



TAHOE FOREST HOSPITAL DISTRICT

2024-05-23 Regular Meeting of the Board of Directors

Thursday, May 23, 2024 at 4:00 pm

Tahoe Forest Hospital - Eskridge Conference Room

10121 Pine Avenue, Truckee, CA 96161

Meeting Book - 2024-05-23 Regular Meeting of the Board of Directors Packet

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REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

Thursday, May 23, 2024 at 4:00 p.m.
Tahoe Forest Hospital – Eskridge Conference Room
10121 Pine Avenue, Truckee, CA 96161

1. **CALL TO ORDER**

2. **ROLL CALL**

3. **DELETIONS/CORRECTIONS TO THE POSTED AGENDA**

4. **INPUT AUDIENCE**

This is an opportunity for members of the public to comment on any closed session item appearing before the Board on this agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Clerk of the Board 24 hours prior to the meeting to allow for distribution.

5. **CLOSED SESSION**

5.1. **Hearing (Health & Safety Code § 32155) ♦**

Subject Matter: FY 2024 Quarter 3 Quality Report

5.2. **Liability Claims: (Gov. Code § 54956.95) ♦**

Claimant: Greg Lyons

Claim Against: Tahoe Forest Hospital District

5.3. **Report Involving Trade Secrets (Health & Safety Code § 32106)**

Discussion will concern: Proposed new services

Estimated Date of Disclosure: December 2024

5.4. **Approval of Closed Session Minutes ♦**

5.4.1. 04/25/2024 Regular Meeting

5.4.2. 05/16/2024 Special Meeting

5.5. **Public Employee Appointment/Employment (Government Code § 54957) ♦**

Title: Acting President & Chief Executive Officer

5.6. **Conference with Labor Negotiator (Government Code § 54957.6)**

Name of District Negotiator(s) to Attend Closed Session: Michael McGarry

Unrepresented Employee: Acting President & Chief Executive Officer

5.7. **TIMED ITEM – 5:30PM - Hearing (Health & Safety Code § 32155) ♦**

Subject Matter: Medical Staff Credentials

APPROXIMATELY 6:00 P.M.

6. **DINNER BREAK**

7. **OPEN SESSION – CALL TO ORDER**

8. **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

10. INPUT – AUDIENCE

This is an opportunity for members of the public to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Board cannot take action on any item not on the agenda. The Board Chair may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

11. INPUT FROM EMPLOYEE ASSOCIATIONS

This is an opportunity for members of the Employee Associations to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes.

12. CONSENT CALENDAR ◆

These items are expected to be routine and non-controversial. They will be acted upon by the Board without discussion. Any Board Member, staff member or interested party may request an item to be removed from the Consent Calendar for discussion prior to voting on the Consent Calendar.

12.1. Approval of Minutes of Meetings

- 12.1.1. 04/25/2024 Regular Meeting ATTACHMENT
- 12.1.2. 05/01/2024 Special Meeting ATTACHMENT
- 12.1.3. 05/16/2024 Special Meeting ATTACHMENT

12.2. Financial Reports

- 12.2.1. Financial Report – April 2024 ATTACHMENT

12.3. Board Reports

- 12.3.1. President & CEO Board Report ATTACHMENT
- 12.3.2. COO Board Report ATTACHMENT
- 12.3.3. CNO Board Report ATTACHMENT
- 12.3.4. CIIO Board Report ATTACHMENT

12.4. Approve Revised Board Policies

- 12.4.1. Credit & Collection Policy, ABD-08 ATTACHMENT
- 12.4.2. Fiscal Policy, ABD-11 ATTACHMENT
- 12.4.3. Debt Management Policy, ABD-25 ATTACHMENT
- 12.4.4. Post-Issuance Compliance Procedure for Outstanding Tax-Exempt Bonds,
ABD-23 ATTACHMENT

13. ITEMS FOR BOARD ACTION ◆

- 13.1. Public Employee Appointment/Employment ATTACHMENT*

Title: Acting President & Chief Executive Officer

The Board will review and consider for approval an Employment Agreement for the position of Acting President & Chief Executive Officer.

14. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

15. BOARD COMMITTEE REPORTS

16. BOARD MEMBERS REPORTS/CLOSING REMARKS

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District
May 23, 2024 AGENDA – Continued

17. CLOSED SESSION CONTINUED

18. OPEN SESSION

19. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

20. ADJOURN

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is June 27, 2024 at Tahoe Forest Hospital – Eskridge Conference Room, 10121 Pine Avenue, Truckee, CA, 96161. A copy of the board meeting agenda is posted on the District's web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting. Materials related to an item on this Agenda submitted to the Board of Directors, or a majority of the Board, after distribution of the agenda are available for public inspection in the Administration Office, 10977 Spring Lane, Truckee, CA 96161, during normal business hours.

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions. Equal Opportunity Employer. The telephonic meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed or a reasonable modification of the teleconference procedures are necessary (i.e., disability-related aids or other services), please contact the Clerk of the Board at 582-3481 at least 24 hours in advance of the meeting.



REGULAR MEETING OF THE BOARD OF DIRECTORS **DRAFT MINUTES**

Thursday, April 25, 2024 at 4:00 p.m.
Tahoe Forest Hospital – Eskridge Conference Room
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 4:01 p.m.

2. ROLL CALL

Board: Alyce Wong, Board Chair; Michael McGarry, Vice Chair; Mary Brown, Secretary; Dale Chamblin, Treasurer; Robert (Bob) Barnett, Board Member

Staff in attendance: Harry Weis, President & Chief Executive Officer; Louis Ward, Chief Operating Officer; Dr. Brian Evans, Chief Medical Officer; Matt Mushet, In-House Counsel; Dylan Crosby, Director of Facilities Management & Construction; Sarah Jackson, Executive Assistant

Other: David Ruderman, General Counsel

3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

4. INPUT AUDIENCE

No public comment was received.

Open Session recessed at 4:02 p.m.

5. CLOSED SESSION

Closed Session convened at 4:02 p.m.

5.1. Report Involving Trade Secrets (Health & Safety Code § 32106)

Discussion will concern: Proposed new facilities

Estimated Date of Disclosure: December 2025

Discussion was held on possible future lease of Rite Aid property.

Director of Facilities Management departed the meeting at 4:24 p.m.

5.2. Hearing (Health & Safety Code § 32155)

Subject Matter: 2023 Annual Infection Control Report

Janet Van Gelder, Director of Quality & Regulations, and Svetlana Schopp, Infection Control Preventionist, joined the meeting at 4:25 p.m.

Discussion was held.

ACTION: Motion made by Director Chamblin to approve the 2023 Annual Infection Control Report as presented, seconded by Director McGarry.
AYES: Directors Barnett, Chamblin, Brown, McGarry and Wong
Abstention: None
NAYS: None
Absent: None

Director of Quality and Infection Control Preventionist departed the meeting at 4:51 p.m.

5.3. Report Involving Trade Secrets (Health & Safety Code § 32106)

*Discussion will concern: Proposed new services
Estimated Date of Disclosure: December 2024*

Discussion was held on Radiology Partners services.

5.4. Approval of Closed Session Minutes

5.4.1. 03/28/2024 Regular Meeting

5.4.2. 04/09/2024-04/10/2024 Special Meeting

ACTION: Motion made by Director Barnett to approve the Closed Session Minutes of March 28, 2024 Regular Meeting and April 9-10, 2024 Special Meeting as presented, seconded by Director Brown.
AYES: Directors Barnett, Chamblin, Brown, McGarry and Wong
Abstention: None
NAYS: None
Absent: None

5.5. Public Employee Performance Evaluation (Government Code § 54957)

Title: President & Chief Executive Officer

Deferred to after the public meeting

5.6. TIMED ITEM – 5:30PM - Hearing (Health & Safety Code § 32155)

Subject Matter: Medical Staff Credentials

Dr. Joy Koch, Chief of Staff, and Dorothy Piper, Director of Medical Staff Services, joined the meeting at 5:37 p.m.

Discussion was held.

ACTION: Motion made by Director Chamblin to approve the Medical Staff Credentials as presented, seconded by Director McGarry.
AYES: Directors Barnett, Chamblin, Brown, McGarry and Wong
Abstention: None

NAYS: None
Absent: None

Closed Session recessed at 5:48 p.m.

6. DINNER BREAK

7. OPEN SESSION – CALL TO ORDER

Open Session reconvened at 6:07 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

General Counsel noted there were five items in Closed Session. There was no reportable actions on items 5.1. through 5.3. Item 5.4. Closed Session Minutes were approved on a 5-0 vote. Item 5.5. will be deferred to later in the meeting. Item 5.6. Medical Staff Credentials was approved on a 5-0 vote.

9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

10. INPUT – AUDIENCE (3 minutes per speaker max)

Public comment was received from:

Dylan Crosby, TFHD Director of Facilities & Construction; John Sorenson; Dr. Joy Koch, TFHD Chief of Staff; Dr. Myron Kamenetsky; Dr. Joshua Kreiss; Pam Hobday; Dr. Nina Winans

11. INPUT FROM EMPLOYEE ASSOCIATIONS

No public comment was received.

12. MEDICAL STAFF EXECUTIVE COMMITTEE

12.1. Medical Executive Committee (MEC) Meeting Consent Agenda

MEC recommended the following for approval by the Board of Directors:

Medical Staff Rules and Regulations – With Changes:

- *Medical Staff Rules and Regulations*

Discussion was held.

ACTION: Motion made by Director Brown to approve the Medical Executive Committee Meeting Consent Agenda as presented, seconded by Director Barnett.

AYES: Directors Barnett, Chamblin, Brown, McGarry and Wong

Abstention: None

NAYS: None

Absent: None

13. CONSENT CALENDAR

13.1. Approval of Minutes of Meetings

13.1.1. 03/28/2024 Regular Meeting

13.1.2. 04/09/2024-04/10/2024 Special Meeting

13.2. Financial Reports

13.2.1. Financial Report – March 2024

13.3. Board Reports

13.3.1. President & CEO Board Report

13.3.2. COO Board Report

13.3.3. CNO Board Report

13.3.4. CMO Board Report

13.3.5. CIO Board Report

13.3.6. CHRO Board Report

13.4. Annual Approval of Emergency On-Call Policy

13.4.1. Emergency On-Call, ABD-10

No public comment was received.

ACTION: Motion made by Director McGarry to approve the Consent Agenda as presented, seconded by Director Brown.

AYES: Directors Barnett, Chamblin, Brown, McGarry and Wong

Abstention: None

NAYS: None

Absent: None

14. ITEMS FOR BOARD DISCUSSION

14.1. TART Connect Pilot Program Update

Alfred Knotts, Town of Truckee Transportation Program Manager, provided an update on the TART Connect pilot program, usage and cost. Discussion was held.

14.2. PEAK Nursing Program Update

Damara Stone, Clinical Education Coordinator, provided an update on the PEAK Nursing Program. Discussion was held.

15. ITEMS FOR BOARD ACTION

15.1. Resolution 2024-03

The Board of Directors reviewed and considered approval of a resolution determining to consolidate the Hospital District General Election with the Statewide General Election and Authorizing the Canvass of Returns by the respective Boards of Supervisors of Placer and Nevada Counties, California.

No public comment was received.

ACTION: Motion made by Director Chamblin to approve Resolution 2024-03 as presented, seconded by Director Brown. Roll call vote taken.

Barnett – AYE

Chamblin – AYE

Brown – AYE

McGarry – AYE

Wong – AYE

16. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

None.

17. BOARD COMMITTEE REPORTS

Director Chamblin provided an update from the April 22, 2024 Board Finance Committee meeting.

Director McGarry provided an updated from the April 11, 2024 TFHS Foundation offsite meeting.

18. BOARD MEMBERS REPORTS/CLOSING REMARKS

None

Open Session recessed at 7:40 p.m.

19. CLOSED SESSION CONTINUED

CEO Performance Evaluation

20. OPEN SESSION

21. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

General Counsel noted there was no reportable action take on the CEO Performance Evaluation.

22. ADJOURN

Meeting adjourned at 8:37 p.m.

SPECIAL MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Wednesday, May 1, 2024 at 4:00 p.m.
Tahoe Forest Hospital – Donner Conference Room
10976 Donner Pass Road, Suite 3, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 4:02 p.m.

2. ROLL CALL

Board: Michael McGarry, Vice Chair; Dale Chamblin, Treasurer; Robert (Bob) Barnett, Board Member

Staff in attendance: Matt Mushet, In-House Counsel; Harry Weis, President & CEO; Barbara Widder, Administrative Assistant

Other: Scott Kraft and Sean Weiss of DoctorsManagement, LLC

Absent: Alyce Wong, Board Chair; Mary Brown, Secretary

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

No changes were made to the agenda.

4. ITEMS FOR BOARD DISCUSSION

4.1. Corporate Compliance Education

Scott Kraft and Sean Weiss of DoctorsManagement, LLC, provided compliance education. Discussion was held.

5. ADJOURN

Meeting adjourned at 5:25 p.m.



REGULAR MEETING OF THE BOARD OF DIRECTORS **DRAFT MINUTES**

Thursday, May 16, 2024 at 3:30 p.m.
Tahoe Forest Hospital – Eskridge Conference Room
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 3:30 p.m.

2. ROLL CALL

Board: Alyce Wong, Board Chair; Michael McGarry, Vice Chair; Mary Brown, Secretary; Dale Chamblin, Treasurer; Robert (Bob) Barnett, Board Member

Staff in attendance: Harry Weis, President & Chief Executive Officer; Louis Ward, Chief Operating Officer; Ted Owens, Executive Director Governance & Business Development; Scott Baker, VP Provider Services; Janet Van Gelder, Director of Quality and Regulation

Other: David Ruderman, General Counsel

3. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

4. INPUT AUDIENCE

Dr. Josh Scholnick; Dan Coll, PA-C; Dr. David Ritchie; Dr. Tom Semrad; Juan Abarca-Sanchez; Dr. Johanna Koch; Dr. Jeffrey Fountain; Dr. Ellen Cooper; Dr. Shawni Coll; Dr. Reini Jensen; Maria (Spanish with translation); Dr. Haven Ritchie;

Open Session recessed at 3:55p.m.

