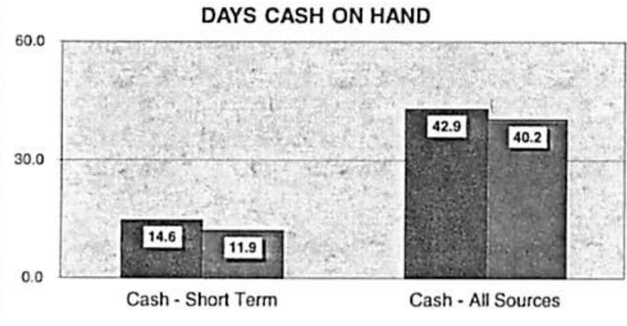
	ACTUAL	***BUDGET***
Revenue:		
Gross Patient Revenues	$107,669,082	$108,401,000
Deductions From Revenue	(58,816,042)	(60,622,000)
Net Patient Revenues	48,853,040	47,779,000
Other Operating Revenue	1,916,977	1,925,000
Total Operating Revenues	**50,770,017**	**49,704,000**
Expenses:		
Salaries, Benefits & Contract Labor	30,856,798	29,032,000
Purchased Services & Physician Fees	8,920,752	8,732,000
Supply Expenses	8,342,196	8,140,000
Interest Expense	0	0
Depreciation Expense	1,369,371	1,408,000
Other Operating Expenses	4,061,617	4,056,000
Total Expenses	**53,550,730**	**51,368,000**
NET OPERATING SURPLUS	**(2,780,713)**	**(1,664,000)**
Non-Operating Revenue/(Expenses)	2,136,678	2,248,000
TOTAL NET SURPLUS	**($644,035)**	**$584,000**

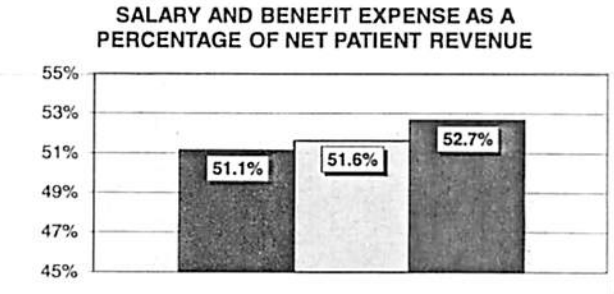
BOND COVENANTS

	REQUIREMENT	***ACTUAL***
DEBT SERVICE COVERAGE RATIO	1.25	**0.98**
CURRENT RATIO	1.00	**0.93**
DAYS CASH ON HAND	30.0	**42.9**









MENDOCINO COAST HEALTHCARE DISTI	5/31/2019
Budget	5/31/2019
Prior Fiscal Year End	6/30/2018

Balance Sheet - Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended May 31, 2019

	Current Month 5/31/2019	Prior Year End 6/30/2018
CURRENT ASSETS		
CASH	$ 2,252,461	$ 1,806,804
PARCEL TAX REVENUE ACCT	$ 874,278	
PATIENT RECEIVABLES	16,394,498	16,595,137
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(12,190,784)	(11,442,152)
NET PATIENT ACCOUNTS RECEIVABLES	4,203,714	5,152,985
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,972,753	3,254,576
OTHER RECEIVABLES	276,194	799,134
INVENTORIES	818,117	811,360
PREPAID EXPENSES	592,649	419,546
TOTAL CURRENT ASSETS	**$ 10,990,166**	**$ 12,244,405**
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,361,674	$ 4,280,052
PLAN FUND	13,759	13,759
BONDS	725,262	812,501
BOND COSTS	475,313	520,000
TOTAL LIMITED USE ASSETS	**$ 5,576,008**	**$ 5,626,312**
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,490	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	21,770,739	21,899,738
CONSTRUCTION-IN-PROGRESS	1,624,430	280,584
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 49,468,960	$ 48,254,113
LESS: ACCUMULATED DEPRECIATION	(34,731,051)	(33,681,831)
NET PROPERTY, PLANT, & EQUIPMENT	**$ 14,737,908**	**$ 14,572,282**
TOTAL ASSETS	**$ 31,304,082**	**$ 32,442,999**

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended May 31, 2019

	Current Month 5/31/2019	Prior Year End 6/30/2018
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 4,249,060	$ 6,383,566
ACCRUED PAYROLL	$ 741,296	$ 758,061
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,145,382	$ 1,173,087
PAYROLL TAXES PAYABLE	$ 47,741	$ 52,256
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 1,459,062	$ 1,648,982
OTHER CURRENT LIABILITIES	$ 938,685	$ 36,543
INTEREST PAYABLE	$ 998,447	$ 1,123,094
PREVIOUS FY PENSION PAYABLE	$ 860,213	$ 860,213
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ 16,667	$ -
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 1,385,170	$ -
TOTAL CURRENT LIABILITIES	**$ 11,841,721**	**$ 12,035,802**
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 9,835,309	$ 10,610,090
OTHER NON-CURRENT LIABILITIES	$ 1,795,116	$ 2,205,116
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 883,980	$ -
TOTAL LONG TERM LIABILITIES	**$ 12,514,405**	**$ 12,815,206**
TOTAL LIABILITIES	**$ 24,356,126**	**$ 24,851,008**
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 7,591,991	$ 8,803,300
TEMPORARY RESTRICTED FUND BALANCE	$ -	$ -
Net Revenue/(Expenses) (YTD)	$ (644,035)	$ (1,211,309)
TOTAL NET ASSETS	**$ 6,947,956**	**$ 7,591,991**
TOTAL LIABILITIES AND NET ASSETS	**$ 31,304,082**	**$ 32,442,999**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended May 31, 2019

	CURRENT MONTH				
	Actual 05/31/19	Budget 05/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 05/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 1,296,892	$ 1,951,000	$ (654,108)	-34%	$ 1,710,663
SWING BED	$ 608,924	$ 213,000	$ 395,924	186%	$ 220,196
OUTPATIENT	$ 7,648,177	$ 7,631,000	$ 17,177	0%	$ 7,406,473
NORTH COAST FAMILY HEALTH CENTER	$ 355,621	$ 486,000	$ (130,379)	-27%	$ 524,096
HOME HEALTH	$ 119,334	$ 136,000	$ (16,666)	-12%	$ 142,913
TOTAL PATIENT SERVICE REVENUES	$ 10,028,948	$ 10,417,000	$ (388,052)	-4%	$ 10,004,341
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (5,810,269)	$ (5,657,000)	$ (153,269)	3%	$ (5,256,354)
POLICY DISCOUNTS	$ (41,405)	$ (12,000)	$ (29,405)	245%	$ (6,463)
STATE PROGRAMS	$ 552,945	$ 100,000	$ 452,945	453%	$ -
BAD DEBT	$ (254,225)	$ (208,000)	$ (46,225)	22%	$ (156,000)
CHARITY	$ (33,772)	$ (50,000)	$ 16,228	-32%	$ (10,580)
TOTAL DEDUCTIONS FROM REVENUES	$ (5,586,726)	$ (5,827,000)	$ 240,274	4%	$ (5,429,397)
NET PATIENT SERVICE REVENUES	$ 4,442,222	$ 4,590,000	$ (147,778)	-3%	$ 4,574,944
OTHER OPERATING REVENUES	$ 235,212	$ 175,000	$ 60,212	34%	$ 206,014
TOTAL OPERATING REVENUES	**$ 4,677,434**	**$ 4,765,000**	**$ (87,566)**	**-2%**	**$ 4,780,958**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,472,457	$ 1,575,000	$ (102,543)	-7%	$ 1,547,441
EMPLOYEE BENEFITS	$ 742,661	$ 743,000	$ (339)	0%	$ 752,490
PROFESSIONAL FEES - PHYSICIAN	$ 485,547	$ 571,000	$ (85,453)	-15%	$ 562,637
OTHER PROFESSIONAL FEES - REGISTRY	$ 605,856	$ 231,000	$ 374,856	162%	$ 615,241
OTHER PROFESSIONAL FEES - OTHER	$ 336,996	$ 118,000	$ 218,996	186%	$ 128,543
SUPPLIES - DRUGS	$ 500,098	$ 406,000	$ 94,098	23%	$ 418,903
SUPPLIES - MEDICAL	$ 169,002	$ 252,000	$ (82,998)	-33%	$ 249,205
SUPPLIES - OTHER	$ 85,876	$ 82,000	$ 3,876	5%	$ 106,722
PURCHASED SERVICES	$ 113,222	$ 131,000	$ (17,778)	-14%	$ 134,783
REPAIRS & MAINTENANCE	$ 56,884	$ 81,000	$ (24,116)	-30%	$ 80,652
UTILITIES	$ 80,245	$ 70,000	$ 10,245	15%	$ 73,138
INSURANCE	$ 36,013	$ 47,000	$ (10,987)	-23%	$ 42,769
DEPRECIATION & AMORTIZATION	$ 135,663	$ 128,000	$ 7,663	6%	$ 130,675
RENTAL/LEASE	$ 56,991	$ 46,000	$ 10,991	24%	$ 54,614
OTHER EXPENSE	$ 141,698	$ 123,000	$ 18,698	15%	$ 129,830
TOTAL OPERATING EXPENSES	**$ 5,019,209**	**$ 4,604,000**	**$ (415,209)**	**-9%**	**$ 5,027,643**
NET OPERATING SURPLUS (LOSS)	**$ (341,775)**	**$ 161,000**	**$ (502,775)**	**-312%**	**$ (246,685)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 65,000	$ 66,000	$ (1,000)	-2%	$ 61,418
INVESTMENT INCOME	$ 18,572	$ 3,750	$ 14,822	395%	$ 2,000
DONATIONS	$ 37,547	$ 27,000	$ 10,547	39%	$ -
INTEREST EXPENSE (ALL)	$ (41,464)	$ (54,500)	$ 13,036	-24%	$ (44,017)
EXTRAORDINARY GAINS/(LOSS)	$ (34,262)	$ -	$ (34,262)	0%	$ -
BOND EXPENSE (ALL)	$ 1,112	$ 1,000	$ 112	11%	$ 4,450
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 27,750	$ (34)	0%	$ 27,716
PARCEL TAX REVENUES	$ 133,000	$ 133,000	$ -	0%	$ -
TOTAL NON OPERATING INCOME (LOSS)	**$ 207,221**	**$ 204,000**	**$ 3,221**	**2%**	**$ 51,567**
TOTAL NET INCOME (LOSS)	**$ (134,554)**	**$ 365,000**	**$ (499,554)**	**-137%**	**$ (195,118)**
Operating Margin	**-7.3%**	**3.4%**			**-5.2%**
Total Profit Margin	**-2.9%**	**7.7%**			**-4.1%**
EBIDA	**-4.8%**	**5.9%**			**-2.6%**
Cash Flow Margin	**-0.6%**	**9.8%**			**-1.9%**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended May 31, 2019

	YEAR-TO-DATE				
	Actual 05/31/19	Budget 05/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 05/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 19,432,182	$ 21,020,000	$ (1,587,818)	-8%	$ 20,569,789
SWING BED	$ 4,408,739	$ 2,294,000	$ 2,114,739	92%	$ 2,248,350
OUTPATIENT	$ 77,702,872	$ 78,501,000	$ (798,128)	-1%	$ 77,008,530
NORTH COAST FAMILY HEALTH CENTER	$ 4,794,106	$ 5,150,000	$ (355,894)	-7%	$ 5,849,393
HOME HEALTH	$ 1,331,183	$ 1,436,000	$ (104,817)	-7%	$ 1,410,256
TOTAL PATIENT SERVICE REVENUES	$107,669,082	$108,401,000	$ (731,918)	-1%	$107,086,317
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (59,223,690)	$ (58,871,000)	$ (352,690)	1%	$ (60,773,748)
POLICY DISCOUNTS	$ (126,069)	$ (132,000)	$ 5,931	-4%	$ (133,490)
STATE PROGRAMS	$ 2,150,520	$ 1,100,000	$ 1,050,520	96%	$ 1,428,850
BAD DEBT	$ (1,296,472)	$ (2,169,000)	$ 872,528	-40%	$ (1,660,001)
CHARITY	$ (320,331)	$ (550,000)	$ 229,669	-42%	$ (172,751)
TOTAL DEDUCTIONS FROM REVENUES	$ (58,816,042)	$ (60,622,000)	$ 1,805,958	3%	$ (61,311,139)
NET PATIENT SERVICE REVENUES	$ 48,853,040	$ 47,779,000	$ 1,074,040	2%	$ 45,775,178
OTHER OPERATING REVENUES	$ 1,916,977	$ 1,925,000	$ (8,023)	0%	$ 2,131,260
TOTAL OPERATING REVENUES	**$ 50,770,017**	**$ 49,704,000**	**$ 1,066,017**	**2%**	**$ 47,906,437**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 16,864,386	$ 16,530,000	$ 334,386	2%	$ 16,019,080
EMPLOYEE BENEFITS	$ 8,123,602	$ 8,161,000	$ (37,398)	0%	$ 8,239,397
PROFESSIONAL FEES - PHYSICIAN	$ 5,737,113	$ 5,993,000	$ (255,887)	-4%	$ 5,967,064
OTHER PROFESSIONAL FEES - REGISTRY	$ 5,868,810	$ 4,341,000	$ 1,527,810	35%	$ 5,966,677
OTHER PROFESSIONAL FEES - OTHER	$ 1,977,947	$ 1,298,000	$ 679,947	52%	$ 1,331,809
SUPPLIES - DRUGS	$ 4,843,423	$ 4,466,000	$ 377,423	8%	$ 4,259,656
SUPPLIES - MEDICAL	$ 2,579,957	$ 2,772,000	$ (192,043)	-7%	$ 2,657,848
SUPPLIES - OTHER	$ 918,816	$ 902,000	$ 16,816	2%	$ 877,163
PURCHASED SERVICES	$ 1,205,692	$ 1,441,000	$ (235,308)	-16%	$ 1,432,335
REPAIRS & MAINTENANCE	$ 739,250	$ 891,000	$ (151,750)	-17%	$ 893,374
UTILITIES	$ 807,221	$ 770,000	$ 37,221	5%	$ 737,761
INSURANCE	$ 492,663	$ 517,000	$ (24,337)	-5%	$ 492,662
DEPRECIATION & AMORTIZATION	$ 1,369,371	$ 1,408,000	$ (38,629)	-3%	$ 1,377,719
RENTAL/LEASE	$ 594,085	$ 506,000	$ 88,085	17%	$ 495,722
OTHER EXPENSE	$ 1,428,398	$ 1,372,000	$ 56,398	4%	$ 1,478,628
TOTAL OPERATING EXPENSES	**$ 53,550,734**	**$ 51,368,000**	**$ (2,182,734)**	**-4%**	**$ 52,226,895**
NET OPERATING SURPLUS (LOSS)	**$ (2,780,713)**	**$ (1,664,000)**	**$ (1,116,713)**	**67%**	**$ (4,320,457)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 715,000	$ 729,000	$ (14,000)	-2%	$ 675,599
INVESTMENT INCOME	$ 82,910	$ 42,250	$ 40,660	96%	$ 43,664
DONATIONS	$ 57,688	$ 297,000	$ (239,312)	-81%	$ 325,068
INTEREST EXPENSE (ALL)	$ (466,888)	$ (599,500)	$ 132,612	-22%	$ (591,904)
EXTRAORDINARY GAINS/(LOSS)	$ (32,144)	$ -	$ (32,144)	0.00%	$ 63,482
BOND EXPENSE (ALL)	$ 12,232	$ 11,000	$ 1,232	11%	$ 10,174
TAX SUBSIDIES FOR GO BONDS	$ 304,876	$ 305,250	$ (374)	0%	$ 304,876
PARCEL TAX REVENUES	$ 1,463,000	$ 1,463,000	$ -	0%	$ -
TOTAL NON OPERATING INCOME (LOSS)	**$ 2,136,674**	**$ 2,248,000**	**$ (111,326)**	**-5%**	**$ 830,960**
TOTAL NET INCOME (LOSS)	**$ (644,035)**	**$ 584,000**	**$ (1,228,035)**	**-210%**	**$ (3,489,498)**
Operating Margin	-5.5%	-3.3%			-9.0%
Total Profit Margin	-1.3%	1.2%			-7.3%
EBIDA	-2.9%	-0.5%			-6.8%
Cash Flow Margin	0.8%	3.4%			-5.0%

Statement of Revenue and Expense - 13 Month Trend

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

	1	2	3	4	5	6	7
	Actual 5/31/2019	Actual 3/31/2019	Actual 2/28/2019	Actual 1/31/2019	Actual 12/31/2018	Actual 11/30/2018	Actual 10/31/2018
GROSS PATIENT SERVICE REVENUES							
INPATIENT	1,296,892	2,323,912	1,827,740	1,946,223	1,568,434	2,069,493	1,911,377
SWING BED	608,924	732,395	510,398	271,778	138,319	367,023	361,702
OUTPATIENT	7,648,177	6,991,396	6,799,218	7,884,721	7,007,476	6,048,538	6,757,366
NORTH COAST FAMILY HEALTH CEN'	355,621	440,820	397,755	463,344	408,422	401,435	534,850
HOME HEALTH	119,334	124,983	118,117	123,260	110,380	128,944	135,916
TAL PATIENT SERVICE REVENUES	10,028,948	10,613,506	9,653,228	10,689,326	9,233,031	9,015,433	9,701,211
DEDUCTIONS FROM REVENUE							
CONTRACTUAL ALLOWANCES	(5,810,269)	(5,526,455)	(5,409,176)	(6,074,385)	(5,164,683)	(4,930,977)	(5,229,079)
POLICY DISCOUNTS	(41,405)	(13,405)	(8,089)	(6,458)	(7,056)	(7,568)	(5,199)
STATE PROGRAMS	552,945	157,500	148,000	96,000	96,000	324,790	132,039
BAD DEBT	(254,225)	0	(86,000)	(109,000)	(87,000)	(83,000)	(135,000)
CHARITY	(33,772)	(39,882)	(43,521)	(46,276)	(55,062)	(20,860)	(25,221)
·L DEDUCTIONS FROM REVENUES	(5,586,726)	(5,422,242)	(5,398,786)	(6,140,119)	(5,217,801)	(4,717,615)	(5,262,460)
NET PATIENT SERVICE REVENUES	4,442,222	5,191,264	4,254,442	4,549,207	4,015,230	4,297,818	4,438,751
OPERATING TAX REVENUES	0	0	0	0	0	0	0
OTHER OPERATING REVENUES	235,212	179,877	251,431	206,803	203,221	180,391	141,819
TOTAL OPERATING REVENUES	**4,677,434**	**5,371,141**	**4,505,873**	**4,756,010**	**4,218,451**	**4,478,209**	**4,580,570**
OPERATING EXPENSES							
SALARIES & WAGES - STAFF	1,472,457	2,004,021	1,419,826	1,577,412	1,397,120	1,570,346	1,531,359
EMPLOYEE BENEFITS	742,661	762,127	755,588	795,016	753,734	715,009	697,464
PROFESSIONAL FEES - PHYSICIAN	485,547	456,645	521,380	458,183	448,795	557,119	540,482
OTHER PROFESSIONAL FEES - REGI:	605,856	579,522	447,930	567,028	507,800	462,034	460,916
OTHER PROFESSIONAL FEES - OTHE	336,996	232,597	324,380	206,653	71,067	116,661	107,941
SUPPLIES - DRUGS	500,098	431,693	446,867	496,553	430,828	454,386	441,700
SUPPLIES - MEDICAL	169,002	225,148	259,509	273,077	244,499	234,165	244,958
SUPPLIES - OTHER	85,876	91,307	110,688	63,509	94,774	83,452	96,098
PURCHASED SERVICES	113,222	117,892	96,041	94,425	104,262	124,308	131,133
REPAIRS & MAINTENANCE	56,884	71,321	57,350	66,037	71,189	65,445	66,778
UTILITIES	80,245	66,061	72,901	72,356	69,039	73,234	82,745
INSURANCE	36,013	42,782	37,864	36,453	36,597	37,257	37,263
INTEREST	0	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	135,663	100,746	125,253	125,735	128,316	131,797	127,156
RENTAL/LEASE	56,991	59,316	52,775	55,751	55,359	50,463	54,585
OTHER EXPENSE	141,698	127,813	140,770	142,968	106,320	122,936	112,191
TOTAL OPERATING EXPENSES	**5,019,209**	**5,368,991**	**4,869,122**	**5,031,156**	**4,519,699**	**4,798,612**	**4,732,769**
NET OPERATING SURPLUS (LOSS)	**(341,775)**	**2,150**	**(363,249)**	**(275,146)**	**(301,248)**	**(320,403)**	**(152,199)**
NON-OPERATING REVENUES (EXPENSES)							
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	18,572	4,000	4,000	17,020	4,000	4,000	4,000
DONATIONS	37,547	0	13,558	0	0	6,583	0
INTEREST EXPENSE (ALL)	(41,464)	(41,028)	(40,826)	(42,674)	(42,820)	(42,862)	(43,233)
EXTRAORDINARY GAINS/(LOSS)	(34,262)	0	0	0	0	0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**207,221**	**189,800**	**203,560**	**201,174**	**188,008**	**194,549**	**187,595**
TOTAL NET INCOME (LOSS)	**(134,554)**	**191,950**	**(159,689)**	**(73,972)**	**(113,240)**	**(125,854)**	**35,396**
Operating Margin	-7%	0%	-8%	-6%	-7%	-7%	-3%
Total Profit Margin	-3%	4%	-4%	-2%	-3%	-3%	1%
EBIDA	-4%	2%	-5%	-3%	-4%	-4%	-1%
Cash Flow Margin	-3%	3%	-3%	-1%	-2%	-2%	1%

Statement of Revenue and Ex

MENDOCINO COAST HEALTHCARE DIS

FORT BRAGG, CA

	8	9	10	11	12	13
	Actual 9/30/2018	Actual 8/31/2018	Actual 7/31/2018	Actual 6/30/2018	Actual 5/31/2018	Actual 4/30/2018
GROSS PATIENT SERVICE REVENUES						
INPATIENT	1,455,829	1,765,957	1,817,067	1,637,141	1,710,663	1,918,063
SWING BED	97,364	183,436	396,594	218,491	220,196	286,394
OUTPATIENT	6,238,897	8,389,301	6,448,710	7,118,539	7,406,473	6,633,628
NORTH COAST FAMILY HEALTH CEN	428,398	500,685	449,098	460,370	524,096	426,332
HOME HEALTH	115,086	111,764	113,938	114,398	142,913	127,248
TAL PATIENT SERVICE REVENUES	8,335,574	10,951,143	9,225,407	9,548,939	10,004,341	9,391,665
DEDUCTIONS FROM REVENUE						
CONTRACTUAL ALLOWANCES	(4,512,033)	(6,230,003)	(4,702,428)	(4,882,616)	(5,256,354)	(4,848,733)
POLICY DISCOUNTS	(8,342)	(10,454)	(8,358)	(9,154)	(6,463)	(11,048)
STATE PROGRAMS	87,000	0	0	0	0	4,332
BAD DEBT	(85,460)	(143,827)	(165,173)	(140,282)	(156,000)	(146,000)
CHARITY	(5,894)	(5,081)	(8,150)	(96,506)	(10,580)	(29,245)
AL DEDUCTIONS FROM REVENUES	(4,524,729)	(6,389,365)	(4,884,109)	(5,128,558)	(5,429,397)	(5,030,694)
NET PATIENT SERVICE REVENUES	3,810,845	4,561,778	4,341,298	4,420,381	4,574,944	4,360,971
OPERATING TAX REVENUES	0	0	0	0	0	0
OTHER OPERATING REVENUES	96,496	131,304	108,834	209,313	206,014	158,264
TOTAL OPERATING REVENUES	3,907,341	4,693,082	4,450,132	4,629,694	4,780,958	4,519,235
OPERATING EXPENSES						
SALARIES & WAGES - STAFF	1,423,551	1,450,481	1,461,755	1,468,205	1,547,441	1,424,056
EMPLOYEE BENEFITS	744,099	683,304	746,141	709,468	752,490	735,667
PROFESSIONAL FEES - PHYSICIAN	463,019	531,274	546,702	477,514	562,637	585,949
OTHER PROFESSIONAL FEES - REGI:	498,128	603,309	555,670	575,451	615,241	603,219
OTHER PROFESSIONAL FEES - OTHE	90,932	75,301	85,838	96,497	128,543	116,212
SUPPLIES - DRUGS	347,892	452,113	416,900	302,744	418,903	343,074
SUPPLIES - MEDICAL	158,867	262,701	256,848	249,974	249,205	310,746
SUPPLIES - OTHER	69,112	60,665	64,198	85,889	106,722	74,882
PURCHASED SERVICES	78,668	124,097	100,033	145,486	134,783	184,502
REPAIRS & MAINTENANCE	75,267	99,133	58,758	65,282	80,652	71,791
UTILITIES	75,579	72,748	73,905	68,676	73,138	67,452
INSURANCE	69,640	64,061	56,869	49,203	42,769	49,884
INTEREST	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	127,169	140,089	114,243	133,809	130,675	139,628
RENTAL/LEASE	50,857	54,841	50,142	52,701	54,614	64,701
OTHER EXPENSE	128,277	109,321	94,408	96,024	129,830	157,475
TOTAL OPERATING EXPENSES	4,401,057	4,783,438	4,682,410	4,576,923	5,027,643	4,929,238
NET OPERATING SURPLUS (LOSS)	(493,716)	(90,356)	(232,278)	52,771	(246,685)	(410,003)
NON-OPERATING REVENUES (EXPENS						
OPERATING TAX REVENUES	65,000	65,000	65,000	61,418	61,418	61,418
INVESTMENT INCOME	15,318	4,000	4,000	13,404	2,000	2,000
DONATIONS	0	0	0	13,859	0	0
INTEREST EXPENSE (ALL)	(43,619)	(42,989)	(43,532)	(43,476)	(44,017)	(44,480)
EXTRAORDINARY GAINS/(LOSS)	0	0	2,118	0	0	
BOND EXPENSE (ALL)	1,112	1,112	1,112	3,337	4,450	
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000			
. NON OPERATING INCOME (LOSS)	198,527	187,839	189,414	76,258	51,567	46,654
TOTAL NET INCOME (LOSS)	(295,189)	97,483	(42,864)	129,029	(195,118)	(363,349)
Operating Margin	-13%	-2%	-5%	1%	-5%	-9%
Total Profit Margin	-8%	2%	-1%	3%	-4%	-8%
EBIDA	-9%	1%	-3%	4%	-2%	-6%
Cash Flow Margin	-7%	3%	-1%	6%	-1%	-5%

Statement of Cash Flows

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

for the 11 months ended 5/31/19

	5/31/2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (Loss)	($644,035)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	1,369,371
(Increase)/Decrease in Net Patient Accounts Receivable	949,271
(Increase)/Decrease in Other Receivables	522,940
(Increase)/Decrease in Inventories	(6,757)
(Increase)/Decrease in Pre-Paid Expenses	(173,103)
(Increase)/Decrease in Third Party Receivables	1,281,823
Increase/(Decrease) in Accounts Payable	(2,134,506)
Increase/(Decrease) in Notes and Loans Payable	1,277,190
Increase/(Decrease) in Accrued Payroll and Benefits	(48,985)
Increase/(Decrease) in Previous Year Pension Payable	0
Increase/(Decrease) in Third Party Liabilities	(189,920)
Increase/(Decrease) in Other Current Liabilities	902,142
Net Cash Provided by Operating Activities:	3,105,431
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(1,534,998)
(Increase)/Decrease in Limited Use Cash and Investments	(81,622)
(Increase)/Decrease in Other Limited Use Assets	131,926
Net Cash Used by Investing Activities	(1,484,694)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase/(Decrease) in Bond/Mortgage Debt	(774,781)
Increase/(Decrease) in Capital Lease Debt	0
Increase/(Decrease) in Other Long Term Liabilities	473,980
Net Cash Used for Financing Activities	(300,801)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0
Net Increase/(Decrease) in Cash	1,319,936
Cash, Beginning of Period	1,806,804
Cash, End of Period	$3,126,740

Patient Statistics

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended May 31, 2019

Current Month					Year-To-Date			
Actual 05/31/19	Budget 05/31/19	Positive/ (Negative) Variance	Prior Year 05/31/18	STATISTICS	Actual 05/31/19	Budget 05/31/19	Positive/ (Negative) Variance	Prior Year 05/31/18
				Admissions				
14	12	17%	16	Critical Care Services	136	131	4%	135
37	50	(26%)	50	General	493	541	(9%)	543
51	62	(18%)	66	Subtotal Medical & Surgical Admissions	629	672	(6%)	678
6	8	(25%)	4	OB	92	87	6%	88
57	70	(19%)	70	**Total Admissions**	721	759	(5%)	766
11	11	0%	8	**Swing Bed**	117	120	(3%)	120
4	8	(50%)	5	**Total Deliveries**	78	87	(10%)	80
				Inpatient Days				
39	42	(7%)	52	Critical Care Services	397	459	(14%)	467
143	175	(18%)	167	General	1814	1896	(4%)	1946
182	217	(16%)	219	Subtotal Medical & Surgical Inpatient Days	2211	2355	(6%)	2413
16	18	(11%)	10	OB	200	196	2%	205
198	235	(16%)	229	**Total Inpatient Days**	2411	2551	(5%)	2618
156	99	58%	93	**Swing Bed**	1213	1080	12%	1108
7	16	(56%)	10	**Total Newborn Days**	153	174	(12%)	176
				Average Length of Stay				
2.8	3.5	(20%)	3.3	Critical Care Services	2.92	3.50	(17%)	3.46
3.9	3.5	10%	3.3	General	3.68	3.50	5%	3.58
3.6	3.5	2%	3.3	Subtotal Medical & Surgical	3.52	3.50	0%	3.56
2.7	2.3	19%	2.5	OB	2.17	2.25	(4%)	2.33
3.5	3.4	3%	3.3	**Total Inpatient (CAH)**	3.34	3.36	(1%)	3.42
14.2	9.0	58%	11.6	**Swing Bed**	10.37	9.00	15%	9.23
				Avg Daily Census - Hospital				
1.3	1.4	(7%)	1.7	Critical Care Services (4 Beds)	1.2	1.4	(14%)	1.4
4.6	5.6	(18%)	5.4	General (8 Beds)	5.4	5.7	(5%)	5.8
5.9	7.0	(16%)	7.1	Subtotal Medical & Surgical (12 Beds)	6.6	7.1	(6%)	7.2
0.5	0.6	(11%)	0.3	OB (3 Beds)	0.6	0.6	2%	0.6
6.4	7.6	(16%)	7.4	**Subtotal Acute (15 Beds)**	7.2	7.6	(6%)	7.8
5.0	3.2	58%	3.0	Swing Care (10 Beds)	3.6	3.2	12%	3.3
11.4	10.8	6%	10.4	**Total Hospital (25 Beds Available)**	10.8	10.9	(0%)	11.2
				Emergency Department				
806	803	0%	784	Outpatients Treated in ED - Emergent	8368	8645	(3%)	8,637
51	49	4%	60	Patients Admitted from ED	535	530	1%	541
857	852	1%	844	**Total Patients treated in ED**	8,903	9175	(3%)	9,178
				Ambulance Service				
173	169	2%	121	911 - Transports	1654	1823	(9%)	1614
1	1	0%	0	Transfer - Transports	22	11	100%	9
174	170	2%	121	**Total Ambulance Transports**	1676	1834	(9%)	1623
				Surgery - Cases				
7	18	(61%)	15	Inpatient Cases	168	195	(14%)	194
0	7	(100%)	7	Total Implant Cases	56	69	(19%)	67
170	201	(15%)	210	Outpatient Cases	1771	2132	(17%)	2067
177	226	(22%)	232	**Total Surgery Cases**	1995	2396	(17%)	2328
				North Coast Family Health Center				
2,463	2,783	(11%)	2,841	**Visits**	29,094	29,471	(1%)	28,945
				Home Health				
488	548	(11%)	570	**Visits**	5,533	5,803	(5%)	5,777
				Outpatient				
4,768	5,391	(12%)	5,650	**Encounters**	53,662	57,096	(6%)	55,793

Key Financial Ratios

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

	Year to Date 5/31/2019	BUDGET	Prior Fiscal Year End 06/30/18
Profitability:			
Operating Margin	-5.5%	-3.1%	-8.1%
Total Profit Margin	-1.3%	1.5%	-6.4%
EBIDA	-2.9%	-0.2%	-5.7%
Contractual Allowance % To Gross Charges	58.4%	58.0%	60.5%
Inpatient Gross Revenue Percentage (Hospital)	23.5%	22.9%	22.7%
Outpatient Gross Revenue Percentage (Hospital)	76.5%	77.1%	77.3%
Liquidity:			
Days of Cash on Hand, Short Term	14.6		11.9
Days Cash, All Sources	42.9		40.2
Net Days in Accounts Receivable	27.2		37.0
Hospital Gross Days in AR	52.7		60.6
Cash Flow Margin	0.8%		-4.2%
Days in Accounts Payable	0		76
Current Ratio	0.9		0.9
Capital Structure:			
Average Age of Plant (Annualized)	23.5		22.3
Capital Costs as a % of Total Exp.	3.8%		3.8%
Capital Spend as a % of Annual Depreciation	112.1%		58.0%
Long Term Debt to Net Position	64.3%		69.7%
Debt Service Coverage Ratio	1.0		0.3
Productivity and Efficiency:			
Net Patient Service Revenue per FTE	$171,270	$173,393	$167,990
Salary & Benefits Expense per Paid FTE	($87,604)	$104,740	($88,474)
Salary & Benefits as a % of Total Expenses	46.7%	48.1%	46.5%
Salary and Benefits as a % of Net Pat Rev.	51.1%	51.6%	52.7%
Employee Benefits as a % of Salaries	48.2%	49.2%	51.2%
Other Ratios:			
FTE - PRODUCTIVE	240.9		231.0
FTE - NON-PRODUCTIVE	35.8		36.0
FTE - REGISTRY/CONTRACT	34.5		31.8
FTE - TOTAL PAID	311.2	300.0	298.8
Cost To Charge Ratio	49.7%	50.0%	48.7%
Medicare Revenue as a % of Total Revenue	61%	56%	56%
Medi-cal Revenue as a % of Total Revenue	21%	22%	22%
BC/BS Ins Revenue as a % of Total Revenue	13%	15%	15%
Other Ins Revenue as a % of Total Revenue	4%	5%	5%
Self-Pay Revenue as a % of Total Revenue	1%	2%	2%

MCDH Board Retreat

June 29, 2019 Time: 9-5pm

Abalone Room

Little River Inn, Little River

Agenda

Objectives:

- Team building: Relationship-building and effective intra-team information sharing
- Clearly defined Board and Management roles and responsibilities
- Agreement on the most effective internal and external communication protocols

9:00 - 9:30	**I.**	**Public comment period**
9:30 - 9:45	**II.**	**Introductions, Review Objectives and Agenda**
9:45 - 10:00	**III.**	**Setting the Stage for the Day**
10:00 - 10:20	**IV.**	**Anonymous Interviews Summary and Reflections**
BREAK – 10 minutes		
10:30 - 11:45	**V.**	**Develop Board Operating Principles**
11:45 - 12:15	**VI.**	**Board and CEO Roles and Responsibilities PT. 1**
LUNCH – 45 minutes		
1:00 - 1:45	**VII.**	**Board and CEO Roles and Responsibilities PT. 2**
BREAK – 10 minutes		
1:55 - 3:50	**VIII.**	**Communication Needs, Protocols and Accountability**
3:50 - 4:25	**IX.**	**Principles, Roles, and Communication Protocols in Action**
4:25 - 4:50	**X.**	**Commitments and Next Steps**
4:50 - 5:00	**XI.**	**Public comment period**

Note: Timing of each item is an estimate, subject to change

BOARD OF DIRECTORS

AGENDA
MONDAY, JULY 15, 2019
3:00 **P.M. – REDWOODS ROOM MCDH**
700 RIVER DR. FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on July 15, 2019 at 3:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

OPEN SESSION: MR. STEVE LUND

1. Call to Order
2. Roll Call
3. Comments from the Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

OPEN SESSION:

1. ***Information/Action:*** **Introductions**

2. ***Information/Action:*** **Approval of Board Ad Hoc Committee on Affiliation and Board appointment of Chair of Ad Hoc Committee**

3. ***Information:*** **Presentation and Discussion of Affiliation Process based on experience of other California Healthcare Districts: Colin J. Coffey, Legal Counsel, Best Best & Krieger**
   a. RFP Process and Vetting of Proposals
   b. Nature of Affiliations (Asset transfers, Leases, Sales vs. Management Arrangements)
   c. Decision to Negotiate with One or More Hospital Operators
   d. Public Transparency and Confidential Real Estate Negotiations (balancing of process)
   e. Major Issues to Negotiate in consideration of Lease of Hospital
   f. Approval of material Term Sheet
   g. Healthcare District Transfer of Assets Law ("Section P") requirements and District Election for Approval of Lease Terms
   h. Approval of Definitive Agreements and Transition of Operations of Hospital
   i. Post Affiliation Operations of Healthcare District (Landlord role and issues facing California Healthcare Districts not operating hospitals)
   j. Questions

4. Comments from Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

5. Comments from Board of Directors

6. Adjourn

Dated: July 11, 2019

____
Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on July 11, 2019

_______________________ _______________

Gayl Moon Date

Secretary to the Board of Directors

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

AFFILIATION BOARD OF DIRECTORS

AGENDA
MONDAY, JULY 22, 2019
3:30 P.M. – REDWOODS ROOM MCDH
700 RIVER DR. FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on July 22, 2019 at 3:30 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

OPEN SESSION: MR. STEVE LUND

1. Call to Order
2. Roll Call
3. Comments from the Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

OPEN SESSION:

1. ***Information/Action:*** **Approval of July 15 minutes**

2. ***Information/Action:*** **Approval of Affiliation Board Chairperson**

3. ***Information/Action:*** **Affiliation Ad Hoc Committee Report**

4. Comments from Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

5. Comments from Board of Directors

6. Adjourn

Dated: July 19, 2019

____
Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on July 19, 2019

____________________ ____________
Gayl Moon Date
Secretary to the Board of Directors

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

***Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.**

TAB

1

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
MONDAY, JULY 15, 2019

1. **CALL TO ORDER:**
The Board of Directors of the Mendocino Coast Health Care District convened at 3:00 p.m. in the Redwoods Room at the 700 River Drive Fort Bragg, CA

2. ***INFORMATION/ACTION:* APPOINTMENT OF CHAIR FOR THIS MEETING**

   MOTION: To appoint Steve Lund as the Chair for this meeting
   - McColley moved
   - Redding second
   - Motion carried

3. **ROLL CALL:** Lund, Redding, McColley
ABSENT: Karen Arnold and Jessica Grinberg recused themselves

4. **COMMENTS FROM THE COMMUNITY**
   - A community member discussed issues regarding MCDH.

5. ***INFORMATION/ACTION:* APPROVAL OF BOARD AD HOC COMMITTEE ON AFFILIATION AND BOARD APPOINTMENT OF CHAIR OF AD HOC COMMITTEE**

   MOTION: To approve the Board Ad Hoc Committee to consist of Steve Lund and Amy McColley and to appoint Steve Lund the Chair of the Ad Hoc Committee
   - McColley moved
   - Redding second
   - Motion carried

6. ***INFORMATION:*** Presentation and Discussion of Affiliation Process based on experience of other California Healthcare Districts: Colin J. Coffey, Legal Counsel, Best Best & Krieger
   - Mr. Coffey gave a power point presentation regarding affiliation.
   - Attached is a copy of the power point as part of these minutes.
   - Discussion ensued.

7. **PUBLIC COMMENTS**
   - There were no comments.

8. **BOARD COMMENTS**
   - Ms. McColley stated in light of the articles and editorials that came out in the Advocate News on July 10, she wanted to be clear that there is no conflict for her as a Board Member moving forward to participate in affiliation. My employer does not operate in the market, and none of my investments are impacted in the Healthcare District. In addition, on the 11th when it came out I wrote the advisory on FFPPC who replied to me noting that I do not have a conflict of interest. I took my role as an elected official seriously and actually investigated even prior to putting my name on the ballot because I know I had ties here on several levels. It was confirmed that I didn't have one prior to the election. I have said before when I was participating that I was not involved in this Healthcare District.
   - Ms. McColley stated that at the Board Retreat the Board of Directors and the CEO made a commitment to improve audio visual. Not only to provide improvable access for the Board of Directors, but also for

BB&K as well as the community. She gave her condolences to the Advocate News for losing a member of their team, and thanked them for attending today's meeting.

9. **ADJOURN:**
The meeting adjourned at 4:58 p.m.

____
Mr. Steve Lund, Chair
Affiliation Board of Directors

ATTEST:

____
Ms. Gayl Moon
Secretary to the Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

CALIFORNIA HEALTHCARE DISTRICT AFFILIATIONS

Mendocino Coast District Hospital

July 15, 2019

COLIN COFFEY
Best Best &
Krieger, LLP

Presentation Outline
Healthcare District Affiliations

- District Authority
- Process
- Affiliation Models
- District Public Agency Issues
- Common Key Issues in Affiliations
- Unique Position of Healthcare Districts
- Affiliation Organizational Models
  - ✓ Loose Hospital to Hospital Network
  - ✓ Loose Hospital to Health System Network
  - ✓ Stronger long term Management / Governance Affiliation
  - ✓ Transfer of Hospital by Sale or Lease
  - ✓ Public Agency Affiliations through JPAs or LAFCO Merger

District Authority

Health & Safety Code Sections 32000, et seq

Health Facilities, Programs and Services

- To establish, maintain, and operate, or provide assistance in the operation of, one or more health facilities or health services, including, but not limited to, outpatient programs, services, and facilities, retirement programs, services, and facilities, chemical dependency programs, services, and facilities, or other health care programs, services, and facilities and activities at any location within or without the district for the benefit of the district and the people served by the district.

Anything that Promotes Good Health

- To establish, maintain, and operate, or provide assistance in the operation of, free clinics, diagnostic and testing centers, health education programs, wellness and prevention programs, rehabilitation, aftercare, and any other health care services provider, groups, and organizations that are necessary for the maintenance of good physical and mental health in the communities served by the district.

Any Business Vehicle

- To establish, maintain, and carry on its activities through one or more corporations, joint ventures, or partnerships for the benefit of the health care district.

To Hold Assets / Property Anywhere

- To purchase, receive, have, take, hold, lease, use, and enjoy property of every kind and description within and without the limits of the district, and to control, dispose of, convey, and encumber the same and create a leasehold interest in the same for the benefit of the district.

Moving Forward

- Strategic Planning
- Pursuit of Affiliation
- Process Planning
- Lawyers and Consultants
- Request for Proposals
  - ✓ Right to reject, negotiate, take ideas
- Confidentiality vs. Transparency (Communications)
  - ✓ Trade Secrets, Ad Hoc Committees, and Brown Act / Public Records, public – private balance
- Making the Choice

Affiliation Models

The Spectrum from Loose to Strong

- Management Services and Affiliation Agreements among Hospitals
  - ✓ Marin General / Sonoma Valley model
- Joint Ventures
- Clinical Integration Networks (and ACOs)
- Governance Reorganization / Long Term Management
  - ✓ Oak Valley model / JPAs (Contra Costa - West CC Healthcare District)
- Lease to Nonprofit/District
  - ✓ Grossmont / Sharp , Peninsula / Sutter
- Lease to for Profit
- Lease/Transfer to Nonprofit
- Sale/Transfer to Nonprofit
  - ✓ Mt. Diablo - Muir merger
- Joint Operating Agreement
- Joint Powers Agreement or Agency
- Public Agency Consolidation, Annexation (LAFCO)

Special District Legal Issues

- Competitive Process / Selective Approach to Potential Affiliates
- Section P Transfers / Elections
  - ✓ Applies to transfers to corporations
- Delegation of Legislative Authority
- Conflicts of Interest / Section 1090
- Brown Act Compliance
- Public Records Act
- Beyond Boundaries Activity

Transfers of 50% of District Assets Section (p)(1)

- Fair Market Value Sale/Lease to a corporation
- 50+ Voter Approval Requirement
- Appraisal by Independent Consultant

Transfers of 50% of District Assets Section (p)(2)

- Below Market Transfer or Leases to Nonprofit Entity

- Percentage of Assets Sold or Leased
  - ✓ Five Public Meetings
  - ✓ Appraisal and Description of "Consideration" recited in Resolution approving transfer
  - ✓ Board Approval
  - ✓ Reversion of Assets
  - ✓ Maintenance of District Assets for Benefit of Communities Served
- Majority Voter Approval Required if 50% of assets transferred

- Entity Owned or Controlled by Religious Creed, Church or Secular Denomination cannot have below market deal

- Does not apply to transfers to other public agencies or individuals

Operations Beyond Boundaries

- Healthcare Districts have express power to act outside District Boundaries (See Health & Safety Code 32121):
- Provide health care facilities & services outside district (32121(j))
- Own or lease property outside district (32121(c))
- Is a healthcare district subject to LAFCO's power to approve out-of-district service under Gov't Code Section 56133?
  - ✓ Maybe- might depend on type of service, e.g., infrastructure contract service... And exactly where?
  - ✓ Board express powers to act outside district and Sphere of Influence may render LAFCO review moot

Key Issues For Affiliation

- Due Diligence
- Interim Management Agreement prior to voter approval
- Transaction Structure (e.g., lease/purchase option)
- Assets and Liabilities
- Facility Governance / District Oversight – Reserved Powers (e.g., ongoing role of MCDH's current Board)
- District Obligations (e.g., seismic compliance)
- Representations/ Warranties
- Transaction Costs (e.g., costs and expense of valuation consultant)
- Use of District Assets
- Retention of Current District Staff
- Reserve Powers

Key Issues For Affiliation

- Core Services Preservation
- Faith Based Restrictions on Services Rendered (e.g. abortion care, assisted suicide, gender reassignment surgeries, sterilization, infertility treatments and contraception*)
- Brown Act Compliance
- Nondiscrimination
- Mission Statement
- Charity Care
- Medi-Cal Services
- Capital Reinvestment
- Periodic Operating Reports
- Lease Term
- Early Termination
- Breach / Remedies

*Seventh-day Adventist and Catholic policy restricts abortion care, assisted suicide and gender surgeries. Catholic policy also restricts sterilization, infertility treatments and contraception.

Post Affiliation Role of District

- District still acute care provider ?
- Role of the District Board
- Oversight of Affiliation Agreement / Retained Assets
- Community Benefit Provider
- Community Health EducationUse of Tax Revenues
- Staff and Other Resources
- Lessons
  - ✓ Post Affiliation Districts
  - ✓ Post Affiliation Medical Staffs
  - ✓ LAFCO Risks (MSR reviews)

Healthcare Districts in a Unique Position

- 1206b Governmental clinics are a vehicle available to help support healthcare in your community with minimal regulations
- Expansion of EMR's and telemedicine enable technology to connect districts with needed specialists
- Districts can clinically integrate and improve access to care without giving up autonomy (Loose Affiliations) with minimal antitrust exposure (Injunctive Relief Only)
- Property Tax Support
- Parcel Tax or GO Bond Tax supports affiliation activities, new construction financing
- Public Hospital funding, IGTs, CPE, Hospital Tax
- Antitrust immunity (from damages)

Organizational Models
Loose Hospital to Hospital Affiliation
A Regional Network

- Management Affiliation
  - ✓ Shared Senior Management / Integrated Team
  - ✓ Centralized Administrative Operations (Finance Dept. / Business office / IT Services / Purchasing)
  - ✓ Joint Strategic Planning
  - ✓ Joint or Coordinated Service Line Development
  - ✓ Physician Recruitment & Development with Affiliated Medical Group as Conduit
  - ✓ Clinical Integration or Coordination Among Hospitals with Affiliated Medical Group as Conduit

- Accomplished By "Management and Affiliation Agreement" or Narrow Service Line Partnership Contract

- Early Stage of Local / Regional Clinically Integrated Network or ACO ?

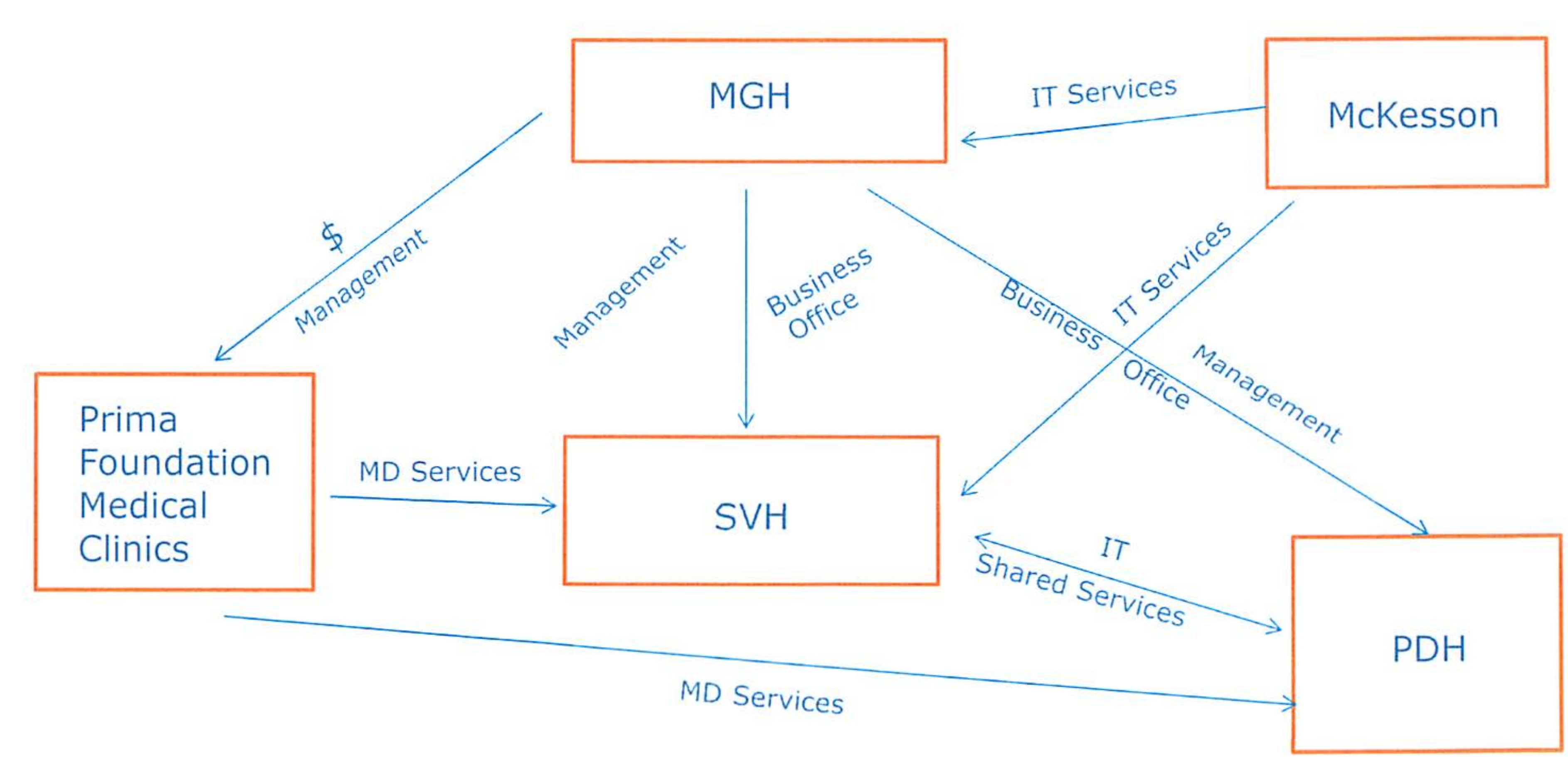
Organizational Models
Loose Hospital to
Health System Affiliation

- Management Affiliation
  - ✓ System Senior Management Placed at Hospital
  - ✓ Shared Administrative Operations (Finance Dept. / Business office / IT Services) With System Hospitals
  - ✓ Alignment With System Strategic Plans
  - ✓ Joint Service Line Development / Re-Branding with System
  - ✓ Physician Recruitment / Development with System Affiliated Medical Group as Conduit
  - ✓ Clinical Integration / Affiliation Among Hospitals with Affiliated Medical Group as Conduit

- Accomplished by "Management Affiliation Agreement"

- Early Stage of Potential Conversion from Freestanding to System Affiliate ?

Marin General Hospital Regional Management Affiliation



Organizational Models -Barriers to Loose Affiliations

- Fundamental "disadvantages" of loose vs. full mergers
  - ✓ Limitations on joint contracting (antitrust) in absence of full integration
  - ✓ Little capital/ cash infusion or investment motivation
  - ✓ Continued reliance on free standing facility debt capacity
  - ✓ Easy walk away
- Governance tension with local vs. "outsider" interests
- Local physician tension with local vs. outside interests
- Antitrust issues with anti-competitive behaviors
- Non-profit vs for-profit tension may exist
- Union vs non-union tension may exist

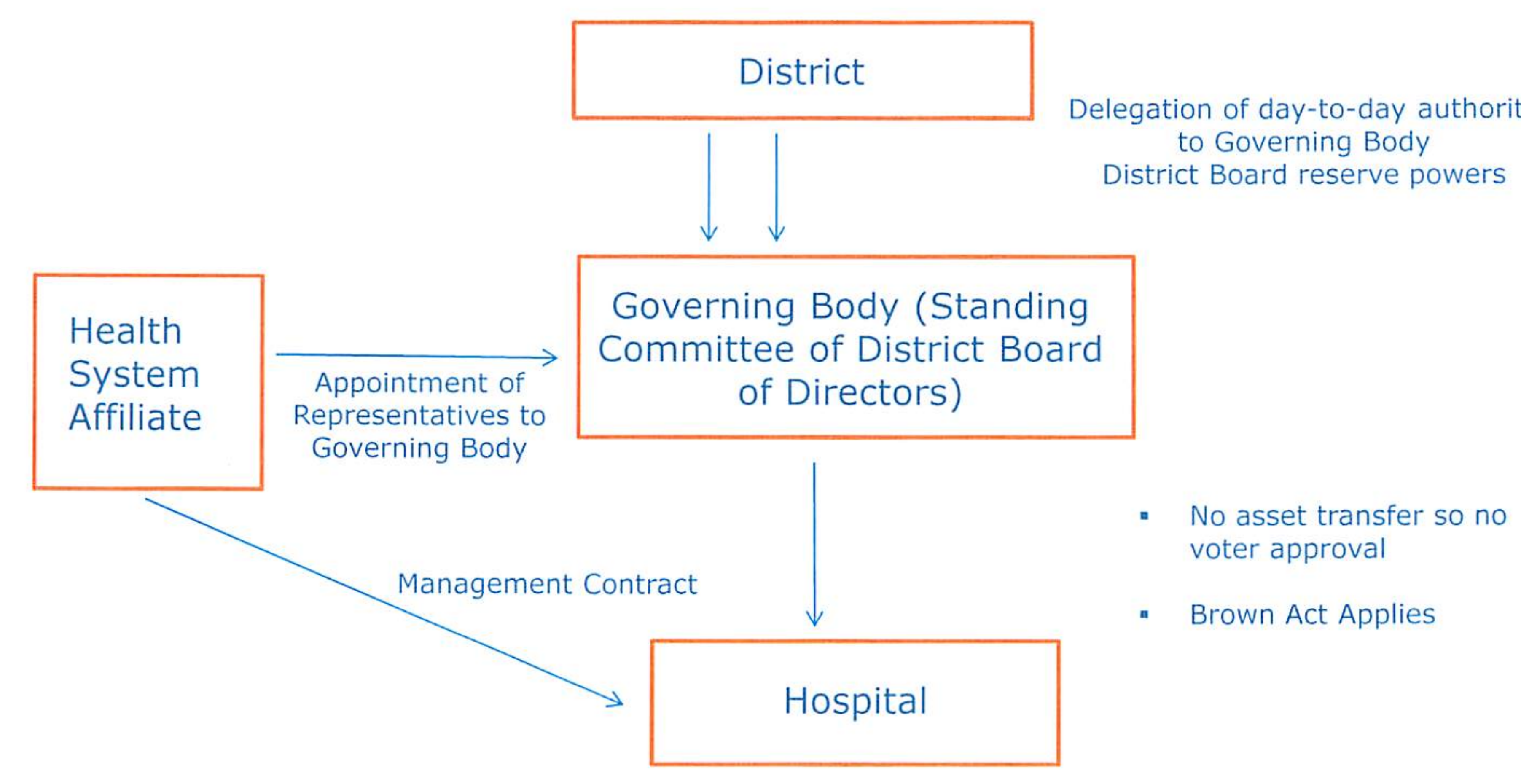
Organizational Models
Oak Valley / CHW Affiliation
Governance Reorganization / Long Term Management

- 11 Member Governing Body is Established as a Standing Subcommittee of the District Board / All Title 22 Governing Body Authority
- District Board Retains Core Reserve Powers
  - ✓ Property Transfers, Debts, Encumbrances, Core Service Closures, Tax levy
- No Asset Transfer So No Voter Approval Required
- Delegated Day-to-Day Management Responsibility for Hospital Operations
- Subject to all Public Laws, e.g., Brown Act, Public Records, Public Competitive Bidding
- District Board Serves as Members of Governing Body and Affiliate Appoints Additional Community and Medical Staff Representatives
  - ✓ 5-Elected, + 6 Additional Community and Medical Staff Representatives
- Possible Joint Venture Partner or Management Contractor Representatives appointed to Governing Body
- 15 Year Management Contract, Branding with Affiliate

Why Create A New Governing Body ?

- Create Governance Seats for JV partner
- Buffer from Politics / Every two year changes
- Enhanced Governance Expertise, Experience, Employer Relations, Functionality and Continuity, Physician representation

Long Term Management / Strategic Affiliation Governance Reorganization / Management or Joint Venture Agreement



Organizational Models
Sale / Lease

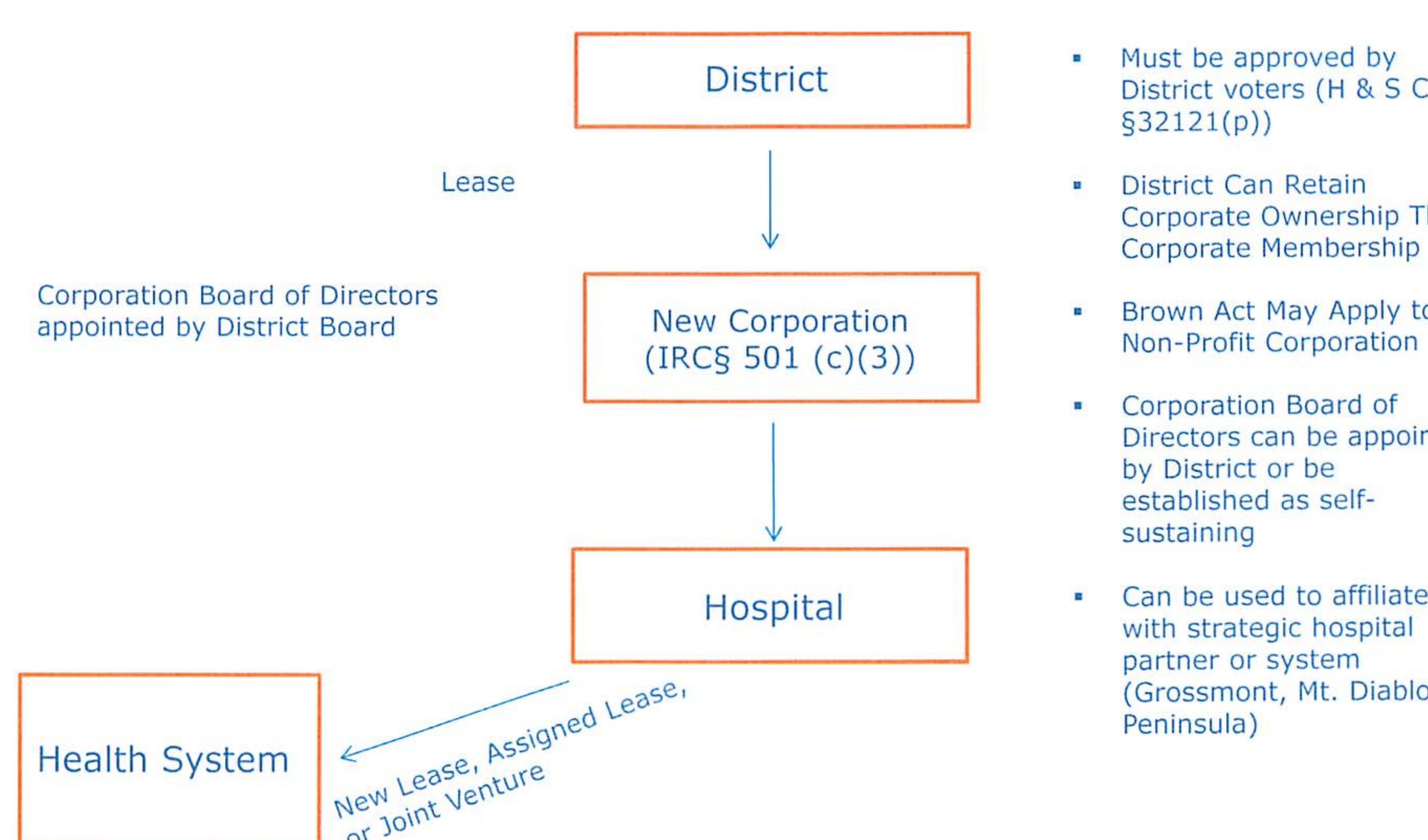
- Transfer of Assets to For-Profit or Non-Profit Corporation

- Voter-Approved Transfer of Hospital Assets via Lease or Transfer Agreement
  - ✓ Transfer can be Fair Market Value or Non-Fair Market Value

- 30 Year Maximum Lease Term

- Creation of New Non-Profit Can be the Vehicle for Affiliation with Other Hospital Systems
  - ✓ E.g., Grossmont Lease to Sharp, Mt Diablo Merger with John Muir, Peninsula Lease to Sutter, Sequoia Lease to CHW

New Corporation as Vehicle for Affiliation



- Must be approved by District voters (H & S Code §32121(p))
- District Can Retain Corporate Ownership Thru Corporate Membership
- Brown Act May Apply to Non-Profit Corporation
- Corporation Board of Directors can be appointed by District or be established as self-sustaining
- Can be used to affiliate with strategic hospital partner or system (Grossmont, Mt. Diablo, Peninsula)

Organizational Models
Joint Powers Agreements

- Gov. Code Section 6502: "...Two or more public agencies by agreement may jointly exercise any power common to the contracting parties.... It shall not be necessary that any power common to the contracting parties be exercisable by each such contracting party with respect to the geographical area in which such power is to be jointly exercised...."
- A joint powers agreement is essentially no different then a contractual joint venture among public entities. Under the agreement, common powers maybe delegated to one of the agencies, exercised by all the agencies at the same time, or delegated to a separate entity, a Joint Powers Agency, created specifically for the purposes of exercising the shared powers
- The statutory scheme governs the relationship among the parties, their powers, obligations, and liabilities, subject to any contract terms
- A Joint Powers Agency, as a separate legal entity, could operate one or more hospitals under a Management Agreement, Lease, Asset Transfer
- No Section P election because of public agency status
- Governing Body of JPA set forth in joint powers agreement
- Contra Costa / WCC Healthcare District JPA operated District Hospital for four years pursuant to delegation of management to JPA Board / Alameda Healthcare District and Alameda Health System JPA / North Coast JPA of five healthcare districts

Organizational Models
Public Agency Consolidations/Mergers
LAFCO Proceedings

- Reorganizations
  - ✓ Annexations and detachments
  - ✓ Formation or dissolution
  - ✓ Consolidation or Merger
  - ✓ Establishment of subsidiary district(s)
    - (*LAFCO can initiate only (1) consolidation, (2) dissolution, (3) merger, or (4) establishment of a subsidiary district. Cannot initiate formation, annexation, detachment)

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, JULY 25, 2019
4:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room & Patient Registration Area
700 River Drive
Fort Bragg, California 95437

2058 45th Avenue
San Francisco, CA 94116

Mendocino Coast District Hospital Mission Statement
MISSION
To make a positive difference in the health of our rural community.

VISION
MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES
MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. CLOSED SESSION

1. ***Information/Action:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.

2. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code July Quality Management and Improvement Council Reports
3. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
4. ***Information/Action:*** Anticipated Litigation with Legal Counsel pertaining to Measure C Parcel Tax exemptions, Government Code Section §54957

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

IV. ROLL CALL

V. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VII. REVIEW OF THE AGENDA — ***Action***

VIII. BOARD COMMENTS — ***Information***

IX. APPROVAL OF CONSENT CALENDAR — ***Action***

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of June 27, 2019 — Tab 1
2. Approval of Special Board of Directors meeting minutes of June 29, 2019 — Tab 2
3. Approval of Policy #1325 Competencies of Employees and Registry Staff 2nd Read — Tab 3
4. Approval of Policy #1356 On Call 1st Read — Tab 4
5. Approval of Policy #1379 Staffing Table 1st Read — Tab 5
6. Approval of Conflict of Interest Code 2nd Read — Tab 6
7. Approval of Alysoun Huntley Ford Fund Draw (there were no requests)

XI. NEW BUSINESS

1. Parcel Tax Parcel Consolidation Update: Mr. Shin Green & Mr. Michael Riemenschneider — Tab 7 ***Action/Information***
2. Should we establish a Legislative Committee: Mr. John Redding — ***Action/Information***
3. Should we establish a Legislative Standing Committee: Mr. John Redding — ***Action/Information***
4. Resolution 2019-15 Conflict of Interest Code: Ms. Karen Arnold, Chair — Tab 8 ***Action***
5. Board Protocol on contacting Legal Counsel: Ms. Karen Arnold, Chair — ***Action***
6. Update on June 29 Board Retreat: Ms. Karen Arnold, Chair — Tab 9 ***Information***

XII. OLD BUSINESS

- Measure C Update: Mr. Wayne Allen, Interim CEO — ***Information***
- Meditech Update: Mr. Wayne Allen, Interim CEO — ***Information***

XIII. REPORTS

- CEO Report: Mr. Wayne Allen, Interim CEO — ***Information***
- Medical Staff Report: Dr. John Kermen — Tab 10 ***Action***

  a. **Appointments to Medical Staff-Provisional Status**
  1. **Veer Babu, MD** –Department of Medicine-Emergency Department
  2. **Steven Lallis, MD** –Department of Surgery-Orthopedics
  3. **Jenny Lee, MD** –Department of Surgery-Obstetrics/Gynecology
  4. **Samer Muala, MD** –Department of Medicine-Hospitalist Service
  5. **Jalaal Shah, DO** –Department of Surgery-Orthopedics
  6. **Leslie Wilkof, MD** –Department of Surgery-Obstetrics/Gynecology

  b. **Re-Appointments to Medical Staff**
  1. **Tareq Ali, MD** –Department of Medicine-Emergency Department
  2. **Mark Causin, MD** –Department of Medicine-Hospitalist Service
  3. **Darby Clayson, MD** –Department of Medicine-Hospitalist Service
  4. **Christiane Eisele, MD** –Department of Medicine-Emergency Department
  5. **Mandaar Gokhale, MDC** –Department of Medicine-Emergency Department
  6. **David Gonzales, DO** –Department of Medicine-Hospitalist Service
  7. **Timothy Hockenberry, MD** –Department of Medicine-Hospitalist Service
  8. **David Irvine, MD** –Department of Medicine-Emergency Department
  9. **Barbara Kilian, MD** –Department of Medicine-Emergency Department
  10. **Kelly King, MD** –Department of Medicine-Hospitalist Service
  11. **Richard Leach, MD** –Department of Medicine-Emergency Department
  12. **Irais Leon, MD** –Department of Medicine-Emergency Department
  13. **Timothy Musick, MD** –Department of Medicine-Hospitalist Service
  14. **Faraaz Osmani, MD** –Department of Medicine-Hospitalist Service
  15. **Nguyen Pham, MD** –Department of Medicine-Hospitalist Service
  16. **Christopher Ryan, MD** –Department of Medicine-Hospitalist Service
  17. **Robin Serrahn, MD** –Department of Medicine-Emergency Department
  18. **Christina Tsao, MD** –Department of Medicine-Hospitalist Service

  c. **Appointment to VRad Tele-Radiology Physicians**
  1. Lorenzo Mannelli, MD

  d. **Re-Appointment to VRad Tele-Radiology Physicians**
  1. Michael Cooney, MD
  2. Joshua Sokol, MD

- Planning Committee Report: Ms. Jessica Grinberg — ***Information***
- Chief Nursing Officer Report: Ms. Lynn Finley — ***Information***
- Finance Committee Report: Mr. John Redding — Tab 11 ***Action***

XIV. FUTURE AGENDA ITEMS: MS. KAREN ARNOLD — ***Information***

XV. ASSOCIATION AND COMMUNITY SERVICE REPORTS — ***Information***

XVI. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XVII. ADJOURNMENT

XVIII.

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.
*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

T

A

B

1

BOARD OF DIRECTORS MEETING
HOSPITAL REDWOODS ROOM
THURSDAY, JUNE 27, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:30 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Mr. Lund, Ms. McColley (telephonically) Mr. Arnold, Ms. Grinberg, Mr. Redding

Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO

I. CALL TO ORDER:

OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Patient Registration Lobby, Ms. Karen Arnold Chair presiding

II. ROLL CALL:

PRESENT: Mr. Steve Lund, Ms. Amy McColley (telephonically), Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO
Ms. Gayl Moon, Executive Assistant

III. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

1. ***INFORMATION/ACTION:*** Pursuant to §32155 of the Health and Safety Code June Quality Management and Improvement Council Reports
2. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
3. ***INFORMATION/ACTION:*** Conference with Legal Counsel Anticipated Litigation. Gov't Code 54956.9(d)(2). Letter from ACLU regarding medication abortion services.

IV. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

- The Board approved the June Quality Management and Improvement Council Reports.
- There was no Medical Staff report.
- The Board received a report from legal counsel. The Board directed Mr. Allen to have Medical, Billing and the Accounting Departments put a checklist together and move forward with chemical abortions.

V. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- There were no changes to the agenda.

VII. BOARD COMMENTS

- Jessica Grinberg stated there was a request for review of the Conflict of Interest regarding Board members Karen Arnold and Jessica Grinberg in participation with discussions regarding affiliation. The decision was just received from the Fair Political Practices Commission (FPPC). The finding is that the conflict does exist for both Karen Arnold and Jessica Grinberg. This was discussed with the attorneys, and they stated that Karen Arnold's conflict is definitive, but they recommended that Jessica Grinberg's be challenged as there are some inaccuracies in the information that was shared in the document. Ms. Grinberg stepped aside from the affiliation ad hoc committee. Board Chair Karen Arnold assigned Steve Lund to be the new member of the affiliation ad hoc committee.

VIII. RECOGNITION OF THE MCDH FOUNDATION: MR. WAYNE ALLEN, INTERIM CEO

- Michelle Roberts, Executive Director of the Hospital Foundation and Bob Cimmiyotti, Foundation Board Member presented a check to the Hospital for $130,000 for a new ambulance. This will enable the Ambulance Service to enhance and expand their transfers. Mr. Wayne Allen, Interim CEO and Karen Arnold, Board Chair accepted the check on behalf of MCDH.

IX. *ACTION:* APPROVAL OF CONSENT CALENDAR: MR. STEVE LUND, PRESIDENT

1. Minutes: Regular Session, May 30, 2019
2. Minutes: Special Board Meeting May 22, 2019
3. Alysoun Huntley Ford Fund Draw Requests (there were no requests)

MOTION: To approve the Consent Calendar

- Grinberg moved
- Lund second
- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

X. *ACTION:* TO CONTINUE THE 501c IRS DESIGNATION & MEET THE REQUIREMENTS OF 501R; THE BOARD APPROVES THE CHNA IMPLEMENTATION PLAN AND THE PRIME PROJECTS FOR TAX YEAR 2019: MS. NANCY SCHMID & MR. VANLEE WATERS

MOTION: To approve the 501c IRS Designation & Meet the Requirements of 501R; the Board approves the CHNA Implementation Plan and the PRIME Projects for Tax Year 2019

- Grinberg moved
- Redding second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None

- Absent: None
- Abstain: None
- Motion carried

XI. ***ACTION:*** POLICY 1712 CODE OF ETHICAL BEHAVIOR AND STANDARDS OF CONDUCT, 2nd READ

MOTION: To approve Policy 1712 Code of Ethical Behavior and Standards of Conduct
- Lund moved
- McColley second
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XII. ***ACTION:*** APPROVAL OF UPDATED CONFLICT OF INTEREST CODE 1st READ
- This Conflict of Interest wording was updated by Legal Counsel.
- This item will be put on the July agenda under the Consent Calendar.

XIII. ***ACTION:*** ESTABLISH A LEGISLATIVE COMMITTEE, FIRST READ; MR. JOHN REDDING
- The purpose of a Legislative Committee would be:
  - ✓ Engage legislators
  - ✓ Advocate for issues pertaining to rural hospitals
  - ✓ Participate in local initiatives
  - ✓ Measure B monies are not enough to support Mental Health
  - ✓ Identify grant opportunities
  - ✓ Participate in healthcare organizations
- Mr. Redding feels this should be a standing committee and the Bylaws would need to be amended.
- This committee should consist of one or two Board members and qualified committee members.
- The committee would meet every two months and report to the Board, Finance & Planning Committees.

XIV. ***ACTION:*** POLICY 1325 COMPETENCIES FOR EMPLOYEES AND REGISTRY STAFF, 2nd READ

MOTION: To adopt Policy 1325 Competencies for Employees and Registry Staff
- Lund moved
- Redding second
- These are orientation competencies for the new position a staff member is transferring into in another department. The policy will be changed with the proper wording.
- Ms. McColley suggested Item J read "the manager and ***qualified*** staff" rather than the manager and staff. Ms. Finley will have the HR Department make this change.
- This item will be pulled and added to the July agenda.
- Mr. Lund withdrew his motion, and Mr. Redding withdrew his second.

XV. ***ACTION:*** FISCAL YEAR 2019/2020 BUDGET: MR. DORAN HAMMETT, INTERIM CFO
- Mr. Hammett presented the Fiscal year 2019/2020 Budget.

- Discussion ensued.

MOTION: To adopt this budget, understanding that a significant transfer of funds from the Hospital's reserve is necessary to make the budget work if everything else holds steady as is projected, with the direction to staff over the next three (3) months to bring the Board some alternative budget scenarios/proposals that will help to achieve solvency

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold
  - Noes: Grinberg
  - Absent: None
  - Abstain: McColley
- Motion carried

XVII. *ACTON:* DATE FOR SPECIAL BOARD MEETING & DISCUSSION OF AGENDA ITEMS:

- A Special Board meeting will be held to discuss items that the Board would like to address. The date is yet to be determined.
- Ms. McColley requested that Old Business be kept current; such as Meditech and Measure C, etc.

XVIII. *ACTION:* MEASURE C UPDATE: MR. WAYNE ALLEN, INTERIM CEO

- A detailed, comprehensive written report will be provided at the July 25th Board Meeting.
- Mr. Shin Green and Mr. Michael Riemenschneider, Eastshore Consulting will attend the meeting.

XIX. *INFORMATION:* CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO

- The Laboratory and NCFHC have been accredited by the Joint Commission for two (2) years effective April 12, 2019.
- The Meditech project continues to go forward. The Go Live target date of July 1st has been delayed. Mr. Allen is having weekly meetings with the president of Meditech. A project plan will be produced in writing hopefully by the end of next week.
- Mr. Allen is expecting an affiliation proposal from Adventist Health.

XX. *ACTION:* MEDICAL STAFF REPORT: DR. JOHN KERMEN

- There was no Medical Staff Report.

XXI. *INFORMATION:* CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- Ms. Finley gave a CNO Report.

XXII. *ACTION:* FINANCE REPORT: MR. JOHN REDDING

- Mr. Redding stated the Finance Report was actually given as part of the Budget report.

MOTION: To approve the June 2019 Financial Statements

- Redding moved
- Lund second
- Roll call
  - Ayes: Lund, Redding, Arnold
  - Noes: Grinberg
  - Absent: None
  - Abstain: McColley
- Motion carried

XXIV. ***INFORMATION:* FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR**

- There were no future agenda items.

XXV. ***INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS**

- There were no Association and Community Service Reports.

XXVI. **PUBLIC COMMENTS:**

- There were no Public Comments.

XXVII. **ADJOURN:**

Open Session adjourned at 7:20 pm

Steve Lund, Secretary
Board of Directors

Gayl Moon, Secretary to the
Board of Directors

T

A

B

2

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
SATURDAY, JUNE 29, 2019

1. **CALL TO ORDER:**
The Board of Directors of the Mendocino Coast Health Care District convened at 3:00 p.m. in the Redwoods Room at the 700 River Drive Fort Bragg, CA

2. ***INFORMATION/ACTION:*** **APPOINTMENT OF CHAIR FOR THIS MEETING**

   MOTION: To appoint Steve Lund as the Chair for this meeting
   - McColley moved
   - Redding second
   - Motion carried

3. **ROLL CALL:** Lund, Redding, McColley
ABSENT: Karen Arnold and Jessica Grinberg recused themselves

4. **COMMENTS FROM THE COMMUNITY**
   - A community member discussed issues regarding MCDH.

5. ***INFORMATION/ACTION:*** **APPROVAL OF BOARD AD HOC COMMITTEE ON AFFILIATION AND BOARD APPOINTMENT OF CHAIR OF AD HOC COMMITTEE**

   MOTION: To approve the Board Ad Hoc Committee to consist of Steve Lund and Amy McColley and to appoint Steve Lund the Chair of the Ad Hoc Committee
   - McColley moved
   - Redding second
   - Motion carried

6. ***INFORMATION:*** Presentation and Discussion of Affiliation Process based on experience of other California Healthcare Districts: Colin J. Coffey, Legal Counsel, Best Best & Krieger
   - Mr. Coffey gave a power point presentation regarding affiliation.
   - Discussion ensued.

7. **PUBLIC COMMENTS**
   - There were no comments.

8. **BOARD COMMENTS**
   - Ms. McColley stated in light of the articles and editorials that came out in the Advocate News on July 10, she wanted to be clear that there is no conflict for her as a Board Member moving forward to participate in affiliation. My employer does not operate in the market, and none of my investments are impacted in the Healthcare District. In addition, on the 11th when it came out I wrote the advisory on FFPPC who replied to me noting that I do not have a conflict of interest. I took my role as an elected official seriously and actually investigated even prior to my name on the ballot because I know I had ties here on several levels. It was confirmed I didn't have one prior to the election. I have said before when I was participating that I was not involved in this Healthcare District.
   - Ms. McColley stated that at the Board Retreat the Board of Directors and the CEO made a commitment to improve audio visual. Not only to provide improvable access for the Board of Directors, but also for BB&K as well as the community. She gave her condolences to the Advocate News for losing a member of their team, and thanked them for attending today's meeting.

9. <u>ADJOURN:</u>
The meeting adjourned at 4:58 p.m.

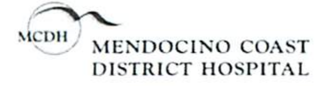
____
Ms. Karen Arnold, President
Board of Directors

ATTEST:

____
Ms. Jessica Grinberg, Vice-President
Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

TAB 3

	**TITLE:** Competencies for Employees and Registry Staff
	POLICY#: 1325

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 10/01/2008 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 07/03/2019

PURPOSE: To have a consistent process at Mendocino Coast District Hospital (MCDH) to assess and document all employee and registry staff's ~~staff's~~ ability to carry out assigned responsibilities safely, competently, and in a timely manner.

POLICY: All newly hired or transferring employees and registry staff will participate in department orientation competencies. ~~(see policy number 130.2001).~~ All employees will also be required to do annual department specific competencies. These are assessed at the time of the employee's annual performance evaluation. Throughout the year, there may be newly required competencies if there are new procedures, equipment, medications, or processes in that department. There are also required Certification Competencies for certain clinical positions.

PROCEDURE:

I. Department Specific Competencies:

A. There will be competencies for every position at MCDH. The competencies are department specific and applicable to the work being done.

B. The Manager determines the department specific competencies with input from Senior Management, Staff Development, Staff and Physicians.

C. The competencies will be based on the population served.

1. For example: Competencies in the Emergency Department will include the care of patients that are all ages, infant to geriatric.
2. Sensitivity to cultural diversity is an integral part of any competency.

D. Competencies are dynamic and constantly in revision. This would be based on techniques, procedures, technology, equipment, or skills that are needed to provide care, treatment, or services to our patients. The Manager will forward these revisions to Human Resources where they will be formatted to keep the process uniform.

E. Competencies are often chosen because of low volume, high risk or problem prone patient needs.

F. Each department will keep a binder with the following information:

1. The list of competencies for the current year;
2. The criteria for meeting that competency (articles, information, policies, testing material);
3. The list of employees in that department.
4. Competencies are assessed by actual performance (preferred), simulated performance, or tested verbally or in writing.
5. The binder should be accessible to all employees, charge nurses, supervisors, and manager for that unit. That way everyone can see what progress is being made throughout the year.

G. Preceptors are chosen for their expertise in competencies. This could be the charge nurse, the supervisors, or a staff member who has shown expertise. The decision lies with the manager with the assistance of Staff Development.

H. Throughout the year, the staff and preceptors work on the competencies and keep this information in the binders.

I. At the annual performance appraisal, the manager completes the competency list and submits to Human Resources. This is documented and kept in the e~~E~~mployee file.

J. If deficiencies are found in the competency area, the manager and qualified staff ~~development, with time lines and continued feedback,~~will design a plan of correction timeline and provide continued feedback.

K. If competencies cannot be met, appropriate action will be taken: reassignment or disciplinary action.

II. Nursing-wide Competencies

A. At orientation, all nursing staff (where appropriate) receive n~~N~~ursing-wide competencies including but not limited to:

1. Glucometer;
2. Medication Administration;
3. IV Certification;
4. IV Admixture (when applicable);
5. PCA;
6. Epidural;
7. Transfusion;
8. Restraint;
9. Fall Prevention;
10. Respiratory Therapy.

B. Some competencies, such as Glucometer, are also performed annually where regulations stipulate or there is a need determined by ~~the Organization~~MCDH.

~~B.~~C. Upon completion of the initial nursing-wide competencies, Staff Development will review and forward the competencies packet to Human Resources (for MCDH employees) or to the Staffing Coordinator (for Registry staff) for placement in the individual's file.

III. Facility-wide Safety Competencies

A. Annually there is a mandatory Safety Training ~~Fair~~ for ALL employees.

1. Topics addressed include, but are not limited to:

a. Risk management;

b. Quality assurance;
c. Code of ethics;
d. Chain of command;
e. Corporate compliance;
f. Complaint management;
g. Patient rights;
h. Patient safety goals;
i. Employee health requirements;
j. Infection control;
k. Medical equipment management;
l. Back and ergonomic training;
m. Fire safety;
n. Emergency management;
o. Customer service.

B. Documentation is kept in the educational file.

New: 10/08
Revised:
Reviewed: 11/2018

	TITLE: Competencies for Employees and Registry Staff
	POLICY#: 1325

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 10/01/2008 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 07/03/2019

PURPOSE: To have a consistent process at Mendocino Coast District Hospital (MCDH) to assess and document all employee and registry staff's ~~staff's~~ ability to carry out assigned responsibilities safely, competently, and in a timely manner.

POLICY: All newly hired or transferring employees and registry staff will participate in department orientation competencies. ~~(see policy number 130.2001).~~ All employees will also be required to do annual department specific competencies. These are assessed at the time of the employee's annual performance evaluation. Throughout the year, there may be newly required competencies if there are new procedures, equipment, medications, or processes in that department. There are also required Certification Competencies for certain clinical positions.

PROCEDURE:

I. Department Specific Competencies:

A. There will be competencies for every position at MCDH. The competencies are department specific and applicable to the work being done.

B. The Manager determines the department specific competencies with input from Senior Management, Staff Development, Staff and Physicians.

C. The competencies will be based on the population served.

1. For example: Competencies in the Emergency Department will include the care of patients that are all ages, infant to geriatric.
2. Sensitivity to cultural diversity is an integral part of any competency.

D. Competencies are dynamic and constantly in revision. This would be based on techniques, procedures, technology, equipment, or skills that are needed to provide care, treatment, or services to our patients. The Manager will forward these revisions to Human Resources where they will be formatted to keep the process uniform.

E. Competencies are often chosen because of low volume, high risk or problem prone patient needs.

F. Each department will keep a binder with the following information:

1. The list of competencies for the current year;
2. The criteria for meeting that competency (articles, information, policies, testing material);
3. The list of employees in that department.
4. Competencies are assessed by actual performance (preferred), simulated performance, or tested verbally or in writing.
5. The binder should be accessible to all employees, charge nurses, supervisors, and manager for that unit. That way everyone can see what progress is being made throughout the year.

G. Preceptors are chosen for their expertise in competencies. This could be the charge nurse, the supervisors, or a staff member who has shown expertise. The decision lies with the manager with the assistance of Staff Development.

H. Throughout the year, the staff and preceptors work on the competencies and keep this information in the binders.

I. At the annual performance appraisal, the manager completes the competency list and submits to Human Resources. This is documented and kept in the e~~E~~mployee file.

J. If deficiencies are found in the competency area, the manager and qualified staff ~~development, with time lines and continued feedback,~~will design a plan of correction timeline and provide continued feedback.

K. If competencies cannot be met, appropriate action will be taken: reassignment or disciplinary action.

II. Nursing-wide Competencies

A. At orientation, all nursing staff (where appropriate) receive n~~N~~ursing-wide competencies including but not limited to:

1. Glucometer;
2. Medication Administration;
3. IV Certification;
4. IV Admixture (when applicable);
5. PCA;
6. Epidural;
7. Transfusion;
8. Restraint;
9. Fall Prevention;
10. Respiratory Therapy.

B. Some competencies, such as Glucometer, are also performed annually where regulations stipulate or there is a need determined by ~~the Organization~~MCDH.

~~B.~~C. Upon completion of the initial nursing-wide competencies, Staff Development will review and forward the competencies packet to Human Resources (for MCDH employees) or to the Staffing Coordinator (for Registry staff) for placement in the individual's file.

III. Facility-wide Safety Competencies

A. Annually there is a mandatory Safety Training ~~Fair~~ for ALL employees.

1. Topics addressed include, but are not limited to:

a. Risk management;

b. Quality assurance;
c. Code of ethics;
d. Chain of command;
e. Corporate compliance;
f. Complaint management;
g. Patient rights;
h. Patient safety goals;
i. Employee health requirements;
j. Infection control;
k. Medical equipment management;
l. Back and ergonomic training;
m. Fire safety;
n. Emergency management;
o. Customer service.

B. Documentation is kept in the educational file.

New: 10/08
Revised:
Reviewed: 11/2018

T
A
B

4

MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** On Call
	POLICY#: 1356

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 04/01/2002 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 04/04/2019

PURPOSE: To define the policy and practice of Mendocino Coast District Hospital (MCDH) regarding On Call shifts.

POLICY: Employees shall receive compensation when ~~who are scheduled up to 5 On-Call shifts,~~ placed on standby in lieu of a regularly scheduled shift, or subsequent to completion of their regularly scheduled shift. ~~, shall be paid $5.00 per hour during hours they are scheduled On Call by management.~~

PROCEDURE:

I. Employees who are scheduled up to 5 On-Call shifts during a bi-weekly pay period will receive On-Call pay in the amounts of $5.00 per hour.

II. Employees who are scheduled between 6 and 8 On-Call shifts during a bi-weekly pay period will receive On-Call pay in the amount of $6.00 per hour.

III. Employees who are scheduled 9 or more On-Call shifts during a bi-weekly pay period will receive On-Call pay in the amount of $7.00 per hour beginning with the 9th scheduled shift.

IV. Employees who are called back will be compensated at the appropriate over-time rate of pay.

V. On-call pay is discontinued when an employee is called back and when the employee's regular scheduled shift begins.

VI. Employees called in shall be guaranteed a minimum of one hour of pay.

VII. Employees assigned to be on-call must be immediately available by phone and able to arrive at the Hospital within thirty minutes from the time they are called in.

VIII. Employees shall forfeit their on-call pay for any shift wherein the employee is called in and cannot be contacted or fails to respond.

~~IX. Managers will calculate On-Call pay for department staff utilizing the On-Call/Call Back Worksheet located on the reverse side of the MCDH Employee Timesheet.~~

~~A. Managers will subtract the number of Call Back hours from the total On-Call hours.~~

~~B. Managers will multiply total hours for first five scheduled shifts by $5.00 per hour; total hours for six to eight scheduled shifts by $6.00 per hour; and total hours for nine or more scheduled shifts by $7.00 per hour.~~

New: 04/02
Revised: 05/06, 04/08
Reviewed: 10/2018

TAB

5

	TITLE: Staffing Table
	POLICY#: 1379

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 04/01/2003 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 06/26/2019

PURPOSE: To define the policy and practice at Mendocino Coast District Hospital (MCDH) of monitoring its positions and Full Time Equivalents (FTEs).

POLICY: The many types of personnel positions vary to the extent in which they constitute long-term financial obligations. This policy is based on the philosophy that a greater institutional commitment will require a higher level of authority to create a new position. The Staffing Table monitors utilization of FTEs, establishes new positions, and monitors replacement FTEs.

The Staffing Table manages the Human Resources requirements for units or departments. Additionally, the Staffing Stable is utilized in assessing duplication of part-time positions (example: two part-time positions could be combined into a full-time position when appropriate).

PROCEDURE:

I. Timing: New positions may be identified and approved through a periodic strategic/ financial planning process at MCDH, and/or on an as needed basis.

II. Approvals

A. The creation of new positions, hourly or salaried, is at the discretion of the Manager, with prior approval from her/his Senior Manager and the Chief Executive Officer, in consultation with Human Resources.

B. The Manager is expected to assure him/herself that the full funding for salary, any applicable fringe benefits, set-up costs, and ongoing support costs for the position are identified for the length of the obligation. In this assessment, consideration must be given to regular salary increase and possible inflation in the fringe benefits rate.

III. Assigning Staffing Table Numbers

A. New Positions and Change in FTE:

1. Hiring Manager completes a Position Request form with written justification.

a. Approvals required:

i. Senior Manager;

~~i.~~ii. Chief Human Resources Officer

~~ii.~~iii. Chief Financial Officer;

~~iii.~~iv. ~~Chief of Human Resources;~~

~~iv.~~v. Chief Executive Officer ~~(CEO).~~

2. Human Resources assigns a ~~Staffing~~ Position Control Number ~~(SCN),~~ and will coordinate the job posting.

3. Human Resources, in consultation with the hiring Manager, will develop recruitment strategy and job offer.

	TITLE: Staffing Table
	POLICY#: 1379

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 04/01/2003 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 06/26/2019

B. Replacement of Employee:

1. Hiring Manger completes an Employee Action Request (EAR) with termination date of the current employee and submits it to Human Resources.
   a. Approvals required:
      i. Senior Manager
      ii. Chief Human Resources Officer
      ~~iii.~~ Chief Financial Officer
      iv. Chief Executive Officer

~~1.~~

~~a. Approval required: Hiring Manager.~~

2. Hiring Manager completes a Position Request form with written justification.
   a. Approvals required:
      i. Senior Manager~~;~~
      ~~i.~~ii. Chief Human Resources Officer
      ~~ii.~~iii. Chief Financial Officer~~;~~
      ~~iii.~~iv. ~~Chief of Human Resources;~~
      ~~iv.~~v. Chief Executive Officer ~~(CEO).~~
3. Human Resources will post ~~/ advertise~~ the position on the MCDH website, designated bulletin boards within the hospital, and at the Human Resources Office. ~~in accordance with established Staffing Table designation.~~
4. Human Resources, in consultation with the hiring Manager, will develop recruitment strategy and job offer.

