



TAHOE FOREST HOSPITAL DISTRICT

2022-08-25 Regular Meeting of the Board of Directors

Thursday, August 25, 2022 at 4:00 p.m.

Pursuant to Assembly Bill 361, the Regular Meeting of the Tahoe Forest Hospital District Board of Directors for August 25, 2022 will be conducted telephonically through Zoom.

Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting.

Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

If you would like to speak on an agenda item, you can access the meeting remotely: Please use this web link: <https://tfhd.zoom.us/j/87428037090>

If you prefer to use your phone, you may call in using the numbers listed: (346) 248 7799 or (301) 715 8592, Meeting ID: 874 2803 7090



Meeting Book - 2022-08-25 Regular Meeting of the Board of Directors

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No related materials.

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No related materials.

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23. ADJOURN



REGULAR MEETING OF THE BOARD OF DIRECTORS AGENDA

Thursday, August 25, 2022 at 4:00 p.m.

Pursuant to Assembly Bill 361, the Regular Meeting of the Tahoe Forest Hospital District Board of Directors for August 25, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

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Please use this web link: <https://tfhd.zoom.us/j/87428037090>

Or join by phone:

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Public comment will also be accepted by email to mrochefort@tfhd.com. Please list the item number you wish to comment on and submit your written comments 24 hours prior to the start of the meeting.

Oral public comments will be subject to the three minute time limitation (approximately 350 words). Written comments will be distributed to the board prior to the meeting but not read at the meeting.

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: Third & Fourth Quarter Fiscal Year 2022 Patient Complaint & Grievance Report

Number of items: One (1)

5.2. Hearing (Health & Safety Code § 32155)◆

Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Service Adjustments and Service Recovery Report

Number of items: One (1)

5.3. Hearing (Health & Safety Code § 32155)◆

Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Service Excellence Report

Number of items: One (1)

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District
August 25, 2022 AGENDA – Continued

5.4. Approval of Closed Session Minutes ◆

7/28/2022 Regular Meeting

5.5. Conference with Legal Counsel; Existing Litigation ((Gov. Code § 54956.9(d)(1)) ◆

The District Board finds, based on advice from legal counsel, that discussion in open session will prejudice the position of the local agency in the litigation.

Name of Case: Tahoe Forest Hospital District v. Modernizing Medicine, Inc. et al.

Names of Parties: Plaintiff Tahoe Forest Hospital District; Defendant Modernizing Medicine, Inc.

Case No. 22-81252-CIV-CANNON (U.S. Dist. Court, S.D. Fla.); Case No. 2:21-cv-01705-TLN-CKD (U.S. Dist. Court, E.D. Cal.); Case No. CU21-058759 (Nev. County Super. Ct.)

5.6. Liability Claim (Gov. Code § 54956.95) ◆

Claimant: Shawni Coll

Claim Against: Tahoe Forest Hospital District

5.7. Public Employee Performance Evaluation (Gov. Code § 54957)

Title: President and Chief Executive Officer

5.8. 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. ACKNOWLEDGEMENTS

12.1. Second Quarter 2022 Values Recognition

13. MEDICAL STAFF EXECUTIVE COMMITTEE ◆

13.1. Medical Executive Committee (MEC) Meeting Consent AgendaATTACHMENT

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

Privilege Approval, with changes:

- *NP/PA Privilege Form*

Regular Meeting of the Board of Directors of Tahoe Forest Hospital District
August 25, 2022 AGENDA – Continued

Policy Approval, with changes:

- *MNT Screening and Nutrition Assessments, DMNT-2*

14. 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.

14.1. Approval of Minutes of Meetings

14.1.1. *Corrected* 06/23/2022 Special Meeting ATTACHMENT

14.1.2. 07/28/2022 Regular Meeting ATTACHMENT

14.2. Financial Reports

14.2.1. Financial Report – July 2022 ATTACHMENT

14.3. Board Reports

14.3.1. President & CEO Board Report ATTACHMENT

14.3.2. COO Board Report ATTACHMENT

14.3.3. CNO Board Report ATTACHMENT

14.3.4. CIO Board Report ATTACHMENT

14.4. Approve Resolution for Continued Remote Teleconference Meetings

14.4.1. Resolution 2022-15 ATTACHMENT

14.5. Approve Incline Village Community Hospital Foundation Board Member

14.5.1. Julie Teel ATTACHMENT

15. ITEMS FOR BOARD ACTION ◆

15.1. **Split Dollar Program** ◆ ATTACHMENT

The Board of Directors will review and consider approving a Split Dollar Program.

16. ITEMS FOR BOARD DISCUSSION

16.1. Board Education

16.1.1. **No Surprises Act** ATTACHMENT

The Board of Directors will receive education on the No Surprise Act legislation.

16.2. Burnout Recovery Improvement

The Board of Directors will review follow up on Senior Leadership’s actions related to burnout recovery.

16.3. Legislative Reform Discussion

The Board of Directors will review and discuss proposed reform on seismic requirements and minimum wage legislation.

17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

18. BOARD COMMITTEE REPORTS

19. BOARD MEMBERS REPORTS/CLOSING REMARKS

20. CLOSED SESSION CONTINUED, IF NECESSARY

21. OPEN SESSION

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

23. ADJOURN

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is September 22, 2022 at Tahoe Forest Hospital, 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.

*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.

AGENDA ITEM COVER SHEET

ITEM	Medical Executive Committee (MEC) Consent Agenda
RESPONSIBLE PARTY	Jonathan Laine, MD Chief of Staff
ACTION REQUESTED	For Board Action
BACKGROUND: During the August 18, 2022 Medical Executive Committee meeting, the committee made the following open session consent agenda item recommendations to the Board of Directors at the August 25, 2022 meeting.	
<u>Privilege Approval, with changes:</u> <ul style="list-style-type: none"> • NP/PA Privilege Form <u>Policy Approval, with changes</u> <ul style="list-style-type: none"> • MNT Screening and Nutrition Assessments, DMNT-2 	
SUGGESTED DISCUSSION POINTS: None.	
SUGGESTED MOTION/ALTERNATIVES: Move to approve the Medical Executive Committee Consent Agenda as presented.	



**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

NAME: _____

Check which applies:

- Tahoe Forest Hospital (TFH), Inpatient, Oncology, ECC, Outpatient, Emergency, TFH Clinics
- Incline Village Community Hospital (IVCH), Inpatient, Outpatient, Emergency, Health Clinic

- Check which applies: Nurse Practitioner Physician Assistant
 Check one: Initial Change in Privileges Renewal of Privileges

To be eligible to request these clinical privileges, the applicant must meet the following threshold criteria:

Basic Education, Training, Licensure, and Experience	<p><u>Nurse Practitioner:</u></p> <ul style="list-style-type: none"> ● Certification from an accredited school for nurse practitioner training ● Current advance practice RN licensure to practice in California and/or Nevada, as appropriate. ● Provide evidence of Collaborative Service Agreement (CA); and/or evidence of Supervising Physician Agreement (NV State Medical Board), as applicable. ● Provide evidence of completion of a program meeting AORN (Assoc. of periOperative Registered Nurses) standards for RN First Assistant Education Programs as an NP, if applying for surgical assist privileges, or provide certification with 9 months of appointment. <p><u>Physician Assistant:</u></p> <ul style="list-style-type: none"> ● Completion of a PA program accredited by the Accreditation Review Commission on Education for the Physician Assistant. ● Current California and/or Nevada license in good standing, as applicable. ● Provide evidence of Practice Agreement (CA); and/or evidence of Supervising Physician Agreement (NV State Medical Board), as applicable.
Certification:	<p>Nurse Practitioner: Current ANCC (American Nurses Credentialing Center) or AANP (American Academy of Nurse Practitioners) certification required. Current PNCB (Pediatric Nursing Certification Board) or ANCC certification is required if requesting to work in pediatrics. NCC (National Certification Corporation) certification for WHNP-BC (Women’s Health Care Nurse Practitioner) is acceptable if requesting to work in Women’s Health.</p> <p>Physician Assistant: Current NCCPA (National Commission on Certification of Physician Assistants) certified</p> <p>NP and PA: Current BLS (Basic Life Support) certified (must submit copy & maintain current certification.)</p> <p>Pediatric NP/PA: Current NRP certification. Must submit copy and maintain current certification. Must obtain within 6 months of initial appointment.</p> <p>Urgent Care NP/PA: ACLS Required (Certification Required within 6 months of Initial Appointment and Current Thereafter)</p>
Clinical Competency References: 3	<p>Initial and Reappointment: At least one peer reference should have the same licensure as the applicant; e.g., nurse practitioner or physician assistant. Other references should include physicians with whom the applicant has worked and/or been employed.</p> <p>Reappointment: At least one reference from a supervising physician, if applicable.</p>
Proctoring/Evaluation:	<p>See “Proctoring New Applicant” listed with procedures for specific proctoring requirements. Where applicable, additional proctoring/evaluation may be required if minimum number of cases cannot be documented.</p>
Other:	<ul style="list-style-type: none"> ● Malpractice insurance in the amount of \$1m/\$3m ● Current, unrestricted DEA certificate in CA and/or NV, as applicable (Schedules II-V). Nevada Pharmacy Board Certificate, if applicable ● Ability to participate in federally funded program (Medicare or Medicaid) ● Physician Assistants must have an identified Physician Supervisor who is a member of the Hospital’s medical staff. ● PA’s must complete an educational course in controlled substances that meets the standards of practice by TFHD and State of California within six (6) months of being granted privileges and AHP membership. [CA Code of Regulations Sections: 1399.541(h), 1399.610 and 1399.612] ● Nurse Practitioners must have a Collaborative Agreement with a designated *supervising physician member of the Hospital’s medical staff. Must function under defined standardized procedures or protocols.

If you meet the threshold criteria above, you may request privileges as appropriate to your training and current competence.

**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

(R)	(A)	GENERAL PRIVILEGES Please check the appropriate "core privileges" for your practice area	Estimate # of patients seen in last 24 months	Proctoring New applicants	Reappointment Criteria
<input type="checkbox"/>	<input type="checkbox"/>	<p>OUTPATIENT (Tahoe Forest/Incline Village Hospital) This list of Core privileges below is representative of the type of practice privileges that may be performed by P/ANP but does not necessarily contain all core practice privileges that may be performed by P/ANPs in a specialty. Please mark through and initial any privileges that you do not wish to include in our core practice privileges:</p> <ul style="list-style-type: none"> ● Refer to emergency room for further evaluation or hospitalist for direct admission and treatment. ● Management of acute and chronic conditions. ● Direct care as specified by approved procedures and protocols. ● Emergent Care such as respiratory arrest, cardiac arrest following approved protocols. ● Order and interpretation of diagnostic testing and therapeutic modalities such as laboratory tests, medication, ECG, electrocardiogram and radiologic examinations including arthrogram, ultrasound, CT, MRI and bone scan studies, etc. ● as part of treatment plans such as speech, occupational and physical therapy, psychological counseling. ● Medication management, including controlled substances, following standardized procedures and protocols. ● ● Facilitate and initiate referrals to appropriate health care agencies and arranging community resources. ● Specialty consultation or referral when appropriate. ● Record progress notes. <p><u>Procedures and minor surgery including:</u> Procedures within scope of practice may be performed when appropriate. These may include but are not limited to:</p> <ul style="list-style-type: none"> ● Splinting & Casting ● Local anesthesia ● Incision and drainage ● Wound management and closure ● Wart removal with cryotherapy ● Foreign body removal ● I Nail removal ● Excision and Biopsy ● Drain or inject joint or bursa. ● Trigger point injections. 	_____	<p>Ten cases proctored (list of patients seen are provided by practitioner)</p> <p>3 and 6 month reviews through random chart review and physician feedback</p> <p>Procedure proctoring established at practice level with medical director and/or Supervising Physician</p>	<p>Actively seeing patients in the outpatient clinic setting (minimum of 100 in two years)</p> <p>On going chart review by Medical Director or Supervising Physician as specified in Practice Agreement</p>