COO; Executive Director Governance & Business Development; VP Provider Services; Director of Quality & Regulations departed the meeting.

5. CLOSED SESSION

Closed Session convened at 3:56 p.m.

*Executive Assistant departed the meeting at 3:56 p.m.
President & CEO departed the meeting at 3:56 p.m.*

5.1. Public Employee Performance Evaluation (Government Code § 54957)

Title: President & Chief Executive Officer

Discussion was held.

Closed Session recessed at 7:50 p.m.

6. **OPEN SESSION – CALL TO ORDER**

Open Session reconvened at 7:50 p.m.

7. **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

General Counsel noted there one item in Closed Session. There were no reportable actions on item 5.1.

8. **ADJOURN**

Meeting adjourned at 7:50 p.m.

**TAHOE FOREST HOSPITAL DISTRICT
APRIL 2024 FINANCIAL REPORT
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Board of Directors
Of Tahoe Forest Hospital District
APRIL 2024 FINANCIAL NARRATIVE

The following is the financial narrative analyzing financial and statistical trends for the ten months ended April 30, 2024.

Activity Statistics

- ❑ TFH acute patient days were 394 for the current month compared to budget of 387. This equates to an average daily census of 13.1 compared to budget of 12.9.
- ❑ TFH Outpatient volumes were above budget in the following departments by at least 5%: Surgery cases, Lab tests, Lab send out tests, Oncology labs, Diagnostic Imaging, Mammography, Medical Oncology procedures, MRI, CT Scans, PET CT, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory Therapy, and Outpatient Physical Therapy, Physical Therapy Aquatic, Speech Therapy, and Occupational Therapy.
- ❑ TFH Outpatient volumes were below budget in the following departments by at least 5%: Emergency Department Visits, Hospice visits, Pathology, Blood units, EKGs, Radiation Oncology procedures, Nuclear Medicine, Ultrasounds, Tahoe City Physical & Occupational Therapy.

Financial Indicators

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 46.6% in the current month compared to budget of 48.0% and to last month's 51.1%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 47.3% compared to budget of 48.0% and prior year's 49.3%.
- ❑ EBIDA was \$3,655,720 (6.8%) for the current month compared to budget of \$552,890 (1.2%), or \$3,102,830 (5.6%) above budget. Year-to-date EBIDA was \$36,569,211 (6.9%) compared to budget of \$10,841,302 (2.2%), or \$25,727,909 (4.7%) above budget.
- ❑ Net Income was \$2,554,060 for the current month compared to budget of \$306,518 or \$2,247,542 above budget. Year-to-date Net Income was \$32,653,896 compared to budget of \$8,345,580 or \$24,308,316 above budget.
- ❑ Cash Collections for the current month were \$25,944,920 which is 97% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$121,108,732 at the end of April compared to \$127,139,965 at the end of March.

Balance Sheet

- ❑ Working Capital is at 46.0 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 197.2 days. Working Capital cash increased a net \$2,897,000. Accounts Payable increased \$718,000, Accrued Payroll & Related Costs decreased \$1,301,000. The District received \$406,000 from the State for our quarterly HQAF funding, \$196,000 from Nevada Department of Healthcare's Private Hospital Provider Tax program, and \$273,000 in Stop Loss reimbursements. Cash Collections were below target by 3%.
- ❑ Net Patient Accounts Receivable decreased a net \$1,797,000 and cash collections were 97% of target. EPIC Days in A/R were 67.90 compared to 70.20 at the close of March, a 2.3 days decrease. We continue to experience issues with our daily file transfers from US Bank, causing a delay in our cash collections.
- ❑ Estimated Settlements, Medi-Cal & Medicare increased a net \$965,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal PRIME/QIP programs and received \$406,000 from the State for our quarterly HQAF funding, \$45,000 from the Nevada Hospital Provider Fee Program, and remitted \$243,000 to the State for participation in the SFY22-23 Rate Range IGT program.
- ❑ Unrealized Gain/(Loss) Cash Investment Fund decreased \$961,000 after recording the unrealized losses in its funds held with Chandler Investments for the month of April.
- ❑ Investment in TSC, LLC decreased a net \$47,000 after recording the estimated loss for April and truing-up the losses for March.
- ❑ To comply with GASB No. 96, the District recorded Amortization Expense for April on its Right-To-Use Subscription assets, decreasing the asset \$319,000.
- ❑ Accounts Payable increased \$718,000 due to the timing of the final check run in April.
- ❑ Accrued Payroll & Related Costs decreased a net \$1,301,000 due to a decrease in Accrued Payroll Days in April.

April 2024 Financial Narrative

- ❑ To comply with GASB No. 96, the District recorded a decrease in its Right-To-Use Subscription Liability for April, decreasing the liability \$282,000.
- ❑ Estimated Settlements Medi-Cal & Medicare increased \$310,000 after truing up reserves for the FY23 Medicare Cost Report desk audits.

Operating Revenue

- ❑ Current month’s Total Gross Revenue was \$53,896,015 compared to budget of \$47,541,890 or \$6,354,125 above budget.
- ❑ Current month’s Gross Inpatient Revenue was \$6,963,510 compared to budget of \$6,780,579 or \$182,931 above budget.
- ❑ Current month’s Gross Outpatient Revenue was \$46,932,505 compared to budget of \$40,761,311 or \$6,171,194 above budget.
- ❑ Current month’s Gross Revenue Mix was 37.35% Medicare, 17.79% Medi-Cal, .0% County, 1.02% Other, and 43.84% Commercial Insurance compared to budget of 38.04% Medicare, 14.83% Medi-Cal, .0% County, 1.95% Other, and 45.18% Commercial Insurance. Last month’s mix was 37.48% Medicare, 15.10% Medi-Cal, .0% County, 0.94% Other, and 46.48% Commercial Insurance. Year-to-date Gross Revenue Mix was 39.22% Medicare, 15.88% Medi-Cal, .0% County, 1.18% Other, and 43.72% Commercial compared to budget of 37.99% Medicare, 14.78% Medi-Cal, .0% County, 1.97% Other, and 45.26% Commercial.
- ❑ Current month’s Deductions from Revenue were \$28,734,313 compared to budget of \$24,715,765 or \$4,018,548 above budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 0.68% decrease in Medicare, a 2.95% increase to Medi-Cal, County at budget, a 0.93% decrease in Other, and Commercial Insurance was below budget 1.34%, 2) Revenues were above budget 13.4%, and 3) We saw a 4.13% increase in A/R Days over 90 and 120.

DESCRIPTION	April 2024 Actual	April 2024 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	10,305,980	10,295,269	(10,711)	We saw increased Salaries & Wages in Technical, RNs, Aides and PA/FNP categories.
Employee Benefits	3,416,248	3,344,998	(71,250)	
Benefits – Workers Compensation	72,268	108,106	35,838	
Benefits – Medical Insurance	2,469,402	1,953,389	(516,013)	
Medical Professional Fees	426,660	524,534	97,874	Anesthesia Physician Fees were below budget, creating a positive variance in Medical Professional Fees.
Other Professional Fees	311,987	289,631	(22,356)	Outsourced consulting fees for the Reliability & Management Systems and Carbon Intensity projects, and Professional services provided to Information Technology created a negative variance in Other Professional Fees.
Supplies	3,854,829	3,895,264	40,435	Non-Patient Chargeable Supplies were below budget, creating a positive variance in the Supply category
Purchased Services	1,757,971	2,289,628	531,657	The District implemented GASB No. 96 which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use Asset where the monthly subscription amounts are written off to Amortization and Interest Expense. This is creating positive variances in Purchased Services for Department Repairs and Information Technology. We also saw a positive variance in Outsourced Billing and Collections services.
Other Expenses	829,645	988,162	158,517	Utility expenses were below budget and the transfer of Construction Labor to Construction in Progress projects created a positive variance in Other Expenses.
Total Expenses	23,444,989	23,688,981	243,992	

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
APRIL 2024

	Apr-24	Mar-24	Apr-23	
ASSETS				
CURRENT ASSETS				
* CASH	\$ 35,543,118	\$ 32,646,401	\$ 18,193,013	1
PATIENT ACCOUNTS RECEIVABLE - NET	51,672,200	53,469,285	41,866,498	2
OTHER RECEIVABLES	13,841,598	12,934,398	12,814,082	
GO BOND RECEIVABLES	1,367,097	921,961	1,174,551	
ASSETS LIMITED OR RESTRICTED	11,161,311	11,657,072	9,999,045	
INVENTORIES	5,242,315	5,231,898	4,373,207	
PREPAID EXPENSES & DEPOSITS	2,991,100	3,393,125	2,936,421	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	23,809,083	22,844,184	18,951,878	3
TOTAL CURRENT ASSETS	145,627,822	143,098,323	110,308,693	
NON CURRENT ASSETS				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	10,553,402	10,441,863	10,165,848	1
* CASH INVESTMENT FUND	106,311,787	105,959,660	105,503,951	1
UNREALIZED GAIN/(LOSS) CASH INVESTMENT FUND	(842,999)	118,456	(2,517,824)	4
MUNICIPAL LEASE 2018	-	-	-	
TOTAL BOND TRUSTEE 2017	21,949	21,949	20,926	
TOTAL BOND TRUSTEE 2015	1,166,457	1,166,457	1,106,703	
TOTAL BOND TRUSTEE GO BOND	-	-	5,764	
GO BOND TAX REVENUE FUND	2,818,668	2,818,668	2,540,299	
DIAGNOSTIC IMAGING FUND	3,534	3,496	3,404	
DONOR RESTRICTED FUND	1,172,517	1,165,707	1,148,978	
WORKERS COMPENSATION FUND	16,790	26,037	29,683	
TOTAL	121,222,105	121,722,293	118,007,733	
LESS CURRENT PORTION	(11,161,311)	(11,657,072)	(9,999,045)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	110,060,794	110,065,221	108,008,689	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(3,955,545)	(3,908,065)	(3,171,311)	5
PROPERTY HELD FOR FUTURE EXPANSION	1,716,972	1,716,972	1,694,072	
PROPERTY & EQUIPMENT NET	197,653,937	197,548,011	194,588,631	
GO BOND CIP, PROPERTY & EQUIPMENT NET	1,801,571	1,791,406	1,857,146	
TOTAL ASSETS	452,905,550	450,311,867	413,285,920	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	239,196	242,428	277,985	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	190,274	190,274	378,109	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	4,323,758	4,347,463	4,608,215	
GO BOND DEFERRED FINANCING COSTS	421,520	423,841	449,370	
DEFERRED FINANCING COSTS	114,430	115,471	126,914	
INTANGIBLE LEASE ASSET NET OF ACCUM AMORTIZATION	6,863,223	7,000,981	7,744,994	
RIGHT-TO-USE SUBSCRIPTION ASSET NET OF ACCUM AMORTIZATION	27,779,607	28,098,298	-	6
TOTAL DEFERRED OUTFLOW OF RESOURCES	\$ 39,932,009	\$ 40,418,756	\$ 13,585,586	
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	11,397,622	\$ 10,679,901	\$ 8,456,096	7
ACCRUED PAYROLL & RELATED COSTS	19,543,301	20,844,745	19,233,212	8
INTEREST PAYABLE	323,387	256,450	455,543	
INTEREST PAYABLE GO BOND	784,858	523,238	806,445	
SUBSCRIPTION LIABILITY	29,260,176	29,542,426	-	9
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	776,070	466,246	290,618	10
HEALTH INSURANCE PLAN	3,018,487	3,018,487	2,224,062	
WORKERS COMPENSATION PLAN	3,287,371	3,287,371	2,947,527	
COMPREHENSIVE LIABILITY INSURANCE PLAN	2,586,926	2,586,926	2,082,114	
CURRENT MATURITIES OF GO BOND DEBT	2,195,000	2,195,000	2,195,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	3,935,762	3,935,762	5,645,977	
TOTAL CURRENT LIABILITIES	77,108,959	77,336,553	44,336,594	
NONCURRENT LIABILITIES				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	23,950,505	24,152,080	26,399,506	
GO BOND DEBT NET OF CURRENT MATURITIES	90,579,721	90,597,676	92,990,188	
DERIVATIVE INSTRUMENT LIABILITY	190,274	190,274	378,109	
TOTAL LIABILITIES	191,829,458	192,276,583	164,104,397	
NET ASSETS				
NET INVESTMENT IN CAPITAL ASSETS	299,835,583	297,288,333	261,618,132	
RESTRICTED	1,172,517	1,165,707	1,148,978	
TOTAL NET POSITION	\$ 301,008,100	\$ 298,454,040	\$ 262,767,110	

* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF NET POSITION
APRIL 2024

1. Working Capital is at 46.0 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 197.2 days. Working Capital cash increased a net \$2,897,000. Accounts Payable increased \$718,000 (See Note 7), Accrued Payroll & Related Costs decreased \$1,301,000 (See Note 8). The District received \$406,000 from the State for our quarterly HQAF funding (see Note 3), \$196,000 from the Nevada Department of Healthcare for participation in the Private Hospital Provider Tax Program (See Note 3), and \$273,000 in Stop Loss reimbursements. Cash Collections were below target by 3% (See Note 2).
2. Net Patient Accounts Receivable decreased a net \$1,797,000. Cash collections were 97% of target. EPIC Days in A/R were 67.90 compared to 70.20 at the close of March, a 2.3 days decrease. We continue to experience issues with our daily file transfers from US Bank, causing a delay in our cash collections.
3. Estimated Settlements, Medi-Cal & Medicare increased a net \$965,000. The District recorded its monthly estimated receivables due from the Medi-Cal Rate Range, Hospital Quality Assurance Fee, and Medi-Cal PRIME/QIP programs, received \$406,000 from the State for our quarterly HQAF funding, \$45,000 from the Nevada Hospital Provider Fee Program, and remitted \$243,000 to the State for participation in the SFY22-23 Rate Range IGT program.
4. Unrealized Gain/(Loss) Cash Investment Fund decreased \$961,000 after recording the unrealized losses in its funds held with Chandler Investments for the month of April.
5. Investment in TSC, LLC decreased a net \$47,000 after recording the estimated loss for April and truing-up the losses for March.
6. To comply with GASB No. 96, the District recorded Amortization Expense for April on its Right-To-Use Subscription assets, decreasing the asset \$319,000.
7. Accounts Payable increased \$718,000 due to the timing of the final check run in April.
8. Accrued Payroll & Related Costs decreased a net \$1,301,000 due to a decrease in Accrued Payroll days in April.
9. To comply with GASB No. 96, the District recorded a decrease in its Right-To-Use Subscription Liability for April, decreasing the liability \$282,000.
10. Estimated Settlements, Medi-Cal & Medicare increased \$310,000 after truing up reserves for the FY23 Medicare Cost Report desk audits.