New: 04/03
Revised: 05/06, 02/08
Reviewed: 10/2018

TAB 6

CONFLICT OF INTEREST CODE

OF THE
MENDOCINO COAST HEALTH CARE DISTRICT,
DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended May 30, 2019)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Mendocino Coast Health Care District dba Mendocino Coast District Hospital (the "District")**.

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Executive Assistant** as the District's Filing Officer. The **Executive Assistant** shall make and retain a copy of all statements filed by Members of the Board of Directors and the Chief Executive Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of Mendocino County. If the County allows, the Members of the Board and Chief Executive Officer may file statements electronically directly with the Clerk of the Board of Supervisors. The **Executive Assistant** shall retain the original statements filed by all other designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

MENDOCINO COAST HEALTH CARE DISTRICT DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended May 30, 2019)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments[1]:

Members, Board of Directors

Chief Executive Officer

Chief Financial Officer

Investment Consultants

---

[1] Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITION'S TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Activities Program Coordinator	5
Chief Human Resources Officer	5
Chief Nursing Officer	5
Clinical Coordinator	5
Clinical Supervisor	5
Controller	4
Director, Ancillary Services	5
Director, General Support Services	4
Director, Home Health	5
Director, Information Systems	5
Director, Pharmacy	5
Director, PR/Communications Marketing	5
Director, Quality & Risk Management	5
Director, Support Services	5
General Counsel	1, 2
Manager, Assistant Nutrition Services	5
Manager, Business Office	5
Manager, Case Management & Utilization Review	5
Manager, Diagnostic Imaging Department	5
Manager, Infusion/Hematology/Oncology	5
Manager, Laboratory Services	5
Manager, Medical Records	5
Manager, Medical Transport Services	5
Manager, Nutrition Services	5
Manager, Plant Services	4

Manager, Rehabilitation Services	5
Network Administrator	5
Plant Services Supervisor	5
Purchasing Agent, Materials Management	4
Respiratory Therapist Lead	5

Consultants and New Positions[2]

[2] Individuals providing services as a Consultant defined in Regulation 18700.3 or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Director may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The Chief Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned. "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, if such entities or sources have filed claims against the District in the past 2 years, or have a claim pending before the District.

EXPLANATION OF DESIGNATION OF OFFICIALS AND THE ASSIGNMENT OF DISCLOSURE RESPONSIBILITIES

April 24, 2019

MENDOCINO COAST HEALTH CARE DISTRICT

EXPLANATION OF AMENDMENT OT CONFLICT OF INTEREST CODE AND FILER DESIGNATIONS AND ASSIGNMENT OF DISCLOSURE REQUIREMENTS

Pursuant to the Political Reform Act (Gov. Code § 81000, et seq.) (the "Act") the MENDOCINO COAST HEALTH CARE DISTRICT dba Mendocino Coast District Hospital (the "District") adopted a Conflict of Interest Code (the "Code"). The Code must designate those employees, members, officers, and consultants who make or participate in the making of decisions which may foreseeably have a material effect on the filers' financial interests and are therefore, subject to the disclosure and disqualification requirements of the Code.

The Code must also set forth Disclosure Categories to be assigned to the designated positions requiring individuals holding each position to disclose personal interests that may be affected by the exercise of the individual's duties.

Codes are to be regularly reviewed and amended as necessary. After completing a review of its Conflict of Interest Code of the District it was determined that an amendment is necessary to reflect changed circumstances within the District as well as update language for required information of a Code.

Below is an explanation of the specific amendments proposed:

"INCORPORATION PAGE"

The Fair Political Practices Commission ("FPPC") has instituted a "Standard Code" for adoption by local public agencies. This is done by creating an Incorporation Page using the language provided by the FPPC for incorporating 2 California Code of Regulations Section 18730 as the provisions of the Code containing all standard terms. Regulation 18730 is regularly amended by the FPPC to conform to amendments in the Act. This language has been amended to reflect that provided by the FPPC to adopt the FPPC's Standard Code. This area of the Code has also been amended to include the FPPC's language on the handling of statements of economic interests and availability to the public. Statements are to be filed with the District's Executive Assistant as the District's Filing Officer who shall make and keep copies of statements filed by Members of the Board and the Chief Executive Officer and forward the originals to the Clerk of the Board of Supervisors. The Filing Officer shall keep the original statements filed by all other filers. If the County allows, Members of the Board and the Chief Executive officer may file statements electronically with the Clerk of the Board of Supervisors.

APPENDIX

The Appendix is separated into two parts – Part A to address and designate official positions who make or participate in the making of governmental decisions and subject to disclosure requirements; and Part B which establishes the categories of disclosure requirements which are assigned to designated positions depending on the duties of each position.

PART "A"

"OFFICIALS WHO MANAGE PUBLIC INVESTMENTS"

Primary officials determined to fall under the definition of "Officials Who Manage Public Investments" as required by the FPPC must file disclosure statements under Government Code section 87200. It was found that the Board Members, CEO, CFO and possibly Investment Consultants are such officials. These positions have full disclosure requirements under the Act and are not to be assigned disclosure requirements under the District's Code.

"DESIGNATED POSITIONS"

The District's list of Designated Positions specifically enumerates all positions within the District which make or participate in the making of District decisions which may foreseeably have a material effect on that position's financial interests.

Disclosure Categories have been assigned to the Designated Positions on a narrow basis in relation to their official duties with the District to prevent requiring over-disclosure.

Positions that, by virtue of their positions, are involved in all facets of District operations have been assigned Categories 1 and 2 indicating "full disclosure" requirements under the Code. Likewise, positions having narrower involvement and/or responsibilities with the District have been assigned more limited disclosure requirements based on the duties of the position. (See Explanation of Types of Disclosure Categories, below.)

Revisions to the Designated Positions are as follows:

The positions listed below are officials who manage public investments and have been declared as such and removed the list of designated positions subject to the Code.

Member, Board of Directors
Chief Executive Officer
Chief Financial Officer

All auditors of the Hospital - This designation was removed since specific positions must be listed and any independent auditors would not be covered by the District's Code unless contracted for services outside of the independent audit.

NEWLY DESIGNATED POSITIONS – It was determined that the positions below make or participate in the making of governmental decisions which could materially affect some of their financial interests. Disclosure requirements have been narrowed to the types of interests that could be affected by their duties with the District or their department, unit or division.

Activities Program Coordinator	**5**
Chief Human Resources Officer	**5**
Chief Nursing Officer	**5**
Clinical Coordinator	**5**
Clinical Supervisor	**5**
Controller	**4**
Director, Ancillary Services	**5**
Director, General Support Services	**4**
Director, Home Health	**5**
Director, Information Systems	**5**
Director, Pharmacy	**5**
Director, PR/Communications Marketing	**5**
Director, Quality & Risk Management	**5**
Director, Support Services	**5**
General Counsel	**1, 2**
Manager, Assistant Nutrition Services	**5**
Manager, Business Office	**5**
Manager, Case Management & Utilization Review	**5**
Manager, Diagnostic Imaging Department	**5**
Manager, Infusion/Hematology/Oncology	**5**
Manager, Laboratory Services	**5**
Manager, Medical Records	**5**
Manager, Medical Transport Services	**5**
Manager, Nutrition Services	**5**
Manager, Plant Services	**4**
Manager, Rehabilitation Services	**5**
Network Administrator	**5**
Plant Services Supervisor	**5**
Purchasing Agent, Materials Management	**4**
Respiratory Therapist Lead	**5**

Consultants and New Positions

Consultant is a generic designated position to cover any contracted positions not specifically designated meeting the definition of Consultant under the Act and required to file disclosure statements because they may participate in making or influence decisions, as defined.

New Positions covers any newly created positions for interim filing requirements pending amendment of the Code.

Consultants and New Positions have specific footnote language appended to them indicating that these positions have full disclosure responsibilities unless specifically narrowed or waived, in writing, by the Chief Executive Officer, based on their duties and placed on file with the District's Filing Officer. Identification of New Positions and Consultants will be done on FPPC Forms 804 and 805, respectively.

EXPLANATION OF DISCLOSURE CATEGORIES

Disclosure Categories identify the types of investments, business entities, sources of income, including gifts, loans and travel payments, or real property which the Designated Position must disclose for each disclosure category to which he or she is assigned.

The District cannot require the Designated Position to over-disclose. Disclosure Categories must be designed and assigned **depending on the duties and responsibilities of the position held**. Therefore, five Disclosure Categories have been designed to be assigned to the various designated positions listed in Part "A" of the Appendix of the Code. This list of Disclosure Categories provides flexibility in the application of the various Categories to the different designated positions but are narrow enough so as not to require over-disclosure by a Designated Position or Consultant.

ASSIGNMENT OF DISCLOSURE CATEGORIES:

Category 1 requires the disclosure of reportable investments, business positions, and sources of income in the jurisdiction of the District. (Previous Category 1 was split to provide better flexibility in applying the requirements to various positions.)

Category 2 requires the disclosure of reportable interests in all real property (not including personal residence) located in the jurisdiction of the District (or within 2 miles thereof). (Previous Category 2 duplicated Category 1.)

The assignment of Categories 1 and 2 means the Designated Position has full disclosure requirements under the District's Code. These Categories are usually assigned to General Counsel, and other very broad decision-makers whose responsibilities are too broad to be narrowed and warrant full disclosure. These are also the Categories provided Consultants, as defined, and New Positions if not narrowed in writing as described, above.

Category 3 is limited to business interests and sources of income engaged in land development, construction or the acquisition or sale of real property. This is normally

assigned to positions or consultants involved specifically in these areas, such as project managers, or involved with purchasing or leasing of facilities or real property.

Category 4 is limited to interests in entities that provide services, supplies, etc. of the type used by the District. This Category is reserved for positions that are involved in the District on a broad basis touching a variety of departments and are therefore, unable to be narrowed to one department, division or area. Positions assigned this Category are usually involved in broad areas of administration and fiscal services.

Category 5 is limited to interests in entities that provide services, supplies, etc. of the typed used by a Designated Position's department, division or unit. This Category is assigned to positions involved in limited aspects of the District so that disclosure requirements can be narrowed to the position's specific area in order to avoid requiring over-disclosure. This Category is also used to assign to Consultants in specific areas, such as IT.

PUBLIC NOTICE
FOR POSTING ON
BULLETIN BOARD
OR OTHER PUBLIC AREA
(SAME AS POSTING AGENDA)

CONFLICT OF INTEREST CODE

OF THE MENDOCINO COAST HEALTH CARE DISTRICT, DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended June 27, 2019)

The Political Reform Act (Gov. Code § 81000, et seq.) requires state and local government agencies to adopt and promulgate conflict of interest codes. The Fair Political Practices Commission has adopted a regulation (2 Cal. Code of Regs. § 18730) that contains the terms of a standard conflict of interest code which can be incorporated by reference in an agency's code. After public notice and hearing Section 18730 may be amended by the Fair Political Practices Commission to conform to amendments in the Political Reform Act. Therefore, the terms of 2 California Code of Regulations Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby incorporated by reference. This incorporation page, Regulation 18730 and the attached Appendix designating positions and establishing disclosure categories, shall constitute the conflict of interest code of the **Mendocino Coast Health Care District dba Mendocino Coast District Hospital (the "District").**

All officials and designated positions required to submit a statement of economic interests shall file their statements with the **Executive Assistant** as the District's Filing Officer. The **Executive Assistant** shall make and retain a copy of all statements filed by Members of the Board of Directors and the Chief Executive Officer, and forward the originals of such statements to the Clerk of the Board of Supervisors of Mendocino County. If the County allows, the Members of the Board and Chief Executive Officer may file statements electronically directly with the Clerk of the Board of Supervisors. The **Executive Assistant** shall retain the original statements filed by all other designated positions and make all retained statements available for public inspection and reproduction during regular business hours. (Gov. Code § 81008.)

APPENDIX

CONFLICT OF INTEREST CODE

OF THE

MENDOCINO COAST HEALTH CARE DISTRICT DBA MENDOCINO COAST DISTRICT HOSPITAL

(Amended June 27, 2019)

PART "A"

OFFICIALS WHO MANAGE PUBLIC INVESTMENTS

District Officials who manage public investments, as defined by 2 Cal. Code of Regs. § 18700.3(b), are NOT subject to the District's Code, but are subject to the disclosure requirements of the Act. (Government Code Section 87200 et seq.). [Regs. § 18730(b)(3)] These positions are listed here for informational purposes only.

It has been determined that the positions listed below are officials who manage public investments[1]:

Members, Board of Directors

Chief Executive Officer

Chief Financial Officer

Investment Consultants

---

[1] Individuals holding one of the above-listed positions may contact the Fair Political Practices Commission for assistance or written advice regarding their filing obligations if they believe that their position has been categorized incorrectly. The Fair Political Practices Commission makes the final determination whether a position is covered by § 87200.

DESIGNATED POSITIONS

GOVERNED BY THE CONFLICT OF INTEREST CODE

DESIGNATED POSITION'S TITLE OR FUNCTION	DISCLOSURE CATEGORIES ASSIGNED
Activities Program Coordinator	5
Chief Human Resources Officer	5
Chief Nursing Officer	5
Clinical Coordinator	5
Clinical Supervisor	5
Controller	4
Director, Ancillary Services	5
Director, General Support Services	4
Director, Home Health	5
Director, Information Systems	5
Director, Pharmacy	5
Director, PR/Communications Marketing	5
Director, Quality & Risk Management	5
Director, Support Services	5
General Counsel	1, 2
Manager, Assistant Nutrition Services	5
Manager, Business Office	5
Manager, Case Management & Utilization Review	5
Manager, Diagnostic Imaging Department	5
Manager, Infusion/Hematology/Oncology	5
Manager, Laboratory Services	5
Manager, Medical Records	5
Manager, Medical Transport Services	5
Manager, Nutrition Services	5
Manager, Plant Services	4

Manager, Rehabilitation Services	5
Network Administrator	5
Plant Services Supervisor	5
Purchasing Agent, Materials Management	4
Respiratory Therapist Lead	5

Consultants and New Positions[2]

[2] Individuals providing services as a Consultant defined in Regulation 18700.3 or in a new position created since this Code was last approved that makes or participates in making decisions shall disclose pursuant to the broadest disclosure category in this Code subject to the following limitation:

The Chief Executive Director may determine that, due to the range of duties or contractual obligations, it is more appropriate to assign a limited disclosure requirement. A clear explanation of the duties and a statement of the extent of the disclosure requirements must be in a written document. (Gov. Code Sec. 82019; FPPC Regulations 18219 and 18734.) The Chief Executive Director's determination is a public record and shall be retained for public inspection in the same manner and location as this Conflict of Interest Code. (Gov. Code Sec. 81008.)

PART "B"

DISCLOSURE CATEGORIES

The disclosure categories listed below identify the types of economic interests that the designated position must disclose for each disclosure category to which he or she is assigned. "Investment" means financial interest in any business entity (including a consulting business or other independent contracting business) and are reportable if they are either located in, doing business in, planning to do business in, or have done business during the previous two years in the jurisdiction of the District.

Category 1: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are located in, do business in, or own real property within the jurisdiction of the District.

Category 2: All interests in real property which is located in whole or in part within, or not more than two (2) miles outside, the jurisdiction of the District.

Category 3: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that are engaged in land development, construction or the acquisition or sale of real property within the jurisdiction of the District.

Category 4: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the District.

Category 5: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, that provide services, products, materials, machinery, vehicles or equipment of a type purchased or leased by the designated position's department, unit or division.

Category 6: All investments and business positions in business entities, and sources of income, including gifts, loans and travel payments, if such entities or sources have filed claims against the District in the past 2 years, or have a claim pending before the District.

RESOLUTION OF ADOPTION
FOR ADOPTION BY
THE BOARD

RESOLUTION NO. 2019 – ______

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT, dba MENDOCINO COAST DISTRICT HOSPITAL, AMENDING THE CONFLICT OF INTEREST CODE

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (the District) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the District being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated position and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on May 30, 2019, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Board of Directors of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, as follows:

Section 1. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto;

Section 2. The Conflict of Interest Code shall be on file with the Executive Assistant and available to the public for inspection and copying during regular business hours;

Section 3. The Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of Mendocino for approval and said Code shall become

effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

Section 4. All previous Conflict of Interest Codes of the District shall be rescinded as of the effective date of the said proposed Code as approved by the County of Board of Supervisors.

PASSED, APPROVED AND ADOPTED by the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, at a regular meeting on the 30th day of May, 2019, by the following vote:

AYE:
NAY:
ABSTAIN:
ABSENT:

____
President of the Board of Directors

____
Chief Executive Officer

Attest:

____
Secretary of the Board of Directors

T

A

B

7

Mendocino Coast District Hospital

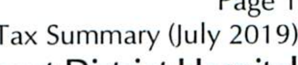
2018-19 Measure "C" Parcel Tax Summary

July 2019

EASTSHORE CONSULTING
FINANCIAL ADVISORY & FACILITIES PLANNING · FISCAL CONSULTING · ELECTION STRATEGIES & PUBLIC RELATIONS

Overview

- After 66.8% of MCDH voters approved Measure "C" on June 5, 2018, MCDH requested and on July 12, 2018, received a parcel roll from the Mendocino County Auditor-Controller's office containing all taxable parcels within the District
- On August 10, 2018, Eastshore Consulting submitted Measure "C" parcel tax charges to the Mendocino County Auditor-Controller for all parcels believed to be taxable – excluding 31 requested Residential Contiguous Parcel Exemptions received and validated shortly after Measure "C" approval
- Thereafter, the District continued to receive exemption requests through June 30, 2019, and Eastshore Consulting processed such requests to assist in preparation of rebates for exempted taxpayers, including:
  - Residential Contiguous Parcel Exemptions
  - Legally tax-exempt parcels included in roll information provided by the County
- Also, a process for addressing requests for "legal parcel consolidation" was established and, in conjunction with the Auditor and County Counsel, is nearing completion
- To summarize the Measure "C" activities for the initial, 2018-19 tax year, this presentation contains:
  - Information on the process to levy this first year of the parcel tax
  - Information on the process to provide exemptions and rebates when appropriate
  - Information on Residential Contiguous Parcel Exemptions
  - Information on requested legal parcel consolidations and other exemptions
  - Estimates of Measure "C" net revenues



The Full Text of Measure "C"

- Measure "C" parcel tax revenues will be utilized in alignment with the ballot language and the Introduction and Purpose of Measure "C" in the Full Text of the Measure (included below and in election information materials provided to all local voters by the County)

"To provide funding for maintaining emergency room services, attracting and retaining high quality doctors and nurses, maintaining ambulance and related 911 services and providing essential healthcare to residents of Mendocino County, with no proceeds used for administrators' salaries, benefits and pensions, the Mendocino Coast Health Care District ("District") proposes a healthcare parcel tax for a period of twelve years starting on July 1, 2018 at a rate of $144 per parcel per year, and to implement accountability measures, including independent taxpayer oversight, to ensure the funds are used to help:

- *Maintain local emergency room services;*
- *Attract and retain high quality doctors and nurses;*
- *Maintain local ambulance and related 911 services;*
- *Make critical repairs and upgrades to medical equipment and facilities;*
- *Maintain local surgical services; and*
- *Maintain local obstetric services.*

The proceeds of the healthcare parcel tax shall be deposited into a separate account created by the District."

Parcel Taxes

GOVERNMENT CODE SECTION 53730.01

53730.01. A hospital district established pursuant to Division 23 (commencing with Section 32000) of the Health and Safety Code whose hospitals are wholly owned and are operated by the district shall have the authority to impose special taxes pursuant to Article XIII A of the California Constitution and Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 and consistent with Article 3.7 (commencing with Section 53720). The board of directors shall determine the basis and nature of any special tax and its manner of collection.

"Special taxes" as used in this section, means special taxes which apply uniformly to all taxpayers or all real property within the hospital district.

(Added by Stats. 1988, Ch. 1345, Sec. 1.)

- Most local governmental entities in California have legal authority to request tax and revenue measures; however, the specific legal basis for such measures is often specific to entity type
- The District, as a "hospital district", receives authorization to request a Parcel Tax via Government Code Section 53730.01

"To continue essential healthcare at our local hospital by attracting and retaining high quality doctors/nurses, maintaining local emergency room, obstetric, surgical, ambulance and related 911 services, and making critical repairs and upgrades to medical equipment/facilities, shall Mendocino Coast Health Care District levy an annual special tax of $144 per parcel for 12 years, raising approximately $1,700,000 annually, with independent taxpayer oversight, no funds for administrators' salaries/pensions, and all funds dedicated to local healthcare facilities and services?"

Shall the Measure Be Adopted: Yes _____ No _____

- To provide a secure, local source of additional funding to help the Hospital continue serving the community and provide high quality healthcare to the community, Measure "C" was placed on the ballot by unanimous Board action

Parcel Definition

- The full text ballot Measure "C" includes the definition of a "Parcel"

DEFINITION OF "PARCEL"

For purposes of the healthcare parcel tax, the term "Parcel" means any parcel of land which lies wholly or partially within the boundaries of the Mendocino Coast Health Care District, that receives a separate tax bill for *ad valorem* property taxes from the Mendocino County Assessor/Tax Collector, as applicable. All property that is otherwise exempt from or upon which are levied no *ad valorem* property taxes in any year shall also be exempt from the healthcare parcel tax in such year.

For purposes of this healthcare parcel tax, any such "Parcels" which are (i) contiguous, and (ii) used solely for owner-occupied, single-family residential purposes, and (iii) held under identical ownership may, by submitting to the District an application of the owners thereof by June 15 of any year, be treated as a single "parcel" for purposes of the levy of the healthcare parcel tax.

- Key criteria within the definition include the need for there to be "land" associate with a "parcel" as well as the receipt of "a separate tax bill"
- Within this definition, the conditions are also spelled out for the one exemption which the District may provide to "Contiguous Residential" parcel owners within District boundaries

Measure "C" Exemptions

- In addition to the Contiguous Residential Parcel Exemption which the District can provide as defined in the measure text, certain parcels are legally exempted from taxation
- Certain exempted parcel classifications, such as governmental and religious entity owned parcels, do not appear to have been within the County provided tax roll
- However, it appears that certain parcels which are owned by other legally exempt entities were included in County provided APNs, including:
  - Parcels owned by non-profit organizations such as open-space preserves
  - APNs which reflect manufactured home taxable values for which a separate land parcel APN exists
- Non-profit organizations may apply for a "welfare benefit" exemption pursuant to the Revenue & Taxation Code – Section 214, enacted Statewide by voters' approval of constitutional amendments in 1944
- Administration of welfare benefit exemptions, as well as the APN system utilized to facilitate property taxation, is the responsibility of the County
- Manufactured home APNs fail to meet the Measure "C" definition of a parcel as they do not reflect the land parcel on which they sit (and is assessed the Measure "C" parcel tax)

Consolidations

- In addition to exemptions, there are also consolidations which may allow for certain APNs to be treated as a single legal unit for parcel taxes

- The "Map Act" – which dictates the requirements for Assessor Parcel Maps – created unique Assessor Parcels from legal parcels defined under a single deed of trust
- But for the Map Act requirements, certain larger parcels which are legally a single property are assigned multiple APNs
- Per Government Code Section 53087.4, APNs created from a single legal parcel can be consolidated to receive only a single parcel tax charge
- Currently, such legal parcels are not readily identifiable in the County tax roll

GOVERNMENT CODE SECTION 53087.4

53087.4. (a) In the case of a special tax levied by a local agency on a per parcel basis, both of the following conditions shall apply:

(1) A parcel created by a subdivision map approved in accordance with the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7) shall be deemed to be a single assessment unit and shall not be deemed, on the basis of multiple assessor's parcel numbers assigned by the assessor, to constitute multiple assessment units.

(2) A parcel that has not been subdivided in accordance with the Subdivision Map Act (Division 2 (commencing with Section 66410) of Title 7) may be deemed to constitute a separate assessment unit only to the extent that that parcel has been previously described and conveyed in one or more deeds separating it from all adjoining property.

(b) (1) If the parcel identified pursuant to paragraph (1) or (2) is not consistent with the property's identification by assessor's parcel number, it shall be the responsibility of the parcel owner to provide the local taxing jurisdiction with written notice of the correct assessor's parcel number of taxable parcels pursuant to this section 90 days after the initial tax bill containing the tax levy.

(2) The initial levy of any special tax that is initially imposed by a local agency on a per parcel basis on or after the operative date of the act adding this paragraph shall be billed on the annual property tax bill sent by the county tax collector.

Initial Levy of Parcel Taxes

- Parcel Taxes are constrained by California law which the District must adhere to:
  - Parcel tax is levied only within area which voted on Measure "C" (legal boundaries of Mendocino Coast Health Care District)
  - The law contemplates the complexities of the initial levy of a new parcel tax
  - Some recent court cases reinforce the requirement for parcel taxes to be levied in a "uniform" manner
- First year levy of a parcel tax can present challenges
  - Limited time between certification of election results and levy deadline
  - Measure "C" recount further delayed certification
  - Law provides 90 days after tax bills for exemption requests in the initial year
  - Parcel rolls do not always clearly identify certain types of exempt property
  - New charges bring old parcel configurations to light
- Uniform process and procedures are important to ensure that a parcel tax is not invalidated
- As required under Government Code 53087.4(b), the District submitted the initial year Measure "C" parcel tax charges on all APN's provided by Mendocino County with an understanding that the law provides property owners an opportunity to either request exemption or consolidation after the initial parcel tax billing

Estimated 2018-19 Measure "C" Levy

- 12,915 assessor parcels were identified by Mendocino County as being within MCDH legal boundaries and eligible for parcel tax levy
- Shortly after submission of the Measure "C" parcel tax levy, the County indicated one correction to the parcel list, removing 3 APNs which were lapsed
- During the 2018-19 fiscal year, approximately 140 property owners submitted requests for some form of request for relief from Measure "C" parcel taxes, including both exemption and consolidation requests, including:
  - 131 contiguous parcel exemption requests
  - 8 requests for legal parcel consolidation
  - 2 requests for Welfare Benefit Exemption
- The District was able to process all Contiguous Residential Parcel Exemption and Welfare Exemption requests received
- The District is working with Mendocino County to process requests for legal parcel consolidation
- Because legal parcel consolidations require a review of original deeds of trust and confirmation by the County that multiple assigned APNs are indeed a single legal parcel, the processing of those requests has not yet been completed
- It is anticipated that legal parcel consolidations will be processed, and rebates provided within the next 10 days

Projected Revenues

	Parcel Count		Levy Amount	
Total Assessor Parcels		**12,915**		**$ 1,859,760**
Contiguous Residential Parcel Exemptions				
Exemptions Granted	317		$ 45,648.00	
Remaining Potential Exemptions	18		2,592	
Projected Contiguous Residential Parcel Exemptions	**335**		**$ 48,240.00**	
Other Exemptions				
Welfare Benefit Exemptions Granted	8		$ 1,152	
Remaining Welfare Benefit Exemptions	6		864	
Projected Legal Parcel Consolidations	**14**		**$ 2,016**	
Legal Parcel Consolidations				
Consolidations Granted	7		$ 1,008	
Additional Requested	1,083		155,952	
Projected Legal Parcel Consolidations	**1,090**		**$ 156,960**	
Roll Corrections	**3**		**$ 432**	
Projected Total Parcel Consolidated or Exempted		**1,442**		**$ 207,648**
Net Parcel Tax Levy		**11,473**		**$ 1,652,112**

- Based upon applications and request received to date, 1,442 parcels listed on the original roll provided by the County will likely be exempted or consolidated, reducing parcel tax revenues by $207,648
- In total, $1.65 million in net parcel tax revenues is anticipated for last fiscal year (2018-19)

Granted Exemptions

- Applicants for Contiguous Residential Parcel Exemptions were each required to submit an application including an attestation certifying that the property is utilized solely for owner-occupied single-family purposes and held under identical ownership
- Each such application was reviewed to affirm that:
  - Ownership was under an identical name
  - The Measure "C" parcel tax was levied on each of the parcels
  - County Assessor Parcel Maps indicate parcels are contiguous
  - Aerial photography sources did not indicate that the parcel was not under a non-qualifying use
- The total number of parcels listed under each application varied with most applicants requesting a single APN exemption; the largest request included 45 APNs
- Of the total 122 applications received, three were rejected because the properties were not within the District boundaries and, as such, no Measure "C" parcel tax was levied
- Within the rest of the applications, approximately 5 were partially denied as all APNs included were not contiguous
- In total 335 APNs for 115 owners are expected to be granted Contiguous Residential Parcel Exemptions, reducing Measure C Revenues by $48,240

Granted Exemptions

- Welfare Benefit Exemptions were requested by two 501(c)(3) entities, both of which hold property for open space preserves
- After a review of the documentation under which these owners are granted a Welfare Exemption from ad-valorem property taxes, rebates were provided to the owners
- In total 14 APNs are anticipated to be provided Welfare Benefit Exemptions
- During the 2018-19 fiscal year, the District also received a request from the owner of a manufactured home for consideration of an exemption
- After review of the County's APN assignments, it appears that 34 such manufactured homes existed with APNs for which the underlying land was also assigned a separate and unique APN
- Subsequent to consultation with legal counsel, it was determined that such manufactured homes failed to meet the Parcel definition for Measure "C" and, as such, 35 APNs for manufactured homes were provided refunds, totaling $4,896
- All provided exemptions will continue in future years unless annual review of the parcel roll indicates that ownership has changed, in which case the new owner may request an exemption if the criteria for exemption is met

Requested Consolidations

- Ten mostly larger land owners within the MCDH boundaries have applied for consolidation of their parcels
- While a few of these requests included properties held by large commercial timber entities, requests were also received from smaller land owners – and all such request were (and must be) treated the same
- After extensively working with legal counsel, County Counsel, and the County Auditor's office, a specific process was developed to review such requests
- For each request, original deeds of trust were obtained to affirm that the APNs requesting consolidation were indeed part of a single legal parcel
- After such review, a letter was sent to the County to affirm that the treatment of such APNs as a single legal parcel aligned with the County's understanding of the property
- While we are still in the process of completing communications with the County for each of the legal parcel consolidation request, once affirmed, rebates for consolidated parcel will be processed, leaving each legal parcel to pay a single Measure "C" parcel tax assessment
- In total, there are requests are for consolidation of 1,090 Assessor Parcels to 117 legal parcels, resulting in a $156,960 reduction of Measure "C" revenues
- Approved exemptions and consolidations will be continued, without the need for taxpayers to reapply unless property is sold or there is some other realignment of the parcels

Requested Consolidations

QUESTIONS?

Mendocino Coast District Hospital

Proposed Detachment / LAFCO Process Update

July 2019

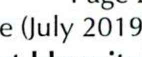
EASTSHORE CONSULTING
FINANCIAL ADVISORY & FACILITIES PLANNING · FISCAL CONSULTING · ELECTION STRATEGIES & PUBLIC RELATIONS

Overview

- The Hospital is extremely grateful to the community for approving the Measure "C" parcel tax last year
- By law – and to be 'fair' – MCDH must uniformly apply the parcel tax levy to all parcels in the Mendocino Coast Health Care District
- Though the Hospital has engaged in discussions with Lisa Weger who informally represents a number of other property owners in the far eastern portion of the District (i.e. Orr Springs and surrounding areas), they are now formally seeking to be "detached" from MCDH
- This process involves in-depth review by LAFCO, input from all affected agencies and other stakeholders, and ultimately a recommendation by LAFCO to change boundaries or not
- The following presentation provides a brief update on the matter

Main Assertions from the Petitioners

- Ms. Weger began reaching out to LAFCO about this potential detachment in September of 2018, in the months after Measure “C” results were officially certified
- The initiation of this new voter-approved parcel tax appears to have been the ‘trigger’ for her and her neighbors to question their inclusion in the legal boundaries of MCDH
- In a number of communications over much of the last year, the petitioners have asserted:
  - The area proposed for detachment was mistakenly included when MCDH was formed, only by virtue of being a part of the Mendocino Unified School District served by Comptche Elementary School
  - Their part of the District is east of the area the Hospital serves, and these residents would go to Adventist Health Ukiah Valley instead of MCDH
  - The Hospital’s ambulance service also does not reach these properties
  - California Health and Safety Code Section 32001 provides that areas not benefiting from a healthcare district shall not be included in that district
  - If they are not receiving services, they should not have to pay the Measure “C” parcel tax
  - The Hospital’s communications prior to Measure “C” – and still on the District’s website – featured a map of the primary service area and most frequently served zip codes, neither of which include the area proposed for detachment
  - The Hospital should have included a map of the legal boundaries in communications
  - The Hospital should have sought another revenue measure that taxed users rather than property



Responses from the Hospital

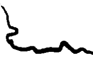
- Initially, LAFCO suggested that Ms. Weger engage in discussions with the Hospital to find a mutually agreeable solution
- In that meeting early this year, the Administration shared with her that Measure "C" must be applied uniformly to all parcels in the District (by law), meaning the options she had to alleviate her tax bill were the same as everyone else (mainly the residential contiguous parcel exemption and potential legal parcel consolidation)
- Though Ms. Werger was granted a contiguous residential parcel exemption for her properties, she proceeded with the detachment process
- In response to her pre-application and her more recent application referral, the Hospital has tried to clarify the facts about the situation in communications requested by – and provided to – LAFCO

Responses from the Hospital (Cont.)

- The Hospital's main points in response to the petitioners have been:
  - MCDH's legal boundaries were established based largely on previously existing boundary lines, which is common practice throughout California
  - MCDH did share an approximate service area map and the zip codes most frequently served in communications about the overall status of the Hospital
  - It is true that neither our approximate service area map nor the zip codes most frequently served exactly match the legal boundaries of the District
  - However, the Hospital does provide some ambulance 'dispatch' services to the very small population in locations east of Comptche
  - Further, the parcels within the area proposed for detachment have been paying the Hospital's bond taxes since 2001, subsequent to the approval of Measure "I" in 2000
  - Over years of outreach about a parcel tax, many residents of the area participated in surveys commissioned by MCDH and/or provided other feedback to shape Measure "C"
  - None of the informational materials specific to Measure "C" referenced the approximate service area map or the zip codes the Hospital most frequently serves
  - The map shared specifically in the Measure "C" context included the legal boundaries
  - All voters in this area received materials about Measure "C" from the County prior to the election
  - 50%+ of voters voted on Measure "C", and the majority of those were in support
  - There are options available to these property owners to limit the amount they must pay within the existing rules of Measure "C" (like all property owners in the District)
  - Options to seek an alternative revenue measure for MCDH are limited

The County's EOA Map

- Upon further research after receiving the application referral notification from LAFCO last month, the Administration has become aware of the Mendocino County RFP for an Exclusive Operating Area (EOA) for Emergency Ambulance Services
- The Administration has uncovered the EOA map in one of the appendices of this RFP and on the County's website
- This proposed map for ambulatory services certainly does not appear to exactly match our legal boundaries nor our primary and secondary service areas
- Most germane to the current topic, however, it *does* appear to presume that MCDH will be responsible for ambulance services for much of the area proposed for detachment
- More broadly, the Administration is still reviewing this document and plans to engage in discussions with the Mendocino County Executive Office, Mendocino County Emergency Services, LAFCO and any other involved agency in the County to better understand the County's plans
- The Administration feels it is advisable to collaborate with all these parties to provide the best possible emergency services to our portion (and all) of the County



Next Steps

- In communications with the LAFCO Executive Director, she indicated LAFCO may hear this matter at one of their meetings in the coming months
- At that time, she said, they could elect to recommend a change of boundary lines, to deny it, or to further review the matter
- However, this conversation was prior to the realization that the proposed EOA map may have bearing on this topic
- As such, the Hospital has suggested that the Administration begin a discussion with the County about where the service boundary line actually should be – and place this proposed detachment on 'pause' until such a discussion can occur
- If it is determined that these property owners actually are receiving emergency services from another agency (despite the County's EOA RFP map appearing to suggest many currently are receiving such services from MCDH), perhaps there will be cause to reinitiate this detachment application process
- For Ms. Weger and the group of property owners sponsoring the detachment proposal, they are invited to engage with the Hospital about their tax bills, and see if they may fit within either the contiguous residential parcel exemption or potentially qualify for a legal parcel consolidation

Conclusion

- To briefly summarize our prior points, the initiation of a new voter-approved parcel tax appears to have been the trigger for certain owners to question their inclusion in the legal boundaries of MCDH
- These owners have historically been in the District and have been engaged through the ballot box, decades of annual property taxation and a variety of forms of outreach
- Furthermore, the Hospital asserts that many of these residents are being provided a service by MCDH, as the County's proposed ambulance services EOA map appears to confirm
- Specific to the Measure "C" parcel tax, the controlling State code most notably requires uniform application of the tax – but also contemplates the complexities of the parcel tax levy and contains specific procedures to allow for valid exemptions and consolidations to be corrected
- However, now that there has been a formal request for amendment of the District's legal boundaries, the Hospital will continue working with LAFCO to address it in the months and years to come
- Most immediately, the Administration again invites all concerned entities at Mendocino County to have a discussion with MCDH about the EOA map in the recent RFP (and ambulance services throughout the County) as a first step to finding resolution to this matter

T

A

B

8

RESOLUTION NO. 2019 – 15

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT, dba MENDOCINO COAST DISTRICT HOSPITAL, AMENDING THE CONFLICT OF INTEREST CODE

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (the District) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the District being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated position and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on June 27, 2019, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Board of Directors of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, as follows:

Section 1. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto;

Section 2. The Conflict of Interest Code shall be on file with the Executive Assistant and available to the public for inspection and copying during regular business hours;

Section 3. The Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of Mendocino for approval and said Code shall become

effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

Section 4. All previous Conflict of Interest Codes of the District shall be rescinded as of the effective date of the said proposed Code as approved by the County of Board of Supervisors.

PASSED, APPROVED AND ADOPTED by the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, at a regular meeting on the 27th day of June, 2019, by the following vote:

AYE:
NAY:
ABSTAIN:
ABSENT:

____
President of the Board of Directors

____
Chief Executive Officer

Attest:

____
Secretary of the Board of Directors

TAB 9

MCDH BOARD OPERATING PRINCIPLES

On our board, we...

- Hear all opinions and respect all members
- Respect confidentiality per our oath
- Respect consensus of the board without judgement and without expression of grievance to the public and staff
- Committed to promoting and empowering participation of all members, remotely and in all communications
- Committed to ensuring the community (general public) is involved in the decision-making process
- Committed to medical and hospital staff feeling like a part of decision making.
- Follow up with our commitments via written communication and/or an action item list, in a timely manner
- Hold ourselves to the highest level of professionalism
- We self-govern:
    - One-on-one conversations regarding breaking agreements without shaming and blaming.
    - We own up to our own behavior
    - Coach and counsel, acknowledge, close the loop

Communication Needs and Protocols

Objective/Purpose (Why/Intended outcome)	**Participants** (Who creates/co-creates)	**Audience** (Who receives)	**Vehicle** (How it is communicated)	**Timing** (When, Advance timing needed)
Give information to the community from the Board	All Board members approve	The press	- Press release	48 hours, if needed sooner, text or call from Wayne/Gayl
Give the community time to digest information	All Board members approve	The community	- Town halls - Standard slide deck - Community outreach regarding services	Per Communications Plan
Solicitations from press	- All Board members approve. - Spokesperson for Board: Chair - Spokesperson for Hospital: CEO	The community and press	- Factual response via appropriate vehicle: "The Board decided …"	When asked
CEO Communications for the Board to learn what is happening	Wayne/Gayl	All Board Members	- Email	Weekly on Fridays
			- Email with text notification	As needed with Breaking News
Audio/Visual improvements for equal access	Wayne/Dwayne	All Board Members, Community, Hospital Staff, etc.	- Agenda item for approval	Within 1 month of June 29, 2019

TAB

10

MENDOCINO COAST DISTRICT HOSPITAL

DATE: July 18, 2019

TO: BOARD OF DIRECTORS

FROM: JOHN KERMEN, DO
CHIEF OF STAFF

SUBJECT: MEDICAL EXECUTIVE COMMITTEE RECOMMENDATIONS

The Medical Executive Committee considered the following items and recommends them to the Board of Directors for approval:

Appointments to Medical Staff-Provisional Status

- **Veer Babu, MD-** Department of Medicine-Emergency Department
- **Steven Lalliss, MD-** Department of Surgery-Orthopedics
- **Jenny Lee, MD-** Department of Surgery-Obstetrics/Gynecology
- **Samer Muala, MD-** Department of Medicine-Hospitalist Service
- **Jalaal Shah, DO-** Department of Surgery-Orthopedics
- **Leslie Wilkof, MD-** Department of Surgery-Obstetrics/Gynecology

Re-Appointments to Medical Staff-

- **Tareq Ali, MD-** Department of Medicine-Emergency Department
- **Mark Causin, MD-** Department of Medicine-Hospitalist Service
- **Darby Clayson, MD-** Department of Medicine-Hospitalist Service
- **Christiane Eisele, MD-** Department of Medicine-Emergency Department
- **Mandaar Gokhale, MD-** Department of Medicine-Emergency Department
- **David Gonzales, DO-** Department of Medicine-Hospitalist Service
- **Timothy Hockenberry, MD-** Department of Medicine-Hospitalist Service
- **David Irvine, MD-** Department of Medicine-Emergency Department
- **Barbara Kilian, MD-** Department of Medicine-Emergency Department
- **Kelly King, MD-** Department of Medicine-Hospitalist Service
- **Richard Leach, MD-** Department of Medicine-Emergency Department
- **Irais Leon, MD-** Department of Medicine-Emergency Department
- **Timothy Musick, MD-** Department of Medicine-Hospitalist Service
- **Faraaz Osmani, MD-** Department of Medicine-Hospitalist Service
- **Nguyen Pham, MD-** Department of Medicine-Hospitalist Service
- **Christopher Ryan, MD-** Department of Medicine-Hospitalist Service
- **Robin Serrahn, MD-** Department of Medicine-Emergency Department
- **Christina Tsao, MD-** Department of Medicine-Hospitalist Service

Appointment to VRad Tele-Radiology Physicians

- Lorenzo Mannelli, MD

Re-Appointment to VRad Tele-Radiology Physicians

- **Michael Cooney, MD**
- **Joshua Sokol, MD**

Department of Medical Staff Services
William Lee, CPCS, CPMSM~ Director
700 River Drive ▪ Fort Bragg, California 95437
Phone: (707 961-4740 ▪ Fax: (707) 961-4786

T

A

B

11

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

Unaudited Financial Statements

for

For the month ended June 30, 2019

TABLE OF CONTENTS

EXECUTIVE SUMMARY	PAGE 2
BALANCE SHEET - ASSETS	PAGE 3
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 4
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 5
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 6
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGE 7
STATEMENT OF CASH FLOWS	PAGE 9
KEY OPERATING STATISTICS	PAGE 10
FINANCIAL RATIOS AND BENCHMARKS	PAGE 11

MENDOCINO COAST HEALTHCARE DISTRICT

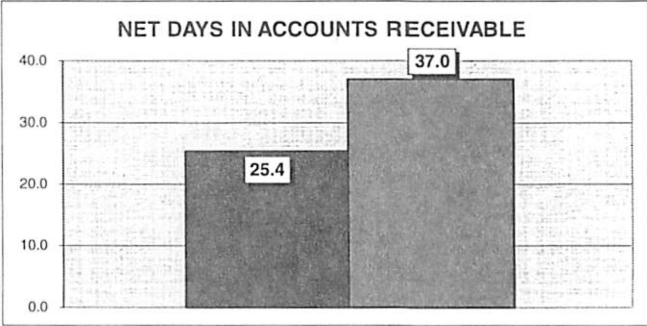
EXECUTIVE FINANCIAL SUMMARY

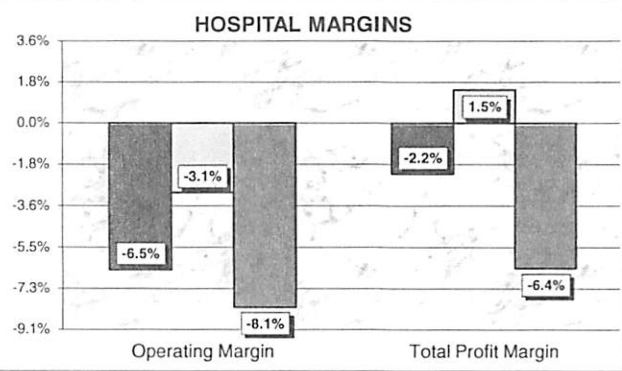
For the month ended June 30, 2019

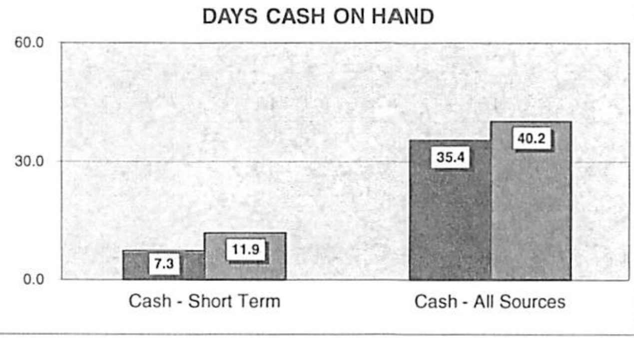
BALANCE SHEET	6/30/2019	6/30/2018
ASSETS		
Current Assets	$9,598,144	$12,244,405
Assets Whose Use is Limited	5,608,433	5,626,312
Property, Plant and Equipment (Net)	14,601,346	14,572,282
Total Unrestricted Assets	**29,807,923**	**32,442,999**
Total Assets	**$29,807,923**	**$32,442,999**
LIABILITIES AND NET ASSETS		
Current Liabilities	$10,860,666	$12,035,802
Long-Term Debt	12,593,429	12,815,206
Total Liabilities	**23,454,095**	**24,851,008**
Net Assets	6,353,828	7,591,991
Total Liabilities and Net Assets	**$29,807,923**	**$32,442,999**

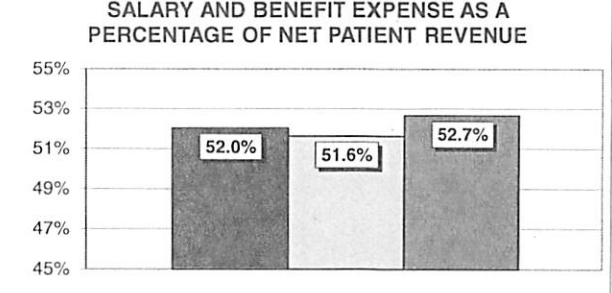
STATEMENT OF REVENUE AND EXPENSES - YTD	*ACTUAL*	*BUDGET*
Revenue:		
Gross Patient Revenues	$117,180,137	$118,014,000
Deductions From Revenue	(64,288,318)	(65,996,000)
Net Patient Revenues	52,891,819	52,018,000
Other Operating Revenue	2,139,737	2,100,000
Total Operating Revenues	**55,031,556**	**54,118,000**
Expenses:		
Salaries, Benefits & Contract Labor	33,848,697	31,422,000
Purchased Services & Physician Fees	9,838,514	9,515,000
Supply Expenses	8,998,845	8,880,000
Interest Expense	0	0
Depreciation Expense	1,481,930	1,536,000
Other Operating Expenses	4,419,166	4,423,000
Total Expenses	**58,587,148**	**55,776,000**
NET OPERATING SURPLUS	**(3,555,592)**	**(1,658,000)**
Non-Operating Revenue/(Expenses)	2,317,426	2,458,000
TOTAL NET SURPLUS	**($1,238,166)**	**$800,000**

BOND COVENANTS	*REQUIREMENT*	*ACTUAL*
DEBT SERVICE COVERAGE RATIO	1.25	**0.53**
CURRENT RATIO	1.00	**0.88**
DAYS CASH ON HAND	30.0	**35.4**









MENDOCINO COAST HEALTHCARE DISTI	6/30/2019
Budget	6/30/2019
Prior Fiscal Year End	6/30/2018

Balance Sheet - Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended June 30, 2019

	Current Month 6/30/2019	Prior Year End 6/30/2018
CURRENT ASSETS		
CASH	$ 1,146,600	$ 1,806,804
PARCEL TAX REVENUE ACCT	$ 872,982	
PATIENT RECEIVABLES	16,779,820	16,595,137
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(13,032,158)	(11,442,152)
NET PATIENT ACCOUNTS RECEIVABLES	3,747,662	5,152,985
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	2,008,771	3,254,576
OTHER RECEIVABLES	533,576	799,134
INVENTORIES	826,855	811,360
PREPAID EXPENSES	461,698	419,546
TOTAL CURRENT ASSETS	**$ 9,598,144**	**$ 12,244,405**
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,376,979	$ 4,280,052
PLAN FUND	13,759	13,759
BONDS	746,445	812,501
BOND COSTS	471,250	520,000
TOTAL LIMITED USE ASSETS	**$ 5,608,433**	**$ 5,626,312**
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,490	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	20,430,219	21,899,738
CONSTRUCTION-IN-PROGRESS	1,649,397	280,584
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 48,153,407	$ 48,254,113
LESS: ACCUMULATED DEPRECIATION	(33,552,060)	(33,681,831)
NET PROPERTY, PLANT, & EQUIPMENT	**$ 14,601,346**	**$ 14,572,282**
TOTAL ASSETS	**$ 29,807,923**	**$ 32,442,999**

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended June 30, 2019

	Current Month 6/30/2019	Prior Year End 6/30/2018
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 4,143,512	$ 6,383,566
ACCRUED PAYROLL	$ 859,231	$ 758,061
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,253,988	$ 1,173,087
PAYROLL TAXES PAYABLE	$ 60,642	$ 52,256
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 1,248,302	$ 1,648,982
OTHER CURRENT LIABILITIES	$ 911,488	$ 36,543
INTEREST PAYABLE	$ 1,010,162	$ 1,123,094
PREVIOUS FY PENSION PAYABLE	$ -	$ 860,213
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ -	$ -
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 1,373,343	$ -
TOTAL CURRENT LIABILITIES	**$ 10,860,666**	**$ 12,035,802**
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 9,819,429	$ 10,610,090
OTHER NON-CURRENT LIABILITIES	$ 1,795,116	$ 2,205,116
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 978,884	$ -
TOTAL LONG TERM LIABILITIES	**$ 12,593,429**	**$ 12,815,206**
TOTAL LIABILITIES	**$ 23,454,095**	**$ 24,851,008**
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 7,591,991	$ 8,803,300
TEMPORARY RESTRICTED FUND BALANCE	$ -	$ -
Net Revenue/(Expenses) (YTD)	$ (1,238,163)	$ (1,211,309)
TOTAL NET ASSETS	**$ 6,353,828**	**$ 7,591,991**
TOTAL LIABILITIES AND NET ASSETS	**$ 29,807,923**	**$ 32,442,999**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA
For the month ended June 30, 2019

	CURRENT MONTH				
	Actual 06/30/19	Budget 06/30/19	Positive (Negative) Variance	Percentage Variance	Prior Year 06/30/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 1,793,781	$ 1,884,000	$ (90,219)	-5%	$ 1,637,141
SWING BED	$ 620,020	$ 206,000	$ 414,020	201%	$ 218,491
OUTPATIENT	$ 6,606,140	$ 6,955,000	$ (348,860)	-5%	$ 7,118,539
NORTH COAST FAMILY HEALTH CENTER	$ 362,718	$ 444,000	$ (81,282)	-18%	$ 460,370
HOME HEALTH	$ 128,396	$ 124,000	$ 4,396	4%	$ 114,398
TOTAL PATIENT SERVICE REVENUES	$ 9,511,055	$ 9,613,000	$ (101,945)	-1%	$ 9,548,939
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (4,889,557)	$ (5,221,000)	$ 331,443	-6%	$ (4,882,616)
POLICY DISCOUNTS	$ (211,250)	$ (12,000)	$ (199,250)	1660%	$ (9,154)
STATE PROGRAMS	$ 459,275	$ 100,000	$ 359,275	359%	$ -
BAD DEBT	$ (663,314)	$ (191,000)	$ (472,314)	247%	$ (140,282)
CHARITY	$ (167,430)	$ (50,000)	$ (117,430)	235%	$ (96,506)
TOTAL DEDUCTIONS FROM REVENUES	$ (5,472,276)	$ (5,374,000)	$ (98,276)	-2%	$ (5,128,558)
NET PATIENT SERVICE REVENUES	$ 4,038,779	$ 4,239,000	$ (200,221)	-5%	$ 4,420,381
OTHER OPERATING REVENUES	$ 222,760	$ 175,000	$ 47,760	27%	$ 209,313
TOTAL OPERATING REVENUES	**$ 4,261,539**	**$ 4,414,000**	**$ (152,461)**	**-3%**	**$ 4,629,694**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,665,449	$ 1,469,000	$ 196,449	13%	$ 1,468,205
EMPLOYEE BENEFITS	$ 863,009	$ 695,000	$ 168,009	24%	$ 709,468
PROFESSIONAL FEES - PHYSICIAN	$ 486,140	$ 534,000	$ (47,860)	-9%	$ 477,514
OTHER PROFESSIONAL FEES - REGISTRY	$ 463,441	$ 226,000	$ 237,441	105%	$ 575,451
OTHER PROFESSIONAL FEES - OTHER	$ 321,237	$ 118,000	$ 203,237	172%	$ 96,497
SUPPLIES - DRUGS	$ 348,636	$ 406,000	$ (57,364)	-14%	$ 302,744
SUPPLIES - MEDICAL	$ 257,159	$ 252,000	$ 5,159	2%	$ 249,974
SUPPLIES - OTHER	$ 50,854	$ 82,000	$ (31,146)	-38%	$ 85,889
PURCHASED SERVICES	$ 110,385	$ 131,000	$ (20,615)	-16%	$ 145,486
REPAIRS & MAINTENANCE	$ 77,556	$ 81,000	$ (3,444)	-4%	$ 65,282
UTILITIES	$ 60,767	$ 70,000	$ (9,233)	-13%	$ 68,676
INSURANCE	$ 42,547	$ 47,000	$ (4,453)	-9%	$ 49,203
DEPRECIATION & AMORTIZATION	$ 112,559	$ 128,000	$ (15,441)	-12%	$ 133,809
RENTAL/LEASE	$ 54,321	$ 46,000	$ 8,321	18%	$ 52,701
OTHER EXPENSE	$ 122,358	$ 123,000	$ (642)	-1%	$ 96,024
TOTAL OPERATING EXPENSES	**$ 5,036,418**	**$ 4,408,000**	**$ (628,418)**	**-14%**	**$ 4,576,923**
NET OPERATING SURPLUS (LOSS)	**$ (774,879)**	**$ 6,000**	**$ (780,879)**	**-13015%**	**$ 52,771**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 65,000	$ 67,000	$ (2,000)	-3%	$ 61,418
INVESTMENT INCOME	$ 17,304	$ 3,750	$ 13,554	361%	$ 13,404
DONATIONS	$ -	$ 28,000	$ (28,000)	-100%	$ 13,859
INTEREST EXPENSE (ALL)	$ (41,191)	$ (54,500)	$ 13,309	-24%	$ (43,476)
EXTRAORDINARY GAINS/(LOSS)	$ (22,193)	$ -	$ (22,193)	0%	$ -
BOND EXPENSE (ALL)	$ 1,112	$ 1,000	$ 112	11%	$ 3,337
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 27,750	$ (34)	0%	$ 27,716
PARCEL TAX REVENUES	$ 133,000	$ 137,000	$ (4,000)	-3%	$ -
TOTAL NON OPERATING INCOME (LOSS)	**$ 180,748**	**$ 210,000**	**$ (29,252)**	**-14%**	**$ 76,258**
TOTAL NET INCOME (LOSS)	**$ (594,131)**	**$ 216,000**	**$ (810,131)**	**-375%**	**$ 129,029**
Operating Margin	-18.2%	0.1%			1.1%
Total Profit Margin	-13.9%	4.9%			2.8%
EBIDA	-19.0%	3.0%			4.0%
Cash Flow Margin	-12.0%	7.2%			5.1%

Statement of Revenue and Expense
MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended June 30, 2019

	YEAR-TO-DATE				
	Actual 06/30/19	Budget 06/30/19	Positive (Negative) Variance	Percentage Variance	Prior Year 06/30/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 21,225,963	$ 22,904,000	$ (1,678,037)	-7%	$ 22,206,930
SWING BED	$ 5,028,759	$ 2,500,000	$ 2,528,759	101%	$ 2,466,841
OUTPATIENT	$ 84,309,012	$ 85,456,000	$ (1,146,988)	-1%	$ 84,127,069
NORTH COAST FAMILY HEALTH CENTER	$ 5,156,824	$ 5,594,000	$ (437,176)	-8%	$ 6,309,763
HOME HEALTH	$ 1,459,579	$ 1,560,000	$ (100,421)	-6%	$ 1,524,654
TOTAL PATIENT SERVICE REVENUES	$117,180,137	$118,014,000	$ (833,863)	-1%	$116,635,256
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (64,113,247)	$ (64,092,000)	$ (21,247)	0%	$ (65,656,364)
POLICY DISCOUNTS	$ (337,319)	$ (144,000)	$ (193,319)	134%	$ (142,644)
STATE PROGRAMS	$ 2,609,795	$ 1,200,000	$ 1,409,795	117%	$ 1,428,850
BAD DEBT	$ (1,959,786)	$ (2,360,000)	$ 400,214	-17%	$ (1,800,283)
CHARITY	$ (487,761)	$ (600,000)	$ 112,239	-19%	$ (269,257)
TOTAL DEDUCTIONS FROM REVENUES	$ (64,288,318)	$ (65,996,000)	$ 1,707,682	3%	$ (66,439,697)
NET PATIENT SERVICE REVENUES	$ 52,891,819	$ 52,018,000	$ 873,819	2%	$ 50,195,559
OTHER OPERATING REVENUES	$ 2,139,737	$ 2,100,000	$ 39,737	2%	$ 2,340,573
TOTAL OPERATING REVENUES	**$ 55,031,556**	**$ 54,118,000**	**$ 913,556**	**2%**	**$ 52,536,131**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 18,529,835	$ 17,999,000	$ 530,835	3%	$ 17,487,285
EMPLOYEE BENEFITS	$ 8,986,611	$ 8,856,000	$ 130,611	1%	$ 8,948,865
PROFESSIONAL FEES - PHYSICIAN	$ 6,223,253	$ 6,527,000	$ (303,747)	-5%	$ 6,444,578
OTHER PROFESSIONAL FEES - REGISTRY	$ 6,332,251	$ 4,567,000	$ 1,765,251	39%	$ 6,542,128
OTHER PROFESSIONAL FEES - OTHER	$ 2,299,184	$ 1,416,000	$ 883,184	62%	$ 1,428,306
SUPPLIES - DRUGS	$ 5,192,059	$ 4,872,000	$ 320,059	7%	$ 4,562,400
SUPPLIES - MEDICAL	$ 2,837,116	$ 3,024,000	$ (186,884)	-6%	$ 2,907,822
SUPPLIES - OTHER	$ 969,670	$ 984,000	$ (14,330)	-1%	$ 963,052
PURCHASED SERVICES	$ 1,316,077	$ 1,572,000	$ (255,923)	-16%	$ 1,577,821
REPAIRS & MAINTENANCE	$ 816,806	$ 972,000	$ (155,194)	-16%	$ 958,656
UTILITIES	$ 867,988	$ 840,000	$ 27,988	3%	$ 806,437
INSURANCE	$ 535,210	$ 564,000	$ (28,790)	-5%	$ 541,865
DEPRECIATION & AMORTIZATION	$ 1,481,930	$ 1,536,000	$ (54,070)	-4%	$ 1,511,528
RENTAL/LEASE	$ 648,406	$ 552,000	$ 96,406	17%	$ 548,423
OTHER EXPENSE	$ 1,550,756	$ 1,495,000	$ 55,756	4%	$ 1,574,652
TOTAL OPERATING EXPENSES	**$ 58,587,152**	**$ 55,776,000**	**$ (2,811,152)**	**-5%**	**$ 56,803,818**
NET OPERATING SURPLUS (LOSS)	**$ (3,555,592)**	**$ (1,658,000)**	**$ (1,897,592)**	**114%**	**$ (4,267,686)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 780,000	$ 796,000	$ (16,000)	-2%	$ 737,017
INVESTMENT INCOME	$ 100,214	$ 46,000	$ 54,214	118%	$ 57,068
DONATIONS	$ 57,688	$ 325,000	$ (267,312)	-82%	$ 338,927
INTEREST EXPENSE (ALL)	$ (508,079)	$ (654,000)	$ 145,921	-22%	$ (635,380)
EXTRAORDINARY GAINS/(LOSS)	$ (54,337)	$ -	$ (54,337)	0.00%	$ 63,482
BOND EXPENSE (ALL)	$ 13,344	$ 12,000	$ 1,344	11%	$ 13,511
TAX SUBSIDIES FOR GO BONDS	$ 332,592	$ 333,000	$ (408)	0%	$ 332,592
PARCEL TAX REVENUES	$ 1,596,000	$ 1,600,000	$ (4,000)	0%	$ -
TOTAL NON OPERATING INCOME (LOSS)	**$ 2,317,422**	**$ 2,458,000**	**$ (140,578)**	**-6%**	**$ 907,218**
TOTAL NET INCOME (LOSS)	**$ (1,238,166)**	**$ 800,000**	**$ (2,038,166)**	**-255%**	**$ (3,360,469)**
Operating Margin	-6.5%	-3.1%			-8.1%
Total Profit Margin	-2.2%	1.5%			-6.4%
EBIDA	-4.0%	-0.2%			-5.7%
Cash Flow Margin	-0.2%	3.7%			-4.2%

Statement of Revenue and Expense - 13 Month Trend

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

	1	2	3	4	5	6	7
	Actual 6/30/2019	**Actual 5/31/2019**	**Actual 4/30/2019**	**Actual 3/31/2019**	**Actual 2/28/2019**	**Actual 1/31/2019**	**Actual 12/31/2018**
GROSS PATIENT SERVICE REVENUES							
INPATIENT	1,793,781	1,296,892	1,449,258	2,323,912	1,827,740	1,946,223	1,568,434
SWING BED	620,020	608,924	740,806	732,395	510,398	271,778	138,319
OUTPATIENT	6,606,140	7,648,177	7,489,072	6,991,396	6,799,218	7,884,721	7,007,476
NORTH COAST FAMILY HEALTH CEN'	362,718	355,621	413,678	440,820	397,755	463,344	408,422
HOME HEALTH	128,396	119,334	129,461	124,983	118,117	123,260	110,380
TAL PATIENT SERVICE REVENUES	9,511,055	10,028,948	10,222,275	10,613,506	9,653,228	10,689,326	9,233,031
DEDUCTIONS FROM REVENUE							
CONTRACTUAL ALLOWANCES	(4,889,557)	(5,810,269)	(5,634,202)	(5,526,455)	(5,409,176)	(6,074,385)	(5,164,683)
POLICY DISCOUNTS	(211,250)	(41,405)	(9,735)	(13,405)	(8,089)	(6,458)	(7,056)
STATE PROGRAMS	459,275	552,945	556,246	157,500	148,000	96,000	96,000
BAD DEBT	(663,314)	(254,225)	(147,787)	0	(86,000)	(109,000)	(87,000)
CHARITY	(167,430)	(33,772)	(36,612)	(39,882)	(43,521)	(46,276)	(55,062)
AL DEDUCTIONS FROM REVENUES	(5,472,276)	(5,586,726)	(5,272,090)	(5,422,242)	(5,398,786)	(6,140,119)	(5,217,801)
NET PATIENT SERVICE REVENUES	4,038,779	4,442,222	4,950,186	5,191,264	4,254,442	4,549,207	4,015,230
OPERATING TAX REVENUES	0			0	0	0	0
OTHER OPERATING REVENUES	222,760	235,212	181,589	179,877	251,431	206,803	203,221
TOTAL OPERATING REVENUES	**4,261,539**	**4,677,432**	**5,131,775**	**5,371,141**	**4,505,873**	**4,756,010**	**4,218,451**
OPERATING EXPENSES							
SALARIES & WAGES - STAFF	1,665,449	1,472,457	1,556,058	2,004,021	1,419,826	1,577,412	1,397,120
EMPLOYEE BENEFITS	863,009	742,661	728,459	762,127	755,588	795,016	753,734
PROFESSIONAL FEES - PHYSICIAN	486,140	485,547	727,967	456,645	521,380	458,183	448,795
THER PROFESSIONAL FEES - REGI:	463,441	605,856	580,617	579,522	447,930	567,028	507,800
OTHER PROFESSIONAL FEES - OTHE	321,237	336,996	329,581	232,597	324,380	206,653	71,067
SUPPLIES - DRUGS	348,636	500,098	424,393	431,693	446,867	496,553	430,828
SUPPLIES - MEDICAL	257,159	169,002	251,183	225,148	259,509	273,077	244,499
SUPPLIES - OTHER	50,854	85,876	99,137	91,307	110,688	63,509	94,774
PURCHASED SERVICES	110,385	113,222	121,611	117,892	96,041	94,425	104,262
REPAIRS & MAINTENANCE	77,556	56,884	51,088	71,321	57,350	66,037	71,189
UTILITIES	60,767	80,245	68,408	66,061	72,901	72,356	69,039
INSURANCE	42,547	36,013	37,864	42,782	37,864	36,453	36,597
INTEREST	0			0	0	0	0
DEPRECIATION & AMORTIZATION	112,559	135,663	113,204	100,746	125,253	125,735	128,316
RENTAL/LEASE	54,321	56,991	53,005	59,316	52,775	55,751	55,359
OTHER EXPENSE	122,358	141,698	201,696	127,813	140,770	142,968	106,320
TOTAL OPERATING EXPENSES	**5,036,418**	**5,019,207**	**5,344,271**	**5,368,991**	**4,869,122**	**5,031,156**	**4,519,699**
NET OPERATING SURPLUS (LOSS)	**(774,879)**	**(341,775)**	**(212,496)**	**2,150**	**(363,249)**	**(275,146)**	**(301,248)**
NON-OPERATING REVENUES (EXPENSES)							
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	17,304	18,572	4,000	4,000	4,000	17,020	4,000
DONATIONS	0	37,547		0	13,558	0	0
INTEREST EXPENSE (ALL)	(41,191)	(41,464)	(41,841)	(41,028)	(40,826)	(42,674)	(42,820)
EXTRAORDINARY GAINS/(LOSS)	(22,193)	(34,262)		0	0	0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**180,748**	**207,221**	**188,987**	**189,800**	**203,560**	**201,174**	**188,008**
TAL NET INCOME (LOSS)	**(594,131)**	**(134,554)**	**(23,509)**	**191,950**	**(159,689)**	**(73,972)**	**(113,240)**
Operating Margin	-18%	-7%	-4%	0%	-8%	-6%	-7%
Total Profit Margin	-14%	-3%	0%	4%	-4%	-2%	-3%
EBIDA	-16%	-4%	-2%	2%	-5%	-3%	-4%
Cash Flow Margin	-14%	-3%	-1%	3%	-3%	-1%	-2%

Statement of Revenue and Ex|

MENDOCINO COAST HEALTHCARE DIS

FORT BRAGG, CA

	8	9	10	11	12	13
	Actual 11/30/2018	Actual 10/31/2018	Actual 9/30/2018	Actual 8/31/2018	Actual 7/31/2018	Actual 6/30/2018
GROSS PATIENT SERVICE REVENUES						
INPATIENT	2,069,493	1,911,377	1,455,829	1,765,957	1,817,067	1,637,141
SWING BED	367,023	361,702	97,364	183,436	396,594	218,491
OUTPATIENT	6,048,538	6,757,366	6,238,897	8,389,301	6,448,710	7,118,539
NORTH COAST FAMILY HEALTH CEN	401,435	534,850	428,398	500,685	449,098	460,370
HOME HEALTH	128,944	135,916	115,086	111,764	113,938	114,398
TAL PATIENT SERVICE REVENUES	9,015,433	9,701,211	8,335,574	10,951,143	9,225,407	9,548,939
DEDUCTIONS FROM REVENUE						
CONTRACTUAL ALLOWANCES	(4,930,977)	(5,229,079)	(4,512,033)	(6,230,003)	(4,702,428)	(4,882,616)
POLICY DISCOUNTS	(7,568)	(5,199)	(8,342)	(10,454)	(8,358)	(9,154)
STATE PROGRAMS	324,790	132,039	87,000	0	0	0
BAD DEBT	(83,000)	(135,000)	(85,460)	(143,827)	(165,173)	(140,282)
CHARITY	(20,860)	(25,221)	(5,894)	(5,081)	(8,150)	(96,506)
\L DEDUCTIONS FROM REVENUES	(4,717,615)	(5,262,460)	(4,524,729)	(6,389,365)	(4,884,109)	(5,128,558)
NET PATIENT SERVICE REVENUES	4,297,818	4,438,751	3,810,845	4,561,778	4,341,298	4,420,381
OPERATING TAX REVENUES	0	0	0	0	0	0
OTHER OPERATING REVENUES	180,391	141,819	96,496	131,304	108,834	209,313
TOTAL OPERATING REVENUES	**4,478,209**	**4,580,570**	**3,907,341**	**4,693,082**	**4,450,132**	**4,629,694**
OPERATING EXPENSES						
SALARIES & WAGES - STAFF	1,570,346	1,531,359	1,423,551	1,450,481	1,461,755	1,468,205
EMPLOYEE BENEFITS	715,009	697,464	744,099	683,304	746,141	709,468
PROFESSIONAL FEES - PHYSICIAN	557,119	540,482	463,019	531,274	546,702	477,514
THER PROFESSIONAL FEES - REGI	462,034	460,916	498,128	603,309	555,670	575,451
OTHER PROFESSIONAL FEES - OTHE	116,661	107,941	90,932	75,301	85,838	96,497
SUPPLIES - DRUGS	454,386	441,700	347,892	452,113	416,900	302,744
SUPPLIES - MEDICAL	234,165	244,958	158,867	262,701	256,848	249,974
SUPPLIES - OTHER	83,452	96,098	69,112	60,665	64,198	85,889
PURCHASED SERVICES	124,308	131,133	78,668	124,097	100,033	145,486
REPAIRS & MAINTENANCE	65,445	66,778	75,267	99,133	58,758	65,282
UTILITIES	73,234	82,745	75,579	72,748	73,905	68,676
INSURANCE	37,257	37,263	69,640	64,061	56,869	49,203
INTEREST	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	131,797	127,156	127,169	140,089	114,243	133,809
RENTAL/LEASE	50,463	54,585	50,857	54,841	50,142	52,701
OTHER EXPENSE	122,936	112,191	128,277	109,321	94,408	96,024
TOTAL OPERATING EXPENSES	**4,798,612**	**4,732,769**	**4,401,057**	**4,783,438**	**4,682,410**	**4,576,923**
NET OPERATING SURPLUS (LOSS)	**(320,403)**	**(152,199)**	**(493,716)**	**(90,356)**	**(232,278)**	**52,771**
NON-OPERATING REVENUES (EXPENS						
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000	61,418
INVESTMENT INCOME	4,000	4,000	15,318	4,000	4,000	13,404
DONATIONS	6,583	0	0	0	0	13,859
INTEREST EXPENSE (ALL)	(42,862)	(43,233)	(43,619)	(42,989)	(43,532)	(43,476)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	0	2,118	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	3,337
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000	
. NON OPERATING INCOME (LOSS)	**194,549**	**187,595**	**198,527**	**187,839**	**189,414**	**76,258**
TAL NET INCOME (LOSS)	**(125,854)**	**35,396**	**(295,189)**	**97,483**	**(42,864)**	**129,029**
Operating Margin	-7%	-3%	-13%	-2%	-5%	1%
Total Profit Margin	-3%	1%	-8%	2%	-1%	3%
EBIDA	-4%	-1%	-9%	1%	-3%	4%
Cash Flow Margin	-2%	1%	-7%	3%	-1%	6%

Statement of Cash Flows

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

for the 12 months ended 6/30/19

	6/30/2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (Loss)	($1,238,166)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	1,481,930
(Increase)/Decrease in Net Patient Accounts Receivable	1,405,323
(Increase)/Decrease in Other Receivables	265,558
(Increase)/Decrease in Inventories	(15,495)
(Increase)/Decrease in Pre-Paid Expenses	(42,152)
(Increase)/Decrease in Third Party Receivables	1,245,805
Increase/(Decrease) in Accounts Payable	(2,240,054)
Increase/(Decrease) in Notes and Loans Payable	1,260,411
Increase/(Decrease) in Accrued Payroll and Benefits	190,457
Increase/(Decrease) in Previous Year Pension Payable	(860,213)
Increase/(Decrease) in Third Party Liabilities	(400,680)
Increase/(Decrease) in Other Current Liabilities	874,945
Net Cash Provided by Operating Activities:	1,927,669
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(1,510,995)
(Increase)/Decrease in Limited Use Cash and Investments	(96,927)
(Increase)/Decrease in Other Limited Use Assets	114,806
Net Cash Used by Investing Activities	(1,493,116)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase/(Decrease) in Bond/Mortgage Debt	(790,661)
Increase/(Decrease) in Capital Lease Debt	0
Increase/(Decrease) in Other Long Term Liabilities	568,884
Net Cash Used for Financing Activities	(221,777)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	3
Net Increase/(Decrease) in Cash	212,779
Cash, Beginning of Period	1,806,804
Cash, End of Period	$2,019,583

Current Month					Year-To-Date			
Actual 06/30/19	Budget 06/30/19	Positive/ (Negative) Variance	Prior Year 06/30/18	STATISTICS	Actual 06/30/19	Budget 06/30/19	Positive/ (Negative) Variance	Prior Year 06/30/18
				Admissions				
17	12	42%	8	Critical Care Services	153	143	7%	143
58	49	18%	46	General	551	590	(7%)	589
75	61	23%	54	Subtotal Medical & Surgical Admissions	704	733	(4%)	732
3	8	(63%)	8	OB	95	95	0%	96
78	69	13%	62	**Total Admissions**	799	828	(4%)	828
15	11	36%	10	**Swing Bed**	132	131	1%	130
3	8	(63%)	7	**Total Deliveries**	81	95	(15%)	87
				Inpatient Days				
37	42	(12%)	33	Critical Care Services	434	501	(13%)	500
201	172	17%	173	General	2015	2068	(3%)	2119
238	214	11%	206	Subtotal Medical & Surgical Inpatient Days	2449	2569	(5%)	2619
7	18	(61%)	12	OB	207	214	(3%)	217
245	232	6%	218	**Total Inpatient Days**	2656	2783	(5%)	2836
172	99	74%	92	**Swing Bed**	1385	1179	17%	1200
6	16	(63%)	12	**Total Newborn Days**	159	190	(16%)	188
				Average Length of Stay				
2.2	3.5	(38%)	4.1	Critical Care Services	2.84	3.50	(19%)	3.50
3.5	3.5	(1%)	3.8	General	3.66	3.51	4%	3.60
3.2	3.5	(10%)	3.8	Subtotal Medical & Surgical	3.48	3.50	(1%)	3.58
2.3	2.3	4%	1.5	OB	2.18	2.25	(3%)	2.26
3.1	3.4	(7%)	3.5	**Total Inpatient (CAH)**	3.32	3.36	(1%)	3.43
11.5	9.0	27%	9.2	**Swing Bed**	10.49	9.00	17%	9.23
				Avg Daily Census - Hospital				
1.2	1.4	(12%)	1.1	Critical Care Services (4 Beds)	1.2	1.4	(14%)	1.4
6.7	5.7	17%	5.6	General (8 Beds)	5.5	5.7	(3%)	5.8
7.9	7.1	11%	6.6	Subtotal Medical & Surgical (12 Beds)	6.7	7.1	(5%)	7.2
0.2	0.6	(61%)	0.4	OB (3 Beds)	0.6	0.6	(4%)	0.6
8.2	7.7	6%	7.0	**Subtotal Acute (15 Beds)**	7.3	7.6	(5%)	7.8
5.7	3.3	74%	3.0	Swing Care (10 Beds)	3.8	3.2	17%	3.3
13.9	11.0	26%	10.0	**Total Hospital (25 Beds Available)**	11.1	10.9	2%	11.1
				Emergency Department				
789	777	2%	786	Outpatients Treated in ED - Emergent	9157	9422	(3%)	9,423
52	48	8%	37	Patients Admitted from ED	587	578	2%	578
841	825	2%	823	**Total Patients treated in ED**	9,744	10000	(3%)	10,001
				Ambulance Service				
120	165	(27%)	139	911 - Transports	1774	1988	(11%)	1753
0	1	(100%)	1	Transfer - Transports	22	12	83%	10
120	166	(28%)	140	**Total Ambulance Transports**	1796	2000	(10%)	1763
				Surgery - Cases				
22	17	29%	18	Inpatient Cases	190	212	(10%)	212
10	7	43%	4	Total Implant Cases	66	76	(13%)	71
141	180	(22%)	189	Outpatient Cases	1912	2312	(17%)	2256
173	204	(15%)	211	**Total Surgery Cases**	2168	2600	(17%)	2539
				North Coast Family Health Center				
2,452	2,529	(3%)	2,834	**Visits**	31,546	32,000	(1%)	31,779
				Home Health				
525	497	6%	475	**Visits**	6,058	6,300	(4%)	6,252
				Outpatient				
4,574	4,904	(7%)	5,237	**Encounters**	58,236	62,000	(6%)	61,030

	Year to Date 6/30/2019	BUDGET	Prior Fiscal Year End 06/30/18
Profitability:			
Operating Margin	-6.5%	-3.1%	-8.1%
Total Profit Margin	-2.2%	1.5%	-6.4%
EBIDA	-4.0%	-0.2%	-5.7%
Contractual Allowance % To Gross Charges	58.3%	57.9%	60.5%
Inpatient Gross Revenue Percentage (Hospital)	23.7%	22.9%	22.7%
Outpatient Gross Revenue Percentage (Hospital)	76.3%	77.1%	77.3%
Liquidity:			
Days of Cash on Hand, Short Term	7.3		11.9
Days Cash, All Sources	35.4		40.2
Net Days in Accounts Receivable	25.4		37.0
Hospital Gross Days in AR	55.5		60.6
Cash Flow Margin	-0.2%		-4.2%
Days in Accounts Payable	47		76
Current Ratio	0.9		0.9
Capital Structure:			
Average Age of Plant (Annualized)	23.7		22.3
Capital Costs as a % of Total Exp.	3.8%		3.8%
Capital Spend as a % of Annual Depreciation	102.0%		58.0%
Long Term Debt to Net Position	66.5%		69.7%
Debt Service Coverage Ratio	0.5		0.3
Productivity and Efficiency:			
Net Patient Service Revenue per FTE	$171,055	$173,393	$167,990
Salary & Benefits Expense per Paid FTE	($88,990)	$104,740	($88,474)
Salary & Benefits as a % of Total Expenses	47.0%	48.1%	46.5%
Salary and Benefits as a % of Net Pat Rev.	52.0%	51.6%	52.7%
Employee Benefits as a % of Salaries	48.5%	49.2%	51.2%
Other Ratios:			
FTE - PRODUCTIVE	241.1		231.0
FTE - NON-PRODUCTIVE	35.7		36.0
FTE - REGISTRY/CONTRACT	32.4		31.8
FTE - TOTAL PAID	309.2	300.0	298.8
Cost To Charge Ratio	50.0%	50.0%	48.7%
Medicare Revenue as a % of Total Revenue	61%	56%	56%
Medi-cal Revenue as a % of Total Revenue	21%	22%	22%
BC/BS Ins Revenue as a % of Total Revenue	13%	15%	15%
Other Ins Revenue as a % of Total Revenue	4%	5%	5%
Self-Pay Revenue as a % of Total Revenue	1%	2%	2%

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, AUGUST 29, 2019
4:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room & Patient Registration Area
700 River Drive
Fort Bragg, California 95437

2058 45th Avenue
San Francisco, CA 94116

Mendocino Coast District Hospital Mission Statement

MISSION

To make a positive difference in the health of our rural community.

VISION

MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES

MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. CLOSED SESSION

1. ***Information/Action:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
2. ***Information/Action:*** Public Employee Performance Evaluation, Chief Executive Officer. Government Code §54957
3. ***Information/Action:*** Consideration of Termination of Legal Services Contract with Best, Best & Krieger, Attorneys at Law, dated 9/25/18. Government Code §§54954.5(e), 54957; Evidence Code §952, et seq.
4. ***Information/Action:*** Conference with Legal Counsel, consideration of initiation of litigation. Government Code § 54956.9(d)(4), Number of cases (1).
5. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
6. ***Information/Action:*** To review Professional Services Agreement for Dr. Akbar Khan. Government Code §54954.5 & 54957
7. ***Information/Action:*** To review Professional Services Agreement for Dr. Linda James. Government Code §54954.5 & 54957
8. ***Information/Action:*** To review Professional Services Agreement for Dr. James Michael Sandys. Government Code §54954.5 & 54957
9. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code August Quality Management and Improvement Council Reports including the Beta Survey

III. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

IV. ROLL CALL

V. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VI. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

***BROWN ACT REQUIREMENTS:** Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VII. REVIEW OF THE AGENDA ***Action***

VIII. BOARD COMMENTS ***Information***

IX. APPROVAL OF CONSENT CALENDAR ***Action***

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of July 25, 2019 — Tab 1
2. Approval of Policy #1356 On Call 2nd Read — Tab 2
3. Approval of Policy #1379 Staffing Table 2nd Read — Tab 3
4. Approval of Alysoun Huntley Ford Fund Draw (there were no requests)

XI. NEW BUSINESS

1. Should new officers for MCDH be considered: Ms. Karen Arnold, Chair — ***Action/Information***
2. Election of new MCDH officers: Ms. Karen Arnold, Chair — ***Action***
3. Discussion regarding MediTech Expanse Project: Michael Jobin & Wayne Allen — Tab 4 — ***Action/Information***
4. Surgery Flooring Bids: Ms. Nancy Schmid — Tab 5 — ***Action/Information***

XII. OLD BUSINESS

1. Measure C Update: Mr. Wayne Allen, Interim CEO — ***Information***

XIII. REPORTS

- CEO Report: Mr. Wayne Allen, Interim CEO — ***Information***
- HR Report: Mr. Dan Camp — Tab 6 — **Information**
- Medical Staff Report: Dr. John Kermen — Tab 7 — ***Action***
- Planning Committee Report: Ms. Jessica Grinberg — ***Information***
- Chief Nursing Officer Report: Ms. Lynn Finley — ***Information***
- Finance Committee Report: Mr. John Redding — Tab 8 — ***Action***

XIV. FUTURE AGENDA ITEMS: MS. KAREN ARNOLD — ***Information***

XV. ASSOCIATION AND COMMUNITY SERVICE REPORTS — ***Information***

XVI. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

***BROWN ACT REQUIREMENTS:** Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XVII. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

T
A
B

1

BOARD OF DIRECTORS MEETING
HOSPITAL PATIENT REGISTRATION LOBBY
THURSDAY, JULY 25, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:00 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Mr. Lund, Ms. McColley, Ms. Arnold, Ms. Grinberg, Mr. Redding

Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO

I. **CALL TO ORDER:**
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Patient Registration Lobby, Ms. Karen Arnold Chair presiding

II. **ROLL CALL:**
PRESENT: Mr. Steve Lund, Mr. John Redding, Ms. Karen Arnold, Ms. Jessica Grinberg, Ms. Amy McColley
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO
Ms. Gayl Moon, Executive Assistant

III. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

1. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
2. ***INFORMATION/ACTION:*** Pursuant to §32155 of the Health and Safety Code July Quality Management and Improvement Council Reports
3. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
4. ***INFORMATION/ACTION:*** Anticipated Litigation with Legal Counsel pertaining to Measure C Parcel Tax exemptions, Government Code Section §54957

IV. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**
- The Board received an update from Legal Counsel.
- The Board approved the July Quality Management and Improvement Council Reports.
- The Board received a Medical Staff report.
- The Board received a report on Measure C Parcel Tax exemptions.

V. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- Dr. Steven Lallis will be removed from Appointments to Medical Staff.

VII. BOARD COMMENTS

- Mr. Redding read an email he sent to Larry Wagner regarding hospital affiliation and several other Hospital issues.
- Mr. Redding stated that for the last three months he and Ms. McColley have tried bringing forward a vote of no confidence in leadership, and made several attempts to get it on the agenda; not only this issue, but many other issues. Mr. Redding introduced a motion to have a special session on Monday to hold the election of officers for the Board. Ms. Arnold stated that it would need to be agendized.
- Ms. McColley stated she has a concern with more consistency and having continuity of communication. She brought this to the attention of Mr. Lund at the Affiliation Board of Directors meeting. She feels that possibly the Board of Directors and the Affiliation Board of Directors should have the same chair for purposes of consistency, and or have both Board Chairs work on the agendas together and to explore how the Board can execute this better and more strategically with consistency going forward. This is not because of integrity, competencies, roles and responsibilities or lack of execution; she just wants consistency.
- Mr. Lund asked Mr. Allen to set up a Special Board Meeting as soon as is practical to address this issue.
- Ms. McColley wanted to express her concerns and apologies to the Hospital's PR effort. They were poorly executed and undermining on Monday night and it didn't reflect the District goals, visions or roles. That is making it vulnerable for the Hospital's potential affiliation and Board of Directors meetings, and she acknowledged that we do understand civil duties, and please do take our photos. That was not a reflection of any of us; it was not directed by any of the Health Care District Board of Directors.
- Ms. Grinberg stated that she has an interest in Senate Bill 758 which is potentially going to make some changes to the 2030 seismic upgrade requirement. She requested the Board bring forward a Resolution supporting that effort. She would like to collect the additional information about specifically the particular challenges that MCDH faces in trying to make this a reality. She would like to put a resolution to support this effort on the August agenda.
- Ms. Arnold stated this Board has had trouble functioning as a cohesive Board since the four new members started. She stated that she knows that John Redding has issues with her. She stated that as a Board Chair with all of the challenges we face, I stepped up to the duties that I have, even in the midst of a fairly debilitating injury. What she hopes for this Hospital is a Hospital that can run effectively with a budget that isn't a deficit. That we can build a Hospital or retrofit the current Hospital. What she hopes moving forward, the Board can look at issues and work together on them. The Board had a retreat on June 29 from 9 am to 5 pm; she thinks it was a start, but she feels is has been very difficult to put into practice. She does not want to do anything that will hurt the Hospital or the possible affiliation. She feels the Board should move forward with pursuing affiliation as fast as is practicable. She hopes that going forward the Board can behave/function in a more civilized fashion.

VIII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MS. KAREN ARNOLD, CHAIR

1. Minutes: Regular Session, June 27, 2019

2. Minutes: Special Session, June 29, 2019
3. Policy #1325 Competencies of Employees and Registry Staff 2nd read
4. Policy #1356 On Call 1st read
5. Policy #1379 Staffing Table 1st read
6. Conflict of Interest Code 2nd read
7. Alysoun Huntley Ford Fund Draw (there were no requests)

- To remove Steve Lund as the Chair on the Approval of the Consent Calendar. The change has been made.
- Ms. McColley asked that item #6, the Conflict of Interest Code be pulled and have some of the wording changed or added to; also to remove the Resolution from the Conflict of Interest Code and make that a separate item. To table item #6 on the Consent Calendar and item #4, Resolution # 2019-15 Conflict of Interest Code until the discussed issues are resolved.

MOTION: To remove item #6, the Approval of Conflict of Interest Code 2nd read, as well as item #4 under New Business: Resolution 2019-15 Conflict of Interest Code until the August meeting

- Lund moved
- McColley second
- Roll call
  - Ayes: McColley, Redding, Lund, Arnold Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

MOTION: To approve the Consent Calendar as amended

- Lund moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

IX. ***ACTION/INFORMATION:*** PARCEL TAX PARCEL CONSOLIDATION UPDATE: MR. SHIN GREEN, EASTSHORE CONSULTING

- Mr. Green gave a power point presentation on Parcel Tax Parcel Consolidation. A copy of the power point is available in the Administration office.

X. ***ACTION/INFORMATION:*** SHOULD WE ESTABLISH A LEGISLATIVE COMMITTEE: MR. JOHN REDDING

- Mr. Redding recommended that a new standing committee be created called the Legislative Committee. The committee could advocate for legislation such as what Jessica Grinberg brought up earlier in the meeting; Senate Bill 758. There are a lot of grant opportunities. Mr. Redding will provide an outline of what he proposes for the committee to the next Board meeting.
- Ms. Arnold stated that this item is to determine whether a Legislative Committee should be established.

MOTION: To establish a Legislative Committee

- Redding moved
- McColley second

Mr. Redding stated this would be a standing committee as it would be ongoing. Mr. Lund supports having a Legislative Committee; however he asked if it needed to become a stand committee. He stated that if it becomes a standing committee, then it would be subject to the Brown Act, agendas have to be posted; minutes have to be kept, etc. Mr. Lund suggested forming a Legislative Committee with a Board member taking the leadership role and another Board member on the committee as well. This committee would form a closer relationship to the California Hospital Association.

Mr. Redding amended his motion to reflect the following motion:
MOTION: To create an Ad Hoc Committee with Ms. Grinberg and Mr. Redding as members as an advisory group

- Redding moved

Mr. Redding rescinded his motion and Ms. McColley rescinded her second.

MOTION: To approve Mr. Redding and Ms. Grinberg be members of a Legislative Action Advisory Committee

- Lund moved
- McColley second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XI. ***ACTION/INFORMATION:*** **SHOULD WE ESTABLISH A LEGISLATIVE STANDING COMMITTEE: MR. JOHN REDDING**

- This issue was already discussed and decided on earlier in the meeting.

XII. ***ACTION:*** **RESOLUTION 2019-15 CONFLICT OF INTEREST CODE**

- This item was tabled.

XIII. ***ACTION:*** **BOARD PROTOCOL ON CONTACTING LEGAL COUNSEL: MS. KAREN ARNOLD, CHAIR**

- Ms. McColley stated that it is very difficult with two separate Board Chairs as to who to ask permission of to contact legal counsel should an issue arise. She would like to know what that protocol is.
- Mr. Allen, Interim CEO stated that the protocol would be to coordinate the issue with him and he will take the leadership role. The turnaround time expectation would be one week or less. The answer would be known to the entire Board unless it is of a personal nature.

MOTION: From this day forward, July 25, 2019, that the person who is primary contact with BB&K Legal Counsel is Wayne Allen, Interim CEO; no individual Board of Directors is going to contact BB&K unless it is through Wayne Allen, Interim CEO and through Wayne Allen coming back to the Board

- McColley moved
- Grinberg second
- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None

- Absent: None
- Abstain: None

- Motion carried

XIV. *INFORMATION:* UPDATE ON JUNE 29 BOARD RETREAT: MS. KAREN ARNOLD, CHAIR

- On Saturday, June 29 the Board had a day long team building retreat from 9:00 am to 5:00 pm.
- The mission was:
  - Team Building
  - Relationship Building
  - Clearly defined Board responsibilities
  - The most effective internal and external communications
- The Board developed Board Operating Principles as well as Communication Protocols.
- Discussion ensued.

XV. *INFORMATION:* MEASURE C UPDATE: MR. WAYNE ALLEN, INTERIM CEO

- This issue was discussed earlier in the meeting.

XVI. *INFORMATION:* MEDITECH UPDATE: MR. WAYNE ALLEN, INTERIM CEO

- Mr. Michael Jobin gave a report.
- Refer to the attached report as part of these minutes.

XVII. *INFORMATION:* CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO

- There was no CEO Report.