**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

(R)	(A)	GENERAL PRIVILEGES Please check the appropriate "core privileges" for your practice area	Estimate # of patients seen in last 24 months	Proctoring New applicants	Reappointment Criteria
<input type="checkbox"/>	<input type="checkbox"/>	<p>INPATIENT or OUTPATIENT HOSPITAL SETTING Core privileges for the inpatient or outpatient hospital setting include the following: [NOTE: Any patient requiring ICU or step-down ICU status will be transferred to the on-call physician.]</p> <ul style="list-style-type: none"> ● History documentation and Physical examinations, ● Preop/Preadmission ● Dictation of admission H&P and initiation of admitting orders. ● Obtain informed consent ● POLST: Under direction of physician, sign Physician Orders for Life-Sustaining Treatment forms. ● Patient visits and recording progress notes. ● Dictation of discharge summary and/or initiation of discharge orders in consultation with supervising and/or employing physician/s. ● Assess medical risks and appropriately prevent and treat risks (e.g., VTE). ● Ordering of diagnostic lab, wound cultures, radiology services, and therapies in consultation with or using procedures approved by supervising and/or employing physician/s. ● Consultation with care coordinators, nursing staff, or clinical educators. ● Prescribe, administer, and/or dispense drugs allowed by license and within scope of practice. ● Specialty consultation with physician when level of competence exceeded per approved protocols. ● Provision of patient education and make appropriate referrals 	_____	<p>Ten cases proctored (list of patients seen are provided by practitioner)</p> <p>3 and 6 month reviews through random chart review and physician feedback</p>	<p>Minimum of 5 patients managed in inpatient setting in two years & actively seeing patients in the outpatient setting (minimum of 100 patients in two years)</p> <p>On going monthly chart review by Medical Director or Supervising Physician as specified in Practice Agreement;</p>
<input type="checkbox"/>	<input type="checkbox"/>	<p><u>Procedures and minor surgery including:</u></p> <ul style="list-style-type: none"> ● Apply and remove wound vacs ● Arthrocentesis for joint & bursa aspirations to rule out infections ● Casting, simple ● Closed reductions of dislocations ● Reductions of extremity fractures ● Hardware removal requiring only local anesthesia ● Suture laceration ● Excision and Biopsy ● Joint injections ● Injections of hematoma blocks for reductions ● Injections IM, IV, Intra articular, SQ and Tendon Sheaths ● Traction and Insertion of Steinman Pins for Skeletal Traction ● Wound care, assessment & dressing changes ● 			

**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

□	□	<p>PA/NP SURGICAL FIRST ASSIST – OPERATING ROOM Core privileges include: The supervising physician may delegate to a PA/NP only those tasks and procedures consistent with the supervising physician’s specialty. The PA/NP may assist with any procedure/surgery approved by the Department of Surgery for the supervising physician/surgeon:</p> <ul style="list-style-type: none"> ● Positioning, prepping and draping the patient ● Manipulation tissue/bone ● Providing retraction ● Drilling, reaming, nail/plate and screw placement ● Intraoperative fracture reductions ● Providing hemostasis ● Performing suturing and knot tying ● *Providing closure of tissue layers with suture, staples, or steristrips ● *Affixing and stabilize drains ● Reduction of fractures/dislocations ● Removal of external fixaters ● Joint/tissue injections ● Applying dressings and splints or casts <p>NOTE: *The PA/NP may surgically close all layers, affix and stabilize drains deemed appropriate by the supervising physician. The supervising physician is responsible for all aspects of the invasive/surgical procedure including wound closure and must be **immediately available (need not be present in the room) when the PA/NP closes the wound. [**Immediately available is defined as “able to return to the patient without delay, upon the request of the PA/NP or to address any situation requiring the supervising physician’s services”.]</p>	_____	<p>Ten cases reviewed at random (list of patients are provided by practitioner if needed)</p> <p>Review and evaluation of care by surgeons and surgical supervisor</p>	<p>Actively assisting surgeons (minimum of 5 in two years) with annual review and favorable competency evaluations</p> <p>On going monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement</p>
□	□	<p>Fluoroscopy [Current CA Department of Health Services fluoroscopy certificate (required in CA only)]</p>		TFH Only	Maintain Current Fluoroscopy License (CA Only)

**TAHOE FOREST HOSPITAL DISTRICT
 ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
 Delineated Clinical Privilege Request**

Name: _____

SKILLED NURSING FACILITY (SNF)					
<input type="checkbox"/>	<input type="checkbox"/>	<p>Core privileges for the skilled nursing facility are limited to performing alternating federally mandated physician visits, at the option of the physician, after initial visit by the physician in the SNF, and medically necessary visits for the diagnosis or treatment of an illness or injury as needed.</p> <ul style="list-style-type: none"> ● Perform history and physical. ● Assess, diagnose, monitor, promote health and protection from disease, and manage patients within the age group of collaborating/supervising physician. ● Order and interpretation of diagnostic testing and therapeutic modalities such as laboratory tests, ECG, electrocardiogram and radiologic examinations including arthrogram, ultrasound, CT, MRI and bone scan studies, etc. ● Ordering therapies as part of treatment plans such as speech, occupational and physical therapy, psychological counseling following approved protocols. ● Medication management following approved standardized procedures and protocols. ● Counsel and instruct patients, families and caregivers as appropriate. ● Record progress notes. ● Dictation of discharge summary and/or initiation of discharge orders in consultation with supervising physician/s. ● Assess medical risks and appropriately prevent and treat risks (e.g., VTE). ● ● Consultation with care coordinators, nursing staff, or clinical educators. ● ● ● POLST: Under direction of physician, sign Physician Orders for Life-Sustaining Treatment forms. ● <p>Specialty consultation or referral when appropriate.</p>	_____	<p style="text-align: center;">Ten cases proctored (list of patients seen are provided by practitioner)</p> <p style="text-align: center;">3 and 6 month reviews through random chart review and physician feedback</p>	<p style="text-align: center;">Minimum of 5 patients managed in Skilled Nursing setting in two years & actively seeing patients in the outpatient setting (minimum of 100 patients in two years)</p> <p style="text-align: center;">On going monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement</p>

**TAHOE FOREST HOSPITAL DISTRICT
 ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
 Delineated Clinical Privilege Request**

Name: _____

INPATIENT / OUTPATIENT CHEMOTHERAPY					
<input type="checkbox"/>	<input type="checkbox"/>	<ul style="list-style-type: none"> • Order adjustment per protocol. <p style="text-align: center; margin-top: 20px;">Specialty consultation with physician when level of competence exceeded per approved protocols.</p>	_____	<p>Ten cases proctored at random (list of patients seen are provided by practitioner)</p> <p>3 and 6 month reviews through random chart review and physician feedback</p>	<p>Actively seeing patients in cancer center setting/inpatient (minimum of 100 in two years, including 5 inpatient cases)</p> <p>On going monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement</p>

**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

EMERGENCY DEPARTMENT (TFH or IVCH)				
□	□	<p>Core privileges for physician assistants and nurse practitioners in emergency medicine include the care for patients of all ages to correct or treat various conditions, illnesses, or injuries including the provision of consultation on behalf of their supervising physician.</p> <p>Core privileges also include assisting the supervising physician with diagnosis and management in the following areas:</p> <ul style="list-style-type: none"> ● History documentation and physical examinations. ● Perform a Medical Screening Examination. ● Conduct initial and ongoing assessment of the patient's medical and physical status. ● Refer to emergency room for further evaluation or hospitalist for direct admission and treatment. ● Evaluate, diagnose, and treat in outpatient clinic. ● Management of acute and chronic conditions. ● Emergent Care such as respiratory arrest, cardiac arrest following approved protocols. ● Collecting, ordering, and interpreting lab work, therapies, x-rays, ECGs, and other diagnostic studies following approved protocols. ● Ordering therapies as part of treatment plans such as speech and physical therapy, psychological counseling following approved protocols. ● Medication management, including controlled substances, with physician consultation following approved protocols. ● Instructing, educating and counseling patients and families concerning health status, results of tests, disease process, and discharge planning. ● Facilitate and initiate referrals to appropriate health care agencies and arranging community resources. <p>Procedures: Procedures within scope of practice may be performed with consultation when appropriate. These may include but are not limited to:</p> <ul style="list-style-type: none"> ● Splinting & casting ● Local anesthesia ● Incision and drainage ● Wound management and closure ● Nail removal ● Joint, bursa, and trigger point injection ● Foreign body removal ● Urinary bladder catheterization 		<p>3 and 6 month reviews through random chart review and physician feedback</p> <p>Ten cases proctored (list of patients seen are provided by practitioner)</p> <p>Actively seeing patients in ER setting (minimum of 100 in two years, may include outpatient or ortho)</p> <p>On going monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement</p>

**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

<input type="checkbox"/>	<input type="checkbox"/>	<p>URGENT CARE – ADULT and PEDIATRIC MEDICINE</p> <p>Core privileges for physician assistants and nurse practitioners in Urgent Care include the care for patients of all ages to correct or treat various conditions, illnesses, or injuries including the provision of consultation on behalf of their supervising physician. This list of Core privileges below is representative of the type of practice privileges that may be performed by P/ANP but does not necessarily contain all core practice privileges that may be performed by P/ANPs in this specialty. Please mark through and initial any privileges that you do not wish to include in our core practice privileges:</p> <ul style="list-style-type: none"> ● History documentation and physical examinations. ● Perform a Medical Screening Examination. ● Conduct initial and ongoing assessment of the patient's medical and physical status. ● Refer to emergency room for further evaluation or hospitalist for direct admission and treatment. ● Evaluate, diagnose, and treat in outpatient clinic. ● Management of acute and chronic conditions. ● Emergent Care such as respiratory arrest, cardiac arrest following approved protocols. ● Collecting, ordering, and interpreting lab work, therapies, x-rays, ECGs, and other diagnostic studies following approved protocols. ● Ordering therapies as part of treatment plans such as speech and physical therapy, psychological counseling following approved protocols. ● Medication management, including controlled substances, with physician consultation following approved protocols. ● Instructing, educating and counseling patients and families concerning health status, results of tests, disease process, and discharge planning. ● Facilitate and initiate referrals to appropriate health care agencies and arranging community resources. ● Specialty consultation with physician when level of competence of comfort exceeded per approved protocols. <p>Procedures: Procedures within scope of practice may be performed with consultation when appropriate. These may include but are not limited to:</p> <ul style="list-style-type: none"> ● Local anesthesia ● Nasal packing and cautery ● Incision and drainage ● Wound management and closure ● Skin biopsy or excision ● Nail trephine and excision ● Joint, bursa, and trigger point injection ● Removal of non penetrating foreign body from eye, nose, ear, skin and vagina ● Dislocation/fracture reduction/immobilization techniques including casting and splinting ● Urinary bladder catheterization ● Wart removal and cryotherapy 	<p>_____</p>	<p>Review of 10 cases proctored</p> <p>3 and 6 month reviews through random chart review and physician feedback</p>	<p>Current demonstrated competence and provision of care for approximately 100 urgent care cases in past two years. Office records may be requested. *</p> <p>On going monthly chart review by medical director or supervising physician as specified by Practice Agreement</p>
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**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