**Tahoe Forest Hospital District
Cash Investment
April 30, 2024**

WORKING CAPITAL

US Bank	\$ 34,389,190	4.90%	
US Bank/Incline Village Thrift Store	12,344		
US Bank/Truckee Thrift Store	121,848		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,019,735</u>	2.02%	
Total			\$ 35,543,118

BOARD DESIGNATED FUNDS

US Bank Savings	\$ -		
Chandler Investment Fund	<u>106,311,787</u>	4.89%	
Total			\$ 106,311,787

Building Fund	\$ -		
Cash Reserve Fund	<u>10,553,402</u>	4.27%	
Local Agency Investment Fund			\$ 10,553,402

Municipal Lease 2018			\$ -
Bonds Cash 2017			\$ 21,949
Bonds Cash 2015			\$ 1,166,457
GO Bonds Cash 2008			\$ 2,818,668

DX Imaging Education	\$ 3,534		
Workers Comp Fund - B of A	16,790		

Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 20,324</u>

TOTAL FUNDS			\$ 156,435,704
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RESTRICTED FUNDS

Gift Fund			
US Bank Money Market	\$ 8,375	0.10%	
Foundation Restricted Donations	27,309		
Local Agency Investment Fund	<u>1,136,833</u>	4.27%	
TOTAL RESTRICTED FUNDS			<u>\$ 1,172,517</u>

TOTAL ALL FUNDS			<u><u>\$ 157,608,221</u></u>
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TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
APRIL 2024

CURRENT MONTH				YEAR TO DATE				PRIOR YTD
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%	APR 23
				OPERATING REVENUE				
\$ 53,896,015	\$ 47,541,890	\$ 6,354,125	13.4%	\$ 530,743,592	\$ 496,585,392	\$ 34,158,200	6.9%	1 \$ 462,424,697
				Total Gross Revenue				
Gross Revenues - Inpatient								
\$ 3,291,510	\$ 3,266,194	\$ 25,316	0.8%	\$ 33,268,882	\$ 34,392,230	\$ (1,123,348)	-3.3%	\$ 31,088,848
3,672,000	3,514,385	157,615	4.5%	40,896,813	37,526,887	3,369,926	9.0%	35,825,815
6,963,510	6,780,579	182,931	2.7%	74,165,695	71,919,117	2,246,578	3.1%	66,914,663
				Total Gross Revenue - Inpatient				
46,932,505	40,761,311	6,171,194	15.1%	456,577,898	424,666,275	31,911,623	7.5%	395,510,034
46,932,505	40,761,311	6,171,194	15.1%	456,577,898	424,666,275	31,911,623	7.5%	395,510,034
				Total Gross Revenue - Outpatient				
Deductions from Revenue:								
28,255,959	23,041,052	(5,214,907)	-22.6%	275,281,382	240,731,902	(34,549,480)	-14.4%	224,184,869
(387,666)	950,838	1,338,504	140.8%	22,616	9,931,708	9,909,092	99.8%	3,633,335
976,147	723,875	(252,272)	-34.9%	6,324,169	7,561,428	1,237,259	16.4%	5,564,045
(110,128)	-	110,128	0.0%	(2,147,314)	-	2,147,314	0.0%	1,258,199
28,734,313	24,715,765	(4,018,548)	-16.3%	279,480,852	258,225,038	(21,255,814)	-8.2%	234,640,448
85,888	101,182	15,294	15.1%	1,032,467	1,011,731	(20,736)	-2.0%	1,052,671
1,853,119	1,314,564	538,555	41.0%	17,995,206	13,702,913	4,292,293	31.3%	13,358,284
27,100,709	24,241,871	2,858,838	11.8%	270,290,413	253,074,998	17,215,415	6.8%	242,195,204
				TOTAL OPERATING REVENUE				
OPERATING EXPENSES								
10,305,980	10,295,269	(10,711)	-0.1%	103,014,521	105,137,842	2,123,321	2.0%	95,928,868
3,416,248	3,344,998	(71,250)	-2.1%	33,899,321	33,938,893	39,572	0.1%	32,160,952
72,268	108,106	35,838	33.2%	826,829	1,081,055	254,226	23.5%	935,341
2,469,402	1,953,389	(516,013)	-26.4%	21,954,766	19,533,889	(2,420,877)	-12.4%	17,491,414
426,660	524,534	97,874	18.7%	4,882,689	5,412,118	529,429	9.8%	5,091,683
311,987	289,631	(22,356)	-7.7%	2,567,049	2,950,200	383,151	13.0%	2,459,034
3,854,829	3,895,264	40,435	1.0%	39,420,881	40,540,164	1,119,283	2.8%	36,235,457
1,757,971	2,289,628	531,657	23.2%	17,962,120	23,105,059	5,142,939	22.3%	21,931,838
829,645	988,162	158,517	16.0%	9,193,024	10,534,476	1,341,452	12.7%	10,235,718
23,444,989	23,688,981	243,992	1.0%	233,721,202	242,233,696	8,512,494	3.5%	222,470,305
3,655,720	552,890	3,102,830	561.2%	36,569,211	10,841,302	25,727,909	237.3%	19,724,899
				NET OPERATING REVENUE (EXPENSE) EBIDA				
NON-OPERATING REVENUE/(EXPENSE)								
776,612	761,318	15,294	2.0%	7,675,602	7,613,269	62,333	0.8%	6,967,548
445,136	445,136	(0)	0.0%	4,451,356	4,451,356	(0)	0.0%	4,316,405
364,238	177,608	186,630	105.1%	2,592,405	1,765,166	827,239	46.9%	1,185,127
250,519	61,115	189,404	309.9%	897,412	611,145	286,267	46.8%	1,526,771
(47,480)	(67,000)	19,520	29.1%	(544,698)	(670,000)	125,302	18.7%	(1,095,441)
(724,371)	100,000	(824,371)	824.4%	2,691,588	1,000,000	1,691,588	-169.2%	1,172,353
(9,307)	-	(9,307)	0.0%	(9,307)	-	(9,307)	0.0%	-
-	-	-	0.0%	11,000	-	11,000	0.0%	1,000
(1,689,038)	(1,367,359)	(321,679)	-23.5%	(16,922,427)	(13,658,493)	(3,263,934)	-23.9%	(13,418,765)
(198,279)	(87,501)	(110,778)	-126.6%	(2,054,158)	(904,077)	(1,150,081)	-127.2%	(1,063,104)
(269,689)	(269,689)	(0)	0.0%	(2,704,088)	(2,704,088)	(0)	0.0%	(2,776,176)
(1,101,661)	(246,372)	(855,289)	-347.2%	(3,915,315)	(2,495,722)	(1,419,593)	-56.9%	(3,184,282)
2,554,060	306,518	2,247,542	733.2%	32,653,896	8,345,580	24,308,316	291.3%	16,540,617
				INCREASE (DECREASE) IN NET POSITION				
				NET POSITION - BEGINNING OF YEAR				
				NET POSITION - AS OF APRIL 30, 2024				
6.8%	1.2%	5.6%		6.9%	2.2%	4.7%		4.3%
				RETURN ON GROSS REVENUE EBIDA				

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
APRIL 2024

		Variance from Budget	
		Fav / <Unfav>	
	APR 2024		YTD 2024
Gross Revenue -- Inpatient	\$ 182,931	\$	2,246,578
Gross Revenue -- Outpatient	6,171,194		31,911,623
Gross Revenue -- Total	<u>\$ 6,354,125</u>	\$	<u>34,158,200</u>

1) Gross Revenues

Acute Patient Days were above budget 1.80% or 7 days. Swing Bed days were below budget 25% or 5 days. Inpatient Ancillary Revenues were above budget 4.5% due to the increase in Patient Days.

Gross Revenue -- Inpatient
Gross Revenue -- Outpatient
Gross Revenue -- Total

Outpatient volumes were above budget in the following departments: Home Health Visits, Surgery cases, Laboratory tests, Lab Send Out tests, Oncology Lab, Diagnostic Imaging, Mammography, Medical Oncology procedures, MRI, Ultrasounds, CT Scans, PET CT, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory Therapy, Physical Therapy, Speech Therapy, Physical Therapy Aquatic and Occupational Therapy.

Outpatient volumes were below budget in the following departments: Emergency Department Visits, Hospice visits, Pathology, Blood units, EKG's, Radiation Oncology procedures, Nuclear Medicine, Ultrasounds, Briner Ultrasounds, and Tahoe City Physical & Occupational Therapies.

2) Total Deductions from Revenue

The payor mix for April shows a 0.68% decrease to Medicare, a 2.95% increase to Medi-Cal, 0.93% decrease to Other, County at budget, and a 1.34% decrease to Commercial when compared to budget. We saw a negative variance in Contractuals due to revenues coming in above budget 13.4%, a shift from Medicare and Commercial into Medi-Cal, and A/R Days over 90 and 120 increased 4.13%.

Contractual Allowances	\$ (5,214,907)	\$	(34,549,480)
Charity Care	1,338,504		9,909,092
Bad Debt	(252,272)		1,237,259
Prior Period Settlements	110,128		2,147,314
Total	<u>\$ (4,018,548)</u>	\$	<u>(21,255,814)</u>

We are seeing fewer Charity Care applications which is lending to the positive variance in Charity Care and negative variance in Bad Debt.

The District completed its desk review audit for the IVCH FY22 Medicare Cost Report, resulting in additional monies due to the District.

3) Other Operating Revenue

Retail Pharmacy revenues were above budget 44.03%.

Children's Center revenues were above budget 35.01%.

We received our second round of funding from the newly established Private Hospital Provider Tax program through the Nevada Department of Health, creating a positive variance in Miscellaneous.

The District received funding from CDPH's Nursing Home and Long-Term Care Infrastructure and Preparedness program to assist with the creation of airborne infection isolation rooms, creating a positive variance in Grants.

Retail Pharmacy	\$ 195,610	\$	1,305,942
Hospice Thrift Stores	(657)		43,810
The Center (non-therapy)	(1,580)		24,290
IVCH ER Physician Guarantee	5,873		82,434
Children's Center	51,693		303,486
Miscellaneous	198,726		426,074
Oncology Drug Replacement	-		-
Grants	88,889		2,106,257
Total	<u>\$ 538,555</u>	\$	<u>4,292,293</u>

4) Salaries and Wages

We saw negative variances in Technical, RNs, Aides and PA/FNP Salaries, creating a negative variance in Salaries and Wages.

Total	\$ (10,711)	\$	2,123,321
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Employee Benefits

We saw increased use in Paid Leave, creating a negative variance in PL/SL

We saw a pickup in FYTD Physician Productivity Bonuses, creating a positive variance in Nonproductive.

PL/SL	\$ (146,910)	\$	124,146
Nonproductive	82,550		269,202
Pension/Deferred Comp	(0)		7,019
Standby	(13,056)		(95,662)
Other	6,165		(265,133)
Total	<u>\$ (71,250)</u>	\$	<u>39,572</u>

Employee Benefits - Workers Compensation

Total	\$ 35,838	\$	254,226
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Employee Benefits - Medical Insurance

Total	\$ (516,013)	\$	(2,420,877)
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5) Professional Fees

Outsourced consulting fees for the Reliability & Management Systems and Carbon Intensity projects created a negative variance in Administration.

MSC Neurology and MSC Cardiology Locums coverage created a negative variance in Multi-Specialty Clinics.

Professional services provided by Mercy Health created a negative variance in Information Technology.

Anesthesia physician fees were below budget, creating a positive variance in Miscellaneous.

Financial analysis projects came in below budget, creating a positive variance in Financial Administration.

Administration	\$ (29,128)	\$	(102,667)
Multi-Specialty Clinics	(9,424)		(86,306)
Multi-Specialty Clinics Administration	2,148		(71,316)
Marketing	(4,793)		(13,640)
Oncology	2,253		(13,319)
IVCH ER Physicians	12,312		(10,651)
Managed Care	1,667		(4,398)
Home Health/Hospice	-		-
Patient Accounting/Admitting	-		-
Respiratory Therapy	-		-
The Center	-		-
TFH/IVCH Therapy Services	-		-
Corporate Compliance	2,000		20,000
Human Resources	9,987		29,611
Medical Staff Services	13,225		108,011
Information Technology	(29,727)		159,444
Miscellaneous	85,674		200,524
Financial Administration	14,731		330,912
TFH Locums	4,594		366,373
Total	<u>\$ 75,519</u>	\$	<u>912,579</u>