XVIII. *ACTION:* MEDICAL STAFF REPORT: DR. JOHN KERMEN

- Dr. Kermen thanked Dr. Jack Bellah for his many years with MCDH as an Orthopedic Surgeon and everything he has done for the community and the medical staff during his time at MCDH.

a. Appointments to Medical Staff-Provisional Status

1. Veer Babu, MD –Department of Medicine-Emergency Department
2. Jenny Lee, MD –Department of Surgery-Obstetrics/Gynecology
3. Samer Muala, MD –Department of Medicine-Hospitalist Service
4. Jalaal Shah, DO –Department of Surgery-Orthopedics
5. Leslie Wilkof, MD –Department of Surgery-Obstetrics/Gynecology

b. Re-Appointments to Medical Staff

1. Mark Causin, MD –Department of Medicine-Hospitalist Service
2. Darby Clayson, MD –Department of Medicine-Hospitalist Service
3. Christiane Eisele, MD –Department of Medicine-Emergency Department
4. Mandaar Gokhale, MDC –Department of Medicine-Emergency Department
5. David Gonzales, DO –Department of Medicine-Hospitalist Service
6. Timothy Hockenberry, MD –Department of Medicine-Hospitalist Service
7. David Irvine, MD –Department of Medicine-Emergency Department
8. Barbara Kilian, MD –Department of Medicine-Emergency Department
9. Kelly King, MD –Department of Medicine-Hospitalist Service
10. Richard Leach, MD –Department of Medicine-Emergency Department
11. Irais Leon, MD –Department of Medicine-Emergency Department
12. Timothy Musick, MD –Department of Medicine-Hospitalist Service
13. Faraaz Osmani, MD –Department of Medicine-Hospitalist Service

14. Nguyen Pham, MD –Department of Medicine-Hospitalist Service
15. Christopher Ryan, MD –Department of Medicine-Hospitalist Service
16. Robin Serrahn, MD –Department of Medicine-Emergency Department
17. Christina Tsao, MD –Department of Medicine-Hospitalist Service
18. Tareq Ali, MD – Department of Medicine-Emergency Department

c. Appointment to VRad Tele-Radiology Physicians
1. Lorenzo Manelli, MD

d. Re-Appointment to VRad Tele-Radiology Physicians
1. Michael Cooney, MD
2. Joshua Sokol, MD

MOTION: To approve the appointments to Medical Staff, Re-Appointments to Medical Staff, Appointment to VRad Tele-Radiology Physicians, Re-Appointments to VRad Tele-Radiology Physicians as outlined in the agenda

- Lund moved
- Grinberg second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold,
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIX. *INFORMATION:* CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO

- The Laboratory and NCFHC have been accredited by the Joint Commission for two (2) years effective April 12, 2019.
- The Meditech project continues to go forward. The Go Live target date of July 1st has been delayed. Mr. Allen is having weekly meetings with the president of Meditech. A project plan will be produced in writing hopefully by the end of next week.
- Mr. Allen is expecting an affiliation proposal from Adventist Health.

XX. *INFORMATION:* PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG

- Ms. Grinberg stated the Planning Committee received a presentation from Emmet O'Connell regarding the needs of the Lab, and the services the Lab provides. The Lab is a 24-7 operation and services a lot of people.
- Clara Slaughter talked about implementing Telehealth at NCFHC:
  - Partnership Health of California, a Managed Medi-Cal program offers econsultation and video consult with the telehealth platform telemed2u.
  - Startup items are:
    1) Camera for video consult in designated exam room(s) and any supporting technology
    2) Telehealth coordinator (possible grant through PHP)
    3) Contract with telemed2u to be able to accept other insurances 5to offer service to all patients
    4) Billing
    5) Training for Staff (Provided by PHP)
  - The next Planning Committee meeting will take place on August 12th.

XXI. *INFORMATION:* CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- MCDH will begin having a booth at the Farmers Market & will have a float in the Paul Bunyan Parade.

XXII. ***ACTION:* FINANCE REPORT: MR. JOHN REDDING**

- Mr. Redding stated the Finance Committee received budget and departmental updates for the following departments:
  - Ms. Shelley Ware presented the budget for the ER Department.
  - Ms. Lois Leister presented the budget for the Pharmacy.
  - Ms. Debra Harris presented the budget for the Imaging Department.
  - Mr. Doran Hammett presented the budget for the Imaging Department.
- Wayne Allen presented a first draft of a Capital Budget.
- Mr. Hammett presented the July Financial Statements.

MOTION: To approve the July 2019 Financial Statements

- Lund moved
- Redding second
- Roll call
  - Ayes: Lund, Redding, Arnold, McColley
  - Noes: Grinberg
  - Absent: None
  - Abstain: None
- Motion carried

XXIV. ***INFORMATION:* FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR**

- Work with Mr. Allen to set up a Special Board Meeting agenda.
- Ms. Arnold stated the August Board Meeting will be held at Town Hall.

XXV. ***INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS**

- There were no Association and Community Service Reports.

XXVI. **PUBLIC COMMENTS:**

- There were no Public Comments.

XXVII. **ADJOURN:**

Open Session adjourned at 8:10 pm

____
Steve Lund, Secretary
Board of Directors

____
Gayl Moon, Secretary to the
Board of Directors

EMR Program Update – July 23, 2019

Monday, July 15th a call was held with the vendor project leadership to discuss project high-level milestone. The goal was to agree on durations and dependencies ultimately allowing for a new live date to be identified. At the end of the call we did agree on all but one of the milestone durations. Examples of milestones include; End user training, parallel usage week, conversions and cutover activities.

Our next meeting will discuss the extent of workflow builds. Once the total amount of work effort to complete has been calculated, it can be catalogued into the Build milestone and cascade the remaining milestone dates based upon the agree durations and dependencies.

The current critical path items within the build milestone are the clinical assessments and interventions, currently at 25% complete, and the completion of 32 workflows.

On August 1st, 2019 we will receive an update to our test system with over 3800 fixes, changes and enhancements. We will also receive from the vendor a list of the critical items we should be testing.

In addition to fixes, we will also look at clinical enhancements and the work effort to implement any necessary enhancements. The clinical enhancements list will be based upon statements given in the past by providers to both the finance committee and the board on areas of the system providers find challenging. Discussion our providers held with other providers utilizing a localized version of the software, highlighted the improvements found in the newest version and will be vetted for inclusion in the current implementation. Others may be part of a post live optimization phase.

As we continue to meet to agree on a new plan, arriving at a new live date, work continues on building and testing. In the past two weeks the vendor has sent onsite teams in the clinical areas and in the quality and risk areas to document workflows and work on specific builds and testing. The visits were a great success and great progress was made in specific areas.

Respectfully submitted,

Michael Jobin
EMR Project Director

TAB 2

MENDOCINO COAST DISTRICT HOSPITAL	TITLE: On Call
	POLICY#: 1356

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 04/01/2002 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 04/04/2019

PURPOSE: To define the policy and practice of Mendocino Coast District Hospital (MCDH) regarding On Call shifts.

POLICY: Employees shall receive compensation when ~~who are scheduled up to 5 On-Call shifts,~~ placed on standby in lieu of a regularly scheduled shift, or subsequent to completion of their regularly scheduled shift. ~~, shall be paid $5.00 per hour during hours they are scheduled On Call by management.~~

PROCEDURE:

I. Employees who are scheduled up to 5 On-Call shifts during a bi-weekly pay period will receive On-Call pay in the amounts of $5.00 per hour.

II. Employees who are scheduled between 6 and 8 On-Call shifts during a bi-weekly pay period will receive On-Call pay in the amount of $6.00 per hour.

III. Employees who are scheduled 9 or more On-Call shifts during a bi-weekly pay period will receive On-Call pay in the amount of $7.00 per hour beginning with the 9th scheduled shift.

IV. Employees who are called back will be compensated at the appropriate over-time rate of pay.

V. On-call pay is discontinued when an employee is called back and when the employee's regular scheduled shift begins.

VI. Employees called in shall be guaranteed a minimum of one hour of pay.

VII. Employees assigned to be on-call must be immediately available by phone and able to arrive at the Hospital within thirty minutes from the time they are called in.

VIII. Employees shall forfeit their on-call pay for any shift wherein the employee is called in and cannot be contacted or fails to respond.

~~IX. Managers will calculate On-Call pay for department staff utilizing the On-Call/Call Back Worksheet located on the reverse side of the MCDH Employee Timesheet.~~

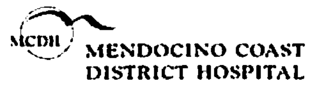
~~A. Managers will subtract the number of Call Back hours from the total On-Call hours.~~

~~B. Managers will multiply total hours for first five scheduled shifts by $5.00 per hour; total hours for six to eight scheduled shifts by $6.00 per hour; and total hours for nine or more scheduled shifts by $7.00 per hour.~~

New: 04/02
Revised: 05/06, 04/08
Reviewed: 10/2018

TAB

3

 MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** Staffing Table
	POLICY#: 1379

Department(s): Human Resources	**PolicyTech Version #:** 2
Policy Owner: Daniel Camp **Approvers:** Daniel Camp, Karen Arnold, Wayne Allen	**Date Created:** 04/01/2003 **Last PolicyTech Review Date:** No Review Date **Last PolicyTech Revision Date:** 06/26/2019

PURPOSE: To define the policy and practice at Mendocino Coast District Hospital (MCDH) of monitoring its positions and Full Time Equivalents (FTEs).

POLICY: The many types of personnel positions vary to the extent in which they constitute long-term financial obligations. This policy is based on the philosophy that a greater institutional commitment will require a higher level of authority to create a new position. The Staffing Table monitors utilization of FTEs, establishes new positions, and monitors replacement FTEs.

The Staffing Table manages the Human Resources requirements for units or departments. Additionally, the Staffing Stable is utilized in assessing duplication of part-time positions (example: two part-time positions could be combined into a full-time position when appropriate).

PROCEDURE:

I. Timing: New positions may be identified and approved through a periodic strategic/ financial planning process at MCDH, and/or on an as needed basis.

II. Approvals

A. The creation of new positions, hourly or salaried, is at the discretion of the Manager, with prior approval from her/his Senior Manager and the Chief Executive Officer, in consultation with Human Resources.

B. The Manager is expected to assure him/herself that the full funding for salary, any applicable fringe benefits, set-up costs, and ongoing support costs for the position are identified for the length of the obligation. In this assessment, consideration must be given to regular salary increase and possible inflation in the fringe benefits rate.

III. Assigning Staffing Table Numbers

A. New Positions and Change in FTE:

1. Hiring Manager completes a Position Request form with written justification.

a. Approvals required:

i. Senior Manager~~;~~

~~i.~~ii. Chief Human Resources Officer

~~ii.~~iii. Chief Financial Officer~~;~~

~~iii.~~iv. ~~Chief of Human Resources;~~

~~iv.~~v. Chief Executive Officer ~~(CEO).~~

2. Human Resources assigns a ~~Staffing~~ Position Control Number ~~(SCN),~~ and will coordinate the job posting.

3. Human Resources, in consultation with the hiring Manager, will develop recruitment strategy and job offer.

B. Replacement of Employee:

1. Hiring Manger completes an Employee Action Request (EAR) with termination date of the current employee and submits it to Human Resources.
   a. Approvals required:
      i. Senior Manager
      ii. Chief Human Resources Officer
      ~~iii.~~ Chief Financial Officer
      iv. Chief Executive Officer

~~1.~~

~~a. Approval required: Hiring Manager.~~

2. Hiring Manager completes a Position Request form with written justification.
   a. Approvals required:
      i. Senior Manager~~;~~
      ~~i.~~ii. Chief Human Resources Officer
      ~~ii.~~iii. Chief Financial Officer~~;~~
      ~~iii.~~iv. ~~Chief of Human Resources;~~
      ~~iv.~~v. Chief Executive Officer ~~(CEO).~~
3. Human Resources will post ~~/ advertise~~ the position on the MCDH website, designated bulletin boards within the hospital, and at the Human Resources Office. ~~in accordance with established Staffing Table designation.~~
4. Human Resources, in consultation with the hiring Manager, will develop recruitment strategy and job offer.

New: 04/03
Revised: 05/06, 02/08
Reviewed: 10/2018

T

A

B

4

Mendocino Coast District Hospital
Chronological Log of Meditech Expanse Project

Item Description	Date	Expenditures	With Implementation	With Suspension
Software Subscription Agreement (signed)	09/28/18	$170,000		
Start of Implementation Access	01/01/19	$170,000		
Monthly Recurring Charge	01/01/19	$60,000		
Monthly Recurring Charge	02/01/19	$60,000		
Monthly Recurring Charge	03/01/19	$60,000		
Monthly Recurring Charge	04/01/19	$60,000		
Monthly Recurring Charge	05/01/19	$60,000		
Monthly Recurring Charge	06/01/19	$60,000		
		$700,000		
GO LIVE Projected to be 07/01/19 per signed Agreement. Revised GO LIVE Projected to be 02/01/20. Project Expenditures as follows:				
Monthly Subscription Fee	07/01/19		$60,000	$60,000
Monthly Subscription Fee	08/01/19		$120,000	$60,000
Monthly Subscription Fee	09/01/19		$120,000	$12,000
Monthly Subscription Fee	10/01/19		$120,000	$12,000
Monthly Subscription Fee	11/01/19		$120,000	$12,000
Monthly Subscription Fee	12/01/19		$120,000	$12,000
Monthly Subscription Fee	01/01/20		$120,000	$12,000
			$780,000	$180,000

On July 26, 2019, Meditech wrote: "Further, Meditech has agreed to hold the increase in your monthly subscription fee for the month of July 2019. Therefore, the July subscription invoice will be issued at $60,000 and should be paid in full. Effective August 1, 2019, Mendocino Coast will be responsible for the full monthly subscription amount of $120,000."

"Finally, in consideration of our long term partnership since 2004 as well as the current financial and resource challenges Mendocino Coast is facing, Meditech would like to offer the option for you to put the implementation on hold for 12 months. In this case, Meditech would remove access from the current HCIS and suspend the monthly subscription fee. After the 12 month period, Mendocino would restart the implementation and monthly subscription fee."

"Wayne, again, we will continue to successfully support your LIVE Magic system as we have for many years."

TAB 5

BID FORMS

1.1 Bid.

Bids will be received at the Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California 95437, until **1:00 p.m. on Thursday, August 15, 2019.**

NAME OF BIDDER: B.T. Mancini Co., Inc.

The undersigned hereby declare that we have carefully examined the location of the proposed Work, and have read and examined the Contract, including all plans, specifications, and all addenda, if any for the following Project:

MCDH Surgery Suit Flooring Projects

We hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project, as described and in strict conformity with the Drawings, and these Specifications for TOTAL BID PRICE indicated herein.

The undersigned acknowledges receipt, understanding, and full consideration of the following addenda to the Contract:

Addenda No. ⊖

1. Attached is the required Bid Guarantee in the amount of not less than 10% of the Total Bid Price.
2. Attached is the completed Designation of Subcontractors form.
3. Attached is the fully executed Non Collusion Declaration form.
4. Attached is the completed Iran Contracting Act Certification form.
5. Attached is the completed Bidder Information and Experience form.

BID SCHEDULE

NO.	ITEM DESCRIPTION	UNIT OF MEASURE	EST. QTY.	UNIT PRICE	ITEM COST
1.	Mobilization and Contract Processing Costs	LS	1		
2.	Diversion of Recyclable Waste Materials	LS	1		
3	Floor Replacement of	LS	1	LS	74,097.00

Comment [U2]: BBK: The first two items can be left in or taken out, it is up to you. But for sure, you will need to have bid items for the construction work. For example, you could make seven new item numbers and the item Description of each would be the seven individual projects at a LS price. That is, you need to have items that the Bidder can put prices to and then during the project, you can pay them depending on the Bid Schedule.

I provided the first example to show you, but this can be set-up however you like. The main thing to think about is whether the Contract properly reflects each bid item and makes it clear to the Bidder what they are bidding on.

If there is not a connection between these bid items and the Contract, it could lead to higher prices because the Bidder is guessing on what they are constructing.

BID FORMS

1.1 Bid.

Bids will be received at the Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California 95437, until **1:00 p.m. on Thursday, August 15, 2019.**

NAME OF BIDDER: Cash Carpet Service, Inc.

The undersigned hereby declare that we have carefully examined the location of the proposed Work, and have read and examined the Contract, including all plans, specifications, and all addenda, if any for the following Project:

MCDH Surgery Suit Flooring Projects

We hereby propose to furnish all labor, materials, equipment, tools, transportation, and services, and to discharge all duties and obligations necessary and required to perform and complete the Project, as described and in strict conformity with the Drawings, and these Specifications for TOTAL BID PRICE indicated herein.

The undersigned acknowledges receipt, understanding, and full consideration of the following addenda to the Contract:

Addenda No. ______________________________

1. Attached is the required Bid Guarantee in the amount of not less than 10% of the Total Bid Price.
2. Attached is the completed Designation of Subcontractors form.
3. Attached is the fully executed Non Collusion Declaration form.
4. Attached is the completed Iran Contracting Act Certification form.
5. Attached is the completed Bidder Information and Experience form.

BID SCHEDULE

NO.	ITEM DESCRIPTION	UNIT OF MEASURE	EST. QTY.	UNIT PRICE	ITEM COST
1.	Mobilization and Contract Processing Costs	LS	1		
2.	Diversion of Recyclable Waste Materials	LS	1		
3	Floor Replacement of	LS	1	$52,600.00	$52,600.00

Comment [U2]: BBK: The first two items can be left in or taken out, it is up to you. But for sure, you will need to have bid items for the construction work. For example, you could make seven new item numbers and the Item Description of each would be the seven individual projects at a LS price. That is, you need to have items that the Bidder can put prices to and then during the project, you can pay them depending on the Bid Schedule.

I provided the first example to show you, but this can be set-up however you like. The main thing to think about is whether the Contract properly reflects each bid item and makes it clear to the Bidder what they are bidding on.

If there is not a connection between these bid items and the Contract, it could lead to higher prices because the Bidder is guessing on what they are constructing.

TAB

6

HUMAN RESOURCES DEPARTMENT
Quarterly Dashboard 2018-2019

	Goal	Qtr 1 - 2018	Qtr 2 - 2018	Qtr 3 - 2018	Qtr 4 - 2018	Qtr 1 - 2019	Qtr 2 - 2019	Qtr 3 - 2019	Qtr 4 - 2019
Evaluations:									
Completed Timely	90%	47%	70%	58%	85%	87%	60%		
Overdue (previous quarters included)		66	84	10	4	20	32		
New Hires:									
Clinical		9	11	10	9	12	7		
Administrative/clerical		6	10	10	13	5	7		
Voluntary Terminations:									
Full/part-time		9	10	14	6	5	9		
Per Diem		5	0	6	2	5	3		
Workers Comp Injuries		2	0	0	0	0	2		
Leaves of Absence		12 (4%)	13 (4%)	13 (4%)	14 (4%)	10 (3%)	10(3%)		

TAB

7

MENDOCINO COAST DISTRICT HOSPITAL

DATE: August 22, 2019

TO: BOARD OF DIRECTORS

FROM: JOHN KERMEN, DO
CHIEF OF STAFF

SUBJECT: MEDICAL EXECUTIVE COMMITTEE RECOMMENDATIONS

The Medical Executive Committee considered the following items and recommends them to the Board of Directors for approval:

Appointments to Medical Staff-Provisional Status

- **Letitia Bradford, MD-** Department of Surgery-Orthopedics
- **Trevan Rankin, MD-** Department of Medicine-Family Practice

Re-Appointment to VRad Tele-Radiology Physicians

- **Jean Paul Dym, MD**
- **Adam Hecht, MD**
- **Karen Phillips, MD**

Department of Medical Staff Services
William Lee, CPCS, CPMSM~ Director
700 River Drive • Fort Bragg, California 95437
Phone: (707 961-4740 • Fax: (707) 961-4786

T

A

B

8

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

Unaudited Financial Statements

for

For the month ended July 31, 2019

TABLE OF CONTENTS

EXECUTIVE SUMMARY	PAGE 2
BALANCE SHEET - ASSETS	PAGE 3
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 4
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 5
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 6
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGE 7
STATEMENT OF CASH FLOWS	PAGE 9
KEY OPERATING STATISTICS	PAGE 10
FINANCIAL RATIOS AND BENCHMARKS	PAGE 11

MENDOCINO COAST HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

For the month ended July 31, 2019

BALANCE SHEET

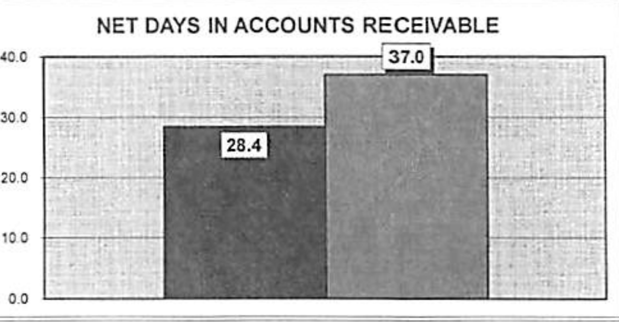
	7/31/2019	6/30/2019
ASSETS		
Current Assets	$11,721,001	$9,598,144
Assets Whose Use is Limited	5,676,975	5,608,433
Property, Plant and Equipment (Net)	14,576,917	14,601,347
Total Unrestricted Assets	**31,974,893**	**29,807,924**
Total Assets	**$31,974,893**	**$29,807,924**
LIABILITIES AND NET ASSETS		
Current Liabilities	$11,877,096	$10,860,668
Long-Term Debt	12,324,332	12,593,429
Total Liabilities	**24,201,428**	**23,454,097**
Net Assets	7,773,465	6,353,834
Total Liabilities and Net Assets	**$31,974,893**	**$29,807,924**

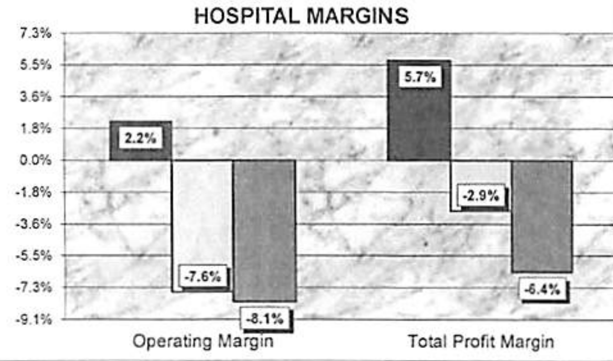
STATEMENT OF REVENUE AND EXPENSES - YTD

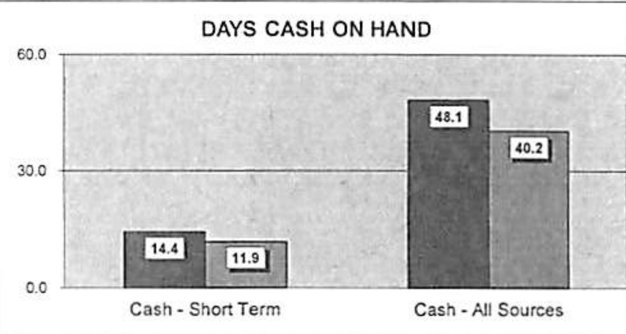
	ACTUAL	*BUDGET*
Revenue:		
Gross Patient Revenues	$11,225,121	$9,924,063
Deductions From Revenue	(6,040,819)	(5,327,587)
Net Patient Revenues	5,184,302	4,596,476
Other Operating Revenue	231,832	170,933
Total Operating Revenues	**5,416,134**	**4,767,409**
Expenses:		
Salaries, Benefits & Contract Labor	3,020,435	2,952,476
Purchased Services & Physician Fees	879,436	792,221
Supply Expenses	881,977	799,516
Interest Expense	0	0
Depreciation Expense	110,500	125,576
Other Operating Expenses	403,824	457,624
Total Expenses	**5,296,168**	**5,127,413**
NET OPERATING SURPLUS	**119,966**	**(360,004)**
Non-Operating Revenue/(Expenses)	190,788	222,245
TOTAL NET SURPLUS	**$310,754**	**($137,759)**

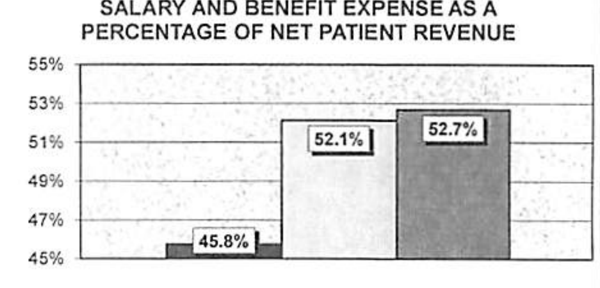
BOND COVENANTS

	REQUIREMENT	*ACTUAL*
DEBT SERVICE COVERAGE RATIO	1.25	**0.66**
CURRENT RATIO	1.00	**0.99**
DAYS CASH ON HAND	30.0	**48.1**









■ MENDOCINO COAST HEALTHCARE DISTF	7/31/2019
□ Budget	7/31/2019
▩ Prior Fiscal Year End	6/30/2019

Balance Sheet - Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended July 31, 2019

	Current Month 7/31/2019	Prior Year End 6/30/2019
CURRENT ASSETS		
CASH	$ 2,238,013	$ 2,019,582
PARCEL TAX REVENUE ACCT	$ 868,086	
PATIENT RECEIVABLES	17,422,174	16,779,820
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(13,155,280)	(13,032,158)
NET PATIENT ACCOUNTS RECEIVABLES	4,266,894	3,747,662
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,707,405	2,008,771
OTHER RECEIVABLES	1,050,613	533,576
INVENTORIES	835,764	826,855
PREPAID EXPENSES	754,226	461,698
TOTAL CURRENT ASSETS	**$ 11,721,001**	**$ 9,598,144**
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,381,979	$ 4,376,979
	13,759	13,759
SPECIFIC PURPOSE FUND	0	0
BONDS	814,049	746,445
BOND COSTS	467,188	471,250
TOTAL LIMITED USE ASSETS	**$ 5,676,975**	**$ 5,608,433**
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,490	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	20,447,707	20,430,219
CONSTRUCTION-IN-PROGRESS	1,717,979	1,649,397
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 48,239,477	$ 48,153,407
LESS: ACCUMULATED DEPRECIATION	(33,662,560)	(33,552,060)
NET PROPERTY, PLANT, & EQUIPMENT	**$ 14,576,917**	**$ 14,601,347**
TOTAL ASSETS	**$ 31,974,893**	**$ 29,807,924**

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended July 31, 2019

	Current Month 7/31/2019	Prior Year End 6/30/2019
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 5,132,306	$ 4,143,512
ACCRUED PAYROLL	$ 1,024,551	$ 859,231
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,250,761	$ 1,253,988
PAYROLL TAXES PAYABLE	$ 72,992	$ 60,642
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 997,965	$ 1,248,302
OTHER CURRENT LIABILITIES	$ 887,515	$ 911,488
INTEREST PAYABLE	$ 1,015,871	$ 1,010,162
PREVIOUS FY PENSION PAYABLE	$ 978,884	$ -
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ 183,333	$ -
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 332,918	$ 1,373,343
TOTAL CURRENT LIABILITIES	**$ 11,877,096**	**$ 10,860,668**
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 9,803,549	$ 9,819,429
OTHER NON-CURRENT LIABILITIES	$ 2,434,718	$ 1,795,116
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 86,065	$ 978,884
TOTAL LONG TERM LIABILITIES	**$ 12,324,332**	**$ 12,593,429**
TOTAL LIABILITIES	**$ 24,201,428**	**$ 23,454,097**
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 7,462,719	$ 7,591,999
TEMPORARY RESTRICTED FUND BALANCE	$ -	$ -
Net Revenue/(Expenses) (YTD)	$ 310,746	$ (1,238,165)
TOTAL NET ASSETS	**$ 7,773,465**	**$ 6,353,834**
TOTAL LIABILITIES AND NET ASSETS	**$ 31,974,893**	**$ 29,807,924**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended July 31, 2019

	CURRENT MONTH				
	Actual 07/31/19	Budget 07/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 07/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 2,043,953	$ 1,842,443	$ 201,510	11%	$ 1,817,067
SWING BED	$ 635,444	$ 386,177	$ 249,267	65%	$ 396,594
OUTPATIENT	$ 7,923,471	$ 7,121,146	$ 802,325	11%	$ 6,448,710
NORTH COAST FAMILY HEALTH CENTER	$ 458,053	$ 451,124	$ 6,929	2%	$ 449,098
HOME HEALTH	$ 164,200	$ 123,173	$ 41,027	33%	$ 113,938
TOTAL PATIENT SERVICE REVENUES	$ 11,225,121	$ 9,924,063	$ 1,301,058	13%	$ 9,225,407
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (6,060,178)	$ (5,346,307)	$ (713,871)	13%	$ (4,702,428)
POLICY DISCOUNTS	$ (8,823)	$ (8,602)	$ (221)	3%	$ (8,358)
STATE PROGRAMS	$ 220,500	$ 162,382	$ 58,118	36%	$ -
BAD DEBT	$ (150,000)	$ (105,935)	$ (44,065)	42%	$ (165,173)
CHARITY	$ (42,318)	$ (29,125)	$ (13,193)	45%	$ (8,150)
TOTAL DEDUCTIONS FROM REVENUES	$ (6,040,819)	$ (5,327,587)	$ (713,232)	-13%	$ (4,884,109)
NET PATIENT SERVICE REVENUES	$ 5,184,302	$ 4,596,476	$ 587,826	13%	$ 4,341,298
OTHER OPERATING REVENUES	$ 231,832	$ 170,933	$ 60,899	36%	$ 108,834
TOTAL OPERATING REVENUES	**$ 5,416,134**	**$ 4,767,409**	**$ 648,725**	**14%**	**$ 4,450,132**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,584,168	$ 1,619,562	$ (35,394)	-2%	$ 1,461,755
EMPLOYEE BENEFITS	$ 788,056	$ 776,549	$ 11,507	1%	$ 746,141
PROFESSIONAL FEES - PHYSICIAN	$ 581,203	$ 539,557	$ 41,646	8%	$ 546,702
OTHER PROFESSIONAL FEES - REGISTRY	$ 648,211	$ 556,365	$ 91,846	17%	$ 555,670
OTHER PROFESSIONAL FEES - OTHER	$ 194,091	$ 137,208	$ 56,883	41%	$ 85,838
SUPPLIES - DRUGS	$ 496,631	$ 465,807	$ 30,824	7%	$ 416,900
SUPPLIES - MEDICAL	$ 294,462	$ 245,234	$ 49,228	20%	$ 256,848
SUPPLIES - OTHER	$ 90,884	$ 88,475	$ 2,409	3%	$ 64,198
PURCHASED SERVICES	$ 104,142	$ 115,456	$ (11,314)	-10%	$ 100,033
REPAIRS & MAINTENANCE	$ 53,519	$ 70,062	$ (16,543)	-24%	$ 58,758
UTILITIES	$ 76,801	$ 74,621	$ 2,180	3%	$ 73,905
INSURANCE	$ 67,788	$ 53,380	$ 14,408	27%	$ 56,869
DEPRECIATION & AMORTIZATION	$ 110,500	$ 125,576	$ (15,076)	-12%	$ 114,243
RENTAL/LEASE	$ 205,716	$ 55,140	$ 150,576	273%	$ 50,142
OTHER EXPENSE	$ -	$ 204,421	$ (204,421)	-100%	$ 94,408
TOTAL OPERATING EXPENSES	**$ 5,296,172**	**$ 5,127,413**	**$ (168,759)**	**-3%**	**$ 4,682,410**
NET OPERATING SURPLUS (LOSS)	**$ 119,962**	**$ (360,004)**	**$ 479,966**	**-133%**	**$ (232,278)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 70,000	$ 66,727	$ 3,273	5%	$ 65,000
INVESTMENT INCOME	$ 5,000	$ 6,602	$ (1,602)	-24%	$ 4,000
DONATIONS	$ -	$ 27,457	$ (27,457)	-100%	$ -
INTEREST EXPENSE (ALL)	$ (41,148)	$ (43,239)	$ 2,091	-5%	$ (43,532)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ 216	$ (216)	-100%	$ 2,118
BOND EXPENSE (ALL)	$ 1,112	$ 1,130	$ (18)	-2%	$ 1,112
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 28,171	$ (455)	-2%	$ 27,716
PARCEL TAX REVENUES	$ 128,104	$ 135,181	$ (7,077)	-5%	$ 133,000
TOTAL NON OPERATING INCOME (LOSS)	**$ 190,784**	**$ 222,245**	**$ (31,461)**	**-14%**	**$ 189,414**
TOTAL NET INCOME (LOSS)	**$ 310,746**	**$ (137,759)**	**$ 448,505**	**-326%**	**$ (42,864)**
Operating Margin	2.2%	-7.6%			-5.2%
Total Profit Margin	5.7%	-2.9%			-1.0%
EBIDA	4.2%	-5.3%			-2.8%
Cash Flow Margin	7.3%	-0.8%			1.0%

Statement of Revenue and Expense
MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA
For the month ended July 31, 2019

	YEAR-TO-DATE				
	Actual 07/31/19	Budget 07/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 07/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 2,043,953	$ 1,842,443	$ 201,510	11%	$ 1,817,067
SWING BED	$ 635,444	$ 386,177	$ 249,267	65%	$ 396,594
OUTPATIENT	$ 7,923,471	$ 7,121,146	$ 802,325	11%	$ 6,448,710
NORTH COAST FAMILY HEALTH CENTER	$ 458,053	$ 451,124	$ 6,929	2%	$ 449,098
HOME HEALTH	$ 164,200	$ 123,173	$ 41,027	33%	$ 113,938
TOTAL PATIENT SERVICE REVENUES	$ 11,225,121	$ 9,924,063	$ 1,301,058	13%	$ 9,225,407
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (6,060,178)	$ (5,346,307)	$ (713,871)	13%	$ (4,702,428)
POLICY DISCOUNTS	$ (8,823)	$ (8,602)	$ (221)	3%	$ (8,358)
STATE PROGRAMS	$ 220,500	$ 162,382	$ 58,118	36%	$ -
BAD DEBT	$ (150,000)	$ (105,935)	$ (44,065)	42%	$ (165,173)
CHARITY	$ (42,318)	$ (29,125)	$ (13,193)	45%	$ (8,150)
TOTAL DEDUCTIONS FROM REVENUES	$ (6,040,819)	$ (5,327,587)	$ (713,232)	-13%	$ (4,884,109)
NET PATIENT SERVICE REVENUES	$ 5,184,302	$ 4,596,476	$ 587,826	13%	$ 4,341,298
OTHER OPERATING REVENUES	$ 231,832	$ 170,933	$ 60,899	36%	$ 108,834
TOTAL OPERATING REVENUES	**$ 5,416,134**	**$ 4,767,409**	**$ 648,725**	**14%**	**$ 4,450,132**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,584,168	$ 1,619,562	$ (35,394)	-2%	$ 1,461,755
EMPLOYEE BENEFITS	$ 788,056	$ 776,549	$ 11,507	1%	$ 746,141
PROFESSIONAL FEES - PHYSICIAN	$ 581,203	$ 539,557	$ 41,646	8%	$ 546,702
OTHER PROFESSIONAL FEES - REGISTRY	$ 648,211	$ 556,365	$ 91,846	17%	$ 555,670
OTHER PROFESSIONAL FEES - OTHER	$ 194,091	$ 137,208	$ 56,883	41%	$ 85,838
SUPPLIES - DRUGS	$ 496,631	$ 465,807	$ 30,824	7%	$ 416,900
SUPPLIES - MEDICAL	$ 294,462	$ 245,234	$ 49,228	20%	$ 256,848
SUPPLIES - OTHER	$ 90,884	$ 88,475	$ 2,409	3%	$ 64,198
PURCHASED SERVICES	$ 104,142	$ 115,456	$ (11,314)	-10%	$ 100,033
REPAIRS & MAINTENANCE	$ 53,519	$ 70,062	$ (16,543)	-24%	$ 58,758
UTILITIES	$ 76,801	$ 74,621	$ 2,180	3%	$ 73,905
INSURANCE	$ 67,788	$ 53,380	$ 14,408	27%	$ 56,869
DEPRECIATION & AMORTIZATION	$ 110,500	$ 125,576	$ (15,076)	-12%	$ 114,243
RENTAL/LEASE	$ 205,716	$ 55,140	$ 150,576	273%	$ 50,142
OTHER EXPENSE	$ -	$ 204,421	$ (204,421)	-100%	$ 94,408
TOTAL OPERATING EXPENSES	**$ 5,296,172**	**$ 5,127,413**	**$ (168,759)**	**-3%**	**$ 4,682,410**
NET OPERATING SURPLUS (LOSS)	**$ 119,966**	**$ (360,004)**	**$ 479,970**	**-133%**	**$ (232,278)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 70,000	$ 66,727	$ 3,273	5%	$ 65,000
INVESTMENT INCOME	$ 5,000	$ 6,602	$ (1,602)	-24%	$ 4,000
DONATIONS	$ -	$ 27,457	$ (27,457)	-100%	$ -
INTEREST EXPENSE (ALL)	$ (41,148)	$ (43,239)	$ 2,091	-5%	$ (43,532)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ 216	$ (216)	-100%	$ 2,118
BOND EXPENSE (ALL)	$ 1,112	$ 1,130	$ (18)	-2%	$ 1,112
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 28,171	$ (455)	-2%	$ 27,716
PARCEL TAX REVENUES	$ 128,104	$ 135,181	$ (7,077)	-5%	$ 133,000
TOTAL NON OPERATING INCOME (LOSS)	**$ 190,784**	**$ 222,245**	**$ (31,461)**	**-14%**	**$ 189,414**
TOTAL NET INCOME (LOSS)	**$ 310,754**	**$ (137,759)**	**$ 448,513**	**-326%**	**$ (42,864)**
Operating Margin	2.2%	-7.6%			-5.2%
Total Profit Margin	5.7%	-2.9%			-1.0%
EBIDA	4.2%	-5.3%			-2.8%
Cash Flow Margin	7.3%	-0.8%			1.0%

Statement of Revenue and Expense - 13 Month Trend

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

	1	2	3	4	5	6	7
	Actual 7/31/2019	Actual 6/30/2019	Actual 5/31/2019	Actual 4/30/2019	Actual 3/31/2019	Actual 2/28/2019	Actual 1/31/2019
GROSS PATIENT SERVICE REVENUES							
INPATIENT	2,043,953	1,793,781	1,296,892	1,296,892	1,449,258	2,323,912	1,827,740
SWING BED	635,444	620,020	608,924	608,924	740,806	732,395	510,398
OUTPATIENT	7,923,471	6,606,140	7,648,177	7,648,177	7,489,072	6,991,396	6,799,218
NORTH COAST FAMILY HEALTH CEN'	458,053	362,718	355,621	355,621	413,678	440,820	397,755
HOME HEALTH	164,200	128,396	119,334	119,334	129,461	124,983	118,117
TAL PATIENT SERVICE REVENUES	11,225,121	9,511,055	10,028,948	10,028,948	10,222,275	10,613,506	9,653,228
DEDUCTIONS FROM REVENUE							
CONTRACTUAL ALLOWANCES	(6,060,178)	(4,889,557)	(5,810,269)	(5,810,269)	(5,634,202)	(5,526,455)	(5,409,176)
POLICY DISCOUNTS	(8,823)	(211,250)	(41,405)	(41,405)	(9,735)	(13,405)	(8,089)
STATE PROGRAMS	220,500	459,275	552,945	552,945	556,246	157,500	148,000
BAD DEBT	(150,000)	(663,314)	(254,225)	(254,225)	(147,787)	0	(86,000)
CHARITY	(42,318)	(167,430)	(33,772)	(33,772)	(36,612)	(39,882)	(43,521)
AL DEDUCTIONS FROM REVENUES	(6,040,819)	(5,472,276)	(5,586,726)	(5,586,726)	(5,272,090)	(5,422,242)	(5,398,786)
NET PATIENT SERVICE REVENUES	5,184,302	4,038,779	4,442,222	4,442,222	4,950,186	5,191,264	4,254,442
OPERATING TAX REVENUES	0					0	0
OTHER OPERATING REVENUES	231,832	222,760	235,212	235,212	181,589	179,877	251,431
TOTAL OPERATING REVENUES	**5,416,134**	**4,261,537**	**4,677,432**	**4,677,432**	**5,131,775**	**5,371,141**	**4,505,873**
OPERATING EXPENSES							
SALARIES & WAGES - STAFF	1,584,168	1,665,449	1,472,457	1,472,457	1,556,058	2,004,021	1,419,826
EMPLOYEE BENEFITS	788,056	863,009	742,661	742,661	728,459	762,127	755,588
PROFESSIONAL FEES - PHYSICIAN	581,203	486,140	485,547	485,547	727,967	456,645	521,380
OTHER PROFESSIONAL FEES - REGI:	648,211	463,441	605,856	605,856	580,617	579,522	447,930
OTHER PROFESSIONAL FEES - OTHE	194,091	321,237	336,996	336,996	329,581	232,597	324,380
SUPPLIES - DRUGS	496,631	348,636	500,098	500,098	424,393	431,693	446,867
SUPPLIES - MEDICAL	294,462	257,159	169,002	169,002	251,183	225,148	259,509
SUPPLIES - OTHER	90,884	50,854	85,876	85,876	99,137	91,307	110,688
PURCHASED SERVICES	104,142	110,385	113,222	113,222	121,611	117,892	96,041
REPAIRS & MAINTENANCE	53,519	77,556	56,884	56,884	51,088	71,321	57,350
UTILITIES	76,801	60,767	80,245	80,245	68,408	66,061	72,901
INSURANCE	67,788	42,547	36,013	36,013	37,864	42,782	37,864
INTEREST	0	0				0	0
DEPRECIATION & AMORTIZATION	110,500	112,559	135,663	135,663	113,204	100,746	125,253
RENTAL/LEASE	205,716	54,321	56,991	56,991	53,005	59,316	52,775
OTHER EXPENSE	0	122,358	141,698	141,698	201,696	127,813	140,770
TOTAL OPERATING EXPENSES	**5,296,172**	**5,036,416**	**5,019,207**	**5,019,207**	**5,344,271**	**5,368,991**	**4,869,122**
NET OPERATING SURPLUS (LOSS)	**119,962**	**(774,879)**	**(341,775)**	**(341,775)**	**(212,496)**	**2,150**	**(363,249)**
NON-OPERATING REVENUES (EXPENSES)							
OPERATING TAX REVENUES	70,000	65,000	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	5,000	17,304	18,572	18,572	4,000	4,000	4,000
DONATIONS	0	0	37,547	37,547		0	13,558
INTEREST EXPENSE (ALL)	(41,148)	(41,191)	(41,464)	(41,464)	(41,841)	(41,028)	(40,826)
EXTRAORDINARY GAINS/(LOSS)	0	(22,193)	(34,262)	(34,262)		0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	128,104	133,000	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**190,784**	**180,748**	**207,221**	**207,221**	**188,987**	**189,800**	**203,560**
TOTAL NET INCOME (LOSS)	**310,746**	**(594,131)**	**(134,554)**	**(134,554)**	**(23,509)**	**191,950**	**(159,689)**
Operating Margin	**2%**	**-18%**	**-7%**	**-7%**	**-4%**	**0%**	**-8%**
Total Profit Margin	**6%**	**-14%**	**-3%**	**-3%**	**0%**	**4%**	**-4%**
EBIDA	**4%**	**-16%**	**-4%**	**-4%**	**-2%**	**2%**	**-5%**
Cash Flow Margin	**6%**	**-14%**	**-3%**	**-3%**	**-1%**	**3%**	**-3%**

Statement of Revenue and Ex[

MENDOCINO COAST HEALTHCARE DIS FORT BRAGG, CA	8 Actual 12/31/2018	9 Actual 11/30/2018	10 Actual 10/31/2018	11 Actual 9/30/2018	12 Actual 8/31/2018	13 Actual 7/31/2018
GROSS PATIENT SERVICE REVENUES						
INPATIENT	1,946,223	1,568,434	2,069,493	1,911,377	1,455,829	1,765,957
SWING BED	271,778	138,319	367,023	361,702	97,364	183,436
OUTPATIENT	7,884,721	7,007,476	6,048,538	6,757,366	6,238,897	8,389,301
NORTH COAST FAMILY HEALTH CEN'	463,344	408,422	401,435	534,850	428,398	500,685
HOME HEALTH	123,260	110,380	128,944	135,916	115,086	111,764
TAL PATIENT SERVICE REVENUES	10,689,326	9,233,031	9,015,433	9,701,211	8,335,574	10,951,143
DEDUCTIONS FROM REVENUE						
CONTRACTUAL ALLOWANCES	(6,074,385)	(5,164,683)	(4,930,977)	(5,229,079)	(4,512,033)	(6,230,003)
POLICY DISCOUNTS	(6,458)	(7,056)	(7,568)	(5,199)	(8,342)	(10,454)
STATE PROGRAMS	96,000	96,000	324,790	132,039	87,000	0
BAD DEBT	(109,000)	(87,000)	(83,000)	(135,000)	(85,460)	(143,827)
CHARITY	(46,276)	(55,062)	(20,860)	(25,221)	(5,894)	(5,081)
,L DEDUCTIONS FROM REVENUES	(6,140,119)	(5,217,801)	(4,717,615)	(5,262,460)	(4,524,729)	(6,389,365)
NET PATIENT SERVICE REVENUES	4,549,207	4,015,230	4,297,818	4,438,751	3,810,845	4,561,778
OPERATING TAX REVENUES	0	0	0	0	0	0
OTHER OPERATING REVENUES	206,803	203,221	180,391	141,819	96,496	131,304
TOTAL OPERATING REVENUES	**4,756,010**	**4,218,451**	**4,478,209**	**4,580,570**	**3,907,341**	**4,693,082**
OPERATING EXPENSES						
SALARIES & WAGES - STAFF	1,577,412	1,397,120	1,570,346	1,531,359	1,423,551	1,450,481
EMPLOYEE BENEFITS	795,016	753,734	715,009	697,464	744,099	683,304
PROFESSIONAL FEES - PHYSICIAN	458,183	448,795	557,119	540,482	463,019	531,274
OTHER PROFESSIONAL FEES - REGI:	567,028	507,800	462,034	460,916	498,128	603,309
OTHER PROFESSIONAL FEES - OTHE	206,653	71,067	116,661	107,941	90,932	75,301
SUPPLIES - DRUGS	496,553	430,828	454,386	441,700	347,892	452,113
SUPPLIES - MEDICAL	273,077	244,499	234,165	244,958	158,867	262,701
SUPPLIES - OTHER	63,509	94,774	83,452	96,098	69,112	60,665
PURCHASED SERVICES	94,425	104,262	124,308	131,133	78,668	124,097
REPAIRS & MAINTENANCE	66,037	71,189	65,445	66,778	75,267	99,133
UTILITIES	72,356	69,039	73,234	82,745	75,579	72,748
INSURANCE	36,453	36,597	37,257	37,263	69,640	64,061
INTEREST	0	0	0	0	0	0
DEPRECIATION & AMORTIZATION	125,735	128,316	131,797	127,156	127,169	140,089
RENTAL/LEASE	55,751	55,359	50,463	54,585	50,857	54,841
OTHER EXPENSE	142,968	106,320	122,936	112,191	128,277	109,321
TOTAL OPERATING EXPENSES	**5,031,156**	**4,519,699**	**4,798,612**	**4,732,769**	**4,401,057**	**4,783,438**
NET OPERATING SURPLUS (LOSS)	**(275,146)**	**(301,248)**	**(320,403)**	**(152,199)**	**(493,716)**	**(90,356)**
NON-OPERATING REVENUES (EXPENSI						
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	17,020	4,000	4,000	4,000	15,318	4,000
DONATIONS	0	0	6,583	0	0	0
INTEREST EXPENSE (ALL)	(42,674)	(42,820)	(42,862)	(43,233)	(43,619)	(42,989)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	0	0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**201,174**	**188,008**	**194,549**	**187,595**	**198,527**	**187,839**
TOTAL NET INCOME (LOSS)	**(73,972)**	**(113,240)**	**(125,854)**	**35,396**	**(295,189)**	**97,483**
Operating Margin	-6%	-7%	-7%	-3%	-13%	-2%
Total Profit Margin	-2%	-3%	-3%	1%	-8%	2%
EBIDA	-3%	-4%	-4%	-1%	-9%	1%
Cash Flow Margin	-1%	-2%	-2%	1%	-7%	3%

Statement of Cash Flows

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

for the 1 months ended 7/31/19

	7/31/2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (Loss)	$310,754
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	110,500
(Increase)/Decrease in Net Patient Accounts Receivable	(519,232)
(Increase)/Decrease in Other Receivables	(517,037)
(Increase)/Decrease in Inventories	(8,909)
(Increase)/Decrease in Pre-Paid Expenses	(292,528)
(Increase)/Decrease in Third Party Receivables	301,366
Increase/(Decrease) in Accounts Payable	988,794
Increase/(Decrease) in Notes and Loans Payable	(851,383)
Increase/(Decrease) in Accrued Payroll and Benefits	174,443
Increase/(Decrease) in Previous Year Pension Payable	978,884
Increase/(Decrease) in Third Party Liabilities	(250,337)
Increase/(Decrease) in Other Current Liabilities	(23,973)
Net Cash Provided by Operating Activities:	401,342
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(86,070)
(Increase)/Decrease in Limited Use Cash and Investments	(5,000)
(Increase)/Decrease in Other Limited Use Assets	(63,542)
Net Cash Used by Investing Activities	(154,612)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase/(Decrease) in Bond/Mortgage Debt	(15,880)
Increase/(Decrease) in Capital Lease Debt	0
Increase/(Decrease) in Other Long Term Liabilities	(253,217)
Net Cash Used for Financing Activities	(269,097)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	1,108,877
Net Increase/(Decrease) in Cash	1,086,510
Cash, Beginning of Period	2,019,582
Cash, End of Period	$3,106,092

For the month ended July 31, 2019

Current Month					Year-To-Date			
Actual 07/31/19	Budget 07/31/19	Positive/ (Negative) Variance	Prior Year 07/31/18	STATISTICS	Actual 07/31/19	Budget 07/31/19	Positive/ (Negative) Variance	Prior Year 07/31/18
				Admissions				
11	12	(8%)	10	Critical Care Services	11	12	(8%)	10
45	50	(10%)	38	General	45	50	(10%)	38
56	62	(10%)	48	Subtotal Medical & Surgical Admissions	56	62	(10%)	48
3	8	(63%)	13	OB	3	8	(63%)	13
59	70	(16%)	61	Total Admissions	59	70	(16%)	61
14	11	27%	10	Swing Bed	14	11	27%	10
3	8	(63%)	13	Total Deliveries	3	8	(63%)	13
				Inpatient Days				
36	42	(14%)	24	Critical Care Services	36	42	(14%)	24
165	175	(6%)	122	General	165	175	(6%)	122
201	217	(7%)	146	Subtotal Medical & Surgical Inpatient Days	201	217	(7%)	146
8	18	(56%)	32	OB	8	18	(56%)	32
209	235	(11%)	178	Total Inpatient Days	209	235	(11%)	178
157	99	59%	55	Swing Bed	157	99	59%	55
7	16	(56%)	28	Total Newborn Days	7	16	(56%)	28
				Average Length of Stay				
3.3	3.5	(6%)	2.4	Critical Care Services	3.27	3.50	(6%)	2.40
3.7	3.5	5%	3.2	General	3.67	3.50	5%	3.21
3.6	3.5	3%	3.0	Subtotal Medical & Surgical	3.59	3.50	3%	3.04
2.7	2.3	19%	2.5	OB	2.67	2.25	19%	2.46
3.5	3.4	6%	2.9	Total Inpatient (CAH)	3.54	3.36	6%	2.92
11.2	9.0	25%	5.5	Swing Bed	11.21	9.00	25%	5.50
				Avg Daily Census - Hospital				
1.2	1.4	(14%)	0.8	Critical Care Services (4 Beds)	1.2	1.4	(14%)	0.8
5.3	5.6	(6%)	3.9	General (8 Beds)	5.3	5.6	(6%)	3.9
6.5	7.0	(7%)	4.7	Subtotal Medical & Surgical (12 Beds)	6.5	7.0	(7%)	4.7
0.3	0.6	(56%)	1.0	OB (3 Beds)	0.3	0.6	(56%)	1.0
6.7	7.6	(11%)	5.7	Subtotal Acute (15 Beds)	6.7	7.6	(11%)	5.7
5.1	3.2	59%	1.8	Swing Care (10 Beds)	5.1	3.2	59%	1.8
11.8	10.8	10%	7.5	Total Hospital (25 Beds Available)	11.8	10.8	10%	7.5
				Emergency Department				
881	800	10%	911	Outpatients Treated in ED - Emergent	881	800	10%	911
37	49	(24%)	33	Patients Admitted from ED	37	49	(24%)	33
918	849	8%	944	Total Patients treated in ED	918	849	8%	944
				Ambulance Service				
176	169	4%	151	911 - Transports	176	169	4%	151
1	1	0%	1	Transfer - Transports	1	1	0%	1
177	170	4%	152	Total Ambulance Transports	177	170	4%	152
				Surgery - Cases				
16	18	(11%)	17	Inpatient Cases	16	18	(11%)	17
6	6	0%	2	Total Implant Cases	6	6	0%	2
186	192	(3%)	186	Outpatient Cases	186	192	(3%)	186
208	216	(4%)	205	Total Surgery Cases	208	216	(4%)	205
				North Coast Family Health Center				
2,744	2,656	3%	2,300	Visits	2,744	2,656	3%	2,300
				Home Health				
673	523	29%	470	Visits	673	523	29%	470
				Outpatient				
5,013	5,146	(3%)	4,886	Encounters	5,013	5,146	(3%)	4,886

	Year to Date 7/31/2019	BUDGET	Prior Fiscal Year End 06/30/19
Profitability:			
Operating Margin	2.2%	-7.6%	-8.1%
Total Profit Margin	5.7%	-2.9%	-6.4%
EBIDA	4.2%	-4.9%	-5.7%
Contractual Allowance % To Gross Charges	57.2%	57.3%	60.5%
Inpatient Gross Revenue Percentage (Hospital)	25.3%	23.8%	22.7%
Outpatient Gross Revenue Percentage (Hospital)	74.7%	76.2%	77.3%
Liquidity:			
Days of Cash on Hand, Short Term	14.4		11.9
Days Cash, All Sources	48.1		40.2
Net Days in Accounts Receivable	28.4		37.0
Hospital Gross Days in AR	55.7		60.6
Cash Flow Margin	7.3%		-4.2%
Days in Accounts Payable	59.9		76.0
Current Ratio	0.99		0.8
Capital Structure:			
Average Age of Plant (Annualized)	26.8		22.3
Capital Costs as a % of Total Exp.	3.9%		3.8%
Capital Spend as a % of Annual Depreciation	77.9%		58.0%
Long Term Debt to Net Position	61.3%		69.7%
Debt Service Coverage Ratio	0.66		0.50
Productivity and Efficiency:			
Net Patient Service Revenue per FTE	$191,621	$180,895	$167,990
Salary & Benefits Expense per Paid FTE	($87,682)	($116,191)	($88,474)
Salary & Benefits as a % of Total Expenses	44.8%	46.7%	46.5%
Salary and Benefits as a % of Net Pat Rev.	45.8%	52.1%	52.7%
Employee Benefits as a % of Salaries	49.7%	47.9%	51.2%
Other Ratios:			
FTE - PRODUCTIVE	242.3		231.0
FTE - NON-PRODUCTIVE	40.5		36.0
FTE - REGISTRY/CONTRACT	41.9		31.8
FTE - TOTAL PAID	324.7	300.0	298.8
Cost To Charge Ratio	47.2%	50.0%	48.7%
Medicare Revenue as a % of Total Revenue	61%	56%	56%
Medi-cal Revenue as a % of Total Revenue	21%	22%	22%
BC/BS Ins Revenue as a % of Total Revenue	13%	15%	15%
Other Ins Revenue as a % of Total Revenue	4%	5%	5%
Self-Pay Revenue as a % of Total Revenue	1%	2%	2%

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

THURSDAY, NOVEMBER 7, 2019
4:00 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

Mendocino Coast District Hospital Mission Statement
MISSION
To make a positive difference in the health of our rural community.

VISION
MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES
MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. ROLL CALL

II. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

III. CLOSED SESSION

1. ***Information/Action:*** Conference with Legal Counsel. Anticipated Litigation. Govt. Code 54956.9(d)(2). Letter from Counsel (Atkinson, Andelson, Loya, Rudd & Romo) regarding LAFCO
2. ***Information/Action:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
3. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
4. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code August Quality Management and Improvement Council Reports
5. ***Information/Action:*** Public Employee Performance Evaluation, Chief Executive Officer. Government Code §54957
6. ***Information/Action:*** To review Professional Services Agreement for Dr. Akbar Khan. Government Code §54954.5 & 54957
7. ***Information/Action:*** To review Professional Services Agreement for Dr. Paul Nerz. Government Code §54954.5 & 54957

IV. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

V. ROLL CALL

VI. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VII. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VIII. REVIEW OF THE AGENDA — *Action*

IX. BOARD COMMENTS — *Information*

X. APPROVAL OF CONSENT CALENDAR — *Action*

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of September 26, 2019 — Tab 1
2. Approval of Alysoun Huntley Ford Fund Draw (there were no requests)
3. Policy: Medical, Dental and Vision Coverage; First Read — Tab 2
4. Policy: Call Off Pay; First Read — Tab 3
5. Policy: Exit Interview; First Read — Tab 4

XI. NEW BUSINESS

1. Review and Approval for purchase of Ultra Sound Imaging System: Mr. Wayne Allen, Interim CEO — Tab 5 *Action*
2. Review and Approval of Anesthesiology Equipment for Surgery: Mr. Wayne Allen, Interim CEO — Tab 6 *Action*
3. Ambulance Service Expansion: Mr. Wayne Allen, Interim CEO — *Action/Information*
4. Board to Adopt the Disaster Operations Plan: Mr. Emmet O'Connell — Tab 7 *Action/Information*

XII. OLD BUSINESS

1. Meditech Update: Mr. Wayne Allen, Interim CEO — *Information*
2. Measure C Update: Mr. Wayne Allen, Interim CEO — *Information*
3. Conflict of Interest Policy: Ms. Karen Arnold, Chair — *Information*

XIII. REPORTS

- CEO Report: Mr. Wayne Allen, Interim CEO — *Information*
- Medical Staff Report: Dr. William Miller — Tab 8 *Action*
  - A. Appointments to Medical Staff/Advance Practice-Provisional Status
    1. Anna Antonowich, FNP- Department of Medicine-Oncology-Hematology
    2. Shuang Li, MD- Department of Medicine-Hospitalist Service
    3. Jeffrey Meier, DO- Department of Surgery-Orthopedics
    4. Paul Nerz, MD- Department of Medicine-Family Practice NCFHC
  - B. Temporary Privileges
    1. Laura Cieslik, MD- Department of Surgery-Obstetrics-Gynecology (Nov 6-Nov 26, 2019)
  - C. Recap of PG&E Power Outage
- Planning Committee Report: Ms. Jessica Grinberg — *Information*
- Chief Nursing Officer Report: Ms. Lynn Finley — *Information*
- Finance Committee Report: Mr. John Redding — Tab 9 *Action*

XIV. FUTURE AGENDA ITEMS: MS. KAREN ARNOLD — *Information*

- TBD

XV. ASSOCIATION AND COMMUNITY SERVICE REPORTS — *Information*

XVI. Public Comments

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XVII. ADJOURNMENT

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon,

Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.
*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

TAB 1

BOARD OF DIRECTORS MEETING
REDWOODS ROOM
THURSDAY, SEPTEMBER 26, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 5:00 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Mr. Redding, Ms. McColley, Mr. Lund, Ms. Arnold, Ms. Grinberg (telephonically)

Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO

I. **CALL TO ORDER**:
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Ms. Karen Arnold Chair presiding

II. **ROLL CALL:**
PRESENT: Mr. Steve Lund, Mr. John Redding, Ms. Karen Arnold, Ms. Jessica Grinberg (telephonically), Ms. Amy McColley
Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO
Ms. Gayl Moon, Executive Assistant

III. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

1. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
2. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report

IV. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

- The Board gave direction to Legal Counsel.
- There was no Medical Staff Report.

Ms. Arnold introduced Noel Caughman, the Hospital's Legal Counsel.

V. **PUBLIC COMMENTS**

- Community members made comments regarding Hospital issues.

VI. REVIEW OF THE AGENDA

- There were no changes to the agenda.

VII. BOARD COMMENTS

- There were no Board Comments.

VIII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MS. KAREN ARNOLD, CHAIR

1. Minutes: Regular Session, August 29, 2019
2. Alysoun Huntley Ford Fund Draw (there were no requests)

MOTION:

- Lund moved
- McColley second

Ms. McColley stated that the motion that says "Director Arnold should be disqualified from holding Office of Chair on the Board". Redding moved; McColley made the second for discussion only and she abstained because she only made the second for discussion, nothing for action. She would like that correction noted in the August 29th Minutes.

Mr. Lund amended his motion and Ms. McColley amended her second to include the above stated amendments to the minutes

- Lund moved
- McColley second
- Roll call
  - Ayes: McColley, Arnold, Lund, Redding
  - Noes: Grinberg
  - Absent: None
  - Abstain: None
- Motion carried

IX. *INFORMATION:* ELECTION OF NEW CHIEF OF STAFF: MS. KAREN ARNOLD, CHAIR

- Ms. Arnold welcomed Dr. William Miller as the Hospital's new Chief of Staff.
- Ms. Arnold and the Board thanked Dr. John Kermen for his 12 years as the Hospital's Chief of Staff.

X. *ACTION/INFORMATION:* WOMEN'S HEALTH CENTER: MS. JESSICA GRINBERG

- Ms. Grinberg would like to bring the Women's Health Center into the umbrella of the Health Care District.
- The Women's Health Center would provide reproductive health and possible midwifery.
- The options would include those that are not either currently or respectively provided on the coast.
- This would not be competition for any of the clinics and it would not in any way be in competition for whatever the Board decides to do in the way of labor and delivery.

MOTION: The Women's Health Center can begin to be discussed within the Planning Committee

- Arnold moved

- Motion died for lack of a second
- Ms. Grinberg would like the Board to decide if the concept of having such a place, and perhaps starting to take some shape and defining what will happen within this facility. Ms. Grinberg would like the Planning Committee can start discussing it and potentially putting this together within the Health Care District.
- To authorize the Planning Committee to work on this project to better define the concept of a Women's Health Center; once that concept is better defined Ms. Grinberg would come back to the Board for additional guidance or approval.

MOTION: To support a Planning Committee project to develop a framework proposal for a Women's Health Center as part of the Healthcare District

- Lund moved
- McColley second

Mr. Redding stated that he will be voting no, not because it's a bad idea, but because he doesn't like the idea of the Board's Committees working on non-District business. Ms. Grinberg stated that it wouldn't be a non-District issue, is would be a District initiative. This would not be in competition with the Hospital, but would be under the umbrella of the Health Care District. Mr. Redding stated that after that clarification, he will support the motion.

- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XI. ***ACTION/INFORMATION:*** BY-LAWS REVISION, 1ST READ: MS. KAREN ARNOLD, CHAIR

- This is a By-law on telecommunication participation.
- Ms. McColley stated the she and Ms. Grinberg are the By-law Subcommittee, and neither of them presented this. Ms. McColley asked that it be pulled from the agenda.
- Ms. Arnold stated that she brought this forward. She stated that there have been issues in the past with the person calling in that they have a hard time hearing what is being said, as well as it being hard for the Board members to hear them. She wants to ensure that the entire Board is able to participate in the meetings and be able to vote.
- Ms. McColley stated that at the Board Retreat in June a decision was made to improve audio video, and it has not been improved much since then. The IT Department will continue to improve the video/audio conferencing.
- Discussion ensued.
- There will be no second reading; this item was pulled.

MOTION: To refer this to the By-law Committee for further study

- Lund moved
- Redding second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold

- Noes: None
- Abstain: None
- Absent: None

- Motion carried

XII. *ACTION:* FISCAL 2019/20 BUDGET PRESENTATION: MR. DORAN HAMMETT

- Mr. Hammett presented the revised MCDH Budget. This is a one year Budget, and will be redone annually going forward.
- Discussion ensued.
- The Budget is attached as part of these minutes.

MOTION: To approve the Fiscal 2019/20 Budget as presented

- McColley moved
- Redding second
- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Abstain: None
  - Absent: None
- Motion carried

XIII. *INFORMATION:* CONFLICT OF INTEREST: MS. KAREN ARNOLD, CHAIR

- This was pulled a couple of months ago as several managers still need to see it. This still needs to go to a Managers Meeting to ensure everyone is aware of what is coming forward. It needs to go through Human Resources as well all the vetting processes are done.

XIV. *INFORMATION:* MEDITECH: MR. MICHAEL JOBIN

- Scott Mix stated the Meditech Project has been place on hold for one (1) year.
- IT will maintain the existing system for another eighteen (18) months. In order to keep this system running, some servers will need to be replaced. Licensing will need to be an interface.
- Working on purchasing some ancillary products such as the:
  - ✓ MModel Transcription System
  - ✓ 3M Coding System
  - ✓ Single Sign On System
- IT will provide a list of needed purchases to the Finance Committee.

XV. *INFORMATION:* MEASURE C: MR. WAYNE ALLEN, INTERIM CEO

- A LAFCO Hearing will take place on October 7 in Ukiah regarding the detachment from Mendocino Coast Health Care District. Mr. Allen & Mr. Beak will both attend.

XVI. *INFORMATION:* CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO

- Mr. Allen is working with Doran Hammett on a list of action items related to Option B.

XVII. *ACTION:* MEDICAL STAFF REPORT: DR. WILLIAM MILLER

- Following are changes to the Medical Executive Committee:
  - Dr. Zoe Berna has become the Vice Chief of Staff
  - Dr. Barbara Kilian and Dr. Chris Ryan will be the MEC Members at Large
- Dr. Robin Serrahn will remain the Chair of Medicine
- Dr. Brent Wright will remain the Chair of Surgery
- Dr. John Kermen remains on the MEC as past Chief of Staff
- Dr. Miller created a Vision Statement for the MEC, and has been ratified by the MEC.

a. Appointments to Medical Staff-Provisional Status

1. Uzoma Chukwu, MD –Department of Medicine-Hospitalist Services
2. Robert Lipscomb, MD –Department of Surgery-Orthopedics
3. Jon McLennan, MD –Department of Surgery-Orthopedics

b. Temporary Privileges

1. Shuang Li, MD –Department of Medicine-Hospitalist Service (Oct 7-11, 2019)

MOTION: To approve the appointments to Medical Staff Provisional Status and Temporary Privileges as presented

- Lund moved
- McColley second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XVIII. *INFORMATION:* PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG

- The Planning Committee is working on:
  - community awareness for disaster preparedness
  - other initiatives within the District

XIX. *INFORMATION:* CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY

- There was no Chief Nursing Officer Report.

XX. *ACTION:* FINANCE REPORT: MR. JOHN REDDING

- Mr. Redding thanked Mr. Hammett, Mr. Allen and all the department managers who presented their budgets.
- The department managers had a lot of good ideas on how the Hospital can increase revenue and decrease costs by 10%.
- The managers came up with approximately 20 action items that the Finance Committee will begin implementing. Mr. Allen and Mr. Hammett are finalizing and prioritizing the list. They will begin assigning responsibilities the first couple weeks of October and then begin implementing it.

- The Finance Committee had five (5) goals for this year:
  1) Do a detailed budget
  2) Come up with a balanced budget
  3) Develop a process to eliminate a service
  4) Develop a Strategic Financial Plan
  5) Develop a Marketing Financial Plan
- The committee is on track for meeting at least four (4) of the five (5) goals.

- Mr. Hammett presented the August 2019 Financial Statements.

MOTION: To approve the August 2019 Financial Statements

- Lund moved
- Redding second
- Roll call
  - ➢ Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

XXIV. *INFORMATION:* FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR

- Mr. Allen will bring the Action Item List to the next Board Meeting.

XXI. *INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXII. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues.

XXIII. ADJOURN:

Open Session adjourned at 7:35 pm

______________________________	______________________________
Steve Lund, Secretary Board of Directors	Gayl Moon, Secretary to the Board of Directors

Mendocino Coast District Hospital
Budget
FYE 06/30/2020

	Approved Budget	Footnote	Net Change	Revised Budget
OPERATING REVENUES				
Inpatient	$ 21,752,760		-	$ 21,752,760
Swing Bed	4,559,396		-	4,559,396
Outpatient	84,075,601		-	84,075,601
NCFHC	5,326,180		-	5,326,180
Home Health	1,454,221		-	1,454,221
TOTAL PATIENT SERVICE REVENUES	117,168,158		-	117,168,158
REVENUE DEDUCTIONS				
Current Year Contractuals	63,120,518	1	993,600	64,114,118
Policy Discounts	101,594		-	101,594
State Programs	(1,917,090)		-	(1,917,090)
Bad Debt	1,250,696		-	1,250,696
Charity	343,871		-	343,871
TOTAL DEDUCTIONS	62,899,590		993,600	63,893,190
NET PATIENT SERVICE REVENUE	54,268,569		-	53,274,969
			-	-
Other Operating Revenues	2,018,118	2	687,500	2,705,618
			-	-
TOTAL OPERATING REVENUES	56,286,687		(306,100)	55,980,587
OPERATING EXPNESES				
Salaries & Wages-Staff	19,121,395	3	(829,394)	18,292,001
Employee Benefits	9,167,129	4	(75,000)	9,092,129
Professional Fees-Physician	6,364,897		-	6,364,897
Other Professional Fees-Registry	6,378,700		-	6,378,700
Other Professional Fees-Other	1,988,831	5	(440,000)	1,548,831
Supplies-Drugs	5,472,587		-	5,472,587
Supplies-Medical	2,922,528		-	2,922,528
Supplies-Other	1,009,072		-	1,009,072
Purchased Services	2,097,540	6	22,500	2,120,040
Repairs & Maintenance	827,028		-	827,028
Utilities	881,094		-	881,094
Insurance	630,181		-	630,181
Depreciation and Amortization	1,495,255		-	1,495,255
Rental/Lease	650,957		-	650,957
Other Expenses	1,559,480	7	(838,000)	721,480
TOTAL OPERATING EXPENSES	60,566,675		(2,159,894)	58,406,781
NET REVENUE (LOSS) FROM OPERATIONS	(4,279,988)		1,853,794	(2,426,194)
NON-OPERATING REVENUES (EXPENSES)				
Tax Revenues	787,800			787,800
Funded Depreciation Income	77,978			77,978
Contributions	324,169			324,169
Gains (Losses) on Sale of Assets	2,567			2,567
TOTAL NON-OPERATING REVENUE (EXPENSE)	1,192,514		-	1,192,514
NET INCOME (LOSS) BEFORE TAX REVENUE	(3,087,474)		1,853,794	(1,233,680)
Tax Revenue for Debt Service	332,592			332,592
Parcel Tax Revenues	1,596,000			1,596,000
Bond Expense	13,349			13,349
All Interest	(510,510)			(510,510)
NET INCOME (LOSS)	$ (1,656,043)		1,853,794	$ 197,751

Mendocino Coast District Hospital
Budget Changes Detail
FYE 06/30/2020

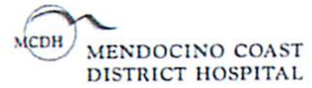
Footnote	Dollar Change	Explanation
Revenue:		
	-	
2	187,500	Increase in 340B Net Revenue
	500,000	Increase in PHP Quality Program Revenue
	687,500	
Expenses:		
3	(829,394)	**Salary & Benefit Reductions in the following positions:**
		Materials Management Director
		Materials Management Buyer
		IT Director
		Revenue Cycle Director
		CFO
		CEO
		Public Relations Director
		Medical Records Director
		Coder & Charge master Coordinator
		Staff Development Manager
4	(75,000)	Adjust medical insurance budget
	-	
5	(240,000)	Remove contracted CFO
	(200,000)	Remove legal fees
6	22,500	Part Time Buyer Support
7	(838,000)	Meditech reduction due to contract suspense
	(2,159,894)	Net changes in expenses

Mendocino Coast District Hospital
Budget Changes Detail
FYE 06/30/2020

Footnote	Dollar Change	Explanation
1	(993,600)	As a Critical Access facility, MCDH receives reimbursement from Medicare based on its total operating costs. With the identified reductions of $2,159,894 in the budget year ending June 30, 2020, we estimate our Medicare reimbursement for that year will decrease by approximately 46% of those budget reductions.

TAB

2

 MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** Medical, Dental and Vision Coverage
	POLICY#: 1352

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp	**Date Created**: No Date Set
Approvers: Daniel Camp, Karen Arnold, Wayne Allen	**Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 10/23/2019

PURPOSE: To define the Health Benefits Program of Mendocino Coast District Hospital (MCDH).

POLICY: MCDH shall provide all regular full-time and regular part-time employees and their eligible dependents with Blue Shield Medical, Delta Dental, and Vision Service Plans. Eligible dependents include spouse, domestic partner, and children. A copy of marriage certificate or domestic partner affidavit is required at time of enrollment.~~.~~The eligibility, coverage, and other details of each benefit plan are contained in the applicable plan documents, which shall be controlling. ~~The cost of the plan will be paid 100% by the Hospital.~~ MCDH pays 100% of an employee's monthly premium for Blue Shield Medical PPO, Delta Dental, and Vision Service Plan. Employees are responsible for paying 10% of the monthly premiums for eligible dependents. Blue Shield also offers a Premier Health Plan (Blue Shield EPO). This plan is available for an additional monthly premium cost to employees. ~~n additional health insurance plan. Eligible employees who chose the other plan will be responsible for the difference in premiums.~~

PROCEDURE:

I. Only regular full-time and regular part-time employees who work a minimum of forty (40) hours during a pay period are eligible to participate in the Health Benefit Program.

II. Newly hired regular full and part-time employees will be eligible for benefits on the first of the month following their date of hire.

III. Per Diem employees who have undergone a status change to full or part time will be eligible for benefits on the first of the month following date of their change in status.

IV. Employees covered under the Health Benefit Program are required to report any changes in dependent status and/or the addition of qualified dependents to the Human Resources Department within ~~30~~thirty days of the change. Failure to report changes in dependent status will result in loss of coverage for the dependent.

~~IV.~~

V. MCDH shall continue health benefits for eligible full and part time employees on leave of absence covered by the Family Medical Leave Act (FMLA) ~~at no cost to the employee or his/her eligible dependents~~ for up to twelve weeks during a twelve-month period~~, or to the first of the month following the depletion of integrated accrued PTO hours whichever is greater~~.

   A. ~~If t~~The employee ~~has the Blue Shield EPO plan, they~~ will continue to be responsible for their share of monthly premium ~~the~~ costs.

VI. Hospital employees and their qualified dependents covered under the Hospital's medical, dental, and vision plans who lose their eligibility due to termination of employment, reduction in hours, loss of dependent coverage, retirement, or death may elect to continue coverage from 18 months to 36 months by self paying monthly plan premiums.

   A. ~~The Department of Human Resources shall advise e~~Eligible employees will receive a written notice from MCDH's third party administrator (WORKTERRA)~~in writing~~ of their continuation rights under the Consolidated Omnibus Budget Reconciliation Act (COBRA).

~~and the employee will have sixty (60) days from the date of notice to elect coverage continuation.~~

~~B. The employee will be required to make premium payments specified by the Plan Administrator by the first of each month coverage is desired.~~

~~C. Failure to make payment will result in loss of coverage for the duration of the covered event.~~

~~D. Reinstatement is subject to the terms and conditions of the Medical Plan and appropriate government regulations.~~

~~E. The Department of Human Resources or the Plan Administrator will provide monthly premium rate information to eligible participants.~~

~~F.~~B. The ~~Hospital reserves the right to modify monthly premiums as provided by law.~~

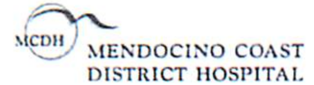
VII. The Department of Human Resources shall provide eligible full and part-time employees, at the time of hire or at the time of their eligibility, with booklets describing the benefits and provisions of the Health B~~b~~enefit P~~p~~lans.

VIII. A copy of the Summary Plan Description and all necessary claim and enrollment forms are available at the Human Resources Department~~.~~, and on the MCDH Intranet.

New:
Revised: 09/95, 05/06, 11/13
Reviewed: 11/2018

TAB

3

 MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** Call Off Pay **POLICY#:** 1322

Department(s): Human Resources	**PolicyTech Version #**: 2
Policy Owner: Daniel Camp **Approvers**: Daniel Camp, Karen Arnold, Wayne Allen	**Date Created**: 02/01/2002 **Last PolicyTech Review Date**: No Review Date **Last PolicyTech Revision Date**: 10/17/2019

PURPOSE: To define the policy and practice of Mendocino Coast District Hospital (MCDH) regarding Call Off Pay.

POLICY: Full and part-time employees shall have the option to take a call-off shift without pay and will not be required to take paid time off (PTO) when cancelled.~~, provided,~~ H~~h~~owever, ~~that~~ any employee covered by MCDH Health Benefit Program ~~the health plan~~ must maintain an average of forty (40) paid hours per pay period to maintain eligibility under the plan.

PROCEDURE:

I. Regular full-time and part-time employees placed on call-off shall have the right to exercise seniority over per diem employees when called off a regularly scheduled shift and only on the same shift.

II. Employees will not be allowed to exercise seniority over per diems while a shift is in progress.

~~III. Full and part-time employees electing time off for sickness or personal reasons must maintain their regular scheduled hours utilizing PTO hours.~~

~~A. In the case of extended illnesses, employees may integrate accrued PTO hours with State Disability Insurance benefits.~~

~~IV.~~III. Employees who report for work and who are subsequently called off shall receive a minimum of two hours work or pay for the shift.

~~V.~~IV. Employees called off and subsequently recalled to work on the same day will have four (4) hours advance notice to report to work, unless MCDH has an emergency, and shall receive a minimum of four (4) hours work or pay.

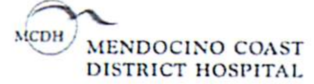
New: 02/02
Revised: 05/06, 02/08
Reviewed: 10/2018

T

A

B

4



MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** Exit Interview
	POLICY#: 1315

Department(s): Human Resources	**PolicyTech Version #:** 2
Policy Owner: Daniel Camp	**Date Created:** No Date Set
Approvers:	**Last PolicyTech Review Date:** No Review Date
Daniel Camp, Karen Arnold, Wayne Allen	**Last PolicyTech Revision Date:** 10/23/2019

PURPOSE: To define the policy and practice of Mendocino Coast District Hospital (MCDH) regarding exit interviews.

POLICY: Before an employee leaves the employ of MCDH, an exit interview will be held with a representative of the Human Resources Department. ~~The interview will cover the following subjects:~~

PROCEDURE: The exit interview will cover the following:

I. The employee's employment ~~record~~ and reasons for leaving will be discussed to ensure a complete understanding of their status with ~~the Hospital~~MCDH.

II. The reasons for leaving will be documented and a copy given to the employee.

III. Employee benefits, including insurance, pension, separation pay, and pay for unused Personal Time Off (PTO) and holidays will be explained so the employee may take advantage of all benefits for which he/she is eligible.

IV. Arrangements will be made regarding MCDH financial obligations, and the return of MCDH ~~Hospital~~ ID badge, keys, tools, and other MCDH property.

New:
Revised: 09/95, 05/06, 02/08
Reviewed: 10/2018

TAB

5

August 23, 2019
Quote Number: 2006223613.5
Customer ID: 1-23TGOD
Agreement Expiration Date: 10/22/2019

Mendocino Coast District Hospital
700 River Dr
Fort Bragg, CA 95437-5403

This Agreement (as defined below) is by and between the Customer and the GE Healthcare business ("GE Healthcare"), each as identified below for the sale and purchase of the Products and/or Services identified in this Quotation, together with any applicable schedules referred to herein ("Quotation"). "Agreement" is this Quotation and either: (i) the Governing Agreement identified below; or (ii) if no Governing Agreement is identified, the GE Healthcare Terms and Conditions and Warranties that apply to the Products and/or Services identified in this Quotation. In the event of conflict, the Quotation supersedes.

GE Healthcare can withdraw this Quotation at any time before Customer: (i) signs and returns this Quotation or (ii) provides evidence of Quotation acceptance satisfactory to GE Healthcare ("Quotation Acceptance"). On Quotation Acceptance, this Agreement is the complete and final agreement of the parties relating to the Products and/or Services identified in this Quotation. There is no reliance on any terms other than those expressly stated or incorporated by reference in this Agreement and, except as permitted in this Agreement, no attempt to modify will be binding unless agreed to in writing by the parties. Modifications may result in additional fees and cannot be made without GE Healthcare's prior written consent.

Handwritten or electronic modifications on this Agreement (except an indication of the form of payment, Customer purchase order number and signatures on the signature blocks below) are void.

Governing Agreement:	Premier PP-IM-271 GI
Terms of Delivery	FOB Destination
Billing Terms	100% billing at Ship Completion (Fulfillment) / Delivery
Payment Terms	NET 45 DAYS
Total Quote Net Selling Price	$125,435.68
Sales and Use Tax Exemption	No Certificate on File

INDICATE FORM OF PAYMENT:

(If there is potential to finance with a lease transaction, by GE HEF otherwise, select lease)

___ Cash*
___ Lease
___ GE HEF Loan
___ If financing, please provide name of finance company: ______________________________)

*Selecting "Cash" or not identifying GE HEF as the finance company declines the option for GE HEF financing.

The parties have caused this Agreement to be executed by their authorized representative as of the last signature date below.

Mendocino Coast District Hospital	GE Medical Systems, Ultrasound & Primary Care Diagnostics, LLC, a GE Healthcare business
Signature: ______________________	Signature: Kenneth Hibbits
Print Name: ______________________	Title: Sales Specialist - GI Ultrasound
Title: ______________________	Date: August 23, 2019
Date: ______________________	
______________________ Purchase Order Number, if applicable	

GE Healthcare Confidential and Proprietary

August 23, 2019
Quote Number: 2006223613.5
Customer ID: 1-23TGOD
Agreement Expiration Date: 10/22/2019

To Accept This Quotation

Please sign and return this quotation together with your Purchase Order to:

Name: Kenneth Hibbits

Email: kenneth.hibbits@ge.com

Phone: 650-392-4873

Fax: 650-403-4198

Payment Instructions

Please remit payment for invoices associated with this quotation to:

GE Medical Systems, Ultrasound & Primary Care Diagnostics, LLC
P.O. Box 74008831
Chicago, IL 60674-8831

FEIN: 92-0192942

Mendocino Coast District Hospital

Addresses:

Bill To:	MENDOCINO COAST DISTRICT HOSPITAL	MENDOCINO COAST DISTRICT HOSPITAL, ACCOUNTS PAYABLE, 700 RIVER DR, FORT BRAGG, CA, 95437-5403
Ship To:	MENDOCINO COAST DISTRICT HOSPITAL	700 RIVER DR, FORT BRAGG, CA, 95437-5403 MENDOCINO

To Accept This Quotation

- Please sign the quote and any included attachments (where requested).
- If requested, please indicate your form of payment.
- If you include a purchase order, please make sure it references the following information:
    - The correct Quote number and Version number above
    - The correct Remit To information as indicated in "Payment Instructions" above
    - Your correct SHIP TO and BILL TO site name and address
    - The correct Total Price as indicated above

Upon submission of a purchase order in response to this quotation, GE Healthcare requests the following to evidence agreement to contract terms: Signature page on quote filled out with signature and P.O. number **** OR**** Verbiage on the purchase order must state one of the following:

(i)Per the terms of Quotation # _____, (ii) Per the terms of GPO #_________; (iii) Per the terms of MPA# _____; or (iv) Per the terms of SAA # ______.

Include applicable quote/agreement number with the reference on the purchase order. In addition, Source of Funds (choice of Cash/Third Party Load or GE HEF Lease Loan or Third Party Lease through ______), must be indicated, which may be done on the Quote Signature Page (for signed quotes), or the Purchase Order (where quotes are not signed) or via a separate written source of funds statement (if provided by GE Healthcare)."

GE Healthcare Confidential and Proprietary

August 23, 2019
Quote Number: 2006223613.5
Customer ID: 1-23TGOD
Agreement Expiration Date: 10/22/2019

Line	Qty.	Catalog	
1	1.00	H4918US	LOGIQ E10 Console for USA

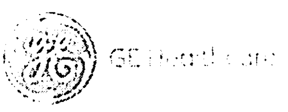
List Price	Extended Price	Net Price
$400,000.00	$400,000.00	$96,400.00

The LOGIQ E10 is GE's leadership ultrasound imaging system designed for abdominal, vascular, obstetric, gynecologic, neonatal, pediatric, urological, transcranial, cardiac and small parts applications.The LOGIQ E10 provides the latest GE technology to help enhance diagnostic confidence and workflow efficiency every day in a variety of challenging exams. Innovative features: cSound imageformer for enhanced image quality and XDclear transducer technology capabilities. The LOGIQ E10 includes: B-flow technology to help visualize real-time hemodynamic flow and vessel wall definition; Compare Assistant, a workflow enhancement tool that enables easy side by side comparison of previous ultrasound or other modality images with a live ultrasound image; Scan Assistant procedure automation program that intuitively assists the user with customizable system functions at each step of the study to streamline productivity, enhance consistency and reduce keystrokes; LOGIQVIEW an integrated, extended field of view B-mode imaging with measurement capability; Strain Elastography; and B-Steer+ which can be used for B mode steering image to help improve needle visualization/reflectivity. Also included: CrossXBeam (spatial compounding), SRI HD (Speckle Reduction Imaging in High Definition) with Organ Specific Imaging, and Coded Harmonics. Productivity can be enhanced through many features such as Raw Data for post-processing of images, Auto IMT, Breast and Thyroid Productivity packages, OB Measure Assistant, Automatic Optimization, Virtual Convex, Advanced 3D (w/ multiplanar displays), Color Quantification. In addition, includes LOGIQ E10 Photo and Remote Apps support for use with Android devices that meet minimum requirements. LOGIQ Photo App includes barcode and QR reader and Photo Assist Apps. LOGIQ Remote replicates a subset of user interface controls of compatible LOGIQ ultrasound systems, enabling approved care providers to remotely control the ultrasound system. LOGIQ Photo Assist enables approved care providers to take photos with the App and transfer them to a compatible LOGIQ ultrasound system. These photos can be captured as DICOM images and become part of the ultrasound exam. Photos of barcodes and QR codes are decoded and transferred to the ultrasound system as an alphanumeric string. A complimentary Android O/S tablet is inlcuded for access to the LOGIQ Apps (not serviced by GE or covered under the E10 warranty). Advanced ergonomics including 22 wide screen high resolution OLED display (1920 x 1080) with articulating arm, motorized adjustable console, 12.1 inch color high resolution LED touch screen, four active transducer ports and 2 parking ports with patented cable hook. Scanning modes include B-Mode, M-Mode, Color Flow, Pulsed Wave, and Power Doppler. Other system features include: Windows** 10 Enterprise 2016 LTSB 64-bit operating platform, 1GB cine memory, 1TB internal hard drive, image archive, user footrest, integrated on-board black and white printer bay, and user programmable model parameters. Includes comprehensive software annotation, calculations, and worksheets supporting obstetrical, gynecological, vascular and general imaging applications. Includes a DICOM*** software package providing Verify, Print, Store, Multiframe, Modality Worklist, MPPS (Modality Performed Procedure Step), Storage Commitment, Media Exchange and Enhanced US Volume Storage. Additionally, supports Query/Retrieve and Structured Reporting. Also includes wireless network hardware. Security features including audit logging, LDAP, patient data encryption and advanced user profile customization. Includes one-year warranty and three days of On-site Applications Training. Additional On-site Applications Training days are available for purchase. Training must be completed within six (6) months after Product delivery, otherwise GE Healthcare's obligation to provide the training will expire without refund. Participating in advanced technology training at the GE Healthcare Education Center in Metro Milwaukee can be purchased separately. Customer workflow permitting and abiding by SDMS criteria, sonographer install CE's may be provided during install training. *Trademark of General Electric Company. **Third party trademarks are the property of their respective owners. *** DICOM is the registered trademark of the National Electrical Manufacturers Association for its standard publications relating to digital communications of medical information.

Line	Qty.	Catalog	
2	1.00	H4110JA	Demo Equipment

List Price	Extended Price	Net Price
$0.00	$0.00	$0.00

This document describes an offer to sell demo ultrasound equipment. Demo ultrasound equipment has not been used to obtain patient outcomes. GE has full legal title to such equipment and conveys such title to customer free and clear of all liens and encumbrances. Pricing set forth in this quote is not valid for new equipment. Subject to availability.In the event that the demo



Components (options, accessories, peripherals, probes or carts) are unavailable at the time of fulfillment, GE shall have the right to substitute new Components for any demo Components ordered.

Line	Qty.	Catalog	
3	1.00	H44901AE	M5Sc-D XDclear* Matrix Phased Array Probe

List Price	Extended Price	Net Price
$15,500.00	$15,500.00	$3,735.50

Matrix Phased Array probe with GE's highest performing XDclear* transducer technology, an innovative combination of advanced materials and acoustic design providing ultra-wide bandwidth and superb image quality. Applications vary depending on the ultrasound system and may include Cardiac, Pediatrics, Fetal Heart, Abdominal, Coronary, Transcranial, Contrast, and Stress Echo. Datasheets for specific ultrasound systems contain additional details including specific applications, biopsy availability, and additional probe technical specifications.*Trademark of General Electric Company

Line	Qty.	Catalog	
4	1.00	H44901AJ	L2-9-D XDclear*Linear Array Probe

List Price	Extended Price	Net Price
$20,000.00	$20,000.00	$4,820.00

Linear Array Probe with GE's highest performing XDclear* transducer technology, an innovative combination of advanced materials and acoustic design providing ultra-wide bandwidth and superb image quality. Applications include Vascular, Small Parts, Musculoskeletal, Neonatal Cephalic, Pediatric, Abdominal, Obstetrical. *Trademark of General Electric Company

Line	Qty.	Catalog	
5	1.00	H40452LG	ML6-15-D Matrix Linear Array Probe

List Price	Extended Price	Net Price
$18,000.00	$18,000.00	$4,338.00

Wideband Matrix Linear Array Probe. Applications vary depending on the ultrasound system and may include Small Parts, Vascular, Pediatrics, Neonatal, Breast, Thyroid, and Scrotal. Datasheets for specific ultrasound systems contain additional details including specific applications, biopsy availability, and additional probe technical specifications.

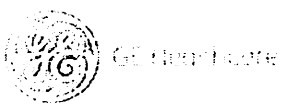
Line	Qty.	Catalog	
6	1.00	H40472LT	C1-6-D XDclear* Convex Array Probe

List Price	Extended Price	Net Price
$20,000.00	$20,000.00	$4,820.00

Convex Array probe with GE's highest performing XDclear* transducer technology, an innovative combination of advanced materials and acoustic design providing ultra-wide bandwidth and superb image quality. Applications vary depending on the ultrasound system and may include Abdominal, OB/GYN, Urology, and Vascular. Datasheets for specific ultrasound systems contain additional details including specific applications, biopsy availability, and additional probe technical specifications.*Trademark of General Electric Company

Line	Qty.	Catalog	
7	1.00	H40442LK	IC5-9-D Microconvex Array Probe

List Price	Extended Price	Net Price
$12,000.00	$12,000.00	$2,892.00



Wideband Microconvex Intercavity Array Probe. Applications vary depending on the ultrasound system and may include OB/GYN and Urology . Datasheets for specific ultrasound systems contain additional details including specific applications, biopsy availability, and additional probe technical specifications.

Line	Qty.	Catalog	
8	1.00	H4918CE	LOGIQ E10 Cardiac Package

List Price	Extended Price	Net Price
$20,000.00	$20,000.00	$4,820.00

LOGIQ E10 cardiac package includes the following: CW capability, DVR, physio input panel for ECG, ECG cable with long leads and clips, Auto Ejection Fraction also included. The Auto Ejection Fraction tool tracks and calculates myocardial tissue deformation.. Tissue Velocity Imaging (TVI) to measure the myocardial velocities longitudinally, evaluating systolic and diastolic function, Tissue Velocity Doppler (TVD) to measure segmental displacement of the myocardium longitudinally, and Q-analysis to plot the velocity information of discrete points for graphical analysis. This Package includes an extra (1) day of On-site Applications Training. Additional On-site Applications Training days are available for purchase. Customer workflow permitting and abiding by SDMS criteria, sonographer install CE's may be provided during install training.