□	□	<p>UROLOGY</p> <p>INPATIENT or OUTPATIENT HOSPITAL SETTING Core privileges for the inpatient or outpatient hospital setting include the following: [NOTE: Any patient requiring ICU or top-down ICU status will be transferred to the on-call physician.]</p> <ul style="list-style-type: none"> ● History documentation and Physical examinations, ● Preop/Preadmission ● Dictation of admission H&P and initiation of admitting orders. ● Obtain informed consent ● POLST: Under direction of physician, sign Physician Orders for Life-Sustaining Treatment forms. ● Patient visits and recording progress notes. ● Dictation of discharge summary and/or initiation of discharge orders in consultation with supervising and/or employing physician/s. ● Assess medical risks and appropriately prevent and treat risks (e.g., VTE). ● Ordering of diagnostic lab, wound cultures, radiology services, and therapies in consultation with or using procedures approved by supervising and/or employing physician/s. ● Consultation with care coordinators, nursing staff, or clinical educators. ● Prescribe, administer, and/or dispense drugs allowed by license and within scope of practice. ● Specialty consultation with physician when level of competence exceeded per approved protocols. ● Provision of patient education and make appropriate referrals <p><u>Procedures and minor surgery including:</u></p> <ul style="list-style-type: none"> ● Apply and remove wound vacs ● Arthrocentesis for joint & bursa aspirations to rule out infections ● Casting, simple ● Closed reductions of dislocations ● Reductions of extremity fractures ● Hardware removal requiring only local anesthesia ● Suture laceration ● Excision and Biopsy ● Joint injections ● Injections of hematoma blocks for reductions ● Injections IM, IV, Intra articular, SQ and Tendon Sheaths ● Traction and Insertion of Steinman Pins for Skeletal Traction ● Wound care, assessment & dressing changes <p>PROCEDURES</p> <ul style="list-style-type: none"> ● Intercavernosal Injections for ED ● Inject medications for Peyronie's Disease ● Bladder Catheter Irrigation ● Urodynamic Studies ● Posterior tibial nerve stimulation 		<p>Ten cases proctored (list of patients seen are provided by practitioner)</p> <p>3 and 6 month reviews through random chart review and physician feedback</p> <p>3 cases proctored 10 cases proctored</p> <p>3 cases proctored 5 cases proctored 6 cases proctored</p>	<p>Current demonstrated competence and provision of care for approximately 25 cases in past two years. Office records may be requested. *</p> <p>Ongoing monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement.</p>
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**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

<input type="checkbox"/>	<input type="checkbox"/>	<p>CARDIOLOGY OUPATIENT</p> <p>Management of general medical conditions privileges include:</p> <p>This list of Core privileges below is representative of the type of practice privileges that may be performed by PA/NP but does not necessarily contain all core practice privileges that may be performed by P/NPs in this specialty. Please mark through and initial any privileges that you do not wish to include in our core practice privileges:</p> <ul style="list-style-type: none"> ● History documentation and physical examinations, new and follow up cardiology patient consults. ● Conduct initial and ongoing assessment of the patient's medical and physical status. ● Refer to emergency room for further evaluation or hospitalist for direct admission and treatment. ● Evaluate, diagnose, and treat in outpatient clinic. ● Management of acute and chronic cardiac conditions. ● Emergent Care such as respiratory arrest, cardiac arrest following approved protocols. ● Collecting, ordering, and interpreting lab work, therapies, x-rays and other diagnostic studies following approved protocols. ● Referral to cardiac rehab as appropriate ● Medication management, per standard of care ● Instructing, educating and counseling patients and families concerning health status, results of tests, disease process, and discharge planning. ● Facilitate and initiate referrals to appropriate health care agencies and arranging community resources. ● Specialty consultation with physician when level of competence or comfort exceeded per approved protocols. <p style="text-align: center;">PROCEDURES</p> <ul style="list-style-type: none"> ● 12 lead ECG interpretation 		See Procedures	Ongoing monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement.
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**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

□	<p>Women's Health OUTPATIENT (Tahoe Forest/Incline Village Hospital) This list of Core privileges below is representative of the type of practice privileges that may be performed by PA/NP but does not necessarily contain all core practice privileges that may be performed by P/NPs in this specialty. Please mark through and initial any privileges that you do not wish to include in our core practice privileges:</p> <ul style="list-style-type: none"> ● Take and perform an history and physical ● ● Management of acute and chronic conditions ● Collecting, ordering, and interpreting lab work ● Ordering and interpreting diagnostic studies ● Medication management ● Instructing, educating and counseling patients and families concerning health status, results of tests, disease process, and discharge planning ● Facilitate and initiate referrals to appropriate health care agencies and arranging community resources ● <p>Management of women's health conditions include but are not limited to:</p> <ul style="list-style-type: none"> ● Perform Pap/pelvic, cervical and breast exams ● ● Management of abnormal Pap results ● Family planning/contraceptive counseling ● Screening for STIs ● Menopause management ● Abnormal uterine bleeding ● Postmenopausal bleeding ● Pelvic pain ● Incontinence ● Pelvic organ prolapse ● Infertility ● Osteoporosis ● Endometriosis ● Uterine fibroids/polyps ● Prenatal/postpartum care ● Assessment and management of breast masses ● Management depression/anxiety <p><u>Procedures and minor surgery including:</u></p> <ul style="list-style-type: none"> ● Colposcopy ● LEEP ● Endometrial biopsy ● IUC insertion and removal Nexplanon insertion and removal <ul style="list-style-type: none"> ○ Must provide proof of training ● Perform wet mount ● Cryotherapy ● Cervical polypectomy ● Vulvar or vaginal biopsy ● Excision skin lesion ● Transvaginal ultrasound ● Pessary fitting and placement ● Intrauterine insemination 		<p>Ten cases proctored (list of patients seen are provided by practitioner)</p> <p>3 and 6 month reviews through random chart review and physician feedback</p> <p>Each procedure requires 3 cases proctored</p>	<p>Actively seeing patients in the outpatient clinic setting (minimum of 100 in two years)</p> <p>Ongoing monthly chart review by Medical Director or Supervising Physician as specified by Practice Agreement.</p>
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**TAHOE FOREST HOSPITAL DISTRICT
ADVANCED NURSE PRACTITIONER/PHYSICIAN ASSISTANT
Delineated Clinical Privilege Request**

Name: _____

	EMERGENCY: In the case of an emergency, any individual who has been granted clinical privileges is permitted to do everything possible within the scope of license, to save a patient's life or to save a patient from serious harm, regardless of staff status or privileges granted.			
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I certify that I meet the minimum threshold criteria to request the above privileges and have provided documentation to support my eligibility to request each group of procedures requested. I understand that in making this request I am bound by the applicable bylaws and/or policies of the hospital and medical staff.

Date Applicant's Signature

DEPARTMENT CHAIR REVIEW

I certify that I have reviewed and evaluated this individual's request for clinical privileges, the verified credentials, quality data and/or other supporting information. Based on the information available and/or personal knowledge, I recommend the practitioner be granted:

- privileges as requested privileges with modifications (see modifications below) do not recommend (explain)

Date Department Chair Signature

Modifications or Other Comments: _____

INTERDISCIPLINARY PRACTICE COMMITTEE (IDPC)

- privileges as requested privileges with modifications (see modifications below) do not recommend (explain)

Date IDPC Chair/Designee Signature

Modifications or Other Comments: _____

Medical Executive Committee: _____ (date of Committee review/recommendation)

- privileges as requested privileges with modifications (see attached description of modifications) do not recommend (explain)

Board of Directors: _____ (date of Board review/action)

- privileges as requested privileges with modifications (see attached description of modifications) do not recommend (explain)

Department Review Dates: previously approved as separate privilege forms
 IDPC Review Dates 10/14/08; 3/12; 4/13/16; 11/11/16; 2/6/17; 10/10/18; 1/9/18, 4/24/19, 5/12/21
 Medicine/Emerg Department: 5/5/16; 11/14/16
 Surgery Department: 6/1/16
 Medical Executive Committee: 10/15/08; 3/12; 6/15/16; 11/16/16; 3/16/17; 10/18/18, 5/16/19, 5/20/21, 11/04/2021
 Board of Directors: 10/28/08; 3/12; 6/23/16; 11/17/16; 3/23/17; 10/25/18, 5/23/19, 5/27/21, 11/18/2021



**TAHOE
FOREST
HEALTH
SYSTEM**

Origination N/A
Date
Last N/A
Approved
Last Revised N/A
Next Review N/A

Department Medical Nutrition
Therapy - DMNT
Applicabilities Incline Village
Community
Hospital,
Tahoe Forest
Hospital

MNT Screening and Nutrition Assessments, DMNT-2

RISK:

Nutrition screening process is completed with all admitted patients to decrease risk of adverse outcomes associated with inadequate intake, unintentional weight loss, and malnutrition.

POLICY:

- A. All in-patients will be screened for nutrition risk within 24 hours of admission.
- B. Those patients found to be at nutrition risk will be assessed by RDN using the Nutrition Care Process (NCP).

PROCEDURE:

- A. Nutritional Screen:
 1. ICU and Med-Surge Units:
 - a. Initial screening of the patient nutritional status is performed by nursing staff upon admission and documented in the Nutrition Screen flowsheet. This screening is completed within 24 hours of admission. The Malnutrition Screening Tool (MST) is the validated screening tool used to screen for nutrition risk.
 - b. Dietitian will open all new patient charts to assess nutrition risk and verify diagnosis. If no nutrition risk identified (based on diagnosis or RN nutrition screen or screen policy) the dietitian will assess patient within 5-7 days of admission.
 - c. If nutrition risk is present a Nutrition Consult is ordered at MD/RN discretion. Registered Dietitian Nutritionist (RDN) will perform a nutrition assessment within 2 days of consult.
 - i. If indicated, the RDN may complete a Nutrition Focused Physical Exam (NFPE) as part of their nutrition assessment using the

NCP.

a. General Guidelines when completing the NFPE - Upon entering the patient's room/exam area, the dietitian will:

- i. Introduce themselves to the patient/family and begin standard nutrition assessment. If NFPE is indicated, the RDN will provide rationale for examination request
- ii. Permission will be requested from patient/family to perform the physical exam
- iii. Standard precautions will be followed.

2. Labor and Delivery and Obstetrics Unit (TFH ONLY, not applicable to IVCH):

a. Patients will be screened by nursing for nutrition risk using OB nutrition screen on admit. If nutrition risk is present the appropriate service area will be notified or a Nutrition Consult can be ordered at RN/MD discretion. Registered Dietitian Nutritionist (RDN) will perform a nutrition assessment within 2 days of consult.

i. RDN will collaborate with the Special Deliveries Team to determine extent of inpatient RDN intervention.

b. Newborns will be assessed by RDN when consulted.

c. Obstetric patients in ICU or Med-Surge will be screened for nutrition risk and reviewed by service area.

B. Nutrition education materials are available in EPIC and online via the Nutrition Care Manual if patient requests handouts.

C. How do you contact Medical Nutrition Therapy?

a. Call the Medical Nutrition Therapy office at Ext. 3504, Oncology RD at Ext. 3506 and Diabetes Educator at Ext. 3503 (RD's carry portable phone, message can be left and will be answered during business hours).

D. Priority Identification: See Priority Identification policy, DMNT-3.

1. A second screen occurs by the RDN who reviews the inpatient census and assigns a priority risk (**at time of admission only**). Priority is assigned based on admitting diagnosis, age, weight/BMI and diet prescription. Emphasis is placed on high-risk patients or Priority 1.