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
APRIL 2024

		Variance from Budget	
		Fav / <Unfav>	
		APR 2024	YTD 2024
6) <u>Supplies</u>	Other Non-Medical Supplies	\$ (27,797)	\$ (147,075)
We saw negative variances in Other Non-Medical Supplies in the Emergency Department and Retail Pharmacy.	Food	(11,245)	(55,318)
	Office Supplies	(2,423)	7,450
	Minor Equipment	27,640	119,526
We saw increases in Other Food costs, creating a negative variance in Food.	Patient & Other Medical Supplies	59,125	381,845
	Pharmacy Supplies	(4,865)	812,855
Non-Patient Chargeable supplies were below budget, creating a positive variance in Patient & Other Medical Supplies.	Total	\$ 40,435	\$ 1,119,283
7) <u>Purchased Services</u>	Laboratory	\$ 5,121	\$ (83,893)
Outsourced billing and collections services were below budget, creating a positive variance in Home Health/Hospice.	Home Health/Hospice	16,148	8,004
	Pharmacy IP	7,824	17,954
CAM reconciliation invoice for the Gateway East Building created a negative variance in The Center.	The Center	(6,397)	29,259
	Community Development	3,333	32,184
A Vendor Search Project for Employee Health and Welfare Benefits created a negative variance in Human Resources.	Diagnostic Imaging Services - All	5,003	94,004
	Medical Records	(1,459)	96,344
Outsourced billing and collection services invoices came in below prior month accrual estimations, creating a positive variance in Patient Accounting.	Multi-Specialty Clinics	(456)	104,354
	Human Resources	(7,262)	162,070
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense with an offsetting entry to Purchased Services, creating positive variances in Information Technology, Department Repairs, and Miscellaneous.	Information Technology	43,809	403,561
	Miscellaneous	7,186	792,809
	Patient Accounting	217,504	983,864
	Department Repairs	241,304	2,502,424
	Total	\$ 531,657	\$ 5,142,939
8) <u>Other Expenses</u>	Other Building Rent	\$ (23,349)	\$ (95,131)
A rental rate increase for the IVCH Physical Therapy building and CAM reconciliation invoice for Reno Corporate Pointe created a negative variance in Other Building Rent.	Equipment Rent	(401)	(52,268)
	Multi-Specialty Clinics Equip Rent	(1,428)	(17,071)
The transfer of Construction Labor to Construction In Progress projects created a positive variance in Miscellaneous.	Insurance	(5,280)	(8,700)
	Multi-Specialty Clinics Bldg. Rent	(57)	(4,078)
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense with an offsetting entry to Other Expenses, creating a positive variance in Dues and Subscriptions.	Physician Services	3,256	10,868
	Marketing	4,872	54,722
Natural Gas/Propane and Telephone costs were below budget, creating a positive variance in Utilities.	Human Resources Recruitment	7,591	58,274
	Miscellaneous	144,279	170,375
	Dues and Subscriptions	8,399	217,060
	Outside Training & Travel	6,425	326,627
	Utilities	14,208	680,773
	Total	\$ 158,517	\$ 1,341,452
9) <u>District and County Taxes</u>	Total	\$ 15,294	\$ 62,333
10) <u>Interest Income</u>	Total	\$ 186,630	\$ 827,239
Interest rates with our funds held with LAIF and our US Bank Investment account were above budget, creating a positive variance in Interest Income.			
11) <u>Donations</u>	IVCH	\$ (7,860)	\$ 83,589
The TFHS Foundation transferred funds to the District to assist with Behavioral Health costs, creating a positive variance in Donations-Operational.	Operational	197,265	202,678
	Total	\$ 189,404	\$ 286,267
12) <u>Gain/(Loss) on Joint Investment</u>	Total	\$ 19,520	\$ 125,302
13) <u>Gain/(Loss) on Market Investments</u>	Total	\$ (824,371)	\$ 1,691,588
The District booked the value of unrealized losses in its holdings with Chandler Investments.			
14) <u>Gain/(Loss) on Sale or Disposal of Assets</u>	Total	\$ (9,307)	\$ (9,307)
15) <u>Gain/(Loss) on Sale or Disposal of Equipment</u>	Total	\$ -	\$ 11,000
16) <u>Depreciation Expense</u>	Total	\$ (321,679)	\$ (3,263,934)
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense, creating a negative variance in Depreciation Expense.			
17) <u>Interest Expense</u>	Total	\$ (110,778)	\$ (1,150,081)
The District implemented GASB No. 96 as of FY23, which recognizes Subscription-Based Information Technology arrangements as a Right-To-Use-Asset. The monthly subscription amounts are written off to Amortization and Interest Expense, creating a negative variance in Interest Expense.			

INCLINE VILLAGE COMMUNITY HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
APRIL 2024

CURRENT MONTH					YEAR TO DATE					PRIOR YTD APR 2023
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%		
				OPERATING REVENUE						
\$ 3,514,074	\$ 3,296,972	\$ 217,102	6.6%	Total Gross Revenue	\$ 36,061,026	\$ 34,309,646	\$ 1,751,380	5.1%	1	\$ 30,959,010
				Gross Revenues - Inpatient						
\$ 7,959	\$ -	\$ 7,959	0.0%	Daily Hospital Service	\$ 7,959	\$ 28,137	\$ (20,178)	-71.7%		\$ 10,719
4,455	2,537	1,918	75.6%	Ancillary Service - Inpatient	4,455	20,932	(16,478)	-78.7%		11,270
12,414	2,537	9,877	389.3%	Total Gross Revenue - Inpatient	12,414	49,069	(36,656)	-74.7%	1	21,989
3,501,660	3,294,435	207,225	6.3%	Gross Revenue - Outpatient	36,048,612	34,260,577	1,788,035	5.2%		30,937,021
3,501,660	3,294,435	207,225	6.3%	Total Gross Revenue - Outpatient	36,048,612	34,260,577	1,788,035	5.2%	1	30,937,021
				Deductions from Revenue:						
1,490,438	1,505,939	15,501	1.0%	Contractual Allowances	16,387,440	15,537,457	(849,983)	-5.5%	2	13,635,820
(16,610)	65,939	82,549	125.2%	Charity Care	96,804	686,193	589,389	85.9%	2	690,975
208,944	49,455	(159,489)	-322.5%	Bad Debt	1,214,475	514,645	(699,830)	-136.0%	2	874,987
(126,258)	-	126,258	0.0%	Prior Period Settlements	(275,875)	-	275,875	0.0%	2	(58,981)
1,556,515	1,621,333	64,818	4.0%	Total Deductions from Revenue	17,422,844	16,738,295	(684,549)	-4.1%	2	15,142,801
207,266	50,584	156,682	309.7%	Other Operating Revenue	973,698	575,560	398,138	69.2%	3	605,902
2,164,825	1,726,223	438,602	25.4%	TOTAL OPERATING REVENUE	19,611,880	18,146,911	1,464,969	8.1%		16,422,111
				OPERATING EXPENSES						
669,262	629,683	(39,579)	-6.3%	Salaries and Wages	6,520,721	6,652,555	131,834	2.0%	4	5,942,819
210,991	204,367	(6,624)	-3.2%	Benefits	2,055,512	2,105,274	49,762	2.4%	4	2,048,263
3,404	3,157	(247)	-7.8%	Benefits Workers Compensation	34,044	31,570	(2,474)	-7.8%	4	25,066
146,414	119,744	(26,670)	-22.3%	Benefits Medical Insurance	1,340,608	1,197,440	(143,168)	-12.0%	4	1,109,246
150,628	161,607	10,979	6.8%	Medical Professional Fees	1,524,131	1,516,610	(7,521)	-0.5%	5	1,507,830
2,551	2,306	(245)	-10.6%	Other Professional Fees	21,157	23,063	1,906	8.3%	5	22,125
126,880	61,439	(65,441)	-106.5%	Supplies	1,133,682	647,003	(486,679)	-75.2%	6	603,362
65,927	67,149	1,222	1.8%	Purchased Services	654,568	816,641	162,073	19.8%	7	712,814
103,795	53,085	(50,710)	-95.5%	Other	1,162,970	971,422	(191,548)	-19.7%	8	1,121,476
1,479,853	1,302,537	(177,316)	-13.6%	TOTAL OPERATING EXPENSE	14,447,392	13,961,578	(485,814)	-3.5%		13,093,001
684,973	423,686	261,287	61.7%	NET OPERATING REV(EXP) EBIDA	5,164,488	4,185,333	979,155	23.4%		3,329,110
				NON-OPERATING REVENUE/(EXPENSE)						
8,806	16,667	(7,861)	-47.2%	Donations-IVCH	250,256	166,667	83,589	50.2%	9	597,242
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10	-
(122,785)	(121,766)	(1,019)	0.8%	Depreciation	(1,229,417)	(1,216,861)	(12,556)	-1.0%	11	(949,613)
(1,246)	(1,227)	(19)	1.5%	Interest Expense	(13,739)	(13,406)	(333)	2.5%	12	(16,705)
(115,224)	(106,326)	(8,898)	-8.4%	TOTAL NON-OPERATING REVENUE/(EXP)	(992,899)	(1,063,600)	70,701	6.6%		(369,076)
\$ 569,749	\$ 317,360	\$ 252,389	79.5%	EXCESS REVENUE(EXPENSE)	\$ 4,171,588	\$ 3,121,733	\$ 1,049,855	33.6%		\$ 2,960,034
19.5%	12.9%	6.6%		RETURN ON GROSS REVENUE EBIDA	14.3%	12.2%	2.1%			10.8%

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
APRIL 2024**

		Variance from Budget	
		Fav<Unfav>	
		APR 2024	YTD 2024
1) Gross Revenues			
Acute Patient Days were above budget by 1 at 0 and Observation Days were at budget at 0.	Gross Revenue -- Inpatient	\$ 9,877	\$ (36,656)
	Gross Revenue -- Outpatient	207,225	1,788,035
	Total	\$ 217,102	\$ 1,751,380
Outpatient volumes were above budget in Surgery cases, Lab tests, Lab Send Out tests, EKG's, Ultrasounds, CT Scans, Physical Therapy and Occupational Therapy.			
Outpatient volumes were below budget in Emergency Dept visits, Diagnostic Imaging, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory and Speech Therapy.			
2) Total Deductions from Revenue			
We saw a shift in our payor mix with a 4.42% increase in Medicare, a 2.42% decrease in Medicaid, a 2.0% decrease in Commercial insurance, a 0.01% increase in Other, and County was at budget.	Contractual Allowances	\$ 15,501	\$ (849,983)
We saw a shift in Payor Mix from Medicaid and Commercial to Medicare along with a 4.40% decrease in A/R Days over 90 and 120, lending to the positive variance in Contractual Allowances.	Charity Care	82,549	589,389
	Bad Debt	(159,489)	(699,830)
	Prior Period Settlement	126,258	275,875
	Total	\$ 64,818	\$ (684,549)
The District completed its desk review audit for the IVCH FY22 Medicare Cost Report, resulting in additional monies due to the District.			
3) Other Operating Revenue			
IVCH ER Physician Guarantee is tied to collections, coming in above budget in April.	IVCH ER Physician Guarantee	\$ 5,873	\$ 82,434
	Miscellaneous	150,808	315,704
	Total	\$ 156,682	\$ 398,138
We received our second round of funding from the newly established Private Hospital Provider Tax program through the Nevada Department of Health, creating a positive variance in Miscellaneous.			
4) Salaries and Wages			
	Total	\$ (39,579)	\$ 131,834
Employee Benefits			
We saw increased use of Paid Leave and Sick Leave, creating a negative variance in PL/SL.	PL/SL	\$ (6,562)	\$ 56,599
	Pension/Deferred Comp	(0)	445
	Standby	1,794	(5,608)
	Other	(3,147)	(15,056)
	Nonproductive	1,291	13,381
	Total	\$ (6,624)	\$ 49,762
Employee Benefits - Workers Compensation			
	Total	\$ (247)	\$ (2,474)
Employee Benefits - Medical Insurance			
	Total	\$ (26,670)	\$ (143,168)
5) Professional Fees			
Decreased use of Call coverage created a positive variance in IVCH ER physicians.	IVCH ER Physicians	\$ 12,312	\$ (10,651)
	Administration	-	-
	Miscellaneous	-	-
	Foundation	(245)	1,905
	Multi-Specialty Clinics	(1,333)	3,131
	Total	\$ 10,734	\$ (5,615)
Tele-Neurology coverage created a negative variance in Multi-Specialty Clinics.			
6) Supplies			
Drugs Sold to Patients revenues were above budget 5.79%, creating a negative variance in Pharmacy Supplies.	Pharmacy Supplies	\$ (70,230)	\$ (428,181)
	Non-Medical Supplies	(1,914)	(69,169)
	Patient & Other Medical Supplies	6,454	20
	Office Supplies	(87)	257
	Food	519	2,748
	Minor Equipment	(183)	7,647
	Total	\$ (65,441)	\$ (486,679)
Medical Supplies Sold to Patients revenues were below budget 57.98%, creating a positive variance in Patient & Other Medical Supplies.			

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
APRIL 2024**

		Variance from Budget	
		Fav<Unfav>	
		APR 2024	YTD 2024
7) <u>Purchased Services</u>			
Laundry & Linen costs per week have increased, creating a negative variance in EVS/Laundry.	EVS/Laundry	\$ (2,667)	\$ (26,272)
Ground maintenance work on the Hospital's premises created a negative variance in Engineering/Plant/Communications.	Engineering/Plant/Communications	(2,528)	(12,543)
Snow removal for April came in above budget, creating a negative variance in Miscellaneous.	Diagnostic Imaging Services - All	(1,007)	(7,416)
	Laboratory	4,926	(5,472)
	Pharmacy	(43)	81
	Department Repairs	2,102	624
	Multi-Specialty Clinics	483	669
	Miscellaneous	(1,102)	3,462
	Foundation	1,058	208,940
	Total	\$ 1,222	\$ 162,073
8) <u>Other Expenses</u>			
The transfer of labor from TFH to IVCH Laboratory created a negative variance in Miscellaneous.	Miscellaneous	\$ (3,827)	\$ (180,812)
A rental rate increase for the IVCH Physical Therapy building created a negative variance in Other Building Rent.	Other Building Rent	(5,430)	(45,341)
Oxygen tank rentals created a negative variance in Equipment Rent.	Equipment Rent	(3,412)	(22,822)
Telephone, Electricity, and Water/Sewer costs exceeded budget, creating a negative variance in Utilities.	Dues and Subscriptions	(3,055)	(22,095)
	Multi-Specialty Clinics Bldg. Rent	(315)	(3,400)
	Physician Services	-	-
	Insurance	716	3,491
	Marketing	(2,450)	7,854
	Outside Training & Travel	(243)	24,657
	Utilities	(32,693)	46,921
	Total	\$ (50,710)	\$ (191,548)
9) <u>Donations</u>	Total	\$ (7,861)	\$ 83,589
10) <u>Gain/(Loss) on Sale</u>	Total	\$ -	\$ -
11) <u>Depreciation Expense</u>	Total	\$ (1,019)	\$ (12,556)
12) <u>Interest Expense</u>	Total	\$ (19)	\$ (333)