Line	Qty.	Catalog	
9	1.00	H4918EP	LOGIQ E10 Stress Echo Package

List Price	Extended Price	Net Price
$12,500.00	$12,500.00	$3,012.50

Integrated Smart Stress Echo package with the ability to perform image acquisition, review, image optimization, and wall segment scoring and a reporting for a complete, efficient stress echo examination. System provides protocol template for exercise and pharmacological stress examinations. In addition to preset factory protocol templates, templates can be created or modified to suit users' needs. Users can define various quad screen review groups, in any order and combination that will suit their normal review protocol. The protocol template may be configured for continuous capture. Must have the Cardiac package(H4918CE). Includes ECG cable set (H45521AL) which allows connection of external ECG machine output signal.
Integrated Smart Stress Echo package with the ability to perform image acquisition, review, image optimization, and wall segment scoring and a reporting for a complete, efficient stress echo examination. System provides protocol template for exercise and pharmacological stress examinations. In addition to preset factory protocol templates, templates can be created or modified to suit users' needs. Users can define various quad screen review groups, in any order and combination that will suit their normal review protocol. The protocol template may be configured for continuous capture. Must have the Cardiac package(H4911CE). Includes ECG cable set (H45521AL) which allows connection of external ECG machine output signal. This Package includes an extra (1) day of On-site Applications Training. Additional On-site Applications Training days are available for purchase. Customer workflow permitting and abiding by SDMS criteria, sonographer install CE's may be provided during install training.

Line	Qty.	Catalog	
10	1.00	H4918BW	Sony BW 898 Printer

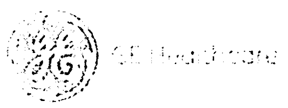
List Price	Extended Price	Net Price
$1,500.00	$1,500.00	$361.50

Sony UP898 B&W thermal printer for integrated mounting into the LOGIQ E10 console.

Line	Qty.	Catalog	
11	1.00	H4918BT	LOGIQ E10 Bin - Twin

List Price	Extended Price	Net Price
$450.00	$450.00	$108.45

GE Healthcare Confidential and Proprietary



LOGIQ E10 twin storage bin for additional onboard storage

Line	Qty.	Catalog	
12	1.00	H4915P	LOGIQ E9 Probe Holder Insert

List Price	Extended Price	Net Price
$30.00	$30.00	$7.23

Insert for smaller diameter probes

Line	Qty.	Catalog	
13	1.00	E8363JF	Ultrasound Probe Rack

List Price	Extended Price	Net Price
$400.00	$400.00	$96.40

Line	Qty.	Catalog	
14	1.00	H4918EE	LE10 English eDOCs Kit

List Price	Extended Price	Net Price
$100.00	$100.00	$24.10

English electronic user documentation for LOGIQ E10

Total Quote List Price: ***$520,480.00***

Total Quote Subtotal: **$125,435.68**

Total Quote Net Selling Price: ***$ 125,435.68***

1. Definitions. As identified in this Agreement, "Equipment" is hardware and embedded software that is licensed with the purchase of the hardware delivered to Customer in GE Healthcare's packaging and with its labeling; "Software" is software developed by GE Healthcare and/or delivered to Customer in GE Healthcare's packaging and with its labeling, and Documentation associated with the software (does not include SaaS); "SaaS," or software as a service, is non-exclusive and non-transferable access and use of a GE Healthcare web or mobile-based platform and/or software application and associated support; "Third Party Software" and "Third Party Equipment" are respectively software developed by a third party, and hardware and embedded software that is licensed with the purchase of the hardware, that is delivered to Customer in the third party's packaging and with its labeling (collectively, "Third Party Product"); "Product" is Equipment, Software and Third Party Product; and

"Services" is Product support or professional services. "Healthcare Digital Products" are: (i) Software or SaaS identified in the Quotation as "Centricity"; (ii) Third Party Software licensed for use in connection with Centricity Software; (iii) hardware used to operate Centricity or Third Party Software; (iv) Services provided for implementation, installation or support and maintenance of Centricity or Third Party Software licensed for use in connection with Centricity Software; and/or (v) any Product or Service that is identified in a Healthcare Digital Quotation. "Specifications" are GE Healthcare's written specifications and manuals as of the date the Equipment shipped. "Documentation" is the online help functions, user instructions and manuals regarding the installation and operation of the Product or SaaS as made available by GE Healthcare to Customer.

2. Term and Termination. Software licenses, Services and/or SaaS will have individual term lengths identified in the Quotation. If there is a material breach of this Agreement that is not cured by the breaching party within 60 days from receipt of written notice, the non-breaching party can terminate it. Other than as set forth in this Agreement, neither party can unilaterally terminate it. Any remaining undisputed, unpaid fees become immediately due and payable on expiration or termination.

3. Software License. Other than as identified in a Quotation, GE Healthcare grants Customer a non-exclusive, non-transferable, non-sublicensable, perpetual license to use the Software for Customer's internal business purposes only in the United States. Customer's independent contractors (except GE Healthcare competitors) may use the Software, but Customer is responsible for their compliance with this license, and additional license fees may apply. Customer cannot modify, reverse engineer, copy or create derivative works of the Software, except for making

Backup copy, and cannot remove or modify labels or notices of proprietary rights of the Software or Documentation. If GE Healthcare provides Third Party Software, Customer will comply with third party license terms, and licensors are third-party beneficiaries of this Agreement.

4. Commercial Logistics.

4.1.1 Order Cancellation and Modifications.

Cancellation. If Customer cancels an order prior to shipment without GE Healthcare's written consent, GE Healthcare may charge:

(i) a fee of up to 10% of the Product price; and (ii) for site evaluations performed prior to cancellation. GE Healthcare will retain, as a credit, payments received up to the amount of the cancellation charge. Customer must pay applicable progress payments (other than final payment) prior to final calibration, and GE Healthcare may delay calibration until those payments are received. If Customer does not schedule a delivery date within 6 months after order entry, GE Healthcare may cancel on written notice. This Section does not apply to Software or SaaS Quotations, Third Party Products and/or related professional or installation services; those orders are non-cancellable.

4.1.2 Used Equipment. Equipment identified as pre-owned, refurbished, remanufactured or demonstration Equipment is not new and may have received reconditioning to meet Specifications ("Used Equipment"). Sale of Used Equipment is subject to availability. If it is no longer available, (i) GE Healthcare will attempt to identify other Used Equipment in its inventory that meets Customer's needs, and (ii) if substitute Used Equipment is not acceptable, GE Healthcare will cancel the order and refund any deposit Customer paid for the Used Equipment.

4.2 Site Preparation. Customer is responsible for network and site preparation, including costs, in compliance with GE Healthcare's written requirements and applicable laws. GE Healthcare may refuse to deliver or install if the site has not been properly prepared or there are other impediments.

4.3 Transportation, Title and Risk of Loss. Unless otherwise identified in the Quotation, shipping terms are FOB Destination. Title and risk of loss to Equipment and Third Party Equipment passes to Customer on delivery to Customer's designated delivery location.

4.4 Delivery, Returns and Installation. Delivery dates are approximate. Products may be delivered in installments. GE Healthcare may invoice multiple installment deliveries on a consolidated basis, but this does not release Customer's obligation to pay for each installment delivery. Delivery occurs: (i) for Product, on electronic or physical delivery to Customer; and (ii) for Services, on performance.

Products cannot be returned for refund or credit if they match the Quotation.

Delivery and installations will be performed from 8am to 5pm local time, Monday-Friday, excluding GE Healthcare holidays, and outside those hours for an additional fee. Customer will: (i) install cable and assemble products not provided by GE Healthcare; (ii) enable connectivity and interoperability with products not provided by GE Healthcare; (iii) pay for construction and rigging costs; and (iv) obtain all licenses, permits and approvals for installation, use and disposal of Products. For Products requiring installation, if GE Healthcare delivers the Product but does not perform the installation, Customer will pay GE Healthcare the quoted selling price less: (a) the installation price, if separately identified in the

Quotation; or (b) if no installation price is identified, the fair market value for the installation as determined by an independent third party. For upgrades and revisions to non-Healthcare Digital Products, Customer must return replaced components to GE Healthcare at no charge.

4.5. Information Technology Professional Services ("ITPS"). ITPS must be completed within 12 months of the later of the ITPS order date or Product delivery. If not done within this time period, other than because of GE Healthcare's failure to perform, ITPS performance obligations expire without refund. ITPS includes project management, HL7/HIS system integration, database conversion, network design and integration and separately cataloged software installations. This Section does not apply to Healthcare Digital Products.Acceptance.

4.6.1 Equipment Acceptance. Beginning on completion of installation (not to exceed 30 days from shipment) or delivery (if installation is not required), Customer will have 5 days to determine if the Equipment operates substantially in accordance with Specifications ("Equipment Test Period"). If the Equipment fails to perform accordingly, Customer will provide to GE Healthcare: (i) written notice; (ii) access to the Equipment; and (iii) a reasonable time to bring the Equipment into compliance. After correction by GE Healthcare, Customer will have the remainder of the Equipment Test Period or 3 days, whichever is greater, to continue testing. Equipment is accepted on the earlier of expiration of the Equipment Test Period or the date the Equipment is first used for non-acceptance testing purposes.

4.6.2 Software Acceptance. Beginning on completion of Software implementation, Customer will have 30 days to determine if the Software operates substantially in accordance with the Documentation ("Software Test Period"). If the Software fails to perform accordingly, Customer will provide to GE Healthcare: (i) written notice; (ii) access to the Software; and (iii) a reasonable time to bring the Software into compliance. After correction by GE Healthcare, Customer will have the remainder of the Software Test Period or 5 days, whichever is greater, to continue testing. Software is accepted on the first to occur of: (a) expiration of the Software Test Period; (b) the date Software is first used to process actual data; or (c) the "Go-Live Date" as defined in the Quotation.

4.6.3 Third Party Product Acceptance. Third Party Products are accepted 5 days after delivery.

4.7 Third Party Products and Services. If GE Healthcare provides Third Party Products and/or Services, then (i) GE Healthcare is acquiring them on Customer's behalf as its agent and not as a supplier; (ii) GE Healthcare provides no warranties or indemnification, express or implied; and (iii) Customer is responsible for all claims resulting from or related to their acquisition or use.

4.8 Mobile Equipment. GE Healthcare will assemble Equipment it has approved for mobile use at the vehicle location identified by Customer. Customer will comply with the vehicle manufacturer's planning requirements and arrange for delivery of the vehicle.

4.9 Audit. GE Healthcare may audit Customer's use of Software and Healthcare Digital Products to verify Customer's compliance with this Agreement up to 12 months following termination or expiration of the applicable Quotation. Customer will provide reasonable assistance and unrestricted access to the information. Customer must pay underpaid or unpaid fees discovered during the audit, and GE Healthcare's reasonable audit costs, within 30 days of written notification of the amounts owed. If Customer does not pay, or the audit reveals that Customer is not in compliance, GE Healthcare may terminate Customer's Software license or use of the Healthcare Digital Product.

5. Security Interest and Payment.

5.1 Security Interest. Customer grants GE Healthcare a purchase money security interest in all Products in the Quotation until full payment is received, and Customer will perform all acts and execute all documents necessary to perfect GE Healthcare's security interest.

5.2 Failure to Pay. If, after Product delivery, Customer is more than 45 days past due on undisputed payments, GE Healthcare may, on 10 days' prior written notice, disable and/or remove the Products.

5.3 Late Payment. Customer must raise payment disputes before the payment due date. For any undisputed late payment, GE Healthcare may: (i) suspend performance under this Agreement until all past due amounts are paid; (ii) charge interest at a rate no more than the maximum rate permitted by applicable law; and (iii) use unapplied funds due to Customer to offset any of Customer's outstanding balance. If GE Healthcare suspends performance, any downtime will not be included in the calculation of any uptime commitment. If Customer fails to pay when due: (a) GE Healthcare may revoke its credit and designate Customer to be on credit hold; and (b) all subsequent shipments and Services must be paid in full on receipt.

5.4 Taxes. Prices do not include applicable taxes, which are Customer's responsibility.

5.5 Lease. If Customer leases a Product, it continues to be responsible for payment obligations under this Agreement.

6. Trade-In Equipment. Trade-in equipment identified in a Quotation will be subject to separate trade-in terms and conditions.

7. General Terms.

7.1 Confidentiality. Each party will treat this Agreement and the other party's proprietary information as confidential, meaning it will not use or disclose the information to third parties unless permitted in this Agreement or required by law. Customers are not prohibited from discussing patient safety issues in appropriate venues.

7.2 Governing Law. The law of the state where the Product is installed, the Service is provided or the SaaS is accessed will govern this Agreement.

7.3 Force Majeure. Performance time for non-monetary obligations will be reasonably extended for delays beyond a party's control.

7.4 Assignment; Use of Subcontractors. Rights and obligations under this Agreement cannot be assigned without the other party's prior written consent, unless: (i) it is to an entity (except to a GE Healthcare competitor) that (a) is an affiliate or parent of the party or (b) acquires substantially all of the stock or assets of such party's applicable business, Product line, SaaS or Service thereof; and (ii) the assignee agrees in

writing to be bound by this Agreement, including payment of outstanding fees. GE Healthcare may hire subcontractors to perform work under this Agreement but will remain responsible for its obligations.

7.5 Waiver; Survival. If any provision of this Agreement is not enforced, it is not a waiver of that provision or of a party's right to later enforce it. Terms in this Agreement related to intellectual property, compliance, data rights and terms that by their nature are intended to survive will survive the Agreement's end.

7.6 Intellectual Property. GE Healthcare owns all rights to the intellectual property in GE Healthcare's Products, Services, SaaS, Documentation and statements of work related to a Quotation ("SOW") or otherwise. Customer may provide GE Healthcare with feedback related to Products, Services, SaaS and related Documentation, and GE Healthcare may use it in an unrestricted manner.

8. Compliance.

8.1 Generally. Each party will comply with applicable laws and regulations. Customer is only purchasing or licensing Products or using SaaS for its own medical, billing and/or non-entertainment use in the United States. GE Healthcare will not deliver, install, service or train if it discovers Products or SaaS have been or are intended to be used contrary to this Agreement. This Agreement is subject to GE Healthcare's ongoing credit review and approval. Customer is aware of its legal obligations for cost reporting, including 42 C.F.R. § 1001.952(g) and (h), and will request from

GE Healthcare any information beyond the invoice needed to fulfill Customer's cost reporting obligations. GE Healthcare will provide safety-related Equipment and Software updates required by applicable laws and regulations at no additional charge.

8.2 Security. GE Healthcare is not responsible for: (i) securing Customer's network; (ii) preventing unauthorized access to Customer's network or the Product; (iii) backup management; (iv) data integrity; (v) recovery of lost, corrupted or damaged data, images, software or equipment; or (vi) providing or validating antivirus or related IT safeguards unless sold to Customer by GE Healthcare. NEITHER PARTY WILL BE LIABLE TO THE OTHER PARTY FOR DAMAGES CAUSED BY UNAUTHORIZED ACCESS TO THE NETWORK, PRODUCT OR SAAS IN SPITE OF A PARTY'S COMPLIANT SECURITY MEASURES.

8.3 Environmental Health and Safety ("EHS"). GE Healthcare personnel may stop work without penalty due to safety concerns. Customer must: (i) comply with GE Healthcare's EHS requirements; (ii) provide a safe environment for GE Healthcare personnel; (iii) tell GE Healthcare about chemicals or hazardous materials that might come in contact with Products or GE Healthcare personnel; (iv) perform decommissioning or disposal at Customer facilities; (v) obtain and maintain necessary permits; (vi) thoroughly clean Products before Service; (vii) provide radioactive materials required for testing Products; and (viii) dispose of waste related to Products and installations.

8.4 Parts and Tubes. GE Healthcare: (i) recommends the use of parts it has validated for use with the Product; (ii) is not responsible for the quality of parts supplied by third parties to Customer; and (iii) cannot assure Product functionality or performance when non-validated parts are used. Certain Products are designed to recognize GE Healthcare-supplied tubes and report the presence of a non-GE Healthcare tube; GE Healthcare is not responsible for the use of, or effects from, non-GE Healthcare supplied tubes.

8.5 Training. GE Healthcare's training does not guarantee that: (i) Customer trainees are fully trained on Product or SaaS use, maintenance or operation; or (ii) training will satisfy any licensure or accreditation. Customer must ensure its trainees are fully qualified in the use and operation of the Product or SaaS. Unless otherwise identified in the training catalog, Customer will complete training within 12 months after: (a) if with a Product purchase, the date of Product delivery; (b) if with a Services or SaaS purchase, the respective start date for Services or SaaS; or (c) if with a training-only purchase, the date training is ordered. If not done within this time period, other than because of GE Healthcare's fault, training expires without refund.

8.6 Medical Diagnosis and Treatment. All clinical and medical treatment, diagnostic and/or billing decisions are Customer's responsibility.

8.7 Connectivity. If a Product has remote access capability: (i) Customer will provide GE Healthcare with, and maintain, a GE Healthcare-validated remote access connection to service the Product; or (ii) GE Healthcare reserves the right to charge Customer for onsite support at GE Healthcare's then-current billing rate. This remote access and collection of machine data (e.g., temperature, helium level) will continue after the end of this Agreement unless Customer requests in writing that GE Healthcare disable it.

8.8 Use of Data.

8.8.1 Protected Health Information. If GE Healthcare creates, receives, maintains, transmits or otherwise has access to Protected Health Information (as defined in 45 C.F.R. § 160.103) ("PHI"), GE Healthcare may use and disclose the PHI only as permitted by law and by the Business Associate Agreement. Before returning any Product to GE Healthcare, Customer must ensure that all PHI stored in it is deleted.

8.8.2 Data Rights. GE Healthcare may collect, prepare derivatives from and otherwise use non-PHI data related to Products, Services and/or SaaS for such things as training, demonstration, research, development, benchmarking, continuous improvement and facilitating the provision of its products, software and services. GE Healthcare will own all the property rights resulting from such collection, preparation and use. The non-PHI data will not be used to identify Customer or sold by GE Healthcare without Customer's consent.

8.9 Customer Policies. GE Healthcare will use reasonable efforts to respect Customer-provided policies that apply to GE Healthcare and do not materially contradict GE Healthcare policies. Failure to respect Customer policies is not a material breach unless it is willful and adversely affects GE Healthcare's ability to perform its obligations.

8.10 Insurance. GE Healthcare will maintain coverage in accordance with its standard certificate of insurance.

8.11 Excluded Provider. To its knowledge, neither GE Healthcare nor its employees performing Services under this Agreement have been excluded from participation in a Federal Healthcare Program. If an employee performing Services under this Agreement is excluded, GE Healthcare will

replace that employee within a reasonable time; if GE Healthcare is excluded, Customer may terminate this Agreement upon written notice to GE Healthcare.

9, Disputes, Liability and Indemnity.

9.1 Dispute Resolution. The parties will first attempt to resolve in good faith any disputes related to this Agreement. Violation of GE

Healthcare's license, confidentiality or intellectual property rights will cause irreparable harm for which the award of money damages alone is inadequate. GE Healthcare may: (i) seek injunctive relief and any other available remedies; (ii) immediately terminate the license grant and require Customer to cease use of and return the Software and Third Party Software; and/or (iii) terminate Customer access to the SaaS or remote hosted Software. Other than these violations or collection matters, unresolved disputes will be submitted to mediation prior to initiation of other means of dispute resolution.

9.2 Limitation of Liability. GE HEALTHCARE'S LIABILITY FOR DIRECT DAMAGES TO CUSTOMER UNDER THIS AGREEMENT WILL NOT EXCEED: (I) FOR PRODUCTS, THE PRICE FOR THE PRODUCT THAT IS THE BASIS FOR THE CLAIM; OR (II) FOR SERVICE, SAAS OR SUBSCRIPTIONS, THE AMOUNT OF SERVICE, SAAS OR SUBSCRIPTION FEES FOR THE 12 MONTHS PRECEDING THE ACTION THAT IS THE BASIS FOR THE CLAIM. THIS LIMITATION WILL NOT APPLY TO GE HEALTHCARE'S DUTIES TO INDEMNIFY CUSTOMER UNDER THIS AGREEMENT.

9.3 Exclusion of Damages. NEITHER PARTY WILL HAVE ANY OBLIGATION FOR: (I) CONSEQUENTIAL, PUNITIVE, INCIDENTAL, INDIRECT OR REPUTATIONAL DAMAGES; (II) PROFIT, DATA OR REVENUE LOSS; OR (III) CAPITAL, REPLACEMENT OR INCREASED OPERATING COSTS.

9.4 IP Indemnification. GE Healthcare will indemnify and hold Customer harmless from third-party claims for infringement of United States intellectual property rights caused solely by Customer's use of the Equipment, Software or SaaS in accordance with the Specifications, Documentation and license. GE Healthcare will control the defense. Customer may retain counsel but at Customer's expense.

9.5 General Indemnification. GE Healthcare will indemnify and defend Customer against and pay for Customer losses arising from third party claims brought against Customer for bodily injury or damage to real or tangible personal property to the extent the damage was caused by GE Healthcare's: (i) design or manufacturing defect; (ii) negligent failure to warn, negligent installation or negligent Services; or (iii) material breach of this Agreement.

Customer will indemnify and defend GE Healthcare against and pay for GE Healthcare losses arising from third party claims brought against GE Healthcare for bodily injury or damage to real or tangible personal property to the extent the damage was caused by Customer's: (a) medical diagnosis or treatment decisions; (b) misuse or negligent use of the Product or SaaS; (c) modification of the Product or SaaS; or (d) material breach of this Agreement.

For all indemnities under this Agreement: (i) the indemnified party must give the other party written notice before claiming indemnification and may retain counsel at its own expense; and (ii) the indemnifying party is not responsible for any settlement without its written consent.

10. Notices. Notices will be in writing and considered delivered when received if sent by certified mail, postage prepaid, return receipt requested, by overnight mail, or by fax. Notice to Customer will be directed to the address on this Agreement, and notice to GE Healthcare to General Counsel, 9900 Innovation Dr., Wauwatosa, WI 53226.

11. Invenia Automated Breast Ultrasound. CUSTOMER IS REQUIRED TO COMPLETE INVENIA APPLICATIONS TRAINING AND INVENIA RADIOLOGIST TRAINING PRIOR TO CLINICAL USE. Invenia applications training is identified in the Quotation(s) and will be completed through the GE Healthcare applications training courses. Invenia radiologist training can also be purchased separately from GE Healthcare.

12. ViewPoint Software Maintenance. GE Healthcare will maintain, support and update the ViewPoint Software licensed by Customer

("ViewPoint Software") and HIS interface software installed in the United States.

12.1 Term. The Software Maintenance Agreement ("SMA") term and start date is identified in the Quotation and its related Schedule A. Either party may terminate the SMA without cause after the first anniversary by providing at least 90 days' prior written notice to the other party. SMA payments are due within 30 days after receipt of GE Healthcare's invoice.

12.2 Software Support and Maintenance. GE Healthcare will use reasonable efforts to correct verifiable and reproducible Errors (defined below) within a reasonable time after: (a) Customer reports the Error to GE Healthcare; or (b) detection by GE Healthcare. Updates (defined below), if released, will be provided at no additional cost as a part of the SMA. New functionality must be purchased separately.

12.3 Continuing Support. Customer must remain within 2 Updates of the most current ViewPoint Software version at all times during the SMA term (including at the start of the SMA term) to receive support for the ViewPoint Software.

12.4 SMA Definitions. "Error" means any ViewPoint Software-related problem that: (i) materially interferes with Customer's use of the ViewPoint Software; and (ii) results from a failure of the ViewPoint Software to materially conform to the Documentation. "Error Correction" means: (a) modification of the ViewPoint Software that corrects an Error by bringing the ViewPoint Software into material conformity with the

Documentation; or (b) a procedure that avoids the material adverse effect of the nonconformity. "Update" means a change that provides Error

Corrections and/or enhances functionality of the ViewPoint Software version licensed by Customer on the start of the SMA. An Update does not involve major changes or provide significant, new functionality or applications, or changes to the software architecture or file structure. Updates retain the same license as the original ViewPoint Software.

12.5 Hotline Support. GE Healthcare will provide phone and email support from 8am to 8pm Eastern Time, Monday–Friday, excluding GE Healthcare holidays, for problem solving, Error resolution and general help.

12.6 Remote Access Support. GE Healthcare may access ViewPoint Software remotely via Customer's network and GE Healthcare-supplied secure tunnelling software to monitor ViewPoint Software parameters to help prevent and detect Errors. Customer will reasonably cooperate with GE Healthcare to establish remote connections. Certain modules require remote access in order to obtain support.

12.7 Warranty. GE Healthcare warrants that its Services will be performed by trained individuals in a professional, workman-like manner. GE Healthcare will re-perform non-conforming Services as long as Customer provides prompt written notice to GE Healthcare. NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WILL APPLY.

12.8 Exclusions. GE Healthcare has no obligation to Customer for Services for: (i) use of the ViewPoint Software in combination with software, hardware, or services not recommended in writing by GE Healthcare; (ii) use in a manner or environment for which GE Healthcare did not design or license the ViewPoint Software, or in violation of GE Healthcare's recommendations or instructions; (iii) interface configuration (often referred to as HIS, PACS or EMR interfaces necessary due to changing vendors or versions); (iv) reorganization of Customer data; (v) consulting or software engineering and programming; (vi) support of non-ViewPoint Software applications and systems; (vii) failure to use or install, or permit GE Healthcare to use or install, Error Corrections or Updates; (viii) defects in products or services not made and provided by GE Healthcare; (ix) any cause external to the ViewPoint Software, due to cyber-attacks or beyond GE Healthcare's control; (x) failure of Customer's network; (xii) replacement of disposable or consumable items; (xiii) additional equipment or upgrades in connection with ViewPoint Software; and (xiv) migration of ViewPoint Software to different hardware or operating systems. Services beyond this SMA are subject to standard billing.

13 Software as a Service Terms.

13.1. Scope. GE Healthcare will provide Customer with the SaaS in accordance with the terms of this Agreement and its Documentation. GE Healthcare will assist Customer with technical issues via phone, email or online support as provided generally to SaaS customers.

13.2 Term and Termination. The SaaS term is identified in the Quotation and renews automatically for the same duration as the initial term unless otherwise identified in the Quotation. Except as otherwise identified in this Agreement or a Quotation, price increases will be communicated with 90 days' prior written notice. SaaS Quotations are not cancellable, except that either party may terminate the SaaS after the initial SaaS term or any subsequent renewal period by providing at least 90 days' prior written notice to the other party. On termination or expiration of the SaaS: (i) Customer must immediately discontinue use of the SaaS and return any associated leased hardware to GE Healthcare; (ii) GE Healthcare will remove Customer's access; (iii) GE Healthcare may destroy information, images or data, including PHI, associated with a patient ("Patient Information") or otherwise; (iv) Customer must destroy its copies of Documentation; (v) Customer must immediately pay all fees due; and (vi) all rights and obligations of the parties terminate, except those that accrued prior to termination, expiration or as otherwise identified in this Agreement.

13.3 Payment. Payment terms are in the Quotation. Travel, living and incidental project-related expenses are Customer's responsibility and will be invoiced separately as incurred.

13.4 Access and Use. Customer must ensure: (i) use of the SaaS is consistent with this Agreement; (ii) the SaaS is used only for its internal business operations in the United States; (iii) the SaaS is not accessed by non-Customers, unless GE Healthcare consents and then Customer must ensure that those users comply with this Agreement and any terms of use prompted by the SaaS; and (iv) users maintain individually-assigned confidential user identifications and control mechanisms to access the SaaS. Customer will notify GE Healthcare immediately of unauthorized access to or use of a user name, password or other breach of security. GE Healthcare may disable any user name, password or other identifier if it believes Customer has breached this Agreement. If GE Healthcare provides connectivity software with the SaaS, Customer will be granted a license to it for the term of the SaaS in accordance with the Software License terms set forth in this Agreement. GE Healthcare may charge additional fees if Customer requires professional services or additional hardware resources.

13.5 Patient Information. Customer must: (i) obtain necessary consent from patients for use, access, disclosure and transfer of Patient Information; (ii) develop, implement and train users on privacy and security policies in compliance with applicable laws and regulations and ensure compliance with those policies; (iii) provide GE Healthcare with a copy of those policies and patient consents on request; (iv) not use, disclose, access or transfer Patient Information that has been opted out without express consent from the respective patient(s); and (v) comply with changes in laws and regulations regarding patient consents related to the use of clinical, administrative or financial information.

13.6 Content. GE Healthcare does not own, control, verify or endorse: (i) non-GE Healthcare content uploaded to the SaaS; or (ii) access to or use of the SaaS granted by Customer. Customer is responsible for content that it uploads, accesses or uses. Reliance on content uploaded to the SaaS is at Customer's own risk. The SaaS may contain tools that may only be used by qualified healthcare providers, and it is the Customer's and/or healthcare provider's responsibility to use its independent medical and professional judgment to make clinical or financial decisions. Uploaded or created content may be deleted upon reasonable notice.

13.7 Modifications. GE Healthcare may, with notice: (i) withdraw or amend all or part of the SaaS; and (ii) restrict access for maintenance or other reasons. Revisions are effective when made by GE Healthcare.

13.8 Prohibited Activities. Customer must not use the SaaS, and ensure the SaaS is not used, to: (i) transmit or upload promotional material or objectionable content; (ii) engage in conduct that adversely affects another person or entity or otherwise exposes them to liability; (iii) promote or assist in illegal activity; (iv) access, use or interfere with the proper working of the SaaS or any related server, computer or database unless authorized by GE Healthcare; (v) introduce viruses, trojan horses, worms, logic bombs or other harmful material; (vi) modify, reverse engineer, copy or create derivative works of the SaaS; (vii) remove or modify labels or notices of proprietary rights of the SaaS or Documentation; or (viii) use the SaaS outside of the scope defined in this Agreement or the Quotation.

13.9 Audit. GE Healthcare may audit Customer's use of the SaaS to verify Customer's compliance with this Agreement. Customer will provide reasonable assistance and unrestricted access to the information. Customer must pay underpaid or unpaid fees discovered during the audit, and GE Healthcare's reasonable audit costs, within 30 days of written notification of the amounts owed. If Customer does not pay, or the audit reveals that Customer is not in compliance, GE Healthcare may terminate Customer's access to or use of the SaaS.

13.10 Disclaimer of Warranties. GE HEALTHCARE DOES NOT WARRANT THAT THE SAAS WILL BE FREE OF VIRUSES OR OTHER DESTRUCTIVE CODE. GE HEALTHCARE WILL NOT BE LIABLE FOR ANY LOSS CAUSED BY AN ATTACK, VIRUS OR OTHER EVENT THAT AFFECTS CUSTOMER'S USE OF THE SAAS OR CONTENT OBTAINED THROUGH IT. OTHER THAN ANY UPTIME COMMITMENT, THE SAAS IS PROVIDED IN ACCORDANCE WITH ITS DOCUMENTATION ON AN "AS AVAILABLE" BASIS. UNLESS OTHERWISE PROHIBITED BY APPLICABLE LAW, GE HEALTHCARE DISCLAIMS ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE OR NON-INFRINGEMENT OR TO THE ACCURACY, RELIABILITY OR USEFULNESS OF STATEMENTS, CONTENT, OR PRODUCTS OR SERVICES MADE AVAILABLE OR OBTAINED THROUGH THE SAAS. GE HEALTHCARE MAKES NO WARRANTY THAT THE SAAS OR CONTENT WILL BE UNINTERRUPTED, TIMELY, SECURE, ERROR FREE, MEET CUSTOMER REQUIREMENTS, OR THAT DEFECTS WILL BE CORRECTED.

13.11 Customer Indemnity. In addition to other indemnification obligations in this Agreement, Customer will indemnify and hold GE Healthcare harmless against damages that GE Healthcare becomes legally obligated to pay related to: (i) content, format, inaccuracy or incompleteness of Patient Information uploaded by Customer or users; (ii) consent for use, access, disclosure and/or transfer of Patient Information; (iii) use of the SaaS by Customer or users in any manner not authorized in writing by GE Healthcare; (iv) Customer's intellectual property infringement or privacy violations; (v) investigations by law enforcement, technical disruption, or Customer's use or access of the SaaS; (vi) Customer's or users' breach of this Agreement with respect to the SaaS; and (vii) violations of federal or state wage and hour laws alleged by third parties or Customer employees.

1. **Warranty.**

1.1. Equipment. For non-customized Equipment purchased from GE Healthcare or its authorized distributors, unless otherwise identified in the Quotation, GE Healthcare warrants that Equipment will be free from defects in title, and, for 1 year from Equipment Acceptance, it will: (i) be free from defects in material and workmanship under normal use and service; and (ii) perform substantially in accordance with the Specifications. The warranty covers parts and labor and only applies to end-users that purchase Equipment from GE Healthcare or its authorized distributors.

1.2. Software. For Software licensed from GE Healthcare, GE Healthcare warrants that: (i) it has the right to license or sublicense Software to Customer; (ii) it has not inserted Disabling Code into Software; (iii) it will use efforts consistent with industry standards to remove viruses from Software before delivery; and (iv) unless otherwise identified in the Quotation, for 90 days from Software Acceptance, Software will perform substantially in accordance with the Documentation. "Disabling Code" is code designed to interfere with the normal operation of Software, but code that prohibits use outside of the license scope is not Disabling Code.

1.3. Services. GE Healthcare warrants that its Service will be performed by trained individuals in a professional, workman-like manner.

1.4. Used Equipment. Certain Used Equipment is provided with GE Healthcare's standard warranty for the duration identified in the Quotation, but in no event more than 1 year. If no warranty is identified, the Used Equipment is provided "AS IS" and is not warranted by GE Healthcare.

1.5. Accessories and Supplies. Warranties for accessories and supplies are at www.gehealthcare.com/accessories.

1.6. Third Party Product. Third Party Product is covered by the third party's warranty and not GE Healthcare's warranties.

2. Remedies. If Customer promptly notifies GE Healthcare of its claim during the warranty and makes the Product available, GE Healthcare will: (i) at its option, repair, adjust or replace the non-conforming Equipment or components; (ii) at its option, correct the non-conformity or replace the Software; and/or (iii) re-perform non-conforming Service. Warranty service will be performed from 8am to 5pm local time, Monday-Friday, excluding GE Healthcare holidays, and outside those hours at GE Healthcare's then-current service rates and subject to personnel availability. GE Healthcare may require warranty repairs to be performed via a secure, remote connection or at an authorized service center. If GE Healthcare replaces Equipment or a component, the original becomes GE Healthcare property and Customer will return the original to GE Healthcare within 5 days after the replacement is provided to Customer. Customer cannot stockpile replacement parts. Prior to returning Equipment to GE Healthcare, Customer will: (a) obtain a return to manufacturer authorization; and (b) back up and remove all information stored on the Equipment (stored data may be removed during repair). Customer is responsible for damage during shipment to GE Healthcare. The warranty for a Product or component provided to correct a warranty failure is the unexpired term of the warranty for the repaired or replaced Product.

GE Healthcare may provide a loaner unit during extended periods of Product service. If a loaner unit is provided: (i) it is for Customer's temporary use at the location identified in the Quotation; (ii) it will be returned to GE Healthcare within 5 days after the Product is returned to Customer, and if it is not, GE Healthcare may repossess it or invoice Customer for its full list price; (iii) it, and all programs and information pertaining to it, remain GE Healthcare property; (iv) risk of loss is with Customer during its possession; (v) Customer will maintain and return it in proper condition, normal wear and tear excepted, in accordance with GE Healthcare's instructions; (vi) it will not be repaired except by GE Healthcare; (vii) GE Healthcare will be given reasonable access to it; (viii) Customer is not paying for its use, and Customer will ensure charges or claims submitted to a government healthcare program or patient are submitted accordingly; and (ix) prior to returning it to GE Healthcare, Customer will delete all information, including PHI, from it and its accessories, in compliance with industry standards and instructions provided by GE Healthcare.

NO OTHER EXPRESS OR IMPLIED WARRANTIES, INCLUDING IMPLIED WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WILL APPLY. SERVICE MANUALS AND DOCUMENTATION ARE PROVIDED "AS IS". GE HEALTHCARE DOES NOT GUARANTEE PRODUCTS WILL OPERATE WITHOUT ERROR OR INTERRUPTION.

3. Limitations. GE Healthcare has no obligation to Customer for warranty claims if Customer uses the Product: (a) for non-medical or entertainment use or outside the United States; (b) in combination with software, hardware, or services not recommended in writing by GE Healthcare; and (c) in a manner or environment for which GE Healthcare did not design or license it, or in violation of GE Healthcare's recommendations or instructions.

In addition, these warranties do not cover: (i) defects or deficiencies from improper storage or handling, maintenance or use that does not conform to Specifications and/or Documentation, inadequate backup or virus protection, cyber-attacks, failure to maintain power quality, grounding, temperature, and humidity within Specifications and/or Documentation; (ii) repairs due to power anomalies or any cause external to the Products or beyond GE Healthcare's control; (iii) payment or reimbursement of facility costs arising from repair or replacement of the Products or parts; (iv) adjustment, alignment, calibration, or planned maintenance; (v) network and antenna installations not performed by GE Healthcare or its subcontractors; (vi) lost or stolen Products; (vii) Products with serial numbers altered, defaced or removed; (viii) modification of Product not approved in writing by GE Healthcare (ix) Products immersed in liquid; and (x) replacement of disposable or consumable items.

4. **Exceptions to Standard Warranty.**

DoseWatch Explore: DOSEWATCH EXPLORE SOFTWARE, SERVICES AND INFORMATION IS PROVIDED "AS IS" WITH NO WARRANTY

Partial System Equipment Upgrades for CT, MR, X-Ray, PET (Scanners, Cyclotrons and Chemistry Labs) and Nuclear systems: 6 months (only applies to the upgraded components), except Optima XR240amx partial upgrades, which are warranted for 1 year

Cyclotron and Radiopharmacy: Warranty starts on the earlier of (i) 3 months after the date GE Healthcare completes mechanical installation, or (ii) the date Product testing is successfully completed

MR Systems: Warranty does not cover: (i) a defect or deficiency from failure of water chillers supplied or serviced by Customer, and (ii) for MR systems with LHe/LN or shield cooler configured superconducting magnets (except for MR Systems with LCC magnets), any cryogen supply, cryogenic service or service to the magnet, cryostat, coldhead, shield cooler compressor or shim coils unless the need for supply or service is caused by a defect in material or workmanship covered by this warranty.

Proteus XR/a, Definium and Precision 500D X-Ray Systems: Warranty does not cover collimator bulbs

MX150 Vascular and Performix 160A (MX160) Tubes: 3 years

X-Ray High Voltage Rectifiers and TV Camera Pick-Up Tubes: 6 months

X-Ray Wireless Digital Detectors: In addition to the standard warranty, GE Healthcare will provide coverage for detector damage due to accidental dropping or mishandling. If accidental damage occurs, GE Healthcare will provide Customer with 1 replacement detector during warranty at no additional charge. If subsequent accidental damage occurs during warranty, each additional replacement will be provided for $30,000 per replacement. This additional coverage excludes damage caused by any use that does not conform to original equipment manufacturer ("OEM") guidelines, use that causes fluid invasion, holes, deep scratches or the detector case to crack, and damage caused by abuse, theft, loss, fire, power failures or surges. If the warranty is voided by these conditions, repair or replacement is Customer's responsibility. **Optima X-Ray 240amx:** 2 years (excluding detectors, which are standard)

Bone Mineral Densitometry: Alpha Source, Inc. will perform installation, application support and warranty services. Direct warranty claims to Alpha Source, Inc. at 1-800-654-9845. Upgraded computer, printer and monitor components include a 1 month warranty. Customer will not be credited the value of this warranty against pre-existing warranties or service agreements.

GE OEC New or Exchange Service/Maintenance Parts: 3 months GE

OEC Refurbished C-Arms: 1 year after installation

HealthNet Lan, Advantage Review — Remote Products: 3 months

LOGIQ e, Venue 50, LOGIQ V1, LOGIQ V2, Vivid iq, Vscan and Vscan Extend and related transducers and peripherals purchased with them:

3 years (5 years for LOGIQ e and Venue 50), except the following have a 1 year warranty:

- Transducers: TEE probes, including 6Tc-RS, 6VT-D and 9T-D
- Carts: Venue 50 Docking Cart, LOGIQ e Isolation Cart, LOGIQ e Docking Cart, and LOGIQ V1/V2 Cart
- Other Accessories: Batteries (internal & external), TEE cleaning & storage system, ICECord Connector and printers

Warranty covers defective parts and components and includes: (i) repair at GE Healthcare facilities, (ii) a loaner unit or probe replacement shipped for next business day delivery for requests received by 3pm Central Time, (iii) phone support from 7am to 7pm Central Time, Monday-Friday, excluding GE Healthcare holidays. For an additional charge, GE Healthcare may provide field support/service, planned maintenance, and/or coverage for damage due to accidental dropping or mishandling.

LOGIQ P9 R2.5 and newer, LOGIQ F8 (2016 model and newer), LOGIQ V5 and Vivid T8 along with related transducers and peripherals purchased with them: 3 years (5 years for LOGIQ P9 R2.5 and newer), except the following have a 1 year warranty:

- Other Accessories: Batteries (internal & external) and printers

Warranty covers defective parts and components and includes: (i) repair at Product location by a qualified service technician Monday-Friday 8am to 5pm local time, excluding GE Healthcare holidays, and (ii) phone support from 7am to 7pm Central Time, Monday-Friday, excluding GE Healthcare holidays. For an additional charge, GE Healthcare may provide planned maintenance and/or coverage for damage due to accidental dropping or mishandling.

Venue, along with related transducers purchased with it: 5 years, except the following have a 1 year warranty:

- Other Accessories: Batteries (internal & external), peripherals and printers

Warranty covers defective parts and components and includes: (i) phone support and remote repair via InSite and telephone from 7am to 7pm Central Time, Monday-Friday, excluding GE Healthcare holidays. For an additional charge, GE Healthcare may provide field support/service, planned maintenance, and/or coverage for damage due to accidental damage.

Ultrasound Partial System Equipment Upgrades: 3 months (only applies to the upgraded components). Customer will not be credited the value of the warranty against pre-existing warranties or service agreements.

Batteries: 3 months, except for x-ray nickel cadmium or lead acid batteries and ultrasound batteries, which are warranted for 1 year

CARESCAPE Monitors B450, B650 and B850: 3 years parts, 1 year labor (excluding displays, which are standard)

B40 Monitors: 2 years parts, 1 year labor (excluding displays, which are standard)

B105 and B125 Patient Monitors: 3 years parts and labor coverage with: (i) repair services performed at GE Healthcare Repair Operations Center, (ii) phone support from 7am to 5pm Central Time, Monday-Friday, excluding GE Healthcare holidays; and (iii) a loaner Product (subject to availability; shipping charges included).

MAC 800, 1200, 1600, 2000 and 3500: 3 years **CARESCAPE**

V100 and VC150 Vital Signs Monitors: 2 years **CARESCAPE**

T14 Transmitter: 2 years

SEER 1000: 2 years

Exergen: 4 years

Panda® iRes Warmers, Giraffe® Warmer and Giraffe® Carestation OmniBed: 7 year parts warranty on heater cal rod

Microenvironment and Phototherapy consumable components: 1 month

Corometrics® Fetal Monitoring: Warranty includes: (i) warranty starting on the earlier of (a) if GE Healthcare or Customer installs, 5 days after installation or (b) 40 days after shipment; and (ii) 2 years parts, 1 year labor

Corometrics® Nautilus Transducers: 2 years

Lullaby Phototherapy System: 3 years on lamp assembly

Blood pressure cuffs and related adaptors and air hoses: 1 month

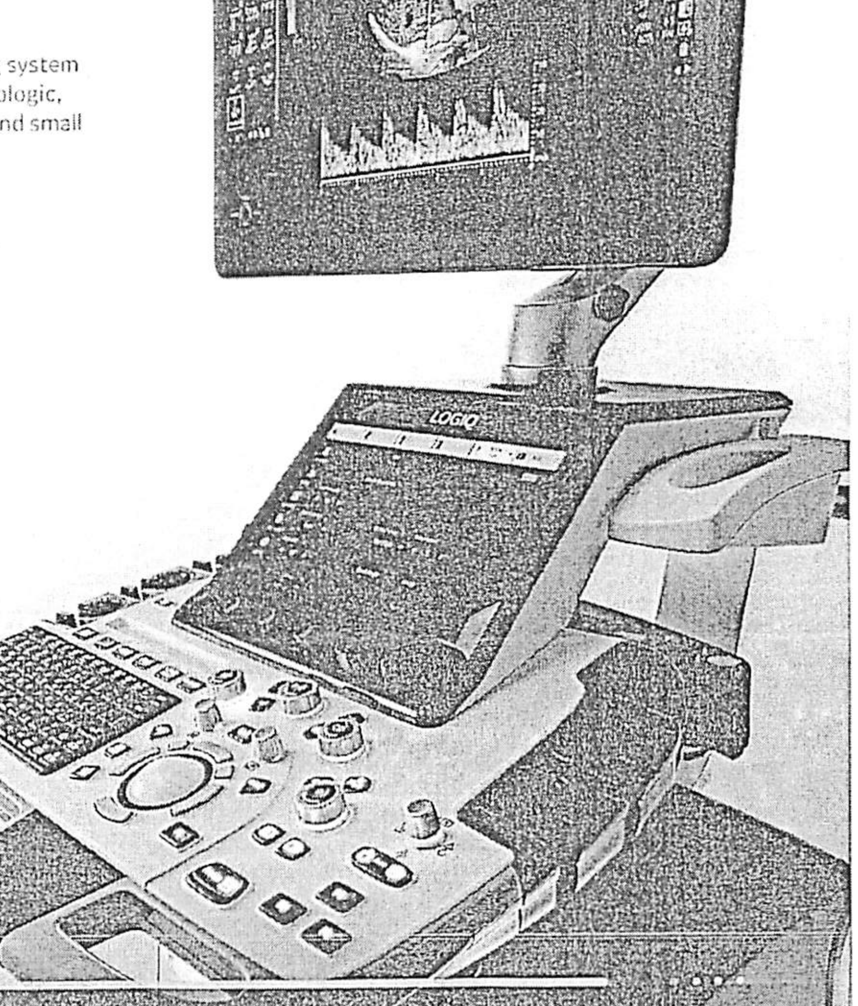
Oximeters: 3 years from installation, or 39 months from date of GE Healthcare invoice, whichever occurs first

Anesthesia Monitor Mounting Solutions: If purchased directly from GE Healthcare, it will be warranted as a GE Healthcare Product
Tec 850 Vaporizers: 3 years Tec
6 Plus Vaporizers: 2 year

LOGIQ™ E10

Data sheet

The LOGIQ E10 is GE's leadership ultrasound imaging system designed for abdominal, vascular, obstetric, gynecologic, neonatal, pediatric, urological, transcranial, cardiac and small parts applications.



gehealthcare.com

General specifications

Dimensions and weight *(Dimensions given with floating keyboard stowed and display tilted for transport)*	
Height	1300 mm, (51")
Width	585 mm, (23")
Depth	900.9 mm, (35.5")
Weight	126 kg, (278 lbs)

Electrical power

Voltage 100 - 240 VAC

Frequency 50/60 Hz

Power Consumption maximum of 1 KVA with peripherals

Console design

4 active probe ports

2 inactive probe storage ports

Integrated HDD (1 TB) and SSD (128 GB)

Integrated DVD-R Multi Drive

On-board storage of thermal printer

Integrated speakers with sub-woofer for premium sound

Integrated locking mechanism that provides rolling lock and caster swivel lock

Integrated cable management

Front and rear handles

Easily removable air filters

User interface

Operator keyboard

Floating keyboard adjustable in three dimensions	• Height • Rotation • Extension

Full-sized, backlit alphanumeric keyboard

Ergonomic hard key layout

Interactive back-lighting

Integrated recording keys for remote control of up to 4 peripheral or DICOM® devices

Integrated gel warmer (Option)

Touch screen

12.1" High-resolution, color, touch, display screen

Interactive dynamic software menu

Brightness adjustment

User-configurable layout

Display monitor

22" Wide screen high-resolution OLED display

Display translation (independent of console)

350 mm, (13.7") horizontal (both directions)

150 mm, (5.9") vertical

90° swivel (both directions)

Fold-down and lock mechanism for transportation

Resolution: 1920 X 1080

Anti-glare

Viewing angle 89/89/89°

System overview

Applications

Abdominal

Obstetrical

Gynecological

Breast

Small Parts

Peripheral Vascular

Transcranial (adult and neonatal)

Pediatric and neonatal

Musculoskeletal (general and superficial)

Urological

Cardiac (adult and pediatric)

Operating modes

B-Mode

M-Mode

Color Flow Mode (CFM)

B-Flow™

System overview *(cont.)*

Operating modes *(cont.)*

Extended field of view (LOGIQView)

Power Doppler Imaging (PDI)

PW Doppler

CW Doppler (Option)

Volume Modes (3D/4D) (Option)
- 3D Static
- 4D Real Time

Anatomical M-Mode

Coded Contrast Imaging (Option)

Strain elastography

Shear wave elastography (Option)

Scanning methods

Electronic sector

Electronic convex

Electronic linear

Mechanical volume sweep

Transducer types

Sector phased array

Convex array

Micro convex array

Linear array

Matrix array

Volume probes (4D)

Convex array

Split crystal

System standard features

Advanced user interface with high-resolution 12.1" display touch panel

Automatic optimization

CrossXBeam™

Speckle Reduction Imaging (SRI-HD)

Fine angle steer

Coded harmonic imaging

Virtual convex

Patient information database

System standard features *(cont.)*

Image archive on integrated CD/DVD and hard drive

Advanced 3D

Raw data analysis

Real-time automatic doppler calculations

OB calculations

Fetal trending

Multigestational calculations

Hip dysplasia calculations

Gynecological calculations

Vascular calculations

Urological calculations

Renal calculations

Cardiac calculations

InSite™ capability

On-board electronic documentation

Tricefy

Auto CF/PW positioning feature

Privacy and security

DICOM

B-Flow

LOGIQView

Compare Assistant

Scan Assistant

Auto IMT

Breast productivity package

Thyroid productivity package

OB measure assistant

Color quantification

Strain elastography

External USB printer connection

HDMI output available for compatible devices

Options

Power assistant

Storage bins

System overview *(cont.)*

Peripheral options

Integrated options for	• Digital B&W thermal printer • DVD video recorder
Digital color thermal printer	
Digital A6 color thermal printer	
Foot switch, with programmable functionality	
Console protective cover	
LOGIQ smart device apps	• Photo Assistant • Remote Control

Display modes

Live and stored display format	• Full size and split screen – both w/thumbnails. For still and CINE
Review image format	• 4x4, and thumbnails. For still and CINE
Time line display	• Independent Dual B or CrossXBeam /PW Display • CW • Display formats Top/bottom selectable format • Side/side selectable format
Virtual convex	

Simultaneous capability

B or CrossXBeam/PW

B or CrossXBeam/CW (Option)

B or CrossXBeam/CFM or PDI

B/M

B/CrossXBeam

B-Flow/PW

Real-time Triplex Mode

(B or CrossXBeam + CFM or PDI/PW)

Selectable alternating modes

B or CrossXBeam /PW

B or CrossXBeam + CFM (PDI)/PW

B/CW (Option)

Multi image (split/quad screen)

Live and/or frozen

B or CrossXBeam + B or CrossXBeam/CFM or PDI

PW/M

Independent Cine playback

Display annotation

Patient name: first, last and middle	
Patient ID	
Alternate patient ID	
Age, sex and date of birth	
Hospital name	
Date format: three types selectable	• MM/DD/YY • DD/MM/YY • YY/MM/DD
Time format: two types selectable	• 24 hours • 12 hours
Gestational age from	• LMP • GA • EDD • BBT
Probe name	
Map names	
Probe orientation	
Depth scale marker	
Lateral scale marker	
Image depth	
Zoom depth	
B-Mode	• Gain • Dynamic range • Imaging frequency • Frame averaging • Gray map • SRI-HD
M-Mode	• Gain • Dynamic range • Time scale

System overview *(cont.)*

Display annotation *(cont.)*

Doppler Mode	• Gain • Angle • Sample volume depth and width • Wall filter • Velocity and/or frequency scale • Spectrum inversion • Time scale • PRF • Doppler frequency
Color Flow Doppler Mode	• Line density • Frame averaging • Color Scale: 3 types: power, directional PDI, and symmetrical velocity imaging • Color velocity range and baseline • Color threshold marker • Color gain • PDI • Spectrum inversion • Doppler frequency

TGC curve

Acoustic frame rate

CINE gage, image number/frame number

Body pattern: multiple human and animal types

Application name

Measurement results

Operator message

Displayed acoustic output	• TIS: Thermal Index Soft Tissue • TIC: Thermal Index Cranial (Bone) • TIB: Thermal Index Bone • MI: Mechanical Index

% of maximum power output

Biopsy guide line and zone

Heart rate

General system parameters

System setup

Pre-programmed categories

User programmable preset capability

Factory default preset data

System setup *(cont.)*

Languages: English, French, German, Spanish, Italian, Brazilian Portuguese, Russian, Greek, Swedish, Danish, Dutch, Finnish, Norwegian

OB Report Formats including Tokyo

Univ., Osaka Univ., USA, Europe and ASUM

User defined annotations

Body patterns

Customized comment home position

Complete user manual available on board through Help (F1)

User manual and service manual are included on USB with each system. A printed manual is available upon request.

CINE memory/image memory

1 GB of CINE memory

Selectable CINE sequence for CINE review

Prospective CINE mark

Measurements/calculations and annotations on CINE playback

Scrolling timeline memory

Dual Image CINE display

Quad Image CINE display

CINE gauge and CINE image number display

CINE review loop

CINE review speed

Image storage

On-board database of patient information from past exams

Storage formats: DICOM	• Compressed/uncompressed • Single/multi-frame • Enhanced (3D/4D) • With/without raw data

Export JPEG, JPEG 2000, WMV (MPEG 4) formats

Storage devices	• USB memory stick: 64 MB to 64 GB (for exporting individual images/clips) • CD-R storage: 700 MB • DVD storage: -R (4.7 GB) • Hard drive image storage: ~830GB

Compare previous exam images with current exam

Reload of archived data sets

General system parameters *(cont.)*

Connectivity

Ethernet network connection

Wireless LAN 802.11ac/a/b/g/n (Option)

DICOM 3.0	• Verify • Print • Store • Modality worklist • Storage commitment • Modality performed procedure step (MPPS) • Media exchange • Off network/mobile storage queue • Query/retrieve

Public SR template

Structured Reporting – compatible with vascular and OB, cardiac and breast standard

InSite capability

Advanced privacy and security (Option)

Physiological input panel (Option)

Physiological input	• ECG, 1 channel • PCG, 1 channel • AUX, 1 channel • Dual R-Trigger • Pre-settable ECG R delay time • Pre-settable ECG position • Adjustable ECG gain control • Pre-settable PCG position • Adjustable PCG gain control • Pre-settable AUX position • Adjustable AUX gain control

Automatic heart rate display

Auto Ejection Fraction

Report writer (Option)

On-board reporting package automates report writing

Formats various exam results into a report suitable for printing or reviewing on a standard PC

Exam results include patient info, exam info, measurements, calculations, images, and comments Standard templates provided

Customizable templates

Scanning parameters

Displayed imaging depth: 0 – 50 cm

Minimum depth of field: 0 – 2 cm (zoom) (probe dependent)

Maximum depth of field: 0 – 50 cm (probe dependent)

Continuous dynamic receive focus/continuous dynamic receive

Aperture

Adjustable dynamic range	Adjustable field of view (FOV)

Image reverse: right/left

Image rotation of 0°, 180°

Digital B-Mode

Adjustable	• Acoustic power • Gain • Dynamic range • Frame averaging • Gray scale map • Frequency • Speed of sound (application dependent) • Framerate • Scanning size (FOV or Angle - Depending on the probe, see probe specifications) • CrossXBeam • B colorization • Reject • Suppression • SRI-HD

Digital M-Mode

Adjustable	• Acoustic power • Gain • Dynamic range • Gray scale map • Frequency • Sweep speed • M colorization • M display format • Rejection

Anatomical M-Mode

M-mode cursor adjustable at any plane

Can be activated from a CINE loop from a live or stored image

M & A capability

Available with Color Flow Mode

General system parameters *(cont.)*

Digital Spectral Doppler Mode

Adjustable	• Acoustic power • Gain • Dynamic range • Gray scale map • Transmit frequency • Wall filter • PW colorization • Velocity scale range • Sweep speed • Sample volume length • Angle correction • Steered linear • Spectrum inversion • Trace method • Baseline shift • Doppler auto trace • Time resolution • Compression • Trace direction • Trace sensitivity

Digital Color Flow Mode

Adjustable	• Acoustic power • Color maps, including velocity-variance maps • Gain • Velocity scale range • Wall filter • Packet size • Line density • Spatial filter • Steering angle • Baseline shift • Frame average • Threshold • Accumulation mode • Flash suppression • Auto ROI placement and steering on linear • Shortcuts

Digital Power Doppler Imaging

Adjustable	• Acoustic power • Color maps, including velocity-variance maps • Gain • Velocity scale range • Wall filter • Packet size • Line density • Spatial filter • Steering angle • Frame average • Threshold • Accumulation mode • Flash suppression • Shortcuts

Continuous Wave Doppler (Option)

Available on M5Sc-D, 6Tc-RS, and P2D probes

Steerable CW mode included

Adjustable	• Acoustic power • Gain • Dynamic range • Gray scale map • Transmit frequency • Wall filter • CW colorization • Velocity scale range • Sweep speed • Angle correction • Spectrum inversion • Trace method • Baseline shift • Doppler auto trace • Compression • Trace direction • Trace sensitivity

Automatic optimization

Optimize B-Mode image to help improve contrast resolution

Selectable amount of contrast resolution improvement (low, medium, high)

Auto-spectral optimize – adjusts baseline, invert, PRF (on live image), and angle correction

Auto CF and PW positioning – adjusts ROI position, sample volume position and steering

Coded Harmonic Imaging

Available on all 2D and 4D probes

B-Flow

Available on C1-6-D, C1-6VN-D, C2-7-D, C2-7VN-D, C2-7-D-LC, C2-9-D, C2-9VN-D, C3-10-D, L2-9-D, L2-9VN-D, ML6-15-D, M5Sc-D and L8-18i-D probes

Background

Sensitivity/PRI

Acoustic power

Frequency

Line density

Frame average

Gray scale map

Tint map

Dynamic range

General system parameters *(cont.)*

B-Flow (cont.)

Rejection

Gain

Suppression

SRI-HD

Accumulation

B Steer+

Available on the following probes: L2-9-D, ML6-15-D, L8-18i-D

Coded contrast imaging (Option)

Available on C1-6-D, C1-6VN-D, C2-9-D, C2-9VN-D, C2-7-D, C2-7VN-D, C2-7-D-LC, C3-10-D, IC5-9-D, L2-9-D, L2-9VN-D, ML6-15-D, RAB6-D, RIC5-9-D, M5Sc-D

2 contrast timers

Timed updates: 0.05 – 10 seconds

Accumulation mode, seven levels

Maximum enhance mode

Flash

Time intensity curve (TIC) analysis

Parametric imaging

The LOGIQ E10 is designed for compatibility with most commercially available ultrasound contrast agents. Because the availability of these agents is subject to government regulation and approval, product features intended for use with these agents may not be commercially marketed nor made available before the contrast agent is cleared for use. Contrast related product features are enabled only on systems for delivery to an authorized country or region of use.

Up to 160 cm (63") scan length

LOGIQView

Extended field of view Imaging

Available on all 2D imaging probes

For use in B-Mode

CrossXBeam is available on linear probes

Auto detection of scan direction

Pre-or post-process zoom

Rotation

Auto best fit on monitor

Measurements in B-Mode

3D

Allows unlimited rotation and planar translations

3D reconstruction from CINE sweep

Advanced 3D

Acquisition of color data

Automatic rendering

3D landscape technology

3D movie

Real Time 4D (Option)

Acquisition modes	• Real Time 4D • Static 3D • Spatio-Temporal Image Correlation
Visualization modes	• 3D rendering (diverse surface and intensity projection modes) • Sectional planes (3 section planes perpendicular to each other) • Omniview • Volume contrast imaging-static • Volume contrast imaging – Omniview • Tomographic ultrasound imaging
Render mode	• Surface texture, surface smooth, max-, min- and X-ray (average intensity projection), mix mode of two render modes • HD*live*™

Curved 3-point render start

3D movie

Scalpel: 3D cut tool

Display format	• Quad: A-/B-/C-Plane/3D • Dual: A-Plane/3D • Single: 3D or A- or B- or C-Plane

Automated volume calculation – VOCAL II

Betaview

General system parameters *(cont.)*

Volume navigation (Option)

Available on the C1-6VN-D, C2-9VN-D, C2-7VN-D, C3-10-D, L2-9VN-D, ML6-15-D, IC5-9-D, and L8-18i-D probes

Sensor-based acquisition

Position markers

Needle tip tracking

Virtual tracking

Auto image registration

Tru3D feature includes	Display of data in: main-, parallel-, angular-mode

Render modes: gray surface, texture, min-, max-, average-intensity

Measurements: distance, angle, area, volume

3D movie

Scan assistant

Factory programs

User-defined programs

Steps include image annotations, mode transitions, basic imaging controls and measurement initiation

Compare assistant

Allows side-by-side comparison of previous ultrasound and other modality exams during live scanning

Breast productivity package

Auto measurement

Worksheet summary includes measurements and locations for lesions and lymph nodes

Feature assessment

BI-RADS assessment

User editable

Thyroid productivity package

Auto measurement

Worksheet summary includes measurements and locations for nodule, parathyroid and lymph node

Feature assessment

User editable

ShearWave Elastography (Option)

Available on C1-6-D, C1-6VN-D, L2-9-D and L2-9VN-D transducers

User programmable measurement display in kPa and meters per second

Single and dual view display

Strain elastography

Available on ML6-15-D, L2-9-D, L2-9VN-D, IC5-9-D, C2-9-D, C2-9VN-D, C1-6-D, and C1-6VN-D probes

Relative analysis tool

Quantitative flow analysis

Available in color and power doppler

TVI (Option)

Myocardial doppler imaging with color overlay on tissue image

Available on M5Sc-D and 6Tc-RS transducers

Tissue color overlay can be removed to show just the 2D image, still retaining the tissue velocity information

Curved anatomical M-Mode: free (curved) drawing of M-Mode generated from the cursor independent from the axial plane

Q-Analysis: multiple time -motion trace display from selected points in the myocardium

Stress echo (Option)

Advanced and flexible stress echo examination capabilities

Provides exercise and pharmacological protocol templates

6 default templates

Template editor for user configuration of existing templates or creation of new templates

Reference scan display during acquisition for stress level comparison (dual screen)

Baseline level/previous level selectable

Raw data continuous capture

Over 100 sec. available

Wall motion scoring (bulls-eye and segmental)

Smart stress: Automatically set up various scanning parameters (e.g. geometry, frequency, gain) according to same projection on previous level

General system parameters *(cont.)*

Auto EF

Allows semi-automatic measurement of the global EF (Ejection Fraction)

User editable

Cardiac AFI (Option)

Allows assessment of the complete left ventricle with all segments at a glance by combining three longitudinal views into one comprehensive bulls-eye view

2D strain based data moves into clinical practice

Virtual convex

Provides a convex field of view

Compatible with CrossXBeam

Available on all linear and sector transducers

SRI-HD

Speckle reduction imaging

Provides multiple levels of speckle reduction

Compatible with side-by-side DualView display

Compatible with all linear, convex and sector transducers

Compatible w/ B-Mode, color, contrast agent and 3D/4D imaging

CrossXBeam

Provides variable angle spatial compounding

Live side-by-side DualView display

Compatible with	• Color mode • PW • SRI-HD • Coded harmonic imaging • Virtual convex

Available on all curved and linear probes

Controls available while "live"

Write zoom

B/M/CrossXBeam-Mode	• Gain • TGC • Dynamic range • Acoustic output • Framerate control • Sweep speed for M-Mode • CrossXBeam angle

Controls available while "live" (cont.)

PW-Mode	• Gain • Dynamic range • Acoustic output • Transmission frequency • PRF • Wall filter • Spectral averaging • Sample volume gate: length, depth • Velocity scale
Color Flow Mode	• CFM gain • CFM velocity range • Acoustic output • Wall echo filter • Packet size • Frame rate control • CFM spatial filter • CFM frame averaging • CFM line resolution • Frequency/velocity baseline shift

Controls available on "freeze" or recall

Automatic optimization

SRI-HD

CrossXBeam – display non-compounded and compounded image simultaneously in split screen

3D reconstruction from a stored CINE loop

B/M/CrossXBeam mode	• Gray map optimization • TGC • Colorized B and M • Frame average (loops only) • Dynamic range

Anatomical M-Mode

Max Read Zoom to 8x

Baseline shift

Sweep speed

PW mode	• Gray map • Post gain • Baseline shift • Sweep speed • Invert spectral wave form • Compression • Rejection • Colorized spectrum • Display format • Doppler audio • Angle correct • Quick angle correct • Auto angle correct

General system parameters *(cont.)*

Controls available on "freeze" or recall *(cont.)*	
Color flow	• Overall gain (loops and stills) • Color map • Transparency map • Frame averaging (loops only) • Flash suppression • CFM display threshold • Spectral invert for color/doppler
Anatomical M-Mode on cine loop	
4D	• Gray map, colorize • Post gain • Change display – single, dual, quad sectional or rendered

Measurements/calculations

General B-Mode
Depth and distance
Circumference (ellipse/trace)
Area (ellipse/trace)
Volume (ellipsoid)
% Stenosis (area or diameter)
Angle between two lines
Dual B-Mode capability

General M-Mode
M-Depth
Distance
Time
Slope
Heart rate

General Doppler measurements/calculations
Velocity
Time
A/B ratio (velocities/frequency ratio)
PS (Peak Systole)
ED (End Diastole)
PS/ED (PS/ED Ratio)

General Doppler measurements/calculations *(cont.)*
ED/PS (ED/PS Ratio)
AT (Acceleration Time)
ACCEL (Acceleration)
TAMAX (Time Averaged Maximum Velocity)
Volume flow (TAMEAN and vessel area)
Heart rate
PI (Pulsatility Index)
RI (Resistivity Index)

Real-time doppler auto measurements/calculations
PS (Peak Systole)
ED (End Diastole)
MD (Minimum Diastole)
PI (Pulsatility Index)
RI (Resistivity Index)
AT (Acceleration Time)
ACC (Acceleration)
PS/ED (PS/ED Ratio)
ED/PS (ED/PS Ratio)
HR (Heart Rate)
TAMAX (Time Averaged Maximum Velocity)
PVAL (Peak Velocity Value)
Volume Flow (TAMEAN and Vessel Area)

OB measurements/calculations	
Gestational age by	• GS (Gestational Sac) • CRL (Crown Rump Length) • FL (Femur Length) • BPD (Biparietal Diameter) • AC (Abdominal Circumference) • HC (Head Circumference) • APTD x TTD (Anterior/Posterior Trunk Diameter by Transverse Trunk Diameter) • FTA (Fetal Trunk Cross-sectional Area) • HL (Humerus Length) • BD (Binocular Distance) • FT (Foot Length) • OFD (Occipital Frontal Diameter) • TAD (Transverse Abdominal Diameter)

Measurements/calculations *(cont.)*

OB measurements/calculations *(cont.)*

Gestational age by *(cont.)*	• TCD (Transverse Cerebellum Diameter) • THD (Thorax Transverse Diameter) • TIB (Tibia Length) • ULNA (Ulna Length) • OOD (Outer Orbital Diameter) • IOD (Inner Orbital Diameter) • FIB (Fibula length) • Radius (Radius length) • LV (Lateral Ventricle width) (= SL)

Fetal graphical trending

Growth percentiles

Multi-gestational calculations (4)

Fetal qualitative description (anatomical survey)

Fetal environmental description (biophysical profile)

Programmable OB tables

Over 20 selectable OB calculations

Expanded worksheets

Estimated fetal weight (EFW) by:

AC, BPD

AC, BPD, FL

AC, BPD, FL, HC

AC, FL

AC, FL, HC

AC, HC

BPD, APTD, TTD, FL

BPD, APTD, TTD, SL

Calculations and ratios

FL/BPD

FL/AC

FL/HC

HC/AC

CI (Cephalic Index)

AFI (Amniotic Fluid Index)

CTAR (Cardio-Thoracic Area Ratio)

Calculations and ratios *(cont.)*

Measurements/calculations by: ASUM, ASUM 2001, Berkowitz, Bertagnoli, Brenner, Campbell, CFEF, Chitty, Eik-Nes Goldstein, Hadlock, Hansmann, Hellman, Hill, Hohler, Jeanty, JSUM, Kurtz, Mayden, Mercer, Merz, Moore, Nelson, Osaka University, Paris, Rempen, Robinson, Shepard, Shepard/Warsoff, Tokyo University, Tokyo/Shinozuka, Yarkoni

OB measure assistant

Allows automatic measurement of BPD, HC, FL and AC

User editable

GYN measurements/calculations

Right ovary length, width, height

Left ovary length, width, height

Uterus length, width, height

Cervix length, trace

Ovarian volume

ENDO (Endometrial thickness)

Ovarian RI

Uterine RI

Follicular measurements

Fibroid measurements

Pelvic floor measurements

Summary reports

Qualitative description (anatomical survey)

Vascular measurements/calculations

SYS DCCA (Systolic Distal Common Carotid Artery)

DIAS DCCA (Diastolic Distal Common Carotid Artery)

SYS MCCA (Systolic Mid Common Carotid Artery)

DIAS MCCA (Diastolic Mid Common Carotid Artery)

SYS PCCA (Systolic Proximal Common Carotid Artery)

DIAS PCCA (Diastolic Proximal Common Carotid Artery)

SYS DICA (Systolic Distal Internal Carotid Artery)

DIAS DICA (Systolic Distal Internal Carotid Artery)

SYS MICA (Systolic Mid Internal Carotid Artery)

DIAS MICA (Diastolic Mid Internal Carotid Artery)

SYS PICA (Systolic Proximal Internal Carotid Artery)

Measurements/calculations *(cont.)*

Vascular measurements/calculations (cont.)

DIAS PICA (Diastolic Proximal Internal Carotid Artery)

SYS DECA (Systolic Distal External Carotid Artery)

DIAS DECA (Diastolic Distal External Carotid Artery)

SYS PECA (Systolic Proximal External Carotid Artery)

DIAS PECA (Diastolic Proximal External Carotid Artery)

VERT (Systolic Vertebral Velocity)

SUBCLAV (Systolic Subclavian Velocity)

Automatic IMT

Summary reports

Urological calculations

Bladder volume

Prostate volume

Left/right renal volume

Generic volume

Post-void bladder volume

Pelvic floor measurements

Probes *(all optional)*

C1-6-D, XDclear convex probe

Applications: abdomen, OB/GYN, pediatric, peripheral vascular, general musculoskeletal

Biopsy guide: multi-angle, disposable with a reusable bracket (H4917VB)

C1-6VN-D, VNav inside XDclear convex probe

VNav sensor inside transducer for Volume Navigation tracking without sensor cables

Applications: abdomen, OB/GYN, pediatric, peripheral vascular, general musculoskeletal

Biopsy guide: multi-angle, disposable with a reusable bracket (H4917VB)

C2-9-D, XDclear convex probe

Applications: abdomen, OB/GYN, pediatric, peripheral vascular, neonatal, neonatal transcranial, general musculoskeletal

Biopsy guide: multi-angle, disposable with a reusable bracket (H4913BA)

C2-9VN-D, VNav inside XDclear convex probe

VNav sensor inside transducer for Volume Navigation tracking without sensor cables

Applications: abdomen, OB/GYN, pediatric, peripheral vascular, neonatal, neonatal transcranial, general musculoskeletal

Biopsy guide: multi-angle, disposable with a reusable bracket (H4913BA)

C2-7-D, micro convex biopsy probe

Applications: abdomen, pediatric

Biopsy guide: multi-angle, disposable with a reusable bracket (H40482LK), Multi-Angle, reusable stainless bracket (H40482LL)

C2-7VN-D, VNav inside micro convex biopsy probe

VNav sensor inside transducer for Volume Navigation tracking without sensor cables

Applications: abdomen, pediatric

Biopsy guide: multi-angle, disposable with a reusable bracket (H40482LK), Multi-Angle, reusable stainless bracket (H40482LL)

C3-10-D, XDclear micro convex probe

Applications: neonatal, pediatric, peripheral vascular, neonatal transcranial, small parts, pediatric cardiac

IC5-9-D, micro convex probe

Applications: OB/GYN, urology

Biopsy guide: single angle, disposable with a disposable bracket (E8385MJ) or reusable bracket (H40412LN)

M5Sc-D, sector probe

Applications: adult cardiac, pediatric cardiac, adult cephalic, abdominal

Biopsy guide: multi-angle, disposable with a reusable bracket (H45561FC)

L2-9-D, linear probe

Applications: peripheral vascular, small parts, pediatric, abdomen, OB/GYN, general musculoskeletal, superficial musculoskeletal, neonatal, neonatal transcranial

Biopsy guide: multi-angle, disposable with a reusable bracket (H44901AM)

Probes *(cont.)*

L2-9VN-D, VNav inside linear probe

VNav sensor inside transducer for Volume Navigation tracking without sensor cables

Applications: peripheral vascular, small parts, pediatric, abdomen, OB/GYN, general musculoskeletal, superficial musculoskeletal, neonatal, neonatal transcranial

Biopsy guide: multi-angle, disposable with a reusable bracket (H44901AM)

ML6-15-D, matrix array linear probe

Applications: small parts, peripheral vascular, neonatal, pediatric, neonatal transcranial, general musculoskeletal, superficial musculoskeletal

Biopsy guide: multi-angle, disposable with a reusable bracket (H40432LJ)

L8-18i-D, linear probe

Applications: small parts, peripheral vascular, neonatal, neonatal transcranial, general musculoskeletal, superficial musculoskeletal, intraoperative

RAB6-D, convex volume probe

Applications: abdomen, OB/GYN, pediatric, neonatal

Biopsy guide: single angle, reusable bracket (H46701AE)

RIC5-9-D, convex volume probe

Applications: OB/GYN, urology

Biopsy guide: single angle, reusable (H46721R)

P2D, CW split crystal probe

Applications: adult cardiac, pediatric cardiac, peripheral vascular, adult cephalic

6Tc-RS, trans-esophageal probe

Applications: adult cardiac

External inputs and outputs (not including on-board peripherals)

HDMI

Ethernet

Multiple USB 3.0 ports

Safety conformance

The LOGIQ E10 is:

Classified to UL 60601-1 by a Nationally Recognized Test Lab

Certified to CAN/CSA-C22.2 No. 601.1-M90 by an SCC accredited test lab

CE Marked to Council Directive 93/42/EEC on medical devices

Compliant to Council Directive 2011/65/EU for RoHS

Conforms to the following standards for safety (including national deviations)	• IEC 60601-1 Medical electrical equipment – Part 1: General requirements for safety • IEC 60601-1-2 Medical electrical equipment – Part 1-2 General requirements for safety – Collateral Standard: Electromagnetic compatibility – requirements and tests • IEC 62366 Medical Devices – Application of Usability Engineering to Medical Devices • IEC 62304 Medical device software – Software life-cycle processes • IEC 60601-2-37 Medical electrical equipment – Part 2-37: Particular requirements for the safety of ultrasonic medical diagnostic and monitoring equipment • ISO 10993-1 Biological evaluation of medical devices – Part 1 Evaluation and testing • NEMA UD2 Acoustic output measurement standard for diagnostic ultrasound equipment • NEMA UD3 Standard for real time display of thermal and mechanical acoustic output indices on diagnostic ultrasound equipment (MI, TIS, TIB, TIC) • EMC Emissions Group 1 Class A device requirements as per Sub clause 4.2 of CISPR 11

Supplement: cardiac measurements/calculations

B-Mode measurements	
Aorta	• Aortic Root Diameter (Ao Root Diam) • Aortic Arch Diameter (Ao Arch Diam) • Ascending Aortic diameter (Ao Asc) • Descending Aortic Diameter (Ao Desc Diam) • Aorta Isthmus (Ao Isthmus) • Aorta (Ao st junct)
Aortic valve	• Aortic Valve Cusp Separation (AV Cusp) • Aortic Valve Area Planimetry (AVA Planimetry) • (Trans AVA)
Left atrium	• Left Atrium Diameter (LA Diam) • LA Length (LA Major) • LA Width (LA Minor) • Left Atrium Diameter to AoRoot Diameter Ratio (LA/Ao ratio) • Left Atrium Area (LAA(d), LAA(s)) • Left Atrium Volume, Single Plane, Method of Disk (LAEDV A2C, LAESV A2C) (LAEDV A4C, LAESV A4C)
Left ventricle	• Left Ventricle Mass (LVPWd, LVPWs) • Left Ventricle Volume, Teichholz/Cubic (LVIDd, LVI Ds) • Left Ventricle Internal Diameter (LVIDd, LVI Ds) Left Ventricle Length (LVLd, LVLs) • Left Ventricle Outflow Tract Diameter (LVOT Diam) • Left Ventricle Posterior Wall Thickness (LVPWd, LVPWs) • Left Ventricle Length (LV Major) • Left Ventricle Width (LV Minor) • Left Ventricle Outflow Tract Area (LVOT) • Left Ventricle Area, Two Chamber/Four Chamber/Short Axis (LVA (d), LVA (s)) • Left Ventricle Endocardial Area, Width (LVA (d), LVA(s)) • Left Ventricle Epicardial Area, Length (LVAepi (d), LVAepi (s)) • Left Ventricle Mass Index (LVPWd, LVPWs) • Ejection Fraction, Teichholz/Cube (LVIDd, LVIDs) • Left Ventricle Posterior Wall Fractional Shortening (LVPWd, LVPWs) • Left Ventricle Stroke Index, Teichholz/ Cube (LVIDd, LVIDs and Body Surface Area) • Left Ventricle Fractional Shortening (LVIDd, LVIDs) • Left Ventricle Stroke Volume, Teichholz/ Cubic (LVIDd, LVIDs) • Left Ventricle Stroke Index, Single Plane, Two Chamber, Method of Disk (LVI Dd, LVIDs, LVSd, LVSs)

B-Mode measurements (cont.)	
Left ventricle (cont.)	• Left Ventricle Stroke Index, Single Plane, Four Chamber, Method of Disk (LVI Dd, LVIDs, LVSd, LVSs) • Left Ventricle Stroke Index, Bi-Plane, Bullet, Method of Disk (LVAd, LVAs) • Interventricular Septum (IVS) • Left Ventricle Internal Diameter (LVI D) • Left Ventricle Posterior Wall Thickness (LVPW)
Mitral valve	• Mitral Valve Annulus Diameter (MV Ann Diam) • E-Point-to-Septum Separation (EPSS) • Mitral Valve Area Planimetry (MVA Planimetry)
Pulmonic valve	• Pulmonic Valve Area (PV Planimetry) • Pulmonic Valve Annulus Diameter (PV Annulus Diam) • Pulmonic Diameter (Pulmonic Diam)
Right atrium	• Right Atrium Diameter, Length (RAD Ma) • Right Atrium Diameter, Width (RAD Mi) • Right Atrium Area (RAA) • Right Atrium Volume, Single Plane, Method of Disk (RAAd) • Right Atrium Volume, Systolic, Single Plane, Method of Disk (RAAs)
Right ventricle	• Right Ventricle Outflow Tract Area (RVOT Planimetry) • Left Pulmonary Artery Area (LPA Area) • Right Pulmonary Artery Area (RPA Area) • Right Ventricle Internal Diameter (RVIDd, RVIDs) • Right Ventricle Diameter, Length (RVD Ma) • Right Ventricle Diameter, Width (RVD Mi) • Right Ventricle Wall Thickness (RVAWd, RVAWs) • Right Ventricle Outflow Tract Diameter (RVOT Diam) • Left Pulmonary Artery (LPA) • Main Pulmonary Artery (MPA) • Right Pulmonary Artery (RPA)
System inferior vena cava	• Systemic Vein Diameter (Systemic Diam) • Patent Ductus Arterosis Diameter (PDA Diam) • Pericard Effusion (PEs) • Patent Foramen Ovale Diameter (PFO Diam) • Ventricular Septal Defect Diameter (VSD Diam) • Interventricular Septum (IVS) Fractional Shortening (IVSd, IVSs)

Supplement: cardiac measurements/calculations *(cont.)*

B-Mode measurements (cont.)	
Tricuspid valve	• Tricuspid Valve Area (TV Panimetry) • Tricuspid Valve Annulus Diameter (TV Annulus Diam)

M-Mode measurements	
Aorta	• Aortic Root Diameter (Ao Root Diam) • Aortic Valve • Aortic Valve Diameter (AV Diam) • Aortic Valve Cusp separation (AV Cusp) • Aortic Valve Ejection Time (LVET)
Left atrium	• Left Atrium Diameter to AoRoot Diameter Ratio (LA/Ao Ratio) • Left Atrium Diameter (LA Diam)
Left ventricle	• Left Ventricle Volume, Teichholz/Cubic (LVIDd, LVI Ds) • Left Ventricle Internal Diameter (LVIDd, LVI Ds) • Left Ventricle Posterior Wall Thickness (LVPWd, LVPWs) • Left Ventricle Ejection Time (LVET) • Left Ventricle Pre-Ejection Period (LVPEP) • Interventricular Septum (IVS) • Left Ventricle Internal Diameter (LVI D) • Left Ventricle Posterior Wall Thickness (LVPW)
Mitral valve	• E-Point-to-Septum Separation (EPSS) • Mitral Valve Leaflet Separation (D-E Excursion) • Mitral Valve Anterior Leaflet Excursion (D-E Excursion) • Mitral valve D-E Slope (D-E Slope) • Mitral Valve E-F Slope (E-F Slope)
Pulmonic valve	• QRS Complex to End of Envelope (Q-PV close)
Right ventricle	• Right Ventricle Internal Diameter (RVIDd, RVIDs) • Right Ventricle Wall Thickness (RVAWd, RVAWs) • Right Ventricle Outflow Tract Diameter (RVOT Diam) • Right Ventricle Ejection Time (RVET) • Right Ventricle Pre-Ejection Period (RVPEP)
System	• Pericard Effusion (PE (d))
Tricuspid valve	• QRS Complex to End of Envelope (Q-TV close)

Doppler Mode measurements	
Aortic valve	• Aortic Insufficiency Mean Pressure Gradient (AR Trace) • Aortic Insufficiency Peak Pressure Gradient (AR Vmax) • Aortic Insufficiency End Diastole Pressure Gradient (AR Trace) • Aortic Insufficiency Mean Velocity (AR Trace) • Aortic Insufficiency Velocity Time Integral (AR Trace) • Aortic Valve Mean Velocity (AV Trace) • Aortic Valve Velocity Time Integral (AV Trace) • Aortic Valve Mean Pressure Gradient (AV Trace) • Aortic Valve Peak Pressure Gradient (AR Vmax) • Aortic Insufficiency Peak Velocity (AR Vmax) • Aortic Insufficiency End-Diastolic Velocity(AR Trace) • Aortic Valve Peak Velocity (AV Vmax) • Aortic Valve Peak Velocity at Point E (AV Vmax) • Aorta Proximal Coarctation (Coarc Pre-Duct) • Aorta Distal Coarctation (Coarc Post-Duct) • Aortic Valve Insufficiency Pressure Half Time (AR PHT) • Aortic Valve Flow Acceleration (AV Trace) • Aortic Valve Pressure Half Time (AV Trace) • Aortic Valve Acceleration Time (AV Acc Time) • Aortic Valve Deceleration Time (AV Dec Time) • Aortic Valve Ejection Time (AVET) • Aortic Valve Acceleration to Ejection Time Ratio (AV Acc Time, AVET) • Aortic Valve Area(VTI): AVA (Vmax)
Left ventricle	• Left Ventricle Outflow Tract Peak Pressure Gradient (LVOT Vmax) • Left Ventricle Outflow Tract Peak Velocity (LVOT Vmax) • Left Ventricle Outflow Tract Mean Pressure Gradient (LVOT Trace) • Left Ventricle Outflow Tract Mean Velocity (LVOT Trace) • Left Ventricle Outflow Tract Velocity Time Integral (LVOT Trace) • Left Ventricle Ejection Time (LVET)
Mitral valve	• Mitral Valve Regurgitant Flow Acceleration (MR Trace) • Mitral Valve Regurgitant Mean Velocity (MR Trace) • Mitral Regurgitant Mean Pressure Gradient (MR Trace) • Mitral Regurgitant Velocity Time Integral (MR Trace) • Mitral Valve Mean Velocity (MV Trace)

Cardiac measurements/ calculations *(cont.)*

Doppler Mode measurements *(cont.)*	
Mitral valve *(cont.)*	• Mitral Valve Velocity Time Integral (MV Trace) • Mitral Valve Mean Pressure Gradient (MV Trace) • Mitral Regurgitant Peak Pressure Gradient (MR Vmax) • Mitral Valve Peak Pressure Gradient (MV Vmax) • Mitral Regurgitant Peak Velocity (MR Vmax) • Mitral Valve Peak Velocity (MV Vmax) • Mitral Valve Velocity Peak A (MV A Velocity) • Mitral Valve Velocity Peak E (MV E Velocity) • Mitral Valve Area According to PHT (MV PHT) • Mitral Valve Flow Deceleration (MV DecT) • Mitral Valve Pressure Half Time (MV PHT) • Mitral Valve Flow Acceleration (MV AccT) • Mitral Valve E-Peak to A-Peak Ratio (A-C and D-E) (MV E/ARatio) • Mitral Valve Acceleration Time • (MV Acc Time) • Mitral Valve Deceleration Time (MV Dec Time) • Mitral Valve Ejection Time ((MVET) • Mitral Valve A-Wave Duration (MV A Dur) • Mitral Valve Time to Peak (MV TTP) • Mitral Valve Acceleration Time/ Deceleration Time Ratio (MVAcc/Dec Time) • Stroke Volume Index by Mitral Flow (MVA Planimetry, MVTrace)
Pulmonic valve	• Pulmonic Insufficiency Peak Pressure Gradient (PR Vmax) • Pulmonic Insufficiency End-Diastolic Pressure Gradient (PRTrace) • Pulmonic Valve Peak Pressure Gradient (PV Vmax) • Pulmonic Insufficiency Peak Velocity (PR Vmax) • Pulmonic Insufficiency End-Diastolic Velocity (Prend Vmax) • Pulmonic Valve Peak Velocity (PV Vmax) • Pulmonary Artery Diastolic Pressure (PV Trace) • Pulmonic Insufficiency Mean Pressure Gradient (PR Trace) • Pulmonic Valve Mean Pressure Gradient (PV Trace) • Pulmonic Insufficiency Mean Square Root Velocity (PR Trace) • Pulmonic Insufficiency Velocity Time Integral (PR Trace) • Pulmonic Valve Mean Velocity (PV Trace) • Pulmonic Valve Velocity Time Integral (PV Trace)

Doppler Mode measurements *(cont.)*	
Pulmonic valve *(cont.)*	• Pulmonic Insufficiency Pressure Half Time (PR PHT) • Pulmonic Valve Flow Acceleration (PV Acc Time) • Pulmonic Valve Acceleration Time (PV Acc Time) • Pulmonic Valve Ejection Time (PVET) • QRS Complex to End of Envelope (Q-to-PV Close) • Pulmonic Valve Acceleration to Ejection TIme Ratio (PV Acc Time, PVET)
Right ventricle	• Right Ventricle Outflow Tract Peak Pressure Gradient (RVOT Vmax) • Right Ventricle Outflow Tract Peak Velocity (RVOT Vmax) • Right Ventricle Outflow Tract Velocity Time Integral (RVOTTrace) • Right Ventricle Ejection Time (RV Trace) • Stroke Volume by Pulmonic Flow (RVOT Planimetry, RVOTTrace) • Right Ventricle Stroke Volume Index by Pulmonic Flow (RVOT Planimetry, RVOT Trace)
System	• Pulmonary Artery Peak Velocity (PV Vmax) • Pulmonary Vein Velocity Peak A (Reverse) (P Vein A) • Pulmonary Vein Peak Velocity (P Vein D, P Vein S) • Systemic Vein Peak Velocity (PDA Diastolic, PDA Systolic) • Ventricular Septal Defect Peak Velocity (VSD Vmax) • Atrial Septal Defect (ASD Diastolic, ASD Systolic) • Pulmonary Vein A-Wave Duration (P Vein A Dur) • IsoVolumetric Relaxation Time (IVRT) • IsoVolumetric Contraction Time (IVCT) • Pulmonary Vein S/D Ratio (P Vein D, P Vein S) • Ventricular Septal Defect Peak Pressure Gradient (VSD Vmax) • Pulmonic-to-Systemic Flow Ratio (Qp/Qs)
Tricuspid valve	• Tricuspid Regurgitant Peak Pressure Gradient (TR Vmax) • Tricuspid Valve Peak Pressure Gradient (TV Vmax) • Tricuspid Regurgitant Peak Velocity (TR Vmax) • Tricuspid Valve Peak Velocity (TV Vmax) • Tricuspid Valve Velocity Peak A (TV A Velocity)

Cardiac measurements/ calculations *(cont.)*

Doppler Mode measurements *(cont.)*	
Tricuspid valve *(cont.)*	• Tricuspid Valve Velocity Peak E (TV E Velocity) • Tricuspid Regurgitant Mean Pressure Gradient (TR Trace) • Tricuspid Valve Mean Pressure Gradient (TV Trace) • Tricuspid Regurgitant Mean Velocity (TR Trace) • Tricuspid Regurgitant Velocity Time Integral (TR Trace) • Tricuspid Valve Mean Velocity (TV Trace) • Tricuspid Valve Velocity Time Integral (TV Trace) • Tricuspid Valve Time to Peak (TV TTP) • Tricuspid Valve Ejection Time (TV Acc/Dec Time) • Tricuspid Valve A-Wave Duration (TV A Dur) • QRS Complex to End of Envelope (Q-TV Close) • Tricuspid Valve Pressure Half Time (TV PHT) • Stroke Volume by Tricuspid Flow (TV Planimetry, TV Trace) • Tricuspid Valve E-Peak to A-Peak Ratio (TV E/A Velocity)

Color Flow Mode measurements	
Aortic valve	• Proximal Isovelocity Surface Area: Regurgitant Orifice Area (AR Radius) • Proximal Isovelocity Surface Area: Radius of Aliased Point (AR Radius) • Proximal Isovelocity Surface Area: Regurgitant Flow (AR Trace) • Proximal Isovelocity Surface Area: Regurgitant Volume Flow (AR Trace) • Proximal Isovelocity Surface Area: Aliased Velocity (AR Vmax)
Mitral valve	• Proximal Isovelocity Surface Area: Regurgitant Orifice Area (MR Radius) • Proximal Isovelocity Surface Area: Radius of Aliased Point (MR Radius) • Proximal Isovelocity Surface Area: Regurgitant Flow (MR Trace) • Proximal Isovelocity Surface Area: Regurgitant Volume Flow (MR Trace) • Proximal Isovelocity Surface Area: Aliased Velocity (MR Vmax)

Combination Mode measurements	
Aortic valve	• Aortic Valve Area (Ao Root Diam, LVOT Vmax, AV Vmax) • Aortic Valve Area by Continuity Equation by Peak Velocity (Ao Root Diam, LVOT Vmax, AV Vmax)

Combination Mode measurements *(cont.)*	
Aortic valve *(cont.)*	• Stroke Volume by Aortic Flow (AVA Planimetry, AV Trace) • Cardiac Output by Aortic Flow (AVA Planimetry, AV Trace, HR) • Aortic Valve Area by Continuity Equation VTI (Ao Root Diam, LVOT Vmax, AV Trace)
Left ventricle	• Cardiac Output, Teichholz/Cubic (LVIDd, LVIDs, HR) • Cardiac Output Two Chamber, Single Plane, Area-Length/Method of Disk(Simpson) (LVAd, LVAs, HR) • Cardiac Output Four Chamber, Single Plane, Area-Length/Method of Disk (Simpson) (LVAd, LVAs, HR) • Ejection Fraction Two Chamber, Single Plane, Area-Length/Method of Disk (Simpson) (LVAd, LVAs) • Ejection Fraction Four Chamber, Single Plane, Area-Length/Method of Disk (Simpson) (LVAd, LVAs) • Left Ventricle Stroke Volume, Single Plane, Two Chamber/Four Chamber, Area-Length (LVAd, LVAs) • Left Ventricle Stroke Volume, Single Plane, Two Chamber/Four Chamber, Method of Disk (Simpson) (LVIDd, LVIDs, LVAd, LVAs) • Left Ventricle Volume, Two Chamber/Four Chamber, Area-Length (LVAd, LVAs) • Ejection Fraction, Bi-Plane, Method of Disk (LVAd, LVAs, 2CH, 4CH) • Left Ventricle Stroke Volume, Bi-Plane, Method of Disk (LVAd, LVAs, 2CH, 4CH) • Left Ventricle Volume, Bi-Plane, Method of Disk (LVAd, LVAs, 2CH, 4CH) • Left Ventricle Stroke Index, Single Plane, Two Chamber/Four Chamber, Area-Length (LVSd, LVSs and BSA) • Left Ventricle Volume, Single Plane, Two Chamber/Four Chamber, Method of Disk (LVAd, LVAs) • Left Ventricle Volume, Apical View, Long Axis, Method of Disk (LVAd, LVAs)
Mitral valve	• Stroke Volume by Mitral Flow (MVA Planimetry, MV Trace) • Cardiac Output by Mitral Flow (MVA Planimetry, MV Trace, HR)
Pulmonic valve	• Stroke Volume by Pulmonic Flow (PV Planimetry, PV Trace) • Cardiac Output by Pulmonic Flow (PV Planimetry, PV Trace, HR)
Tricuspid valve	• Cardiac Output by Tricuspid Flow (TV Planimetry, TV Trace, HR)

Cardiac measurements/ calculations *(cont.)*

Cardiac worksheet
Parameter: lists the mode, the measurement folder and the specific measurement
Measured Value: Up to six measurement values for each item. Average, maximum, minimum or last

Generic study in cardiology
Stroke Volume (SV)
Cardiac Output (CO)

Product may not be available in all countries and regions. Full product technical specifications is available upon request. Contact a GE Healthcare Representative for more information. Please visit www.gehealthcare.com/promotional locations.