Note: priority identification occurs daily with the exception of Sundays and holidays. RDN will be on call and available for high risk assessments and education.

E. Nutrition Care Process (NCP): The RDN will use the NCP, a standardized method, in order to provide high quality nutrition care. This is a framework for critical thinking and decision making in order to provide patients with customized nutrition care. The NCP includes the following: Nutrition Assessment and Reassessment, Nutrition Diagnosis, Nutrition Intervention, Nutrition Monitoring and Evaluation.

- F. Swing Status (TFH ONLY, not applicable to IVCH)
 - 1. RDN to perform a new, full assessment within 2 days of admission into Swing Status
- G. RDN documentation of nutrition assessment, re-assessments, and education is available in the patient's electronic medical record, EPIC
 - 1. Additional documentation is included on the interdisciplinary care plan and patient education report.
- H. Interdisciplinary Communication
 - 1. RDN attend and participate in patient care rounds to assist in coordination of care and transition home. RD's will communicate with IVCH nursing staff regarding clinical status of observation and in-patients.

Related Policies/Forms:

Priority Identification, DMNT-3

Nutrition Care Process

Approval Signatures

Step Description	Approver	Date
	Heather Lutz: Director Nutrition Services	01/2022
	Coni Schaffarzick: Dietitian Supervisor	12/2021



SPECIAL MEETING OF THE BOARD OF DIRECTORS

MINUTES

Thursday, June 23, 2022 at 2:00 p.m.

Pursuant to Assembly Bill 361, the Special Meeting of the Tahoe Forest Hospital District Board of Directors for June 23, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

1. CALL TO ORDER

Meeting was called to order at 2:00 p.m.

2. ROLL CALL

Board: Alyce Wong, Board Chair; Mary Brown, Vice Chair; Michael McGarry, Secretary; Dale Chamblin, Treasurer

Staff in attendance: Harry Weis, President & Chief Executive Officer; Louis Ward, Chief Operating Officer; Crystal Betts, Chief Financial Officer; Jan Iida, Chief Nursing Officer; Matt Mushet, In-House Counsel; Scott Baker, VP Provider Services; Ted Owens, Executive Director of Governance; Jaye Chasseur, Controller; Martina Rochefort, Clerk of the Board

Absent: Director Bob Barnett

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

No changes were made to the agenda.

4. ITEMS FOR BOARD ACTION

4.1. TFHD Fiscal Year 2023 Budget

Crystal Betts, Chief Financial Officer, presented the Fiscal Year 2023 Budget. Discussion was held.

ACTION: Motion made by Director Chamblin, to approve the TFHD Fiscal Year 2023 Budget inclusive of a 5% rate increase effective August 1, 2022 as presented, seconded by Director Brown. Roll call vote taken.

Chamblin – AYE

McGarry – AYE

Brown – AYE

Wong – AYE

4.2. TFHD 3 Year Capital Plan – FY2024-2026

The Board of Directors reviewed and considered approval of the FY2024-2026 Capital Plan. Discussion was held.

Special Meeting of the Board of Directors of Tahoe Forest Hospital District
June 23, 2022 MINUTES – Continued

ACTION: Motion made by Director McGarry, to approve the TFHD Three Year Capital Plan (FY2024-2026) as presented, seconded by Director Chamblin. Roll call vote taken.
Chamblin – AYE
McGarry – AYE
Brown – AYE
Wong – AYE

5. ADJOURN

Meeting adjourned at 3:27 p.m.



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

Thursday, July 28, 2022 at 4:00 p.m.

Pursuant to Assembly Bill 361, the Regular Meeting of the Tahoe Forest Hospital District Board of Directors for July 28, 2022 will be conducted telephonically through Zoom. Please be advised that pursuant to legislation and to ensure the health and safety of the public by limiting human contact that could spread the COVID-19 virus, the Eskridge Conference Room will not be open for the meeting. Board Members will be participating telephonically and will not be physically present in the Eskridge Conference Room.

1. CALL TO ORDER

Meeting was called to order at 4:00 p.m.

2. ROLL CALL

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

Staff in attendance: Louis Ward, Chief Operating Officer; Martina Rochefort, Clerk of the Board

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 4:01 p.m.

5. CLOSED SESSION

5.1. Hearing (Health & Safety Code § 32155)

Subject Matter: Second Quarter 2022 Corporate Compliance Report

Number of items: One (1)

Discussion was held on a privileged item.

5.2. Hearing (Health & Safety Code § 32155)

Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Patient Safety & Risk Summary

Number of items: One (1)

Discussion was held on a privileged item.

5.3. Hearing (Health & Safety Code § 32155)

Subject Matter: Third & Fourth Quarter Fiscal Year 2022 Disclosure Summary Report

Number of items: One (1)

Discussion was held on a privileged item.

5.4. Liability Claim (Gov. Code § 54956.95)

Claimant: Name withheld under Gov. Code § 54961(b)

Claim Against: Tahoe Forest Hospital District

Discussion was held on a privileged item.

5.5. Hearing (Health & Safety Code § 32155)

Subject Matter: 2020-2021 Claims Summary Report

Number of items: One (1)

Discussion was held on a privileged item.

5.6. Approval of Closed Session Minutes

6/23/2022 Regular Meeting

Discussion was held on a privileged item.

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

Subject Matter: Medical Staff Credentials

Discussion was held on a privileged item.

6. DINNER BREAK

7. OPEN SESSION – CALL TO ORDER

Open Session reconvened at 6:00 p.m.

8. REPORT OF ACTIONS TAKEN IN CLOSED SESSION

General Counsel stated there was no reportable action on items 5-1 through 5.3. On item 5.4, the Board voted 5 to 0 to reject the claim of an individual whose name is withheld under Government Code section 54961(b). The claim is against Tahoe Forest Hospital District among others for damages. There was no reportable action on item 5.5. Item 5.6 was approved on a 5-0 vote. Item 5.7 was also approved on a 5-0 vote.

9. DELETIONS/CORRECTIONS TO THE POSTED AGENDA

No changes were made to the agenda.

10. INPUT – AUDIENCE

No public comment was received.

11. INPUT FROM EMPLOYEE ASSOCIATIONS

No public comment was received.

12. ACKNOWLEDGEMENTS

12.1. Tahoe Forest Health System awarded grant funding to improve behavioral health infrastructure.

12.2. Tahoe Forest Hospital Long Term Care Center was recognized as a 5-star facility.

13. MEDICAL STAFF EXECUTIVE COMMITTEE

13.1. Medical Executive Committee (MEC) Meeting Consent Agenda

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

Privilege Approval, with changes:

- *Pediatrics – Add Developmental/Behavioral Pediatrics*
- *Psychology – Add Neuropsychologist*

Policy Approval, with changes:

- *Quality Assessment/ Performance Improvement (QA/PI) Plan, AQPI-05*

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

Barnett – AYE

Chamblin – AYE

McGarry – AYE

Brown – AYE

Wong – AYE

14. CONSENT CALENDAR

14.1. Approval of Minutes of Meetings

14.1.1. 06/23/2022 Special Meeting

14.1.2. 06/23/2022 Regular Meeting

14.2. Financial Reports

14.2.1. Financial Report – June 2022

14.3. Board Reports

14.3.1. President & CEO Board Report

14.3.2. COO Board Report

14.3.3. CNO Board Report

14.3.4. CIIO Board Report

14.3.5. CMO Board Report

14.3.6. CHRO Board Report

14.4. Approve Resolution for Continued Remote Teleconference Meetings

14.4.1. Resolution 2022-13

14.5. Approve quarterly compliance report

14.5.1. Second Quarter 2022 Corporate Compliance Report

Director Wong pulled items 14.3.3. and 14.3.6.

No public comment was received.

ACTION: Motion made by Director Chamblin, to approve the Consent Calendar excluding items 14.3.3. and 14.3.6., seconded by Director McGarry. Roll call vote taken.

Barnett – AYE

Chamblin – AYE

McGarry – AYE

Brown – AYE

Wong – AYE

15. ITEMS FOR BOARD DISCUSSION

15.1. Semi-Annual Retirement Plan Update

Brian Montanez of Multnomah Group presented a semi-annual update on the District’s retirement plans. Discussion was held.

15.2. Investment Portfolio Update

Don Penner and Alayne Sampson of Chandler Assest Management presented an investment portfolio update. Discussion was held.

16. ITEMS FOR BOARD ACTION

16.1. Resolution 2022-14

The Board of Directors reviewed and considered for approval a resolution setting the Tax Rate per \$100,000 of Assessed Value for the 2022-23 Fiscal Year for the debt service requirement of the District’s General Obligation (GO) Bonds. Discussion was held.

ACTION: Motion made by Director Chamblin, to set the 2022-23 fiscal year General Obligation (GO) Bond tax rate per \$100,000 at \$17.57 and utilize approximately 75% (\$491,229.24) of the reserve (\$660,186.49) to fully cover the 2022-23 debt service requirement of \$5,420,781.26, seconded by Director Brown. Roll call vote taken.

**Barnett – AYE
Chamblin – AYE
McGarry – AYE
Brown – AYE
Wong – AYE**

17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

Discussion was held on items 14.3.3. and 14.3.6.

18. BOARD COMMITTEE REPORTS

Director Chamblin provided an update from the July 26, 2022 Board Finance Committee.

Director McGarry provided an update from the recent TFHS Foundation Meeting and Spirit of Giving event. Director McGarry shared the Community Health Ad Hoc met and reviewed data on current local services.

19. BOARD MEMBERS REPORTS/CLOSING REMARKS

No discussion was held.

20. CLOSED SESSION CONTINUED, IF NECESSARY

Not applicable.

21. OPEN SESSION

Not applicable.

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

Not applicable.

23. ADJOURN

Meeting adjourned at 7:29 p.m.

DRAFT

**TAHOE FOREST HOSPITAL DISTRICT
JULY 2022 FINANCIAL REPORT - PRELIMINARY
INDEX**

PAGE	DESCRIPTION
2 - 3	FINANCIAL NARRATIVE
4	STATEMENT OF NET POSITION
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6	CASH INVESTMENT
7	TFHD STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
8 - 9	TFHD NOTES TO STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
10	IVCH STATEMENT OF REVENUE AND EXPENSE
11 - 12	IVCH NOTES TO STATEMENT OF REVENUE AND EXPENSE
13	STATEMENT OF CASH FLOW

Board of Directors
Of Tahoe Forest Hospital District
JULY 2022 FINANCIAL NARRATIVE - PRELIMINARY

The following is the financial narrative analyzing financial and statistical trends for the one month ended July 31, 2022.

Activity Statistics

- ❑ TFH acute patient days were 511 for the current month compared to budget of 448. This equates to an average daily census of 16.5 compared to budget of 14.5.
- ❑ TFH Outpatient volumes were below budget in the following departments by at least 5%: Home Health visits, Laboratory tests, Oncology Lab tests, EKG, Diagnostic Imaging, Medical & Radiation Oncology procedures, Nuclear Medicine, MRI, Ultrasound, Briner Ultrasound, PET CT, Oncology Drugs Sold to Patients, Respiratory Therapy, Tahoe City Physical Therapy, and Outpatient Physical Therapy Aquatic.