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF CASH FLOWS

	AUDITED FYE 2023		BUDGET FYE 2024	PROJECTED FYE 2024	ACTUAL APR 2024	PROJECTED APR 2024	DIFFERENCE	ACTUAL 1ST QTR	ACTUAL 2ND QTR	ACTUAL 3RD QTR	PROJECTED 4TH QTR
Net Operating Rev/(Exp) - EBIDA	31,312,720		12,535,783	38,263,693	\$ 3,655,720	\$ 552,892	\$ 3,102,828	6,814,877	8,454,556	17,644,059	5,350,201
Interest Income	1,348,932		2,000,000	2,737,463	432,323	350,000	82,323	582,090	793,177	779,873	582,323
Property Tax Revenue	10,063,960		10,190,000	10,567,867	-	-	-	596,999	119,101	5,711,767	4,140,000
Donations	1,574,358		6,733,375	7,013,622	94,237	26,115	68,122	149,171	519,826	198,158	6,146,466
Debt Service Payments	(5,216,044)		(3,981,665)	(4,004,486)	(68,563)	(68,336)	(227)	(1,054,410)	(914,891)	(892,541)	(1,142,644)
Property Purchase Agreement	(811,927)		(811,927)	(811,928)	(67,661)	(67,661)	-	(202,983)	(202,982)	(202,982)	(202,982)
2018 Municipal Lease	(1,717,326)		(715,553)	(715,417)	-	-	-	(429,332)	(286,086)	-	-
Copier	(63,919)		(47,871)	(42,227)	(902)	(675)	(227)	(10,803)	(14,531)	(14,640)	(2,252)
2017 VR Demand Bond	(840,606)		(761,145)	(785,745)	-	-	-	-	-	(122,530)	(663,215)
2015 Revenue Bond	(1,782,266)		(1,645,169)	(1,649,168)	-	(0)	0	(411,292)	(411,292)	(552,389)	(274,195)
Physician Recruitment	(476,666)		(1,146,666)	(368,888)	-	(111,111)	111,111	(83,333)	(63,333)	-	(222,222)
Investment in Capital											
Equipment	(2,315,113)		(4,545,602)	(4,918,464)	(938,596)	(214,901)	(723,695)	(682,703)	(2,054,687)	(812,676)	(1,368,397)
IT/EMR/Business Systems	(710,081)		(2,818,739)	(705,867)	-	(333,333)	333,333	-	(39,200)	-	(666,667)
Building Projects/Properties	(21,471,856)		(21,287,010)	(18,050,179)	(393,351)	(2,818,162)	2,424,811	(2,714,000)	(4,645,442)	(2,236,251)	(8,454,486)
Change in Accounts Receivable	(6,688,560)	N1	(2,859,354)	(4,536,843)	1,797,085	(172,927)	1,970,012	1,910,240	1,024,514	(7,849,100)	377,503
Change in Settlement Accounts	(8,255,522)	N2	4,265,118	4,368,403	(655,076)	1,850,596	(2,505,672)	(2,878,378)	(1,769,412)	1,058,237	7,957,956
Change in Other Assets	(8,902,354)	N3	(3,500,000)	(3,679,788)	272,081	(750,000)	1,022,081	(2,377,128)	190,662	(1,265,403)	(227,919)
Change in Other Liabilities	328,247	N4	(4,400,000)	(5,971,665)	(835,478)	687,542	(1,523,020)	(3,216,855)	(2,172,544)	(4,621,872)	4,039,606
Change in Cash Balance	(9,407,979)		(8,814,760)	20,714,870	3,360,382	(1,001,627)	4,362,009	(2,953,429)	(557,673)	7,714,251	16,511,721
Beginning Unrestricted Cash	154,252,753		144,844,775	144,844,775	149,047,924	149,047,924	-	144,844,775	141,891,346	141,333,673	149,047,924
Ending Unrestricted Cash	144,844,775		136,030,015	165,559,645	152,408,306	148,046,297	4,362,009	141,891,346	141,333,673	149,047,924	165,559,645
Operating Cash	144,844,775		136,030,015	165,559,645	152,408,306	148,046,297	4,362,009	141,891,346	141,333,673	149,047,924	165,559,645
Expense Per Day	750,945		800,841	780,725	773,034	797,173	(24,139)	753,622	769,434	771,389	780,725
Days Cash On Hand	193		170	212	197	186	11	188	184	193	212

Footnotes:

N1 - Change in Accounts Receivable reflects the 30 day delay in collections.

N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.

N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.

N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.



Board Informational Report

By: Harry Weis
President & CEO

DATE: May 14, 2024

This fiscal year is flying by as we are now 10 ½ months through FY 24.

Our team has been very busy focusing on Patient Access and patient experience as to how we can speed up patient appointments vs earlier years. Data we reviewed yesterday is showing much quicker “on average next patient appointment dates” across all primary care and specialty care providers vs last year for which we are very grateful. This strategic effort will continue indefinitely as we look at all work processes, plan new work space and bring in new providers to serve our region as we continue to keep making further improvements for our patients.

The Old Gateway Center will be totally remodeled internally and externally where it will continue to serve larger patient volumes in the future.

We are pleased to have a lease for the old RiteAid space on Donner Pass Road to really help us grow our Retail Pharmacy services, Urgent Care and other vital programs or services.

We are excited to have a ribbon cutting on May 16 for an important list of new radiology equipment at Incline Village Community Hospital.

In addition, at the Truckee hospital campus, we have a CT scanner trailer in our parking lot as we are replacing the CT scanner within Tahoe Forest Hospital. We also plan on replacing and updating the Radiology PACs system in FY 25, which stores all radiology images. This will be a great improvement for our medical staff and our patients.

This week is very special as it is National Hospital Week and we love to recognize and honor our team members that work in approximately 30 locations to keep our health system moving forward!

There are many important positive milestones our team is creating this fiscal year. We really appreciate this as these team efforts make us more sustainable for a challenging healthcare future that lies ahead.

As we complete our June financial statements in another 2 months or so, our organization will be taking a large bottom line hit from the 14-year journey of trying to develop 4 new healthcare related products or services via our Research Institute. We will continue to meet all of the Rural Center of Excellence criteria here via our great oncology team efforts in oncology clinical trials.

We continuously monitor the large and growing state budget deficit and various healthcare bills that touch healthcare seismic topics or have other operational impacts from a state or federal level.



Board COO Report

By: Louis Ward

DATE: May 2024

Tahoe City Physical Therapy

Staff are actively collaborating with external partners to plan for the reopening of the existing clinic location. Considering the current circumstances, we believe this is the most efficient way to resume Therapy Services in Tahoe City. Demolition of the damaged portions of the facility is underway, and inspections to assess the damage to the building's electrical systems have commenced, though we do not yet have the results of these inspections. Additionally, the timeline for elevator repairs remains uncertain and could pose a challenge depending on the lifting of the red tag. Staff are evaluating options to mitigate this potential issue.

In the interim, staff have successfully relocated scheduled visits to our Truckee and Incline Therapy clinics, achieving over a 90% patient capture rate and ensuring continuity of care. We remain committed to reopening the existing Tahoe City clinic and are exploring options to support the increased demand at the Truckee and Incline Therapy clinics.

Incline village Community Hospital Mass Casualty Incident (MCI) Exercise

On Tuesday, May 14, 2024, at approximately 9:00 am, IVCH participated in a full-scale MCI exercise in collaboration with Washoe County. This exercise was designed to simulate the Las Vegas incident, where self-transporting patients overwhelmed the hospitals before ambulance transports arrived. Participation in MCI training is crucial for hospitals as it prepares staff to effectively manage large-scale emergencies, ensuring a swift and coordinated response to crises. We extend our sincere gratitude to all the staff who participated in this vital exercise, demonstrating their commitment to enhancing our readiness and resilience.

TFHS Acquires Rite-aid building

Tahoe Forest Health System is proud to announce that we have entered into a long-term lease with the property owners of the former Rite-Aid building. The Tahoe Forest team is very excited about this future healthcare setting. We are collaborating with design partners to create a wonderful and functional space for the relocation of our Retail Pharmacy, Urgent Care, Tahoe Worx, Occupational Health, Outpatient Lab, and Cardiac Rehab services. This transformational effort aims to deliver a friendly and convenient patient experience, significantly enhancing our service capabilities. The estimated opening date for this new facility is summer 2026.

Environmental Stewardship Report

In mid-May, Mazzetti provided the health system with the final environmental stewardship report. There were minor corrections requested, generally square footage of space revisions. We intend to see the final report prior to the May BOD meeting. This report will be made available at the June Board meeting.

Service: Optimize Deliver Model to Achieve Operational and Clinical Efficiency

Implement a focused master plan

Report provided by Dylan Crosby, Director Facilities and Construction Management

Active Moves:

- No Active Moves

Planned Moves:

- No Planned Moves

Active Projects:

Project: Martis Outlook Plastics

Background: Staff have focused on providing health care services in the Eastern portion of Truckee. Property was acquired in 2021 at the Martis Outlook Building to realize this goal.

Summary of Work: Demo interiors of existing suite to build out new clinic space.

Update Summary: Project is complete and approved. The space is ready to see patients as of May 13th. There are minor punch list items being completed.

Start of Construction: Spring 2023

Estimated Completion: Spring 2024

Project: Incline Village Community Hospital Mammography

Background: Incline Village Community Hospital has been provided a grant opportunity to support the addition of a new Mammography Machine.

Summary of Work: Remodel the previous Medical Records office to create a mammography room.

Update Summary: The new Mammography unit is installed and is being set up. Substantial completion is scheduled 4/23/24, Ribbon cutting 5/16/24, first patient day 6/3/24.

Start of Construction: Winter 2023

Estimated Completion: Spring 2024

Projects in Planning:

Project: Tahoe Forest Hospital Seismic Improvements and Imaging Replacements

Background: In 2012, Tahoe Forest Hospital completed an expansive seismic improvement job to extend the allowance of acute care service in many of the Hospital buildings up to and beyond the 2030 deadline determined by Senate Bill 1953. This project is Phase one of three in a compliance plan to meet the full 2030 deadline.

Summary of Work: Upgrade four buildings (the 1978, 1990, 1993 and Med Gas) to Non-Structural Performance Category "NPC" 4 status. Diagnostic Imaging scope includes replacing X-Ray Room 2, Fluoroscopy and CT as well as creating a new radiologist reading room and patient shower in the Emergency Department.

Phase 1: 1990 Building – Portions of the Surgical Department; 1993 Building – Portions of the Dietary Department; CT Replacement.

Phase 2: X-Ray and Fluoroscope Replacement.

Phase 2: 1978 Building – Diagnostic Imaging, portions of Emergency Department; Med Gas Building – Primary Med Gas distribution building; Radiologist reading room

Update Summary Phase 1, 1990 and 1993 NPC 4 improvement, is bid and scheduled to start June 3rd. OR Flooring, CT Replacement and 1990 and 1993 Building seismic upgrades are scheduled to start June 3rd as well. Phase 2, X-Ray room 2 and Fluoroscopy are in design. This portion of work will likely overlap with both Phase 1 and Phase 3 work. Phase 3 scope of work consists of seismic upgrades to the 1978 and Medical Gas Buildings, this scope of work has been approved and permitted. This scope will commence at the conclusion of Phase 1 seismic work.

Start of Construction: Spring 2024

Estimated Completion: Winter 2026

Project: Levon Parking Structure

Background: Demand for parking Tahoe Forest Hospital has far exceeded its capacity. This project is to create a staff parking structure to meet the current and future needs of staff and importantly provide accessible parking for our patients.

Summary of Work: Project intent is to concurrently work on this project thru the entitlements effort on the Tahoe Forest Master Plan effort. This project being dependent on the Master Plan approval. This project will provide upwards of 225 parking stalls and various biking parking opportunities to support the parking need of the Tahoe Forest campus. The use intent is for this structure to service staff being located off Levon Ave, the Hospital service corridor.

Update Summary: Project is in hold

Start of Construction: TBD

Estimated Completion: TBD

Project: Gateway RHC Expansion

Background: With the longevity of the existing Gateway Building in the Master Plan staff are looking to maximize the utilization. Staff will be working to expand the current RHC to provide additional Primary Care service complimented by Specialists.

Summary of Work: Remodel 8 suites within the Building.

Update Summary Schematic design is underway, forecasted to complete at the end of May. The Development Permit has been deemed complete and is circulating throughout the authorities having jurisdiction.

Start of Construction: Spring 2024

Estimated Completion: Fall 2026

Project: TFHD MEP Replacements

Background: In order to meet the environment required for patient care, various end of life mechanical and electrical systems are in process of being replaced.

Summary of Work: Replace the four air handlers that support the 1990 building, replace the air handler that supports the 1978 building, provide reliability improvements to the western addition air handler, add addition cooling to the South Building MPOE and replace end of life ATS'.

Update Summary Design Development drawings are being worked on.

Start of Construction: Winter 2024

Estimated Completion: Summer 2026

Project: Tahoe City Clinic – Fabian Way

Background: The District has acquired new space in Tahoe City, Dollar Point, to move clinical services.

Summary of Work: Remodel the two structures to provide a new clinic with supported lab draw and imaging services. Site Improvements to improve parking, access and best management practices.

Update Summary The project is in the schematic design phase.

Start of Construction: Fall 2024

Estimated Completion: Summer 2025

Project: Community Health

Background: The District is seeking to lease a substantial amount of area to consolidate clinic and retail activities subsequently creating lease consolidation and campus flexibility.

Summary of Work: Remodel interiors to meet clinic activities and retail services.

Update Summary The project has been awarded. Program validation commenced on May 13th starting with interviewing all programmed Department Directors. Town of Truckee Zoning Clearance is schedule for Late June.

Start of Construction: Winter 2024

Estimated Completion: Summer 2026

Board CNO Report

By: Jan Iida RN, MSN, CEN, CENP
Chief Nursing Officer

DATE: May, 2024

Community

Aspire to be an integrated partner in an exceptionally healthy and thriving community

- Expanding GI services with the addition of a new provider in July; IVCH will add four days/month.
- PAN (pre-admit nurse) and Pre-Surgery clinic have been combined in order to reduce redundancies among patients - this was suggested by Optum consults.
- Next month marks one year of cardiac procedures performed at TFH ED with over 60 procedures conducted to date.
- We recently earned our EMS designation for stroke receiving centers!

Service

Aspire to deliver a timely, outstanding patient and family experience

- ECC staff have taken an in-depth approach to how they can reduce falls in their facility, identifying ways such as increasing lighting levels and replacing non-skid strips floor strips with non-slip versions.
- Med-Surg and ICU are exploring resources to reduce noise on their units; they will share these options with staff to determine which would work best.