Data subject to change.

© 2018 General Electric Company.

GE, the GE Monogram, imagination at work, LOGIQ, InSite, B-Flow, CrossXBeam and HDlive are trademarks of General Electric Company.

DICOM is the registered trademark of the National Electrical Manufacturers Association for its standards publications relating to digital communications of medical information.

BI RADS is a trademark of the American College of Radiology.

Reproduction in any form is forbidden without prior written permission from GE. Nothing in this material should be used to diagnose or treat any disease or condition. Readers must consult a healthcare professional.

April 2019 DOC2068513

LOGIQ E10

Probe Guide

Featuring XDclear™ Technology

The LOGIQ™ E10 is GE's leadership ultrasound imaging system designed for abdominal, vascular, obstetric, gynecologic, neonatal, pediatric, urological, transcranial, cardiac and small parts applications.

gehealthcare.com

	Description	Applications	FOV	Bandwidth	Biopsy Guide	Volume Navigation
	Convex					
C1-6-D C1-6VN-D*	XDclear Broad-spectrum convex probe	Abdominal, Obstetrics, Gynecology, Vascular, Musculoskeletal	80°	1 - 6 MHz	Multi-angle, disposable with a reusable bracket	Yes * Internal VNav sensor, does not require an external bracket
C2-9-D C2-9VN-D*	XDclear Broad-spectrum convex probe	Abdominal, Obstetrics, Gynecology, Pediatrics, Vascular, Musculoskeletal	70°	2 - 9 MHz	Multi-angle, disposable with a reusable bracket	Yes * Internal VNav sensor, does not require an external bracket
C1-10-D	XDclear Broad-spectrum convex probe	Neonatal, Pediatrics, Vascular, Small Parts	95°	2 - 11 MHz	No	Yes
IC5-9-D	Broad-spectrum micro-convex intra-cavitary probe	Obstetrics, Gynecology, Urology	180°	3 - 10 MHz	Single-angle, disposable or single-angle, reusable	Yes
C2-7-D C2-7VN-D*	Broad spectrum convex probe	Abdominal	110°	1 - 6 MHz	Multi-angle, disposable with a reusable bracket	Yes * Internal VNav sensor, does not require an external bracket
	Linear					
L2-9-D L2-9-VN-D*	XDclear Broad-spectrum linear probe	Vascular, Small Parts, Musculoskeletal, Neonatal Cephalic, Pediatric, Abdominal, Obstetrical	44 mm	2 - 9 MHz	Multi-angle, disposable with a reusable bracket	Yes * Internal VNav sensor, does not require an external bracket
ML6-15-D	Broad-spectrum linear matrix array probe	Vascular, Small Parts, Neonatal, Pediatrics	50 mm	4 - 15 MHz	Multi-angle, disposable with a reusable bracket	Yes
L8-18i-D	Broad-spectrum linear probe	Small Parts, Vascular, Intraoperative, Neonatal	25 mm	4 - 15 MHz	No	Yes

	Description	Applications	FOV	Bandwidth	Biopsy Guide	Volume Navigation
	Sector					
M5Sc-D	XDclear Broad-spectrum sector probe	Cardiac, Transcranial, Abdominal	120°	1 - 5 MHz	Multi-angle, disposable with a reusable bracket	No
	Real-time 4D					
RAB6-D	Broad-spectrum real-time 4D probe	Abdominal, Obstetrics, Gynecology, Pediatrics	80°	2 - 8 MHz	Single angle, disposable with a reusable bracket	No
RIC5-9-D	Broad-spectrum real-time 4D micro-convex probe	Obstetrics, Gynecology, Urology	180°	3 - 10 MHz	Single-angle, reusable	No
	Specialty					
P2D	CW split crystal pencil probe	Cardiac, Vascular	N/A	1 - 3 MHz	No	No
6Tc-RS	TEE probe	Cardiac	90°	2 - 8 MHz	No	No

For probe care and cleaning information, visit www.gehealthcare.com/transducers.

Imagination at work

Product may not be available in all countries and regions. Full product technical specification is available upon request. Contact a GE Healthcare Representative for more information. Please visit www.gehealthcare.com/promotional-locations.

Data subject to change.

© 2013 General Electric Company.

GE, the GE Monogram, imagination at work, LOGIQ and XDclear are trademarks of General Electric Company.

DICOM is the registered trademark of the National Electrical Manufacturers Association for its standards publications relating to digital communications of medical information.

BI-RADS is a trademark of the American College of Radiology.

Reproduction in any form is forbidden without prior written permission from GE. Nothing in this material should be used to diagnose or treat any disease or condition. Readers must consult a healthcare professional.

April 2013 DOC[illegible]

TAB 6

Quotation

Customer no.
91266114

Quotation no. 136142476 | **Date of offer** 08/02/2019
Please reference on inquiries

Customer
ADVENTIST HEALTH
PO BOX 619085
ROSEVILLE CA 95661-9085

Payer 91266114
ADVENTIST HEALTH
PO BOX 619085
ROSEVILLE CA 95661-9085

Your Reference
08/02/2019
(1)Apollo-IACS C500 R1

Ship to 91044375
MENDOCINO COAST DIST HOSP
700 RIVER DR
FORT BRAGG CA 95437-5403

Your contact person

CHRISTOPHER GILSENAN
Tel.: 415-418-0780
christopher.gilsenan@draeger.com

Dear Customer,

Thank you for your inquiry. Please find enclosed our corresponding offer.
If you have any further questions, please do not hesitate to contact us.

Quotation no.: **136142476**
Responsible: **CHRISTOPHER GILSENAN**

Telephone: 415-418-0780
Fax: 215-721-5811
E-mail: christopher.gilsenan@draeger.com

Best regards

Draeger Inc.

Quotation

Customer no.
91266114

Quotation no. 136142476 | Date of offer 08/02/2019
Please reference on inquiries

Payer
91266114

Line	Quant.	Part no. Description	Unit price USD	Discount %	Total price USD
		National account: PREMIER ANES TIER 2			
		Shipping Charges per above National Account Confirmation no. to customer: Date confirmation to customer: Order-No. from customer: Date order from customer:			
		ADVENTIST HEALTH (CA) / PREMIER ANES T2			
		PREMIER ANES CONTRACT #PP-MM-731			
		PREMIER MONITORING CONTRACT #PP-MM-617			
		FOB: FCA-DESTINATION / PREPAY AND ADD			
		PAYMENT TERMS: NET 45 DAYS; 2% DISCOUNT IF PAID WITHIN 10 DAYS			
		Note: This order is governed solely by the terms and conditions of Capital Equipment Supplier Agreement PP-MM-731 & PP-MM-617 between Premier and Draeger Inc.			
		The IACS/M540 unit on this quotation is configured for wireless operation. This option will require a wireless site survey of the desired coverage area in order to enable the wireless capability. The wireless site survey, unless listed on this quotation, is not included and will be quoted separately when implemented.			
		APOLLO BELLOWS BUSTER TRADE-IN PROMOTION			
		PROMOTIONAL PERIOD: 02/05/2019 - 11/08/2019			
		THIS QUOTATION/ORDER REFLECTS A PROMOTIONAL TRADE-IN VALUE OF $12,000.00 FOR THE FOLLOWING: -ANESTHESIA MACHINE -GAS ANALYZER -MONITOR			

Quotation

Customer no.
91266114

Quotation no. 136142476
Date of offer 08/02/2019
Please reference on inquiries

Payer
91266114

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			APPLIES TO THE PURCHASE OF APOLLO WORKSTATIONS ONLY.			
			THE ENTIRE ANESTHESIA WORKSTATION MUST BE RETURNED TO RECEIVE CREDIT.			
			CREDIT WILL BE ISSUED UPON RECEIPT OF TRADE-IN UNIT AT DRAEGER MEDICAL.			
0010	**1 EA**	**8606500**	**Apollo**			
			****Specif.national properties****			
			Target country			
			USA			
			***** Main configuration *****			
	1 EA	OPC5280	Standard floor unit	40,107.29		40,107.29
			SW version 4.53			
			* Non-consumptive gas module			
			3 Gas - O2 / AIR N2O			
			**** Gas connection ****			
	1 EA	MX50090	CLIC adapter	458.20		458.20
	1 EA	8605491	Dräger Auto Exclusion, 2 vap.	1,486.49		1,486.49
			**** Cyl.holder & press reg. ****			
	1 EA	8603705	Press.red. O2, small, CGAV-1	889.35		889.35
			Press.reducer N2O f.s.cylind.			
	1 EA	8603714	Press.red. N2O, small, CGAV-1	924.00		924.00
			Press.reducer AIR f.s.cylind.			
	1 EA	8603514	Press.red. AIR, small, CGAV-1	924.00		924.00
			**** Central supply hoses ****			
			Central gas supply hoses			
	1 EA	8608312	Kit 2. power outlet strip	509.96		509.96
			***** Ventilator & Display *****			
			w/o external fresh-gas outlet			
			***** Software options *****			
			Software options in package			
	1 EA	OPC5589	AF+enh. Ventilation+Monitoring	4,581.44		4,581.44

Quotation

Customer no.
91266114

Quotation no.	Date of offer
136142476	08/02/2019

Please reference on inquiries

Payer
91266114

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			*** **Required accessories** ***			
			incl. Spirolog, 5 pcs			
	1 EA	OPC0001	Dräger AGS	726.77		726.77
	1 EA	M33295	AGS transfer hose, 1.0 m	124.92		124.92
			*** **Endotracheal suction** ***			
	1 EA	MK03140	Endotrach. suction DISS, VAC	458.02		458.02
	1 EA	8605416	Endotr. suction on swivel arm	233.20		233.20
			*** **Hardware components** ***			
	1 EA	8605361	Halogen lamp 12V direct	285.23		285.23
	1 EA	OPC0046	Halogen light holder	26.37		26.37
	1 EA	OPC5593	Writing tray, large	98.88		98.88
	1 EA	M36049	Castor guard	238.55		238.55
	1 EA	OPC0053	Hook for supply gas hoses	26.37		26.37
			** **Patient monitoring** **			
			Preparation patient monitoring			
			GCX arms			
			Prep. for Infinity IACS C500			
			Monitor le. + M540 downpost			
			*** **Selection CS hoses** ***			
			with O2			
			with N2O			
			with AIR			
			with VAC			
			with EVAC			
			DISS/CGAV-5 / Nipple+Nut Hand			
			Length of CS hoses 15ft			
	1 EA	4199591	O2 CS hose, 15 ft DISS, Hand	95.18		95.18
	1 EA	4199595	N2O CS hose, 15ft, DISS, Hand	95.18		95.18
	1 EA	4199593	AIR CS hose 15ft DISS Hand	95.18		95.18
	1 EA	4199589	VAC CS hose, 15 ft, DISS, hand	95.18		95.18
	1 EA	4199587	EVAC CS hose Hand/DISSN 15ft	27.09		27.09
			*** **Workstation Mounting** ***			
			Pat. monitor already on site			
			*** **Patient Monitoring** ***			
	1 EA	8608384	Rear panel mounting for PS	110.86		110.86
	1 EA	8607499	Pole, Ø 25 mm, 12"	61.59		61.59

Quotation

Customer no.
91266114

Quotation no. 136142476 | **Date of offer** 08/02/2019

Please reference on inquiries

Payer
91266114

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
	1 EA	OPC5654	M500 universal mounting	130.59		130.59
	1 EA	MS26297	Accessory holder	28.90		28.90
	1 EA	OPC5740	Medibus X 9.6 Kit	0.06		0.06
	1 EA	8605980	Lift arm	742.34		742.34
	1 EA	OPC5677	2x System cable 2.5m	253.24		253.24
			Value Apollo			**53,834.43**
0020	**12 EA**	**6872130**	**WaterLock2**	12.72		152.64
0030	**6 EA**	**MX00004**	**CLIC absorber 800+**	15.40		92.40
0040	**1 EA**	**MS25510**	**IACS Monitoring with C500** IACS Monitoring with C500 ****Specif.national properties**** Target country USA **** Medical Cockpit **** Monitoring with C500 **** Care Unit **** OR/Induction (Periop) **** Workstation Mounting **** For an existing Draeger device Others ****Infinity Acute Care System****			
	1 EA	OP90127	Monitoring with C500 **** SpO2 Technology **** Masimo MCable RAINBOW SET MCABLE SpO2 Pod Mount **** System Cables **** System cable angled 2.5m System cable angled 2.5m	12,240.00		12,240.00

Quotation

Customer no.
91266114

Quotation no. 136142476
Date of offer 08/02/2019
Please reference on inquiries

Payer
91266114

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			***Expanded Monitoring Promotion**			
	1 EA	OP90168	SW opt 12-Lead ECG Monitoring	0.01		0.01
	1 EA	OP90169	SW option Arrhythmia II	0.01		0.01
	1 EA	OP90170	SW option Multi IBP	0.01		0.01
			****Additional Software Options***			
	1 EA	MS16266	SW option M540 Wireless	0.01		0.01
			**** User Manuals ****			
			* Single set of user manual/s			
			* supplied per order.			
			* IFUs on a DVD ordered.			
			ADDITIONAL MANUAL NOT ORDERED			
			Value IACS Monitoring with C500			**12,240.04**
0041	**1 EA**	**MQ00461**	**Extw C500 1 year**	945.00	100.00	0.01
			X-Care: 1 year Warranty and 2nd year coverage that extends the Warranty up to 24 months. PM not included.			
0042	**1 EA**	**MQ00445**	**Extw M540 1 year**	586.80	100.00	0.01
			X-Care: 1 year Warranty and 2nd year coverage that extends the Warranty up to 24 months. PM not included.			
0050	**1 EA**	**MS34178**	**IACS Device Connectivity**			
			****Specif.national properties****			
			Target country			
			USA			
			120 V			
			**** Device interface options ****			
			Dräger Primus/IE/Apollo			
			Cockpit to Dim cable 4.3M(14')			
			New IACS with this order			
	1 EA	OP90513	Connect the Dots Promo	0.01		0.01

Quotation

Customer no.
91266114

Quotation no. 136142476 | **Date of offer** 08/02/2019

Please reference on inquiries

Payer
91266114

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			Value IACS Device Connectivity			**0.01**
0060	1 EA	MS22948	**EXPORT PROTOCOL CABLE, PS250**	137.70		137.70
0070	1 EA	MS33758	**Masimo Cbl RD Rbow SET 3.6m US** Intermediate cable Masimo Rainbow® RC-12, RD-SET sensors to rainbow MCable, 3.6m	132.35		132.35
0080	1 EA	MS33759	**Masimo SpO2Sen. RDSET DC-I US** SpO2 finger sensor Masimo® RD-SET DCI, reusable, adult	211.00		211.00
0090	1 EA	MP03404	**ECG 5-Lead single-p AHA, 1.5m** ECG cable, 5-Lead, single-pin connector, reusable, AHA (IEC2), 1/1.5 m	213.70		213.70
0100	1 EA	MP00912	**NBP cuff XS, 12-19cm**	23.10		23.10
0110	1 EA	MP00913	**NBP Cuff S, 17-25/29cm**	25.77		25.77
0120	1 EA	MP00916	**NBP Cuff M+, 23-33/43cm**	25.77		25.77
0130	1 EA	MP00918	**NBP cuff L, 31-40cm**	28.43		28.43
0140	1 EA	MP00919	**NBP cuff L+, 31-40/55cm**	28.43		28.43
0150	1 EA	MP00953	**NBP extension hose, adult, 3.7m**	88.87		88.87
0160	1 EA	MS20783	**INFINITY MCABLE DUAL HEMO**	406.09		406.09
0170	1 EA	5740068	**INFINITY R50-N RECORDER**	1,432.20		1,432.20
0180	1 EA	4321720	**POWER CORD, N.AMERICA, 5-15A** POWER CORD, N.AMERICA, 5-15A	13.43		13.43
0190	1 EA	4711201	**RECORDER PAPER 50MM (10 rolls)**	54.47		54.47
0200	1 EA	1979570	**Clinical Applicat.SuppAnesthesia .8hsegm.**	1,500.00	100.00	0.01

Quotation

Customer no.
91266114

Quotation no. 136142476
Date of offer 08/02/2019
Please reference on inquiries

Payer
91266114

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
0210	1 EA	1940228	**Freight charges mt-a**	399.00		399.00
0220	1 EA	1979501	**Apollo Bellows Buster Trade-In Promo** PROMOTIONAL TRADE-IN MUST INCLUDE THE FOLLOWING: -ANESTHESIA MACHINE -GAS ANALYZER -MONITOR	-12,000.00		-12,000.00
			Net value excl. Sales Tax			**57,539.86**
			+ Net Sales Tax			**6,136.26**
			Final amount			**63,676.12**

The sale of the products identified herein is expressly subject to the Draeger, Inc. - Terms and Conditions of Sale which are attached hereto and which may also be found at:
www.draeger.com/en-us_us/Home/Terms-Conditions.

Customer is hereby informed that section 1128B(b) of the Social Security Act may apply, which requires that discounts and other reductions in price or the existence of discount programs be properly disclosed and reflected in the costs claimed or charges made by a provider under Medicare or a Federal or State Health Program.

PLEASE CHECK THIS ORDER CAREFULLY FOR ACCURACY IN PRICING, PART # AND DESCRIPTION. Contact Customer Service immediately if there are any discrepancies. This acknowledgement and note constitutes the entire agreement with respect to the contemplated transaction and supersedes all previous negotiations, proposals, writings, advertisements, or publications.

Quotation

Customer no.
91044375

Quotation no. 136134429
Date of offer 07/16/2019
Please reference on inquiries

Customer
MENDOCINO COAST DIST HOSP
700 RIVER DR
FORT BRAGG CA 95437-5403

Payer 91044375
MENDOCINO COAST DIST HOSP
700 RIVER DR
FORT BRAGG CA 95437-5403

Your Reference
07/15/2019
[11]M540+[1]ICSW R2

Ship to 91044375
MENDOCINO COAST DIST HOSP
700 RIVER DR
FORT BRAGG CA 95437-5403

Your contact person

SHERRI GENTILE
Tel.: 424-323-8676
sherri.gentile@draeger.com

Dear Customer,

Thank you for your inquiry. Please find enclosed our corresponding offer.
If you have any further questions, please do not hesitate to contact us.

Quotation no.: **136134429**
Responsible: **SHERRI GENTILE**

Telephone: 424-323-8676
Fax:
E-mail: sherri.gentile@draeger.com

Best regards

Draeger Inc.

Quotation

Customer no.
91044375

Quotation no. 136134429 | **Date of offer** 07/16/2019

Please reference on inquiries

Payer
91044375

Line	Quant.	Part no. Description	Unit price USD	Discount %	Total price USD

National account: Premier Monitors T1

Shipping Charges per above National Account
Confirmation no. to customer:
Date confirmation to customer:
Order-No. from customer:
Date order from customer:

*****BUDGETARY QUOTATION*****
THIS QUOTATION IS FOR BUDGETARY PURPOSES ONLY. NO ORDERS WILL BE ACCEPTED AGAINST THIS QUOTATION.
HONORING PREMIER MONITORING GPO TERMS

PREMIER PP-617
EXP: 5/31/21
FOB: DESTINATION-FREIGHT PAID BY DRAEGER EXCEPT FOR POST SALE PARTS & ACCESSORIES: ONLY GROUND SHIPPING IS PAID. ALL AIR OR SPECIAL DELIVERIES WILL BE PRE-PAID THEN ADDED TO CUSTOMER'S INVOICE

All Premier Monitoring purchases come with a standard 2 Year Warranty

Please contact your Draeger Sales Representative for information as to whether your hospital qualifies for no-charge and/or discounted training that may be associated with the purchase of the Products on this Quotation.

THE WIRELESS SURVEY PRICING IS BUDGETARY ONLY AND IS SUBJECT TO CHANGE, BASED ON BUILDING CONSTRUCTION, ACTUAL COVERAGE AREA, AND INFORMATION ACQUIRED FROM THE DRAEGER SITE PROFILE FORM. OFFICIAL QUOTE PRICING WILL REQUIRE AN AUTOCAD DRAWING (ELECTRONIC), HARDCOPY DRAWING OF COVERAGE AREAS (MARKED UP) AND A COMPLETED DRAEGER SITE PROFILE FORM.

Quotation

Customer no.
91044375

Quotation no. 136134429 | **Date of offer** 07/16/2019
Please reference on inquiries

Payer
91044375

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			CUSTOMER IS RESPONSIBLE FOR SUPPLYING, INSTALLING, TERMINATION AND CERTIFICATION OF NETWORK CABLE. UNLESS OTHERWISE NOTED, THE CUSTOMER IS RESPONSIBLE FOR SUPPLYING, INSTALLING AND CONFIGURATION OF ANY NETWORK SWITCHES THAT WILL BE REQUIRED. THE CUSTOMER IS RESPONSIBLE FOR INSTALLATION OF ANY WALL CHANNELS. All Premier Monitoring purchases comes a standard 2 Year Warranty. Please contact your Draeger Sales Representative for information as to whether your hospital qualifies for no-charge and/or discounted training that may be associated with the purchase of the Products on this Quotation. CUSTOMER WILL PROVIDE ALL NETWORKING COMPONENTS FOR WIRED AND WIRELESS NETWORKING TO INCLUDE CABLE PULLING AND TERMINATION. THE COSTS FOR ANY REQUIRED NETWORK ALTERATIONS ARE NOT INCLUDED IN THIS QUOTATION AND ARE THE RESPOSIBILITY OF THE CUSTOMER.			
0010	11 EA	MS26372	**Infinity M540** ****Specif.national properties**** Target country USA **** Care Unit **** Recovery/PACU (Periop)			

Quotation

Customer no.
91044375

Quotation no. 136134429 | **Date of offer** 07/16/2019
Please reference on inquiries

Payer
91044375

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			**** Monitor ****			
	11 EA	MS20401	Infinity M540	5,413.20		59,545.20
			**** SpO2 Technology ****			
			Masimo MCable			
			RAINBOW SET MCABLE			
			SpO2 Pod			
			SpO2 Pod Mount			
			**** Docking ****			
	11 EA	MS20407	Infinity M500 Docking Station	1,248.00		13,728.00
			**** Power Options ****			
	11 EA	2606270	Desktop power supply unit,120W	114.75		1,262.25
	11 EA	MS29702	IACS Y-adaptor for PS120	241.80		2,659.80
			**** Cable Management ****			
	11 EA	MS26297	M500 Cable Hook	28.90		317.90
			**** User Manuals ****			
			* Single set of user manual/s			
			* supplied per order.			
			* IFUs on a DVD ordered.			
			ADDITIONAL MANUAL NOT ORDERED			
			***Expanded Monitoring Promotion**			
	11 EA	OP90168	SW opt 12-Lead ECG Monitoring	0.01		0.11
	11 EA	OP90169	SW option Arrhythmia II	0.01		0.11
	11 EA	OP90170	SW option Multi IBP	0.01		0.11
			**** Wireless Option ****			
	11 EA	MS16266	With wireless option	0.01		0.11
			INCLUDED AT NO-CHARGE			
			EXPANDED MONITORING			
			PROMOTION			
			SW opt 12-Lead ECG Monitoring			
			SW opt Arrhythmia II			
			SW opt Multi IBP			
			SW opt M540 Wireless			

Quotation

Customer no.
91044375

Quotation no. 136134429
Date of offer 07/16/2019
Please reference on inquiries

Payer
91044375

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			Value Infinity M540			**77,513.59**
0011	**11 EA**	**MQ00445**	**Extw M540 1 year** X-Care # 1 year Warranty and 2nd year coverage that extends the Warranty up to 24 months. PM not included.	586.80	100.00	0.06
0020	**1 EA**	**MS26800**	**Infinity Central Station Wide** Infinity Central Station Wide ****Specif.national properties**** Target country USA **** Care Unit **** Recovery/PACU (Periop) **** WorkStation ****			
	1 EA	MS32504	Infinity Central Station	5,451.26		5,451.26
			**** Promotion ****			
	1 EA	MS32629	USB Cube Speaker	47.84		47.84
			**** Accessory Kit ****			
	1 EA	MS18460	ICS Accessories EN * Single set of IFU/s * supplied per order. ADDITIONAL IFUS NOT ORDERED	269.20		269.20
			**** Patient Licenses ****			
	1 EA	MS26780	12 Patient License	4,563.00		4,563.00
			**** Storage SW Options **** 28 hour disclosure			
	1 EA	MS26803	28hr Disclosure 12 Pt	2,106.00		2,106.00
			**** SW Options ****			
	1 EA	MS26777	RAID 1 Database	2,103.76		2,103.76
	1 EA	MS26816	RAID 1 Operating System 1 DVI adapter	1,994.13		1,994.13

Quotation

Customer no.
91044375

Quotation no. 136134429 | **Date of offer** 07/16/2019
Please reference on inquiries

Payer
91044375

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
			** Flat Panel Displays **			
	1 EA	MS34035	21.5" Widescreen Display	534.83		534.83
			Value Infinity Central Station Wide			**17,070.02**
0021	1 EA	**MQ00548**	**Extw Infinity Central Station 1y** X-Care # 1 year Warranty and 2nd year coverage that extends the Warranty up to 24 months. PM not included.	1,120.02	100.00	0.01
0030	11 EA	**MP03404**	**ECG 5-Lead single-p AHA, 1.5m** ECG cable, 5-Lead, single-pin connector, reusable, AHA (IEC2), 1/1.5 m	213.70		2,350.70
0040	12 EA	**MS16256**	**ECG EXTENSION SINGLE-PIN, 2M**	151.78		1,821.36
0050	11 EA	**MP03031**	**SpO2 Masimo RedLNC-10 Cbl 3m** SpO2 intermediate cable Masimo® LNCS, to	155.19		1,707.09
0060	11 EA	**MP03080**	**SpO2 Masimo M-LNCS DCI Adult**	207.30		2,280.30
0070	2 EA	**MP00912**	**NBP Cuff XS, 12-19cm**	23.10		46.20
0080	3 EA	**MP00913**	**NBP Cuff S, 17-25/29cm**	25.77		77.31
0090	11 EA	**MP00915**	**NBP Cuff M, 23-33cm**	25.77		283.47
0100	3 EA	**MP00916**	**NBP Cuff M+, 23-33/43cm**	25.77		77.31
0110	1 EA	**MP00918**	**NBP Cuff L, 31-40cm**	28.43		28.43
0120	11 EA	**MP00953**	**NBP extension hose, adult 3,7m**	88.87		977.57
0130	11 EA	**5198333**	**TEMP PROBE ADAPTER CABLE**	68.87		757.57
0140	3 EA	**6871950**	**MCable-Mainstream CO2**	2,707.67		8,123.01
0150	3 EA	**MS20407**	**INFINITY M500 WITH POWER**	1,248.00		3,744.00
0160	3 EA	**MS20345**	**IACS Y-CABLE FOR PS50**	340.00		1,020.00

Quotation

Customer no.
91044375

Quotation no. 136134429 | **Date of offer** 07/16/2019

Please reference on inquiries

Payer
91044375

Line	Quant.	Part no.	Description	Unit price USD	Discount %	Total price USD
0170	3 EA	8416800	**Power Supply 50W (M7.1)**	130.05		390.15
0180	3 EA	4321720	**POWER CORD, N.AMERICA, 5-15A** POWER CORD, N.AMERICA, 5-15A	13.43		40.29
0190	3 EA	MS26297	**SHP ACC CABLE HOOK M500**	28.90		86.70
0200	1 EA	MQ00134	**Implementation Services**	6,421.00		6,421.00
0210	5 EA	1979569	**Clinical Applicat. Supp.Monitor.8h segm** .	2,200.00	100.00	0.11
0220	1 EA	MQ09226	**Workflow Analysis**	9,100.00		9,100.00
0230	1 EA	MQ00921	**3rd Party Hardware** Mounts	7,562.50		7,562.50
0240	1 EA	MQ00921	**3rd Party Hardware** Oridion pn# PM35MNO2KIT 4 @ $3300 Oridion pn# PM35VAA 4 @ $85 Oridion pn# PM35MNF 4 @ $90	13,900.00		13,900.00
0250	1 EA	MQ00922	**3rd Party Labor** THE WIRELESS SURVEY PRICING IS BUDGETARY ONLY AND IS SUBJECT TO CHANGE, BASED ON BUILDING CONSTRUCTION, ACTUAL COVERAGE AREA, AND INFORMATION ACQUIRED FROM THE DRAEGER SITE PROFILE FORM. OFFICIAL QUOTE PRICING WILL REQUIRE AN AUTOCAD DRAWING (ELECTRONIC), HARDCOPY DRAWING OF COVERAGE AREAS (MARKED UP) AND A COMPLETED DRAEGER SITE PROFILE FORM.	12,000.00		12,000.00

Quotation

Customer no.
91044375

Quotation no. 136134429 | **Date of offer** 07/16/2019
Please reference on inquiries

Payer
91044375

Line	Quant.	Part no. Description	Unit price USD	Discount %	Total price USD
		Net value excl. Sales Tax			**167,378.75**
		+ Net Sales Tax			**10,507.57**
		Final amount			**177,886.32**

The sale of the products identified herein is expressly subject to the Draeger, Inc. - Terms and Conditions of Sale which are attached hereto and which may also be found at:
www.draeger.com/en-us_us/Home/Terms-Conditions.

Customer is hereby informed that section 1128B(b) of the Social Security Act may apply, which requires that discounts and other reductions in price or the existence of discount programs be properly disclosed and reflected in the costs claimed or charges made by a provider under Medicare or a Federal or State Health Program.

PLEASE CHECK THIS ORDER CAREFULLY FOR ACCURACY IN PRICING, PART # AND DESCRIPTION. Contact Customer Service immediately if there are any discrepancies. This acknowledgement and note constitutes the entire agreement with respect to the contemplated transaction and supersedes all previous negotiations, proposals, writings, advertisements, or publications.

Delivery time
5 Week/s after rec. of order *
* After receipt of order, ready for dispatch ex works, subject to prior sale.

Please let us know if you prefer partial delivery.

Payment terms:
within 10 days 2 % cash discount
within 45 days Due net

Quotation

Customer no.
91044375

Quotation no.	**Date of offer**
136134429	07/16/2019

Please reference on inquiries

Payer
91044375

Line	Quant.	Part no. Description	Unit price USD	Discount %	Total price USD
		Offer valid until: 10/15/2019			

TAB

7

MCDH MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** Disaster Operations Plan
	POLICY#: 1156

Department(s): Administration	**PolicyTech Version #:** 2
Policy Owner: David Beak **Approvers:** Nancy Goodfellow-Schmid	**Date Created:** 02/01/2002 **Last PolicyTech Review Date:** No Review Date **Last PolicyTech Revision Date:** 10/24/2019

PURPOSE: To provide a safe, functional, supportive and effective environment of care for patients, staff members and other individuals and services.

SCOPE OF SERVICES:

Mendocino Coast District Hospital's (MCDH) Emergency Operations Plan, (EOP), assures effective preparation, response, mitigation and recovery to Disaster Emergencies affecting the environment of care. This plan is organizationally wide in scope and applies to all care settings, departments and services; it is an all risk plan.

OBJECTIVES:

The objectives of the EOP are to effectively prepare for and manage a disaster, and restore the facility to the same operational capabilities that it had prior to the disaster.

GOALS:

The goals of the EOP are to protect the health and safety of the people in our care, the community and our staff by doing the following:

1. Conduct a Hazard Vulnerability Analysis (HVA) annually to identify potential emergencies that could affect the need for the organization's services, or its ability to provide those services.
2. Identify procedures to prepare, respond, mitigate and recover from potential disasters.
3. Provide education to personnel on elements of the EOP.
4. Identify alternate sources for supplies and series in case of a disaster, using community resources as needed.
5. Working with various community agencies in defining MCDH's role in the community-wide application of its EOP.

RESPONSIBILITIES:

The Emergency Preparedness Coordinator, in conjunction with the Emergency Management Committee, is responsible for developing, implementing and monitoring all aspects of the Emergency Operations Plan at MCDH. MCDH can use the Hospital Incident Command System (HICS) to manage all types of planned events or real emergency incidents. MCDH also uses HICS as its guide for organizational structure, for incident management and also as a guide for every incident of planned event, which helps hone and maintain skills for larger scaled incidents. The principles and instruction given in the HICS guidebook are used by MCDH to guide the handling of all mission areas of "Prevention, Protection, Mitigation, Response, Recovery and Hazards". MCDH will review annually any analysis performed on Hazard Vulnerability.

INITIATING THE PLAN – DESCRIPT OF PLAN OF ACTION

I. The plan will be initiated when it has been determined that a disaster has occurred, or has the potential for occurring.

   A. An Emergency is any natural or man-made event:

      1. That significantly disrupts the environment of care.

2. That disrupts care and treatment.
3. That results in sudden changed or increased demands for the organizations services.
4. Staff shortage in any event.

II. Chain of Command

A. In the event of a disaster, the most Senior Administrative Officer is defined in the following order of succession:

Formatted

1. Chief Executive Officer. If not available or unable to serve:

Formatted

2. Administrative Officer on-Call. If not available or unable to serve:
3. Chief Nursing Officer. If not available or unable to serve:
4. Chief Financial Officer. If not available or unable to serve:
5. Nursing Supervisor or Incident Commander as assigned.
6. The span of control and spending authority is retained through the order of succession until a preceding level of administrative leadership is available to serve.

II.III. In the event of an internal emergency, or when the facility is notified of an external disaster, the person receiving the notification will immediately notify the Nursing Supervisor or the most Senior Administrative officer during normal business hours, Monday – Friday, 0800-1700. After hours the Nursing Supervisor will be notified. The Senior Administrative Officer or Nursing Supervisor will evaluate the emergency to determine whether the EOP is to be activated. They will active the plan with the following instructions to the switchboard operator

A. This is (name of person). Please announce "CODE TRIAGE – LEVEL _____".

B. Said announcement is to be repeated three (3) times consecutively, then two (2) additional times after a five (5) minute interval.

III.IV. The definitions for Code Triage's are as follows:

A. LEVEL I: Incident Command System (ICS) needs to be implemented on a limited scale. Number and severity of injuries, or needed resources, require recall of "on-call" clinical and/or ancillary staff.

B. LEVEL II: ICS will be implemented. The number and severity of injuries, or needed resources, require full staffing of clinical departments with designation of triage, immediate, delayed and minor treatment areas.

C. LEVEL III: ICS will be implemented. The number and severity of injuries, sustained influx or injured, and/or damage to facilities exceed the capacity of existing MCDH resources requiring full activation of Physicians and MCDH staff and/or facility evacuation.

IV.V. The Incident Commander (IC) or Designee will notify the operator of additional outside agencies that may need to assist MCDH in the event of an emergency.

A. Notification of External Authorities: The IC or designee will notify the Regional Medical Health Operational Area Coordinator (MHOAC) at (707) 472-2732 or (707) 239-4457 as to MCDH's status and need for additional resources.

~~V.~~VI. Notification of Personnel when Emergency Response Measures are initiated:

A. The Managerial Disaster Recall Tree will be implemented by the Incident Commander (or after hours, by the Nursing Supervisor, after consultation with the Administrator on call).

B. Initiation of the Labor pool and the recall of employees and Physicians is determined by the level of Code Triage announced.

C. A current list of contact numbers for employees will be kept in the Emergency Management Plan binder and on the MCDH Intranet.

D. In the event a disaster is prolonged, the Labor Pool Unit Leader will communicate with the Department Managers on duty regarding the rescheduling of personnel for future needs.

~~VI.~~VII. BACKUP/ADDITIONAL COMMUNICATION SYSTEMS

A. The hospital will provide for alternate communication methods in the event of a phone failure.

B. If phone systems are intact, but due to excessive demand, phone connections cannot be made, the Incident Command Staff may utilize the Government Emergency Telecommunications Service (GETS) to obtain priority service.

C. Cell phones, a satellite phone or two-way radio equipment will be available in the event of a disaster.

1. The med-net radio in the Emergency Department will allow communication if the phone lines are inoperable.
2. Local Amateur Radio operators may be called in to assist with the local and long distance radio communications with the local, State and Federal agencies the media has a local radio and TV channel for providing information to the public.

~~VII.~~VIII. SECURITY ACTIVITIES:

A. In the event of a disaster, the Security Department and appointed Security personnel shall maintain control of access to and from the hospital.

B. Security personnel will also maintain crowd and traffic control.

C. Security will direct media to a specific location and arrange communication through the Public Information Officer.

D. If there is a need for perimeter security, limiting access to certain areas, and/or a need for protecting staff, patients or visitors, the Fort Bragg Police Department will be asked to assist with security needs.

E. At the time the EOP is activated, the Security and Engineering Department personnel on duty will be responsible for securing all exits and entrances (See Emergency Management

Plan for location maps).

F. All employees of MCDH are required to wear their picture ID nametags while on site.

~~VIII.~~IX. FACILITIES FOR RADIOACTIVE, BIOLOGICAL OR CHEMICAL ISOLATION AND DECONTAMINATION

A. There is a designated decontamination area (shower in the ambulance bay, or a portable shower which can be assembled in the ambulance bay) for radioactive, biological or chemical isolation and decontamination.

B. Personnel have been trained to respond to radiation, biological or hazardous material contamination. See Safety Manual for procedures on decontamination.

C. The Safety Officer will be alerted to the radiation, biological or hazardous material and will determine whether the city, county or MCDH staff shall be notified.

~~IX.~~X. ASSIGNMENT OF PERSONEL IN EMERGENCIES TO COVER ALL NECESSARY STAFF POSITIONS

A. All personnel reporting to the hospital in the event of a disaster shall report to the Labor Pool to sign in. Personnel who have been directed to report to their assigned unit will do so. All others will be assigned by the Labor Pool to areas where help is needed. Personnel may not necessarily be assigned to their regular duties. Personnel will be asked to perform various jobs within their scope of practice, which will be considered vital to effective operation.

~~X.~~XI. STAFF ACTIVITIES AND SUPPORT

A. MCDH recognizes the need for protecting and supporting our staff and responders from the stress of preventing, preparing and responding to an emergency. The Chaplain Service will assist in this need.

B. MCDH will provide for staff support activities in the event of a disaster, which may include, but may not be limited to:

1. Housing or lodging needs;
2. Transportation needs;
3. Family support needs (as necessary);
4. Incident stress debriefing and counseling.

~~XI.~~XII. MANAGEMENT OF PATIENTS DURING EMERGENCIES (i.e. scheduling, modification or discontinuation of services, control of patient information and patient transportation):

A. Upon activation of the EOP, normal admission requirements may be suspended.

1. Admissions may be limited to patients requiring acute inpatient care.
2. Outpatient care may be restricted to those who have life threatening conditions.
3. All elective admissions and procedures may be canceled, including elective surgery

and non-emergent outpatient procedures.

4. Patients who are stable will be discharged and patients may be transferred to other facilities in order to accommodate disaster victims.

~~XII.~~XIII. EVACUATION OF THE FACILITY

A. When a situation arises that requires the evacuation of patients from threatened or affected areas, the primary concern of MCDH is the safety and protection of lives. Authority to order an evacuation is vested only in the Incident Commander. Patients shall be evacuated to an area of safety by whatever means are available.

B. Establishing an Alternate Care Site when the Environment Cannot Support Adequate Patient Care:

1. Patients will be transferred to the closest facility that can provide adequate patient care.
2. The Nursing supervisor or their designee will be responsible for the inter-facility communication between the hospital and the designated alternative care site, and for maintaining records of all patients transferred to and from alternative care sites.
3. The individual patient care units are responsible for transferring patient medical records, gathering patient belongings, and insuring that patient medications are continued throughout the transfer.
4. If any hospital equipment is transferred with the patient, the patient care unit is responsible for documenting what equipment was transferred with the patient so that the equipment may be returned during the recovery phase of the disaster.

~~XIII.~~XIV. The following agreements are in place:

A. Vendors will be contacted for emergency acquisitions of medical supplies, pharmaceuticals, food, equipment, water, linen, emergency repair services, etc.

B. Management of Supplies:

1. Essential supplies, pharmaceuticals, medicals supplies, equipment, food, water, linen and utilities will be provided to meet requirements for a minimum of 72 hours.
2. Procedures are in place for the procurement of additional supplies in any emergency.
3. Department Managers working in conjunction with the Materials Manager will monitor inventory levels.

~~XIV.~~XV. Alternative Sources of Essential Utilities: MCDH has a plan for obtaining alternative sources of essential utilities including:

A. An emergency source of electrical power, capable of operating all essential electrical equipment and a plan for failure of back-up generators.

B. An alternate source of safe water.

C. An alternate source for safe medical gas and vacuum delivery.

D. An alternate means of waste disposal in the event of sewage system failure.

E. Sufficient fuel to last for an extended time of expended operation.

~~XV~~XVI. Continuing or Re-establishing Operations following as Disaster:

A. The hospital has mechanisms in place to restore the operational capabilities of the facilities to pre-disaster levels. Once the disaster is over, the Damage Assessment Team, including the Manager of Plant Maintenance, the Safety Officer, the Risk Manager, and other members of the leadership team as deemed appropriate, will begin assessing the damage to the facility and any noted environmental issues, in order to determine whether the facility can safety provide medical care to the community.

B. The following steps will be taken to assist with the assessment of damages to the hospital and environment:

1. Pictures and/or video will be taken of all damage done to the facilities, buildings, grounds, equipment, etc., including all off-campus structures.
2. Architects and building inspectors may be called in to determine if hospital structures are safe for occupancy.
3. All potential environmental concerns will be evaluated. Equipment and containers, such as hazardous waste and fuel tanks, will be inspected for proper functioning, to ensure there is not leakage into the local sewer or water system, or any other impact on the environment.
4. Employee support programs will be instituted, e.g., crisis counseling, flexible work hours, cash advances, and day care.
5. Debris will be cleared and unsafe buildings/areas will be secured as necessary.
6. Internal and external communication devices will be restored as soon as possible.
7. An inventory will be conducted of equipment and supplies to identify damages and determine if additional supplies need to be obtained from suppliers.
   a. Pictures/videos will be taken of all damaged supplies and equipment, for insurance purposes.
   b. Damaged supplies and equipment will be retained until approval is received from the insurance company for disposal.
8. The community will be notified through local media about which services the hospital will be providing and where these services will be provided if they are moved off the hospital campus.
9. The hospital's insurance agent will be notified, and a third party expert will be contacted to prepare the claim.
10. Detailed records will be kept of all steps taken.

MENDOCINO COAST DISTRICT HOSPITAL	**TITLE:** Disaster Operations Plan
	POLICY#: 1156

Department(s): Administration	**PolicyTech Version #**: 2
Policy Owner: David Beak	**Date Created**: 02/01/2002
Approvers:	**Last PolicyTech Review Date**: No Review Date
Nancy Goodfellow-Schmid	**Last PolicyTech Revision Date**: 10/24/2019

~~XVI.~~XVII. Orientation and education Program for those who participate in implementing the plan:

A. Personnel will attend orientation upon hire and an annual update of their specific roles and responsibilities, and skills they require to perform their duties during a disaster.

B. The EOP Coordinator is responsible for training personnel in the hospital-wide emergency operations plan. Each department manager is responsible for training department personnel on their specific responsibilities when the EOP is implemented.

~~XVII.~~XVIII. Annual Evaluation of the Objectives, Scope, Performance and Effectiveness of the Emergency Operation Plan:

A. On an annual basis, evaluation of the EOP will include a review of the current Joint Commission Standards, to evaluate the degree in which our hospital program meets the standards and current risk assessment of the hospital.

B. A comparison of the expectations and actual results of the program will be evaluated to determine if the goals and objectives of the program were met.

C. The ~~Safety~~ Disaster Committee shall review the performance and effectiveness of the EOP, utilizing the Hazard Vulnerability Analysis and report to the EOC.

~~XVIII.~~XIX. Hospital EOP Drill:

A. Implementation of the Hospital's EOP will be conducted as a Drill at least twice a year, being no less than 4 months apart or no longer than 8 months apart, unless an actual disaster takes place. Then a drill can follow four to six months later. One drill will include an exercise that includes an influx of simulated patients.

Created: 2/2002
Revised: 2/2008, 11/2014, 6/2015
Reviewed: 4/2018

TAB

8

MENDOCINO COAST DISTRICT HOSPITAL

DATE: October 31, 2019

TO: BOARD OF DIRECTORS

FROM: WILLIAM MILLER, MD
CHIEF OF STAFF

SUBJECT: MEDICAL EXECUTIVE COMMITTEE RECOMMENDATIONS

The Medical Executive Committee considered the following items and recommends them to the Board of Directors for approval:

Appointments to Medical Staff/Advance Practice-Provisional Status

- **Anna Antonowich, FNP-** Department of Medicine-Oncology-Hematology
- **Shuang Li, MD-** Department of Medicine-Hospitalist Service
- **Jeffrey Meier, DO-** Department of Surgery-Orthopedics
- **Paul Nerz, MD-** Department of Medicine-Family Practice NCFHC

Temporary Privileges

- **Laura Cieslik, MD-** Department of Surgery –Obstetrics-Gynecology *(November 6-November 26, 2019)*

Department of Medical Staff Services
William Lee, CPCS, CPMSM~ Director
700 River Drive ▪ Fort Bragg, California 95437
Phone: (707 961-4740 ▪ Fax: (707) 961-4786

TAB

9

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

Unaudited Financial Statements

for

For the month ended September 30, 2019

TABLE OF CONTENTS

EXECUTIVE SUMMARY	PAGE 2
BALANCE SHEET - ASSETS	PAGE 3
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 4
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 5
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 6
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGE 7
STATEMENT OF CASH FLOWS	PAGE 9
KEY OPERATING STATISTICS	PAGE 10
FINANCIAL RATIOS AND BENCHMARKS	PAGE 11

MENDOCINO COAST HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

For the month ended September 30, 2019

BALANCE SHEET

	9/30/2019	6/30/2019
ASSETS		
Current Assets	$10,920,473	$10,961,733
Assets Whose Use is Limited	5,720,948	5,608,448
Property, Plant and Equipment (Net)	14,430,234	14,601,347
Total Unrestricted Assets	**31,071,655**	**31,171,528**
Total Assets	**$31,071,655**	**$31,171,528**
LIABILITIES AND NET ASSETS		
Current Liabilities	$11,384,236	$11,030,702
Long-Term Debt	12,452,034	12,443,457
Total Liabilities	**23,836,270**	**23,474,159**
Net Assets	7,235,385	7,697,376
Total Liabilities and Net Assets	**$31,071,655**	**$31,171,528**

STATEMENT OF REVENUE AND EXPENSES - YTD

	ACTUAL	*BUDGET*
Revenue:		
Gross Patient Revenues	$30,261,647	$29,452,061
Deductions From Revenue	(16,469,416)	(16,061,359)
Net Patient Revenues	13,792,231	13,390,702
Other Operating Revenue	591,957	633,623
Total Operating Revenues	**14,384,188**	**14,024,325**
Expenses:		
Salaries, Benefits & Contract Labor	8,708,801	8,467,229
Purchased Services & Physician Fees	2,839,994	2,318,855
Supply Expenses	2,345,478	2,372,706
Interest Expense	0	0
Depreciation Expense	332,179	374,785
Other Operating Expenses	1,219,255	1,242,429
Total Expenses	**15,445,703**	**14,776,004**
NET OPERATING SURPLUS	**(1,061,515)**	**(751,679)**
Non-Operating Revenue/(Expenses)	594,524	659,574
TOTAL NET SURPLUS	**($466,991)**	**($92,105)**

BOND COVENANTS

	REQUIREMENT	*ACTUAL*
DEBT SERVICE COVERAGE RATIO	1.25	**0.27**
CURRENT RATIO	1.00	**0.96**
DAYS CASH ON HAND	30.0	**40.5**

NET DAYS IN ACCOUNTS RECEIVABLE

HOSPITAL MARGINS

DAYS CASH ON HAND

SALARY AND BENEFIT EXPENSE AS A PERCENTAGE OF NET PATIENT REVENUE

MENDOCINO COAST HEALTHCARE DISTF	9/30/2019
Budget	9/30/2019
Prior Fiscal Year End	6/30/2019

Balance Sheet - Assets

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended September 30, 2019

	Current Month 9/30/2019	Prior Year End 6/30/2019
CURRENT ASSETS		
CASH	$ 1,074,298	$ 2,019,590
PARCEL TAX REVENUE ACCT	$ 985,806	
PATIENT RECEIVABLES	17,747,685	16,845,592
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(13,605,863)	(13,032,158)
NET PATIENT ACCOUNTS RECEIVABLES	4,141,822	3,813,434
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,774,076	2,959,297
OTHER RECEIVABLES	1,307,854	865,638
INVENTORIES	843,710	839,076
PREPAID EXPENSES	792,907	464,698
TOTAL CURRENT ASSETS	**$ 10,920,473**	**$ 10,961,733**
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,391,979	$ 4,376,979
PLAN FUND	13,774	13,774
SPECIFIC PURPOSE FUND	0	0
BONDS	856,132	746,445
BOND COSTS	459,063	471,250
TOTAL LIMITED USE ASSETS	**$ 5,720,948**	**$ 5,608,448**
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,490	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	20,511,069	20,430,219
CONSTRUCTION-IN-PROGRESS	1,729,613	1,649,397
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 48,314,473	$ 48,153,407
LESS: ACCUMULATED DEPRECIATION	(33,884,239)	(33,552,060)
NET PROPERTY, PLANT, & EQUIPMENT	**$ 14,430,234**	**$ 14,601,347**
TOTAL ASSETS	**$ 31,071,655**	**$ 31,171,528**

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended September 30, 2019

	Current Month 9/30/2019	Prior Year End 6/30/2019
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 5,636,743	$ 4,369,232
ACCRUED PAYROLL	$ 511,499	$ 859,231
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,098,446	$ 1,149,245
PAYROLL TAXES PAYABLE	$ 39,060	$ 60,642
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 997,965	$ 1,248,302
OTHER CURRENT LIABILITIES	$ 821,660	$ 911,488
INTEREST PAYABLE	$ 941,060	$ 1,010,162
PREVIOUS FY PENSION PAYABLE	$ 877,969	$ 877,969
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ 150,000	$ 200,000
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 309,834	$ 344,431
TOTAL CURRENT LIABILITIES	**$ 11,384,236**	**$ 11,030,702**
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 9,771,548	$ 9,819,429
OTHER NON-CURRENT LIABILITIES	$ 2,434,718	$ 2,624,028
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 245,768	$ -
TOTAL LONG TERM LIABILITIES	**$ 12,452,034**	**$ 12,443,457**
TOTAL LIABILITIES	**$ 23,836,270**	**$ 23,474,159**
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 7,702,382	$ 7,591,999
TEMPORARY RESTRICTED FUND BALANCE		$ -
Net Revenue/(Expenses) (YTD)	$ (466,997)	$ 105,377
TOTAL NET ASSETS	**$ 7,235,385**	**$ 7,697,376**
TOTAL LIABILITIES AND NET ASSETS	**$ 31,071,655**	**$ 31,171,528**

Statement of Revenue and Expense
MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended September 30, 2019

	CURRENT MONTH				
	Actual 09/30/19	Budget 09/30/19	Positive (Negative) Variance	Percentage Variance	Prior Year 09/30/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 1,604,446	$ 1,783,013	$ (178,567)	-10%	$ 1,455,829
SWING BED	$ 563,816	$ 373,725	$ 190,091	51%	$ 97,364
OUTPATIENT	$ 6,928,288	$ 6,891,425	$ 36,863	1%	$ 6,238,897
NORTH COAST FAMILY HEALTH CENTER	$ 398,500	$ 436,572	$ (38,072)	-9%	$ 428,398
HOME HEALTH	$ 117,874	$ 119,200	$ (1,326)	-1%	$ 115,086
TOTAL PATIENT SERVICE REVENUES	$ 9,612,924	$ 9,603,935	$ 8,989	0%	$ 8,335,574
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (5,269,096)	$ (5,258,686)	$ (10,410)	0%	$ (4,512,033)
POLICY DISCOUNTS	$ (3,393)	$ (8,328)	$ 4,935	-59%	$ (8,342)
STATE PROGRAMS	$ 220,500	$ 157,138	$ 63,362	40%	$ 87,000
BAD DEBT	$ (150,000)	$ (102,516)	$ (47,484)	46%	$ (85,460)
CHARITY	$ (19,266)	$ (28,186)	$ 8,920	-32%	$ (5,894)
TOTAL DEDUCTIONS FROM REVENUES	$ (5,221,255)	$ (5,240,578)	$ 19,323	0%	$ (4,524,729)
NET PATIENT SERVICE REVENUES	$ 4,391,669	$ 4,363,357	$ 28,312	1%	$ 3,810,845
OTHER OPERATING REVENUES	$ 211,134	$ 206,617	$ 4,517	2%	$ 96,496
TOTAL OPERATING REVENUES	**$ 4,602,803**	**$ 4,569,974**	**$ 32,829**	**1%**	**$ 3,907,341**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,508,063	$ 1,495,498	$ 12,565	1%	$ 1,423,551
EMPLOYEE BENEFITS	$ 716,731	$ 724,123	$ (7,392)	-1%	$ 744,099
PROFESSIONAL FEES - PHYSICIAN	$ 586,416	$ 521,673	$ 64,743	12%	$ 463,019
OTHER PROFESSIONAL FEES - REGISTRY	$ 524,969	$ 538,419	$ (13,450)	-2%	$ 498,128
OTHER PROFESSIONAL FEES - OTHER	$ 355,562	$ 122,464	$ 233,098	190%	$ 90,932
SUPPLIES - DRUGS	$ 485,018	$ 450,792	$ 34,226	8%	$ 347,892
SUPPLIES - MEDICAL	$ 187,480	$ 237,335	$ (49,855)	-21%	$ 158,867
SUPPLIES - OTHER	$ 72,760	$ 85,572	$ (12,812)	-15%	$ 69,112
PURCHASED SERVICES	$ 81,707	$ 114,013	$ (32,306)	-28%	$ 78,668
REPAIRS & MAINTENANCE	$ 71,220	$ 67,789	$ 3,431	5%	$ 75,267
UTILITIES	$ 73,180	$ 72,220	$ 960	1%	$ 75,579
INSURANCE	$ 35,745	$ 51,653	$ (15,908)	-31%	$ 69,640
DEPRECIATION & AMORTIZATION	$ 110,664	$ 123,633	$ (12,969)	-10%	$ 127,169
RENTAL/LEASE	$ 62,348	$ 53,357	$ 8,991	17%	$ 50,857
OTHER EXPENSE	$ 181,670	$ 121,846	$ 59,824	49%	$ 128,275
TOTAL OPERATING EXPENSES	**$ 5,053,533**	**$ 4,780,387**	**$ (273,146)**	**-6%**	**$ 4,401,055**
NET OPERATING SURPLUS (LOSS)	**$ (450,730)**	**$ (210,413)**	**$ (240,317)**	**114%**	**$ (493,714)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 70,000	$ 64,574	$ 5,426	8%	$ 65,000
INVESTMENT INCOME	$ 5,000	$ 6,392	$ (1,392)	-22%	$ 15,318
DONATIONS	$ -	$ 26,571	$ (26,571)	-100%	$ -
INTEREST EXPENSE (ALL)	$ (40,645)	$ (41,845)	$ 1,200	-3%	$ (43,619)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ 216	$ (216)	-100%	$ -
BOND EXPENSE (ALL)	$ 1,112	$ 1,094	$ 18	2%	$ 1,112
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 27,262	$ 454	2%	$ 27,716
PARCEL TAX REVENUES	$ 133,000	$ 130,820	$ 2,180	2%	$ 133,000
TOTAL NON OPERATING INCOME (LOSS)	**$ 196,183**	**$ 215,084**	**$ (18,901)**	**-9%**	**$ 198,527**
TOTAL NET INCOME (LOSS)	**$ (254,547)**	**$ 4,671**	**$ (259,218)**	**-5550%**	**$ (295,187)**
Operating Margin	**-9.8%**	**-4.6%**			**-12.6%**
Total Profit Margin	**-5.5%**	**0.1%**			**-7.6%**
EBIDA	**-8.2%**	**-2.0%**			**-10.7%**
Cash Flow Margin	**-3.7%**	**2.2%**			**-5.0%**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended September 30, 2019

	YEAR-TO-DATE				
	Actual 09/30/19	Budget 09/30/19	Positive (Negative) Variance	Percentage Variance	Prior Year 09/30/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 5,060,733	$ 5,467,899	$ (407,166)	-7%	$ 5,038,853
SWING BED	$ 1,777,381	$ 1,146,079	$ 631,302	55%	$ 677,394
OUTPATIENT	$ 21,797,534	$ 21,133,717	$ 663,817	3%	$ 21,076,908
NORTH COAST FAMILY HEALTH CENTER	$ 1,214,826	$ 1,338,820	$ (123,994)	-9%	$ 1,378,181
HOME HEALTH	$ 411,173	$ 365,546	$ 45,627	12%	$ 340,788
TOTAL PATIENT SERVICE REVENUES	$ 30,261,647	$ 29,452,061	$ 809,586	3%	$ 28,512,124
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (16,689,756)	$ (16,116,899)	$ (572,857)	4%	$ (15,444,464)
POLICY DISCOUNTS	$ (23,357)	$ (25,535)	$ 2,178	-9%	$ (27,154)
STATE PROGRAMS	$ 661,500	$ 481,896	$ 179,604	37%	$ 87,000
BAD DEBT	$ (325,877)	$ (314,384)	$ (11,493)	4%	$ (394,460)
CHARITY	$ (91,926)	$ (86,437)	$ (5,489)	6%	$ (19,125)
TOTAL DEDUCTIONS FROM REVENUES	$ (16,469,416)	$ (16,061,359)	$ (408,057)	-3%	$ (15,798,203)
NET PATIENT SERVICE REVENUES	$ 13,792,231	$ 13,390,702	$ 401,529	3%	$ 12,713,921
OTHER OPERATING REVENUES	$ 591,957	$ 633,623	$ (41,666)	-7%	$ 336,634
TOTAL OPERATING REVENUES	**$ 14,384,188**	**$ 14,024,325**	**$ 359,863**	**3%**	**$ 13,050,555**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 4,641,872	$ 4,595,329	$ 46,543	1%	$ 4,335,787
EMPLOYEE BENEFITS	$ 2,237,101	$ 2,220,751	$ 16,350	1%	$ 2,173,544
PROFESSIONAL FEES - PHYSICIAN	$ 1,760,234	$ 1,600,291	$ 159,943	10%	$ 1,540,995
OTHER PROFESSIONAL FEES - REGISTRY	$ 1,829,828	$ 1,651,149	$ 178,679	11%	$ 1,657,107
OTHER PROFESSIONAL FEES - OTHER	$ 743,023	$ 374,555	$ 368,468	98%	$ 252,071
SUPPLIES - DRUGS	$ 1,432,346	$ 1,382,415	$ 49,931	4%	$ 1,216,905
SUPPLIES - MEDICAL	$ 663,669	$ 727,815	$ (64,146)	-9%	$ 678,416
SUPPLIES - OTHER	$ 249,463	$ 262,476	$ (13,013)	-5%	$ 193,975
PURCHASED SERVICES	$ 336,737	$ 344,009	$ (7,272)	-2%	$ 302,798
REPAIRS & MAINTENANCE	$ 185,454	$ 207,898	$ (22,444)	-11%	$ 233,158
UTILITIES	$ 222,695	$ 221,471	$ 1,224	1%	$ 222,232
INSURANCE	$ 172,927	$ 158,409	$ 14,518	9%	$ 190,570
DEPRECIATION & AMORTIZATION	$ 332,179	$ 374,785	$ (42,606)	-11%	$ 381,501
RENTAL/LEASE	$ 172,376	$ 163,632	$ 8,744	5%	$ 155,839
OTHER EXPENSE	$ 465,803	$ 491,019	$ (25,216)	-5%	$ 332,003
TOTAL OPERATING EXPENSES	**$ 15,445,707**	**$ 14,776,004**	**$ (669,703)**	**-5%**	**$ 13,866,901**
NET OPERATING SURPLUS (LOSS)	**$ (1,061,515)**	**$ (751,679)**	**$ (309,836)**	**41%**	**$ (816,346)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 210,000	$ 198,027	$ 11,973	6%	$ 195,000
INVESTMENT INCOME	$ 15,000	$ 19,599	$ (4,599)	-23%	$ 23,318
DONATIONS	$ 12,220	$ 81,485	$ (69,265)	-85%	$ -
INTEREST EXPENSE (ALL)	$ (121,992)	$ (128,324)	$ 6,332	-5%	$ (130,140)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ 648	$ (648)	-100%	$ 2,118
BOND EXPENSE (ALL)	$ 3,336	$ 3,355	$ (19)	-1%	$ 3,336
TAX SUBSIDIES FOR GO BONDS	$ 83,148	$ 83,603	$ (455)	-1%	$ 83,148
PARCEL TAX REVENUES	$ 392,808	$ 401,181	$ (8,373)	-2%	$ 399,000
TOTAL NON OPERATING INCOME (LOSS)	**$ 594,520**	**$ 659,574**	**$ (65,054)**	**-10%**	**$ 575,780**
TOTAL NET INCOME (LOSS)	**$ (466,991)**	**$ (92,105)**	**$ (374,886)**	**407%**	**$ (240,566)**
Operating Margin	-7.4%	-5.4%			-6.3%
Total Profit Margin	-3.2%	-0.7%			-1.8%
EBIDA	-5.5%	-2.8%			-3.6%
Cash Flow Margin	-1.5%	1.4%			0.4%

Statement of Revenue and Expense - 13 Month Trend

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

	1	2	3	4	5	6	7	8
	Actual 9/30/2019	Actual 8/31/2019	Actual 7/31/2019	Actual 6/30/2019	Actual 5/31/2019	Actual 4/30/2019	Actual 3/31/2019	Actual 2/28/2019
GROSS PATIENT SERVICE REVENUES								
INPATIENT	1,604,446	1,417,030	2,041,840	1,793,781	1,296,892	1,449,258	2,323,912	1,827,740
SWING BED	563,816	578,121	635,444	620,020	608,924	740,806	732,395	510,398
OUTPATIENT	6,928,288	6,941,079	7,925,584	6,606,140	7,648,177	7,489,072	6,991,396	6,799,218
NORTH COAST FAMILY HEALTH CENT	398,500	358,273	458,053	362,717	355,621	413,678	440,820	397,755
HOME HEALTH	117,874	129,099	164,200	128,396	119,334	129,461	124,983	118,117
TAL PATIENT SERVICE REVENUES	9,612,924	9,423,602	11,225,121	9,511,054	10,028,948	10,222,275	10,613,506	9,653,228
DEDUCTIONS FROM REVENUE								
CONTRACTUAL ALLOWANCES	(5,269,096)	(5,360,482)	(6,060,178)	(4,889,557)	(5,810,269)	(5,634,202)	(5,526,455)	(5,409,176)
POLICY DISCOUNTS	(3,393)	(11,141)	(8,823)	(211,250)	(41,405)	(9,735)	(13,405)	(8,089)
STATE PROGRAMS	220,500	220,500	220,500	459,275	552,945	556,246	157,500	148,000
BAD DEBT	(150,000)	(25,877)	(150,000)	(663,314)	(254,225)	(147,787)	0	(86,000)
CHARITY	(19,266)	(30,342)	(42,318)	(167,430)	(33,772)	(36,612)	(39,882)	(43,521)
AL DEDUCTIONS FROM REVENUES	(5,221,255)	(5,207,342)	(6,040,819)	(5,472,276)	(5,586,726)	(5,272,090)	(5,422,242)	(5,398,786)
NET PATIENT SERVICE REVENUES	4,391,669	4,216,260	5,184,302	4,038,778	4,442,222	4,950,185	5,191,264	4,254,442
OPERATING TAX REVENUES	0	0	0				0	0
OTHER OPERATING REVENUES	211,134	148,991	231,832	222,760	235,212	181,589	179,877	251,431
TOTAL OPERATING REVENUES	**4,602,803**	**4,365,251**	**5,416,134**	**4,261,538**	**4,677,434**	**5,131,774**	**5,371,141**	**4,505,873**
OPERATING EXPENSES								
SALARIES & WAGES - STAFF	1,508,063	1,549,641	1,584,168	1,665,449	1,472,457	1,556,058	2,004,021	1,419,826
EMPLOYEE BENEFITS	716,731	732,314	788,056	863,009	742,661	728,459	762,127	755,588
PROFESSIONAL FEES - PHYSICIAN	586,416	592,615	581,203	486,140	485,547	727,967	456,645	521,380
OTHER PROFESSIONAL FEES - REGIS	524,969	656,648	648,211	463,441	605,856	580,617	579,522	447,930
OTHER PROFESSIONAL FEES - OTHE	355,562	193,370	194,091	321,237	336,996	329,581	232,597	324,380
SUPPLIES - DRUGS	485,018	450,697	496,631	348,636	500,098	424,393	431,693	446,867
SUPPLIES - MEDICAL	187,480	181,727	294,462	257,159	169,002	251,183	225,148	259,509
SUPPLIES - OTHER	72,760	85,819	90,884	50,854	85,876	99,137	91,307	110,688
PURCHASED SERVICES	81,707	150,888	104,142	110,385	113,222	121,611	117,892	96,041
REPAIRS & MAINTENANCE	71,220	60,715	53,519	77,556	56,884	51,088	71,321	57,350
UTILITIES	73,180	72,714	76,801	60,767	80,245	68,408	66,061	72,901
INSURANCE	35,745	69,394	67,788	42,547	36,013	37,864	42,782	37,864
INTEREST	0	0	0	0			0	0
DEPRECIATION & AMORTIZATION	110,664	111,015	110,500	112,559	135,663	113,204	100,746	125,253
RENTAL/LEASE	62,348	57,509	205,716	54,321	56,991	53,005	59,316	52,775
OTHER EXPENSE	181,670	130,936	0	122,358	141,698	201,696	127,813	140,770
TOTAL OPERATING EXPENSES	**5,053,533**	**5,096,002**	**5,296,172**	**5,036,418**	**5,019,209**	**5,344,271**	**5,368,991**	**4,869,122**
NET OPERATING SURPLUS (LOSS)	**(450,730)**	**(730,751)**	**119,962**	**(774,880)**	**(341,775)**	**(212,497)**	**2,150**	**(363,249)**
NON-OPERATING REVENUES (EXPENSES)								
OPERATING TAX REVENUES	70,000	70,000	70,000	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	5,000	5,000	5,000	17,304	18,572	4,000	4,000	4,000
DONATIONS	0	12,220	0	0	37,547		0	13,558
INTEREST EXPENSE (ALL)	(40,645)	(40,199)	(41,148)	(41,191)	(41,464)	(41,841)	(41,028)	(40,826)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	(22,193)	(34,262)		0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	131,704	128,104	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**196,183**	**207,553**	**190,784**	**180,748**	**207,221**	**188,987**	**189,800**	**203,560**
TOTAL NET INCOME (LOSS)	**(254,547)**	**(523,198)**	**310,746**	**(594,132)**	**(134,554)**	**(23,510)**	**191,950**	**(159,689)**
Operating Margin	-10%	-17%	2%	-18%	-7%	-4%	0%	-8%
Total Profit Margin	-6%	-12%	6%	-14%	-3%	0%	4%	-4%
EBIDA	-7%	-14%	4%	-16%	-4%	-2%	2%	-5%
Cash Flow Margin	-6%	-12%	6%	-14%	-3%	-1%	3%	-3%

Statement of Revenue and Ex

MENDOCINO COAST HEALTHCARE DIS

FORT BRAGG, CA

	9	10	11	12	13
	Actual 1/31/2019	Actual 12/31/2018	Actual 11/30/2018	Actual 10/31/2018	Actual 9/30/2018
GROSS PATIENT SERVICE REVENUES					
INPATIENT	1,946,223	1,568,434	2,069,493	1,911,377	1,455,829
SWING BED	271,778	138,319	367,023	361,702	97,364
OUTPATIENT	7,884,721	7,007,476	6,048,538	6,757,366	6,238,897
NORTH COAST FAMILY HEALTH CENT	463,344	408,422	401,435	534,850	428,398
HOME HEALTH	123,260	110,380	128,944	135,916	115,086
TAL PATIENT SERVICE REVENUES	10,689,326	9,233,031	9,015,433	9,701,211	8,335,574
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	(6,074,385)	(5,164,683)	(4,930,977)	(5,229,079)	(4,512,033)
POLICY DISCOUNTS	(6,458)	(7,056)	(7,568)	(5,199)	(8,342)
STATE PROGRAMS	96,000	96,000	324,790	132,039	87,000
BAD DEBT	(109,000)	(87,000)	(83,000)	(135,000)	(85,460)
CHARITY	(46,276)	(55,062)	(20,860)	(25,221)	(5,894)
AL DEDUCTIONS FROM REVENUES	(6,140,119)	(5,217,801)	(4,717,615)	(5,262,460)	(4,524,729)
NET PATIENT SERVICE REVENUES	4,549,207	4,015,230	4,297,818	4,438,751	3,810,845
OPERATING TAX REVENUES	0	0	0	0	0
OTHER OPERATING REVENUES	206,803	203,221	180,391	141,819	96,496
TOTAL OPERATING REVENUES	**4,756,010**	**4,218,451**	**4,478,209**	**4,580,570**	**3,907,341**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	1,577,412	1,397,120	1,570,346	1,531,359	1,423,551
EMPLOYEE BENEFITS	795,016	753,734	715,009	697,464	744,099
PROFESSIONAL FEES - PHYSICIAN	458,183	448,795	557,119	540,482	463,019
OTHER PROFESSIONAL FEES - REGIS	567,028	507,800	462,034	460,916	498,128
OTHER PROFESSIONAL FEES - OTHE	206,653	71,067	116,661	107,941	90,932
SUPPLIES - DRUGS	496,553	430,828	454,386	441,700	347,892
SUPPLIES - MEDICAL	273,077	244,499	234,165	244,958	158,867
SUPPLIES - OTHER	63,509	94,774	83,452	96,098	69,112
PURCHASED SERVICES	94,425	104,262	124,308	131,133	78,668
REPAIRS & MAINTENANCE	66,037	71,189	65,445	66,778	75,267
UTILITIES	72,356	69,039	73,234	82,745	75,579
INSURANCE	36,453	36,597	37,257	37,263	69,640
INTEREST	0	0	0	0	0
DEPRECIATION & AMORTIZATION	125,735	128,316	131,797	127,156	127,169
RENTAL/LEASE	55,751	55,359	50,463	54,585	50,857
OTHER EXPENSE	142,968	106,320	122,936	112,191	128,277
TOTAL OPERATING EXPENSES	**5,031,156**	**4,519,699**	**4,798,612**	**4,732,769**	**4,401,057**
NET OPERATING SURPLUS (LOSS)	**(275,146)**	**(301,248)**	**(320,403)**	**(152,199)**	**(493,716)**
NON-OPERATING REVENUES (EXPENSE					
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	17,020	4,000	4,000	4,000	15,318
DONATIONS	0	0	6,583	0	0
INTEREST EXPENSE (ALL)	(42,674)	(42,820)	(42,862)	(43,233)	(43,619)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**201,174**	**188,008**	**194,549**	**187,595**	**198,527**
TOTAL NET INCOME (LOSS)	**(73,972)**	**(113,240)**	**(125,854)**	**35,396**	**(295,189)**
Operating Margin	-6%	-7%	-7%	-3%	-13%
Total Profit Margin	-2%	-3%	-3%	1%	-8%
EBIDA	-3%	-4%	-4%	-1%	-9%
Cash Flow Margin	-1%	-2%	-2%	1%	-7%

Statement of Cash Flows

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

for the 3 months ended 9/30/19

	9/30/2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (Loss)	($466,991)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:	
Depreciation	332,179
(Increase)/Decrease in Net Patient Accounts Receivable	(328,388)
(Increase)/Decrease in Other Receivables	(442,216)
(Increase)/Decrease in Inventories	(4,634)
(Increase)/Decrease in Pre-Paid Expenses	(328,209)
(Increase)/Decrease in Third Party Receivables	1,185,221
Increase/(Decrease) in Accounts Payable	1,267,511
Increase/(Decrease) in Notes and Loans Payable	(153,699)
Increase/(Decrease) in Accrued Payroll and Benefits	(420,113)
Increase/(Decrease) in Previous Year Pension Payable	0
Increase/(Decrease) in Third Party Liabilities	(250,337)
Increase/(Decrease) in Other Current Liabilities	(89,828)
Net Cash Provided by Operating Activities:	300,496
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(161,066)
(Increase)/Decrease in Limited Use Cash and Investments	(15,000)
(Increase)/Decrease in Other Limited Use Assets	(97,500)
Net Cash Used by Investing Activities	(273,566)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase/(Decrease) in Bond/Mortgage Debt	(47,881)
Increase/(Decrease) in Capital Lease Debt	0
Increase/(Decrease) in Other Long Term Liabilities	56,458
Net Cash Used for Financing Activities	8,577
(INCREASE)/DECREASE IN RESTRICTED ASSETS	5,008
Net Increase/(Decrease) in Cash	40,514
Cash, Beginning of Period	2,019,590
Cash, End of Period	$2,060,104

Patient Statistics

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended September 30, 2019

Current Month Actual 09/30/19	Current Month Budget 09/30/19	Current Month Positive/ (Negative) Variance	Current Month Prior Year 09/30/18	STATISTICS	Year-To-Date Actual 09/30/19	Year-To-Date Budget 09/30/19	Year-To-Date Positive/ (Negative) Variance	Year-To-Date Prior Year 09/30/18
				Admissions				
11	12	(8%)	15	Critical Care Services	36	36	0%	44
43	49	(12%)	46	General	127	149	(15%)	129
54	61	(11%)	61	Subtotal Medical & Surgical Admissions	163	185	(12%)	173
7	8	(13%)	7	OB	15	24	(38%)	28
61	**69**	**(12%)**	**68**	**Total Admissions**	**178**	**209**	**(15%)**	**201**
15	**11**	**36%**	**13**	**Swing Bed**	**42**	**33**	**27%**	**39**
8	**8**	**0%**	**4**	**Total Deliveries**	**15**	**24**	**(38%)**	**25**
				Inpatient Days				
38	42	(10%)	54	Critical Care Services	101	126	(20%)	124
163	172	(5%)	181	General	466	522	(11%)	473
201	214	(6%)	235	Subtotal Medical & Surgical Inpatient Days	567	648	(13%)	597
22	18	22%	11	OB	38	54	(30%)	64
223	**232**	**(4%)**	**246**	**Total Inpatient Days**	**605**	**702**	**(14%)**	**661**
141	**99**	**42%**	**100**	**Swing Bed**	**453**	**297**	**53%**	**266**
17	**16**	**6%**	**7**	**Total Newborn Days**	**30**	**48**	**(38%)**	**52**
				Average Length of Stay				
3.5	3.5	(1%)	3.6	Critical Care Services	2.81	3.50	(20%)	2.82
3.8	3.5	8%	3.9	General	3.67	3.50	5%	3.67
3.7	3.5	6%	3.9	Subtotal Medical & Surgical	3.48	3.50	(1%)	3.45
3.1	2.3	40%	1.6	OB	2.53	2.25	13%	2.29
3.7	**3.4**	**9%**	**3.6**	**Total Inpatient (CAH)**	**3.40**	**3.36**	**1%**	**3.29**
9.4	**9.0**	**4%**	**7.7**	**Swing Bed**	**10.79**	**9.00**	**20%**	**6.82**
				Avg Daily Census - Hospital				
1.3	1.4	(10%)	1.7	Critical Care Services (4 Beds)	1.1	1.4	(20%)	1.3
5.4	5.7	(5%)	5.8	General (8 Beds)	5.1	5.7	(11%)	5.1
6.7	7.1	(6%)	7.6	Subtotal Medical & Surgical (12 Beds)	6.2	7.0	(13%)	6.5
0.7	0.6	22%	0.4	OB (3 Beds)	0.4	0.6	(30%)	0.7
7.4	**7.7**	**(4%)**	**7.9**	**Subtotal Acute (15 Beds)**	**6.6**	**7.6**	**(14%)**	**7.2**
4.7	3.3	42%	3.2	Swing Care (10 Beds)	4.9	3.2	53%	2.9
12.1	**11.0**	**10%**	**11.2**	**Total Hospital (25 Beds Available)**	**11.5**	**10.9**	**6%**	**10.1**
				Emergency Department				
728	777	(6%)	807	Outpatients Treated in ED - Emergent	2421	2377	2%	2,545
47	48	(2%)	50	Patients Admitted from ED	135	146	(8%)	134
775	**825**	**(6%)**	**857**	**Total Patients treated in ED**	**2,556**	**2523**	**1%**	**2,679**
				Ambulance Service				
141	164	(14%)	182	911 - Transports	452	502	(10%)	493
1	1	0%	0	Transfer - Transports	6	3	100%	1
142	**165**	**(14%)**	**182**	**Total Ambulance Transports**	**458**	**505**	**(9%)**	**494**
				Surgery - Cases				
11	16	(31%)	14	Inpatient Cases	37	53	(30%)	52
2	5	(60%)	3	Total Implant Cases	357	17	2000%	11
146	174	(16%)	191	Outpatient Cases	156	577	(73%)	580
159	**195**	**(18%)**	**208**	**Total Surgery Cases**	**550**	**647**	**(15%)**	**643**
2,400	**2,403**	**(0%)**	**2,707**	**North Coast Family Health Center Visits**	**7,482**	**7,968**	**(6%)**	**7,775**
485	**473**	**3%**	**555**	**Home Health Visits**	**1,697**	**1,569**	**8%**	**1,633**
4,410	**4,656**	**(5%)**	**4,892**	**Outpatient Encounters**	**14,188**	**15,438**	**(8%)**	**14,906**

	Year to Date 9/30/2019	BUDGET	Prior Fiscal Year End 06/30/19
Profitability:			
Operating Margin	-7.4%	-4.3%	-6.5%
Total Profit Margin	-3.2%	0.4%	-2.2%
EBIDA	-5.5%	-1.7%	-4.0%
Contractual Allowance % To Gross Charges	58.4%	58.2%	58.3%
Inpatient Gross Revenue Percentage (Hospital)	23.9%	23.8%	23.7%
Outpatient Gross Revenue Percentage (Hospital)	76.1%	76.2%	76.3%
Liquidity:			
Days of Cash on Hand, Short Term	6.7		7.3
Days Cash, All Sources	40.5		41.0
Net Days in Accounts Receivable	27.7		25.4
Hospital Gross Days in AR	57.6		55.5
Cash Flow Margin	-1.52%		-0.2%
Days in Accounts Payable	63		47
Current Ratio	0.96		0.90
Capital Structure:			
Average Age of Plant (Annualized)	25.5		22.6
Capital Costs as a % of Total Exp.	1.0%		2.6%
Capital Spend as a % of Annual Depreciation	48.5%		102.0%
Long Term Debt to Net Position	63.2%		66.5%
Debt Service Coverage Ratio	0.27		0.40
Productivity and Efficiency:			
Net Patient Service Revenue per FTE	$169,751	$177,583	$171,055
Salary & Benefits Expense per Paid FTE	($84,664)	($112,151)	($88,990)
Salary & Benefits as a % of Total Expenses	44.5%	46.2%	47.0%
Salary and Benefits as a % of Net Pat Rev.	49.9%	50.8%	52.0%
Employee Benefits as a % of Salaries	48.2%	48.4%	48.5%
Other Ratios:			
FTE - PRODUCTIVE	240.4		241.1
FTE - NON-PRODUCTIVE	40.0		35.7
FTE - REGISTRY/CONTRACT	33.9		32.4
FTE - TOTAL PAID	314.3	300.0	309.2
Cost To Charge Ratio	51.0%	50.0%	50.0%
Medicare Revenue as a % of Total Revenue	61%	60%	61%
Medi-cal Revenue as a % of Total Revenue	18%	20%	21%
BC/BS Ins Revenue as a % of Total Revenue	12%	13%	13%
Other Ins Revenue as a % of Total Revenue	6%	5%	4%
Self-Pay Revenue as a % of Total Revenue	3%	2%	1%

SPECIAL BOARD OF DIRECTORS
AGENDA (AFFILIATION)
FRIDAY, NOVEMBER 8, 2019

REDWOODS ROOM MCDH
10:00 AM

700 RIVER DR. FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on November 8, 2019 at 10:00 a.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

OPEN SESSION: MS. KAREN ARNOLD, CHAIR

1. Call to Order
2. Roll Call
3. Comments from the Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.
4. ***Action:*** Approval of September 26, 2019 Minutes **TAB 1**
5. ***Information/Action:*** Update on the nine Public Forums: Mr. John Redding, Dr. William Miller, Mr. Wayne Allen
6. ***Information:*** Cal Mortgage Update: Mr. Wayne Allen, Interim CEO

MR. STEVE LUND, ACTING CHAIR

7. ***Information/Action:*** Due Diligence Notes: Mr. Bob Beehler & Mr. Jason Wells **TAB 2**
8. ***Information/Action:*** Lease Term Sheet: Mr. Bob Beehler & Mr. Jason Wells **TAB 3**
9. ***Information/Action:*** Future Action Steps & Timelines: Mr. Wayne Allen **TAB 4**

MS. KAREN ARNOLD, CHAIR

10. ***Information:*** Interim Management Agreement: Mr. Bob Beehler & Mr. Jason Wells
11. Comments from Community
    This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.
12. Comments from Board of Directors
13. Adjourn

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on November 6, 2019

Gayl Moon Date
Secretary to the Board of Directors

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

TAB 1

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
THURSDAY, SEPTEMBER 26, 2019

1. **CALL TO ORDER:**

2. **ROLL CALL:** Lund, Redding, Arnold, Grinberg (telephonically), Arnold
   ABSENT: None

   - Arnold and Grinberg recused themselves due to potential conflicts of interest.

   ALSO PRESENT:
   Dr. William Miller, Chief of Staff
   Mr. Wayne Allen, Interim CEO

   - Mr. Allen introduced Noel Caughman, BB&K Law Firm who attended the meeting. BB&K Law Firm is the Hospital's Legal Counsel.

3. **COMMENTS FROM THE COMMUNITY**
   - There were no comments from the community.

4. ***ACTION:*** Approval of August 23, 2019 Minutes

   MOTION: To approve the August 23, 2019 Minutes
   - Redding moved
   - McColley second
   - Roll call
     - Ayes: Lund, Redding, McColley
     - Noes: None
     - Absent: None
     - Recused: Grinberg, Arnold
     - Abstain: None
   - Motion carried

5. ***INFORMATION/ACTION:*** Discussion regarding schedule of future meetings: Mr. Wayne Allen, Interim CEO
   - The Ad Hoc Committee will meet October 1st and Adventist Health will be in attendance.
   - The Board will have a special meeting every Thursday for the month of October at 5:00 p.m. October 24th and the October 31st meetings will be at 4:00 pm.

6. ***INFORMATION/ACTION:*** Discussion regarding content of Fact Sheet: Mr. Wayne Allen, Interim CEO
   - Include the 5 year re-evaluation issue with the 30 year lease.
   - Ms. McColley suggested rearranging the order of the opening questions.
     1. Why are we only considering Adventist Health?
     2. How will the decision be made?
     3. What will the relationship be between the District and Adventist Health?
     4. How will this affect the hospital?
   - Mr. Allen will rearrange the opening questions per Ms. McColley's suggestions.

- Mr. Allen will put the Town Hall meeting dates in sequential order.
- Some suggestions of items to be added to the Fact Sheet were made:
    - ✓ Add labor, delivery and oncology
    - ✓ How would this effect property values
    - ✓ Define therapeutic abortion
    - ✓ Due diligence/fair market value
    - ✓ What happens if affiliation doesn't happen
- The suggested items will be taken in consideration for additions to the Fact Sheet.
- Mr. Allen will update the Fact Sheet and add it will be on the October 3rd agenda.

7. <u>COMMENTS FROM COMMUNITY</u>

8. <u>ADJOURN:</u>

The meeting adjourned at 4:45 p.m.

____

Mr. Steve Lund, Acting Chair
Board of Directors

ATTEST:

____

Ms. Gayl Moon
Secretary to the Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

T
A
B

2

Adventist Health Relationship with Mendocino Coast Healthcare District

Adventist Health's Position

Adventist Health's proposal has two main short-term objectives: 1) improve the financial position of MCDH to make it sustainable (which it is currently not), and 2) keep the District solvent.

The first can only be achieved by turning a $2M per year loss into a profitable operation while also making a $1.5M a year lease payment. Put another way, with current losses plus the lease Adventist Health is taking on a $3.5M per year risk from the District. To overcome this, Adventist Health will invest substantial efforts and resources to the operations on top of the benefits of being a Critical Access Hospital.

The second will be achieved by paying those lease payments to the District which will allow it to pay the existing debts and put funds into a reserve.

If the financial position of MCDH cannot be turned around, the seismic challenges are irrelevant because it would be extremely ill advised to invest in an unsustainable hospital, and we should look for a different way to deliver healthcare in the district.

Due Diligence

Items for Discussion

1. Labor & Delivery solutions. Will AH train all of its ER doctors and nurses to deliver babies in the ER? Yes. This is currently the practice in Willits.
2. If MCDH invests money into the existing hospital (ongoing repairs, seismic upgrades), the Medicare reimbursements will increase. How will that increase be shared? There is no plan to share risks or rewards of operations or investments. Similarly, if Medicare reimbursements were to decrease, the District would not be liable for making up the shortfall.
3. If AH invests money in the hospital (for deferred maintenance, EHR), will that affect the lease payments? Would AH be content to capture the Medicare increase instead? We do not intend to offset the lease payments.
4. Propose a profit-sharing plan that would capture the value of leasing our business (not just the facilities) with MCDH's share of the profits being put into a sinking fund for a new hospital. The business is currently not profitable and if included in the lease calculation would reduce the FMV lease payment. To put it another way, we are leasing the franchise and are the ones exclusively taking risk on it. The District is trading the operational opportunities and risks for a stable lease payment.
5. What is AH's opinion/judgement on the whether MCDH should pursue the seismic upgrades or build a new hospital? Should we put off the new hospital until after 2030? The first step is to try to make MCDH successful and see what the market will support. Current estimates are that to bring all California hospitals into 2030 seismic compliance would cost $150 BILLION dollars and that there will be modifications to the seismic requirements. We will know a lot more about both in 4 or 5 years.

6. **How long did it take to plan, design, construct and license Howard Memorial?** About 6 years.
7. **Does AH own the rights to the engineering design of Howard?** Probably, but even that would not meet today's OSHPD design codes.
8. **Perform a 10-year cash flow analyses, with several scenarios, of MCDH's finances post affiliation. Use that information to determine if the lease fee offered by AH is sufficient.** The lease is a product of two FMV studies. It will be inflated annually by the CPI. Remember that AH is taking sole risk for operations. However, if the District were to make a significant addition to the assets, we could agree to a re-appraisal.
9. **Will the meetings of the new Board be open to the public? Sometimes?** No, they would not be. We would make routine reports to the District in addition to a fairly detailed annual report to the public.
10. **Will the new Board have any involvement in creating and recommending approval of the budget (much as our finance committee does now)?** Yes
11. **What can be done to include Ambulance Service in the lease package, given the apparent legal constraints on providing services outside the District boundaries?** Since all assets and operations of the District are included in the lease, the ambulance services will also be included. We will research the issue of District boundaries.
12. **What assurances/commitments are there that ambulance service on the Coast won't suffer?** We can include a commitment in the lease that ensures continued ambulance services.
13. **Will AH take responsibility for the lease payment to the owners of NCFHC's facilities?** Yes. Since all assets and operations will be included. NCFHC is currently an operation of the District so both its revenues and its expense would move to AH.
14. **Is AH interested in having a Crisis Stabilization Unit located in the remaining portion of the hospital, with the resulting benefit being to reduce the costs of the ER?** It makes sense on the surface, but we will have a much better idea after we begin operations.
15. **What are the specifics of the exit clauses? Will this just be a force majeure clause or something broader?** It would be broader and would include unforeseen things like significant reimbursement changes such as the elimination (without replacement) of Critical Access Hospital status.
16. **Home Health loses a good deal of money. How will AH expand this service without it becoming a financial drain?** We don't know much yet about how MCDH runs specific services. Once we do, we can answer that question better. We do know that we run Home Health in many challenging markets and do ok in them.
17. **How many C-level executives will be stationed at MCDH on a daily basis? Who will be the person with day-to-day decision-making authority?** Likely a local president and nursing executive.

TAB 3

MCDH Long Term Lease

Term Sheet

November 5, 2019

On Behalf of Adventist Health, this Term Sheet is submitted to the Mendocino Coast Health Care District for its review and consideration. The terms described are intended to capture the significant business points we have discussed up until this point. This Term Sheet is non-binding on either party and is intended to guide our negotiations to reach an agreement on mutually agreeable terms.