Financial Indicators

- ❑ Net Patient Revenue as a percentage of Gross Patient Revenue was 43.60% in the current month compared to budget of 48.89% and to last month's 44.39%. Year-to-Date Net Patient Revenue as a percentage of Gross Patient Revenue was 43.60% compared to budget of 48.89% and prior year's 49.43%.
- ❑ EBIDA was \$(781,958) (-1.8%) for the current month compared to budget of \$2,343,425 (5.0%), or \$(3,125,383) (-6.9%) below budget. Year-to-Date EBIDA was \$(781,958) (-1.8%) compared to budget of \$2,343,425 (5.0%) or \$(3,125,383) (-6.9%) below budget.
- ❑ Net Income was \$(1,095,622) for the current month compared to budget of \$2,090,399 or \$(3,186,021) below budget. Year-to-Date Net Income was \$(1,095,622) compared to budget of \$2,090,399 or \$(3,186,021) below budget.
- ❑ Cash Collections for the current month were \$19,143,176, which is 97% of targeted Net Patient Revenue.
- ❑ EPIC Gross Accounts Receivables were \$95,080,500 at the end of July compared to \$92,581,338 at the end of June.

Balance Sheet

- ❑ Working Capital is at 16.5 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 220.0 days. Working Capital cash decreased a net \$8,170,000. Accounts Payable decreased \$2,450,000 and Accrued Payroll & Related Costs increased \$2,231,000. Cash Collections were below target by 3%. The District remitted \$3,176,000 to Medicare for repayment on overpayment of FY22 Outpatient claims, paid out \$862,000 for construction costs recorded in the current month, and made the principal and interest payments on the 2017 Variable Rate Demand Bond for \$590,000.
- ❑ Net Patient Accounts Receivable decreased \$596,000 and cash collections were 97% of target. EPIC Days in A/R were 66.8 compared to 65.1 at the close of June, a 1.70 days increase.
- ❑ Estimated Settlements, Medi-Cal & Medicare increased a net \$1,483,000. 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 booked a receivable due from Medicare of \$562,000 for funds withheld in error that were returned in August.
- ❑ GO Bond Tax Revenue Fund decreased \$3,466,000 after remitting the principal and interest payments on the General Obligation Bonds.
- ❑ Accounts Payable decreased \$2,450,000 due to the timing of the final check run in July.
- ❑ Accrued Payroll & Related Costs increased \$2,231,000 due to six additional accrued payroll days in July.
- ❑ Interest Payable GO Bond decreased \$1,381,000 after remitting the interest payments due.
- ❑ Estimated Settlements, Medi-Cal & Medicare decreased a net \$3,647,000. The District continues repayment of the Medicare Accelerated Payments received in FY20 and payment was made to Medicare for overpayment of FY22 Outpatient claims.
- ❑ Other Long Term Debt Net of Current Maturities decreased \$748,000 after remitting the principal due on the 2017 Variable Rate Demand Bonds as well as the monthly principal payments on the Opus Municipal Lease and the Old Gateway Building.
- ❑ GO Bond Net of Current Maturities decreased \$1,963,000 after remitting the principal payments on the General Obligation Bonds.

Operating Revenue

- ❑ Current month’s Total Gross Revenue was \$42,339,297 compared to budget of \$46,717,111 or \$4,377,814 below budget.
- ❑ Current month’s Gross Inpatient Revenue was \$7,591,775, compared to budget of \$8,304,910 or \$713,135 below budget.
- ❑ Current month’s Gross Outpatient Revenue was \$34,747,521 compared to budget of \$38,412,201 or \$3,664,680 below budget.
- ❑ Current month’s Gross Revenue Mix was 39.1% Medicare, 14.3% Medi-Cal, .0% County, 2.1% Other, and 44.5% Commercial Insurance compared to budget of 36.9% Medicare, 16.2% Medi-Cal, .0% County, 2.5% Other, and 44.4% Commercial Insurance. Last month’s mix was 37.5% Medicare, 17.1% Medi-Cal, .0% County, 1.8% Other, and 43.6% Commercial Insurance.
- ❑ Current month’s Deductions from Revenue were \$23,879,357 compared to budget of \$23,880,286 or \$929 below budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 2.25% increase in Medicare, a 1.96% decrease to Medi-Cal, County at budget, a .39% decrease in Other, and Commercial Insurance was above budget .09%, 2) Days in AR over 120 days increased 19.13%, and 3) The District had \$1.029m withheld in error due to Noridian not implementing our PIP termination correctly. We are working with Noridian to correct our Inpatient claims submitted between 7/1/22 and 7/29/22 and expect to see these funds returned in August and September.

DESCRIPTION	July 2022 Actual	July 2022 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	8,382,363	9,937,726	1,555,363	
Employee Benefits	3,995,595	3,076,910	(918,685)	PL/SL was over budget as a result of wage increases which increased the liability on the Balance Sheet, assuming the PL balances of the therapists joining as employees, and use of FEMT pay, created a negative variance in Employee Benefits.
Benefits – Workers Compensation	87,757	120,244	32,487	
Benefits – Medical Insurance	1,319,326	1,441,338	122,012	
Medical Professional Fees	487,917	431,608	(56,309)	Anesthesiologists who have not joined the employment model created a negative variance in Medical Professional Fees.
Other Professional Fees	257,585	292,164	34,579	Multi-Specialty Clinics performance improvement projects and Financial Analysis projects budgeted but not started in July created a positive variance in Other Professional Fees.
Supplies	2,842,848	3,360,396	517,548	Drugs Sold to Patients and Oncology Drugs Sold to Patients volumes were below budget 6.30% along with Medical Supplies Sold to Patients revenues coming in below budget 27.75%, creating a positive variance in Supplies.
Purchased Services	1,964,484	2,185,996	221,512	Outsourced Billing, Collection, and Coding services were below budget due to the decrease in volumes. We also saw positive variances in Department Repairs, Employee Health screenings, and Information Technology due to budgeted projects not starting in July.
Other Expenses	1,116,206	1,038,273	(77,933)	Physician Recruitment, transfer of Construction Labor, Marketing, Insurance, and increases in Building Rent created a negative variance in Other Expenses.
Total Expenses	20,454,081	21,884,655	1,430,574	

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
JULY 2022 PRELIMINARY

	Jul-22	Jun-22	Jul-21	
ASSETS				
CURRENT ASSETS				
* CASH	\$ 10,940,890	\$ 19,111,077	\$ 91,774,971	1
PATIENT ACCOUNTS RECEIVABLE - NET	36,557,995	37,153,810	35,269,461	2
OTHER RECEIVABLES	9,358,638	8,882,245	8,230,400	
GO BOND RECEIVABLES	113,115	(182,332)	578,502	
ASSETS LIMITED OR RESTRICTED	10,061,137	10,003,370	9,494,524	
INVENTORIES	4,414,981	4,405,360	4,290,186	
PREPAID EXPENSES & DEPOSITS	3,115,155	2,678,836	3,246,418	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	13,998,969	12,515,471	10,363,844	3
TOTAL CURRENT ASSETS	88,560,879	94,567,836	163,248,305	
NON CURRENT ASSETS				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	54,608,697	54,505,988	74,384,201	1
* CASH INVESTMENT FUND	80,258,561	80,189,518	-	1
MUNICIPAL LEASE 2018	725,999	725,876	724,549	
TOTAL BOND TRUSTEE 2017	20,538	20,538	20,532	
TOTAL BOND TRUSTEE 2015	1,485,926	1,348,829	141,587	
TOTAL BOND TRUSTEE GO BOND	5,764	5,764	5,764	
GO BOND TAX REVENUE FUND	796,623	4,262,402	543,516	4
DIAGNOSTIC IMAGING FUND	3,352	3,350	3,343	
DONOR RESTRICTED FUND	1,139,564	1,139,077	1,137,882	
WORKERS COMPENSATION FUND	1,497	30,156	(816)	
TOTAL	139,046,521	142,231,498	76,960,558	
LESS CURRENT PORTION	(10,061,137)	(10,003,370)	(9,494,524)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	128,985,384	132,228,128	67,466,034	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(2,062,143)	(2,032,143)	(1,661,250)	
PROPERTY HELD FOR FUTURE EXPANSION	1,694,072	1,694,072	909,072	
PROPERTY & EQUIPMENT NET	184,480,374	184,144,099	173,437,782	
GO BOND CIP, PROPERTY & EQUIPMENT NET	1,791,406	1,839,986	1,805,718	
TOTAL ASSETS	403,449,971	412,441,979	405,205,661	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	307,076	310,308	345,864	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	660,160	660,160	1,387,922	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	4,821,557	4,845,262	5,106,013	
GO BOND DEFERRED FINANCING COSTS	470,258	472,579	498,108	
DEFERRED FINANCING COSTS	136,276	137,316	148,760	
TOTAL DEFERRED OUTFLOW OF RESOURCES	\$ 6,395,327	\$ 6,425,625	\$ 7,486,668	
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	\$ 8,073,395	\$ 10,523,635	\$ 7,955,703	5
ACCRUED PAYROLL & RELATED COSTS	19,543,159	17,312,138	25,342,650	6
INTEREST PAYABLE	509,273	478,399	104,218	
INTEREST PAYABLE GO BOND	0	1,380,701	0	7
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	301,127	3,948,233	26,131,922	8
HEALTH INSURANCE PLAN	2,224,062	2,224,062	2,403,683	
WORKERS COMPENSATION PLAN	3,180,976	3,180,976	3,180,976	
COMPREHENSIVE LIABILITY INSURANCE PLAN	2,082,114	2,082,114	1,704,145	
CURRENT MATURITIES OF GO BOND DEBT	2,195,000	2,195,000	1,945,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	4,080,758	4,080,758	3,952,678	
TOTAL CURRENT LIABILITIES	42,189,865	47,406,015	72,720,975	
NONCURRENT LIABILITIES				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	22,831,666	23,579,244	25,896,197	9
GO BOND DEBT NET OF CURRENT MATURITIES	93,151,788	95,114,744	95,562,256	10
DERIVATIVE INSTRUMENT LIABILITY	660,160	660,160	1,387,922	
TOTAL LIABILITIES	158,833,480	166,760,163	195,567,350	
NET ASSETS				
NET INVESTMENT IN CAPITAL ASSETS RESTRICTED	249,872,255	250,968,363	215,987,096	
	1,139,564	1,139,077	1,137,882	
TOTAL NET POSITION	\$ 251,011,819	\$ 252,107,441	\$ 217,124,979	

* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF NET POSITION
JULY 2022

1. Working Capital is at 16.5 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 220.0 days. Working Capital cash decreased a net \$8,170,000. Accounts Payable decreased \$2,450,000 (See Note 5) and Accrued Payroll & Related Costs increased \$2,231,000 (See Note 6). Cash Collections were below target 3% (See Note 2). The District remitted \$3,176,000 to Medicare for repayment on overpayment of FY22 Outpatient claims, paid out \$862,000 for construction costs that were recorded in the current month, and made the principal and interest payments on the 2017 Variable Rate Demand Bond for \$590,000.
2. Net Patient Accounts Receivable decreased \$596,000. Cash collections were 97% of target. EPIC Days in A/R were 66.8 compared to 65.1 at the close of June, a 1.70 days increase.
3. Estimated Settlements, Medi-Cal & Medicare increased a net \$1,483,000. 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 booked a receivable due from Medicare of \$562,000 for funds withheld in error that were returned in August.
4. GO Bond Tax Revenue fund decreased \$3,466,000 after remitting the principal and interest payments for the General Obligation Bonds.
5. Accounts Payable decreased \$2,450,000 due to the timing of the final check run in July.
6. Accrued Payroll & Related Costs increased \$2,231,000 due to six additional accrued payroll days in July.
7. Interest Payable GO Bond decreased \$1,381,000 after remitting the interest payments due.
8. Estimated Settlements, Medi-Cal & Medicare decreased a net \$3,647,000. The District continues repayment of the Medicare Accelerated Payments received in FY20 and payment was made to Medicare for overpayment of FY22 Outpatient claims.
9. Other Long Term Debt Net of Current Maturities decreased \$748,000 after remitting the principal due on the 2017 Variable Rate Demand Bond as well as the monthly principal payments on the Opus Municipal Lease and the Old Gateway Building.
10. GO Bond Debt Net of Current Maturities decreased \$1,963,000 after remitting the principal payments on the General Obligation Bonds.