Quality

Aspire to deliver the best possible outcomes for our patients

- There have been no ICU medical/surg falls for 60days
- Both IVCH and TFH ED nurses have completed their Beta assignments on Sepsis to qualify both ED's as Tier II departments, saving our system money on insurance premiums.
- On May 14th IVCH hosted an expansive MCI drill with Washoe County that was based on the Las Vegas shooting. Myra Tanner, Ellen Bjorkman and Sara Wojcik did an outstanding job of leading the team through this training exercise.

People

Aspire for a highly engaged culture that inspires teamwork and joy

- To commemorate Nurse's Day/Week from May 6-10, we passed out Hydroflask water tumblers; we thank our medical staff for donating generously.
- Karyn Grow, Director of Case Management/Care Coordination will be retiring June 28th and we want to thank her for her time at TFH where she played an instrumental role in developing our Care Coordination program. We welcome Lori

Graham as Manager of Case Management and Hillary Bayliss as Manager of Care Coordination.

Finance

Aspire for long-term financial strength

- OB transition moving to circulating phase. Several staff to be checked off to continue training peers. This is to finish the OB C-section project.

By: Jake Dorst
Chief Information and Innovation Officer

DATE: 05/15/2024

Service

Aspire to deliver a timely, outstanding patient and family experience.

General (Kim and teams):

1. July Epic Upgrade kick off-planning.
2. AMB Clinic Dashboard builds.
3. Epiphany project continues.
4. Provation project continues.
5. Aura epic lab testing underway.
6. BCA (Downtime) Testing-Annual
7. Epic Downtime-schedule monthly maintenance
8. SmartPump troubleshooting/clean up escalation process. RCA
9. Many Quality Reg items (340B, Health Eq/AB1204, OPPE, Information Blocking, Patient Inappropriate Behavior Policy, Infection Dashboard, HCC/Problem List)
10. SlicerDicer reporting tool rollout.
11. Physician Onboarding tweaks-Marketware expansion/cleanup.
12. Expansion of the Affiliate Builder program.
13. UpToDate support and break fix
14. E Check-in
15. GE Fetal Monitoring, support/break fix/updates
16. Expansion to Provider trainings
17. AHA IT ICVH Survey
18. CDPH Surveyors policy/procedure
19. A2C kick off items, templates.
20. EEG finalization
21. ED Triage changes
22. Break/fix tickets-ServiceNow.
23. Project List with Jeff
24. Weekly huddles with Mercy Admin-projects/tickets

Inpatient:

1. Continued smart pump support and education.
2. Updating inpatient unit audits and hopeful hand off to new unit leads
3. Continued work on streamlining SDOH documentation and reporting with quality.

Surgery:

1. E-consents
2. Provation
3. Endo Quality Reporting
4. Testing new anesthesia machines
5. ASD construction project/rearrangement
6. IRAD moving to cancer center
7. Interpreter section in PACU and Phase 2 navigators
8. PreOp Clinic

Lab:

1. Visby- Point of Care STD testing for the ED and Urgent Care. – ED still collecting samples for the lab to finish the test validation. This should be live in the coming weeks.
2. Provation- GI Software project set to go live 6/18.
3. Epiphany/ Cardioserver- EKG data management application- Received helpful workflow information from Phil from Mercy that allows the lab staff to find and release EKGs which is a huge step in managing these. Lab staff are being educated to this workflow.
4. Aura-Natera interface. Mercy still working on the build so we are not testing yet.
5. Interface testing for the July Epic upgrade with Quest and Aurora in progress.

Emergency Department::

1. Epiphany project
2. New build in process for Nitrous quick order
3. Updates to current quick lists

Ambulatory:

1. Building DI panels for Imaging
2. Testing for monthly RA and upgrade stuff for EEG and Mammo departments with Mercy.
3. 1:1 with providers
4. Onboarding
5. BCA testing-annual
6. E-consent
7. Cardioserver
8. Provider Efficiencies
9. Elbow to Elbow support.

Project Management:

Completed:

- ENT & plastics go live
- IVCH Mammo
- fye 2025 portfolio
- UKG go live

Executing:

- Access to Care
- Affiliate builder education for financial analysts
- Affiliate builder education for Cadence
- AURA lab interface
- Axiom Sandbox
- Cash Arc (maybe terminating)
- eConsent for surgical Procedures
- EEG dept and cadwell
- Epiphany
- MedStat OPPE
- MSC dashboards
- POC Imaging – POC US to IVCH Sportsmed
- Provation Endoscopy
- Relyco Check Replacement
- Nihon Khoden Server Upgrade
- ARIA server Upgrade
- Occ Health SSO (nethealth Agility)
- UKG Phase 2
- Visby
 - The Only Instrument-Free, Rapid PCR Test

Initiating:

AB133 compliance reporting

GE fetal monitors upgrade

Epic upgrade

Credit and Collection Policy, ABD-8

RISK:

Failure to effectively communicate the payment terms and conditions to patients or their guarantors may lead to misunderstandings or disputes regarding their financial obligations, resulting in delayed or insufficient payments to Tahoe Forest Hospital District (TFHD).

PURPOSE:

- A. Tahoe Forest Hospital District (hereinafter known as "TFHD") provides high quality care to patients when they are in need of healthcare services. All patients or their guarantor have a financial responsibility related to services received at TFHD and must make arrangements for payment to TFHD either before or after services are rendered. Such arrangements may include payment by an insurance plan, including coverage programs offered through the federal and state government. Payment arrangements may also be made directly with the patient, subject to the payment terms and conditions of TFHD.
- B. Emergency patients will always receive all medically necessary care within the scope resources available at TFHD, to assure that their medical condition is stabilized prior to consideration of any financial arrangements.
- C. The Credit and Collection Policy establishes the guidelines, policies and procedures for use by TFHD personnel in evaluating and determining patient payment arrangements. This policy is intended to establish fair and effective means for collection of patient accounts owed to TFHD. In addition, other TFHD policies such as the [Financial Assistance Policy](#) which contains provisions for full charity care and discount partial charity care will be considered by TFHD personnel when establishing payment arrangements for each specific patient or their guarantor.

SCOPE:

- A. The Credit and Collection Policy will apply to all patients who receive services at TFHD. This policy defines the requirements and processes used by the TFHD when making payment arrangements with individual patients or their account guarantors. The Credit and Collection Policy also specifies the standards and practices used by TFHD for the collection of debts arising from the provision of services to patients at TFHD. The Credit and Collection Policy acknowledges that some patients may have special payment arrangements as defined by an insurance contract to which TFHD is a party, or in accordance with hospital conditions of participation in state and federal programs. TFHD endeavors to treat every patient or their guarantor with fair consideration and respect when making payment arrangements.
- B. All requests for payment arrangements from patients, patient families, patient financial guarantors, physicians, hospital staff, or others shall be addressed in accordance with this policy.

POLICY:

All patients who receive care at TFHD must make arrangements for payment of any or all amounts owed for services rendered in good faith by TFHD. TFHD reserves the right and retains sole authority for establishing the terms and conditions of payment by individual patients and/or their guarantor, subject to requirements established under state and federal law or regulation.

GENERAL PRACTICES:

- A. TFHD and the patient share responsibility for timely and accurate resolution of all patient accounts. Patient cooperation and communication is essential to this process. TFHD will make reasonable, cost-effective efforts to assist patients with fulfillment of their financial responsibility.
- B. Health care at TFHD is available to all those who may be in need of necessary services. To facilitate financial arrangements for persons who may be of low or moderate income, both those

who are uninsured or underinsured, TFHD provides the following special assistance to patients as part of the routine billing process:

1. For uninsured patients, a written statement of charges for services rendered by TFHD is provided in a revenue code summary format which shows the patient a synopsis of all charges by the department in which the charges arose. Upon patient request, a complete itemized statement of charges will be provided;
 2. Patients who have third party insurance will be provided a revenue code summary statement which identifies the charges related to services provided by TFHD. Insured patients will receive a balance due from patient statement once TFHD has received payment from the insurance payer. Upon patient request, a complete itemized statement of charges will be provided;
 3. A written request that the patient inform TFHD if the patient has any health insurance coverage, Medicare, Medi-Cal or other form of coverage;
 4. A written statement informing the patient or guarantor that they may be eligible for Medicare, Medi-Cal, the TFHD Financial Assistance Program, or appropriate government coverage programs;
 5. A written statement indicating how the patient may obtain an application for the Medi-Cal, or other appropriate government coverage program;
 6. If a patient is uninsured, an application to Medi-Cal, or other appropriate government assistance program will be provided prior to discharge from the hospital;
 7. A TFHD representative is available at no cost to the patient to assist with application to relevant government assistance programs;
 8. A written statement regarding eligibility criteria and qualification procedures for full charity care and/or discount partial charity care under the TFHD Financial Assistance Program. This statement shall include the name and telephone number of TFHD personnel who can assist the patient or guarantor with information about and an application for the TFHD Financial Assistance Program.
- C. The TFHD Patient Financial Service Representatives and designees are primarily responsible for the timely and accurate collection of all patient accounts. Patient Financial Services works cooperatively with other TFHD departments, members of the Medical Staff, patients, insurance companies, collection agencies and others to assure that timely and accurate processing of patient accounts can occur.
- D. Accurate information provides the basis for TFHD to correctly bill patients or their insurer. Patient billing information should be obtained in advance of services whenever possible so that verification, prior authorization or other approvals may be completed prior to the provision of services. When information cannot be obtained prior to the time of service, TFHD personnel will work with each patient or their guarantor to assure that all necessary billing information is received by TFHD prior to the completion of services.

PROCEDURE:

- A. Each patient account will be assigned to an appropriate Patient Financial Services representative or designee based upon the type of account payer and current individual staff workloads. Patient Financial Services leadership will periodically review staff workloads and may change or adjust the process or specific assignment of patient accounts to assure timely, accurate and cost-effective collection of such accounts.
- B. Once a patient account is assigned to a Patient Financial Services representative or designee, the account details will be reviewed to assure accuracy and completeness of information necessary for the account to be billed.
- C. If the account is payable by the patient's insurer, the initial bill will be forwarded directly to the designated insurer. TFHD Patient Financial Services personnel will work with the patient's insurer to obtain any or all amounts owed on the account by the insurer. This will include calculation of contracted rates or other special arrangements that may apply. Once payment by the insurer has been determined by TFHD, any residual patient liability balance, for example a patient co-payment or deductible amount, will be billed directly to the patient. Any or all patient balances are due and payable within 30 days from the date of this first patient billing. Patients may dispute balances or charges within 120 days of the balances becoming patient responsibility.

- D. In compliance with the No Surprises Act, TFHD does not balance bill patients whose insurance claims processed as Out of Network without first providing notice and obtaining consent from the patient or guarantor.
- E. If the account is payable only by the patient, it will be classified as a self-pay account. Self-pay accounts may potentially qualify for government coverage programs or financial aid under the TFHD Financial Assistance Policy. Patients with accounts in self-pay status may work with Financial Counseling to make payment arrangements or be screened for assistance programs.
- F. In the event that a patient or patient's guarantor has made a deposit payment, or other partial payment for services and subsequently is determined to qualify for full Financial Assistance or discount partial Financial Assistance, all amounts paid which exceed the payment obligation, if any, as determined through the Financial Assistance Program process, shall be refunded to the patient. Any overpayment due to the patient under this obligation may not be applied to other open balance accounts or debt owed to TFHD by the patient or family representative. Any or all amounts owed shall be reimbursed to the patient or family representative within a reasonable time period.
- G. TFHD offers patients payment plan options when they are not able to settle the account in one lump sum payment. Payment plans are established on a case-by-case basis through consideration of the total amount owed by the patient to TFHD and the patient's or patient family representative's financial circumstances. Payment plans generally require a minimum monthly payment of an amount such that the term of the payment plan shall not exceed ninety (90) days or three (3) months. This minimum monthly payment amount shall be determined by dividing the total outstanding patient liability balance by three (3). Payment plans are free of any interest charges or set-up fees. Some situations, such as patients qualified for partial financial assistance, may necessitate special payment plan arrangements based on negotiation between TFHD and patient or their representative. Such payment plans may be arranged by contacting Financial Counseling. Once a payment plan has been approved, any failure to pay in accordance with the plan terms will constitute a plan default. It is the patient or guarantor's responsibility to contact Financial Counseling if circumstances change and payment plan terms cannot be met. In addition, TFHD works with an outside vendor if patients need payment plan terms that exceed three (3) months. Payment plan terms are subject to vendor requirements.
- H. Patient account balances in self-pay status will be considered past due after 30 days from the balance becoming patient responsibility. Accounts are considered self-pay when there is no insurance or other coverage to bill or residual balances remaining after insurance has processed due to unmet insurance benefits (deductible, coinsurance, etc.). Accounts may be advanced to collection status according to the following schedule:
 - 1. Self-pay accounts, including those where there has been no payment within the past 180 days, may be forwarded to collection status when patients or guarantors have:
 - a. Received all required statements and have been notified the account will advance to collections without further action from the patient
 - b. Been provided with a financial assistance application
 - c. Been deemed ineligible for financial assistance
 - d. Not responded to any offers of financial assistance
- I. Patient accounts will not be forwarded to collection status when the patient or guarantor makes reasonable efforts to communicate with TFHD and makes good faith efforts to resolve the outstanding account. Financial Counseling will determine if the patient or guarantor are continuing to make good faith efforts to resolve the patient account and may use indicators such as: application for Medi-Cal or other government programs; application for the TFHD Financial Assistance Program; negotiation of a payment plan with TFHD and other such indicators that demonstrate the patient's effort to fulfill their payment obligation.
- J. After 30 days or anytime when an account otherwise becomes past due and subject to internal or external collection, TFHD will provide every patient with written notice in the following form:
 - 1. "State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or after 9:00 p.m. In general, a debt collector may not give information about your debt to another

person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (382-4357) or online at www.ftc.gov."