1. Legal Entities	• Stone Point Health, LLC, a subsidiary of Adventist Health System/West, will be the sole member of a new nonprofit entity ("Adventist Health"). • Mendocino Coast Health Care District ("District"), a local healthcare district under division 23 of the California Health and Safety Code.
2. Lease Terms	• The proposed lease will be subject to District Board and voter approval on the March primary election as well as regulatory and licensing Change of Ownership ("CHOW") approvals. Prior to obtaining these approvals, the Parties are negotiating a Management Services Agreement ("MSA"). It is proposed that Adventist Health manage the District operations under the MSA until such time as all approvals are received, at which time the lease will commence and the MSA will terminate. • 30 year lease, subject to both District Board and voter approval • The lease will include the acute care facility and all clinics and healthcare facilities, including ambulance services, owned or operated by the District. • Each party will have termination rights for unforeseen circumstances beyond the parties' control that materially affect the ability of either party to perform their obligations in the relationship. • In the event the facility does not achieve seismic compliance at least three years prior to the date required under state law, Adventist Health may terminate the agreement. • Rent will be established at 1.5 million dollars per year and not subject to any increase, deductions, or offsets beyond annual CPI adjustments. • District will retain ownership of existing assets, including the Furniture Fixtures & Equipment ("FF&E"), and District liabilities that were incurred as of the Effective Date of the Lease.

	• The District will retain all assets and liabilities as of the date that the CHOW is approved. Once Adventist Health's CHOW application is approved it will invest its own working capital. • Adventist Health will be responsible for all utilities. • Adventist Health maintain the facility in good order, but the District will maintain ultimate responsibility for the facility.
3. Scope of Services	• Adventist Health will continue to provide existing services at the current level for at least 2 years. In addition to the two year commitment, Adventist Health will maintain the acute bed count, ED services, home health services, and ambulance services for a period of at least 10 years.
4. Additional Financial Terms	• The District shall continue to invest Measure C funds into priorities as established and agreed upon by Adventist Health.
5. Capital Commitments	Adventist Health will implement the use of its Electronic Medical Record ("EMR") system and other standard business platforms. In the event of termination, Adventist Health will sell its EMR platform to the district at FMV and provide a one-time electronic transfer of data related patient care in a manner consistent with state and federal law.
6. Furniture, Fixtures, & Equipment	• In consideration of the use of Measure C funds and the reinvestment of the rent, the District will own the FF&E.
7. Seismic Compliance	• District shall maintain responsibility for achieving seismic compliance for the facility. • Construction and/or capital projects involving or addressing seismic issues will be excluded from Adventist Health's commitments. • In the event the District pursues a complete rebuild of the hospital facility in order to achieve seismic compliance, Adventist Health will enter negotiations with the District. Adventist Health's contribution (if any) would be capped at the net present value of future rents due under the lease. In exchange for accelerated rent contribution, Adventist Health will have a voice in the design of the facility. The District would be responsible for and contract with all construction and design professionals. • Adventist Health's obligation to enter negotiations with the District would arise once the District places a bond measure on the ballot or secured financing for the project.
8. Assignment of Contracts and Liabilities	• Adventist Health will assume contracts it deems necessary for the licensed operation of the facility. The parties will work together to determine these contracts. • Provider agreements will be assumed by Adventist Health where necessary for participation in government healthcare programs.

	• The District will indemnify Adventist Health for any breaches, violations, and penalties of any contracts, including the Collective Bargaining Agreement, that arise from actions prior to the assumption date. • After the assumption date, the assumed contracts will become Adventist Health's liability. • The District will maintain responsibility for contracts not assumed by Adventist Health and liabilities associated with its activities prior to the assumption date or the lease commencement date. This will include all professional and general liability claims, medical staff claims, tort and contract claims, and environmental and hazardous material issues, employment liabilities, and liabilities under any government healthcare programs. In the event District policies are claims made, the District shall provide for tail coverage that is reasonably acceptable to Adventist Health.
9. Employee Transition	• Adventist Health's goal is to make the District's employee's transition as nondisruptive as possible. • The District shall provide a WARN Act notice to affected employees upon receiving voter approval of the proposed transaction. • Adventist Health shall make offers of employment to coincide with the conclusion of the WARN Act notice and commencement date of the lease. • The District shall maintain responsibility for employment liabilities prior to the commencement date. • Adventist Health will assume the current Collective Bargaining Agreement for the period of July 1, 2018 through June 30, 2020. • Adventist Health will transition all District employees and will not terminate any employees, cause excepted, for a period of 90 days.
10. Right of First Refusal	• For the duration of the Lease, Adventist Health will have a right of first refusal in the event the District decides to sell the facility. • Adventist Health shall have 60 days to respond to the District's notice. • Subsequent sales to third parties will be completed within 180 days and the sales price must be 95% or more of the price offered to Adventist Health or it must be offered to Adventist Health again.
11. Transfers and Subleases	• Any District transfer of the facility must comply with the Adventist Health's right of first refusal. • Adventist Health may transfer or sublease to an affiliate Adventist Health entity, but all other transfers are subject to District consent.
12. Defaults and Remedies	• Failure to pay monies when due and owed, any lien encumbering the property, bankruptcy of Adventist Health, or a breach of the

	lease that remains uncured for more than 45 days will constitute a default under the lease. • Remedies for default include the continuation of the lease and re-let to a third party, termination of the lease, the District may cure the default and charge Adventist Health as additional rent.
13. Governance	• Adventist Health would be operated as an independent corporation with its own local governing board. Adventist Health will select one District board member to serve on the governing board.
14. Miscellaneous	• Holdover- 120% of rent for the first month then 133% for the second, then 150% thereafter. • Expiration- District shall receive possession along with an opportunity to purchase the then existing Adventist Health EMR platform at FMV. • The Parties will execute a Memorandum of lease and have it recorded with the appropriate government office. • Governing law will be California. • Attorney fees and costs will be recoverable by the prevailing party in any action to enforce the terms of the lease. • Indemnification by each of the parties to the other shall be based on their obligations under the lease and positions relative to the facility. • Adventist Health shall procure insurance in amounts standard in the industry and shall name the District as an additional insured.

TAB 4

DRAFT 11/01/19
FOR DISCUSSION PURPOSES ONLY

TIMELINE FOR MARCH 3, 2020 AFFILIATION ELECTION

Detailed Action Steps & Timeline

WEEK/DATE	DAYS PRIOR TO ELECTION DAY[1]	STEPS
Week of Nov. 4, 2019	**E+127**	**Resolve Due Diligence Issues** **Finalize Terms Sheet/Lease Agreement and Resolutions**
Week of Nov. 11, 2019	**E+120**	**Resolve Due Diligence Issues** **Finalize Terms Sheet/Lease Agreement and Resolutions**
Week of Nov. 18, 2019	E+106	**BOARD VOTE & PUBLIC FORUM**
Tuesday, Nov. 26, 2019 **(Thanksgiving Week)**	**E-98**	**DEADLINE TO SUBMIT BALLOT MEASURE** **E-98 is the last day Board of Supervisors can consolidate a measure with a regular election. While Elections Code §10403 says E-88, the Board needs time to submit request for consolidation.**
Thursday, Nov. 28, 2019 (Thanksgiving Day)	E-96	County Clerk to publish the deadline for submitting arguments. (Elections Code §9163 & Gov. Code §6061)
Dec. 2019 – Mar. 2020		**Finalize Transaction Documents** **External Meetings (as necessary)**
Friday, Dec. 6, 2019	E-88	Last day to submit direct arguments. (Elections Code §9163)
Monday, Dec. 16, 2019	E-78	Last day to submit rebuttal arguments. (Elections Code §9167) Last day for County Counsel to submit impartial analysis. (Elections Code §9160)
Dec. 06, 2019 Dec. 15, 2019	E-88 to E-77	10-day public inspection of arguments/analyses. (Elections Code §9190)

[1] E = Election Day, followed by the number of days prior to or following the election day when the various steps should be taken.

Jan. 23, 2019 – Feb. 11, 2020	E-40 to E-21	Mailing of sample ballots. (Elections Code §13303, 13304)
Monday, Feb. 3, 2020	E-29	Absentee period begins. (Elections Code §3001, 3003)
Tuesday, Feb. 25, 2020	E-7	Last day to request an absentee ballot by mail. (Elections Code §3001)
Tuesday, Mar. 3, 2020 **(Election Day)**	**E**	**ELECTION DAY**
Mar. 4, 2020 – Mar. 31, 2020	E+1 to E+28	Official Canvass
Tuesday, Mar. 31, 2020	**E+28**	**CLOSING DATE**

SPECIAL BOARD OF DIRECTORS
AGENDA (AFFILIATION)
FRIDAY, NOVEMBER 22, 2019

PATIENT REGISTRATION AREA
6:00 PM

700 RIVER DR. FORT BRAGG, CA 95437

NOTICE OF SPECIAL BOARD OF DIRECTORS MEETING
OF THE BOARD OF DIRECTORS
MENDOCINO COAST HEALTH CARE DISTRICT

NOTICE IS HEREBY GIVEN in accordance with Section 54956 of the Government Code that a Special Session of the Board of Directors of the Mendocino Coast Health Care District is called to be held on November 22, 2019 at 6:00 p.m. at Mendocino Coast District Hospital, 700 River Drive, Fort Bragg, California

CONDUCT OF BUSINESS:

OPEN SESSION: MS. KAREN ARNOLD, CHAIR

1. Call to Order
2. Roll Call
3. Comments from the Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.
4. ***Action:*** Approval of November 8, 2019 Minutes **TAB 1**
5. ***Information/Action:*** Approval of Resolution 2019-17 –Resolution of the Mendocino Coast Health Care District Board of Directors to Approve Terms of a New Lease with an Affiliate of Adventist Health System/West: Mr. Wayne Allen, Interim CEO **TAB 2**
6. ***Information/Action:*** Approval of Resolution 2019-18 –Resolution of the Mendocino Coast Health Care District Board of Directors Requesting Consolidation of Election And Ordering of Election: Mr. Wayne Allen, Interim CEO **TAB 3**
7. ***Information/Action:*** Discussion and Approval of the Terms of the MCDH Interim Management Service Agreement: Mr. Wayne Allen, Interim CEO **TAB 4**
8. Comments from Community
   This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter which the District has jurisdiction. You must state your name and address for the record. Time is limited to 3 minutes per speaker with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.
9. Comments from Board of Directors
10. Adjourn

____

Gayl Moon
Secretary to the Board of Directors

STATE OF CALIFORNIA)
COUNTY OF MENDOCINO) §

I declare under penalty of perjury that I am employed by the Mendocino Coast Health Care District Board of Directors; and that I posted this notice at the North and Patient Services Building Lobby entrances to the Mendocino Coast District Hospital on November 19, 2019

_______________________ _______________

Gayl Moon Date
Secretary to the Board of Directors

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437 no later than 1 working days prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

TAB

1

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
SPECIAL SESSION
FORT BRAGG, CA
FRIDAY, NOVEMBER 8, 2019

1. **<u>CALL TO ORDER</u>:**

2. **<u>ROLL CALL</u>:** Grinberg, Lund, McColley, Redding, Arnold
   ABSENT: None

   - Ms. Grinberg recused herself due to potential conflicts of interest.
   - Karen Arnold, Board Chair was present as the Fair Political Practices Commission ruled that she doesn't have a conflict of interest in working for the Mendocino Coast Clinics.

   ALSO PRESENT:
   Dr. William Miller, Chief of Staff
   Mr. Wayne Allen, Interim CEO

   - Mr. Allen introduced staff members from Adventist Health who were in attendance at the meeting:
     - ✓ Mr. Bob Beehler, Sr. VP of Acquisitions
     - ✓ Mr. Jason Wells, CEO of Howard Memorial Hospital in Willits and Ukiah Valley Medical Center in Ukiah
     - ✓ Amy Buckingham, Lead Emergency Dept. Nurse
     - ✓ Judson Howe, Leads Strategy, Development & Operations for both hospitals
     - ✓ Dr. Ace Barrish, Chief Medical Officer
     - ✓ Linda Gibbons, Chief Nursing Officer

3. **<u>COMMENTS FROM THE COMMUNITY</u>**
   - Community members made comments regarding Hospital issues. Following are topics that were discussed:
     - ➢ Several community members encouraged the Board and the Adventist not to close the OB Department.
     - ➢ Community members expressed their support for MCDH to affiliate with Adventist Health.
     - ➢ A community member stated that he has requested a document from the Hospital for several months and no one will give it to him. The document is a report by a prior Interim Finance Director which he stated lays out the billing problems of the Hospital. He feels this institution is covering up its errors. He doesn't understand why the Hospital won't release this document. He will submit another request.

4. ***<u>ACTION:</u>*** Approval of September 26, 2019 Minutes

   <u>MOTION:</u> To approve the September 26, 2019 Minutes
   - Lund moved
   - Redding second

   Ms. McColley stated that the Affiliation Special Board had agree to meet every Thursday in October, and did not execute our promise, so this is only the second time that this Board has met to discuss affiliation, because we didn't have our serial meetings in October, so some of these questions and conversations that we are having in public today are for the first time. There may be some discussion, even discourse.

- Roll call
  - ➢ Ayes: Redding, McColley, Lund
  - ➢ Noes: None
  - ➢ Absent: None
  - ➢ Recused: Grinberg
  - ➢ Abstain: Arnold
- Motion carried

5. ***INFORMATION/ACTION:*** Update on the nine Public Forums: Mr. John Redding, Dr. William Miller, Mr. Wayne Allen
   - Dr. Miller stated that there have been a series of presentations.
   - There were five (5) internal presentations.
     - ✓ One to Medical Staff
     - ✓ Two to Hospital Staff
     - ✓ One to Clinical Staff
     - ✓ One to Managers
   - Nine (9) Public Forums took place up and down the District Coast.
   - A number of presentations were given to small groups, such as Rotary, Chaplains and Volunteers.
   - The attendance ranged from approximately twenty (20) to seventy (70).
   - Two (2) of the forums were recorded and many people have viewed them.
   - Currently in the process of translating the literature into Spanish so that the Spanish speaking community members can have access to this information. Would also like to have the Town Hall recording either dubbed in Spanish, or subtitled in Spanish. Mr. Lund is working to make this happen.
   - The presentations were very well received, with much positive feedback. Most people felt that affiliation with Adventist was an appropriate course of action. Following are some concerns that were brought up:
     - ✓ Questions about the future of Labor and Delivery and how affiliation will affect that.
     - ✓ Women's reproductive rights and how Adventist Health handles women's reproductive rights in their facilities.
     - ✓ Concerns about the rights of Lesbian, Gay, Bisexual, and Transgender rights, both in terms of employees and patients.
     - ✓ Questions were raised as to how the community's input would change.
   - Mr. Redding stated that at the presentations his role was to report on the Hospital's finances and see what kind of story it tells about the Hospital's future. Mr. Redding's conclusion is that the Hospital really does need some outside help.
   - Mr. Allen felt it was a very robust, positive reaction from the community.

6. ***INFORMATION/ACTION:*** Cal Mortgage Update: Mr. Wayne Allen, Interim CEO
   - Mr. Allen stated that Cal Mortgage is the Hospital's bond insurer. The Hospital has a little over $5 million of long term debt that is insured by Cal Mortgage. There are certain covenants, stipulations put in the indenture and the regulatory agreements that the Hospital needs to perform to. The Hospital has been out of compliance on and off over the years with Current Ratio, Debt Service Coverage and the Days Cash on Hand. When the Hospital is out of compliance, the Hospital requests from Cal Mortgage a waiver at the end of the fiscal year, and Cal Mortgage routinely approves that.
   - The year that ended June 30, 2019, Doran Hammett, Interim CFO sent a request for a waiver to Cal Mortgage asking for another twelve (12) month extension through June 30 of 2020. Cal Mortgage denied this request. This means that the Hospital needs to get the financials turned

around and make some changes to prove to Cal Mortgage that MCDH can get into compliance. During this process the Hospital is on credit watch, and Cal Mortgage is closely monitoring the process with Adventist Health. Cal Mortgage fully supports the possible affiliation with Adventist Health.

- MCDH is not in default. No receiver has been appointed.

7. ***INFORMATION/ACTION:*** Due Diligence Notes: Mr. Bob Beehler & Mr. Jason Wells
   - The MCDH Affiliation team asked seventeen (17) questions that the Adventist answered.
     - ✓ Mr. Wells stated that Adventist Health is not insisting that MCDH close the OB/Labor & Delivery Department. Although there are a low number of births at MCDH (50 last year), no sudden decision will be made by the Adventist to close OB. Options such as creating a birthing center and midwifery services will be considered. Willits Chief Nursing Officer Amy Buckingham stated that their Emergency Room providers have all been trained to assist in deliveries if a woman comes to the Emergency Room in labor, they are well prepared to handle the situation, and no one will be left behind.
     - ✓ Even though the Hospital's Home Health Department is struggling financially, Mr. Wells is confident Adventist Health would be able to make it pay for itself and grow.
     - ✓ Mr. Wells stated that if Adventist Health were able to turn around MCDH's finances, they would be willing to talk about participating in seismically retrofitting the Hospital or building a new one.
     - ✓ The management structure would entail a Chief Executive Officer & a Chief Nursing Officer. Dr. William Miller, Chief of Staff is expected to stay.
     - ✓ The Adventist Board would be composed of ten (10) people and would meet four (4) times per year.
   - A copy of the questions and answers/Due Diligence Items for Discussions document is attached as part of these minutes.

   COMMENTS FROM THE COMMUNITY
   - Community members made comments regarding Hospital issues. Following are topics that were discussed:
     - ➢ A community member requested that the Board and the Ad Hoc Committee clarify by next Friday exactly how the Board used Measure C funds. The answer is that the District shall continue to invest Measure C funds into priorities as established and agreed upon by Adventist Health.
     - ➢ Discussed keeping OB open and safe alternatives.

8. ***INFORMATION/ACTION:*** Lease Term Sheet: Mr. Bob Beehler & Mr. Jason Wells
   - Reviewed the Term Sheet, which consists of the following categories:
     - ➢ Legal Entities
     - ➢ Lease Terms
     - ➢ Scope of Services
     - ➢ Additional Financial Terms
     - ➢ Capital Commitments
     - ➢ Furniture, Fixtures & Equipment
     - ➢ Seismic Compliance
     - ➢ Assignment of Contracts and Liabilities

- ➢ Employee Transition
- ➢ Right of First Refusal
- ➢ Transfers and Subleases
- ➢ Defaults and Remedies
- ➢ Governance
- ➢ Miscellaneous

- Scope of Services has the standard language. The language needs to be revised to reflect that by a mutual understanding, changes can occur within the two (2) year period in order to accommodate the community needs. Mr. Beehler suggested the following change to the language "with agreement of the District Board, both parties agree to reserve the right with mutual agreement to modify services to meet the needs of the community" the language to be firmed up.

- Mr. Allen suggested adding this language as a side letter.
- A decision was made not to do a side letter as it was not part of the agreement that the community voted on, and that it should be part of the Term Sheet and the Lease Document.

MOTION: To approve the Term Sheet with the provision stated above (the language to be firmed up) and the proposed timeline to move forward with the development of the lease document and ballot language for the March 2020 election

- Lund moved
- McColley second

Community Comments

- ✓ Community members stated their support to keep the OB Department open at MCDH.
- ✓ Community members supported looking into safe options for labor and delivery other than keeping the OB Department open.

- Mr. Lund stated that a decision needs to be made by the Board on whether or not to go forward with the affiliation process. This is not a one step process. The Board needs to take a vote to approve a lease agreement and the ballot language in the next couple of weeks in order to go forward with the timeline that is in today's packet.
- Mr. Redding stated that he felt blindsided. He was not anticipating this nor advised on the fact that the Board was going to vote on this today. He would like the opportunity to collect the information, go away and process it and discuss it with his colleagues. He feels they need to look at the financial numbers. He had to create a spread sheet on his own. He would like the opportunity to talk to the CEO and CFO to ensure everything is set before voting on the term sheet. He stated that he will be voting no.
- Ms. McColley stated that her understanding is the term sheet will allow the Board to have those conversations. We really are more or less moving toward the ballot language.
- Ms. Arnold stated that this is to start the affiliation process, and by voting for these two things we're agreeing to move forward with affiliation.
- Roll call
  - ➢ Ayes: McColley, Lund, Arnold
  - ➢ Noes: Redding
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

9. ***INFORMATION/ACTION:*** Future Action Steps & Timelines: Mr. Wayne Allen, Interim CEO
   - The week of Nov. 11 the Hospital will set up a time for a Town Hall Meeting regarding the lease term sheet & the lease agreement. Modifications will be made as necessary.

- The week of Nov. 18, a Board resolution will be done including the 75 words of the ballot language, and there will be references in there about the Term Sheet and the Lease Agreement.
- On Nov. 26 the ballot language needs to be delivered to the County Registrar.
- The Board wants to see all the documents a few days prior to meeting for the vote.
- Mr. Allen will work on the dates and notify the Board in order to get everything coordinated.

10. ***INFORMATION:*** Interim Management Agreement: Br. Bob Beehler & Mr. Jason Wells
    - Mr. Allen stated the Interim Management Agreement is an option that Adventist has put on the table. Beginning January 6th the Adventist would bring in a team to oversee day to day operations, and take on fiscal responsibility of the Hospital. They would report to the District Board. They would do this for five (5) or six (6) months. Mr. Allen handed out the Management Services Agreement.
    - Mr. Beehler explained that this is a transition tool, and not a stand-alone strategy. He reinforced that they would still report to the Board, it would still be the Board's organization. They would take over management and financial responsibilities. Mr. Allen asked the Adventists if they would consider this, and they have agreed to move forward with it.
    - This agreement only comes into place if the decision is to affiliate. If the affiliation vote goes negative, then the Adventists would unwind the Management Services Agreement.

11. **COMMENTS FROM COMMUNITY**
    - A community member stated that they are extremely grateful to Adventists.

12. **COMMENTS FROM BOARD OF DIRECTORS**
    - There were no Board comments.

13. **ADJOURN:**
    The meeting adjourned at 1:16 p.m.

____

Mr. Steve Lund, Acting Chair
Board of Directors

ATTEST:

____

Ms. Gayl Moon
Secretary to the Board of Directors

These minutes constitute a portion of the official record of the Board and are the written record of the proceedings. Documents distributed to the Board of Directors at the meeting are available for public review except legally privileged or confidential documents.

Adventist Health Relationship with Mendocino Coast Healthcare District

Adventist Health's Position

Adventist Health's proposal has two main short-term objectives: 1) improve the financial position of MCDH to make it sustainable (which it is currently not), and 2) keep the District solvent.

The first can only be achieved by turning a $2M per year loss into a profitable operation while also making a $1.5M a year lease payment. Put another way, with current losses plus the lease Adventist Health is taking on a $3.5M per year risk from the District. To overcome this, Adventist Health will invest substantial efforts and resources to the operations on top of the benefits of being a Critical Access Hospital.

The second will be achieved by paying those lease payments to the District which will allow it to pay the existing debts and put funds into a reserve.

If the financial position of MCDH cannot be turned around, the seismic challenges are irrelevant because it would be extremely ill advised to invest in an unsustainable hospital, and we should look for a different way to deliver healthcare in the district.

Due Diligence

Items for Discussion

1. Labor & Delivery solutions. Will AH train all of its ER doctors and nurses to deliver babies in the ER? Yes. This is currently the practice in Willits.
2. If MCDH invests money into the existing hospital (ongoing repairs, seismic upgrades), the Medicare reimbursements will increase. How will that increase be shared? There is no plan to share risks or rewards of operations or investments. Similarly, if Medicare reimbursements were to decrease, the District would not be liable for making up the shortfall.
3. If AH invests money in the hospital (for deferred maintenance, EHR), will that affect the lease payments? Would AH be content to capture the Medicare increase instead? We do not intend to offset the lease payments.
4. Propose a profit-sharing plan that would capture the value of leasing our business (not just the facilities) with MCDH's share of the profits being put into a sinking fund for a new hospital. The business is currently not profitable and if included in the lease calculation would reduce the FMV lease payment. To put it another way, we are leasing the franchise and are the ones exclusively taking risk on it. The District is trading the operational opportunities and risks for a stable lease payment.
5. What is AH's opinion/judgement on the whether MCDH should pursue the seismic upgrades or build a new hospital? Should we put off the new hospital until after 2030? The first step is to try to make MCDH successful and see what the market will support. Current estimates are that to bring all California hospitals into 2030 seismic compliance would cost $150 BILLION dollars and that there will be modifications to the seismic requirements. We will know a lot more about both in 4 or 5 years.

6. **How long did it take to plan, design, construct and license Howard Memorial?** About 6 years.
7. **Does AH own the rights to the engineering design of Howard?** Probably, but even that would not meet today's OSHPD design codes.
8. **Perform a 10-year cash flow analyses, with several scenarios, of MCDH's finances post affiliation. Use that information to determine if the lease fee offered by AH is sufficient.** The lease is a product of two FMV studies. It will be inflated annually by the CPI. Remember that AH is taking sole risk for operations. However, if the District were to make a significant addition to the assets, we could agree to a re-appraisal.
9. **Will the meetings of the new Board be open to the public? Sometimes?** No, they would not be. We would make routine reports to the District in addition to a fairly detailed annual report to the public.
10. **Will the new Board have any involvement in creating and recommending approval of the budget (much as our finance committee does now)?** Yes
11. **What can be done to include Ambulance Service in the lease package, given the apparent legal constraints on providing services outside the District boundaries?** Since all assets and operations of the District are included in the lease, the ambulance services will also be included. We will research the issue of District boundaries.
12. **What assurances/commitments are there that ambulance service on the Coast won't suffer?** We can include a commitment in the lease that ensures continued ambulance services.
13. **Will AH take responsibility for the lease payment to the owners of NCFHC's facilities?** Yes. Since all assets and operations will be included. NCFHC is currently an operation of the District so both its revenues and its expense would move to AH.
14. **Is AH interested in having a Crisis Stabilization Unit located in the remaining portion of the hospital, with the resulting benefit being to reduce the costs of the ER?** It makes sense on the surface, but we will have a much better idea after we begin operations.
15. **What are the specifics of the exit clauses? Will this just be a force majeure clause or something broader?** It would be broader and would include unforeseen things like significant reimbursement changes such as the elimination (without replacement) of Critical Access Hospital status.
16. **Home Health loses a good deal of money. How will AH expand this service without it becoming a financial drain?** We don't know much yet about how MCDH runs specific services. Once we do, we can answer that question better. We do know that we run Home Health in many challenging markets and do ok in them.
17. **How many C-level executives will be stationed at MCDH on a daily basis? Who will be the person with day-to-day decision-making authority?** Likely a local president and nursing executive.

MCDH Long Term Lease

Term Sheet

November 5, 2019

On Behalf of Adventist Health, this Term Sheet is submitted to the Mendocino Coast Health Care District for its review and consideration. The terms described are intended to capture the significant business points we have discussed up until this point. This Term Sheet is non-binding on either party and is intended to guide our negotiations to reach an agreement on mutually agreeable terms.

1. Legal Entities	• Stone Point Health, LLC, a subsidiary of Adventist Health System/West, will be the sole member of a new nonprofit entity ("Adventist Health"). • Mendocino Coast Health Care District ("District"), a local healthcare district under division 23 of the California Health and Safety Code.
2. Lease Terms	• The proposed lease will be subject to District Board and voter approval on the March primary election as well as regulatory and licensing Change of Ownership ("CHOW") approvals. Prior to obtaining these approvals, the Parties are negotiating a Management Services Agreement ("MSA"). It is proposed that Adventist Health manage the District operations under the MSA until such time as all approvals are received, at which time the lease will commence and the MSA will terminate. • 30 year lease, subject to both District Board and voter approval • The lease will include the acute care facility and all clinics and healthcare facilities, including ambulance services, owned or operated by the District. • Each party will have termination rights for unforeseen circumstances beyond the parties' control that materially affect the ability of either party to perform their obligations in the relationship. • In the event the facility does not achieve seismic compliance at least three years prior to the date required under state law, Adventist Health may terminate the agreement. • Rent will be established at 1.5 million dollars per year and not subject to any increase, deductions, or offsets beyond annual CPI adjustments. • District will retain ownership of existing assets, including the Furniture Fixtures & Equipment ("FF&E"), and District liabilities that were incurred as of the Effective Date of the Lease.

	• The District will retain all assets and liabilities as of the date that the CHOW is approved. Once Adventist Health's CHOW application is approved it will invest its own working capital. • Adventist Health will be responsible for all utilities. • Adventist Health maintain the facility in good order, but the District will maintain ultimate responsibility for the facility.
3. Scope of Services	• Adventist Health will continue to provide existing services at the current level for at least 2 years. In addition to the two year commitment, Adventist Health will maintain the acute bed count, ED services, home health services, and ambulance services for a period of at least 10 years.
4. Additional Financial Terms	• The District shall continue to invest Measure C funds into priorities as established and agreed upon by Adventist Health.
5. Capital Commitments	Adventist Health will implement the use of its Electronic Medical Record ("EMR") system and other standard business platforms. In the event of termination, Adventist Health will sell its EMR platform to the district at FMV and provide a one-time electronic transfer of data related patient care in a manner consistent with state and federal law.
6. Furniture, Fixtures, & Equipment	• In consideration of the use of Measure C funds and the reinvestment of the rent, the District will own the FF&E.
7. Seismic Compliance	• District shall maintain responsibility for achieving seismic compliance for the facility. • Construction and/or capital projects involving or addressing seismic issues will be excluded from Adventist Health's commitments. • In the event the District pursues a complete rebuild of the hospital facility in order to achieve seismic compliance, Adventist Health will enter negotiations with the District. Adventist Health's contribution (if any) would be capped at the net present value of future rents due under the lease. In exchange for accelerated rent contribution, Adventist Health will have a voice in the design of the facility. The District would be responsible for and contract with all construction and design professionals. • Adventist Health's obligation to enter negotiations with the District would arise once the District places a bond measure on the ballot or secured financing for the project.
8. Assignment of Contracts and Liabilities	• Adventist Health will assume contracts it deems necessary for the licensed operation of the facility. The parties will work together to determine these contracts. • Provider agreements will be assumed by Adventist Health where necessary for participation in government healthcare programs.

	• The District will indemnify Adventist Health for any breaches, violations, and penalties of any contracts, including the Collective Bargaining Agreement, that arise from actions prior to the assumption date. • After the assumption date, the assumed contracts will become Adventist Health's liability. • The District will maintain responsibility for contracts not assumed by Adventist Health and liabilities associated with its activities prior to the assumption date or the lease commencement date. This will include all professional and general liability claims, medical staff claims, tort and contract claims, and environmental and hazardous material issues, employment liabilities, and liabilities under any government healthcare programs. In the event District policies are claims made, the District shall provide for tail coverage that is reasonably acceptable to Adventist Health.
9. Employee Transition	• Adventist Health's goal is to make the District's employee's transition as nondisruptive as possible. • The District shall provide a WARN Act notice to affected employees upon receiving voter approval of the proposed transaction. • Adventist Health shall make offers of employment to coincide with the conclusion of the WARN Act notice and commencement date of the lease. • The District shall maintain responsibility for employment liabilities prior to the commencement date. • Adventist Health will assume the current Collective Bargaining Agreement for the period of July 1, 2018 through June 30, 2020. • Adventist Health will transition all District employees and will not terminate any employees, cause excepted, for a period of 90 days.
10. Right of First Refusal	• For the duration of the Lease, Adventist Health will have a right of first refusal in the event the District decides to sell the facility. • Adventist Health shall have 60 days to respond to the District's notice. • Subsequent sales to third parties will be completed within 180 days and the sales price must be 95% or more of the price offered to Adventist Health or it must be offered to Adventist Health again.
11. Transfers and Subleases	• Any District transfer of the facility must comply with the Adventist Health's right of first refusal. • Adventist Health may transfer or sublease to an affiliate Adventist Health entity, but all other transfers are subject to District consent.
12. Defaults and Remedies	• Failure to pay monies when due and owed, any lien encumbering the property, bankruptcy of Adventist Health, or a breach of the

	lease that remains uncured for more than 45 days will constitute a default under the lease. • Remedies for default include the continuation of the lease and re-let to a third party, termination of the lease, the District may cure the default and charge Adventist Health as additional rent.
13. Governance	• Adventist Health would be operated as an independent corporation with its own local governing board. Adventist Health will select one District board member to serve on the governing board.
14. Miscellaneous	• Holdover- 120% of rent for the first month then 133% for the second, then 150% thereafter. • Expiration- District shall receive possession along with an opportunity to purchase the then existing Adventist Health EMR platform at FMV. • The Parties will execute a Memorandum of lease and have it recorded with the appropriate government office. • Governing law will be California. • Attorney fees and costs will be recoverable by the prevailing party in any action to enforce the terms of the lease. • Indemnification by each of the parties to the other shall be based on their obligations under the lease and positions relative to the facility. • Adventist Health shall procure insurance in amounts standard in the industry and shall name the District as an additional insured.

TAB 2

RESOLUTION NO. 2019-17

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT BOARD OF DIRECTORS TO APPROVE TERMS OF A NEW LEASE WITH AN AFFILIATE OF ADVENTIST HEALTH SYSTEM/WEST

WHEREAS, the Mendocino Coast Health Care District (the "**District**") owns and operates (a) Mendocino Coast District Hospital, a 25-bed acute care Critical Access facility located at 700 River Drive in Fort Bragg, California, (b) the North Coast Family Health Center and (c) the Home Health/Hospice programs (collectively, the "**Hospital**"); and

WHEREAS, the District desires to enter into a new lease of the real property associated with the Hospital (the "**New Lease**") for the purpose of furthering the District's mission and assuring that quality health care services will continue to be provided to the District's residents by a financially strong health care operator with significant background and experience in operating facilities similar to the Hospital; and

WHEREAS, the District has determined that a long-term lease would provide the optimal choice for meeting the objectives described herein to:

- improve the health and quality of life of the communities served by the District;
- provide a County-wide integrated healthcare system;
- provide a stronger opportunity for developing and expanding hospital and physician services needed in the local community;
- provide superior quality healthcare at a competitive price, while being better equipped to control health care costs; and
- position the Hospital and its affiliated physicians to best meet national and state health reform initiatives impacting healthcare delivery and reimbursement; and

WHEREAS, the District and a wholly-owned subsidiary of Stone Point Health, LLC ("**Stone Point Health**"), a California nonprofit public benefit corporation (the "**New Operator**"), have agreed to the terms of a new lease as specified in that certain "MCDH Long Term Lease Term Sheet" dated as of November 15, 2019 and attached hereto as Exhibit A (the "**Term Sheet**"), whereby the New Operator will lease and operate the Hospital for up to thirty (30) years for an initial annual lease amount of $1,750,000, which has been determined by an independent appraiser to be fair market value; and

WHEREAS, Stone Point Health is a subsidiary of Adventist Health System/West, the parent corporation of a multi-hospital healthcare system, including multiple hospitals in the State of California; and

WHEREAS, pursuant to the Term Sheet, the New Operator has agreed to invest its own working capital to maintain the Hospital in good order, condition and repair and in compliance with applicable regulations for the benefit of the residents of the District; and

WHEREAS, pursuant to the Term Sheet, the New Operator has agreed to continue to provide existing Hospital services at the current level for a period of at least two (2) years, and maintain the acute bed count, emergency department services, home health services and ambulance services for a period of at least ten (10) years, subject to changes in the scope of services that may be authorized by the mutual consent of the parties; and

WHEREAS, the District has concluded that the New Operator's commitment to maintain clinical services at the Hospital at a time when other hospitals owned or leased by healthcare districts are economically failing will be of substantial benefit to the healthcare needs of the residents of the District and the community served by the District; and

WHEREAS, pursuant to the authority granted to the District under the Local Health Care District Law of the State of California (California Health & Safety Code § 32000 et seq.), the Board of Directors of the District has determined, in accordance with Section 32126 and Sections 32121(c) and (p), that it is in the best interests of the District to lease the real property and facilities associated with the Hospital to the New Operator for a term of up to thirty (30) years on the terms and conditions set forth in the Term Sheet; and

WHEREAS, prior to the execution of definitive agreements for the transfer, the District will obtain an opinion from an independent consultant with expertise in methods of appraisal and valuation and in accordance with applicable governmental and industry standards for appraisal and valuation, that the transfer on terms set forth in the definitive agreements will constitute fair and reasonable consideration to be received by the District for the transferred assets, and such determination will constitute fair market value in accordance with the requirements of Section 32121(p)(1) of the California Health & Safety Code; and

WHEREAS, the District shall continue to have an oversight role of the New Operator's performance of its obligations under the New Lease, including the New Operator's commitment to maintain clinical services, as expressly provided for in the Term Sheet; and

WHEREAS, the District finds that the transactions contemplated by the Term Sheet are the best alternative to other arrangements it considered; and

WHEREAS, the District finds that the transactions contemplated by the Term Sheet are necessary to provide for the continued maintenance and operation of the Hospital and the District's healthcare services and programs, thereby assuring availability to the residents of the District of local emergency and hospital services, and has determined it to be in the public interest, in the best interests of the District, in the best interests of the communities serviced by the District, and in furtherance of the purposes of the District, that the District consummate the transactions contemplated by the Term Sheet, including the New Lease; and

WHEREAS, prior to the transfer of the Hospital's assets and operations from the District to the New Operator, a majority of the voters voting on a ballot measure must approve the transfer.

The Board of Directors of the Mendocino Coast Health Care District does hereby resolve as follows:

RESOLVED, the Board of Directors does hereby approve the form, terms and provisions of the Term Sheet in all respects, subject to the approval of a measure, by a majority of the voters of the District voting on the measure, proposing the transfer of all of the real property associated with the Hospital and its facilities and operations by a lease pursuant to the Term Sheet.

BE IT FURTHER RESOLVED, that the President of the Board, the Chief Executive Officer of the District, and the MCDH Ad Hoc Affiliation Committee, in consultation with legal counsel and other consultants as may be required, is hereby authorized and directed to negotiate and prepare or cause to be prepared the New Lease and other documents required to implement the Term Sheet, as contemplated by or as consistent with the terms of the Term Sheet and this Resolution, including without limitation any exhibits, schedules, certificates, letters, agreements, papers and instruments (collectively, the "**Transaction Documents**").

BE IT FURTHER RESOLVED, that contingent on and following approval of the Term Sheet by the voters, and following completion of the Transaction Documents, the Transaction Documents shall be presented to the Board of Directors at a public meeting for approval and execution.

The foregoing Resolution was adopted by the Board of Directors of the Mendocino Coast Health Care District at a special meeting held on November 22, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____

Karen Arnold
President, Board of Directors
Mendocino Coast Health Care District

Exhibit A

Term Sheet

Please see the attached.

MCDH Long Term Lease

Term Sheet

November 16, 2019

On Behalf of Adventist Health, this Term Sheet is submitted to the Mendocino Coast Health Care District for its review and consideration. The terms described are intended to capture the significant business points we have discussed up until this point. This Term Sheet is non-binding on either party and is intended to guide our negotiations to reach an agreement on mutually agreeable terms.

1. Legal Entities	• Stone Point Health, LLC, a subsidiary of Adventist Health System/West, will be the sole member of a new nonprofit entity ("Adventist Health"). • Mendocino Coast Health Care District ("District"), a local healthcare district under division 23 of the California Health and Safety Code.
2. Lease Terms	• The proposed lease will be subject to District Board and voter approval on the March 2020 primary election as well as regulatory and licensing Change of Ownership ("CHOW") approvals. Prior to obtaining these approvals, the Parties are negotiating a Management Services Agreement ("MSA"). It is proposed that Adventist Health manage the District operations under the MSA until such time as all approvals are received, at which time the lease will commence and the MSA will terminate. • 30-year lease, subject to both District Board and voter approval • The lease will include the acute care facility and all clinics and healthcare facilities, including ambulance services, owned or operated by the District. • Rent will be established at $2,950,000 dollars per year subject to annual CPI adjustments. However, for the first three years as Adventist Health is settling in the rent will be reduced to $1,750,000 annually. • District will retain ownership of existing assets, including the Furniture Fixtures & Equipment ("FF&E"), and District liabilities that were incurred as of the Effective Date of the Lease. • The District will retain all assets and liabilities as of the date that the CHOW is approved. Once Adventist Health's CHOW application is approved it will invest its own working capital. • Adventist Health will be responsible for all utilities. • Adventist Health maintain the facility in good order, but the District will maintain ultimate responsibility for the facility. • The District commits to make available up to $2,000,000 per year (inflated by CPI) in repairs, upgrades and equipment in Hospital as

	prioritized by Adventist Health. Unspent balances can be carried forward.
3. Scope of Services	• Adventist Health will continue to provide existing services at the current level for at least 2 years. In addition to the two-year commitment, Adventist Health will maintain the acute bed count, ED services, home health services, and ambulance services for a period of at least 10 years. Parties may mutually agree at any time to change the service commitments.
4. Termination Rights	• Adventist Health will have the right to terminate at three years with 270 days' notice • Adventist Health will have the right to terminate if the District does not maintain seismic compliance with then current seismic regulations. • Each party will have termination rights for unforeseen circumstances beyond the parties' control that materially affect the ability of either party to perform their obligations in the relationship. This will include changes to reimbursement programs that render operations economically unfeasible.
5. Capital Commitments	Adventist Health will implement the use of its Electronic Medical Record ("EMR") system and other standard business platforms. In the event of termination, the District shall purchase Adventist Health's EMR platform at FMV. Adventist Health will provide a one-time electronic transfer of data related patient care in a manner consistent with state and federal law.
6. Liquidated Damages	Adventist Health will be entitled to liquidated damages in the event the District does not achieve seismic compliance by 2030 or fails to set aside the funds required for Future Development and Adventist Health terminates the lease. Liquidated damages will set at $10,000,000.
7. Seismic Compliance	• District shall maintain responsibility for achieving seismic compliance for the facility. • Construction and/or capital projects involving or addressing seismic issues will be excluded from Adventist Health's commitments however Adventist Health will work closely with the district to identify the best and most prudent options. Should construction or renovation be necessary Adventist Health will use its corporate resources to support the planning and execution process. • The District shall fund into a Board Designated nontransferable (escrow) account funds in excess of operations to be used for a) Seismic retrofit, b) New hospital investment or c) other outpatient construction investments, as mutually agreed on by Adventist Health and the District. • Adventist Health will receive an ongoing accounting of the fund.

8. Assignment of Contracts and Liabilities	• Adventist Health will assume contracts it deems necessary for the licensed operation of the facility. The parties will work together to determine these contracts. • Provider agreements will be assumed by Adventist Health where necessary for participation in government healthcare programs. • The District will indemnify Adventist Health for any breaches, violations, and penalties of any contracts, including the Collective Bargaining Agreement, that arise from actions prior to the assumption date. • After the assumption date, the assumed contracts will become Adventist Health's responsibility. • The District will maintain responsibility for contracts not assumed by Adventist Health and liabilities associated with its activities prior to the assumption date or the lease commencement date. This will include all professional and general liability claims, medical staff claims, tort and contract claims, and environmental and hazardous material issues, employment liabilities, and liabilities under any government healthcare programs. In the event District policies are claims made, the District shall provide for tail coverage that is reasonably acceptable to Adventist Health.
9. Employee Transition	• Adventist Health's goal is to make the District's employee's transition as nondisruptive as possible. • The District shall provide a WARN Act notice to affected employees upon receiving voter approval of the proposed transaction. • Adventist Health shall make offers of employment to coincide with the conclusion of the WARN Act notice and commencement date of the lease. • The District shall maintain responsibility for employment liabilities prior to the lease commencement date. • Adventist Health will assume the current Collective Bargaining Agreement for the period of July 1, 2018 through June 30, 2020. • Adventist Health will transition all District employees and will not terminate any employees, cause excepted, for a period of 90 days.
10. Right of First Refusal	• For the duration of the lease, Adventist Health will have a right of first refusal in the event the District decides to sell the facility. • Adventist Health shall have 60 days to respond to the District's notice. • Subsequent sales to third parties will be completed within 180 days and the sales price must be 95% or more of the price offered to Adventist Health or it must be offered to Adventist Health again.
11. Transfers and Subleases	• Any District transfer of the facility must comply with the Adventist Health's right of first refusal.

	• Adventist Health may transfer or sublease to an affiliate Adventist Health entity, but all other transfers are subject to District consent.
12. Defaults and Remedies	• Failure to pay monies when due and owed, any lien encumbering the property, bankruptcy of Adventist Health, or a breach of the lease that remains uncured for more than 45 days will constitute a default under the lease. • Remedies for default include the continuation of the lease and re-let to a third party, termination of the lease, the District may cure the default and charge Adventist Health as additional rent.
13. Governance	• Adventist Health would be operated as an independent corporation with its own local governing board. Adventist Health will select one District board member to serve on the governing board.

Memo Report on MCDH's Finances Post-Affiliation

1. Purpose

   The purpose of this memo is to document the analysis of the District's finances once Adventist Health (AH) assumes operational control of our assets.

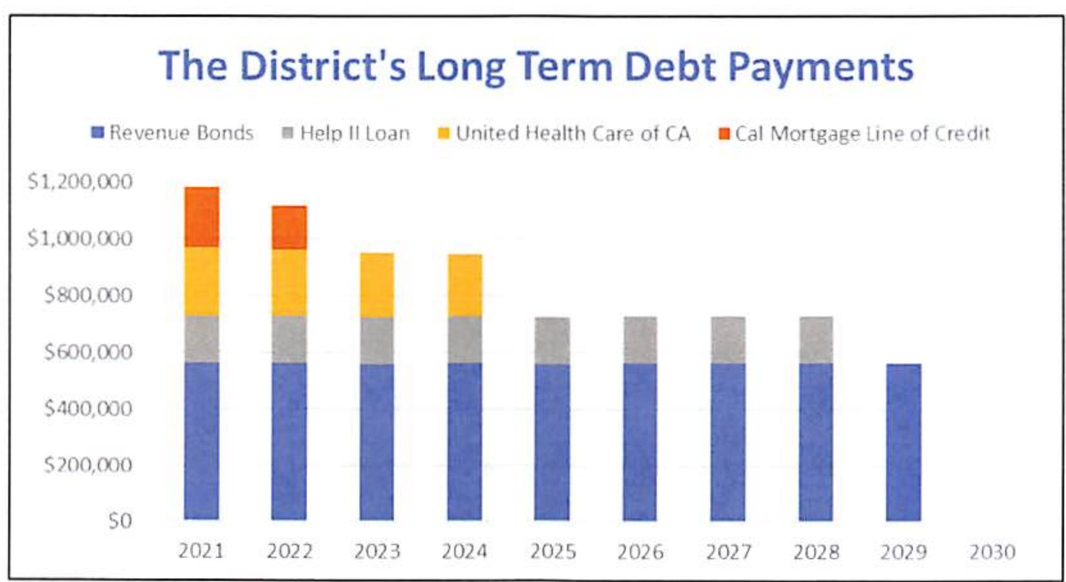
2. Description of the Analysis

   This analysis uses projections of MCDH's revenues and costs after AH assumes control of operations and is responsible for operational profit and loss. The sources of information will be cited in the discussion below. Please note that according to Mr. Jason Wells of AH, a new hospital won't be considered until there have been few years of successful operation[1] so the focus of this analysis is if the District can afford to pay for the cost of the seismic upgrades which it is obligated to do by the Term Sheet.

3. Costs to the District Post-Affiliation.

   The District will incur these costs:

   - **Principal and Interest payments** on long term debt are shown below.[2] Revenues must be sufficient so that, after these repayment obligations are met, there remains enough cash to set aside to pay for the cost of the retrofits (or a down payment on a new hospital). Note that all long-term debt is repaid ten years from now.



[1] Mr. Wells cited the case of Howard Memorial in Willits where it took 15 years to put that hospital in a financial position to justify building the new hospital. The Term Sheet stipulates that MCDH and AH will make a decision no later than 2027 regarding retrofitting the current hospital or building a new one.

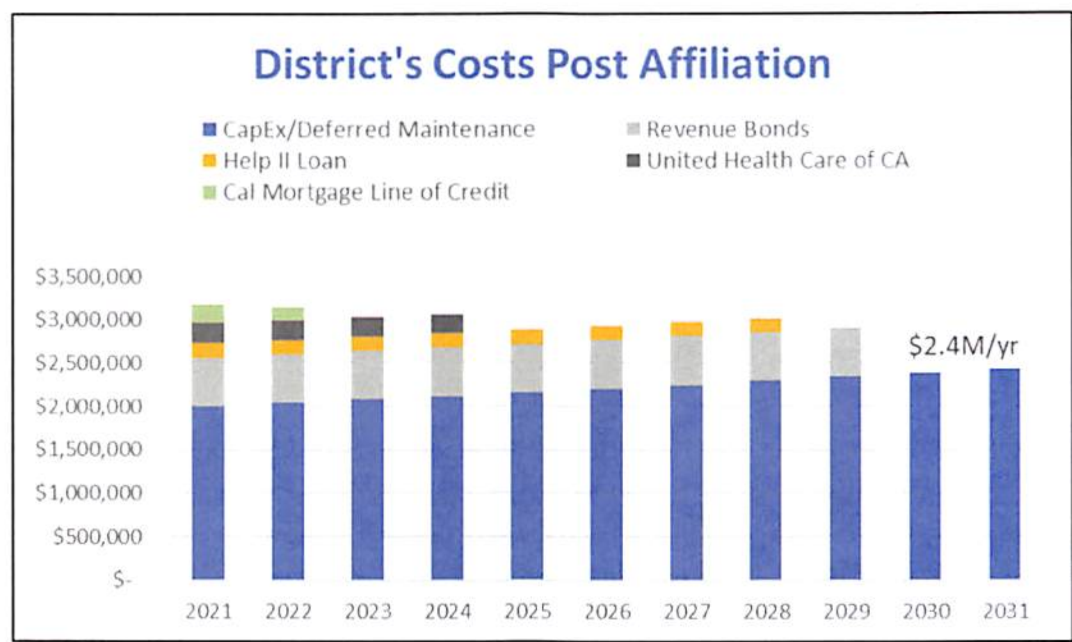
[2] Source: MCDH's CFO

- **On-going capital expenses** in the form of maintaining the hospital, as required by the Term Sheet. The Term Sheet requires the District to pay up to $2.0M a year (with escalation) which is consistent with and past experience and this year's capital budget of $2.0M.

- **Accounts Payable.** The District will have an obligation to pay all providers what is owed as of the date on which affiliation begins. This will be paid using a combination of cash available from Accounts Receivable as of the date of affiliation and Board Designated Funds (our reserves.)

- **Accrued Personal Time Off (PTO)** is $1.10M according to our CFO. This amount will be paid using Board Designated funds once we have closed our Accounts Payable and Accounts Receivable.[3] We project that after the PTO is paid off there will be $3.5M left in Board Designated Funds (down from $4.4M currently.) This will be our starting cash balance, post affiliation.[4]

- **Cost of doing business as a District.** There will be expenses for legal counsel, minimal staffing, and other miscellaneous costs. These are not well known and probably small (relatively speaking) and are therefore ignored here.



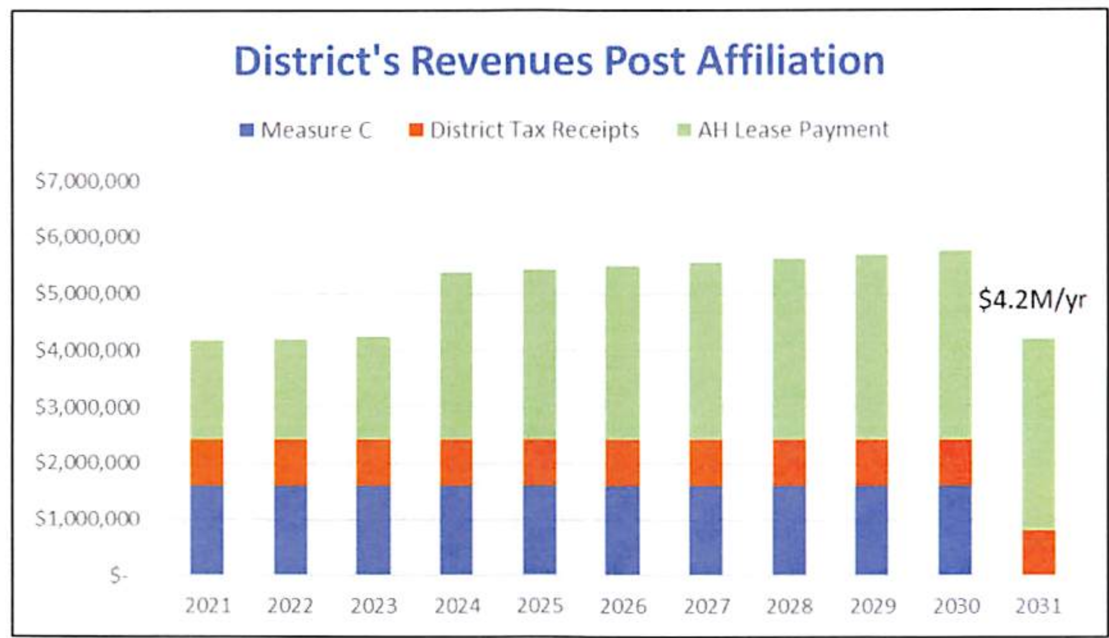
4. Revenues for the District Post-Affiliation

Unlike the cost projections which have some degree of uncertainty (e.g., on-going maintenance), revenues come from several sources all of which are highly predictable.

[3] PTO is one of the liability items that will be liquidated. How specifically this liquidation happens has yet to be determined

[4] Explanation: The liquidation of the current assets will generate an estimated $8,067,462 of cash. The cash necessary to pay off the current liabilities including the PTO accrual is $9,993,342. It would be necessary to draw the resulting $1,915,880 shortfall from Board Designated Funds.

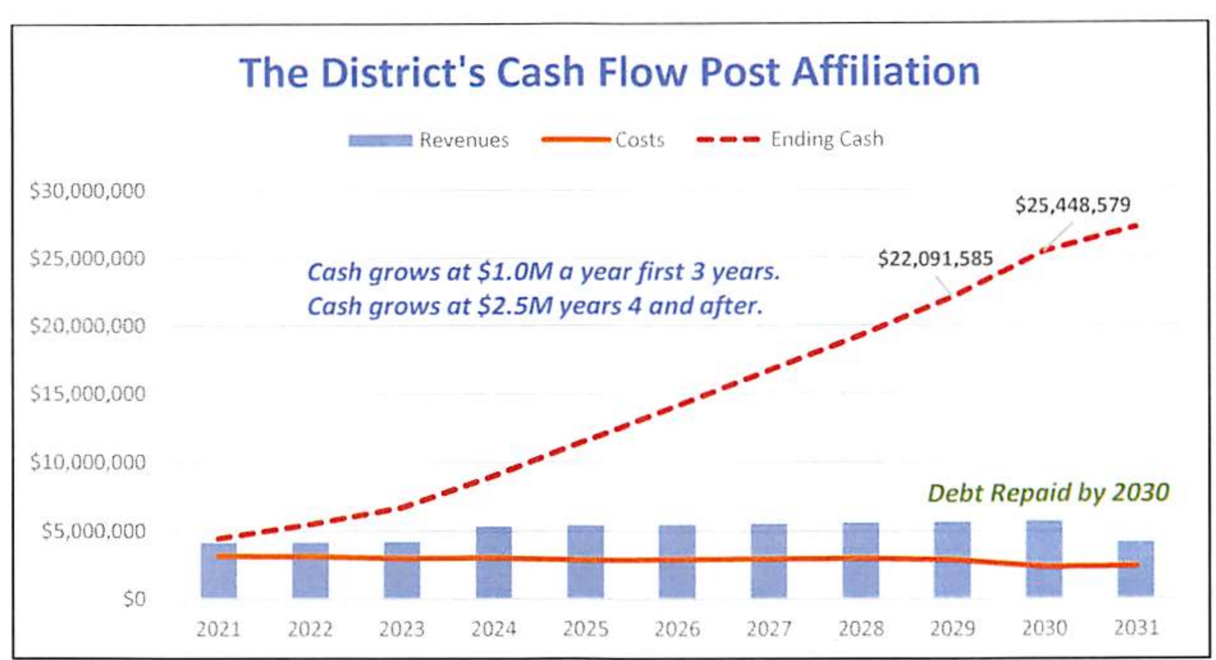
- **Measure C** will be $1.60M per year until 2030 when it expires. It is conservatively assumed here that funds from Measure C or a similar tax measure will not be available thereafter.
- **Unrestricted Tax Revenues** will be about $0.825M per year according the 2018 audit report (page 10).
- **Lease Payment** by AH which the Term Sheet stipulates will be $1.75M per year for the first three years and $2.95M thereafter. These payments will be adjusted yearly to account for inflation (using the Consumer Price Index).



5. Cash Flow

   The cash flow, as depicted on the next page, is sufficient for the District to repay all of its long-term debt <u>and</u> to fund by itself the cost of the seismic upgrades. If it is decided to build a new hospital beginning in 2030, the District will have $25M of the estimated $100M to do so. Obviously, an additional source(s) of money will be needed. These likely would be a combination of an investment in the new hospital by AH, making it a co-owner, and a renewal of Measure C or equivalent.

John Redding
Treasurer, MCHD
November 20, 2019


The District's Cash Flow Post Affiliation
Revenues
Costs
Ending Cash
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
Cash grows at $1.0M a year first 3 years.
Cash grows at $2.5M years 4 and after.
$22,091,585
$25,448,579
Debt Repaid by 2030
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031

TAB 3

RESOLUTION NO. 2019-18

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT BOARD OF DIRECTORS REQUESTING CONSOLIDATION OF ELECTION AND ORDERING OF ELECTION

WHEREAS, the Mendocino Coast Health Care District (the "**District**") owns and operates (a) Mendocino Coast District Hospital, a 25-bed acute care Critical Access facility located at 700 River Drive in Fort Bragg, California, (b) the North Coast Family Health Center and (c) the Home Health/Hospice programs (collectively, the "**Hospital**"); and

WHEREAS, the District desires to enter into a new lease of the real property associated with the Hospital (the "**New Lease**") for the purpose of furthering the District's mission and assuring that quality health care services will continue to be provided to the District's residents by a financially strong health care operator with significant background and experience in operating facilities similar to the Hospital; and

WHEREAS, the District and a wholly-owned subsidiary of Stone Point Health, LLC ("**Stone Point Health**"), a California nonprofit public benefit corporation (the "**New Operator**"), have agreed to the terms for a new lease, whereby the New Operator will lease and operate the Hospital for up to thirty (30) years for an initial annual lease amount of $1,750,000, pursuant to the terms approved by the Board in its Resolution No. 19-17 adopted this same date and attached hereto as Exhibit A; and

WHEREAS, prior to the transfer of the Hospital's assets and operations from the District to the New Operator, a majority of the voters voting on a ballot measure must approve the transfer; and

WHEREAS, if the transfer is approved by a majority of the voters voting on the measure, the District would continue to have an oversight role over the performance of the New Operator.

The Board of Directors of the Mendocino Coast Health Care District does hereby resolve as follows:

RESOLVED, that pursuant to the authority contained in Section 32121(p) of the California Health & Safety Code, the Board of Directors does hereby call for an election of the voters of the District to be held at the next regularly scheduled election on March 3, 2020, to approve a measure, by a majority of the voters voting on the measure, proposing the transfer of all of the real property associated with the Hospital and its facilities and operations by lease pursuant to the terms approved by the Board in its Resolution No. 2019-17 adopted this same date and attached hereto as Exhibit A. "Full text" is not required to appear in the Sample Ballot Pamphlet.

The ballot measure shall read and appear on the ballot as follows:

> With no additional taxes to the taxpayers and to assure continuing emergency medical services, acute hospital inpatient services and outpatient services, with substantial investments by non-profit Stone Point Health to meet the needs of Mendocino Coast residents, shall the Mendocino Coast Health Care District enter into a lease agreement of Mendocino Coast District Hospital for up to thirty (30) years at fair market value to Stone Point Health, per terms approved by Resolution 2019-17 adopted November 22, 2019? YES_____ NO_____

BE IT FURTHER RESOLVED, that the consideration received by the District in exchange for the New Lease consists of those considerations set forth in the Board's Resolution 2019-17 and the Term Sheet attached thereto, all incorporated herein and attached hereto as Exhibit A.

BE IT FURTHER RESOLVED, that prior to the execution of definitive agreements for the transfer, the District will obtain an opinion from an independent consultant with expertise in methods of appraisal and valuation and in accordance with applicable governmental and industry standards for appraisal and valuation, that the transfer on terms set forth in the definitive agreements will constitute fair and reasonable consideration to be received by the District for the transferred assets, and such determination will constitute fair market value in accordance with the requirements of Section 32121(p)(1) of the California Health & Safety Code.

BE IT FURTHER RESOLVED, that pursuant to Section 1002 of the California Elections Code and Section 32121(p) of the California Health & Safety Code, the Board does hereby notify the County of Mendocino Board of Supervisors and the County of Mendocino Elections Division of the office of Assessor-County Clerk-Recorder that this Board chooses to hold such election on March 3, 2020, and requests consolidation with the regular election that will be held on the same day, in the same territory or in territory that is part the same.

BE IT FURTHER RESOLVED, that pursuant to Elections Code 10002 and 10400, the Board of Directors hereby requests the County of Mendocino Board of Supervisors to authorize the County Clerk to render all services otherwise required to be performed for the election to be held on March 3, 2020. Said services include, but are not limited to:

- Publication of notices calling an election
- Publication of notices calling for ballot arguments
- Provision of voter lists
- Preparation, printing and mailing of sample ballots and ballots
- Conducting polling place election
- Counting of ballots
- Certification of election

- All aspects of election not specified above that may be agreed upon by the County Clerk or the Elections Division of the office of Assessor-County Clerk-Recorder and the President of the District

BE IT FURTHER RESOLVED, that the President of the Board or his designee(s) is hereby authorized to execute any other document and to perform all acts necessary to place the measure on the ballot including signing a services agreement with the County of Mendocino, and to comply with all requirements of law and election officials.

BE IT FURTHER RESOLVED, that the District shall reimburse the County of Mendocino for all costs and expenses incurred by the County in conducting said election upon presentation of a bill to the District and in compliance with any service agreement that may be entered into between the District and the County.

BE IT FURTHER RESOLVED, that the District Secretary is hereby authorized and directed to file a copy of this Resolution with the Board of Supervisors and the County Clerk upon its adoption by the Board of Directors.

The foregoing Resolution was adopted by the Board of Directors of the Mendocino Coast Health Care District at a special meeting held on November 22, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____

Karen Arnold
President, Board of Directors
Mendocino Coast Health Care District

Exhibit A

Resolution No. 2019-17

Please see the attached.

RESOLUTION NO. 2019-17

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT BOARD OF DIRECTORS TO APPROVE TERMS OF A NEW LEASE WITH AN AFFILIATE OF ADVENTIST HEALTH SYSTEM/WEST

WHEREAS, the Mendocino Coast Health Care District (the "**District**") owns and operates (a) Mendocino Coast District Hospital, a 25-bed acute care Critical Access facility located at 700 River Drive in Fort Bragg, California, (b) the North Coast Family Health Center and (c) the Home Health/Hospice programs (collectively, the "**Hospital**"); and

WHEREAS, the District desires to enter into a new lease of the real property associated with the Hospital (the "**New Lease**") for the purpose of furthering the District's mission and assuring that quality health care services will continue to be provided to the District's residents by a financially strong health care operator with significant background and experience in operating facilities similar to the Hospital; and

WHEREAS, the District has determined that a long-term lease would provide the optimal choice for meeting the objectives described herein to:

- improve the health and quality of life of the communities served by the District;
- provide a County-wide integrated healthcare system;
- provide a stronger opportunity for developing and expanding hospital and physician services needed in the local community;
- provide superior quality healthcare at a competitive price, while being better equipped to control health care costs; and
- position the Hospital and its affiliated physicians to best meet national and state health reform initiatives impacting healthcare delivery and reimbursement; and

WHEREAS, the District and a wholly-owned subsidiary of Stone Point Health, LLC ("**Stone Point Health**"), a California nonprofit public benefit corporation (the "**New Operator**"), have agreed to the terms of a new lease as specified in that certain "MCDH Long Term Lease Term Sheet" dated as of November 15, 2019 and attached hereto as Exhibit A (the "**Term Sheet**"), whereby the New Operator will lease and operate the Hospital for up to thirty (30) years for an initial annual lease amount of $1,750,000, which has been determined by an independent appraiser to be fair market value; and

WHEREAS, Stone Point Health is a subsidiary of Adventist Health System/West, the parent corporation of a multi-hospital healthcare system, including multiple hospitals in the State of California; and

WHEREAS, pursuant to the Term Sheet, the New Operator has agreed to invest its own working capital to maintain the Hospital in good order, condition and repair and in compliance with applicable regulations for the benefit of the residents of the District; and

WHEREAS, pursuant to the Term Sheet, the New Operator has agreed to continue to provide existing Hospital services at the current level for a period of at least two (2) years, and maintain the acute bed count, emergency department services, home health services and ambulance services for a period of at least ten (10) years, subject to changes in the scope of services that may be authorized by the mutual consent of the parties; and

WHEREAS, the District has concluded that the New Operator's commitment to maintain clinical services at the Hospital at a time when other hospitals owned or leased by healthcare districts are economically failing will be of substantial benefit to the healthcare needs of the residents of the District and the community served by the District; and

WHEREAS, pursuant to the authority granted to the District under the Local Health Care District Law of the State of California (California Health & Safety Code § 32000 et seq.), the Board of Directors of the District has determined, in accordance with Section 32126 and Sections 32121(c) and (p), that it is in the best interests of the District to lease the real property and facilities associated with the Hospital to the New Operator for a term of up to thirty (30) years on the terms and conditions set forth in the Term Sheet; and

WHEREAS, prior to the execution of definitive agreements for the transfer, the District will obtain an opinion from an independent consultant with expertise in methods of appraisal and valuation and in accordance with applicable governmental and industry standards for appraisal and valuation, that the transfer on terms set forth in the definitive agreements will constitute fair and reasonable consideration to be received by the District for the transferred assets, and such determination will constitute fair market value in accordance with the requirements of Section 32121(p)(1) of the California Health & Safety Code; and

WHEREAS, the District shall continue to have an oversight role of the New Operator's performance of its obligations under the New Lease, including the New Operator's commitment to maintain clinical services, as expressly provided for in the Term Sheet; and

WHEREAS, the District finds that the transactions contemplated by the Term Sheet are the best alternative to other arrangements it considered; and

WHEREAS, the District finds that the transactions contemplated by the Term Sheet are necessary to provide for the continued maintenance and operation of the Hospital and the District's healthcare services and programs, thereby assuring availability to the residents of the District of local emergency and hospital services, and has determined it to be in the public interest, in the best interests of the District, in the best interests of the communities serviced by the District, and in furtherance of the purposes of the District, that the District consummate the transactions contemplated by the Term Sheet, including the New Lease; and

WHEREAS, prior to the transfer of the Hospital's assets and operations from the District to the New Operator, a majority of the voters voting on a ballot measure must approve the transfer.

The Board of Directors of the Mendocino Coast Health Care District does hereby resolve as follows:

RESOLVED, the Board of Directors does hereby approve the form, terms and provisions of the Term Sheet in all respects, subject to the approval of a measure, by a majority of the voters of the District voting on the measure, proposing the transfer of all of the real property associated with the Hospital and its facilities and operations by a lease pursuant to the Term Sheet.

BE IT FURTHER RESOLVED, that the President of the Board, the Chief Executive Officer of the District, and the MCDH Ad Hoc Affiliation Committee, in consultation with legal counsel and other consultants as may be required, is hereby authorized and directed to negotiate and prepare or cause to be prepared the New Lease and other documents required to implement the Term Sheet, as contemplated by or as consistent with the terms of the Term Sheet and this Resolution, including without limitation any exhibits, schedules, certificates, letters, agreements, papers and instruments (collectively, the "**Transaction Documents**").

BE IT FURTHER RESOLVED, that contingent on and following approval of the Term Sheet by the voters, and following completion of the Transaction Documents, the Transaction Documents shall be presented to the Board of Directors at a public meeting for approval and execution.

The foregoing Resolution was adopted by the Board of Directors of the Mendocino Coast Health Care District at a special meeting held on November 22, 2019 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

____

Karen Arnold
President, Board of Directors
Mendocino Coast Health Care District

Exhibit A

Term Sheet

Please see the attached.

MCDH Long Term Lease

Term Sheet

November 16, 2019

On Behalf of Adventist Health, this Term Sheet is submitted to the Mendocino Coast Health Care District for its review and consideration. The terms described are intended to capture the significant business points we have discussed up until this point. This Term Sheet is non-binding on either party and is intended to guide our negotiations to reach an agreement on mutually agreeable terms.

1. Legal Entities	• Stone Point Health, LLC, a subsidiary of Adventist Health System/West, will be the sole member of a new nonprofit entity ("Adventist Health"). • Mendocino Coast Health Care District ("District"), a local healthcare district under division 23 of the California Health and Safety Code.
2. Lease Terms	• The proposed lease will be subject to District Board and voter approval on the March 2020 primary election as well as regulatory and licensing Change of Ownership ("CHOW") approvals. Prior to obtaining these approvals, the Parties are negotiating a Management Services Agreement ("MSA"). It is proposed that Adventist Health manage the District operations under the MSA until such time as all approvals are received, at which time the lease will commence and the MSA will terminate. • 30-year lease, subject to both District Board and voter approval • The lease will include the acute care facility and all clinics and healthcare facilities, including ambulance services, owned or operated by the District. • Rent will be established at $2,950,000 dollars per year subject to annual CPI adjustments. However, for the first three years as Adventist Health is settling in the rent will be reduced to $1,750,000 annually. • District will retain ownership of existing assets, including the Furniture Fixtures & Equipment ("FF&E"), and District liabilities that were incurred as of the Effective Date of the Lease. • The District will retain all assets and liabilities as of the date that the CHOW is approved. Once Adventist Health's CHOW application is approved it will invest its own working capital. • Adventist Health will be responsible for all utilities. • Adventist Health maintain the facility in good order, but the District will maintain ultimate responsibility for the facility. • The District commits to make available up to $2,000,000 per year (inflated by CPI) in repairs, upgrades and equipment in Hospital as

	prioritized by Adventist Health. Unspent balances can be carried forward.
3. Scope of Services	• Adventist Health will continue to provide existing services at the current level for at least 2 years. In addition to the two-year commitment, Adventist Health will maintain the acute bed count, ED services, home health services, and ambulance services for a period of at least 10 years. Parties may mutually agree at any time to change the service commitments.
4. Termination Rights	• Adventist Health will have the right to terminate at three years with 270 days' notice • Adventist Health will have the right to terminate if the District does not maintain seismic compliance with then current seismic regulations. • Each party will have termination rights for unforeseen circumstances beyond the parties' control that materially affect the ability of either party to perform their obligations in the relationship. This will include changes to reimbursement programs that render operations economically unfeasible.
5. Capital Commitments	Adventist Health will implement the use of its Electronic Medical Record ("EMR") system and other standard business platforms. In the event of termination, the District shall purchase Adventist Health's EMR platform at FMV. Adventist Health will provide a one-time electronic transfer of data related patient care in a manner consistent with state and federal law.
6. Liquidated Damages	Adventist Health will be entitled to liquidated damages in the event the District does not achieve seismic compliance by 2030 or fails to set aside the funds required for Future Development and Adventist Health terminates the lease. Liquidated damages will set at $10,000,000.
7. Seismic Compliance	• District shall maintain responsibility for achieving seismic compliance for the facility. • Construction and/or capital projects involving or addressing seismic issues will be excluded from Adventist Health's commitments however Adventist Health will work closely with the district to identify the best and most prudent options. Should construction or renovation be necessary Adventist Health will use its corporate resources to support the planning and execution process. • The District shall fund into a Board Designated nontransferable (escrow) account funds in excess of operations to be used for a) Seismic retrofit, b) New hospital investment or c) other outpatient construction investments, as mutually agreed on by Adventist Health and the District. • Adventist Health will receive an ongoing accounting of the fund.

8. Assignment of Contracts and Liabilities	• Adventist Health will assume contracts it deems necessary for the licensed operation of the facility. The parties will work together to determine these contracts. • Provider agreements will be assumed by Adventist Health where necessary for participation in government healthcare programs. • The District will indemnify Adventist Health for any breaches, violations, and penalties of any contracts, including the Collective Bargaining Agreement, that arise from actions prior to the assumption date. • After the assumption date, the assumed contracts will become Adventist Health's responsibility. • The District will maintain responsibility for contracts not assumed by Adventist Health and liabilities associated with its activities prior to the assumption date or the lease commencement date. This will include all professional and general liability claims, medical staff claims, tort and contract claims, and environmental and hazardous material issues, employment liabilities, and liabilities under any government healthcare programs. In the event District policies are claims made, the District shall provide for tail coverage that is reasonably acceptable to Adventist Health.
9. Employee Transition	• Adventist Health's goal is to make the District's employee's transition as nondisruptive as possible. • The District shall provide a WARN Act notice to affected employees upon receiving voter approval of the proposed transaction. • Adventist Health shall make offers of employment to coincide with the conclusion of the WARN Act notice and commencement date of the lease. • The District shall maintain responsibility for employment liabilities prior to the lease commencement date. • Adventist Health will assume the current Collective Bargaining Agreement for the period of July 1, 2018 through June 30, 2020. • Adventist Health will transition all District employees and will not terminate any employees, cause excepted, for a period of 90 days.
10. Right of First Refusal	• For the duration of the lease, Adventist Health will have a right of first refusal in the event the District decides to sell the facility. • Adventist Health shall have 60 days to respond to the District's notice. • Subsequent sales to third parties will be completed within 180 days and the sales price must be 95% or more of the price offered to Adventist Health or it must be offered to Adventist Health again.
11. Transfers and Subleases	• Any District transfer of the facility must comply with the Adventist Health's right of first refusal.

	• Adventist Health may transfer or sublease to an affiliate Adventist Health entity, but all other transfers are subject to District consent.
12. Defaults and Remedies	• Failure to pay monies when due and owed, any lien encumbering the property, bankruptcy of Adventist Health, or a breach of the lease that remains uncured for more than 45 days will constitute a default under the lease. • Remedies for default include the continuation of the lease and re-let to a third party, termination of the lease, the District may cure the default and charge Adventist Health as additional rent.
13. Governance	• Adventist Health would be operated as an independent corporation with its own local governing board. Adventist Health will select one District board member to serve on the governing board.

Memo Report on MCDH's Finances Post-Affiliation

1. Purpose

   The purpose of this memo is to document the analysis of the District's finances once Adventist Health (AH) assumes operational control of our assets.

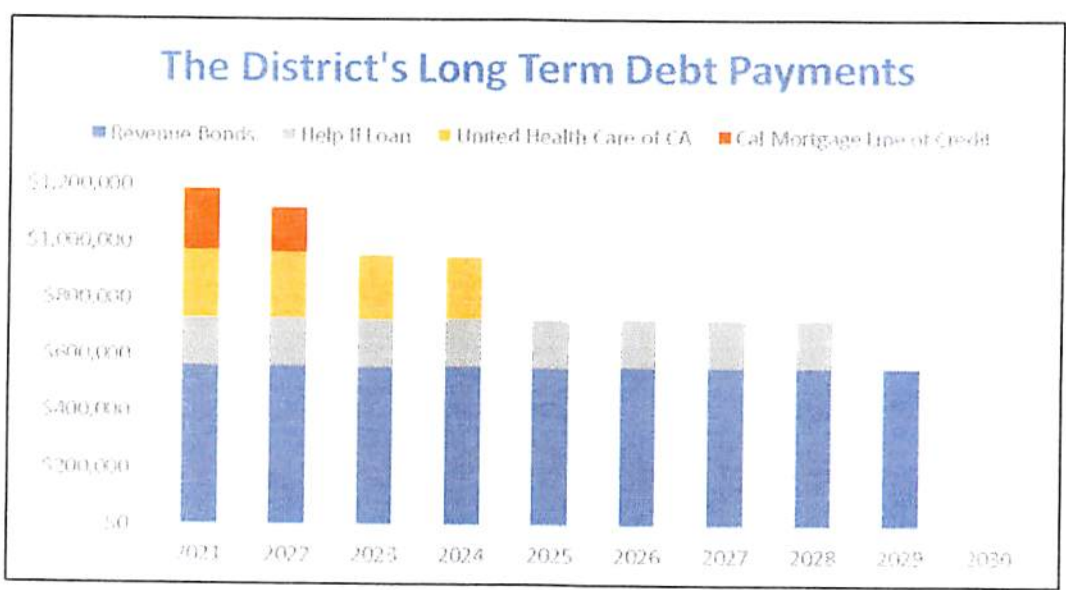
2. Description of the Analysis

   This analysis uses projections of MCDH's revenues and costs after AH assumes control of operations and is responsible for operational profit and loss. The sources of information will be cited in the discussion below. Please note that according to Mr. Jason Wells of AH, a new hospital won't be considered until there have been few years of successful operation[1] so the focus of this analysis is if the District can afford to pay for the cost of the seismic upgrades which it is obligated to do by the Term Sheet.

3. Costs to the District Post-Affiliation.

   The District will incur these costs:

   - **Principal and Interest payments** on long term debt are shown below.[2] Revenues must be sufficient so that, after these repayment obligations are met, there remains enough cash to set aside to pay for the cost of the retrofits (or a down payment on a new hospital). Note that all long-term debt is repaid ten years from now.



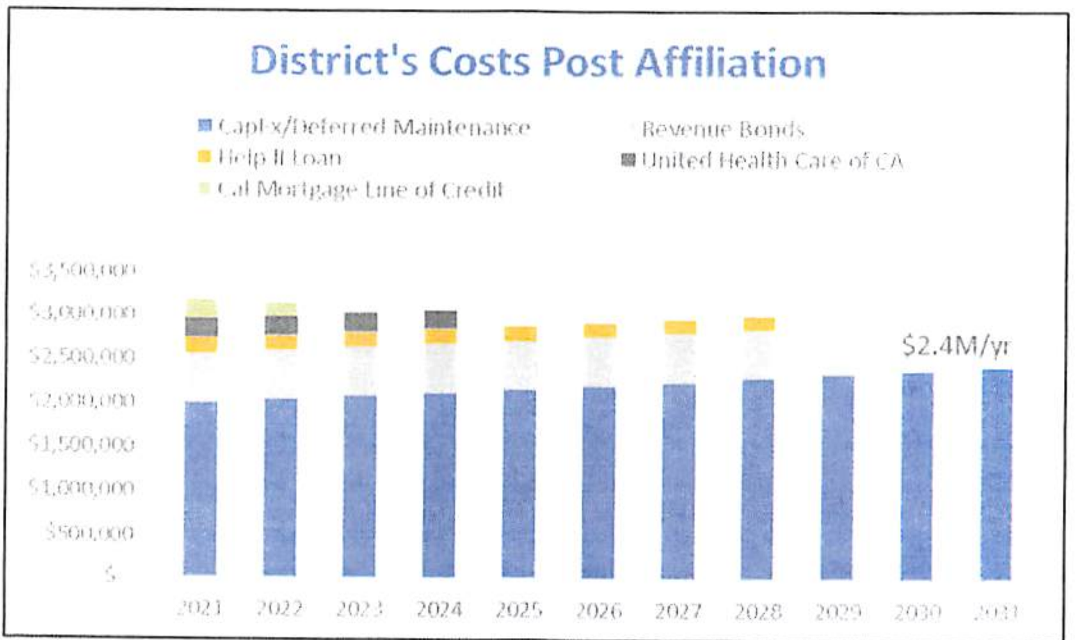
[1] Mr. Wells cited the case of Howard Memorial in Willits where it took 15 years to put that hospital in a financial position to justify building the new hospital. The Term Sheet stipulates that MCDH and AH will make a decision no later than 2027 regarding retrofitting the current hospital or building a new one.
[2] Source: MCDH's CFO

- **On-going capital expenses** in the form of maintaining the hospital, as required by the Term Sheet. The Term Sheet requires the District to pay up to $2.0M a year (with escalation) which is consistent with and past experience and this year's capital budget of $2.0M.

- **Accounts Payable.** The District will have an obligation to pay all providers what is owed as of the date on which affiliation begins. This will be paid using a combination of cash available from Accounts Receivable as of the date of affiliation and Board Designated Funds (our reserves.)

- **Accrued Personal Time Off (PTO)** is $1.10M according to our CFO. This amount will be paid using Board Designated funds once we have closed our Accounts Payable and Accounts Receivable.[3] We project that after the PTO is paid off there will be $3.5M left in Board Designated Funds (down from $4.4M currently.) This will be our starting cash balance, post affiliation.[4]

- **Cost of doing business as a District.** There will be expenses for legal counsel, minimal staffing, and other miscellaneous costs. These are not well known and probably small (relatively speaking) and are therefore ignored here.



4. Revenues for the District Post-Affiliation

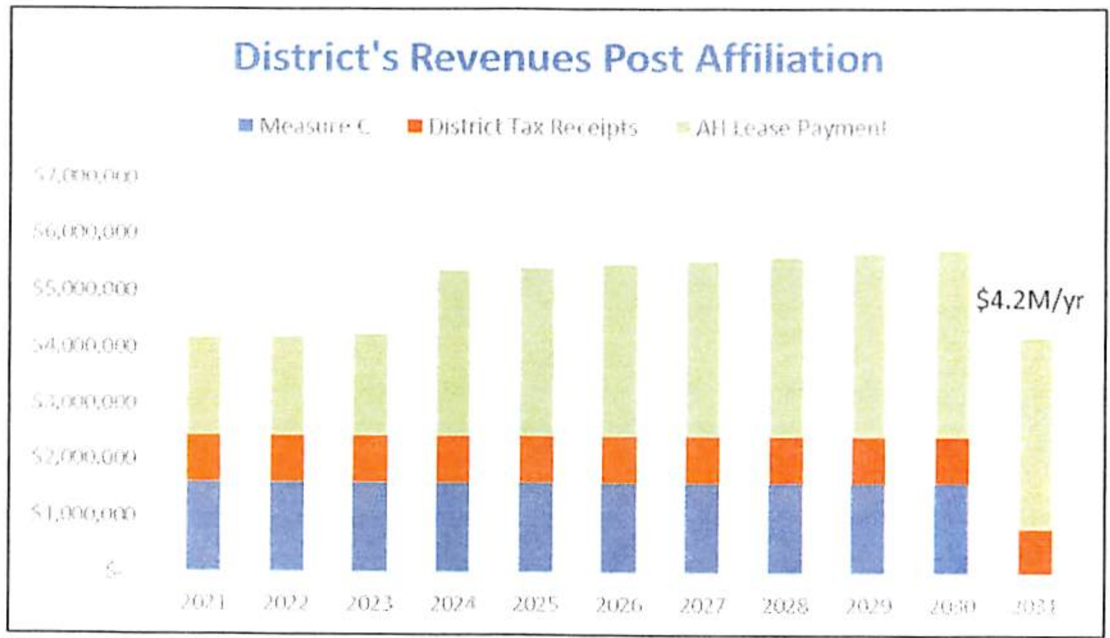
   Unlike the cost projections which have some degree of uncertainty (e.g., on-going maintenance), revenues come from several sources all of which are highly predictable.

---

[3] PTO is one of the liability items that will be liquidated. How specifically this liquidation happens has yet to be determined

[4] Explanation: The liquidation of the current assets will generate an estimated $8,067,462 of cash. The cash necessary to pay off the current liabilities including the PTO accrual is $9,993,342. It would be necessary to draw the resulting $1,915,880 shortfall from Board Designated Funds.

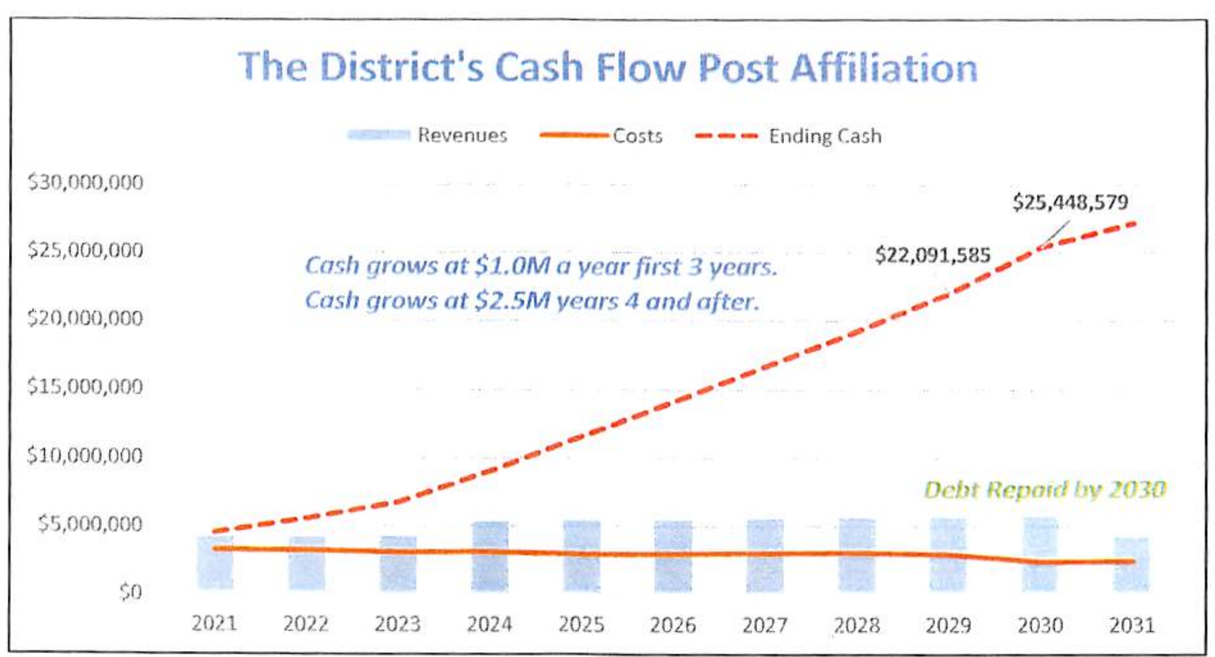
- **Measure C** will be $1.60M per year until 2030 when it expires. It is conservatively assumed here that funds from Measure C or a similar tax measure will not be available thereafter.
- **Unrestricted Tax Revenues** will be about $0.825M per year according the 2018 audit report (page 10).
- **Lease Payment** by AH which the Term Sheet stipulates will be $1.75M per year for the first three years and $2.95M thereafter. These payments will be adjusted yearly to account for inflation (using the Consumer Price Index).



5. Cash Flow

The cash flow, as depicted on the next page, is sufficient for the District to repay all of its long-term debt <u>and</u> to fund by itself the cost of the seismic upgrades. If it is decided to build a new hospital beginning in 2030, the District will have $25M of the estimated $100M to do so. Obviously, an additional source(s) of money will be needed. These likely would be a combination of an investment in the new hospital by AH, making it a co-owner, and a renewal of Measure C or equivalent.

John Redding
Treasurer, MCHD
November 20, 2019


The District's Cash Flow Post Affiliation
Revenues
Costs
Ending Cash
$30,000,000
$25,000,000
$20,000,000
$15,000,000
$10,000,000
$5,000,000
$0
Cash grows at $1.0M a year first 3 years.
Cash grows at $2.5M years 4 and after.
$22,091,585
$25,448,579
Debt Repaid by 2030
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031

T

A

B

4

MCDH Interim Management Agreement

Term Sheet

November 19, 2019

Adventist Health System/West ("Adventist Health") is proposing to enter into a Management Service Agreement ("MSA") with Mendocino Coast Hospital District for the operation of the acute care hospital and any affiliated clinics. On Behalf of Adventist Health, this Term Sheet is submitted to the Mendocino Coast Health Care District for its review and consideration. The terms described are intended to capture the significant business points we have discussed up until this point. This Term Sheet is non-binding on either party and is intended to guide our negotiations to reach an agreement on mutually agreeable terms.

Corporate Entities	• Adventist Health System/West or an Adventist Health subsidiary Stone Point Health • Mendocino Coast District Hospital General Hospital ("MCDH")
Description of Management Services	• Day to Day Management of Operations: On the Effective date, Adventist Health will become the exclusive provider of day to day management and operation support for the hospital and all clinics including ambulance services owned or operated by Mendocino Coast Hospital District. • Management Team: Adventist Health will provide overall management for the operations of MCDH. The management team will be at the discretion of Adventist Health and may or may not include some or all of the existing MCDH management team. • Performance Improvement: In addition to the management service, Adventist Health will provide ongoing assessments of MCDH's operations aimed at improving the efficiency and quality of hospital and clinic operations. These assessments will be provided to Mendocino Coast Hospital District with the intent of keeping the board apprised on the changes and progress being made. Adventist Health will consider the full complement of resources it has available when making these assessments, including those reasonably available to its other affiliates. • 60 Day Plan: Within 60 days of the Effective Date, Adventist Health will develop a performance and quality improvement plan with specific targets to be

	attained over the course of the MSA. Included in the plan will be (1)) patient safety and quality, (2) patient satisfaction, (3) growth and development, (4) operational changes and (5) a plan for financial sustainability. • Mendocino Coast District Hospital Employees: Adventist Health will supervise and manage MCDH's personnel in accordance with state and federal law and MCDH's policies and procedures. Adventist Health will analyze MCDH's workforce and make a recommended staffing plan for MCDH's approval. • Contracts: Adventist Health will manage existing third-party vendor contracts and have limited authority to contract on MCDH's behalf. Payables and Receivables will continue to be processed through MCDH's current bank accounts. • Legal Compliance: Adventist Health's management services shall ensure that patient care and other hospital operations are performed in compliance with state and federal healthcare regulations.
Roles and Responsibilities	• Adventist Health will provide monthly information reports and presentations to Mendocino Coast Hospital District's Governing Board on the 60-day plan. Mendocino Coast Hospital District's Governing Board will continue in its oversight of hospital operations and the medical staff. This will include having responsibility of all capital. Adventist Health may provide capital recommendations to Mendocino Coast Hospital District's Board.
Financial Terms	• As compensation for providing management services, Adventist Health's management fee will include any and all Operating EBIDA earned or lost.
Term of the Agreement	• The Management Agreement will be in place until the Change of Ownership for Adventist Health's new entity is approved.

MENDOCINO COAST HEALTH CARE DISTRICT
BOARD OF DIRECTORS
REGULAR MEETING

WEDNESDAY, DECEMBER 11, 2019
4:30 p.m. Closed Session
6:00 p.m. Open Session

MENDOCINO COAST DISTRICT HOSPITAL
Redwoods Room
700 River Drive
Fort Bragg, California 95437

Mendocino Coast District Hospital Mission Statement
MISSION
To make a positive difference in the health of our rural community.

VISION
MCDH will play a vital role in the overall health and well-being of the community, and will be the key element in the healthcare system serving the needs of our community. We will provide leadership to enhance the efficiency, coordination, quality and range of services provided within our rural healthcare system.

MCDH will be the healthcare provider and employer of choice within our community. We will continually address and keep up with technology and superior clinical skills

We will have a positive impact on health by encouraging personal and community responsibility for health and wellness. Our efforts will play a decisive role in people choosing to stay in our community or to locate here.

VALUES
MCDH is committed to providing excellent quality, patient centered, cost effective health care in a caring, safe and professional environment, and serving the community's healthcare needs with current technology and superior clinical skills. We believe in the right to local access to a wide range of excellent quality healthcare services in our rural community. We promote patient safety and satisfaction, and consistently work toward a high level of care with results in our patients recommending us to others and in their returning to us for needed health care.

Every member of our healthcare team will play an active, participative role that effectively utilizes the skills and talents of each. People are our most valuable resource. We encourage professional development that will achieve a level of competence and morale that will attract and maintain the highest quality staff. We strive to build partnership with our employees emphasizing mutual respect and mutual success.