**Tahoe Forest Hospital District
Cash Investment
July 31, 2022**

WORKING CAPITAL

US Bank	\$ 9,609,926		
US Bank/Kings Beach Thrift Store	56,025		
US Bank/Truckee Thrift Store	259,318		
US Bank/Payroll Clearing	-		
Umpqua Bank	<u>1,015,621</u>	0.01%	
Total			\$ 10,940,890

BOARD DESIGNATED FUNDS

US Bank Savings	\$ -		
Chandler Investment Fund	<u>80,258,561</u>	0.18%	
Total			\$ 80,258,561

Building Fund	\$ -		
Cash Reserve Fund	<u>54,608,697</u>	1.09%	
Local Agency Investment Fund			\$ 54,608,697

Municipal Lease 2018			\$ 725,999
Bonds Cash 2017			\$ 20,538
Bonds Cash 2015			\$ 1,485,926
GO Bonds Cash 2008			\$ 802,387

DX Imaging Education	\$ 3,352		
Workers Comp Fund - B of A	1,497		

Insurance			
Health Insurance LAIF	-		
Comprehensive Liability Insurance LAIF	<u>-</u>		
Total			<u>\$ 4,849</u>

TOTAL FUNDS			\$ 148,847,847
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RESTRICTED FUNDS

Gift Fund			
US Bank Money Market	\$ 8,361	0.00%	
Foundation Restricted Donations	27,309		
Local Agency Investment Fund	<u>1,103,893</u>	1.09%	
TOTAL RESTRICTED FUNDS			<u>\$ 1,139,564</u>

TOTAL ALL FUNDS			<u><u>\$ 149,987,411</u></u>
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TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
JULY 2022

CURRENT MONTH				YEAR TO DATE				PRIOR YTD JULY 2021
ACTUAL	BUDGET	VAR\$	VAR%	ACTUAL	BUDGET	VAR\$	VAR%	
OPERATING REVENUE								
\$ 42,339,297	\$ 46,717,111	\$ (4,377,814)	-9.4%	\$ 42,339,297	\$ 46,717,111	\$ (4,377,814)	-9.4%	1 \$ 40,162,854
Total Gross Revenue								
Gross Revenues - Inpatient								
\$ 3,614,639	\$ 3,641,173	\$ (26,534)	-0.7%	\$ 3,614,639	\$ 3,641,173	\$ (26,534)	-0.7%	\$ 3,197,617
3,977,136	4,663,737	(686,601)	-14.7%	3,977,136	4,663,737	(686,601)	-14.7%	3,473,774
7,591,775	8,304,910	(713,135)	-8.6%	7,591,775	8,304,910	(713,135)	-8.6%	6,671,391
Total Gross Revenue - Inpatient								
34,747,521	38,412,201	(3,664,680)	-9.5%	34,747,521	38,412,201	(3,664,680)	-9.5%	33,491,463
34,747,521	38,412,201	(3,664,680)	-9.5%	34,747,521	38,412,201	(3,664,680)	-9.5%	33,491,463
Total Gross Revenue - Outpatient								
Deductions from Revenue:								
23,111,086	21,360,689	(1,750,397)	-8.2%	23,111,086	21,360,689	(1,750,397)	-8.2%	2 18,731,362
-	-	-	0.0%	-	-	-	0.0%	2 -
447,167	1,661,841	1,214,674	73.1%	447,167	1,661,841	1,214,674	73.1%	2 1,419,773
-	-	-	0.0%	-	-	-	0.0%	2 -
321,104	857,756	536,652	62.6%	321,104	857,756	536,652	62.6%	2 162,221
-	-	-	0.0%	-	-	-	0.0%	2 -
23,879,357	23,880,286	929	0.0%	23,879,357	23,880,286	929	0.0%	20,313,356
92,716	108,514	15,798	14.6%	92,716	108,514	15,798	14.6%	92,650
1,119,467	1,282,741	(163,274)	-12.7%	1,119,467	1,282,741	(163,274)	-12.7%	3 1,028,170
19,672,123	24,228,080	(4,555,957)	-18.8%	19,672,123	24,228,080	(4,555,957)	-18.8%	20,970,318
TOTAL OPERATING REVENUE								
OPERATING EXPENSES								
8,382,363	9,937,726	1,555,363	15.7%	8,382,363	9,937,726	1,555,363	15.7%	4 7,132,634
3,995,595	3,076,910	(918,685)	-29.9%	3,995,595	3,076,910	(918,685)	-29.9%	4 2,620,946
87,757	120,244	32,487	27.0%	87,757	120,244	32,487	27.0%	4 94,763
1,319,326	1,441,338	122,012	8.5%	1,319,326	1,441,338	122,012	8.5%	4 1,458,359
487,917	431,608	(56,309)	-13.0%	487,917	431,608	(56,309)	-13.0%	5 1,135,793
257,585	292,164	34,579	11.8%	257,585	292,164	34,579	11.8%	5 263,638
2,842,848	3,360,396	517,548	15.4%	2,842,848	3,360,396	517,548	15.4%	6 2,503,152
1,964,484	2,185,996	221,512	10.1%	1,964,484	2,185,996	221,512	10.1%	7 1,870,498
1,116,206	1,038,273	(77,933)	-7.5%	1,116,206	1,038,273	(77,933)	-7.5%	8 904,502
20,454,081	21,884,655	1,430,574	6.5%	20,454,081	21,884,655	1,430,574	6.5%	17,984,285
TOTAL OPERATING EXPENSE								
(781,958)	2,343,425	(3,125,383)	-133.4%	(781,958)	2,343,425	(3,125,383)	-133.4%	2,986,033
NET OPERATING REVENUE (EXPENSE) EBIDA								
NON-OPERATING REVENUE/(EXPENSE)								
701,873	686,076	15,797	2.3%	701,873	686,076	15,797	2.3%	9 683,336
431,509	431,509	(0)	0.0%	431,509	431,509	(0)	0.0%	419,536
75,628	60,226	15,402	25.6%	75,628	60,226	15,402	25.6%	10 37,283
-	-	-	0.0%	-	-	-	0.0%	-
12,443	145,807	(133,364)	-91.5%	12,443	145,807	(133,364)	-91.5%	11 79,716
(30,000)	(30,000)	-	0.0%	(30,000)	(30,000)	-	0.0%	12 (356)
74,314	25,000	49,314	-197.3%	74,314	25,000	49,314	-197.3%	13 -
-	-	-	0.0%	-	-	-	0.0%	14 -
-	-	-	0.0%	-	-	-	0.0%	14 -
-	-	-	100.0%	-	-	-	100.0%	15 -
(1,201,183)	(1,201,183)	(0)	0.0%	(1,201,183)	(1,201,183)	(0)	0.0%	16 (1,164,048)
(94,038)	(94,321)	283	0.3%	(94,038)	(94,321)	283	0.3%	17 (105,014)
(284,210)	(276,140)	(8,070)	-2.9%	(284,210)	(276,140)	(8,070)	-2.9%	(289,956)
(313,664)	(253,026)	(60,638)	-24.0%	(313,664)	(253,026)	(60,638)	-24.0%	(339,503)
TOTAL NON-OPERATING REVENUE/(EXPENSE)								
\$ (1,095,622)	\$ 2,090,399	\$ (3,186,021)	-152.4%	\$ (1,095,622)	\$ 2,090,399	\$ (3,186,021)	-152.4%	\$ 2,646,530
INCREASE (DECREASE) IN NET POSITION								
NET POSITION - BEGINNING OF YEAR				252,107,441				
NET POSITION - AS OF JULY 31, 2022				\$ 251,011,819				
-1.8%	5.0%	-6.9%		-1.8%	5.0%	-6.9%		7.4%
RETURN ON GROSS REVENUE EBIDA								

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
JULY 2022

		Variance from Budget	
		Fav / <Unfav>	
		JULY 2022	YTD 2023
1) Gross Revenues			
Acute Patient Days were above budget 14.07% or 63 days. Swing Bed days were below budget 59.18% or 29 days along with SNF days coming in below budget 32.36% or 301 days. Ancillary revenues were below budget due to the decrease in Patient Days.	Gross Revenue -- Inpatient	\$ (713,134)	\$ (713,134)
	Gross Revenue -- Outpatient	(3,664,680)	(3,664,680)
	Gross Revenue -- Total	\$ (4,377,814)	\$ (4,377,814)
<p>Outpatient volumes were below budget in the following departments: Home Health visits, Laboratory tests, Oncology Lab tests, EKG, Diagnostic Imaging, Medical & Radiation Oncology procedures, Nuclear Medicine, MRI, Ultrasound, Briner Ultrasound, PET CT, Drugs Sold to Patients, Oncology Drugs Sold to Patients, Respiratory Therapy, Tahoe City Physical Therapy, and Outpatient Physical Therapy Aquatic.</p>			
2) Total Deductions from Revenue			
The payor mix for July shows a 2.25% increase to Medicare, a 1.96% decrease to Medi-Cal, .39% decrease to Other, County at budget, and a .09% increase to Commercial when compared to budget. We saw a negative variance in contractals due to Days in AR over 120 days increasing 19.13% in July along with experiencing \$1.029m in erroneous withholds due to Noridian not implementing our PIP termination correctly. We are working with Noridian to correct our Medicare Inpatient claims submitted between 7/1/22 and 7/29/22 and expect to see these funds returned in August and September.	Contractual Allowances	\$ (1,750,397)	\$ (1,750,397)
	Managed Care	-	-
	Charity Care	1,214,674	1,214,674
	Charity Care - Catastrophic	-	-
	Bad Debt	536,652	536,652
	Prior Period Settlements	-	-
	Total	\$ 929	\$ 929
3) Other Operating Revenue			
Retail Pharmacy revenues were below budget 24.43%.	Retail Pharmacy	(101,151)	(101,151)
	Hospice Thrift Stores	21,225	21,225
	The Center (non-therapy)	(5,761)	(5,761)
Thrift Store revenues were above budget 22.14%.	IVCH ER Physician Guarantee	(45,379)	(45,379)
	Children's Center	(2,689)	(2,689)
IVCH ER Physician Guarantee is tied to collections, coming in below budget.	Miscellaneous	(29,518)	(29,518)
	Oncology Drug Replacement	-	-
Rebates & Refunds came in below budget, creating a negative variance in Miscellaneous.	Grants	-	-
	Total	\$ (163,274)	\$ (163,274)
4) Salaries and Wages			
	Total	\$ 1,555,363	\$ 1,555,363
Employee Benefits			
Negative variance in PL/SL is a result of the wage increases which increased the liability on the Balance Sheet by \$500k, assuming the Paid Leave balances of the Therapists joining as employees in the amount of \$150k, and use of FEMT pay in the amount of \$150k. Negative variance was offset, in part, by the positive variance in Salaries and Wages.	PL/SL	\$ (820,187)	\$ (820,187)
	Nonproductive	(60,811)	(60,811)
	Pension/Deferred Comp	(10,000)	(10,000)
	Standby	(8,233)	(8,233)
	Other	(19,453)	(19,453)
	Total	\$ (918,685)	\$ (918,685)
Employee Benefits - Workers Compensation	Total	\$ 32,487	\$ 32,487
Employee Benefits - Medical Insurance	Total	\$ 122,012	\$ 122,012
5) Professional Fees			
Anesthesiologists who have not joined the employment model created a negative variance in Miscellaneous.	Miscellaneous	\$ (87,925)	\$ (87,925)
	Marketing	(10,533)	(10,533)
	TFH/IVCH Therapy Services	(6,426)	(6,426)
Budgeted performance improvement projects in the Multi-Specialty Clinics has not started, creating a positive variance in Multi-Specialty Clinics Administration.	Oncology	(1,639)	(1,639)
	Human Resources	(1,536)	(1,536)
Financial analysis projects came in below budget, creating a positive variance in Financial Administration.	The Center (includes OP Therapy)	-	-
	Corporate Compliance	-	-
Use of locum physicians came in below budget, creating a positive variance in Multi-Specialty Clinics.	Home Health/Hospice	-	-
	Truckee Surgery Center	-	-
	Patient Accounting/Admitting	-	-
	Respiratory Therapy	-	-
	Medical Staff Services	2,450	2,450
	TFH Locums	2,462	2,462
	Managed Care	3,867	3,867
	Information Technology	5,065	5,065
	IVCH ER Physicians	7,661	7,661
	Administration	7,854	7,854
	Multi-Specialty Clinics Administration	8,396	8,396
	Financial Administration	15,833	15,833
	Multi-Specialty Clinics	32,741	32,741
	Total	\$ (21,730)	\$ (21,730)
6) Supplies			
Drugs Sold to Patients and Oncology Drugs Sold to Patients volumes were below budget 6.30%, creating a positive variance in Pharmacy Supplies.	Office Supplies	\$ (2,592)	\$ (2,592)
	Minor Equipment	12,602	12,602
	Food	19,426	19,426
Medical Supplies Sold to Patients revenues were below budget 27.75%, creating a positive variance in Patient & Other Medical Supplies.	Other Non-Medical Supplies	27,250	27,250
	Pharmacy Supplies	159,180	159,180
	Patient & Other Medical Supplies	301,682	301,682
	Total	\$ 517,548	\$ 517,548