2. Non-profit credit counseling services may be available in the area. Please contact the TFHD Financial Counseling if you need more information or assistance in contacting a credit counseling service.
- K. For all patient accounts where there is no 3rd party insurer and/or whenever a patient provides information that he or she may have high medical costs, Financial Counseling will assure that the patient has been provided all elements of information as listed above.
- L. For all patient accounts where there is no 3rd party insurer and/or whenever a patient provides information that he or she may have high medical costs, TFHD will not report adverse information to a credit reporting agency or commence any civil action prior to 180 days after initial billing of the account. Furthermore, TFHD will not send an unpaid bill for such patients to an external collection agency unless the collection agency has agreed to comply with this requirement.
- M. If a patient or guarantor has filed an appeal for coverage of services in accordance with Health & Safety Code Section 127426, TFHD will extend the 180-day limit on reporting of adverse information to a credit reporting agency and/or will not commence any civil action until a final determination of the pending appeal has been made.
- N. TFHD will only utilize external collection agencies with which it has established written contractual agreements. Every collection agency performing services on behalf of TFHD must agree to comply with the terms and conditions of such contracts as specified by TFHD. All collection agencies contracted to provide services for or on behalf of TFHD shall agree to comply with the standards and practices defined in the collection agency agreement; including this Credit and Collection Policy, the TFHD Financial Assistance Policy and all legal requirements including those specified in Health & Safety Code Section 127420 et seq.
- O. TFHD and/or its external collection agencies will not use wage garnishments or liens on a primary residence without an order of the court. Any or all legal action to collect an outstanding patient account by TFHD and/or its collection agencies must be authorized and approved in advance, in writing by TFHD. Any such legal action must conform to the requirements of Health & Safety Code Section 127420 et seq.
- P. TFHD, its collection agencies, or any assignee may use any or all legal means to pursue reimbursement, debt collection and any enforcement remedy from third-party liability settlements, tortfeasors, or other legally responsible parties. Such actions shall be conducted only with the prior written approval of the hospital director of patient financial services.

References:

[California Health and Safety Code §§127400 - 127446](#)

[Review of Accounts for Bad Debt, DPTREG-1907](#)

[Payment Plans, DPTREG-1908](#)

[Financial Assistance Program Full Charity Care and Discount Partial Charity Care Policies ABD-09](#)

Fiscal Policy, ABD-11

RISK:

Failure to have a sound fiscal policy that requires the District to maintain strong financial performance and strong cash reserves may result in diminished access to capital markets, as well as limiting Tahoe Forest Hospital District's (District) ability to fund essential services, and programs.

PURPOSE:

The purpose of this policy is to communicate the fiscal policy of the District as it relates to the operations of Tahoe Forest Hospital District and the various other services, programs and ventures which the District is or shall consider providing consistent with its Mission Statement and operating policies. It is the intention of the Board of Directors that this Fiscal Policy be disseminated to the hospital administrative and management team, as well as Medical Staff leadership, in order to achieve a broad based understanding of the fiscal goal of Tahoe Forest Hospital District. For the purposes of this policy statement, the term "services" shall apply to all hospital operations as well as other District services, programs or ventures.

POLICY:

A. RATIONALE

In view of the ever-changing reimbursement environment in which health care providers exist, the Board of Directors recognizes the importance of financial stability. A sound Fiscal Policy is necessary to assure the continuation of needed services, and as appropriate, expansion into new health-related facilities and services. To assure access to capital markets, it is in the best interest of the District to maintain strong financial performance and strong cash reserves. This philosophy is based upon, and consistent with, the Mission Statement and operating policies of the District.

B. POLICY STATEMENT

Our Fiscal Policy is to ensure the availability of capital to meet the future costs of carrying out the hospital's mission and serves as a prudent reserve to offset unexpected external forces. It will be the responsibility of the District's President & Chief Executive Officer (CEO) to implement policies and procedures consistent with the Fiscal Policy of the Board of Directors. The District shall put forth a strong effort in every fiscal year on achieving, at a minimum, the Standard and Poor's (S&P) A- rating, targeting the median ratios of the A- rating or better. At no time shall the District target financial performance that would drop the District below an investment grade rating.

PROCEDURE:

A. OPERATING MARGIN AND EXCESS (NET INCOME) MARGIN

The District, through approval by the Board of Director's, shall set an annual budget that seeks to target or maintain Operating and Excess Margins at the median S&P ratios of an A- rating or better. The President & CEO shall in turn endeavor, consistent with the President & CEO's authority under the annual budget and duly-adopted District policies, to direct District operations throughout the fiscal year so as to maintain Operating and Excess Margins at the median S&P ratios of an A- rating or better. Unusual circumstances may arise that could require setting the annual budget at ratios lower than A-, however, at no time shall the annual budget target median ratios below an investment grade rating. The President & CEO shall direct management and staff to operate the District in a manner that achieves the goals of the annual budget.

B. FUND BALANCES AND TRANSFER PROCEDURES

The President & CEO shall, consistent with the President & CEO's authority under the annual budget, this Fiscal Policy, and duly-adopted District policies, authorize the movement of funds with the goal of achieving projected Days' Cash on Hand (the number of days of average expenses) at the median S&P ratios of an A- rating or better. There shall be a strong effort to maintain this minimum Days' Cash on Hand ratio to ensure appropriate cash reserves and to sustain sufficient funding for capital needs. Unusual circumstances may arise that could require setting the annual budget Days' Cash on Hand ratio lower than A-, however at no time shall the annual budget reflect a Days' Cash on Hand ratio below an investment grade rating. At least

quarterly, a report of Day's Cash on Hand shall be presented to the Board of Directors.

C. MAINTENANCE AND OPERATING FUND

All receipts and revenues of any kind from the operation of the hospital shall be paid daily into the treasury of the District and placed in the Maintenance and Operations Fund. Monies in the maintenance and Operation Fund may be expended for any of the purposes of the District.

The President & CEO will direct the allocation of monies in excess of 30 days forecasted cash to Board designated funds or transfer sufficient monies from Board designated funds into Maintenance and Operations Fund so that a minimum of 30 days working capital is maintained for the upcoming quarter. Fund transfers into Maintenance and Operations Fund from other funds to cover the minimum 30 days working capital will be in the following priority:

1. Cash Reserve Fund
2. Projects Fund

D. BOARD DESIGNATED FUNDS

Available funds will be funded in the priority order as listed. Bond Funds are held by the Bond Trustee until the fund reimburses the District for project expenditures. The reimbursed bond project expenditures will be deposited in the Maintenance and Operations Fund. Debt service is included in the Maintenance and Operations Fund.

1. Other Entity Funds:

Funds held for other entities such as Medical Staff and Auxiliary. Interest income accrues to the specific fund.

2. Projects Fund:

Board of Directors approved and designated projects. Fund to include, among others Building Funds and Capital Equipment Funds. Interest income will accrue to the Maintenance and Operations Fund.

E. CASH RESERVE FUND

Board of Directors approved funding to increase and provide sufficient reserves to sustain operational integrity; continued services at current levels; emergency purposes (safety net); credit worthiness; anticipated capital replacement needs. Interest income will accrue to the Maintenance and Operations Fund.

F. RESTRICTED FUNDS

Funds restricted to purchase assets or to fund program costs. These funds become unrestricted when the restriction is satisfied. Interest income accrues to the specific fund.

G. DONATIONS

Donated funds will be placed in the appropriate fund to be designated by the donor.

Debt Management Policy, ABD-25

RISK:

Failure to adhere to the established criteria for issuance and management of debt poses a risk of misallocation of resources and financial strain on Tahoe Forest Hospital District (the "District").

PURPOSE:

This Debt Management Policy (the "Debt Policy") of the TAHOE FOREST HOSPITAL DISTRICT (the "District") was approved by the Board of Directors of the District (the "Board"). The Debt Policy may be amended by the Board as it deems appropriate from time to time in the prudent management of the debt of the District.

This Debt Policy will also apply to any debt issued by any other public agency for which the Board of the District acts as its legislative body.

The Debt Policy has been developed to provide guidance in the issuance and management of debt by the District or its related entities and is intended to comply with Section 8855(i) of the California Government Code effective on January 1, 2017. The main objectives are to establish conditions for the use of debt; to ensure that debt capacity and affordability are adequately considered; to minimize the District's interest and issuance costs; to maintain the highest possible credit rating; to provide complete financial disclosure and reporting; and to maintain financial flexibility for the District.

Debt, properly issued and managed, is a critical element in any financial management program. It assists in the District's effort to allocate limited resources to provide the highest quality of service to the public. The District understands that poor debt management can have ripple effects that hurt other areas of the District. On the other hand, a properly managed debt program promotes economic growth and enhances the vitality of the District for its residents and businesses.

1. Findings

This Debt Policy shall govern all debt undertaken by the District. The District hereby recognizes that a fiscally prudent debt policy is required in order to:

- Maintain the District's sound financial position.
- Ensure the District has the flexibility to respond to changes in future service priorities, revenue levels, and operating expenses.
- Protect the District's credit-worthiness.
- Ensure that all debt is structured in order to protect both current and future taxpayers, ratepayers and constituents of the District.
- Ensure that the District's debt is consistent with the District's planning goals and objectives and capital improvement program or budget, as applicable.
- Encourage those that benefit from a facility/improvement to pay the cost of that facility/improvement without the need for the expenditure of limited general fund resources.

2. Policies

A. Purposes For Which Debt May Be Issued

The District will consider the use of debt financing primarily for capital improvement projects (CIP) when the project's useful life will equal or exceed the term of the financing and when resources are identified sufficient to fund the debt service requirements. An exception to this CIP driven focus is the issuance of short-term instruments such as tax and revenue anticipation notes, which are to be used for prudent cash management purposes and conduit financing, as described below. Bonded debt should not be issued for projects with minimal public benefit or support, or to finance normal operating expenses.

If a department has any project which is expected to use debt financing, the department director is

responsible for expeditiously providing the Chief Executive Officer and the Chief Financial Officer with reasonable cost estimates, including specific revenue accounts that will provide payment for the debt service. This will allow an analysis of the project's potential impact on the District's debt capacity and limitations. The department director shall also provide an estimate of any incremental operating and/or additional maintenance costs associated with the project and identify sources of revenue, if any, to pay for such incremental costs.

- i. **Long-Term Debt.** Long-term debt may be issued to finance or refinance the construction, acquisition, and rehabilitation of capital improvements and facilities, equipment and land to be owned and/or operated by the District.
 - a. Long-term debt financings are appropriate when the following conditions exist:
 - When the project to be financed is necessary to provide basic services.
 - When the project to be financed will provide benefit to constituents over multiple years.
 - When total debt does not constitute an unreasonable burden to the District and its taxpayers and ratepayers.
 - When the debt is used to refinance outstanding debt in order to produce debt service savings or to realize the benefits of a debt restructuring.
 - b. Long-term debt financings will not generally be considered appropriate for current operating expenses and routine maintenance expenses.
 - c. The District may use long-term debt financings subject to the following conditions:
 - The project to be financed has been or will be approved by the Board.
 - The weighted average maturity of the debt (or the portion of the debt allocated to the project) will not exceed the average useful life of the project to be financed by more than 20%, unless specific conditions exist that would mitigate the extension of time to repay the debt and it would not cause the District to violate any covenants to maintain the tax-exempt status of such debt, if applicable.
 - The District estimates that sufficient income or revenues will be available to service the debt through its maturity.
 - The District determines that the issuance of the debt will comply with the applicable requirements of state and federal law.
 - The District considers the improvement/facility to be of vital, time-sensitive need of the community and there are no plausible alternative financing sources
 - d. Periodic reviews of outstanding long-term debt will be undertaken to identify refunding opportunities. Refundings will be considered (within federal tax law constraints, if applicable) if and when there is a net economic benefit of the refunding. Refundings which are non-economic may be undertaken to achieve District objectives relating to changes in covenants, call provisions, operational flexibility, tax status of the issuer, or the debt service profile.

In general, refundings which produce a net present value savings of at least 4% of the principal amount of refunded debt will be considered economically viable. Refundings which produce a net present value savings of less than 4% or negative savings will be considered on a case-by-case basis.

(ii) **Short-term debt.** Short-term borrowings may be issued to generate funding for cash flow needs in the form of Tax and Revenue Anticipation Notes (TRAN).

Short-term borrowings, such as commercial paper, and lines of credit, will be considered as an interim source of funding in anticipation of long-term borrowing. Short-term debt may be issued for any purpose for which long-term debt may be issued, including capitalized interest and other financing-related costs. Prior to issuance of the short-term debt, a reliable revenue source shall be identified to secure repayment of the debt. The final maturity of the debt issued to finance the project shall be consistent with the economic or useful life of the project and, unless the Board determines that extraordinary circumstances exist, must not exceed

seven years.

Short-term debt may also be used to finance short-lived capital projects; for example, the District may undertake lease-purchase financing for equipment, and such equipment leases may be longer than seven years.

(iii) **Financings on Behalf of Other Entities.** The District may also find it beneficial to issue debt on behalf of other governmental agencies or private third parties in order to further the public purposes of the District. In such cases, the District shall take reasonable steps to confirm the financial feasibility of the project to be financed and the financial solvency of any borrower and that the issuance of such debt is consistent with the policies set forth herein. In no event will the District incur any liability or assume responsibility for payment of debt service on such debt.

B. Types of Debt

In order to maximize the financial options available to benefit the public, it is the policy of the District to allow for the consideration of issuing all generally accepted types of debt, including, but not exclusive to the following:

- **General Obligation (GO) Bonds:** General Obligation Bonds are suitable for use in the construction or acquisition of improvements to real property that benefit the public at large. Examples of projects include hospitals, and public safety facilities. All GO bonds shall be authorized by the requisite number of voters in order to pass.
- **Revenue Bonds:** Revenue Bonds are limited-liability obligations tied to a specific enterprise or special fund revenue stream where the projects financed clearly benefit or relate to the enterprise or are otherwise permissible uses of the special revenue. An example of projects that would be financed by a Revenue Bond would be improvements to a health facility, which would be paid back with money raised from the rates and charges to health facility users. Generally, no voter approval is required to issue this type of obligation.
- **Lease-Backed Debt/Certificates of Participation (COP/Lease Revenue Bonds):** Issuance of Lease-backed debt is a commonly used form of debt that allows a public entity to finance projects where the debt service is secured via a lease agreement or installment sale agreement and where the payments are budgeted in the annual operating budget of the District. Lease-Backed debt does not constitute indebtedness under the state or the District's constitutional debt limit and does not require voter approval.