I. **ROLL CALL**

II. **PUBLIC COMMENTS**
This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

III. CLOSED SESSION

1. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
2. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code November Quality Management and Improvement Council Reports
3. ***Information/Action:*** Consideration of Termination of Legal Services Contract with Best, Best & Krieger, Attorneys at Law, dated 9/25/18. Government Code §§54954.5(e), 54957; Evidence Code §952, et seq.

IV. 6:00 P.M. OPEN SESSION CALL TO ORDER– KAREN ARNOLD, CHAIR

V. ROLL CALL

VI. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

VII. PUBLIC COMMENTS

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the Board of Directors cannot discuss issues or take action on any requests during this comment period.*

VIII. REVIEW OF THE AGENDA — *Action*

IX. BOARD COMMENTS — *Information*

X. APPROVAL OF CONSENT CALENDAR — *Action*

The following items are considered routine and non-controversial by Hospital Staff. Consent items may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered under new business

1. Approval of Board of Directors meeting minutes of November 7, 2019 — Tab 1
2. Approval of Alysoun Huntley Ford Fund Draw (there were no requests)
3. Policy: Form Development and Maintenance: second read — Tab 2
4. Policy: Policy Development and Maintenance: second read — Tab 3
5. Policies: Abuse Reporting, On-Call Services, Event and Complaint, Hours of Operation Flu Vaccination for Healthcare Workers: first read — Tab A

XI. NEW BUSINESS

1. Emergency Preparedness Grant: Ms. Jessica Grinberg — Tab 4 — *Action*
2. Measure C Affiliation: Mr. Wayne Allen, Interim CEO — *Information*
3. MCDH OSHPD Projects Update: Ms. Nancy Schmid
4. Resolution 2019-20 OSHPD Seismic Compliance: Ms. Nancy Schmid — Tab 5 — *Information*

XII. OLD BUSINESS

1. Quest Labs: Mr. Emmet O'Connell, Director of Ancillary Services — *Information*

2. Measure C Parcel Tax Update: Mr. Wayne Allen, Interim CEO *Information*
3. Conflict of Interest Resolution 2019-15: Ms. Karen Arnold, Chair Tab 6 *Information*

XIII. **REPORTS**

- CEO Report: Mr. Wayne Allen, Interim CEO *Information*
- Medical Staff Report: Dr. William Miller Tab 7 *Action*

A. Appointments to Medical Staff or Advance Practice-Provisional Status
1. Sloane Blair, MD –Department of Surgery-Orthopedics
2. Leslie Brooks, PA-C –Department of Medicine-Family Practice NCFHC
3. Patrick Lenaghan, MD –Department of Medicine-Emergency Department
4. Nina Yaftali, MD –Department of Medicine-Hospitalist Service

B. Re-Appointments to Medical Staff Active Status
1. Sandra Fleming, MD –Department of Mendocino-Family Practice NCFHC

C. Temporary Privileges
1. Leslie Brooks, PA-C –Department of Mendocino-Family Practice NCFHC (Dec 3-Dec 11, 2019)

- Planning Committee Report: Ms. Jessica Grinberg *Information*
- Chief Nursing Officer Report: Ms. Lynn Finley *Information*
- Finance Committee Report: Mr. John Redding Tab 8 *Action*
  - Resolution 2019-19 LAIF Fund Withdrawal Tab 9 *Action*

XIV. **FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR** *Information*

- December Board meeting scheduled for January, 9, 2020

XV. **ACTION ITEMS: MS. KAREN ARNOLD, CHAIR**

XVI. **ASSOCIATION AND COMMUNITY SERVICE REPORTS** *Information*

XVII. **Public Comments**

This portion of the meeting is reserved for persons desiring to address the Board of Directors on any matter over which the District has jurisdiction. You may state your name and address for the record. Time is limited to 3 minutes with a 20-minute total time limit for all comments. The Board of Directors can take no action on your presentation, but can seek clarification to points made in your presentation or comments.

BROWN ACT REQUIREMENTS: *Pursuant to the Brown Act, the council cannot discuss issues or take action on any requests during this comment period.*

XVIII. **ADJOURNMENT**

**** THIS DOCUMENT WILL BE PROVIDED AT THE MEETING.***

All disabled persons requesting disability related modifications or accommodations, including auxiliary aids or service may make such request in order to participate in a public meeting to Gayl Moon, Secretary to the Board of Directors, 700 River Drive, Fort Bragg, CA 95437, no later than 72 hours prior to the meeting that such matter be included on that month's agenda.

*Per District Resolution, each member of the Public who wishes to speak shall be limited to three minutes each per agenda item. Please identify yourself prior to speaking. Thank you.

T

A

B

1

BOARD OF DIRECTORS MEETING
REDWOODS ROOM
THURSDAY, NOVEMBER 7, 2019
MINUTES

The Board of Directors of the Mendocino Coast Health Care District met in CLOSED session at 4:00 pm in the Redwoods Room, Karen Arnold, Chair presiding

PRESENT: Ms. Arnold, Mr. Lund, Mr. Redding, Ms. McColley (arrived at 4:10 pm), Ms. Grinberg (arrived at 4:15 pm)

Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO

I. **CALL TO ORDER:**
OPEN Session of the Board of Directors of the Mendocino Coast Health Care District convened at 6:00 p.m. in the Redwoods Room, Ms. Karen Arnold Chair presiding

II. **ROLL CALL:**
PRESENT: Ms. Karen Arnold, Ms. Jessica Grinberg, Mr. John Redding, Ms. Amy McColley, Mr. Steve Lund Board Members

BOARD MEMBERS ABSENT: None

ALSO PRESENT:
Mr. Wayne Allen, Interim CEO
Mr. Doran Hammett, Interim CFO
Ms. Gayl Moon, Executive Assistant

III. **REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1**

1. ***Information/Action:*** Conference with Legal Counsel. Anticipated Litigation. Govt. Code 54956.9(d)(2). Letter from Counsel (Atkinson, Andelson, Loya, Rudd & Romo) regarding LAFCO
2. ***INFORMATION/ACTION:*** Hardin v. Mendocino Coast District Hospital, U.S. District Court for the Northern District of California, et al., Case No. 3:17-CV-05554, conference with legal counsel. Government Code §54956.9.
3. ***Information/Action:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report
4. ***Information/Action:*** Pursuant to §32155 of the Health and Safety Code August Quality Management and Improvement Council Reports
5. ***Information/Action:*** Public Employee Performance Evaluation, Chief Executive Officer. Government Code §54957
6. ***INFORMATION/ACTION:*** Pursuant to California Government Code §54954.5 and §32155 of the Health and Safety Code Medical Staff Credentials and Privileges Review and Medical Staff Report

IV. REPORT ON ANY ACTION TAKEN IN CLOSED SESSION; GOVERNMENT CODE 94957.1

- The Board approved the detachment proceeding from the Mendocino LAFCO, and authorized legal counsel to submit correspondence to LAFCO on behalf of the District. A vote was taken to oppose the detachment, with the vote being four (4) yeses and Ms. Grinberg abstaining.
- The Board received an update on the Hardin Case from legal counsel.
- The Board received a Medical Staff Report from Dr. Miller.
- The Board received and approved the Quality Management and Improvement Report.
- The Board will go back into Closed Session after Open Session Adjourns.

V. PUBLIC COMMENTS

- Community members made comments regarding Hospital issues. Following are topics that were discussed:
  - There was concern with the District's financial status and the current budget.
  - Several community members encouraged the Board not to close the OB Department.
  - The need to have the minutes reflect who speaks at the meetings and the topics.
  - A community member had heard that during the recent power outage, the Hospital ran out of clean linens and oxygen. This misinformation was corrected by staff members stating that the Hospital had plenty of oxygen and clean linens during the recent power outage.

VI. REVIEW OF THE AGENDA

- To add consideration of Resolution 2019-16, which is a request to authorize the borrowing of funds from the LAIF Account

MOTION: To add Resolution 2019-16 to the agenda

- Lund moved
- McColley second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

VII. BOARD COMMENTS

- Ms. McColley commended all the MCDH Staff who worked through the recent power outage which lasted several days.
- Ms. McColley feels a bilingual affiliation meeting is necessary. Mr. Lund stated that he is working with community members who are volunteering their time on putting together a bilingual affiliation Public Forum before Thanksgiving; the frequently asked questions/fact sheet translated into Spanish.
- Ms. Grinberg wanted to ensure that during the recent power outage, the Hospital is taking care of the staff providing services, such as providing a place for staff to take showers and ensure they are properly fed if they don't have those resources at home. These resources were provided to staff.

VIII. *ACTION:* APPROVAL OF CONSENT CALENDAR: MS. KAREN ARNOLD, CHAIR

1. Minutes: Regular Session, September 26, 2019
2. Policy: Medical, Dental and Vision Coverage: First Read

3. Policy: Call Off Pay: First
4. Alysoun Huntley Ford Fund Draw (there were no requests)

MOTION: To approve the Consent Calendar

- Lund moved
- McColley second

Ms. McColley stated that minutes don't always reflect the Board's discussions. On page four (4) under Meditech, it actually was presented by Scott Mix, and there was almost a 10 minute discussion regarding Quest Diagnostics and how Quest was no longer supporting the equipment, and that he was going to report back to the Board; discussed possibly looking at that contract, are there alternatives, can we use a different hospital. This discussion wasn't reflected in the minutes. Ms. McColley asked that it be brought back this month, and it is not reflected in the minutes as a future agenda item.

The community comments should be reflected in the minutes.

The Action List was supposed to be brought to this Board meeting, but has yet to be presented to the Board.

Mr. Lund amended his motion and Ms. McColley amended her second to include the above stated amendments to the minutes

- Lund moved
- McColley second
- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

IX. *ACTION/INFORMATION:* REVIEW AND APPROVAL FOR PURCHASE OF ULTRA SOUND IMAGING SYSTEM: MR. WAYNE ALLEN, INTERIM CEO

- The current Ultra Sound Imaging System needs to be replaced.
- The GE bid is $125,436; the total price which includes sales tax and other fees is $136,568.
- This is included in the Capital Expenditure Budget.

MOTION: To approve the purchase of Ultra Sound Imaging System for a total of $137,000 towards the purchase of the GE LOGIQ E10 Ultra Sound Imaging System

- McColley moved
- Lund second

This will greatly improve the quality of the Ultra Sound. There are two (2) ultra sound machines in DI. One is working and doing good quality imaging. The second machine is old and needs replacing.

- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None

- Absent: None
- Abstain: None
- Motion carried

X. ***ACTION/INFORMATION:* REVIEW AND APPROVAL OF ANESTHESIOLOGY EQUIPMENT FOR SURGERY: MR. WAYNE ALLEN, INTERIM CEO**

- The total amount of this purchase is $177,886, which will be paid for by Winesong as it was their Sept. 2019 fund-a-cause.
- The anesthesia machine purchase price is $63,676. The transport monitors will cost a total of $177,886.
- This is in the Capital Equipment budget. MCDH will spend $60,000 and Winesong will pay $180,000.

MOTION: To approve $240,000 towards the purchase of Anesthesiology Equipment utilizing the Foundation fund-a-cause money, and using the Hospital's Capital Budget to make up the difference

- McColley moved
- Redding second

The final amount is $241,562.44.

Ms. McColley amended her motion and Mr. Redding amended his second to reflect the following:

MOTION: To approve $242,000 towards the purchase of Anesthesiology Equipment utilizing the Foundation fund-a-cause money, and using the Hospital's Capital Budget to make up the difference

- McColley moved
- Redding second
- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XI. ***ACTION/INFORMATION:* AMBULANCE SERVICE EXPANSION: MS. AMY MCCOLLEY**

- Ms. McColley stated that when the Ad Hoc Committee met in August, they discussed a proforma that was approved as to what the Hospital's services would look like as Mendocino Coast District Hospital with the ambulance as a separate entity. She has not yet received a report on this.
- The question is what shall the Hospital do when the ambulance is outside the district boundaries, using the ambulance service for inter facility transfers. If the patient is coming to our District, then we can transport them.
- There are some proposals and talk about that people are interested in acquiring our ambulance system because it is so successful, and they would want to use our ambulance as a transport service between hospitals not related to MCDH. Ms. McColley is concerned, stating that the District would need to set up an LLC and do a fee for cost service. She doesn't know if that would be cost effective.
- Mr. Allen stated that the lawyers raised a concern about whether the District can go outside of its boundaries. Willits is having problems with their ambulance service and they wanted to know if the MCDH ambulances can go to Willits and mirror what our ambulance service is doing on

the Coast. This question was posed to the attorneys, and the attorneys want to see a written proposal before giving any legal advice, so this is pending. Mr. Allen and Mr. Hammett went through a proforma on a stand-alone system and the difference was around $100,000 more expensive. Stand alone would be through the District.

- Ms. McColley requested seeing the proformas and the numbers from Mr. Allen and Mr. Hammett. The Board wants to ensure to be hyper vigilant that they are not short changing the District tax base. This issue will be looked into much closer and information will be provided to the Board.

XII. ***ACTION/INFORMATION:*** **BOARD TO ADOPT THE DISASTER OPERATIONS PLAN: MR. EMMET O'CONNELL**

- The Disaster Committee has revamped the Disaster Preparedness Plan and needs the Board to approve the changes.

MOTION: To approve the Disaster Operation Plan Policy #1156

- McColley moved
- Lund second
- Roll call
  - Ayes: Lund, Redding, Arnold, Grinberg, McColley
  - Noes: None
  - Abstain: None
  - Absent: None
- Motion carried

XIII. ***ACTION/INFORMATION:*** **PRIME USE FOR NONPROFIT IRS REGULATIONS: MS. JESSICA GRINBERG**

- The Hospital is a 501c3, and with that designation there are certain obligations required by the IRS. The purpose of the Community Health Needs Assessment process is to identify the most pressing health priorities facing Mendocino County residents. The goal is to build on collective wisdom and use resources from throughout the community to improve health and well-being in our county.

- The CHNA findings will be used to inform the prioritization of health issues and the development of a Community Health Improvement Plan (CHIP). A CHIP is an action-oriented plan for addressing the most significant issues identified by community partners. Healthy Mendocino will be the backbone organization spearheading the implementation of the CHIP.
- A sub-committee was formed from the Planning Committee, and they reviewed the Mendocino Community Health Needs Assessment (CHNA) in order to determine what plan MCDH would do.
- This is a Prime Project (Public Hospital Redesign & Incentives in Medi-Cal) and it is through the California Department of Health Care Services (DHCS). The Prime Projects are designed to address three (3) main issues:
  1. Establishing the infrastructure to managing high cost populations.
  2. Expanding capacity, enhancing efficiency and reducing unnecessary utilization.
  3. Building capabilities to support transitioning to alternative payment methodologies.
- Out of the many projects to choose from, Hospital management selected Cancer screening and follow up which focuses on three cancers:
  1. Breast cancer
  2. Cervical cancer

3. Colorectal cancer

- Ms. Slaughter presented the CHNA implementation plan. This is a short term plan for the current fiscal year.
- The plan would include continuing the PRIME Project for Breast, Cervical & Colorectal Cancer screening. The Hospital received $650,000 for participating in the PRIME Project last year.
- Ms. Slaughter asked the Board if they would consider becoming a funding partner with Healthy Mendocino. The funding helps CHNA enable them to create the county wide Community Health Needs Assessment.

MOTION: To approve the use of PRIME for use in the IRS Regulations

- Grinberg moved
- Lund second
- Roll call
  - Ayes: Arnold, Grinberg, Redding, McColley, Lund
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XIV. ***ACTION/INFORMATION:*** **REVIEW AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT FOR REVIVE PAIN & SPINE CENTER, INC.: MR. WAYNE ALLEN, INTERIM CEO**

- This item was tabled.

XV. ***ACTION/INFORMATION:*** **REVIEW AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT FOR DR. PAUL NERZ: MR. WAYNE ALLEN, INTERIM CEO**

- Dr. Nerz will start see patients at NCFHC next week.

MOTION: To approve the Professional Services Agreement for Dr. Paul Nerz

- Grinberg moved
- Arnold second
- Roll call
  - Ayes: Grinberg, Lund, McColley, Redding, Arnold
  - Noes:
  - Absent:
  - Abstain:
- Motion carried

XVI. ***ACTION/INFORMATION:*** **REVIEW AND APPROVAL OF PROFESSIONAL SERVICES AGREEMENT FOR DR. ZOE BERNA: MR. WAYNE ALLEN, INTERIM CEO**

- This contract is for Dr. Berna to educate the Medical Staff providers on the EHR. This contract is for one (1) year.

MOTION: To approve the Professional Services Agreement for Dr. Zoe Berna not to exceed $14,100 for the year

- McColley moved
- Grinberg second

- Roll call
  - Ayes: Redding, McColley, Lund, Arnold, Grinberg
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XVII. ***ACTION:* REVIEW AND APPROVAL OF RESOLUTION 2019-16 FOR THE REMOVAL OF FUNDS FROM THE LAIF ACCOUNT**

- The Hospital is requesting to borrow $337,500 from the LAIF Account to fund an Intergovernmental Governmental Transfer (IGT) with the State. In a couple of months the State will send back the $337,500 plus approximately $337,500 more.

MOTION: To approve Resolution 2019-16 authorizing the borrowing of $337,500 from the LAIF Account

- Lund moved
- McColley second
- Roll call
  - Ayes: Lund, McColley, Arnold, Grinberg, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried

XVIII. ***INFORMATION:* MEDITECH UPDATE: MR. WAYNE ALLEN, INTERIM CEO**

- There was no update.

XIX. ***INFORMATION:* MEASURE C UPDATE: MR. WAYNE ALLEN, INTERIM CEO**

- There was no update.

XX. ***INFORMATION:* CONFLICT OF INTEREST POLICY: MS. KAREN ARNOLD, CHAIR**

- Ms. Arnold stated that Dan Camp, HR Director will start the notification process.
- This issue will be on the November Board agenda.

XXI. ***INFORMATION:* CEO REPORT: MR. WAYNE ALLEN, INTERIM CEO**

- Mr. Allen read a letter he received from the Partnership Health Plan of California. In that letter the MCDH Team was recognized for excellent care. They presented their fiscal year 2019 Hospital Quality Improvement Program incentive payment to the Hospital for $605,182. This involves meaningful improvements the Hospital has made in clinical quality, cost efficiency and patient safety. The measurement criteria that they use are based on readmissions, palliative care, clinical care for the OB and newborn, patient safety, operations and efficiency. It is a scoring system of 100 points, and MCDH scored 100 points.
- The software interface the Hospital has with Quest Labs is old and needs to be replaced. Scott Mix worked with Meditech to get that resolved. Mr. Allen approved the software. The license fee is $20,000 and the implementation fee is $11,550 for a total of $31,550. The ongoing monthly fee is $200. The software should be load by the first week of January and early in February it will be live and operational. Scott Mix did explore other options, and this one worked best for us. Ms. McColley stated that she didn't understand the process. She wanted to review the contract at the last Board Meeting and it was not put on the agenda. Mr. Allen will send a written report to her as well as all

the Board members.

- Mr. Allen stated that Cal Mortgage is the Hospital's bond insurer. The Hospital has a little over $5 million of long term debt that is insured by Cal Mortgage. There are certain covenants, stipulations put in the indenture and the regulatory agreements that the Hospital needs to perform to. The Hospital has been out of compliance on and off over the years with Current Ratio, Debt Service Coverage and the Days Cash on Hand. When the Hospital is out of compliance, the Hospital requests from Cal Mortgage a waiver at the end of the fiscal year, which Cal Mortgage routinely approves.
- The year that ended June 30, 2019, Doran Hammett, Interim CFO sent a request for a waiver to Cal Mortgage asking for another twelve (12) month extension through June 30 of 2020. Cal Mortgage denied this request. This means that the Hospital needs to get the financials turned around and make some changes to prove to Cal Mortgage that MCDH can get into compliance. During this process the Hospital is on credit watch, and Cal Mortgage is closely monitoring the process with Adventist Health. Cal Mortgage fully supports the possible affiliation with Adventist Health. Cal Mortgage stipulates that when someone is out of compliance, they need to hire a management consultant. A few weeks ago MCDH hired a firm named BDO which the Board authorized. They looked at the Hospital's financial performance, and they made several scenarios and ways that the Hospital could improve and evaluated for better performance. This information has been shared with Cal Mortgage.
- Yesterday Mr. Allen received a communication from the Hospital counsel that there are new guidelines now on conflict of interest that involves Ms. Grinberg and Ms. Arnold. The financial criteria have changed and Ms. Arnold no longer has a conflict of interest regarding the affiliation process, and going forward she will be able to participate.

XXII. *ACTION:* MEDICAL STAFF REPORT: DR. WILLIAM MILLER

- The Medical Executive Committee recognized Dr. John Kermen for his long-standing service as Chief of Staff (16 years).

a. Appointments to Medical Staff/Advance Practice-Provisional Status

1. Anna Antonowich, FNP-Department of Medicine-Oncology-Hematology
2. Shuang Li, MD-Department of Medicine-Hospitalist Service
3. Jeffrey Meier, DO–Department of Surgery-Orthopedics
4. Paul Nerz, MD-Department of Medicine-Family Practice NCFHC

b. Temporary Privileges

1. Laura Cieslik, MD-Department of Surgery-Obstetrics-Gynecology (Nov 6-Nov 26, 2019)

MOTION: To approve the appointments to Medical Staff /Advance Practice-Provisional Status and Temporary Privileges as presented

- Lund moved
- Grinberg second
- Roll call
  - Ayes: McColley, Arnold, Grinberg, Lund, Redding
  - Noes: None
  - Absent: None
  - Abstain: None
- Motion carried
- Dr. Miller gave a recap of the PG&E power outage.
  - The power outage was a good experience and everybody learned a great deal. It allowed the Hospital to see where the systems worked and where they need improvement.

XXIII. ***INFORMATION:* PLANNING COMMITTEE REPORT: MS. JESSICA GRINBERG**

- The Planning Committee did not meet due to the power outage. The committee is working on the following:
  - Ms. Grinberg has been communicating with some members of the Measure B Committee for and they have allotted funds for the coast. They would like to work with the Health Care District bringing forward the funds and paying the District to provide the oversight of this service on the coast. They have funds for a building and it is clear sure if they will build a new building or renovate an existing one. One of their members will come and speak to the Planning Committee.
  - Still exploring the Women's Health Center.
  - Continuing the discussion regarding local sights where people can go for emergency shelter. Dr. Kreger is applying for a grant.

XXIV. ***INFORMATION:* CHIEF NURSING OFFICER REPORT: MS. LYNN FINLEY**

- The Hospital called a Level 1 Incident Command. The county was notified that MCDH was open.
  - All Home Health patients were contacted to ensure that they had enough oxygen and check on any needs they might have.
  - Things were learned throughout this process such as there were some issues with hot water, heat and ovens.
  - The linen supplier was unable to get to MCDH due to the fires, so Adventist Health sent a lot of blankets to the coast. MCDH did not run out of clean linen.
  - Talked to the county, city and oxygen suppliers every day.
  - Staff was able to shower at the Hospital.
  - Will be doing debriefings and will continue to work with the county and the city in anticipation of future power outages.
  - The Hospital experienced an increased volume.
  - A dedicated shelter is needed for the community.
  - Cell phones did not work as well as expected which impacted some Hospital communication.
- A Skills Fair was held this week and it was excellent.

XXV. ***ACTION:* FINANCE REPORT: MR. JOHN REDDING**

- A CSU is a stand-alone facility in which patients in the ER with 5150s or people with addiction are sent to in lieu of the Emergency Room. There will be doctors and nurses who are trained in this specialty who can stabilize the patient before deciding what steps to take next. Mr. Redding and Mr. Allen met with two (2) county supervisors regarding this subject and they suggested creating a task force that includes the Adventists as they are working on developing a CSU.
- This is supported by Measure B Commission, and they are interested in having one at MCDH. This will be subsidized by the Measure B Commission.
- A plan is in the works. Needed staff will be a Psych Nurse, Registered Nurse, and a Psychologist.
- Doran presented the action plan. The purpose was to understand the financials of each department. They also asked each department manager their thoughts on increasing and decreasing costs in their departments by 10%.
- Plan B, which was put together by Mr. Redding and Ms. McColley was presented to the Finance Committee.
- BDO was hired to do five year proformas, and these results were presented to the Finance Committee.
- The budget is balanced and the reports are accurate.

- Mr. Hammett presented the September 2019 Financial Statements.

MOTION: To approve the September 2019 Financial Statements

- McColley moved
- Lund second
- Ms. Grinberg asked what is being done to improve the Hospital's financial situation and promote survival.
  - ✓ Ms. Grinberg stated that Cal Mortgage allows the Hospital to use reserve in order to calculate days cash on hand, and she finds it confusing and feels it gives the impression that the Hospital has more cash on hand than it really does. Mr. Redding referred to the budget and stated that salary and benefit reductions have already take place for a total of $830,000.
  - ✓ The days of cash on hand report varies depending on when the report is run. The policy has been to pay 45 to 60 days and it can vary.
- Ms. Grinberg really wants everyone to understand how dire the situation is, and she hasn't seen a dramatic savings to allow for the Hospital's survival.
- Mr. Redding stated that Deborah Harris is considering extending the DI Departments hours as there is a demand for it. Mr. Grinberg said that this is what she was referring to, ways to improve revenue.
- The days cash on hand will be moved to page 2.
- Roll call
  - ➢ Ayes: Arnold, Redding, McColley, Lund
  - ➢ Noes: Grinberg
  - ➢ Absent: None
  - ➢ Abstain: None
- Motion carried

XXVI. *INFORMATION:* FUTURE AGENDA ITEMS: MS. KAREN ARNOLD, CHAIR

- There were no future agenda items added.

XXVII. *INFORMATION:* ASSOCIATION AND COMMUNITY SERVICE REPORTS

- There were no Association and Community Service Reports.

XXVIII. PUBLIC COMMENTS:

- Community members made comments regarding Hospital issues. Following are topics that were discussed:
  - ➢ Community members discussed the Hospital's financial situation.
  - ➢ A community member does not want the OB Department closed.
  - ➢ A community member was disappointed that the Labor and Delivery meeting was not on tonight's agenda.
    - ✓ Dr. Miller stated a date is being worked on and it will be announced to the community. A Task Force which consisted of Dr. Serrahn, Dr. Kilian, Dr. Wright and Dr. Robshaw, was set up to look at Labor and Delivery options from a medical perspective. This Task Force is no longer together. The members have been working with nursing leadership to provide the Board with stabilization and transfer protocol on how to deal with women who come to MCDH in labor.

XXIX. ADJOURN:

Open Session adjourned at 9:00 p.m.

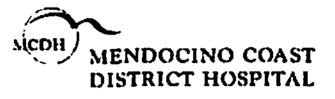
Reconvened Closed Session at 9:10 p.m.

1. Reconvention of Open Session
   A. Reporting out on Closed Session
   1. The Board discussed his assigned goals and accomplishments toward those.

ADJOURN:

______________________________	______________________________
Steve Lund, Secretary Board of Directors	Gayl Moon, Secretary to the Board of Directors

TAB 2

	**TITLE:** Form Development and Maintenance
	POLICY#:

Department(s): Corporate Compliance	PolicyTech Version #: 1
Policy Owner: Nancy Goodfellow-Schmid **Approvers:** Board of Directors and CEO	**Date Created:**09/16/2019 **Last PolicyTech Review Date:** **Last PolicyTech Revision Date:**

PURPOSE: To establish guidelines for the development and oversight of all forms at Mendocino Coast District Hospital (MCDH) and its related departments.

POLICY: MCDH forms are developed, reviewed, revised, archived and communicated in a consistent manner designed to ensure patient safety, adherence to best-practice standards of care, and compliance with regulatory and accreditation requirements. Forms that do not require printing from an outside vendor will be maintained on the facility's electronic form platform. The published form accessible on the electronic form platform will be considered the official version. Printed copies of published forms will be maintained in controlled binders in designated areas of the facility, for use exclusively during computer downtime situations. Forms requiring printing from an outside vendor will be acquired only through the materials management department.

SCOPE: This policy applies to all departments and ancillary services of MCDH, including, but not limited to, Home Health/Hospice, Ambulance, and North Coast Family Health Center (NCFHC).

ROLES AND RESPONSIBILITIES OF POLICY CONTRIBUTORS:

I. **Document Owner:** Identifies need for and provides direction regarding the development of a new form or revision of a current form and can assign this task to designated writer or to the forms coordinator.

II. **Writers:** Writes or revises a document by researching content and collaborating with other department managers and subject matter experts. Once the draft is completed, submits to Forms Coordinator to initiate the approval process.

III. **Proxy Writer:** Persons assigned by writer to contribute to content of a form. Commonly subject matter experts and managers of other departments.

IV. **Form Coordinator:** Ensures forms are in standard format (per Addendum A). Chairs the Forms Committee. Facilitates throughput of forms from inception to publishing and ensures appropriate archiving. Works with Materials Management to ensure only most current forms are available for ordering and distribution. Works with volunteers to ensure only most current forms are being utilized to create form packets.

V. **Reviewers:** Review and suggest edits to document content. These include internal hospital committees and persons to which the content is applicable.

VI. **Approvers:** Review and give final approval to document content before publishing. In addition to one of the internal governing bodies, the person or persons with regulatory responsibility for the document's content will be the final approver of the policy, typically the CEO, CFO, CHRO or CNO.

VII. **Subject Matter Experts:** To include, but not limited to: internal quality and safety-related hospital committees and physician directors and specialists.

Department(s): Corporate Compliance	PolicyTech Version #: 1
Policy Owner: Nancy Goodfellow-Schmid Approvers: Board of Directors and CEO	Date Created:09/16/2019 Last PolicyTech Review Date: Last PolicyTech Revision Date:

PROTOCOL:

I. Form Workflow:
   A. Creation or Revision:
      1. Form development may be initiated by the Document Owner or Writer.
      2. Standard format will be utilized as per Addendum A.
      3. In addition to responsibilities listed above, Writers are to review existing forms to ensure there is not duplication and will facilitate revision of all related forms to ensure interdepartmental consistency.
      4. Writers may assign proxy's to contribute to the writing of the content of the form.
      5. Upon completion of form creation or revision, the form will be sent to the Forms Coordinator.
   B. Forms Coordinator:
      1. In addition to responsibilities listed above, the Forms Coordinator will ensure all new forms and revised forms are processed by the forms committee.
      2. Assigns form number.
      3. Maintains a master list of forms utilized throughout MCDH.
   C. Forms Committee:
      1. The following disciplines will be represented and have the associated responsibilities:
         a. Forms Coordinator: Create agenda and communicate forms to be reviewed to the committee at least one week prior to the meeting date. Make edits to the form suggested by the committees.
         b. Health Information Management (HIM): Audit for approved abbreviations. Ensure document is an appropriate part of a medical record. Identifies need for and facilitates translation.
         c. Information Technology (IT): Assists with research to ensure interdepartmental consistency. Assists with retrieval of old files for archiving. Brings forward information regarding electronic documentation tools that may be utilized for proposed documentation.
         d. Compliance Officer: Audits form for compliance with regulatory requirements.
         e. Document Owner: Presents reasons for form creation or revision and any associated data.
         f. Administrative Support: Documents in meeting minutes suggested edits and/or approval. Submits the decisions of the committee in the electronic form platform.
      2. Representatives from other departments will be asked to attend on an as-needed basis if the form is pertinent to their area of expertise or will be utilized by their staff.
   D. Review:
      1. Once the Forms Committee has approved the draft form, the Forms Coordinator will submit it to the appropriate Reviewers/committee(s) for approval.
         a. Forms will be processed for review as per Table 1.
         b. The Document Owner or Writer and the Forms Coordinator will be permitted to present the form and supportive data to the reviewing committees.

- c. Forms will not be edited after they have been submitted for review except by the reviewing committees.

2. The committee(s) can approve as written, approve with revisions, refer the form to another committee or subject matter expert or decline to approve the form. This action will be captured in the meeting minutes.
   - a. The administrative assistants completing the committee minutes will be responsible for submitting the decisions of the committee in the electronic form platform.

E. Approval:
1. Once the form has been accepted by all Reviewers, it will be sent to the Approvers.
   - a. Policies will be processed for approval as per Table 1.
2. The administrative assistant completing the committee minutes will be responsible for submitting the decisions of those committees in the electronic form platform.
3. The hospital executive responsible for final approval will submit their signature and publish the form in the electronic form platform.

F. Annual Review:
1. All forms associated with a policy must be reviewed with the policy annually by the applicable Document Owner or the Writer they assign the task to.
   - a. If revision is required during annual review or at any other time, the process identified above will be utilized.

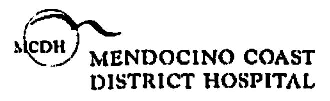
G. Archiving:
1. Forms that are no longer relevant can be archived with approval of the Document Owner.
2. Archived forms and prior version of existing forms must be accessible within the electronic form platform as long as legally required.
3. Archived forms printed through an outside vendor will be kept in Materials Management as long as legally required.

II. Computer Downtime Form Access:

A. Printed copies of electronically published forms will be maintained exclusively in binders in the following locations:
1. Administrative Forms: Administrative Assistant Office, Corporate Compliance Office
2. Clinical Forms: Nursing Administration Office
3. North Coast Family Health Center forms: Practice Administrator's Office
4. Home Health/Hospice forms: Home Health Director's office
5. Ambulance Forms: Ambulance Office.

B. The downtime form binders will be maintained as forms are approved or archived by:
1. Administrative assistants for administrative and clinical forms.
2. Department administrators or their designees at NCFHC, Home Health and Ambulance Services.

C. Materials Management will be responsible for maintaining stock of the most current forms to be utilized when needed.



	TITLE: Form Development and Maintenance
	POLICY#:

Department(s): Corporate Compliance	**PolicyTech Version #:** 1
Policy Owner: Nancy Goodfellow-Schmid **Approvers:** Board of Directors and CEO	**Date Created:**09/16/2019 **Last PolicyTech Review Date:** **Last PolicyTech Revision Date:**

Table 1.

MCDH Department	Document Owner	Writer	Reviewer (Committee)	Approver
Administrative				
▪ Business Office ▪ Finance ▪ Materials Management	Dept. Director	Department Managers	Finance	Board of Directors and CFO
▪ Patient Accounting ▪ Registration	Dept. Director	Department Manager	Compliance	CFO
▪ Compliance ▪ Risk Management	Dept. Director	Department Managers	Compliance	Board of Directors and CEO
▪ Quality	Dept. Director	Department Manager	Interdisciplinary Quality Management	Board of Directors and CEO
▪ Utilization Review	CFO	Department Manager	Utilization Management	MEC and CFO
▪ Human Resources	CHRO	HR Designee	Compliance	Board of Directors and CHRO
▪ Employee Health	CHRO	Employee Health RN	Quality	Employee Health Medical Director and CHRO
▪ Health Information Management (HIM) – Clinical Documentation	Dept. Director	Department Director	MEC	CEO
▪ HIM – Non-Clinical Documentation	Dept. Director	Department Director	Compliance	CFO
▪ Information Systems	Dept. Director	Department Director or designee	Compliance	Finance and CEO
▪ North Coast Family Health Center	Practice Administrator	Practice Administrator or designee	Annual Review Committee	NCFHC Medical Director
▪ Medical Staff	Dept. Director	Department Director	Medical Staff Attorney	MEC, Board of Directors and CEO
Clinical				
▪ Nursing ▪ Nutrition ▪ Oncology ▪ Rehab Services	CNO	Department Managers	Department of Medicine *and/or* Department of Surgery	MEC and CNO
▪ Surgical Services	CNO	Department Manager	Department of Surgery	MEC and CNO
▪ Swing Bed	CNO	Department Manager	Department of Medicine	MEC and CNO
▪ Case Management	CNO	Department Manager	Department of Medicine	MEC and CNO
▪ Ambulance ▪ Cardiology ▪ Diagnostic Imaging ▪ Respiratory Therapy	Dept. Director	Department Managers	Department of Medicine *and/or* Department of Surgery	MEC and CNO

MCDH Department	Document Owner	Writer	Reviewer (Committee)	Approver
▪ Lab	Dept. Director	Department Manager	Medical Director of Pathology, Department of Medicine *and/or* Department of Surgery	MEC and CNO
▪ Home Health/Hospice	Dept. Director	Department Director	Medical Director of Home Health	MEC and CEO
▪ Pharmacy	Dept. Director	Department Director or designee	Pharmacy and Therapeutics	MEC and CNO
Environment of Care				
▪ Plant Services ▪ Bio Med	Dept. Director	Department Managers	Environment of Care	CEO
▪ Housekeeping	Dept. Director	Department Director	Environment of Care	CEO
▪ Infection Control	Dept. Director	Department Managers	Department of Medicine *and/or* Department of Surgery	MEC and CNO

ADDENDUM A: FORM FORMAT

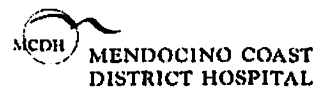
General Formatting:

I. Font: Calibri
II. Footer:
   A. Bottom Left: Form Title, Form Number and Latest Revision Date
   B. Bottom right: Place for Patient Identification Sticker (if applicable)
   C. If a form is not a part of a medical record, this must be clearly stated in the footer.
III. Header to include "Mendocino Coast District Hospital" and the MCDH logo
IV. MCDH Logo:

General Form Guidelines:

I. Forms will not include do-not-use abbreviations.
II. Generic medication names will be utilized.
III. Instructions and regulatory information should be brief when they must be placed on a form. If more information is needed for proper use, an associated policy will be developed.
IV. If initials are utilized on a form, a signature line must accompany it.

TAB 3

 MENDOCINO COAST DISTRICT HOSPITAL	TITLE: Policy Development and Maintenance POLICY#: 1394

Department(s): Corporate Compliance	PolicyTech Version #: 2
Policy Owner: Nancy Goodfellow-Schmid Approvers: Board of Directors and CEO	Date Created:02/13/2018 Last PolicyTech Review Date: 02/13/2018 Last PolicyTech Revision Date: 07/25/2019

PURPOSE: To establish guidelines for the development and oversight of all policies at Mendocino Coast District Hospital (MCDH) and its related departments.

POLICY: MCDH policies and related procedures or protocols are developed, reviewed, revised, archived and communicated in a consistent manner designed to ensure patient safety, adherence to best-practice standards of care, and compliance with regulatory and accreditation requirements. Policies will be maintained on the facility's electronic policy platform. The published policy accessible on the electronic policy platform will be considered the official version. Printed copies of published policies will be maintained in controlled binders in designated areas of the facility, for use exclusively during computer downtime situations. Departments will not keep printed copies of policies for routine use by employees.

SCOPE: This policy applies to all departments and ancillary services ofMCDH, including, but not limited to, Home Health/Hospice, Ambulance, and North Coast Family Health Center (NCFHC).

ROLES AND RESPONSIBILITIES OF POLICY CONTRIBUTORS:

I. **Document Owner**: Identifies need for and provides direction regarding the development of new policy or revision of current policy and can assign this task to designated writer.
II. **Writers**: Writes or revises a document by researching content and collaborating with other department managers and subject matter experts. Once the draft is completed, submits to appropriate reviewer(s) to initiate the approval process.
III. **Proxy Writer**: Persons assigned by writer to contribute to content of a policy. Commonly subject matter experts and managers of other departments.
IV. **Reviewers**: Review and suggest edits to document content. These include internal hospital committees and persons to which the content is applicable.
V. **Approvers**: Review and give final approval to document content before publishing. In addition to one of the internal governing bodies, the person or persons with regulatory responsibility for the document's content will be the final approver of the policy, typically the CEO, CFO, CHRO or CNO.
VI. **Subject Matter Experts**: To include, but not limited to: internal quality and safety-related hospital committees, physician directors and specialists.

PROTOCOL:

I. Policy Workflow:
   A. Creation or Revision:
      1. Policy development may be initiated by the Document Owner, Writer or any employee who is willing to take on that role and responsibility as defined in this policy.
      2. Standard format will be utilized as per Addendum A and key search words will be assigned.
      3. In addition to responsibilities listed above, Writers are to review existing policy to ensure there is not duplication and will facilitate revision of all related policy to ensure interdepartmental consistency.

4. Writers may assign proxy's to contribute to the writing of the content of the policy.

B. Review:
1. Once the Writers have completed the draft policy, it is submitted to the appropriate Reviewers/committee(s) for approval.
   a. Policies will be processed for review as per Table 1.
   b. Policy Writers will be permitted to present their policies and supportive data to the reviewing committees.
   c. Policies will not be edited after they have been submitted for review except by the reviewing committees.
2. The committee(s) can approve as written, approve with revisions, refer the policy to another committee or subject matter expert or decline to approve the policy. This action will be captured in the meeting minutes.
   a. The administrative assistants completing the committee minutes will be responsible for submitting the decisions of the committee in the electronic policy platform.

C. Approval:
1. Once the policy has been accepted by all Reviewers, it will be sent to the Approvers.
   a. Policies will be processed for approval as per Table 1.
2. The administrative assistant completing the committee minutes will be responsible for submitting the decisions of the committees in the electronic policy platform.
3. The hospital executive responsible for final approval will submit their signature and publish the policy in the electronic policy platform.

D. Biennial Review:
1. All policies must be reviewed every 2 years by the applicable Document Owner or the Writer they assign the task to.
   a. If no revision is needed, this will be electronically documented within the platform.
   b. A list of policies that do not require revision upon annual review will be provided to the Reviewing and Approving committees who may request revision.
   c. If revision is required during biennial review or at any other time, the process identified above will be utilized.

E. Archiving:
1. Policies that are no longer relevant can be archived with approval of the Document Owner.
2. A list of policies to be archived will be provided to the Reviewing and Approving committees for approval.
3. Archived policies and prior version of existing policies must be accessible within the electronic policy platform as long as legally required.

F. The Director of Compliance will provide a brief report to the Governing Board on an annual basis confirming compliance with this policy on policies.

II. Computer Downtime Policy Access:

A. Printed copies of published policies will be maintained exclusively in binders in the following locations:

1. Administrative Policies: Administrative Assistant Office, Corporate Compliance Office
2. Clinical Policies: Nursing Administration Office
3. North Coast Family Health Center policies: Practice Administrator's Office
4. Home Health/Hospice policies: Home Health Director's office
5. Ambulance Policies: Ambulance Office.

B. The downtime policy binders will be maintained as policies are approved or archived by:
   1. Administrative assistants for administrative and clinical policies.
   2. Department administrators or their designees at NCFHC, Home Health and Ambulance Services.

Table 1.

MCDH Department	Document Owner	Writer	Reviewer (Committee)	Approver
Administrative				
▪ Business Office ▪ Finance ▪ Materials Management	Dept. Director	Department Managers	Finance	Board of Directors and CFO
▪ Patient Accounting ▪ Registration	Dept. Director	Department Manager	Compliance	CFO
▪ Compliance ▪ Risk Management	Dept. Director	Department Managers	Compliance	Board of Directors and CEO
▪ Quality	Dept. Director	Department Manager	Interdisciplinary Quality Management	Board of Directors and CEO
▪ Utilization Review	CFO	Department Manager	Utilization Management	MEC and CFO
▪ Human Resources	CHRO	HR Designee	Compliance	Board of Directors and CHRO
▪ Employee Health	CHRO	Employee Health RN	Quality	Employee Health Medical Director and CHRO
▪ Health Information Management (HIM) – Clinical Documentation	Dept. Director	Department Director	MEC	CEO
▪ HIM – Non-Clinical Documentation	Dept. Director	Department Director	Compliance	CFO
▪ Information Systems	Dept. Director	Department Director or designee	Compliance	Finance and CEO
▪ North Coast Family Health Center	Practice Administrator	Practice Administrator or designee	Annual Review Committee	NCFHC Medical Director
▪ Medical Staff	Dept. Director	Department Director	Medical Staff Attorney	MEC, Board of Directors and CEO

Department(s): Corporate Compliance	**PolicyTech Version #:** 2
Policy Owner: Nancy Goodfellow-Schmid **Approvers:** Board of Directors and CEO	**Date Created:**02/13/2018 **Last PolicyTech Review Date:** 02/13/2018 **Last PolicyTech Revision Date:** 07/25/2019

MCDH Department	Document Owner	Writer	Reviewer (Committee)	Approver
Clinical				
▪ Nursing ▪ Nutrition ▪ Oncology ▪ Rehab Services	CNO	Department Managers	Department of Medicine *and/or* Department of Surgery	MEC and CNO
▪ Surgical Services	CNO	Department Manager	Department of Surgery	MEC and CNO
▪ Swing Bed	CNO	Department Manager	Department of Medicine	MEC and CNO
▪ Case Management	CNO	Department Manager	Department of Medicine	MEC and CNO
▪ Ambulance ▪ Cardiology ▪ Diagnostic Imaging ▪ Respiratory Therapy	Dept. Director	Department Managers	Department of Medicine *and/or* Department of Surgery	MEC and CNO
▪ Lab	Dept. Director	Department Manager	Medical Director of Pathology, Department of Medicine *and/or* Department of Surgery	MEC and CNO
▪ Home Health/Hospice	Dept. Director	Department Director	Medical Director of Home Health	MEC and CEO
▪ Pharmacy	Dept. Director	Department Director or designee	Pharmacy and Therapeutics	MEC and CNO
Environment of Care				
▪ Plant Services ▪ Bio Med	Dept. Director	Department Managers	Environment of Care	CEO
▪ Housekeeping	Dept. Director	Department Director	Environment of Care	CEO
▪ Infection Control	Dept. Director	Department Managers	Department of Medicine *and/or* Department of Surgery	MEC and CNO

REFERENCES:

- Center for Medicare Services. (Rev. 183, 10-12-18). State Operations Manual. *Appendix W – Survey Protocol, Regulations and Interpretive Guidelines for Critical Access Hospitals (CAHs) and Swing Beds in CAHs.* (Sections 485.627(a), 485.635(a)(4))

ADDENDUM A: POLICY FORMAT

PURPOSE: A brief statement of the purpose of the policy, which may include an explanation for the policy if not otherwise apparent. The Purpose Statement explains the purpose of the *policy*, not the purpose of an individual procedure or protocol it may refer to.

POLICY: A statement of the rationale for the policy, including underlying philosophy and what the policy hopes to accomplish.

SCOPE (if not implied): To whom or what the policy applies, i.e., specific areas of the organization, specific patients, employees, etc.

DEFINITIONS (if applicable): Words or content in the policy that readers might need further explanation of for understanding.

PROTOCOL: The steps necessary to comply with policy and complete a procedure correctly.

ATTACHMENTS (if applicable): Separate documents that may be accessed through a link in the policy or be a part of the document.

Bullet format within each of the above sections shall be as follows:

III. First
    A. Second
        1. Third
            a. Fourth
                i. Fifth

REFERENCES (if applicable): List of references, statues, regulations, regulatory bodies, etc., with relevant authority or expertise over the policy and/or organization.

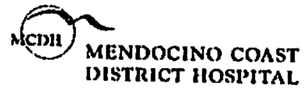
Bullet format of referenced shall be as follows in APA format:

- Reference one
- Reference two

General Formatting Information:

I. Font of Header and Footer: Calibri 10
II. Font of Body: Calibri 11
III. Page numbers shall be in the bottom right corner of the policy in "Page # of #" format.

TAB A



MENDOCINO COAST DISTRICT HOSPITAL

TITLE: Abuse Reporting
POLICY#: 802

Department(s): Administration	PolicyTech Version #:
Policy Owner: CEO Approvers: Board of Directors and CEO	Date Created: No Date Set Last PolicyTech Review Date: No Date Set Last PolicyTech Revision Date: 12/04/19

PURPOSE: To comply with laws and appropriately report abuse and neglect, including mental suffering, physical abuse, sexual abuse, child abuse, elder abuse, dependent adult abuse, and domestic violence.

POLICY: Mandated reporters, having knowledge of a suspicious injury or reasonable suspicion of abuse, are to notify the proper authorities. The hospital is required to provide education on identifying and reporting abuse and suspected abuse to all new employees upon orientation and annually.

SCOPE: Mandated reporters employed at Mendocino Coast District Hospital (MCDH) include, but are not limited to, health care providers, clergy members, and social workers.

DEFINITIONS:

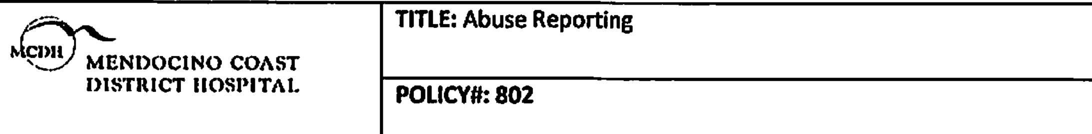
I. Adult (ages 18-64)/Elder (65 and over)/Dependent Adult abuse:
   A. Dependent Adult is considered a person between the ages of 18 and 64 who has physical or mental limitations that restrict his or her ability to carry out normal activities or to protect his or her rights, including (but not limited to) persons who have physical or developmental disabilities or whose physical or mental ability have diminished.
   B. Abuse may be physical, neglect, financial, abandonment, isolation, abduction, treatment with resulting physical harm or pain or mental suffering or the deprivation by a care custodian of goods or services that are necessary to avoid physical harm or mental suffering.

II. Child Abuse:
   A. Physical injury or death that is inflicted by other than accidental means on a child by another person, sexual abuse, neglect, unlawful corporal punishment or injury, willful harming or injuring of a child or endangering of the person or health of a child.

III. Mental Suffering:
   A. Mental suffering means fear, agitation, confusion, severe depression or other forms of serious emotional distress that is brought about by forms of intimidating behavior, threats, harassment, or by deceptive acts performed or false or misleading statements made with malicious intent to agitate, confuse, frighten, or cause severe depression or serious emotional distress of the elder or dependent adult.

IV. Neglect:
   A. Negligent failure of a person having the care or custody of a person to exercise that degree of care that a reasonable person in a like position would exercise. Includes, but not limited to, failure to assist in personal hygiene or in the provision of food, clothing or shelter, medical care or supervision. Failure to protect from health and safety hazards. Failure to prevent malnutrition or dehydration.
   B. If a person cannot provide the above for him/herself due to poor cognitive functions, mental limitation, substance abuse or chronic poor health, this also constitutes neglect.

V. Physical Abuse:
   A. Assault, battery, assault with a deadly weapon or force likely to produce great bodily injury, unreasonable physical constraint, sexual assault, use of a physical or chemical restraint or psychotropic medication for punishment or any purpose not authorized by the physician.



MENDOCINO COAST DISTRICT HOSPITAL	TITLE: Abuse Reporting
	POLICY#: 802

Department(s): Administration	PolicyTech Version #:
Policy Owner: CEO Approvers: Board of Directors and CEO	Date Created: No Date Set Last PolicyTech Review Date: No Date Set Last PolicyTech Revision Date: 12/04/19

VI. Sexual Abuse:

A. Sexual battery, rape, spousal rape, rape in concert, statutory rape, incest and child molestation. Lude or lascivious acts, oral copulation or sexual penetration inflicted on, shown to or intentionally practiced in the presence of a child or dependent adult.

PROTOCOL FOR REPORTING:

I. Telephone: Reporting must be done via telephone or through a confidential internet reporting tool immediately or as soon as practically possible after receiving the information concerning the incident.

II. Written: If the initial report is made by telephone, a written report or an internet report must be sent to the appropriate agency within 2 days.

III. Content: Report contents should include the following, but reporting should not be delayed if some of this information is not known or is uncertain. Disclosure should be limited to the minimum amount of information necessary to fulfill the reporting requirement.

- A. Your name
- B. Name and age of victim
- C. Address and present location of victim
- D. Names and address of adults responsible for care (for child, elder or dependent adult abuse)
- E. School, grade and class (for child abuse)
- F. Nature and extent of abuse
- G. Condition of victim

IV. Report to the following agencies:

- A. Physical abuse: Local law enforcement
- B. Sexual abuse: Local law enforcement
- C. Child abuse: Child Protective Services and/or Local law enforcement (dependent on the type and severity of abuse)
- D. Domestic violence: Local law enforcement
- E. Elder or Dependent Adult abuse: Adult Protective Services
- F. Abuse in a Long Term Care Facility: County Ombudsman

V. Informing the Patient of Reporting:

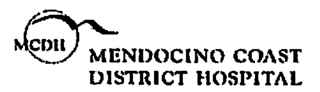
A. Except in cases of child abuse or neglect, the health care provider must inform the patient that a report has been or will be made, unless:

1. The provider believes informing the patient would place him or her at risk of serious harm
2. The provider would be informing a personal representative and they believe that person is responsible for the abuse or that informing the personal representative would not be in the patient's best interest

B. A report must be made even if the patient objects

I. Additional Information Regarding Reporting Abuse or Suspected Abuse:

- A. Failure of the healthcare provider to report is a misdemeanor punishable by a fine
- B. The identities of those filing reports are confidential



TITLE: Abuse Reporting
POLICY#: 802

Department(s): Administration	PolicyTech Version #:
Policy Owner: CEO Approvers: Board of Directors and CEO	Date Created: No Date Set Last PolicyTech Review Date: No Date Set Last PolicyTech Revision Date: 12/04/19

AGENCY CONTACT INFORMATION:

Fort Bragg Police Department (if abuse is known to occur within city limits):
250 Cypress St.
Fort Bragg, CA 95437
Phone: (707) 964-0200 (dispatch)
Fax: (707) 961-2806

Mendocino County Sheriff's Office, Fort Bragg Office:
700 S. Franklin St., Ste. #110
Fort Bragg, CA 95437
Phone: (707) 964-6308

Mendocino County Adult Protective Services:
PO Box 839
Ukiah, CA 95482
Phone: 1-877-327-1799 or (707)463-7900
Fax: (707) 467-5886

Mendocino County Child Protective Services:
Phone: (707)-962-1100 – Fort Bragg
Phone: (866)-263-0368 – Toll free

Long Term Care Ombudsman of Lake and Mendocino Counties:
PO Box 9000
Lower Lake, CA 95457
Phone: (707) 262-4525
Fax: (707) 995-1081

DRAFT

FORMS:

Report of Suspected Dependent Adult/Elder Abuse Form:
https://www.cdss.ca.gov/Portals/9/FMUForms/Q-T/SOC341.pdf?ver=2018-11-15-132736-097

Report of Suspected Dependent Adult/Elder Financial Abuse:
https://www.cdss.ca.gov/cdssweb/entres/forms/English/soc342.pdf

Suspected Child Abuse Report:
https://oag.ca.gov/sites/all/files/agweb/pdfs/childabuse/ss_8572.pdf

References:

- California Hospital Association. (2019). *California Hospital Association Consent Manual. California Hospital Association Consent Manual* (46th ed., pp. 17.1–17.32). Sacramento, CA.

	TITLE: On-Call Services
	POLICY#: 1256

Department(s): Administration	**PolicyTech Version #:** 2
Policy Owner: CEO **Approvers:** Board of Directors and CEO	**Date Created:** No Date Set **Last PolicyTech Review Date:** No Review Date **Last PolicyTech Revision Date:** 11/26/2019

PURPOSE: To ensure personnel are available on-call, at all times, to provide care at Mendocino Coast District Hospital (MCDH) and a list of the on-call staff is communicated to all applicable departments.

POLICY:

I. MCDH will maintain services necessary to diagnose and treat patients 24-hours a day. These services will include:
   A. Providers, as defined by the Medical Staff On Call Policy
   B. Ancillary services including: administration, chaplain, laboratory, plant maintenance, pharmacy, ultrasound, respiratory therapy and surgical services

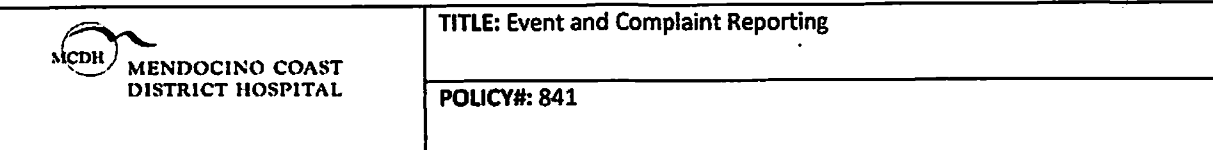
II. A list of physicians and ancillary staff who are on-call for each 24-hour period will be maintained and communicated throughout the facility.

PROTOCOL:

I. On-call list creation:
   A. The hospital departments or services listed above must designate an employee to be on-call outside of hours-of-operation.
   B. Department managers will provide a calendar of on-call staff to the Emergency Department (ED) registration staff or upload the most current calendar on the intranet, as applicable.
   C. The daily on-call list of available care providers will be created by the ED registration staff.
   D. The list will be distributed before 0800 each day to the following departments: ED, Critical Care Unit, Medical-surgical unit, nursing supervisor, and obstetrics.

II. Changes to on-call list:
   A. If changes to the on-call providers occur, it will be communicated, in writing whenever possible, to the ED Registration staff who will notify all applicable departments and instruct staff to update their on-call list.

III. On-call staff:
   A. The nursing supervisor will contact the on-call staff whenever possible.
   B. On-call personnel are required to be accessible by phone or pager.
   C. On-call personnel must be able to return to the hospital within thirty minutes of being called.
   D. Upon arrival, the on-call personnel will report to the nursing supervisor.
   E. Prior to departure, the on-call personnel will notify the nursing supervisor to verify that there is no further need for their services.



Department(s): Administration	PolicyTech Version #: 2
Policy Owner: CEO Approvers: Board of Directors and CEO	Date Created: 11/2001 Last PolicyTech Review Date: No Review Date Last PolicyTech Revision Date: 10/22/2019

PURPOSE: To define the mechanisms for event reporting, including actual events, near-misses, recognition of circumstances that may lead to potential safety events as well as complaints and corporate compliance issues.

POLICY:

I. All reports and follow-up regarding an event will be handled in a consistent, professional manner.
II. All health care practitioners and hospital employees must report safety and non-safety events.
III. Patients will be provided information about their right to report concerns to MCDH. They can voice their concerns in person, through the Confidential Hotline (# 707-961-4788) or MCDH website.
IV. Patients and families have the right to have unexpected outcomes explained to them in an appropriate, timely fashion.
V. Employees, as well as patients and visitors, have the right to report a complaint and/or grievance.
VI. Mendocino Coast District Hospital (MCDH) will promote a culture of safety that encourages diligence in regards to safety and reporting without fear of reprimand or punishment.
VII. External reporting will be completed in accordance with current regulations.

DEFINITIONS:

I. Safety Event: A safety event is any event, incident, or environmental condition that could have resulted or did result in harm to patients, employees, visitors or others. Safety events include but are not limited to:
   A. "No-harm" and "good catch" Events: either an event that occurred but did not cause harm or recognition of a possible event before it occurred.
   B. Non-Patient Events: hospital system or process problems that have an adverse or potential adverse effect on the provision of quality patient care. This also is for documentation of events involving products or devices, grounds, security, physician behavior, or other non-patient related events.
   C. Patient Events: all occurrences involving a patient that vary from desired hospital operations, such as falls, medication errors, rapid response, HIPPA concerns, patient Leaving Against Medical Advice (AMA), etc.
   D. Employee Events: all employee related events including work related injury, workplace violence and harassment reports.
   E. Adverse Events: a patient safety event that resulted in harm to a patient. This includes surgical events, product or device events, patient protection events, care management events, environmental events, and criminal events. For current list of reportable adverse events: California Department of Public Health, Reportable Adverse Events
   F. Sentinel Events: an unexpected occurrence involving death or serious physical or psychological injury or the risk thereof. For current list of sentinel events: The Joint Commission, Sentinel Events

I. Non-Safety Events:
   G. Complaint: an issue that can be resolved promptly or within 24 hours and involve staff who are present

H. Grievance: formal or informal written or verbal complaint that is made to the hospital by a patient, or the patient's representative, regarding the patient's care or a complaint from any formal source that requests a resolution

I. Corporate Compliance Events: occurrences involving regulations and ethical practices.

PROTOCOL FOR ALL EVENTS:

I. The following protocol should be followed for all event types. For additional instructions for individual event types, please see next section.

II. Employee Responsibility:

A. If event has caused harm or has *immediate* potential to cause harm:
1. All staff involved will take care of the immediate needs of the patient, visitor and/or staff.
2. Verbally report the event to the manager of the department where the event occurred or the house nursing supervisor during off hours.
3. The supervisor will immediately communicate the event to the administrator on call and Director of Quality & Risk Management.
4. Written event reporting will be done using the electronic reporting platform on the day the event occurred as per guidelines below.

B. If circumstances are *non-emergent* and have potential to affect the quality of patient care:
1. Assist with any action that can be made to ensure safety.
2. Written event reporting will be done using the electronic reporting platform on the day the discovery was made.

C. If the event involves a device or product failure:
1. Immediately take the device out of service.
2. Place the device and all associated supplies in a bag
3. Contact the nursing supervisor who will retrieve the device

D. If an employee believes he or she has been subjected to inappropriate punitive measures as a result of self-disclosure or reporting of any type, the individual should report it to their department leadership or to Human Resources.

III. Event Report Guidelines:

A. The event report must be completed by the employee, not the patient or visitor.
B. All pertinent fields in the electronic event reporting platform must be completed.
C. Description of occurrence should be brief and include facts only.
D. Reports should not be shared with a patient or visitor.
E. Do not make reference to the event report submission in the medical record.
F. Do not copy or duplicate reports for the chart or personal reference.
G. Do not openly display the event report in a way that may violate confidentiality.
H. Do not make reference to the event report submission in the employee's personnel record.

IV. Leadership Responsibility:

A. The Quality & Risk Management (Q&RM) department will receive the submitted electronic report and will forward it to the appropriate manager to investigate.
B. Investigation of the event should include:

1. Interviewing the involved parties and those with potential knowledge of the situation
2. Reviewing relevant medical records
3. Researching applicable laws, regulations, policies, and procedures
4. Identifying measures, including those already taken, to resolve the problem

C. After conducting the appropriate investigation, the manager will document any actions, conclusions and/or recommendations within 3 working days of receipt.

D. Leadership will encourage employee participation in follow-up action plans for educational purposes and prevention of further occurrences.

E. Leadership will have timely communication with staff about safety issues.

F. Q&RM will oversee all appropriate follow-up activities, including event analysis in accordance to the performance improvement plan, patient disclosure and referral to the appropriate medical staff or departmental committee for review and follow-up.

G. Q&RM will serve as a liaison between MCDH and the agencies the event is reported to.

H. Q&RM will refer all medical staff and medical care associated event reports for medical staff peer review.

I. Q&RM will forward event reports to CHPSO for voluntary participation in analysis of patient events. This also offers added protected from discoverability should litigation occur.

J. Event reports requiring the most serious consideration or legal counsel will be forwarded to our insurance carrier, Program Beta, as a reportable incident, and the medical record will be placed in protected status. This report is intended to be protected by attorney-client privilege and should not be disclosed to anyone (including the Medical Staff) outside the administration and risk management channels.

ADDITIONAL PROTOCOL BY EVENT TYPE:

I. Complaints and Grievances:

A. If a patient's complaint is addressed quickly and informally, the facility should document the complaint and the actions taken to resolve it and maintain the records for quality improvement activities.

B. Managers or Q&RM are expected to attempt resolution of patient complaint at the time of complaint, whenever possible and, if not already involved, managers are to notify Q&RM of any serious concerns.

C. When staff members are unable to resolve a complaint during the initial contact, the investigative process should commence.

D. If a complaint is not received in person, it is therefore a grievance, and the patient or family member will receive notification within 7 days that the grievance has been received, that it will be investigated, and that he or she will receive follow-up communication once the issue has been resolved.

E. When the party who filed the grievance is satisfied with the response, it is considered resolved.

F. Patients (or their family member or representatives) who feel that their complaints have not been resolved or who have a more in-depth concern may file a formal grievance.

G. If an investigation cannot be completed or a grievance cannot be resolved, the patient or the patient's representative should be informed that the process is ongoing and that he or she will

receive a written response within 30 days.

H. Documentation should include the complaint or grievance, any related communication or investigation and the resolution.

I. When the grievance is resolved, CMS regulations require that a written response is sent to the patient that includes a description of the actions taken to investigate the grievance, the results of those actions, the date of completion of the grievance process, and the name of a contact person. Written responses should be sent even if appropriate staff members meet with the patient and family members and resolve the grievance during the discussion.

J. If the individual is not satisfied with the resolution of the complaint, they may appeal the response directly to the CEO or designee.

II. Corporate Compliance Events:

A. In addition to utilizing the on-line reporting platform, employees may:
1. Contact the Compliance Officer in confidence to ask questions or to voice concerns.
2. Anonymously report utilizing the confidential hotline: 707-961-4788

III. Device or Product Failure:

A. The nursing supervisor will deliver the devise to the designated area in the BioMed department
1. The device will be tagged with an "Out of Service" tag and logged in the tracking system

B. The manager from the department of product origin (pharmacy, materials management, biomed) will coordinate with Q&RM and assure reporting of all defective devices and products to the manufacturer.

C. A report to the FDA must be filed when:
1. A device or product has caused or contributed to a death, serious injury or serious illness.
2. Device or product failure would cause or contribute to a death, serious injury or illness, if it were to reoccur.
3. Q&RM will file the above report as soon as is practical but no later than 10 working days after becoming aware of the information. The report may be electronically filed here: FDA Medical Device Report Form

D. Annual summaries of individual reports must be made to the FDA by January 1st of each year. If no reports were submitted the hospital need not submit an annual report.

E. Any device or product that contributed to an adverse or sentinel event will be kept for two-years.

F. Medical device reporting event files must be retained for two-years following an adverse event.

IV. Adverse and Sentinel Events:

A. Disclosure to Patient or Patient's Representative:
1. Consultation with Q&RM or administrator on-call will occur before informing the patient, or the party responsible for the patient.
2. The physician and/or Risk Management will disclose the adverse event in a timely manner but no later than when report to CDPH is made. "Timely" may be anything from "immediately" to as soon as appropriate information can be obtained for the patient concerning the event.
3. Such disclosure shall be reflected in the patient's record.

B. Investigation and Planning:
   1. Q&RM will coordinate the root cause analysis and resulting action plan in accordance with the MCDH performance improvement plan.
   2. Documents prepared pursuant to the investigation should be retained by Q&RM but should not be placed in the patient's medical records.

C. Reporting to California Department of Public Health (CDPH):
   1. Q&RM will submit the initial report to CDPH.
   2. Disclosure of individually identifiable patient information is permitted for reporting purposes.
   3. The report to CDHP should be retained by Q&RM but should not be placed in the patient's medical record.

D. Sentinel Events Reporting:
   1. Voluntary reporting of a sentinel event to The Joint Commission will only occur following consultation with legal counsel, administration, Chief of Staff and Q&RM.
      a. If a report is to occur, Q&RM will submit a systematic analysis, free of patient identifiers, and action plan to The Joint Commission within 45 days.
   2. The MCDH Board of Directors will receive reports from the Q&RM on the analysis of the event and progress of the action plan.

MENDOCINO COAST DISTRICT HOSPITAL	TITLE: Hours of Operation
	POLICY#: 324

Department(s): Administration	PolicyTech Version #: 2
Policy Owner: CEO Approvers: Board of Directors and CEO	Date Created: 12/04/19 Last PolicyTech Review Date: Last PolicyTech Revision Date:

PURPOSE: To define hours of operation for services provided at Mendocino Coast District Hospital (MCDH) and define methods of communication when changes occur.

POLICY:

I. Departments at MCDH will have consistent hours of operation defined and communicated
II. When temporary changes occur to hours or services available:
    A. The department is responsible for communication to other affected departments. This will occur by:
        1. Email notification to all staff of affected departments
        2. Notice posted in the designated area in all affected departments
    B. When service is resumed, communication will also occur through email notification and removal of any notices in the affected departments.
III. Permanent changes in office hours will be communicated to MCDH staff through revision of this policy and to the public via the hospital website
IV. Changes to available staff during times of low census must be communicated to the nursing supervisor

DEPARTMENT HOURS:

I. Bio-med
    A. Monday-Thursday, 0700-1800
    B. Friday 0800-1630
    C. Closed on holidays
    D. After hours services provided by on-call staff
II. Business office
    A. Monday-Thursday, 0800-1630
    B. Friday, 0800-1600
    C. Closed on holidays
III. Cardiology
    A. Monday-Friday, 0730-1630
    B. Closed on holidays
IV. Case management
    A. Monday-Friday, 0800-1700
    B. Saturday, Sunday and Holidays, 0800-1400. Early closure may occur during times of low census.
V. Central sterile supply
    A. Monday- Friday, 0800 - 1700.
    B. Closed holidays.
    C. After hours services provided by on-call staff
VI. Diagnostic imaging
    A. For outpatient testing:
        1. Monday-Friday, 0800–1700

2. Closed holidays

B. For inpatient
1. X-ray and CT: tech on-site at all times
2. Ultrasound: After hours services provided by on-call staff
3. MRI: Monday-Friday, 0800-1700. Closed holidays.

VII. Employee health
A. Monday, Tuesday, Thursday, 0800-1700
B. Wednesday, Friday, 0800-1300
C. Closed holidays

VIII. Home health
A. Monday-Friday, 0800-1700
B. Closed holidays
C. After hours services provided by on-call staff

IX. Housekeeping
A. Daily, 0530-0130.
B. After hours services provided by on-call staff

X. Human resources
A. Monday-Friday, 0800-1630
B. Closed holidays

XI. Information systems
A. Help Desk: Monday-Friday, 0800-1630
B. Closed holidays
C. After hours services provided by on-call staff

XII. Infusion/hematology/oncology
A. Monday through Friday from 0800 – 1700
B. Closed holidays

XIII. Laboratory
A. For outpatient testing:
1. Monday-Friday, 0700–1700
2. Saturday, Sunday and Holidays, 0800–1200

B. For inpatient testing:
1. Monday-Friday, 0600-2100
2. Saturday, Sunday and Holidays, 0630-2130

C. Clinical Laboratory Scientist hours:
1. Monday- Friday, 0600-0330
2. Saturday, Sunday and Holidays, 0630- 0330
3. A Clinical Laboratory Scientist is on-call from 0330-0600

D. After hours services provided by on-call staff

XIV. Materials management
A. Monday-Friday, 0730-1600
B. Closed holidays

XV. Medical records

  A. Monday-Friday, 0800 – 1600
  B. Closed holidays

XVI. North Coast Family Health Center
  A. Suite A: Monday-Friday, 0800-1700 (Immediate Care)
  B. Suite B: Monday-Friday, 0900-1700
  C. Suite C: Monday-Friday, 0800-1700
  D. Closed holidays

XVII. Nutrition services: Daily, 0600-1930

XVIII. Pharmacy
  A. Monday-Friday, 0730-1800
  B. Saturday, Sunday and Holidays, 0730-1600

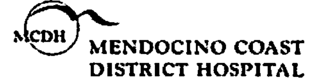
XIX. Plant maintenance
  A. Daily, 0600-1800
  B. After hours services provided by on-call staff

XX. Quality and risk management
  A. Monday-Friday, 0900-1700
  B. Closed holidays

XXI. Registration (South Lobby)
  A. Monday-Friday, 0600-1700
  B. Closed holidays

XXII. Rehabilitation services
  A. Outpatient:
    1. Monday-Friday, 0830-1700
    2. Closed holidays
  B. Inpatient:
    1. Monday-Saturday, 0830-1700
    2. Available Sundays and holidays as needed

XXIII. Respiratory therapy
  A. Daily, 0830 – 1700
  B. After hours services provided by on-call staff
  C. The respiratory therapist will notify the nursing supervisor when leaving the hospital at any time during normal hours of operation and at the end of their shift.



MENDOCINO COAST DISTRICT HOSPITAL	TITLE: Flu Vaccination for Healthcare Workers
	POLICY#: 793

Department(s): Employee Health	PolicyTech Version #: 2
Policy Owner: CHRO Approvers: Board of Directors, CHRO	Date Created: 08/01/2015 Last PolicyTech Review Date: No Review Date Last PolicyTech Revision Date: 11/20/2019

PURPOSE: To help protect staff, non-employees, patients and their families of Mendocino Coast District Hospital (MCDH) from acquiring seasonal influenza, to help prevent the spread of the influenza virus and to meet the requirements of public health agencies.

POLICY: All healthcare workers will receive an influenza vaccine or wear a mask for the duration of the flu season. Influenza season is defined as November 1st through April 30th of each year, but can be subject to change based on the Centers for Disease Control recommendations. All health care workers, regardless of whether they have had the vaccine or not, will be expected to remain home from work with any signs and symptoms of influenza like illness.

DEFINITIONS:

I. Health care workers include, but are not limited to: clinical and non-clinical employees, licensed independent practitioners, temporary workers, students, volunteers and contracted staff.
II. Influenza incubation: The typical incubation period for influenza is one to four days, with an average of two days. Adults can be infectious from the day before symptoms begin through approximately five days after illness onset. Children can be infectious for ten days or more after the onset of symptoms, and young children can shed the virus before the onset of their illness. Severely immunocompromised person can shed the virus for weeks or months.
III. Influenza transmission: Influenza virus is spread from person to person, primarily through respiratory droplet transmission.
IV. Influenza signs and symptoms: Uncomplicated influenza illness is characterized by the abrupt onset of the following symptoms: fever, or feverish/chills, muscle or body aches, headache, fatigue, nonproductive cough, sore throat, and rhinitis. Children may also have otitis media, nausea, and vomiting.

PROTOCOL:

I. Staff, including new hires, must receive the influenza vaccination, provide written proof of having received the vaccine from another source or sign a declination form by November 1st of each year.
II. The vaccine will be provided free of charge to all healthcare workers, including new hires.
III. Those that are declining the vaccine must wear a hospital-supplied surgical mask for the duration of the flu season any time they are within six feet of a patient.
IV. In the case of vaccine shortage, Employee Health will determine an appropriate distribution plan for the available vaccine. Vaccination priority will be offered to personnel based on risk to patient population cared for and risk of exposure to influenza.

REFERENCES:

- Pace, Gary, MD, MPH, Mendocino County Public Health Officer (2018). Mandatory Influenza Vaccination of Healthcare Workers at Acute Care Hospitals. *Letter to Mendocino County Healthcare Facilities.*
- Immunization Schedules. Centers for Disease Control and Prevention (2014, November 19). Retrieved November 20, 2019, from **https://www2a.cdc.gov/vaccines/statevaccsApp/Administration.asp?statetmp=CA#505**.

T
A
B

4

Community Resource Hubs and Alternate Rescue Routes Throughout Mendocino Coast Health Care District ("Routes & Hubs" for short)

Community Resiliency and Disaster Preparedness Fund 2020

Mendocino Coast Healthcare District

Wayne Allen
700 River Drive
Fort Bragg, CA 95437

O: 707-961-1234

Dr. Jennifer Kreger

721-A River Drive
Fort Bragg, CA 95437

routeshubs@mcn.org
O: 707-357-3869

Application Form

About This Grant Opportunity

The Community Foundation of Mendocino County Community Resiliency and Preparedness

Community Resiliency and Preparedness Fund: total available $175,000

Category One: Small Projects; award range $1,000-$10,000 (no match required)

Category Two: Service Continuity Projects; award range $10,000 - $20,0000 (match required)

Please note the Community Foundation is under no obligation to grant the entire amount of funds available, or requested.

In 2015, the Community Foundation's Board of Directors established the Disaster Fund for Mendocino County in response to severe drought conditions in the spring/summer of 2014. The Disaster Fund was successfully utilized for recovery and rebuilding efforts when the Redwood Complex Fire struck Mendocino County in October 2017. However, as local fire departments and other organizations approached the Community Foundation for preparedness and resiliency resources, items not addressed by Disaster Fund guidelines, the Foundation increasingly turned to its Community Enrichment and Community Support grant programs to fund these kinds of projects. By the summer of 2018, it became apparent that a separate fund designed to specifically address preparing for and minimizing damage from catastrophic events was needed.

In 2019, the Community Resiliency and Preparedness Fund awarded $50,000 in grants between nine organizations around the county. With the support of the California Fire Foundation, we will be awarding up to $175,000 in 2020. The goal of the Fund is to support effective, realistic, and coordinated planning, reduce duplication of efforts, and increase the overall effectiveness of disaster preparedness activities in our communities. These efforts can help minimize the impact of disasters on our community and result in saving more lives and safeguarding livelihoods during any disaster situation, enabling our affected neighbors to return to a normal lifestyle as quickly as possible, and for the community to be stronger and more resilient afterwards.

In 2020, the Community Foundation is accepting proposals from non-profit organizations and public entities. There are two categories of funding available this year.

Category One: Small Projects for Preparedness (Up to $10,000)
Disaster preparedness projects should support concrete steps to mitigate disaster hazards, such as fire-safe building and landscaping. Examples of disaster preparedness grants include:

- Workshops on fire-safe construction and landscaping for homeowners throughout the region;
- Organizational collaboration to work with homeowners, city and county organizations to assess and prevent wildfire threat to the Western hills of the Ukiah Valley; and
- Funding for local emergency response organizations to be fully equipped and better prepared to respond in case of a disaster. Please note that equipment grants must include product specifications and cost estimates as they are known at the time of the application.

Community resiliency projects should support Mendocino County communities to encourage and improve community resilience following a disaster. These grants focus on building resiliency and systems to help communities recover emotionally, physically and socially. Examples of resiliency grants include:

- Activities that offer long-term benefit in supporting emotional, physical, or social recovery;
- Supporting a community study to allow a Municipal Advisory Council (or other local governing bodies) to develop a long-term plan for the community;

- Establishing or further developing local Volunteer or Community Organizations Active in a Disaster (COAD) teams;
- Assisting with a community resilience assessment to specifically evaluate the physical, economic, and social implications of community decisions (either active or passive) made with respect to recovery needs following a disaster.

Category Two: Service Continuity Projects (Up to $20,000)
Ensuring that vulnerable populations have continued access to services throughout a disaster is critical for isolated, rural areas as well as in urban centers across Mendocino County. Service providers include community centers, senior centers, and health centers. Projects that will enable these facilities to remain open and functional include but are not limited to:

- generator installation;
- disaster planning;
- communications improvements;
- purchasing software to ensure business continuity in the face of disaster;
- disaster readiness supplies or equipment; and,
- other critical infrastructure improvements.

Priority will be given to applicants who are identified evacuation centers, serve vulnerable populations, or provide a critical gap in local safety net services. Geographical diversity will also be a primary criterion.

Applications are due December 16, 2019 by 5:00 p.m.

Grant Request Contact

Request Primary Contact*

Is your grant contact different from your organization's contact?

Yes

Primary Contact if Different From Organization

Request Primary Contact First Name*

Jennifer

Request Primary Contact Last Name*

Kreger

Request Primary Contact Title*

Dr.

Request Primary Contact Office Phone*

707-961-4631

Request Primary Contact Cell Phone*

707-357-3869

Request Primary Contact Email*

routeshubs@mcn.org

Organization Information

Mission Statement*

Provide the organization's mission statement.

The mission of Mendocino Coast Health Care District is to make a positive difference in the health of our rural community.

Organization History*

Provide a brief history of the organization (not including recent accomplishments). Organizations MUST demonstrate that they have been in business for at least two years. (Character Limit: 4000)

Mendocino Coast District Hospital, currently a 25-bed Critical Access Hospital, was dedicated on June 26, 1971 following a grass-roots effort to pass a hospital district initiative on the January, 1967 ballot. MCDH is a non-profit entity with 501(c)(3) tax-exempt status, classified as a public charity. Mendocino Coast District Hospital is fully licensed by the Department of Health Services and accredited by The Joint Commission and the California Medical Association. In addition, Mendocino Coast District Hospital is a member of the Association of California Hospital Districts and the California Healthcare Association.

The legal name of MCDH is Mendocino Coast Health Care District. The Mendocino Coast Health Care District is a California Special District. Its geographic range covers an area of 740 square miles along a stretch of 90 miles of Highway 1, which is most of the coast of Mendocino County. Specifically, it covers the areas with the following zip codes: 95488, 95437, 95420, 95460, 95456, 95410, 95432, 95459, 95468, 95445, and 95427. Mendocino Coast Health Care District currently operates the hospital itself (MCDH), a hospital-owned Rural Health Clinic (North Coast Family Health Center, or NCFHC), and a home health nursing service (HH). Closely integrated with these are a volunteer-based hospice and a community-supported ambulance service. All these programs are strong, widely utilized, and fully accredited. All are headquartered in the City of Fort Bragg.

MCDH is an integral part of our community and provides care to all individuals regardless of their ability to pay. A 340B Federal program directs some pharmacy profits into care of the medically underserved. These 340 Drug Savings help sustain our financial ability to provide care to our community. In Fiscal Year 2018, the 340B program brought in $870,599 to partially offset the same year's $7,628,844 worth of uncompensated, unreimbursed care provided at MCDH.

The rugged coastal setting of our District is a destination for travelers and encompasses a stretch of winding highway that sees its share of traffic accidents. Our emergency department handled 9,744 cases in FY 2018 and our ambulance performed 1,796 transports. We are the only hospital within an hour drive (35 miles of mountainous terrain) so these are needed services that never sleep.

In 2011, MCDH opened a $7 million, 8,000-square-foot Diagnostic Imaging Center with all the latest technology. The DI Center includes diagnostic radiology, CT, MRI, and ultrasound. In addition, our state-licensed mammography program includes digital mammography and provides a follow-up reminder and monitoring service. The PACS (picture archiving communication system) allows images to be transferred via the internet to the Radiologist or any other physician. Together these services eliminate the need to refer patients out of the area for anything other than specialized services provided by large medical centers.

Our surgery facilities consist of two operating rooms and a three-bed post-anesthesia recovery unit. The Hospital offers a wide variety of surgical services and has the equipment and expertise to perform general surgery via the laparoscope and advanced orthopedic procedures via the arthroscope.

Here are just a few comments from our feedback surveys:

"Only angels can provide better care than Ms. Magoffin!"--a patient of our Nurse Specialist in Wounds, Ostomy and Incontinence Care

"Suzanne Hewitt, FNP provided the best care I've received in 5 years. She was thorough, intelligent, obviously trained, knowledgeable, and professional while being humanly warm. I am thoroughly pleased with her and the help she provided me."--a patient of the District's Immediate Care program

"I feel well taken care of... I am listened to and decisions are always made to help me get better."-- a patient of North Coast Family Health Center

Primary Programs and Activities*

Provide a brief explanation of the primary programs and services provided by the organization (if not included in the questions above). (Character Limit: 4000)

Mendocino Coast Health Care District operates the following:

AMBULANCE SERVICE: rescues victims of illness and of accidental or non-accidental injury, treats them on scene and delivers them to emergency department; transports patients from one hospital or nursing home to another
CARDIO/PULMONARY: heart and lung testing and respiratory therapy
CHAPLAINS: multi- and non-denominational emotional support for patients and families
DIAGNOSTIC IMAGING: X-ray, sonography, MRI, CT and other modalities
EMERGENCY ROOM: staffed 24/7 by expert physicians and nurses
HEMATOLOGY & ONCOLOGY: cancer care, care of blood disorders, anticoagulant monitoring
HOME HEALTH: registered nurses, physical and occupational therapists, and social workers make home visits to home-bound patients who meet certain criteria
HOSPICE: registered nurse specialist in care of the dying, assisted by volunteers, helps end-stage patients and their families find relief from some of their pain and fear
INTENSIVE CARE UNIT: care of patients who need one-to-one expert nursing care or other close monitoring
LABORATORY: performs testing for patients inside and out of the hospital
MATERNITY: care of birthing mothers and their newborns
MEDICAL/SURGICAL SERVICES: in-hospital care of patients who are acutely ill or have just had surgery
NUTRITION: provides healthful, situation-appropriate food for patients in the hospital
OPHTHALMOLOGY: surgical and medical care of the eyes
ORTHOPEDICS: surgical and medical care of joints and bones
PHARMACY: dispenses medications ordered for use within Hospital
SURGICAL SERVICES: care of patients having outpatient procedures (examples: colonoscopy, cataract removal, gallbladder removal) and inpatient procedures (examples: knee replacement, appendix removal)

NORTH COAST FAMILY HEALTH CENTER: care of patients outside of hospital who come for primary care or specialty care appointments

These programs make an enormous difference to the health of our community. They are necessary, but not sufficient. In order to truly benefit from medical or surgical care, one needs water, food, shelter, and more. It is beyond the scope of a Health Care District or any other single organization to provide everything everyone needs to survive and thrive. At the same time, the effort of a Health Care District to support, publicize, collaborate with, and partially standardize volunteers' disaster preparation efforts can translate into greatly increased effectiveness of all the District's services.

For example, no amount of medicine, surgery, technology nor money can make a body live without water. One can survive, if needed, without electricity, privacy, transportation, or bathing water, but drinking water is a non-negotiable daily need for each of us. Water's arrival from the sky is a non-daily occurrence, stored water can become contaminated, and water's arrival from elsewhere can be interrupted. Therefore, a key to both public health and disaster planning is to catch and store the rain at multiple locations--as redundantly as possible--to be used when and where it is most needed.

Food, too, is necessary for survival, and much disease is caused by lack of fresh food. We are easily isolated on the Coast and cannot assume that trucks will always roll in to deliver food to our grocery stores. Even if they do, we may be unable to travel to town to buy it. Therefore, another key to both public health and disaster planning is to grow food in every neighborhood. In addition to producing food, a wisely-run farm supports health in many other ways: it creates a local microclimate that moderates extremes of heat and cold. It deepens soil and reduces erosion. It creates opportunities for useful physical work, companionship and exercise. Working with soil, especially early in life, brings in beneficial gut flora and helps the immune system. Sustainable farming is one of a number of "win-win" solutions that both reduce and mitigate climate chaos.

Volunteers*

Estimate, and explain if necessary, the number of active volunteers (e.g. those who donate at least 10 hours/year in volunteer time) engaged with the organization.

At the North Lobby Desk our Auxiliary Volunteers greet patients and visitors with a smile and a friendly hello. They serve as the reception area for several departments in the hospital, offering wheelchair service and flower delivery.

The Auxiliary Volunteers in the Patient Area restock the pantries at the nurses stations throughout the hospital, deliver and pick up patient menus, deliver and pick up mail and distribute magazines to the waiting rooms of the hospital.

The Gift Shop is operated by Auxiliary Volunteers as a service for visitors, patients, and hospital employees. Gifts for patients, snacks and beautiful handmade items are sold. Proceeds are used for scholarships, grants and hospital equipment.

Hospice services are provided free of charge. This program is supported by Hospice Thrift, a Volunteer-staffed store in Fort Bragg's Boatyard Shopping Center, and other fundraisers hosted by Friends of Hospice.

Hospital Chaplains are volunteers. They go through a rigorous training course to be ready to offer patient listening and wise solace to patients and their families, as well as support and appreciation to health care workers.

All told, we have approximately 22 active volunteers in the Auxiliary, 30 who work at the Thrift store, 8 Chaplains and 2 Hospice home-visit volunteers.

Volunteer members are asked to give sixty hours per year in volunteer time. Most members give much more because of the enjoyment and fellowship.

Staff*

Provide the number of employees including FTE (full-time equivalent) status. If you do not have any paid staff, mark zero.

390

Operating Income*

Provide the sources of operating income (e.g. board member contributions, individual donations, proceeds from fundraisers, foundation grants, government grants and contracts, fees for services provided, etc.), and the percentage of the total for each.

Total operating revenues for the Health Care District year that ended on June 30, 2019 were $55,031,556.
Of these, $117,180,137 were patient service revenues
$ 2,139,737 were other revenues such as those from bonds, taxes and gifts from Mendocino Coast Health Care Foundation.
Please see the Balance Sheets for details.

Board of Directors

Upload a list of the organization's board members, including email addresses, professional affiliations (e.g. accountant, lawyer, community representative, parent representative, etc.) and TERMS OF SERVICE as a WORD document or a PDF. Please note that the organization must be governed by a volunteer board of directors that is representative of the community and comprised of at least 3 unrelated members with diverse areas of expertise, with the exception of elected or appointed board members.

Board of Directors of Mendocino Coast Health Care District.docx

Financial Information

Please upload the organization's financial information from the most recent completed fiscal year, including a balance sheet and profit and loss statement (or equivalent). If you have questions about the appropriate document to include for your organization please contact the Community Foundation. Please attach as a WORD, EXCEL, or PDF document.

3page district finances.pdf

Irregularities

Explain any irregularities regarding the organization's financial statements. Leave blank if not applicable.

Fiscal Agent / Fiscal Sponsor*

Is your organization using a fiscal sponsor?

No

Project Background

Project Name*

Name of Project

Community Resource Hubs and Alternate Rescue Routes Throughout Mendocino Coast Health Care District ("Routes & Hubs" for short)

Purpose of Grant*

Provide a concise, one sentence explanation of how the grant funds will be used. For example: "to support the development of an evacuation plan for Sherwood". There will be additional opportunities to explain the purpose of the grant and its budget later in the application process.

The purpose of the Grant is to support robust, multi-scenario, climate-healthful collaboration between dispersed community-resource sites and the public, First Responders, and the Hospital.

Geographic Area*

Select the primary geographic area(s) served. (If you choose All of Mendocino County you must be serving all of the below regions in the County.)

North Coast
South Coast

Type of Funding*

Select the primary type of funding requested (see 2020 Community Enrichment Grant Guidelines for definitions):

Program

Supplemental Information for Program Requests

Supplemental Information*

Please note applicants collaborating with other organizations to provide programs will need a letter of support from the partner group(s). For example, if offering an educational program in classrooms you will need a letter from the school.

Visit Mendo ED's Support letter.docx

Additional Letter(s) of Support

If you have an additional letter of support, please upload it here. Please note that if you have multiple additional letters you will need to scan them all into one file and upload them here.

2019_11_15_11_18_17-1.pdf

Project Information

Project Description*

Briefly describe your organization's current resiliency and readiness plan. Who or what is affected and how? How does this request align with the resiliency or preparedness needs in your community? (Character Limit: 4000)

Mendocino Coast Health Care District's existing emergency plan details ways to:
(a) keep the Hospital functioning during power outages, equipment failures, acts or threats of violence, and natural disasters;
(b) handle the increased workloads during disasters;
(c) work in concert with other hospitals to evacuate patients from unsafe to safe locations;
(d) assist one another to debrief for emotional healing.
(For details, please see MCDH Emergency Operations Plan.)

These policies & procedures make our Hospital a safe & effective workplace year-round. When roads are open, vehicles run, &/or weather conditions permit flight, patients can arrive at MCDH to be treated, & then be released, admitted, or transferred to appropriate locations.

The Hubs & Routes program expands the Health Care District's emergency preparedness focus from the Hospital itself to the whole Health Care District. Here are 5 slogans we display at public gatherings, showing what we're aiming for:

"WHEN TIMES ARE TOUGH & YOU NEED SOMETHING, THE MAPS HELP YOU FIND WHAT YOU NEED." In addition to the District's emergency plans, our Coast has many other entities working on emergency preparedness. The City of Fort Bragg, Fort Bragg Police Dept. & its CERT teams, Fire Departments, Coast Guard, schools, businesses, & other groups have been updating their disaster plans. Communication to the public about what they offer is still suboptimal. During a recent event, one patient went to the Starr Center hoping to charge his CPAP (breathing) machine. There he was told to go to the firehouse instead. Others were so cold at home that they moved into their vehicles--with the motors running, while gas lasted--to stay warm, not knowing of other options. Hubs & Routes builds District maps, with both online versions & printed ones posted in public spaces, to show where each type of resource is available.

"WHEN YOU'D LIKE TO SHARE WHAT YOU HAVE, THE MAPS HELP PEOPLE FIND WHAT YOU'RE OFFERING." During a recent inland fire, many people lost their homes & came west, living in vehicles or campgrounds. At least two local shelters had no or few takers, despite being eager to provide refuge. Hubs & Routes helps spread the word.