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
JULY 2022

		Variance from Budget	
		Fav / <Unfav>	
		JULY 2022	YTD 2023
7) <u>Purchased Services</u>	Miscellaneous	\$ (26,448)	\$ (26,448)
Security services for the Vaccine Clinic and IVCH Foundation donor events created a negative variance in Miscellaneous.	Home Health/Hospice	(678)	(678)
	Community Development	-	-
	Pharmacy IP	618	618
Outsourced billing and collection services came in below budget due to decreased volumes, creating a positive variance in Patient Accounting.	The Center	1,966	1,966
	Multi-Specialty Clinics	2,490	2,490
	Laboratory	3,835	3,835
Outsourced coding services came in below budget due to decreased volumes, creating a positive variance in Medical Records.	Diagnostic Imaging Services - All	5,026	5,026
	Patient Accounting	23,738	23,738
	Medical Records	27,859	27,859
Budgeted Department Repairs came in below budget across most departments in the District, creating a positive variance in this category.	Department Repairs	31,631	31,631
	Human Resources	39,237	39,237
Employee Health screenings were below budget, creating a positive variance in Human Resources.	Information Technology	112,238	112,238
	Total	\$ 221,512	\$ 221,512
The migration of communications to a Cloud solution and the Disaster Recovery and Business Continuance projects did not launch in July, creating a positive variance in Information Technology.			
8) <u>Other Expenses</u>	Miscellaneous	\$ (88,363)	\$ (88,363)
Physician Recruitment and transfers of Construction Labor to Construction in Progress came in above budget, creating a negative variance in Miscellaneous.	Marketing	(37,387)	(37,387)
	Insurance	(19,355)	(19,355)
Insurance renewals for the FY22/23 year came in higher than originally estimated. This is creating a negative variance in Insurance which will continue through the fiscal year.	Other Building Rent	(11,238)	(11,238)
	Multi-Specialty Clinics Bldg. Rent	(7,553)	(7,553)
We saw higher than anticipated rent increases after budget completion, creating a negative variance in Other Building Rent.	Multi-Specialty Clinics Equip Rent	(2,553)	(2,553)
	Physician Services	-	-
We saw higher than anticipated rent increases after budget completion, creating a negative variance in Multi-Specialty Building Rent.	Equipment Rent	3,576	3,576
	Human Resources Recruitment	5,584	5,584
	Dues and Subscriptions	8,848	8,848
We saw higher than anticipated rent increases after budget completion, creating a negative variance in Multi-Specialty Building Rent.	Utilities	34,010	34,010
	Outside Training & Travel	36,499	36,499
We saw positive variances in Electricity, Water/Sewer, and Telephone, creating a positive variance in Utilities. Positive variance is also attributed to inflation factors built into the FY23 budget that have not been realized.	Total	\$ (77,933)	\$ (77,933)
9) <u>District and County Taxes</u>	Total	\$ 15,797	\$ 15,797
10) <u>Interest Income</u>	Total	\$ 15,402	\$ 15,402
11) <u>Donations</u>	IVCH	\$ (3,568)	\$ (3,568)
	Operational	(129,796)	(129,796)
	Total	\$ (133,364)	\$ (133,364)
12) <u>Gain/(Loss) on Joint Investment</u>	Total	\$ -	\$ -
13) <u>Gain/(Loss) on Market Investments</u>	Total	\$ 49,314	\$ 49,314
The District booked the value of gains in its earned income with Chandler Investments.			
14) <u>Gain/(Loss) on Sale or Disposal of Assets</u>	Total	\$ -	\$ -
15) <u>COVID-19 Emergency Funding</u>	Total	\$ -	\$ -
16) <u>Depreciation Expense</u>	Total	\$ -	\$ -
17) <u>Interest Expense</u>	Total	\$ 283	\$ 283

INCLINE VILLAGE COMMUNITY HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
JULY 2022

CURRENT MONTH				YEAR TO DATE				PRIOR YTD JULY 2021		
ACTUAL	BUDGET	VAR\$	VAR%		ACTUAL	BUDGET	VAR\$	VAR%		
OPERATING REVENUE										
\$ 3,139,004	\$ 3,342,812	\$ (203,808)	-6.1%	Total Gross Revenue	\$ 3,139,004	\$ 3,342,812	\$ (203,808)	-6.1%	1	\$ 3,000,316
Gross Revenues - Inpatient										
\$ -	\$ 4,104	\$ (4,104)	-100.0%	Daily Hospital Service	\$ -	\$ 4,104	\$ (4,104)	-100.0%		\$ -
(473)	2,351	(2,824)	-120.1%	Ancillary Service - Inpatient	(473)	2,351	(2,824)	-120.1%		-
(473)	6,455	(6,928)	-107.3%	Total Gross Revenue - Inpatient	(473)	6,455	(6,928)	-107.3%	1	-
3,139,477	3,336,357	(196,880)	-5.9%	Gross Revenue - Outpatient	3,139,477	3,336,357	(196,880)	-5.9%		3,000,316
3,139,477	3,336,357	(196,880)	-5.9%	Total Gross Revenue - Outpatient	3,139,477	3,336,357	(196,880)	-5.9%	1	3,000,316
Deductions from Revenue:										
1,502,825	1,497,115	(5,710)	-0.4%	Contractual Allowances	1,502,825	1,497,115	(5,710)	-0.4%	2	1,394,213
15,217	143,741	128,524	89.4%	Charity Care	15,217	143,741	128,524	89.4%	2	142,294
-	-	-	0.0%	Charity Care - Catastrophic Events	-	-	-	0.0%	2	-
2,803	66,856	64,053	95.8%	Bad Debt	2,803	66,856	64,053	95.8%	2	(26,279)
-	-	-	0.0%	Prior Period Settlements	-	-	-	0.0%	2	-
1,520,845	1,707,712	186,867	10.9%	Total Deductions from Revenue	1,520,845	1,707,712	186,867	10.9%	2	1,510,228
51,861	97,991	(46,130)	-47.1%	Other Operating Revenue	51,861	97,991	(46,130)	-47.1%	3	67,963
1,670,021	1,733,091	(63,070)	-3.6%	TOTAL OPERATING REVENUE	1,670,021	1,733,091	(63,070)	-3.6%		1,558,051
OPERATING EXPENSES										
607,113	689,922	82,809	12.0%	Salaries and Wages	607,113	689,922	82,809	12.0%	4	452,998
255,808	204,279	(51,529)	-25.2%	Benefits	255,808	204,279	(51,529)	-25.2%	4	169,581
427	5,313	4,886	92.0%	Benefits Workers Compensation	427	5,313	4,886	92.0%	4	1,785
83,667	91,405	7,738	8.5%	Benefits Medical Insurance	83,667	91,405	7,738	8.5%	4	81,449
145,830	153,491	7,661	5.0%	Medical Professional Fees	145,830	153,491	7,661	5.0%	5	247,129
2,006	2,327	321	13.8%	Other Professional Fees	2,006	2,327	321	13.8%	5	1,752
54,988	82,260	27,272	33.2%	Supplies	54,988	82,260	27,272	33.2%	6	62,485
91,670	82,268	(9,402)	-11.4%	Purchased Services	91,670	82,268	(9,402)	-11.4%	7	70,689
107,704	112,416	4,712	4.2%	Other	107,704	112,416	4,712	4.2%	8	99,223
1,349,213	1,423,681	74,468	5.2%	TOTAL OPERATING EXPENSE	1,349,213	1,423,681	74,468	5.2%		1,187,091
320,808	309,410	11,398	3.7%	NET OPERATING REV(EXP) EBIDA	320,808	309,410	11,398	3.7%		370,960
NON-OPERATING REVENUE/(EXPENSE)										
3,568	62,159	(58,591)	-94.3%	Donations-IVCH	3,568	62,159	(58,591)	-94.3%	9	-
-	-	-	0.0%	Gain/ (Loss) on Sale	-	-	-	0.0%	10	-
-	-	-	100.0%	COVID-19 Emergency Funding	-	-	-	100.0%	11	-
(77,026)	(77,026)	-	0.0%	Depreciation	(77,026)	(77,026)	-	0.0%	12	(75,434)
(73,458)	(14,867)	(58,591)	-394.1%	TOTAL NON-OPERATING REVENUE/(EXP)	(73,458)	(14,867)	(58,591)	-394.1%		(75,434)
\$ 247,349	\$ 294,543	\$ (47,194)	-16.0%	EXCESS REVENUE(EXPENSE)	\$ 247,349	\$ 294,543	\$ (47,194)	-16.0%		\$ 295,526
10.2%	9.3%	1.0%		RETURN ON GROSS REVENUE EBIDA	10.2%	9.3%	1.0%			12.4%