The District may from time to time find that other forms of debt would be beneficial to further its public purposes and may approve such debt without an amendment of this Debt Policy.

To maintain a predictable debt service burden, the District will give preference to debt that carries a fixed interest rate. An alternative to the use of fixed rate debt is variable rate debt. The District may choose to issue securities that pay a rate of interest that varies according to a pre-determined formula or results from a periodic remarketing of securities. When making the determination to issue bonds in a variable rate mode, consideration will be given in regards to the useful life of the project or facility being financed or the term of the project requiring the funding, market conditions, credit risk and third party risk analysis, and the overall debt portfolio structure when issuing variable rate debt for any purpose. The maximum amount of variable-rate debt should be limited to no more than 20 percent of the total debt portfolio.

The District will limit the use of derivatives, such as interest rate swaps, in its debt program. A derivative product is a financial instrument which derives its own value from the value of another instrument, usually an underlying asset such as a stock, bond, or an underlying reference such as an interest rate. Derivatives are commonly used as hedging devices in managing interest rate risk and thereby reducing borrowing costs. However, these products bear certain risks not associated with standard debt instruments.

C. Relationship of Debt to Capital Improvement Program and Budget

The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's capital budget and its capital improvement plan.

The District shall strive to fund the upkeep and maintenance of its infrastructure and facilities due to normal wear and tear through the expenditure of available operating revenues. The District shall seek to avoid the use of debt to fund infrastructure and facilities improvements that are the result of normal wear and tear, unless a specific revenue source has been identified for this purpose.

The District shall integrate its debt issuances with the goals of its capital improvement program by timing the issuance of debt to ensure that projects are available when needed in furtherance of the District's public purposes.

The District shall seek to issue debt in a timely manner to avoid having to make unplanned expenditures for capital improvements or equipment from its operating funds.

D. Policy Goals Related to Planning Goals and Objectives

The District is committed to financial planning, maintaining appropriate reserve levels and employing prudent practices in governance, management and budget administration. The District intends to issue debt for the purposes stated in this Debt Policy and to implement policy decisions incorporated in the District's annual operating budget.

It is a policy goal of the District to protect taxpayers, ratepayers and constituents by utilizing conservative financing methods and techniques so as to obtain the highest practical credit ratings (if applicable) and the lowest practical borrowing costs.

The District will comply with applicable state and federal law as it pertains to the maximum term of debt and the procedures for levying and imposing any related taxes, assessments, rates and charges.

Except as described in Section 2.A., when refinancing debt, it shall be the policy goal of the District to realize, whenever possible, and subject to any overriding non-financial policy considerations minimum net present value debt service savings equal to or greater than 4% of the principal amount of refunded debt.

E. Internal Control Procedures

When issuing debt, in addition to complying with the terms of this Debt Policy, the District shall comply with any other applicable policies regarding initial bond disclosure, continuing disclosure, post-issuance compliance, and investment of bond proceeds.

The District will periodically review the requirements of and will remain in compliance with the following:

- any continuing disclosure undertakings under SEC Rule 15c2-12,
- any federal tax compliance requirements, including without limitation arbitrage and rebate compliance, related to any prior bond issues, and
- the District's investment policies as they relate to the investment of bond proceeds.

Whenever reasonably possible, proceeds of debt will be held by a third-party trustee and the District will submit written requisitions for such proceeds. The District will submit a requisition only after obtaining the signature of the Chief Executive Officer or the Chief Financial Officer.

F. Waivers of Debt Policy

There may be circumstances from time to time when strict adherence to a provision of this Debt Policy is not possible or in the best interests of the District and the failure of a debt financing to comply with one or more provisions of this Debt Policy shall in no way affect the validity of any debt issued by the District in accordance with applicable laws.

Post-Issuance Compliance Procedures for Outstanding Tax-Exempt Bonds, ABD-23

RISK:

Failure to effectively implement the procedures in this policy may result in non-compliance with federal income tax law and continuing disclosure requirements resulting in tax-exempt status requirements, potential penalties, and reputational damage to Tahoe Forest Hospital District (the "District").

PURPOSE:

The purpose of these Post-Issuance Compliance Procedures, established by ~~the District~~Tahoe Forest Hospital District (the "District"), is to maximize the likelihood that post-issuance requirements of federal income tax law and continuing disclosure requirements applicable to the various issues of bonds (the "Bonds") are met. The District reserves the right to change these policies and procedures from time to time.

PROCEDURE:

A. External Advisors / Documentation

1. The District shall consult with bond counsel and other legal counsel and advisors, as needed, throughout the Bond issuance process to identify requirements and to establish procedures necessary or appropriate so that the Bonds will continue to qualify for tax-exempt status. The District also shall consult with bond counsel and/or other legal counsel and advisors, as needed, following issuance of the Bonds to ensure that all applicable post-issuance requirements in fact are met. This shall include, without limitation, consultation in connection with any potential changes in the use of Bond-financed or refinanced assets.
2. The District shall determine (or obtain expert advice to determine) whether arbitrage rebate calculations have to be made for the Bond issue. If it is determined that such calculations are, or are likely to be required, the District shall engage expert advisors (each a "Rebate Service Provider") to assist in the calculation of arbitrage rebate payable in respect of the investment of Bond proceeds. The District shall make any rebate payments required on a timely basis including the signing and filing of appropriate IRS forms (e.g., Form 8038-T). Unless otherwise provided by the indenture (or similar document) relating to the Bonds, unexpended Bond proceeds shall be held by a trustee or other financial institution (unless the Bonds are general obligation bonds), and the investment of Bond proceeds shall be managed by the District. The District shall prepare (or cause the trustee or other financial institution to prepare) regular, periodic statements regarding the investments and transactions involving Bond proceeds. The statements shall include a certification of compliance and a summary of information collected by the District.

B. Arbitrage Rebate and Yield

The Chief Financial Officer shall be responsible for overseeing compliance with arbitrage rebate requirements under federal tax law:

1. If, at the time of Bond issuance, based on the District's reasonable expectations, it appears likely that the Bond issue will qualify for an exemption from the rebate requirement, the District may defer taking any of the actions set forth in subsection (2) below. Not later than the time of completion of construction or acquisition of the capital projects financed with proceeds of the Bonds, and depletion of all funds from the project fund, the District shall make, determine, or cause its Rebate Service Provider to determine, whether any of the Bond proceeds qualified for a spending exception or other exception from the rebate requirements. If a rebate exception is determined to be applicable for all of the proceeds of the Bonds, the District shall prepare and keep in the permanent records of the Bond issue a memorandum evidencing this conclusion together with records of expenditure (or other records) to support such conclusion. If the transaction does not qualify for an exception to the rebate requirement, for all of the proceeds of the Bonds, the District shall initiate the steps set forth in subsection (2.2) below.
2. If, at the time of Bond issuance it appears likely that arbitrage rebate calculations will be

required, or upon determination that calculations are required pursuant to subsection (2.1) above, the District shall:

- a. engage the services of a Rebate Service Provider and, prior to each rebate calculation date, cause the trustee or other financial institution investing Bond proceeds to deliver periodic statements concerning the investment of Bond proceeds to the Rebate Service Provider;
- b. provide to the Rebate Service Provider additional documents and information reasonably requested by the Rebate Service Provider;
- c. monitor the efforts of the Rebate Service Provider;
- d. assure the payment of required rebate amounts, if any, no later than 60 days after each 5-year anniversary of the issue date of the Bonds, and no later than 60 days after the last Bond of each issue is redeemed;
- e. during the construction period of each capital project financed in whole or in part by Bonds, monitor the investment and expenditure of Bond proceeds and consult with the Rebate Service Provider to determine compliance with any applicable exceptions from the arbitrage rebate requirements, including during each 6-month spending period up to 6 months, 18 months or 24 months, as and if applicable, following the issue date of the Bonds;
- f. retain copies of all arbitrage reports and trustee statements as described below under "Record Keeping Requirements" and, upon request, provide such copies to the trustee; and
- g. establish procedures to ensure that investments that are acquired with Bond proceeds are so acquired at their fair market value.

C. Use of Bond Proceeds and Bond Financed or Refinanced Assets

The Chief Financial Officer shall be responsible for monitoring the use of Bond proceeds and Bond financed assets:

1. monitoring the use of Bond proceeds (including investment earnings and including reimbursement of expenditures made before Bond issuance) and the use of Bond-financed or refinanced assets (e.g., facilities, furnishings or equipment) throughout the term of the Bonds to ensure compliance with covenants and restrictions set forth in the Tax Certificate relating to the Bonds;
2. maintaining records identifying the assets or portion of assets that are financed or refinanced with proceeds of each issue of Bonds (including investment earnings and including reimbursement of expenditures made before Bond issuance), including a final allocation of Bond proceeds as described below under "Record Keeping Requirements";
3. consulting with bond counsel and other legal counsel and advisers in the review of any change in use, or potential change in use, of Bond-financed or refinanced assets to ensure compliance with all covenants and restrictions set forth in the Tax Certificate relating to the Bonds;
4. maintaining records for any contracts or arrangements involving the use of Bond-financed or refinanced assets as described below under "Record Keeping Requirements"; and conferring at least annually with personnel responsible for Bond-financed or refinanced assets to identify and discuss any existing or planned use of Bond-financed or refinanced assets and to ensure that those uses are consistent with all covenants and restrictions set forth in the Tax Certificate relating to the Bonds; and to the extent that the District discovers that any applicable tax restrictions regarding use of Bond proceeds and Bond-financed or refinanced assets will or may be violated, consulting promptly with bond counsel and other legal counsel and advisers to determine a course of action to remediate all nonqualified Bonds or take other remedial action, if such counsel advises that a remedial action is necessary. All relevant records and contracts shall be maintained as described below.

D. Record Keeping Requirement

The Chief Financial Officer shall be responsible for maintaining the following documents for the term of each issue of Bonds (including refunding Bonds, if any) plus at least three years:

1. a copy of the Bond closing transcript(s) and other relevant documentation delivered to the District at or in connection with closing of the issue of Bonds;
2. a copy of all material documents relating to capital expenditures financed or refinanced by Bond proceeds, including (without limitation) construction contracts, purchase orders, invoices, trustee requisitions and payment records, as well as documents relating to costs reimbursed with Bond proceeds and records identifying the assets or portion of assets that are financed or refinanced with Bond proceeds, including a final allocation of Bond proceeds;
3. a copy of all contracts and arrangements involving the use of Bond-financed or refinanced assets; and
4. a copy of all records of investments, investment agreements, credit enhancement, arbitrage reports and underlying documents, including trustee statements, in connection with any investment agreements, and copies of all bidding documents, if any.

E. Continuing Disclosure Compliance Requirement

The Chief Financial Officer shall be responsible for maintaining the following Continuing Disclosure items for each issue of Bonds:

1. Annual Reports (send to Dissemination Agent 15 business days prior to the due date of December 31st for the revenue bonds and March 31st for the general obligation bonds):
 - a. Revenue Bonds: Audited financials, licensed beds, historical utilization, age distribution of active medical staff and admission percentage of top ten admitters, capitalization, days cash on hand, and debt service coverage ratio.
 - b. General Obligation Bonds: Audited financials, assessed value of taxable property in the District as shown on the recent equalized assessment role and the Placer County and Nevada County portion of property tax levies, collections and delinquencies for the most recent completed fiscal year.
2. Quarterly Reports (Send to Dissemination Agent 10 business days prior to the due dates April 30, July 31, October 31 and January 31):
 - a. Revenue Bonds: Unaudited quarterly balance sheet and statement of revenues and expenditures.
 - b. General Obligation Bonds: None required.
3. Reporting to Dissemination Agent any of the following listed events within 10 business days of event:
 - a. Reportable Events:
 - i. Principal and interest payment delinquencies.
 - ii. Unscheduled draws on debt service reserves reflecting financial difficulties.
 - iii. Unscheduled draws on credit enhancements reflecting financial difficulties.
 - iv. Substitution of credit or liquidity providers, or their failure to perform.
 - v. Defeasances.
 - vi. Rating changes.
 - vii. Tender offers.
 - viii. Bankruptcy, insolvency, receivership or similar event of the obligated person.
 - ix. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices of determinations with respect to the tax status of the security, or other material events affecting the tax status of the security.
 - b. Material Reportable Events:
 - i. Non-payment related defaults.
 - ii. Modifications to rights of security holders.
 - iii. Bond calls.
 - iv. The release, substitution, or sale of property securing repayment of the securities.
 - v. The consummation of a merger, consolidation, or acquisition involving an obligated person or the sale of all or substantially all of the assets of the

obligated person, other than the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relation to any such actions, other than pursuant to its terms.

vi. Appointment of a successor or additional trustee, or the change of name of a trustee.

4. Maintain the following "best practices" for upholding the continuing disclosure responsibilities, including, in particular:
 - a. Establish written policies and procedures to ensure that the District submits all documents, reports and notices required to be submitted to EMMA/MSRB in a timely manner.
 - b. Review offering documents, including the Continuing Disclosure Certificate, confirm compliance with existing continuing disclosure obligations at the time of each new issue and promptly rectify any continuing disclosure lapses.
 - c. Disclose in each official statement any instances during the prior five years of any failure to comply in all material respects with applicable continuing disclosure obligations.
 - d. Implement annual training for personnel involved in the bond offering and disclosure process, including familiarity with the significant events described in the Continuing Disclosure Certificate and an understanding of the District's written policies and procedures governing disclosure practices, including continuing disclosure.
 - e. Identify an individual or individuals who will be responsible for reviewing and complying with the District's continuing disclosure obligations on a regular basis.
 - f. Maintain a complete and accurate record of the District's continuing disclosure undertakings and filings, including electronic confirmation of continuing disclosure submissions.
 - g. Develop a calendar reminder system to track annual filing deadlines and requirements.
 - h. Consult with counsel as needed to resolve potential issues and address any questions.

F. Education and Training

1. The District shall provide responsible staff with education and training on federal tax requirements for post-issuance compliance applicable to the Bonds. The District will enable and encourage responsible staff to attend and participate in educational and training programs offered by professional organizations and other entities with regard to monitoring compliance with federal tax requirements for the Bonds.