"WHEN 911 CAN'T GET TO ALL WHO NEED HELP AT ONCE, MOST PEOPLE CAN BE CARED FOR BY FOLKS NEARBY BECAUSE EACH NEIGHBORHOOD HAS THE NECESSITIES OF LIFE, INCLUDING STEP-BY-STEP INSTRUCTIONS FOR BASIC CARE OF COMMON MEDICAL PROBLEMS & INJURIES." Some people do not need complex nursing nor medical care, but do need certain resources to stay healthy or to keep small problems from becoming big. People go to the Emergency Dept. because they are cold, hungry, or have run out of supplemental oxygen. They go because they are unable to keep their wounds clean without gauze & running water. Hubs & Routes mapping helps patients in need find resources in their own areas that may keep them from needing to call 911. Later stages may partially standardize instructions & color-code inventories for quick reference by volunteers & their local or remote medical advisors.

"THOSE WHO REALLY NEED THE HOSPITAL ARE ABLE TO GET TO IT, EVEN IN TOUGH TIMES." Ambulances can be stopped by road closures from earthquakes, landslides, or floods. Not all weathers permit air rescue. Vehicle fuel can become unavailable; EMS systems can be overwhelmed. Hubs & Routes helps develop alternate routes to care.

"WE PREPARE FOR & HANDLE DISASTERS IN WAYS THAT ALSO HELP RESTORE A HEALTHFUL CLIMATE." For a given type of disaster, there may be multiple options for how we can prepare & how we respond. Some of these options have side benefits: they sink carbon & methane into the ground, help hillsides

hold stormwater without eroding away, & create livable local micro-climates. Hubs & Routes mapping helps publicize resources with side benefits where they exist now, and will invite disaster planners to incorporate more such strategies as they further develop their plans.

Project Detail*

Describe the proposed project in detail, including the activities and collaborations involved. (Character Limit: 4000)

The current grant application relates to Phase One of the Hubs & Routes program. Phase One focuses on mapping.

We are developing online & printed maps of the Health Care District for use by the public, Incident Commanders, and community groups. We will post printed maps at community centers, libraries, the Hospital, and other places people will go during crises. We will regularly update the online maps & ask multiple websites to direct viewers to use them.

If time permits we will help individual neighborhood groups or "hubs" to update their own smaller, less public neighborhood maps.

Hubs & Routes maps will show two kinds of information not included in a standard map of the Coast: resources being offered & alternate routes of rescue.

RESOURCES BEING OFFERED

We have begun collecting information about what it is that groups & individuals wish to offer to show on the map.

We ask if they'd like to sign a statement like this:

"I have access to the resources that I have circled below. I am willing to share them at no cost with neighbors & refugees who show respect for the resources, use them for survival, & do not waste them. I will invite people to help me sustain, conserve, & replenish the resources & share them with those in need. I will keep a photo or original of this form & either hand in the original or email a photo of it to hubsroutes@mcn.org. You have my permission to publicize this information on: _____District & Neighborhood Maps ____Neighborhood Maps Only." It then asks for their name & contact info, the locations of the resources, & descriptions of the resources using a pick list plus a blank for "other." The pick list is the same as the key to icons used on the map.

The icon/pick list is intentionally detailed. The maps need to show not just who offers water, but who offers water that will still be obtainable when wells have gone salty, when the electrical grid is down, when generators have run out of gasoline, and so on. They need to show not only whether a neighborhood has a first aid kit, but also whether it has a person who knows how to deliver a baby. The maps are intended to give enough detail for a person in need to know where to go.

Our experience so far is that people need to converse about this before they can fill it out. Mapping thus requires both the technical work of graphic design & the processes of meeting sequentially with different groups to offer a vision, answer questions, hear relevant stories, elicit everyone's best thinking, & conduct motivational interviews.

ALTERNATE RESCUE ROUTES

How would a rescuer get a victim to the hospital if Albion River Bridge failed? Where would FEMA be able to land a big supply aircraft? Mapping includes walking footpaths under culverts & across beaches to test alternate routes the map can show. It involves asking landowners if rescuers &victims may have permission to cross their property after crossing rivers by boat. It involves learning to meld GPS software with maps of District resources to help rescuers navigate to Resource Hubs or to the Hospital without getting lost in the woods.

If time permits within Phase One, and potentially in later phases, Hubs and Routes will:

-explore ways to assist the formation of Community Resource Hubs in neighborhoods that do not already have them

--assist each Hub to organize its local information (example: where we keep the water filters, which people on this block require oxygen, how to use the type of emergency radio we have here) using a color code that is the same at all Hubs so that people from any Hub can quickly begin to help

--develop a set of recommendations that is applicable at all Hubs to add to the local information (example: safest way to walk toward a helicopter, how to stanch the bleeding from a wound)

--return to Hubs to provide support for volunteers to think about how they can maintain their resources and their interest in their Hubs over time.

Oversight*

Describe who will be responsible for overseeing the project. If community volunteers are involved, describe how they will contribute and who will manage them. (Character Limit: 2000)

The District's Planning Committee, and other Committees as requested by the Board, together with volunteers Dr. Jennifer Kreger and Mr. Rick Hemmings, will oversee Phase One of the project and report progress to the Community Foundation and to the District Board.

First responder teams (Sheriff's officers, firefighters, Coast Guard personnel, etc.) will remain under the oversight of their current command structure. Dr. Kreger and Mr. Hemmings will continue to elicit the suggestions of their leadership, both during ad hoc meetings and by inviting leaders to District meetings.

Hubs that are neighborhood groups, land trusts and community centers will continue to oversee themselves as agreed among their own members or specified in their own charters. Currently, Dana Fox is leading the efforts at Caspar Community Center, Deena Zarlin is a major leader of Comptche Emergency Preparedness, Sojourna Lee is a spokesperson for Meadow Farm, Pastor Greg Escher is turning Grace Community Church into a refuge, Gowan Batiste and U'i Wesley have fed and sheltered hundreds of people at Fortunate Farm, and a coalition of Hospital and City of Fort Bragg leaders are planning to meet about a shelter at Fort Bragg High. Other groups will become familiar to us as we continue the work of mapping, which will be integrated with recruitment and capacity-building. Dr Kreger will offer to visit each Hub to lead the sorts of meetings described in Project Detail, above. As the work progresses, we will train additional trainers who show interest.

Hubs that are lodging partners of Visit Mendocino will meet with Alison DeGrassi.

Volunteer trail testers and mappers will gather in pairs or groups whose leader consults directly with Dr Kreger, Rick Hemmings, or Alison DeGrassi of Visit Mendocino, before traversing uncharted country.

All helpers who are not volunteering as part of a trails group, first responders group, or group from any one particular Hub, will meet directly with Dr Kreger.

Project Timeline*

Provide a copy of your project timeline. To do so, download the project timeline form, complete it, save it to your desktop, and then upload it as an EXCEL or PDF document in the area below. Funding and payments will be made in March 2020. All grant funds must be expended by December 31, 2020.

2020_community_resiliency_timeline.xlsx

Individuals*

How many individuals will this grant request serve?

15000

Special Populations*

Will your project serve any of the following special populations? Please check all that apply.

Children
Disabled
Landowners
Low-income
Seniors

Training Activities

If your project includes training activities, indicate the number of training's planned and estimated target audience. (Character Limit: 2000)

We will visit between 6 and 18 Hubs between January and June 2020, with the possibility of finding more Hubs to visit later in the year. We expect different numbers of participants at different Hub meetings, with a goal of reaching at least 30-60 active neighborhood volunteers.

Each Hub visit will include elements of training, with time to practice finding their Hub's location on the District map, get familiar with the icons of the map key, practice using the online map, think through which resources would likely be needed in a variety of scenarios, mark their Neighborhood map with relevant info from the District map, and organize their written information and supplies for rapid retrieval and use.

Each Hub visit will also include other elements, such as relating of the participants' efforts, successes and challenges to date, review of their agreements and preferences regarding sharing, triage, and publicity, and updating of understandings about who is willing and able to lead which aspects of their local disaster responses. This multi-directional approach will promote respectful discussions about which resources should be offered publicly on District maps to anyone in need, which should be publicized only in the immediate neighborhood, and which are to be kept private for use only by those who procured or produced them. If time permits us to return for additional visits, a continuing relationship may help Hub members come to agreement about investing in the types of emergency preparedness that also help reduce global warming.

Separately, we will orient at least one leader from each of the following groups---Emergency Physicians, Ambulance Service, Emergency Operations Committee, Sheriff's Office, each Fire Department, Fort Bragg Police Department, CERT, Coast Guard---to the maps and to the goals of our program. We will continue to incorporate these leaders' insights as we form Policies and Procedures at the District level.

Community Impact*

Explain how the outcomes of this project/program will support effective, realistic, and coordinated planning, reduce duplication of efforts, and increase the overall effectiveness of resiliency and disaster preparedness activities in our communities. (Character limit: 2000)

IN CASES OF:

GRID-POWER OUTAGE:
Now: Folks sick from running out of O2, being cold, or inhaling generator fumes. Some warm houses contain few people. Food is wasted.
W/ Phase 1: Maps show where to find O2, charge CPAPs, make ice, gather for warmth.
W/ Phase 2+: Fuels are burned only for highest-survival-impact purposes.

HIGHWAY ONE BRIDGE FAILURE:
Now: EMT's, fire crews & nurses can get to most of Ft Bragg & up Hwy 20 but not whole District. Patients can't all travel to Hospital or clinics. Ferry service is ready at Big River but not all rivers.
W/ Phase 1: Some Hubs have CERT items, food, water, birthing kits, info etc. so that fewer people need to get to Ft Bragg. Those who do can use prepared Alternate Routes.
W/ Phase 2+: All areas have Hubs.

FOSSIL-FUEL UNAVAILABILITY:
Now: Fossil-fuel-based generators stop running; ambulances don't work; CERT trailer can't be towed; some groceries can't store food; most autos don't work.
W/ Phase 1: Many people receive care at Hubs.
W/ Phase 2+: Non-fossil-fuel-based generators provide modest electrical output that is shared according to hierarchy of need; those who need to get to Hospital are taken by non-fossil-fuel-powered means.

HOSTILE TAKEOVER:
Now: We are at risk for losing drinking-water access to armies, poisons or profiteers. Some people have water; some don't.
W/ Phase 1: People needing & offering water can find each other.
W/ Phase 2+: Water & other resources are used according to triage/public health principles, with priority on survival for all. Everyone gets water to drink before anyone gets any to squander.

INLAND FIRE:
Now: People with asthma get sicker; supplies at stores run out & are shared unevenly; people seek refuge here after losing homes inland, but don't know where to turn.
W/ Phase 1: Refugees use maps & signs to find resources.
W/ Phase 2+: Plans for using resources sparingly & sharing them are already in place; people gather at Hubs to conserve resources and work out problems.

Organization Impact*

How will this request impact your organization? (Character Limit: 4000)

The Hospital will be more able to focus on the types of work that only a Hospital can do when basic needs for water, food, warmth, and chronic medical needs like supplemental oxygen, CPAP, and care of chronic wounds can be done elsewhere.

When a patient is sent home from the Hospital after an inpatient stay and then returns for another admission within 30 days, the Hospital must pay an "early readmission" penalty. Early readmissions are less frequent when people have resources at home, including safe environments, nutrition and hydration, and companions to help them follow their new health instructions. As neighborhoods become more collaborative

and resourceful, patients will have better chances of thriving without early readmission--whether or not a disaster is occurring.

Emergency personnel will have access to maps of distributed resources in Phase 1, and, in later phases, to copies of the sets of information binders. When they are unable to send ambulance to a scene, they can give much more specific instructions than without the standardization. They can tell a bystander on a radio or phone, "send someone to the nearest Hub, which is about 600 feet west of you, to get the red binder and the red bag and bring them to you. The second section of the Red Binder has diagrams to show you what I want you to do to help this victim. After you have done the first two steps of that, I want you to read me the list in the fourth section of the red binder." Color codes and binder tabs at all Hubs will be the same to create clarity for the remote medical advisor.

Well-equipped neighborhood Hubs can help the District, and vice versa, even when no acute crisis is occurring. The State of California recently made it legal to add Community Paramedicine to the scope of practice of ambulance personnel. If the overseeing body of our county's ambulance standards decides to add this function, ambulances will be allowed to bring a nurse practitioner along with their teams to provide home-based or Hub-based services during the "down times" between emergency calls. These visits can serve patients who do have difficulty finding rides to the Clinics but do not qualify for Home Health. While the nurse practitioner is, say, re-dressing a wound, checking a med list, listening to a fetal heart rhythm or giving a tetanus shot at a Hub shelter, other ambulance team members can check the status of oxygen tanks and other medical supplies at the same site and assist with any need to rotate or restock inventory. Depending on the ownership structure of the ambulance services at the time, these activities may bring the District significant additional income from Partnership Health Plan and other insurers while also improving the health of people in outlying areas. Finalizing agreements about these practices will not be part of Phase One of the project but could be part of future phases.

The District may experience higher popularity as a result of assisting all District residents to have improved access to basic necessities during difficult times. In recent weeks, how to cope with power outages and disasters has been high on the health priority list of a majority of my patients and friends. Conversations about this project and its maps have generated a great deal of interest and enthusiasm. People who have carried distrust of the Hospital are now delighted that the District wants to help them in ways they experience as "common sense."

We have already made a first draft of one of the three maps and hope to pursue this project with or without the Grant. However, receiving the grant will allow us to continue working on the project at speed, with less time taken away to pursue other means of fund-raising. Speed is important because of the acceleration of climate change and its effects. Please see also "partial funding" below.

Letters of Support

Please upload any additional letters of support. If you have multiple letters of support, please scan them all into one document to upload.

Budget Information

Amount Requested*

$9,730.00

Total Cost

Provide the total cost of the project, which may or may not be the same amount as the grant request:

$29,430.00

Project Budget*

Please upload a copy of the project budget. To do so, download the project budget form, complete it, save it on your desktop as an EXCEL or PDF document, and then upload it in the area below.

2020_community_resiliency_budget.xlsx

Funding Plan*

Describe how you plan to use the funds from the Community Foundation. (Character Limit: 4000)

Community Foundation Funds will be used to create, populate, print, publicize, and share maps of the Healthcare District that show the locations and types of services that are being offered at no charge to the public to enhance survival during times of crisis or deprivation, of gathering places where additional functions may take place that assist in enhancing the resilience of the community, and of routes that can be used to travel to the Hospital from each of these gathering places when an earthquake, landslide, or other issue is impeding travel along our accustomed routes.

Mapping software will allow our mapmaker to layer satellite information about topography with locally-researched information about life-saving resources and usual and alternate routes to the Hospital in a highly accurate, easily updated and very readable set of maps. Newer software is expected to be able to add a GPS component so that a map user can see where s/he is in the landscape relative not only to peaks, valleys, towns and rivers but also to locations where shelter, food, medical experience, and other resources are being offered free of charge to people in need.

We will pay $30 per hour for half of the labor of researching and creating the maps; Mapmaker Rick Hemmings has offered to donate the other half.

Printed versions of the maps are necessary for occasions when infrastructure does not support use of the online versions. Printed maps will be available at dispersed locations throughout the District and at central locations where "Incident Command" decisions are made.

Web design involves creating a platform on which the online maps reside, making the maps accessible links from other sites, adding contextual information about the Hubs & Routes program, allowing online resource offers, and providing a forum for discussion of best practices among users of the maps and builders of the Hubs. Web updates will include success stories about preparedness efforts and about use of the maps during emergency situations.

Additional Donations*

If the grant will be used to attract additional donations (i.e. a matching grant), share how you plan to achieve your fundraising goals. (Character Limit: 2000)

This is not planned as a "matching grant" per se. It has inspired a great deal of donated labor and expertise and has potential to inspire generosity to the public at each Hub meeting.

Partial Funding*

Due to funding constraints the Community Foundation may recommend partial funding for some projects. Would you accept partial funding for this project? If so, please explain how partial funding would impact your request. (Character Limit:2000)

The enclosed budget already relies on 67% of its labor being donated so it is unlikely we can further drop labor costs. If we eliminated printing costs, the online maps could still be produced but would be inaccessible during various types of emergency scenarios.

Electronic Signature

Online Application Feedback*

Tell us about your experience with our online application.

Challenging - had difficulties

Please share any feedback you may have about our new online application process. We anticipate incorporating changes into future versions and appreciate your help.

The application refers to timeline and budget templates but did not seem to provide a link to each of those for the "equipment" type of funding; it does for the "program" type.
After I switched from "equipment" to "program" and rewrote the entire application, the new "packet" still contained outdated documents from the prior version.
I was unable to load a table into the answer section of a question.
It was hard to find the question list prior to registering, and registering required having answers to specific questions.

I liked how the box turns color to show me whether I need to reduce the number of characters. I appreciate being able to save non-final versions of each answer and of the draft as a whole. The "collaborate" function is very helpful.

Electronic Signature*

By entering your signature information and clicking "I Agree" below, you certify that the information contained in this application is true and correct to the best of your knowledge.

I Agree

Signature*

Enter your full name and business title.

Dr. Jennifer Kreger

Signature Date*

11/28/2019

File Attachment Summary

Applicant File Uploads

- Board of Directors of Mendocino Coast Health Care District.docx
- 3page district finances.pdf
- Equipment Product Specifications.docx
- Equipment Cost Estimate.docx
- Visit Mendo ED's Support letter.docx
- 2019_11_15_11_18_17-1.pdf
- 2020_community_resiliency_timeline.xlsx
- 2020_community_resiliency_budget.xlsx

Board of Directors of Mendocino Coast Health Care District:

Chair--Karen Arnold (karnold@mcdh.net)--Human Resources Director at Mendocino Coast Clinics Inc. Two Year Term: 12/12/2018-2020

Vice Chair--Jessica Grinberg (jgrinberg@mcdh.net)--Orthotist and Prosthetist. Four Year Term: 12/12/2018-2022

Board Treasurer--John Redding (jredding@mcdh.net)--Nuclear Physicist and Entrepreneur. Four Year Term: 2018-2022

Board Secretary--Steve Lund (slund@mcdh.net)--Retired Educator. Term: 2017-2018 then re-elected for 2018-2020

Member--Amy McColley (amccolley@mcdh.net)--Registered Nurse. Four Year Term: Dec 12, 2018-2022

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the ~~month~~ year ended June 30, 2019

	YEAR-TO-DATE				
	* Actual 06/30/19	Budget 06/30/19	Positive (Negative) Variance	Percentage Variance	Prior Year 06/30/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 21,225,963	$ 22,904,000	$ (1,678,037)	-7%	$ 22,206,930
SWING BED	$ 5,028,759	$ 2,500,000	$ 2,528,759	101%	$ 2,466,841
OUTPATIENT	$ 84,309,012	$ 85,456,000	$ (1,146,988)	-1%	$ 84,127,069
NORTH COAST FAMILY HEALTH CENTER	$ 5,156,824	$ 5,594,000	$ (437,176)	-8%	$ 6,309,763
HOME HEALTH	$ 1,459,579	$ 1,560,000	$ (100,421)	-6%	$ 1,524,654
TOTAL PATIENT SERVICE REVENUES	$117,180,137	$118,014,000	$ (833,863)	-1%	$116,635,256
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (64,113,247)	$ (64,092,000)	$ (21,247)	0%	$ (65,656,364)
POLICY DISCOUNTS	$ (337,319)	$ (144,000)	$ (193,319)	134%	$ (142,644)
STATE PROGRAMS	$ 2,609,795	$ 1,200,000	$ 1,409,795	117%	$ 1,428,850
BAD DEBT	$ (1,959,786)	$ (2,360,000)	$ 400,214	-17%	$ (1,800,283)
CHARITY	$ (487,761)	$ (600,000)	$ 112,239	-19%	$ (269,257)
TOTAL DEDUCTIONS FROM REVENUES	$ (64,288,318)	$ (65,996,000)	$ 1,707,682	3%	$ (66,439,697)
NET PATIENT SERVICE REVENUES	$ 52,891,819	$ 52,018,000	$ 873,819	2%	$ 50,195,559
OTHER OPERATING REVENUES	$ 2,139,737	$ 2,100,000	$ 39,737	2%	$ 2,340,573
TOTAL OPERATING REVENUES	$ 55,031,556	$ 54,118,000	$ 913,556	2%	$ 52,536,131
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 18,529,835	$ 17,999,000	$ 530,835	3%	$ 17,487,285
EMPLOYEE BENEFITS	$ 8,986,611	$ 8,856,000	$ 130,611	1%	$ 8,948,865
PROFESSIONAL FEES - PHYSICIAN	$ 6,223,253	$ 6,527,000	$ (303,747)	-5%	$ 6,444,578
OTHER PROFESSIONAL FEES - REGISTRY	$ 6,332,251	$ 4,567,000	$ 1,765,251	39%	$ 6,542,128
OTHER PROFESSIONAL FEES - OTHER	$ 2,299,184	$ 1,416,000	$ 883,184	62%	$ 1,428,306
SUPPLIES - DRUGS	$ 5,192,059	$ 4,872,000	$ 320,059	7%	$ 4,562,400
SUPPLIES - MEDICAL	$ 2,837,116	$ 3,024,000	$ (186,884)	-6%	$ 2,907,822
SUPPLIES - OTHER	$ 969,670	$ 984,000	$ (14,330)	-1%	$ 963,052
PURCHASED SERVICES	$ 1,316,077	$ 1,572,000	$ (255,923)	-16%	$ 1,577,821
REPAIRS & MAINTENANCE	$ 816,806	$ 972,000	$ (155,194)	-16%	$ 958,656
UTILITIES	$ 867,988	$ 840,000	$ 27,988	3%	$ 806,437
INSURANCE	$ 535,210	$ 564,000	$ (28,790)	-5%	$ 541,865
DEPRECIATION & AMORTIZATION	$ 1,481,930	$ 1,536,000	$ (54,070)	-4%	$ 1,511,528
RENTAL/LEASE	$ 648,406	$ 552,000	$ 96,406	17%	$ 548,423
OTHER EXPENSE	$ 1,550,756	$ 1,495,000	$ 55,756	4%	$ 1,574,652
TOTAL OPERATING EXPENSES	$ 58,587,152	$ 55,776,000	$ (2,811,152)	-5%	$ 56,803,818
NET OPERATING SURPLUS (LOSS)	$ (3,555,592)	$ (1,658,000)	$ (1,897,592)	114%	$ (4,267,686)
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 780,000	$ 796,000	$ (16,000)	-2%	$ 737,017
INVESTMENT INCOME	$ 100,214	$ 46,000	$ 54,214	118%	$ 57,068
DONATIONS	$ 57,688	$ 325,000	$ (267,312)	-82%	$ 338,927
INTEREST EXPENSE (ALL)	$ (508,079)	$ (654,000)	$ 145,921	-22%	$ (635,380)
EXTRAORDINARY GAINS/(LOSS)	$ (54,337)	$ -	$ (54,337)	0.00%	$ 63,482
BOND EXPENSE (ALL)	$ 13,344	$ 12,000	$ 1,344	11%	$ 13,511
TAX SUBSIDIES FOR GO BONDS	$ 332,592	$ 333,000	$ (408)	0%	$ 332,592
PARCEL TAX REVENUES	$ 1,596,000	$ 1,600,000	$ (4,000)	0%	$ -
TOTAL NON OPERATING INCOME (LOSS)	$ 2,317,422	$ 2,458,000	$ (140,578)	-6%	$ 907,218
TOTAL NET INCOME (LOSS)	$ (1,238,166)	$ 800,000	$ (2,038,166)	-255%	$ (3,360,469)
Operating Margin	-6.5%	-3.1%			-8.1%
Total Profit Margin	-2.2%	1.5%			-6.4%
EBIDA	-4.0%	-0.2%			-5.7%
Cash Flow Margin	-0.2%	3.7%			-4.2%

Balance Sheet - Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the ~~month~~ year ended June 30, 2019

	Current Month 6/30/2019	Prior Year End 6/30/2018
CURRENT ASSETS		
CASH	$ 1,146,600	$ 1,806,804
PARCEL TAX REVENUE ACCT	$ 872,982	
PATIENT RECEIVABLES	16,779,820	16,595,137
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(13,032,158)	(11,442,152)
NET PATIENT ACCOUNTS RECEIVABLES	3,747,662	5,152,985
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	2,008,771	3,254,576
OTHER RECEIVABLES	533,576	799,134
INVENTORIES	826,855	811,360
PREPAID EXPENSES	461,698	419,546
TOTAL CURRENT ASSETS	$ 9,598,144	$ 12,244,405
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,376,979	$ 4,280,052
PLAN FUND	13,759	13,759
BONDS	746,445	812,501
BOND COSTS	471,250	520,000
TOTAL LIMITED USE ASSETS	$ 5,608,433	$ 5,626,312
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,490	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	20,430,219	21,899,738
CONSTRUCTION-IN-PROGRESS	1,649,397	280,584
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 48,153,407	$ 48,254,113
LESS: ACCUMULATED DEPRECIATION	(33,552,060)	(33,681,831)
NET PROPERTY, PLANT, & EQUIPMENT	$ 14,601,346	$ 14,572,282
TOTAL ASSETS	$ 29,807,923	$ 32,442,999

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the ~~month~~ year ended June 30, 2019

	Current Month 6/30/2019	Prior Year End 6/30/2018
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 4,143,512	$ 6,383,566
ACCRUED PAYROLL	$ 859,231	$ 758,061
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,253,988	$ 1,173,087
PAYROLL TAXES PAYABLE	$ 60,642	$ 52,256
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 1,248,302	$ 1,648,982
OTHER CURRENT LIABILITIES	$ 911,488	$ 36,543
INTEREST PAYABLE	$ 1,010,162	$ 1,123,094
PREVIOUS FY PENSION PAYABLE	$ -	$ 860,213
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ -	$ -
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 1,373,343	$ -
TOTAL CURRENT LIABILITIES	$ 10,860,666	$ 12,035,802
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 9,819,429	$ 10,610,090
OTHER NON-CURRENT LIABILITIES	$ 1,795,116	$ 2,205,116
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 978,884	$ -
TOTAL LONG TERM LIABILITIES	$ 12,593,429	$ 12,815,206
TOTAL LIABILITIES	$ 23,454,095	$ 24,851,008
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 7,591,991	$ 8,803,300
TEMPORARY RESTRICTED FUND BALANCE	$ -	$ -
Net Revenue/(Expenses) (YTD)	$ (1,238,163)	$ (1,211,309)
TOTAL NET ASSETS	$ 6,353,828	$ 7,591,991
TOTAL LIABILITIES AND NET ASSETS	$ 29,807,923	$ 32,442,999

COMMUNITY RESILIENCY & PREPAREDNESS GRANT PROGRAM
2020 Grant Project Timeline

Timeline should begin near the award date in March 2019 and conclude no later than March 1, 2020.
Individual cells may be adjusted to accommodate more information.

Community Resource Hubs & Alternate Rescue Routes Throughout Mendocino Coast Health Care District
Mendocino Coast Health Care District

Activity	Responsible Party(ies)	Timeframe
Collect & disburse granted funds	Designee of MCHD Board Chair	March 2020 to December 2020
Visit 1-3 hubs/month, get resource offe	Dr Kreger	January 2020 to at least June 2020
Contact lodging partners, get offers	Alison DeGrassi	November 2019 to April 2020
Upload publicizable resources to maps	Rick Hemmings	January 2020 to at least June 2020
Report to Planning Committee	Dr Kreger	Monthly throughout 2020
Request permission to cross private lan	Alison DeGrassi, Rick Hemmings	November 2019 to August 2020
Test & map alternate rescue routes	Rick Hemmings	October 2019 to August 2020
Select web designer to post online map	Dr Kreger and Mr Hemmings	by April 1, 2020
Meet w/1-3 1st-response leaders/mont	Dr Kreger	January 2020 to at least June 2020
Update District's website to include ma	District's web designer/I.T./P.R. team	by September 1, 2020
Orient Emergency Physicians to maps	Dr Kreger	by October 1, 2020
Order printing of District maps	Dr Kreger and Mr Hemmings	by October 1, 2020
Distribute maps to largest hubs & librar	Dr Kreger	by November 1, 2020
Create P&P: use maps to improve care	Planning Committee & care providers	Monthly, April to December 2020

COMMUNITY RESILIENCY & DISASTER PREPAREDNESS GRANT PROGRAM
2020 Grant Project Line-Item Budget

Project Title__Community Resource Hubs & Alternate Rescue Routes Throughout Mendocino Coast Hea
Mendocino Coast Health Care District

Indicate all expenses (contract labor and other personnel costs, materials, advertising costs, facility fees, equipment purchases, capital expenditures, etc.) related to your project, including any cash or in-kind contributions from other sources

Project Expense & Breakdown (Explanation)	Funds Requested (A)	Cash Match (B)	In-kind Match (C)	TOTAL (A) +(B) + (C)
Mapping Software	$300.00	$0.00	$0.00	$300.00
Labor for mapping terrain, routes & initial hubs	$4,680.00	$0.00	$4,680.00	$9,360.00
Labor for mapping additional hubs & resource offers	$2,820.00	$0.00	$2,820.00	$5,640.00
Printing maps	$700.00	$0.00	$200.00	$900.00
Web design	$450.00	$0.00	$0.00	$450.00
Web upkeep and updates	$780.00	$0.00	$0.00	$780.00
Public Health consultation	$0.00	$0.00	$12,000.00	$12,000.00
Legal consultation	0	unknown	0	$0.00
Total	$9,730.00	$0.00	$19,700.00	$29,430.00

November 15, 2019

To: Rose Bell and Allison Findley
Community Foundation of Mendocino County

From: Wayne Allen, CEO
Mendocino Coast District Hospital

Re: Community Resource Hubs Throughout the Health Care District

Dear Rose and Allison:

As the CEO of MCDH, I oversee the administration of all Hospital Policies and Procedures including those related to Emergency Preparedness.

I am in favor of expanding Emergency Preparedness in the Health Care District to include care of those who are unable to travel to the Hospital by the usual routes and those whose health challenges relate more to their lack of the basic necessities of life than to medical care per se.

I recommend that Dr. Jennifer Kreger perform a needs assessment to identify the gaps between existing neighborhood preparedness efforts and what is needed for a robust and effective response to a wide variety of challenging scenarios. This will inform discussions about best ways to finance and organize Phase Two of the expansion project. Your financial support with mapping and partial standardization in Phase One is much appreciated.

Please let me know what questions you may have.

Sincerely,

Wayne Allen, CEO

700 RIVER DRIVE · FORT BRAGG, CALIFORNIA 95437
PHONE: 707 961-1234 · FAX: 707 961-4793 · www.mcdh.org

To: Community Foundation of Mendocino County

Re: Letter of Support for Hubs & Routes

From: Sojourna Lee
Meadow Farm Community Land Trust

We are trying to establish self-sufficiency of shelter, food, water, energy, and waste management for the Pudding Creek neighborhood in northern Fort Bragg. We heartily encourage residents of each "island"-- each land mass that can become isolated if bridges fail--to pursue the same goal.

We agree to invite Hubs & Routes representatives to meet with our Board of Directors and key volunteers. We will discuss which of our resources to publicize on Routes & Hubs District maps and which to publicize on Neighborhood maps. We would like to receive, study, post, and use a copy of the District maps if and when they can be made available.

As we collect (from our neighbors and/or from Routes & Hubs or elsewhere) information that speeds our response to disasters, we will categorize it using the following color code to make it match the categories at other Hubs:

Blue Binder--WATER--Locations, instructions, priorities, and other information related to water: water sources, water storage, water filters, icepacks.

Red Binder--MEDICAL--inventories and locations of medical supplies, easy-to-read how-to sheets for lay people to use to assist one another with airway management, breathing support, circulatory support, wound management, birthing, lightning injury management, and other common and/or urgent procedures when EMTs and emergency physicians are not on scene.

Brown Binder--SOIL, FOOD & COOKING--locations, instructions, and local priorities and agreements related to compost#, soil, food production, hunting and gathering, butchering*, food storage, and food sharing (see also *purple and #black binders.)*

Yellow Binder--COMMUNICATION--phone numbers of this and other Hubs, Sheriff, closest fire department; ultra-local maps; information on how to work all the types of communication devices available; who's who in the neighborhood including the names, addresses, special needs, and special skills/offers of those who are willing to reveal that information on behalf of public safety; signage or flares to direct rescuers to victims or direct refugees to resources; anything else related to communication.

Orange Binder--SHELTER--locations and other information regarding this neighborhood's sources of shelter, warmth, electricity, cooking, blankets, cots, re-warmers; anything else related to heat, protection, or meeting space.

White Binder--TRANSPORTATION--Information related to getting people from one Hub to another or to the Hospital: transportation, gate combinations, back-road-appropriate vehicles, boating docks, how to improvise carrying devices, locations of nearby potential helicopter landing areas.

Black Binder--DISPOSAL--location and instructions related to sawdust toilets, other toilets, toxic waste, bio-hazardous waste, death, and burial during conditions of neighborhood isolation.

Purple Binder--ANIMALS--locations, instructions and other information related to pets, wild animals, and domesticated animals.

Green Binder--TOOLS, DEVICES, AND CHARGING--locations and agreements regarding electricity, batteries, charging, renewable and non-renewable generation of electricity, tools, repairs, upcycling, tool-sharing, storage and workshop space.

If someone from one Community Resource Hub happens to be visiting our Hub when a disaster strikes, this may save precious minutes of searching that could be spent in saving a life.

Sincerely,

Sojourna Lee
Farm Manager
Meadow Farm Community Land Trust

To whom it may concern,

I have spoken to and consulted with the dedicated community members working on the "Hubs and Routs" Mapping project.

This project once completed will provide our local First Responders, EMS, and Law enforcement as well as community members a safe way to guide themselves and others between our communities by routs other than our highways and roads which could easily be compromised during a disaster.

This project has real value and will help to make our local communities more resilient when disaster strikes.

Thank you for your support.

Davey Beak

Transport Manager Mendocino Coast District Hospital

Chief Comptche Volunteer Fire Department

700 RIVER DRIVE · FORT BRAGG, CALLIFORNIA 95437
PHONE: 707 961-1234 · FAX: 707 961-4793 · www.mcdh.net

November 27, 2019

Community Foundation of Mendocino County
204 S. Oak Street
Ukiah, CA 95482

To Whom It May Concern:

Following the PSPS in 2019, Visit Mendocino County began a project to assess emergency preparedness among our lodging stakeholders and partners in the county. The five days without power revealed varying degrees of back-up resources available to partners, ranging from no resources to arrays of generators and solar back-up systems. As the official destination marketing organization for the County of Mendocino, it is incumbent upon us to be able to direct visitors to appropriate resources in times of emergency, whether man-made or natural disaster.

More recently, VMC's Director of Marketing & Media, Alison de Grassi, became aware of the Hubs & Routes project undertaken by the Mendocino Health Care District and Rick Hemmings (of Catch A Canoe), among others. Ms. de Grassi was able to connect the project with certain landowners on the coast who will be critical to creating easements across private land, through which members of the public can travel in case of emergency after being ferried across rivers in the event bridges are compromised.

The Hubs & Routes project and the assessment by Visit Mendocino County complement each other and it is our intention to carry out a thorough survey among VMC's stakeholders to assess emergency readiness as well as other sharable resources that might be available to the public and visitors in the event of an emergency situation. The resulting information will be shared with Hubs & Routes for inclusion on their online and/or neighborhood maps. VMC plans to utilize the maps in case of an emergency.

Visit Mendocino County fully supports the efforts of Hubs & Routes to provide a wide range of resource data for public use.

Sincerely,

Travis Scott
Executive Director

November 27, 2019

Community Foundation of Mendocino County
204 S. Oak Street
Ukiah, CA 95482

To Whom It May Concern:

I recently became aware of the Hubs & Routes project during a conversation with Rick Hemmings of the Stanford Inn's Catch A Canoe business operation. Through my personal connections with landowners on the coast, I was able to connect Mr. Hemmings with those landowners who will be critical to creating easements across private land, through which members of the public can travel in case of emergency after being ferried across rivers in the event bridges are compromised.

As the Director of Marketing & Media at Visit Mendocino County and as a private individual, I am fully supportive the Hubs & Routes project as I believe the type of resource the group is developing will be essential information in the event of a natural or man-made disaster.

Sincerely,

Alison de Grassi

PO BOX 772 REDWOOD VALLEY CA 95470 707.508.67652 ALISON@DEGRASSI.COM

To: Community Foundation of Mendocino County

Re: Letter of Support for Hubs & Routes

From: Roo Harris
Author, Mountain Biking the Mendocino Coast and Beyond

I am an avid mountain biker who has accumulated and provided GPS data for local maps, Search and Rescue and a local guidebook for mountain bikers.

It is easy to get lost in the maze of old logging roads and trails traversing our region's forests (JDSF), the majority of which belongs to the California's department of Forestry (Cal-Fire). Currently, there are more than 100 miles of mountain biking trails to traverse.

Even if major bridges collapse along Highway One, it is best if Alternate Rescue Routes to the hospital in Fort Bragg used paths that left the coast road only temporarily to ford each river.

The exception would be in the case of massive flooding and erosion caused by rapid ocean rise. In this scenario, it could potentially become safer to travel north or south to the hospital via inland routes closer where crossings are shallower.

Were this option to be used, it would be helpful to get permission from landowners (Conservation Fund etc.) in advance to clearly map, mark, and use the least steep and least narrow of such routes. It would also be important to add a GPS function to the District Maps of Routes & Hubs. With these two precautions in place, I might consider assisting future rescuers-in-training to familiarize themselves with inland logging roads and trails.

Thank you,
Sincerely,

Roo Harris

To: Community Foundation of Mendocino County

Re: Letter of Support for Hubs & Routes

From: Greg Escher, Pastor
Fort Bragg Grace Community Church
1450 E. Oak Street, Fort Bragg, CA 95437

We at Fort Bragg Grace Community Church wish to continue to function as a Winter Weather Shelter, a source of donated food for needy families, and a place where tools, medical & handicap supplies, clothing, bedding and appliances can be shared. We are also in the process of becoming a fully-equipped refuge for fire, earthquake & tsunami evacuees.

We agree to invite Hubs & Routes representatives to meet with our Leadership Team and key volunteers. We will discuss which of our resources to publicize on Routes & Hubs District maps and which to publicize on Neighborhood maps. We would like to receive, study, post, and use copies of the District maps if and when they can be made available.

As we collect (from our neighbors and/or from Routes & Hubs or elsewhere) information that speeds our response to disasters, we will categorize it using the following color code to make it match the categories at other Hubs:

Blue Binder--WATER--Locations, instructions, priorities, and other information related to water: water sources, water storage, water filters, icepacks.

Red Binder--MEDICAL--inventories and locations of medical supplies, easy-to-read how-to sheets for lay people to use to assist one another with airway management, breathing support, circulatory support, wound management, birthing, lightning injury management, and other common and/or urgent procedures when EMT's and emergency physicians are not on scene.

Brown Binder--SOIL, FOOD & COOKING--locations, instructions, and local priorities and agreements related to compost#, soil, food production, hunting and gathering, butchering*, food storage, and food sharing (see also *purple and #black binders.)*

Yellow Binder--COMMUNICATION--phone numbers of this and other Hubs, Sheriff, closest fire department; ultra-local maps; information on how to work all the types of communication devices available; who's who in the neighborhood including the names, addresses, special needs, and special skills/offers of those who are willing to reveal that information on behalf of public safety; signage or flares to direct rescuers to victims or direct refugees to resources; anything else related to communication.

Orange Binder--SHELTER--locations and other information regarding this neighborhood's sources of shelter, warmth, electricity, cooking, blankets, cots, re-warmers; anything else related to heat, protection, or meeting space.

White Binder--TRANSPORTATION--Information related to getting people from one Hub to another or to the Hospital: transportation, gate combinations, back-road-appropriate vehicles, boating docks, how to improvise carrying devices, locations of nearby potential helicopter landing areas.

Black Binder--DISPOSAL--location and instructions related to sawdust toilets, other toilets, toxic waste, bio-hazardous waste, death, and burial during conditions of neighborhood isolation and interruption of services of the City of Fort Bragg.

Purple Binder--ANIMALS--locations, instructions and other information related to pets, wild animals, and domesticated animals.

Green Binder--TOOLS, DEVICES, AND CHARGING--locations and agreements regarding electricity, batteries, charging, renewable and non-renewable generation of electricity, tools, repairs, up-cycling, tool-sharing, storage and workshop space.

If someone from one Community Resource Hub happens to be visiting our Hub when a disaster strikes, this may save precious minutes of searching that could be spent in saving a life.

To: Community Foundation of Mendocino County
From: Karen Arnold, Chair
Board of Directors of Mendocino Coast Health Care District
Re: Grant Application of Community Resource Hubs and Alternate Rescue Routes Throughout Mendocino Coast Health Care District, AKA "Hubs & Routes"

The Board of Directors of Mendocino Coast Health Care District hereby agrees to pursue the addition of the Hubs & Routes program to the functions of the Health Care District and joins Dr. Jennifer Kreger in requesting funding for the project from Community Foundation of Mendocino County.

The Board of Directors of Mendocino Coast Health Care District will direct District personnel to:

(1) receive any awarded grant moneys from Community Foundation of Mendocino County and pay them to professionals as specified in the Hubs & Routes program budget, using appropriate accounting procedures and contracts;

(2) update District's website to include a description of the Hubs & Routes program and a link to its web page/online maps, once the online maps are available;

(3) use portions of Planning Committee meetings, and potentially other meetings at the Board's discretion, to strategize regarding the uses of Hubs & Routes maps in increasing the effectiveness of care, and to develop appropriate policies and procedures for carrying out these strategies, with District's legal counsel providing advice when so requested by the Board.

This agreement is based on the review of the grant and agreement of the board to move forward with pursuing the activities list in the grant.

Sincerely,

To: Community Foundation of Mendocino County

Re: Letter of Support for Hubs & Routes

From: Dana Fox
Caspar Community Center Emergency Preparedness Organizer

Caspar Community Center is well-equipped with resources to help our neighbors in case of emergency. We have a vibrant community of volunteers who put on monthly Pub Nights (open mic and dinner), regular community breakfasts, and many other successful events. We have a community garden, an outdoor wood-burning bread oven, a large commercial kitchen not requiring grid electricity, and much more. We supplied over 100 people with a place to charge devices and with a warm place to meet during the late October public safety power shutoff. We are developing plans to offer hot meals during the next one.

This last week, we hosted an Emergency Preparedness Open House in which two County Supervisors, the County CEO, and the Chair of the County's newly-formed Climate Advisory Council briefed and heard from dozens of community organizers on the topics of climate change, public health and emergency preparedness. This Open House was also the debut of the first edition of one of the beautiful printed District maps crafted by Rick Hemmings of Hubs & Routes. Caspar Community Center was one of the first Community Resource Hubs to put our offerings on that map.

We agree to invite Hubs & Routes representatives to meet with our Board of Directors and key volunteers. We will discuss ways to round out our preparations to address an even wider variety of potential future scenarios using the least possible climate-damaging strategies. We will practice using the maps so that we can be ready to rapidly identify resource locations in the future, possibly in dim light. We would like to receive, post, and use our own copy of each District map if and when it can be made available.

As we collect (from our volunteers and/or from Routes & Hubs or elsewhere) written information that speeds our response to disasters, we will categorize it using the following color code to make it match the categories at other Hubs:

Blue Binder--WATER--Locations, instructions, priorities, and other information related to water: water sources, water storage, water filters, icepacks.

Red Binder--MEDICAL--inventories and locations of medical supplies, easy-to-read how-to sheets for lay people to use to assist one another with airway management, breathing support, circulatory support, wound management, birthing, lightning injury management, and other common and/or urgent procedures when EMT's and emergency physicians are not on scene.

Brown Binder--SOIL, FOOD & COOKING--locations, instructions, and local priorities and agreements related to compost#, soil, food production, hunting and gathering, butchering*, food storage, and food sharing (see also *purple and #black binders.)*

Yellow Binder--COMMUNICATION--phone numbers of this and other Hubs, Sheriff, closest fire department; ultra-local maps; information on how to work all the types of communication devices available; who's who in the neighborhood including the names, addresses, special needs, and special skills/offers of those who are willing to reveal that information on behalf of public safety; signage or flares to direct rescuers to victims or direct refugees to resources; anything else related to communication.

Orange Binder--SHELTER--locations and other information regarding this neighborhood's sources of shelter, warmth, electricity, cooking, blankets, cots, re-warmers; anything else related to heat, protection, or meeting space.

White Binder--TRANSPORTATION--Information related to getting people from one Hub to another or to the Hospital: transportation, gate combinations, back-road-appropriate vehicles, boating docks, how to improvise carrying devices, locations of nearby potential helicopter landing areas.

Black Binder--DISPOSAL--location and instructions related to sawdust toilets, other toilets, toxic waste, bio-hazardous waste, death, and burial during conditions of neighborhood isolation.

Purple Binder--ANIMALS--locations, instructions and other information related to pets, wild animals, and domesticated animals.

Green Binder--TOOLS, DEVICES, AND CHARGING--locations and agreements regarding electricity, batteries, charging, renewable and non-renewable generation of electricity, tools, repairs, up-cycling, tool-sharing, storage and workshop space.

If someone from one Community Resource Hub happens to be visiting our Hub when a disaster strikes, this may save precious minutes of searching that could be spent in saving a life.

Sincerely,

D Fox

Dana Fox

-

TAB

5

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION 2019-20
RESOLUTION HOSPITAL FACILITIES SEISMIC SAFETY ACT

This Resolution of the MENDOCINO COAST HEALTH CARE DISTRICT (MCDH), hereinafter referred to as 'DISTRICT', for the purpose of the submitting an attestation statement of the awareness of the January 1, 2030 deadline of Health & Safety Code Section 130066.

Mendocino District Hospital's Board of Directors is aware the inpatient hospital building does not substantially comply with the seismic safety regulation and standards described in Section 130066 and is aware the hospital building is required to meet the January 1, 2030, deadline for substantial compliance with those regulation and standards.

I hereby certify that the forgoing is a full, true and correct copy of the Resolution duly passed and adopted by the Board of Directors of the MENDOCINO COAST HEALTH CARE DISTRICT at a regular meeting thereof held on December 11, 2019 by the following vote:

AYES: ____________________
NOES: ____________________
ABSENT: ____________________
ABSTAIN: ____________________

____
Karen Arnold, President
Board of Directors

ATTEST:

____
Steve Lund, Secretary
Board of Directors

OSHPD Office of Statewide Health Planning and Development

Facilities Development Division
2020 West El Camino Avenue, Suite 800
Sacramento, CA 95833
(916) 440-8300
(916) 324-9188 Fax
www.oshpd.ca.gov/fdd

December 2, 2019

Wayne Allen
CEO
Mendocino Coast District Hospital
700 River Drive
Fort Bragg, CA 95437

RE: AB 2190 Attestation Reminder
Mendocino Coast District Hospital - 10301
700 River Dr, Fort Bragg, CA 95437

Dear Mr. Allen:

This letter is to advise you that Assembly Bill 2190 (2018) requires the governing board for each hospital facility that is not in full compliance with the Hospital Facilities Seismic Safety Act to submit an attestation of their awareness of the January 1, 2030 deadline in a form of their choice to the Office of Statewide Planning and Development.

> *Health & Safety Code Section 130066: Before January 1 2020, the owner of an acute care inpatient hospital whose building does not substantially comply with the seismic safety regulations or standards described in Section 130065 shall submit to the office an attestation that the board of directors of that hospital is aware that the hospital building is required to meet the January 1, 2030, deadline for substantial compliance with those regulations and standards.*

You are receiving this reminder because one or more of the buildings at your facility has performance ratings less than SPC-3 or NPC-5 as required by January 1, 2030. A previous reminder was sent on July 23, 2019.

Attestations may be mailed to the address above or emailed to SeismicComplianceUnit@oshpd.ca.gov not later than January 1, 2020. Please specify the facility name and number for each facility for which attestation is made.

If you need further information regarding AB 2190, you may visit our web site at http://www.oshpd.ca.gov.

Sincerely

Carl Scheuerman
Compliance Officer
Seismic Compliance Unit
Facility Development Division
t: 916.440.8330
f: 916.324.9188
e: carl.scheuerman@oshpd.ca.gov

TAB 6

RESOLUTION NO. 2019 – 15

RESOLUTION OF THE MENDOCINO COAST HEALTH CARE DISTRICT, dba MENDOCINO COAST DISTRICT HOSPITAL, AMENDING THE CONFLICT OF INTEREST CODE

WHEREAS, the State of California enacted the Political Reform Act of 1974, Government Code section 81000 et seq. (the "Act"), which contains provisions relating to conflicts of interest which potentially affect all officers, employees and consultants of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital (the District) and requires all public agencies to adopt and promulgate a Conflict of Interest Code; and

WHEREAS, the Board of Directors adopted a Conflict of Interest Code (the "Code") in compliance with the Act; and

WHEREAS, subsequent changed circumstances within the District have made it advisable and necessary pursuant to Sections 87306 and 87307 of the Act to amend and update the District's Code; and

WHEREAS, the potential penalties for violation of the provisions of the Act are substantial and may include criminal and civil liability, as well as equitable relief which could result in the District being restrained or prevented from acting in cases where the provisions of the Act may have been violated; and

WHEREAS, notice of the time and place of a public meeting on, and of consideration by the Board of Directors of, the proposed amended Code was provided each affected designated position and publicly posted for review at the offices of the District; and

WHEREAS, a public meeting was held upon the proposed amended Code at a regular meeting of the Board of Directors on June 27, 2019, at which all present were given an opportunity to be heard on the proposed amended Code.

NOW, THEREFORE, BE IT RESOLVED by the Members of the Board of Directors of the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, as follows:

Section 1. The Board of Directors does hereby adopt the proposed amended Conflict of Interest Code, a copy of which is attached hereto;

Section 2. The Conflict of Interest Code shall be on file with the Executive Assistant and available to the public for inspection and copying during regular business hours;

Section 3. The Conflict of Interest Code shall be submitted to the Board of Supervisors of the County of Mendocino for approval and said Code shall become

effective immediately after the Board of Supervisors approves the proposed amended Code as submitted.

Section 4. All previous Conflict of Interest Codes of the District shall be rescinded as of the effective date of the said proposed Code as approved by the County of Board of Supervisors.

PASSED, APPROVED AND ADOPTED by the Mendocino Coast Health Care District, dba Mendocino Coast District Hospital, at a regular meeting on the 27th day of June, 2019, by the following vote:

AYE:
NAY:
ABSTAIN:
ABSENT:

____
President of the Board of Directors

____
Chief Executive Officer

Attest:

____
Secretary of the Board of Directors

TAB 7

MENDOCINO COAST DISTRICT HOSPITAL

DATE: December 11, 2019

TO: BOARD OF DIRECTORS

FROM: WILLIAM MILLER, MD
CHIEF OF STAFF

SUBJECT: MEDICAL EXECUTIVE COMMITTEE RECOMMENDATIONS

The Medical Executive Committee considered and approved the following medical staff privileges and appointments and recommends these to the Board of Directors for approval:

Appointments to Medical Staff or Advance Practice-Provisional Status

- **Sloane Blair, MD-** Department of Surgery-Orthopedics
- **Leslie Brooks, PA-C-** Department of Medicine-Family Practice North Coast Family Health Center
- **Patrick Lenaghan, MD-** Department of Medicine-Emergency Department
- **Nina Yaftali, MD-** Department of Medicine-Hospitalist Service

Re-Appointments to Medical Staff Active Status

- **Sandra Fleming, MD-** Department of Medicine-Family Practice North Coast Family Health Center

Temporary Privileges

- **Leslie Brooks, PA-C-** Department of Medicine-Family Practice North Coast Family Health Center *(December 3-December 11, 2019)*

T

A

B

8

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

Unaudited Financial Statements

for

For the month ended October 31, 2019

TABLE OF CONTENTS

EXECUTIVE SUMMARY	PAGE 2
BALANCE SHEET - ASSETS	PAGE 3
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 4
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 5
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 6
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGE 7
STATEMENT OF CASH FLOWS	PAGE 9
KEY OPERATING STATISTICS	PAGE 10
FINANCIAL RATIOS AND BENCHMARKS	PAGE 11

MENDOCINO COAST HEALTHCARE DISTRICT
EXECUTIVE FINANCIAL SUMMARY
For the month ended October 31, 2019

BALANCE SHEET

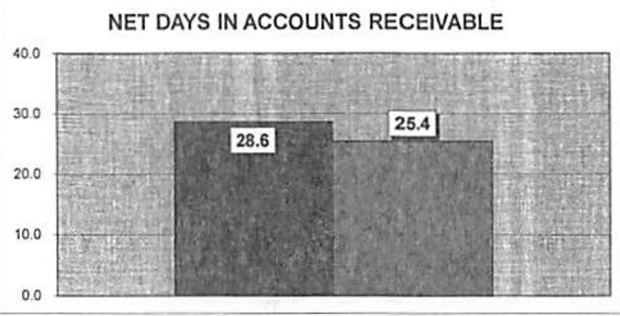
	10/31/2019	6/30/2019
ASSETS		
Current Assets	$11,273,705	$11,343,940
Assets Whose Use is Limited	5,789,347	5,608,305
Property, Plant and Equipment (Net)	14,422,649	14,601,347
Total Unrestricted Assets	**31,485,701**	**31,553,592**
Total Assets	**$31,485,701**	**$31,553,592**
LIABILITIES AND NET ASSETS		
Current Liabilities	$11,863,589	$10,299,417
Long-Term Debt	12,508,349	12,979,083
Total Liabilities	**24,371,938**	**23,278,500**
Net Assets	7,113,763	8,275,099
Total Liabilities and Net Assets	**$31,485,701**	**$31,553,592**

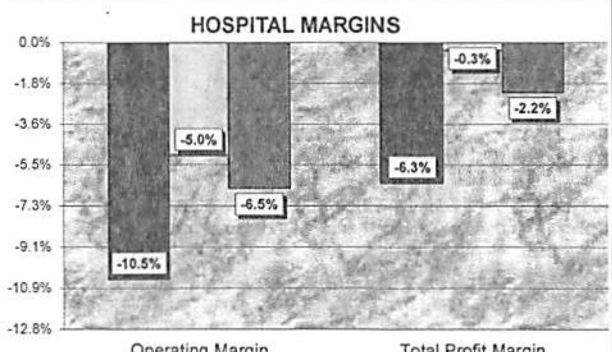
STATEMENT OF REVENUE AND EXPENSES - YTD

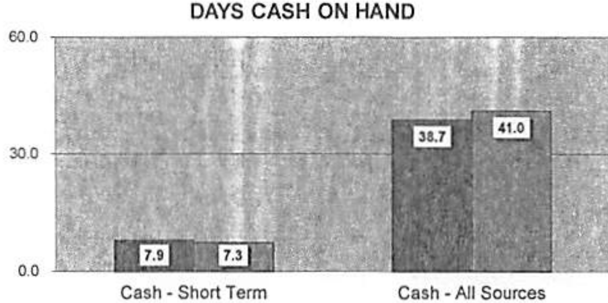
	ACTUAL	*BUDGET*
Revenue:		
Gross Patient Revenues	$39,007,010	$39,376,124
Deductions From Revenue	(21,237,050)	(21,471,754)
Net Patient Revenues	17,769,960	17,904,370
Other Operating Revenue	737,791	872,126
Total Operating Revenues	**18,507,751**	**18,776,496**
Expenses:		
Salaries, Benefits & Contract Labor	11,554,309	11,317,204
Purchased Services & Physician Fees	3,673,060	3,101,674
Supply Expenses	3,119,924	3,184,572
Interest Expense	0	0
Depreciation Expense	444,128	500,361
Other Operating Expenses	1,668,795	1,620,204
Total Expenses	**20,460,212**	**19,724,015**
NET OPERATING SURPLUS	**(1,952,461)**	**(947,519)**
Non-Operating Revenue/(Expenses)	791,139	881,819
TOTAL NET SURPLUS	**($1,161,322)**	**($65,700)**

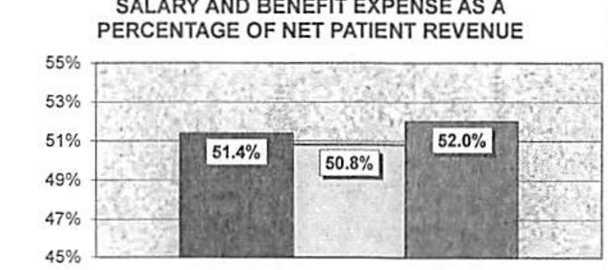
BOND COVENANTS

	REQUIREMENT	*ACTUAL*
DEBT SERVICE COVERAGE RATIO	1.25	**0.02**
CURRENT RATIO	1.00	**0.95**
DAYS CASH ON HAND	30.0	**38.7**









MENDOCINO COAST HEALTHCARE DISTF	10/31/2019
Budget	10/31/2019
Prior Fiscal Year End	6/30/2019

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended October 31, 2019

	Current Month 10/31/2019	Prior Year End 6/30/2019
CURRENT ASSETS		
CASH	$ 1,357,615	$ 1,145,996
PARCEL TAX REVENUE ACCT	905,068	872,982
PATIENT RECEIVABLES	16,452,892	17,107,938
LESS: RESERVES FOR ALLOWANCES FOR RECEIVABLES	(12,303,840)	(13,032,158)
NET PATIENT ACCOUNTS RECEIVABLES	4,149,052	4,075,780
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	1,680,599	2,928,248
OTHER RECEIVABLES	1,712,010	1,011,535
INVENTORIES	848,304	839,076
PREPAID EXPENSES	621,057	470,323
TOTAL CURRENT ASSETS	**$ 11,273,705**	**$ 11,343,940**
ASSETS WHOSE USE IS LIMITED		
BOARD DESIGNATED FUNDS	$ 4,396,979	4,376,979
PLAN FUND	13,774	13,774
SPECIFIC PURPOSE FUND	0	0
BONDS	923,594	746,302
BOND COSTS	455,000	471,250
TOTAL LIMITED USE ASSETS	**$ 5,789,347**	**$ 5,608,305**
PROPERTY, PLANT, & EQUIPMENT		
LAND	$ 117,488	$ 117,490
LAND IMPROVEMENTS	805,398	805,398
BUILDINGS & IMPROVEMENTS	24,604,464	24,604,464
LEASEHOLD IMPROVEMENTS	546,439	546,439
EQUIPMENT	20,588,169	20,430,219
CONSTRUCTION-IN-PROGRESS	1,756,879	1,649,397
GROSS PROPERTY, PLANT, & EQUIPMENT	$ 48,418,837	$ 48,153,407
LESS: ACCUMULATED DEPRECIATION	(33,996,188)	(33,552,060)
NET PROPERTY, PLANT, & EQUIPMENT	**$ 14,422,649**	**$ 14,601,347**
TOTAL ASSETS	**$ 31,485,701**	**$ 31,553,592**

Balance Sheet - Liabilities and Net Assets

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended October 31, 2019

	Current Month 10/31/2019	Prior Year End 6/30/2019
CURRENT LIABILITIES		
ACCOUNTS PAYABLE	$ 6,181,999	$ 4,369,232
ACCRUED PAYROLL	$ 671,607	$ 859,231
ACCRUED VACATION/HOLIDAY/SICK PAY	$ 1,098,520	$ 1,149,245
PAYROLL TAXES PAYABLE	$ 49,374	$ 60,642
ESTIMATED THIRD-PARTY PAYOR SETTLEMENTS	$ 807,543	$ 1,057,880
OTHER CURRENT LIABILITIES	$ 795,495	$ 911,488
INTEREST PAYABLE	$ 949,486	$ 1,013,730
PREVIOUS FY PENSION PAYABLE	$ 877,969	$ 877,969
CURRENT PORTION OF LTD (BONDS/MORTGAGES)	$ 133,333	$ -
CURRENT PORTION OF LTD (OTHER NON-CURRENT LIABILITIES)	$ 298,263	$ -
TOTAL CURRENT LIABILITIES	**$ 11,863,589**	**$ 10,299,417**
LONG TERM LIABILITIES		
BONDS PAYABLE	$ 9,746,743	$ 9,810,624
OTHER NON-CURRENT LIABILITIES	$ 2,434,718	$ 3,168,459
CURRENT FY PENSION PAYABLE (NON-CURRENT LIABILITY)	$ 326,888	$ -
TOTAL LONG TERM LIABILITIES	**$ 12,508,349**	**$ 12,979,083**
TOTAL LIABILITIES	**$ 24,371,938**	**$ 23,278,500**
FUND BALANCE		
UNRESTRICTED FUND BALANACE	$ 8,275,091	$ 7,591,999
TEMPORARY RESTRICTED FUND BALANCE		$ -
Net Revenue/(Expenses) (YTD)	$ (1,161,328)	$ 683,100
TOTAL NET ASSETS	**$ 7,113,763**	**$ 8,275,099**
TOTAL LIABILITIES AND NET ASSETS	**$ 31,485,701**	**$ 31,553,592**

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA
For the month ended October 31, 2019

	CURRENT MONTH				
	Actual 10/31/19	Budget 10/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 10/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 1,153,050	$ 1,842,443	$ (689,393)	-37%	$ 1,911,377
SWING BED	$ 534,825	$ 386,177	$ 148,648	38%	$ 361,702
OUTPATIENT	$ 6,533,241	$ 7,121,146	$ (587,905)	-8%	$ 6,757,366
NORTH COAST FAMILY HEALTH CENTER	$ 393,997	$ 451,124	$ (57,127)	-13%	$ 534,850
HOME HEALTH	$ 130,250	$ 123,173	$ 7,077	6%	$ 135,916
TOTAL PATIENT SERVICE REVENUES	$ 8,745,363	$ 9,924,063	$ (1,178,700)	-12%	$ 9,701,211
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (4,864,781)	$ (5,429,107)	$ 564,326	10%	$ (5,229,079)
POLICY DISCOUNTS	$ (8,837)	$ (8,605)	$ (232)	-3%	$ (5,199)
STATE PROGRAMS	$ 220,500	$ 162,376	$ 58,124	36%	$ 132,039
BAD DEBT	$ (99,408)	$ (105,933)	$ 6,525	6%	$ (135,000)
CHARITY	$ (15,108)	$ (29,126)	$ 14,018	48%	$ (25,221)
TOTAL DEDUCTIONS FROM REVENUES	$ (4,767,634)	$ (5,410,395)	$ 642,761	12%	$ (5,262,460)
NET PATIENT SERVICE REVENUES	$ 3,977,729	$ 4,513,668	$ (535,939)	-12%	$ 4,438,751
OTHER OPERATING REVENUES	$ 145,834	$ 238,503	$ (92,669)	-39%	$ 141,819
TOTAL OPERATING REVENUES	**$ 4,123,563**	**$ 4,752,171**	**$ (628,608)**	**-13%**	**$ 4,580,570**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 1,531,442	$ 1,545,352	$ 13,910	1%	$ 1,531,359
EMPLOYEE BENEFITS	$ 720,704	$ 748,258	$ 27,554	4%	$ 697,464
PROFESSIONAL FEES - PHYSICIAN	$ 579,785	$ 539,061	$ (40,724)	-8%	$ 540,482
OTHER PROFESSIONAL FEES - REGISTRY	$ 593,362	$ 556,365	$ (36,997)	-7%	$ 460,916
OTHER PROFESSIONAL FEES - OTHER	$ 130,892	$ 126,046	$ (4,846)	-4%	$ 107,941
SUPPLIES - DRUGS	$ 534,462	$ 478,191	$ (56,271)	-12%	$ 441,700
SUPPLIES - MEDICAL	$ 169,312	$ 245,246	$ 75,934	31%	$ 244,958
SUPPLIES - OTHER	$ 70,672	$ 88,429	$ 17,757	20%	$ 96,098
PURCHASED SERVICES	$ 122,389	$ 117,712	$ (4,677)	-4%	$ 131,133
REPAIRS & MAINTENANCE	$ 101,429	$ 70,047	$ (31,382)	-45%	$ 66,778
UTILITIES	$ 87,158	$ 74,630	$ (12,528)	-17%	$ 82,745
INSURANCE	$ 62,105	$ 53,376	$ (8,729)	-16%	$ 37,263
DEPRECIATION & AMORTIZATION	$ 111,949	$ 125,576	$ 13,627	11%	$ 127,156
RENTAL/LEASE	$ 63,474	$ 55,135	$ (8,339)	-15%	$ 54,585
OTHER EXPENSE	$ 135,374	$ 124,587	$ (10,787)	-9%	$ 112,187
TOTAL OPERATING EXPENSES	**$ 5,014,509**	**$ 4,948,011**	**$ (66,498)**	**-1%**	**$ 4,732,765**
NET OPERATING SURPLUS (LOSS)	**$ (890,946)**	**$ (195,840)**	**$ (695,106)**	**-355%**	**$ (152,195)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 70,000	$ 66,726	$ 3,274	5%	$ 65,000
INVESTMENT INCOME	$ 5,000	$ 6,605	$ (1,605)	-24%	$ 4,000
DONATIONS	$ -	$ 27,457	$ (27,457)	-100%	$ -
INTEREST EXPENSE (ALL)	$ (40,213)	$ (43,240)	$ 3,027	-7%	$ (43,233)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ 216	$ (216)	-100%	$ -
BOND EXPENSE (ALL)	$ 1,112	$ 1,131	$ (19)	-2%	$ 1,112
TAX SUBSIDIES FOR GO BONDS	$ 27,716	$ 28,170	$ (454)	-2%	$ 27,716
PARCEL TAX REVENUES	$ 133,000	$ 135,180	$ (2,180)	-2%	$ 133,000
TOTAL NON OPERATING INCOME (LOSS)	**$ 196,615**	**$ 222,245**	**$ (25,630)**	**-12%**	**$ 187,595**
TOTAL NET INCOME (LOSS)	**$ (694,331)**	**$ 26,405**	**$ (720,736)**	**-2730%**	**$ 35,400**
Operating Margin	-21.6%	-4.1%			-3.3%
Total Profit Margin	-16.8%	0.6%			0.8%
EBIDA	-18.9%	-1.5%			-0.5%
Cash Flow Margin	-14.8%	2.6%			2.9%

Statement of Revenue and Expense

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended October 31, 2019

	YEAR-TO-DATE				
	Actual 10/31/19	Budget 10/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 10/31/18
GROSS PATIENT SERVICE REVENUES					
INPATIENT	$ 6,213,783	$ 7,310,342	$ (1,096,559)	-15%	$ 6,950,230
SWING BED	$ 2,312,206	$ 1,532,256	$ 779,950	51%	$ 1,039,096
OUTPATIENT	$ 28,330,775	$ 28,254,863	$ 75,912	0%	$ 27,834,274
NORTH COAST FAMILY HEALTH CENTER	$ 1,608,823	$ 1,789,944	$ (181,121)	-10%	$ 1,913,031
HOME HEALTH	$ 541,423	$ 488,719	$ 52,704	11%	$ 476,704
TOTAL PATIENT SERVICE REVENUES	$ 39,007,010	$ 39,376,124	$ (369,114)	-1%	$ 38,213,335
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	$ (21,554,537)	$ (21,546,006)	$ (8,531)	0%	$ (20,673,543)
POLICY DISCOUNTS	$ (32,194)	$ (34,140)	$ 1,946	6%	$ (32,353)
STATE PROGRAMS	$ 882,000	$ 644,272	$ 237,728	37%	$ 219,039
BAD DEBT	$ (425,285)	$ (420,317)	$ (4,968)	-1%	$ (529,460)
CHARITY	$ (107,034)	$ (115,563)	$ 8,529	7%	$ (44,346)
TOTAL DEDUCTIONS FROM REVENUES	$ (21,237,050)	$ (21,471,754)	$ 234,704	1%	$ (21,060,663)
NET PATIENT SERVICE REVENUES	$ 17,769,960	$ 17,904,370	$ (134,410)	-1%	$ 17,152,672
OTHER OPERATING REVENUES	$ 737,791	$ 872,126	$ (134,335)	-15%	$ 478,453
TOTAL OPERATING REVENUES	**$ 18,507,751**	**$ 18,776,496**	**$ (268,745)**	**-1%**	**$ 17,631,125**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	$ 6,173,314	$ 6,140,681	$ (32,633)	-1%	$ 5,867,146
EMPLOYEE BENEFITS	$ 2,957,805	$ 2,969,009	$ 11,204	0%	$ 2,871,008
PROFESSIONAL FEES - PHYSICIAN	$ 2,340,019	$ 2,139,352	$ (200,667)	-9%	$ 2,081,477
OTHER PROFESSIONAL FEES - REGISTRY	$ 2,423,190	$ 2,207,514	$ (215,676)	-10%	$ 2,118,023
OTHER PROFESSIONAL FEES - OTHER	$ 873,915	$ 500,601	$ (373,314)	-75%	$ 360,012
SUPPLIES - DRUGS	$ 1,966,808	$ 1,860,606	$ (106,202)	-6%	$ 1,658,605
SUPPLIES - MEDICAL	$ 832,981	$ 973,061	$ 140,080	14%	$ 923,374
SUPPLIES - OTHER	$ 320,135	$ 350,905	$ 30,770	9%	$ 290,073
PURCHASED SERVICES	$ 459,126	$ 461,721	$ 2,595	1%	$ 433,931
REPAIRS & MAINTENANCE	$ 286,883	$ 277,945	$ (8,938)	-3%	$ 299,936
UTILITIES	$ 309,853	$ 296,101	$ (13,752)	-5%	$ 304,977
INSURANCE	$ 235,032	$ 211,785	$ (23,247)	-11%	$ 227,833
DEPRECIATION & AMORTIZATION	$ 444,128	$ 500,361	$ 56,233	11%	$ 508,657
RENTAL/LEASE	$ 235,850	$ 218,767	$ (17,083)	-8%	$ 210,424
OTHER EXPENSE	$ 601,177	$ 615,606	$ 14,429	2%	$ 444,190
TOTAL OPERATING EXPENSES	**$ 20,460,216**	**$ 19,724,015**	**$ (736,201)**	**-4%**	**$ 18,599,666**
NET OPERATING SURPLUS (LOSS)	**$ (1,952,461)**	**$ (947,519)**	**$ (1,004,942)**	**106%**	**$ (968,541)**
NON-OPERATING REVENUES (EXPENSES)					
OPERATING TAX REVENUES	$ 280,000	$ 264,753	$ 15,247	6%	$ 260,000
INVESTMENT INCOME	$ 20,000	$ 26,204	$ (6,204)	-24%	$ 27,318
DONATIONS	$ 12,220	$ 108,942	$ (96,722)	-89%	$ -
INTEREST EXPENSE (ALL)	$ (162,205)	$ (171,564)	$ 9,359	-5%	$ (173,373)
EXTRAORDINARY GAINS/(LOSS)	$ -	$ 864	$ (864)	-100%	$ 2,118
BOND EXPENSE (ALL)	$ 4,448	$ 4,486	$ 38	1%	$ 4,448
TAX SUBSIDIES FOR GO BONDS	$ 110,864	$ 111,773	$ (909)	-1%	$ 110,864
PARCEL TAX REVENUES	$ 525,808	$ 536,361	$ (10,553)	-2%	$ 532,000
TOTAL NON OPERATING INCOME (LOSS)	**$ 791,135**	**$ 881,819**	**$ (90,608)**	**-10%**	**$ 763,375**
TOTAL NET INCOME (LOSS)	**$ (1,161,322)**	**$ (65,700)**	**$ (1,095,622)**	**1668%**	**$ (205,166)**
Operating Margin	**-10.5%**	**-5.0%**			**-5.5%**
Total Profit Margin	**-6.3%**	**-0.3%**			**-1.2%**
EBIDA	**-8.1%**	**-2.4%**			**-2.6%**
Cash Flow Margin	**-4.5%**	**1.7%**			**1.1%**

Statement of Revenue and Expense - 13 Month Trend

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA	1	2	3	4	5	6	7	8
	Actual 10/31/2019	Actual 9/30/2019	Actual 8/31/2019	Actual 7/31/2019	Actual 6/30/2019	Actual 5/31/2019	Actual 4/30/2019	Actual 3/31/2019
GROSS PATIENT SERVICE REVENUES								
INPATIENT	1,153,050	1,604,446	1,417,030	2,041,840	1,793,781	1,296,892	1,449,258	2,323,912
SWING BED	534,825	563,816	578,121	635,444	620,020	608,924	740,806	732,395
OUTPATIENT	6,533,241	6,928,288	6,941,079	7,925,584	6,606,140	7,648,177	7,489,072	6,991,396
NORTH COAST FAMILY HEALTH CEN	393,997	398,500	358,273	458,053	362,717	355,621	413,678	440,820
HOME HEALTH	130,250	117,874	129,099	164,200	128,396	119,334	129,461	124,983
TAL PATIENT SERVICE REVENUES	8,745,363	9,612,924	9,423,602	11,225,121	9,511,054	10,028,948	10,222,275	10,613,506
DEDUCTIONS FROM REVENUE								
CONTRACTUAL ALLOWANCES	(4,864,781)	(5,269,096)	(5,360,482)	(6,060,178)	(4,889,557)	(5,810,269)	(5,634,202)	(5,526,455)
POLICY DISCOUNTS	(8,837)	(3,393)	(11,141)	(8,823)	(211,250)	(41,405)	(9,735)	(13,405)
STATE PROGRAMS	220,500	220,500	220,500	220,500	459,275	552,945	556,246	157,500
BAD DEBT	(99,408)	(150,000)	(25,877)	(150,000)	(663,314)	(254,225)	(147,787)	0
CHARITY	(15,108)	(19,266)	(30,342)	(42,318)	(167,430)	(33,772)	(36,612)	(39,882)
AL DEDUCTIONS FROM REVENUES	(4,767,634)	(5,221,255)	(5,207,342)	(6,040,819)	(5,472,276)	(5,586,726)	(5,272,090)	(5,422,242)
NET PATIENT SERVICE REVENUES	3,977,729	4,391,669	4,216,260	5,184,302	4,038,778	4,442,222	4,950,185	5,191,264
OPERATING TAX REVENUES	0	0	0	0				0
OTHER OPERATING REVENUES	145,834	211,134	148,991	231,832	222,760	235,212	181,589	179,877
TOTAL OPERATING REVENUES	**4,123,563**	**4,602,803**	**4,365,251**	**5,416,134**	**4,261,538**	**4,677,434**	**5,131,774**	**5,371,141**
OPERATING EXPENSES								
SALARIES & WAGES - STAFF	1,531,442	1,508,063	1,549,641	1,584,168	1,665,449	1,472,457	1,556,058	2,004,021
EMPLOYEE BENEFITS	720,704	716,731	732,314	788,056	863,009	742,661	728,459	762,127
PROFESSIONAL FEES - PHYSICIAN	579,785	586,416	592,615	581,203	486,140	485,547	727,967	456,645
OTHER PROFESSIONAL FEES - REGI	593,362	524,969	656,648	648,211	463,441	605,856	580,617	579,522
OTHER PROFESSIONAL FEES - OTHE	130,892	355,562	193,370	194,091	321,237	336,996	329,581	232,597
SUPPLIES - DRUGS	534,462	485,018	450,697	496,631	348,636	500,098	424,393	431,693
SUPPLIES - MEDICAL	169,312	187,480	181,727	294,462	257,159	169,002	251,183	225,148
SUPPLIES - OTHER	70,672	72,760	85,819	90,884	50,854	85,876	99,137	91,307
PURCHASED SERVICES	122,389	81,707	150,888	104,142	110,385	113,222	121,611	117,892
REPAIRS & MAINTENANCE	101,429	71,220	60,715	53,519	77,556	56,884	51,088	71,321
UTILITIES	87,158	73,180	72,714	76,801	60,767	80,245	68,408	66,061
INSURANCE	62,105	35,745	69,394	67,788	42,547	36,013	37,864	42,782
INTEREST	0	0	0	0	0			0
DEPRECIATION & AMORTIZATION	111,949	110,664	111,015	110,500	112,559	135,663	113,204	100,746
RENTAL/LEASE	63,474	62,348	57,509	205,716	54,321	56,991	53,005	59,316
OTHER EXPENSE	135,374	181,670	130,936	0	122,358	141,698	201,696	127,813
TOTAL OPERATING EXPENSES	**5,014,509**	**5,053,533**	**5,096,002**	**5,296,172**	**5,036,418**	**5,019,209**	**5,344,271**	**5,368,991**
NET OPERATING SURPLUS (LOSS)	**(890,946)**	**(450,730)**	**(730,751)**	**119,962**	**(774,880)**	**(341,775)**	**(212,497)**	**2,150**
NON-OPERATING REVENUES (EXPENSES)								
OPERATING TAX REVENUES	70,000	70,000	70,000	70,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	5,000	5,000	5,000	5,000	17,304	18,572	4,000	4,000
DONATIONS	0	0	12,220	0	0	37,547		0
INTEREST EXPENSE (ALL)	(40,213)	(40,645)	(40,199)	(41,148)	(41,191)	(41,464)	(41,841)	(41,028)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	0	(22,193)	(34,262)		0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	131,704	128,104	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**196,615**	**196,183**	**207,553**	**190,784**	**180,748**	**207,221**	**188,987**	**189,800**
TOTAL NET INCOME (LOSS)	**(694,331)**	**(254,547)**	**(523,198)**	**310,746**	**(594,132)**	**(134,554)**	**(23,510)**	**191,950**
Operating Margin	**-22%**	**-10%**	**-17%**	**2%**	**-18%**	**-7%**	**-4%**	**0%**
Total Profit Margin	**-17%**	**-6%**	**-12%**	**6%**	**-14%**	**-3%**	**0%**	**4%**
EBIDA	**-19%**	**-7%**	**-14%**	**4%**	**-16%**	**-4%**	**-2%**	**2%**
Cash Flow Margin	**-17%**	**-6%**	**-12%**	**6%**	**-14%**	**-3%**	**-1%**	**3%**

Statement of Revenue and Ex|

MENDOCINO COAST HEALTHCARE DIS	PAGE 7				PAGE 8
FORT BRAGG, CA	9	10	11	12	13
	Actual 2/28/2019	Actual 1/31/2019	Actual 12/31/2018	Actual 11/30/2018	Actual 10/31/2018
GROSS PATIENT SERVICE REVENUES					
INPATIENT	1,827,740	1,946,223	1,568,434	2,069,493	1,911,377
SWING BED	510,398	271,778	138,319	367,023	361,702
OUTPATIENT	6,799,218	7,884,721	7,007,476	6,048,538	6,757,366
NORTH COAST FAMILY HEALTH CEN	397,755	463,344	408,422	401,435	534,850
HOME HEALTH	118,117	123,260	110,380	128,944	135,916
TAL PATIENT SERVICE REVENUES	9,653,228	10,689,326	9,233,031	9,015,433	9,701,211
DEDUCTIONS FROM REVENUE					
CONTRACTUAL ALLOWANCES	(5,409,176)	(6,074,385)	(5,164,683)	(4,930,977)	(5,229,079)
POLICY DISCOUNTS	(8,089)	(6,458)	(7,056)	(7,568)	(5,199)
STATE PROGRAMS	148,000	96,000	96,000	324,790	132,039
BAD DEBT	(86,000)	(109,000)	(87,000)	(83,000)	(135,000)
CHARITY	(43,521)	(46,276)	(55,062)	(20,860)	(25,221)
AL DEDUCTIONS FROM REVENUES	(5,398,786)	(6,140,119)	(5,217,801)	(4,717,615)	(5,262,460)
NET PATIENT SERVICE REVENUES	4,254,442	4,549,207	4,015,230	4,297,818	4,438,751
OPERATING TAX REVENUES	0	0	0	0	0
OTHER OPERATING REVENUES	251,431	206,803	203,221	180,391	141,819
TOTAL OPERATING REVENUES	**4,505,873**	**4,756,010**	**4,218,451**	**4,478,209**	**4,580,570**
OPERATING EXPENSES					
SALARIES & WAGES - STAFF	1,419,826	1,577,412	1,397,120	1,570,346	1,531,359
EMPLOYEE BENEFITS	755,588	795,016	753,734	715,009	697,464
PROFESSIONAL FEES - PHYSICIAN	521,380	458,183	448,795	557,119	540,482
OTHER PROFESSIONAL FEES - REGI	447,930	567,028	507,800	462,034	460,916
OTHER PROFESSIONAL FEES - OTHE	324,380	206,653	71,067	116,661	107,941
SUPPLIES - DRUGS	446,867	496,553	430,828	454,386	441,700
SUPPLIES - MEDICAL	259,509	273,077	244,499	234,165	244,958
SUPPLIES - OTHER	110,688	63,509	94,774	83,452	96,098
PURCHASED SERVICES	96,041	94,425	104,262	124,308	131,133
REPAIRS & MAINTENANCE	57,350	66,037	71,189	65,445	66,778
UTILITIES	72,901	72,356	69,039	73,234	82,745
INSURANCE	37,864	36,453	36,597	37,257	37,263
INTEREST	0	0	0	0	0
DEPRECIATION & AMORTIZATION	125,253	125,735	128,316	131,797	127,156
RENTAL/LEASE	52,775	55,751	55,359	50,463	54,585
OTHER EXPENSE	140,770	142,968	106,320	122,936	112,191
TOTAL OPERATING EXPENSES	**4,869,122**	**5,031,156**	**4,519,699**	**4,798,612**	**4,732,769**
NET OPERATING SURPLUS (LOSS)	**(363,249)**	**(275,146)**	**(301,248)**	**(320,403)**	**(152,199)**
NON-OPERATING REVENUES (EXPENSI					
OPERATING TAX REVENUES	65,000	65,000	65,000	65,000	65,000
INVESTMENT INCOME	4,000	17,020	4,000	4,000	4,000
DONATIONS	13,558	0	0	6,583	0
INTEREST EXPENSE (ALL)	(40,826)	(42,674)	(42,820)	(42,862)	(43,233)
EXTRAORDINARY GAINS/(LOSS)	0	0	0	0	0
BOND EXPENSE (ALL)	1,112	1,112	1,112	1,112	1,112
TAX SUBSIDIES FOR GO BONDS	27,716	27,716	27,716	27,716	27,716
PARCEL TAX REVENUE	133,000	133,000	133,000	133,000	133,000
. NON OPERATING INCOME (LOSS)	**203,560**	**201,174**	**188,008**	**194,549**	**187,595**
TOTAL NET INCOME (LOSS)	**(159,689)**	**(73,972)**	**(113,240)**	**(125,854)**	**35,396**
Operating Margin	-8%	-6%	-7%	-7%	-3%
Total Profit Margin	-4%	-2%	-3%	-3%	1%
EBIDA	-5%	-3%	-4%	-4%	-1%
Cash Flow Margin	-3%	-1%	-2%	-2%	1%

	10/31/2019
CASH FLOWS FROM OPERATING ACTIVITIES:	
Net Income (Loss)	($1,161,322)
Adjustments to Reconcile Net Income to Net Cash	
Provided by Operating Activities:	
Depreciation	444,128
(Increase)/Decrease in Net Patient Accounts Receivable	(73,272)
(Increase)/Decrease in Other Receivables	(700,475)
(Increase)/Decrease in Inventories	(9,228)
(Increase)/Decrease in Pre-Paid Expenses	(150,734)
(Increase)/Decrease in Third Party Receivables	1,247,649
Increase/(Decrease) in Accounts Payable	1,812,767
Increase/(Decrease) in Notes and Loans Payable	367,352
Increase/(Decrease) in Accrued Payroll and Benefits	(249,617)
Increase/(Decrease) in Previous Year Pension Payable	0
Increase/(Decrease) in Third Party Liabilities	(250,337)
Increase/(Decrease) in Other Current Liabilities	(115,993)
Net Cash Provided by Operating Activities:	1,160,918
CASH FLOWS FROM INVESTING ACTIVITIES:	
Purchase of Property, Plant and Equipment	(265,430)
(Increase)/Decrease in Limited Use Cash and Investments	(20,000)
(Increase)/Decrease in Other Limited Use Assets	(161,042)
Net Cash Used by Investing Activities	(446,472)
CASH FLOWS FROM FINANCING ACTIVITIES:	
Increase/(Decrease) in Bond/Mortgage Debt	(63,887)
Increase/(Decrease) in Capital Lease Debt	0
Increase/(Decrease) in Other Long Term Liabilities	(406,853)
Net Cash Used for Financing Activities	(470,740)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	
Net Increase/(Decrease) in Cash	243,705
Cash, Beginning of Period	2,018,978
Cash, End of Period	$2,262,683

MENDOCINO COAST HEALTHCARE DISTRICT

FORT BRAGG, CA

For the month ended October 31, 2019

Current Month					Year-To-Date			
Actual 10/31/19	Budget 10/31/19	Positive/ (Negative) Variance	Prior Year 10/31/18	STATISTICS	Actual 10/31/19	Budget 10/31/19	Positive/ (Negative) Variance	Prior Year 10/31/18
				Admissions				
11	12	(8%)	12	Critical Care Services	47	48	(2%)	56
40	50	(20%)	57	General	167	199	(16%)	186
51	62	(18%)	69	Subtotal Medical & Surgical Admissions	214	247	(13%)	242
6	8	(25%)	9	OB	21	32	(34%)	37
57	70	(19%)	78	**Total Admissions**	235	279	(16%)	279
12	11	9%	13	**Swing Bed**	54	44	23%	52
6	8	(25%)	8	**Total Deliveries**	21	32	(34%)	33
				Inpatient Days				
22	42	(48%)	24	Critical Care Services	123	168	(27%)	148
121	175	(31%)	193	General	587	697	(16%)	666
143	217	(34%)	217	Subtotal Medical & Surgical Inpatient Days	710	865	(18%)	814
18	18	0%	20	OB	56	72	(22%)	84
161	235	(31%)	237	**Total Inpatient Days**	766	937	(18%)	898
155	99	57%	138	**Swing Bed**	608	396	54%	404
15	16	(6%)	21	**Total Newborn Days**	45	64	(30%)	73
				Average Length of Stay				
2.0	3.5	(43%)	2.0	Critical Care Services	2.62	3.50	(25%)	2.64
3.0	3.5	(14%)	3.4	General	3.51	3.50	0%	3.58
2.8	3.5	(20%)	3.1	Subtotal Medical & Surgical	3.32	3.50	(5%)	3.36
3.0	2.3	33%	2.2	OB	2.67	2.25	19%	2.27
2.8	3.4	(16%)	3.0	**Total Inpatient (CAH)**	3.26	3.36	(3%)	3.22
12.9	9.0	44%	10.6	**Swing Bed**	11.26	9.00	25%	7.77
				Avg Daily Census - Hospital				
0.7	1.4	(48%)	0.8	Critical Care Services (4 Beds)	1.0	1.4	(27%)	1.2
3.9	5.6	(31%)	6.2	General (8 Beds)	4.8	5.7	(16%)	5.4
4.6	7.0	(34%)	7.0	Subtotal Medical & Surgical (12 Beds)	5.8	7.0	(18%)	6.6
0.6	0.6	0%	0.6	OB (3 Beds)	0.5	0.6	(22%)	0.7
5.2	7.6	(31%)	7.6	**Subtotal Acute (15 Beds)**	6.2	7.6	(18%)	7.3
5.0	3.2	57%	4.5	Swing Care (10 Beds)	4.9	3.2	54%	3.3
10.2	10.8	(5%)	12.1	**Total Hospital (25 Beds Available)**	11.2	10.8	3%	10.6
				Emergency Department				
786	803	(2%)	801	Outpatients Treated in ED - Emergent	3207	3180	1%	3,346
41	49	(16%)	54	Patients Admitted from ED	176	195	(10%)	188
827	852	(3%)	855	**Total Patients treated in ED**	3,383	3375	0%	3,534
				Ambulance Service				
137	169	(19%)	140	911 - Transports	589	671	(12%)	633
1	1	0%	1	Transfer - Transports	7	4	75%	2
138	170	(19%)	141	**Total Ambulance Transports**	596	675	(12%)	635
				Surgery - Cases				
9	19	(53%)	17	Inpatient Cases	46	72	(36%)	69
0	6	(100%)	6	Total Implant Cases	14	23	(39%)	17
149	211	(29%)	214	Outpatient Cases	650	788	(18%)	794
158	236	(33%)	237	**Total Surgery Cases**	710	883	(20%)	880
				North Coast Family Health Center				
2,331	2,909	(20%)	2,812	**Visits**	9,813	10,877	(10%)	10,587
				Home Health				
557	573	(3%)	553	**Visits**	2,254	2,142	5%	2,186
				Outpatient				
4,491	5,636	(20%)	5,011	**Encounters**	18,679	21,074	(11%)	19,917

MENDOCINO COAST HEALTHCARE DISTRICT
FORT BRAGG, CA

	Year to Date 10/31/2019	BUDGET	Prior Fiscal Year End 06/30/19
Profitability:			
Operating Margin	-10.5%	-4.3%	-6.5%
Total Profit Margin	-6.3%	0.4%	-2.2%
EBIDA	-8.1%	-1.7%	-4.0%
Contractual Allowance % To Gross Charges	58.6%	58.2%	58.3%
Inpatient Gross Revenue Percentage (Hospital)	23.1%	23.8%	23.7%
Outpatient Gross Revenue Percentage (Hospital)	76.9%	76.2%	76.3%
Liquidity:			
Days of Cash on Hand, Short Term	7.9		7.3
Days Cash, All Sources	38.7		41.0
Net Days in Accounts Receivable	28.6		25.4
Hospital Gross Days in AR	55.2		55.5
Cash Flow Margin	-4.47%		-0.2%
Days in Accounts Payable	70		47
Current Ratio	0.95		0.90
Capital Structure:			
Average Age of Plant (Annualized)	25.3		22.6
Capital Costs as a % of Total Exp.	1.3%		2.6%
Capital Spend as a % of Annual Depreciation	59.8%		102.0%
Long Term Debt to Net Position	63.7%		66.5%
Debt Service Coverage Ratio	0.02		0.40
Productivity and Efficiency:			
Net Patient Service Revenue per FTE	$164,030	$177,583	$171,055
Salary & Benefits Expense per Paid FTE	($84,287)	($112,151)	($88,990)
Salary & Benefits as a % of Total Expenses	44.6%	46.2%	47.0%
Salary and Benefits as a % of Net Pat Rev.	51.4%	50.8%	52.0%
Employee Benefits as a % of Salaries	47.9%	48.4%	48.5%
Other Ratios:			
FTE - PRODUCTIVE	240.8		241.1
FTE - NON-PRODUCTIVE	37.8		35.7
FTE - REGISTRY/CONTRACT	40.4		32.4
FTE - TOTAL PAID	319.1	300.0	309.2
Cost To Charge Ratio	52.5%	50.0%	50.0%
Medicare Revenue as a % of Total Revenue	61%	60%	61%
Medi-cal Revenue as a % of Total Revenue	18%	20%	21%
BC/BS Ins Revenue as a % of Total Revenue	12%	13%	13%
Other Ins Revenue as a % of Total Revenue	6%	5%	4%
Self-Pay Revenue as a % of Total Revenue	3%	2%	1%

TAB 9

MENDOCINO COAST HEALTH CARE DISTRICT
RESOLUTION 2019-19
RESOLUTION AUTHORIZING WITHDRAWAL OF FUNDS FROM THE LOCAL AGENCY INVESTMENT FUND

This Resolution of the MENDOCINO COAST HEALTH CARE DISTRICT, hereinafter referred to as 'DISTRICT', is for the purpose of the authorization of the borrowing of funds from the Local Agency Investment Fund, a separate account under the jurisdiction of the DISTRICT for use in Operations.

DISTRICT shall borrow from the Local Agency Investment Fund, a special sum of $1,000,000.00 for the purpose of Working Capital Funding.

I hereby certify that the forgoing is a full, true and correct copy of the Resolution duly passed and adopted by the Board of Directors of the MENDOCINO COAST HEALTH CARE DISTRICT at a regular meeting thereof held on December 11, 2019 by the following vote:

AYES: ____________________
NOES: ____________________
ABSENT: ____________________
ABSTAIN: ____________________

____
Karen Arnold, President
Board of Directors

ATTEST:

____
Steve Lund, Secretary
Board of Directors