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
JULY 2022**

		<u>Variance from Budget</u>	
		<u>Fav<Unfav></u>	
		<u>JULY 2022</u>	<u>YTD 2023</u>
1) <u>Gross Revenues</u>			
Acute Patient Days were below budget by 2 at 0 and Observation Days were below budget by 1 at 1.	Gross Revenue -- Inpatient	\$ (6,928)	\$ (6,928)
	Gross Revenue -- Outpatient	(196,880)	(196,880)
		<u>\$ (203,808)</u>	<u>\$ (203,808)</u>
Outpatient volumes were below budget in Laboratory tests, Diagnostic Imaging, Drugs Sold to Patients, Respiratory Therapy, Physical Therapy, and Occupational Therapy.			
2) <u>Total Deductions from Revenue</u>			
We saw a shift in our payor mix with a 3.71% increase in Medicare, a .87% decrease in Medicaid, a 1.89% decrease in Commercial insurance, a .95% decrease in Other, and County was at budget. Contractual Allowances were above budget due to Days in AR Over 120 increasing 9.3% in July along with a shift in Payor Mix from Commercial to Medicare.	Contractual Allowances	\$ (5,710)	\$ (5,710)
	Charity Care	128,524	128,524
	Charity Care-Catastrophic Event	-	-
	Bad Debt	64,053	64,053
	Prior Period Settlement	-	-
	Total	<u>\$ 186,867</u>	<u>\$ 186,867</u>
3) <u>Other Operating Revenue</u>			
IVCH ER Physician Guarantee is tied to collections, coming in below budget in July.	IVCH ER Physician Guarantee	\$ (45,379)	\$ (45,379)
	Miscellaneous	(751)	(751)
	Total	<u>\$ (46,130)</u>	<u>\$ (46,130)</u>
4) <u>Salaries and Wages</u>			
	Total	<u>\$ 82,809</u>	<u>\$ 82,809</u>
<u>Employee Benefits</u>			
We saw an increase in PL/SL due to FEMT pay along with an increase in the Paid Leave accrual due to wage increases and assuming the PL balances of the Therapists joining the District as employees on July 1st.	PL/SL	\$ (58,486)	\$ (58,486)
	Pension/Deferred Comp	-	-
	Standby	(3,217)	(3,217)
	Other	(715)	(715)
	Nonproductive	10,890	10,890
	Total	<u>\$ (51,529)</u>	<u>\$ (51,529)</u>
<u>Employee Benefits - Workers Compensation</u>	Total	<u>\$ 4,886</u>	<u>\$ 4,886</u>
<u>Employee Benefits - Medical Insurance</u>	Total	<u>\$ 7,738</u>	<u>\$ 7,738</u>
5) <u>Professional Fees</u>			
	Therapy Services	\$ -	\$ -
	Administration	-	-
	Miscellaneous	-	-
	Multi-Specialty Clinics	-	-
	Foundation	321	321
	IVCH ER Physicians	7,661	7,661
	Total	<u>\$ 7,982</u>	<u>\$ 7,982</u>
6) <u>Supplies</u>			
Pharmacy volumes were below budget 17.03%, creating a positive variance in Pharmacy Supplies.	Office Supplies	\$ 267	\$ 267
	Food	297	297
	Non-Medical Supplies	1,104	1,104
	Patient & Other Medical Supplies	3,217	3,217
	Minor Equipment	3,933	3,933
	Pharmacy Supplies	18,454	18,454
	Total	<u>\$ 27,272</u>	<u>\$ 27,272</u>

**INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
JULY 2022**

		<u>Variance from Budget</u>	
		<u>Fav<Unfav></u>	
		<u>JULY 2022</u>	<u>YTD 2023</u>
7) <u>Purchased Services</u>			
Donor Appreciation events created a negative variance in Foundation.	Foundation	\$ (17,864)	\$ (17,864)
	Diagnostic Imaging Services - All	(5)	(5)
	Surgical Services	-	-
	Multi-Specialty Clinics	128	128
	Miscellaneous	210	210
	Pharmacy	600	600
	EVS/Laundry	738	738
	Laboratory	1,081	1,081
	Department Repairs	2,422	2,422
	Engineering/Plant/Communications	3,288	3,288
	Total	<u>\$ (9,402)</u>	<u>\$ (9,402)</u>
8) <u>Other Expenses</u>			
Transfer of Laboratory Labor costs to IVCH for resulting tests at the TFH Lab created a negative variance in Miscellaneous.	Miscellaneous	\$ (5,452)	\$ (5,452)
	Other Building Rent	(3,920)	(3,920)
	Equipment Rent	(1,124)	(1,124)
	Dues and Subscriptions	(25)	(25)
Rent increases after budget completion created a negative variance in Other Building Rent.	Multi-Specialty Clinics Bldg. Rent	-	-
	Physician Services	-	-
	Insurance	849	849
We saw positive variances in Gas/Propane, Electricity, and Telephone, bringing Utilities in below budget.	Marketing	1,129	1,129
	Outside Training & Travel	3,739	3,739
	Utilities	9,516	9,516
	Total	<u>\$ 4,712</u>	<u>\$ 4,712</u>
9) <u>Donations</u>	Total	<u>\$ (58,591)</u>	<u>\$ (58,591)</u>
10) <u>Gain/(Loss) on Sale</u>	Total	<u>\$ -</u>	<u>\$ -</u>
11) <u>COVID-19 Emergency Funding</u>	Total	<u>\$ -</u>	<u>\$ -</u>
12) <u>Depreciation Expense</u>	Total	<u>\$ -</u>	<u>\$ -</u>

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF CASH FLOWS

	PRELIMINARY FYE 2022		BUDGET FYE 2023	PROJECTED FYE 2023	ACTUAL JULY 2022	BUDGET JULY 2022	DIFFERENCE	PROJECTED 1ST QTR	BUDGET 2ND QTR	BUDGET 3RD QTR	BUDGET 4TH QTR
Net Operating Rev/(Exp) - EBIDA	42,751,273		25,383,789	22,258,405	\$ (781,958)	\$ 2,343,426	\$ (3,125,384)	\$ 4,985,228	\$ 6,265,032	\$ 6,728,165	\$ 4,279,979
Interest Income	372,737		690,032	703,597	103,565	90,000	13,565	153,565	183,654	183,697	182,681
Property Tax Revenue	8,969,604		9,747,000	9,761,937	188,937	174,000	14,937	582,937	-	5,039,000	4,140,000
Donations	2,145,345		1,305,071	1,224,579	28,265	108,756	(80,491)	245,777	326,268	326,268	326,268
Emergency Funds	(1,092,739)		-	-	-	-	-	-	-	-	-
Debt Service Payments	(4,957,925)		(5,007,753)	(4,935,636)	(942,912)	(1,015,029)	72,117	(1,649,289)	(1,059,565)	(1,167,215)	(1,059,565)
Property Purchase Agreement	(812,500)		(811,927)	(811,927)	(67,661)	(67,661)	-	(202,982)	(202,982)	(202,982)	(202,982)
2018 Municipal Lease	(1,714,321)		(1,717,326)	(1,717,326)	(143,111)	(143,111)	-	(429,332)	(429,332)	(429,332)	(429,332)
Copier	(58,608)		(63,840)	(64,002)	(5,482)	(5,320)	(162)	(16,122)	(15,960)	(15,960)	(15,960)
2017 VR Demand Bond	(727,326)		(769,491)	(697,212)	(589,562)	(661,841)	72,279	(589,562)	-	(107,650)	-
2015 Revenue Bond	(1,645,170)		(1,645,169)	(1,645,169)	(137,097)	(137,097)	(0)	(411,292)	(411,292)	(411,292)	(411,292)
Physician Recruitment	(226,668)		(1,126,666)	(1,043,333)	-	(83,333)	83,333	(166,667)	(346,666)	(280,000)	(250,000)
Investment in Capital											
Equipment	(3,729,754)		(3,400,652)	(3,400,652)	(146,621)	(507,084)	360,463	(1,521,252)	(803,325)	(559,575)	(516,500)
IT/EMR/Business Systems	(106,850)		(1,833,753)	(1,833,753)	(36,214)	(132,490)	96,276	(397,470)	(366,400)	(423,513)	(646,370)
Building Projects/Properties	(20,961,652)		(41,773,780)	(41,773,780)	(1,305,002)	(3,261,167)	1,956,165	(9,783,500)	(11,062,000)	(11,217,200)	(9,711,080)
Change in Accounts Receivable	(1,205,387)	N1	(2,928,806)	(372,825)	595,815	(1,960,167)	2,555,982	(300,204)	653,587	(1,663,774)	937,566
Change in Settlement Accounts	(22,279,838)	N2	398,920	(3,898,600)	(5,130,603)	(833,083)	(4,297,520)	(6,434,790)	(4,925,270)	6,658,730	802,730
Change in Other Assets	(3,929,333)	N3	(1,850,000)	(1,471,906)	(321,906)	(700,000)	378,094	(871,906)	(400,000)	50,000	(250,000)
Change in Other Liabilities	(3,647,031)	N4	(3,700,000)	(5,338,344)	(188,344)	1,450,000	(1,638,344)	361,656	(7,550,000)	3,050,000	(1,200,000)
Change in Cash Balance	(7,898,218)		(24,096,598)	(30,120,308)	(7,936,977)	(4,326,172)	(3,610,806)	(14,795,914)	(19,084,685)	6,724,582	(2,964,292)
Beginning Unrestricted Cash	161,643,342		148,779,805	153,745,124	153,745,124	153,745,124	-	153,745,124	138,949,210	119,864,525	126,589,107
Ending Unrestricted Cash	153,745,124		124,683,207	123,624,816	145,808,147	149,418,952	(3,610,806)	138,949,210	119,864,525	126,589,107	123,624,816
Operating Cash	153,745,124		124,683,207	123,624,816	145,808,147	149,418,952	(3,610,806)	138,949,210	119,864,525	126,589,107	123,624,816
Expense Per Day	637,576		732,143	728,223	662,843	708,999	(46,157)	721,987	724,330	730,875	732,143
Days Cash On Hand	241		170	170	220	211	9	192	165	173	169

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 and CEO

DATE: 8/16/22

Our volumes year over year on a total system basis appear to be relatively flat. Last fiscal year, we had one of the lowest year over year growth rates, at roughly 7%, we have seen in the last seven years.

As our physical plant capacity is limited, so high annual growth rates are a large challenge for us.

The bottom line was negative for the Health System in July. Our top lines revenues through August 16 appear below budget year to date as well so we will watch and manage this carefully as the fiscal year progresses.

The highest level of inflation in more than 40 years is placing a strain on our health system, as well as all health systems, businesses and families across the US.

Improving patient access is a major focus for our team with our space limitations. I have shared over the past year that my largest multi-year concern for the future is having enough clinic office space and the number of providers available to meet the growing demand each year into the future for provider office visits. We apologize for any slow appointment access and we are working diligently each week to make all possible improvements.

We are pleased to have some new primary care physicians join our team. For our community readers, please call 530-582-6205 to schedule new primary care physician providers who are joining us in the second half of this fiscal year.

The healthcare industry expects to see a growing shortage of healthcare workers and physicians each year for many years to come. These growing shortages are due to individuals retiring, increased healthcare services demands, individuals leaving the industry, and an undersized supply of new graduates.

We have made several adjustments each year to improve recruitment and retention for our team!

Our regional Workforce Housing Agency is progressing nicely and is updating its very focused long-term plan to help workers in all of our partner agencies find new solutions for housing.

We are also grateful for the increased philanthropic support directed towards our two philanthropic foundations from caring donors who are recognizing that "next to our families, timely access to great healthcare is one of the most precious gifts on this earth!"

We are seeing rapidly growing healthcare system operational and financial stress in the Reno and Carson City region. We expect to see many additional regions in and outside of California experiencing healthcare system stress in 2023 and beyond. We never take the future for granted as we focus on strong sustainability.

We are pleased to be offering four Town Hall sessions in late August where all team members are invited to attend. These important, dialoging and engaging sessions should prove really helpful and informative.

On the COVID front, it is nice to see the daily positive lab tests for our 3 county region at the lowest levels in at least 7 months.

Dr. Gary Gray has been serving as our busy full time Interim CMO for 3 months as of the date of this memo. He has gathered a lot of information and thoughts that will help in material ways in the months and years ahead.

Our CMO search continues as we continue to look nationwide for skilled and experienced CMO candidates who can greatly assist in further strategic progress

There are several federal and state laws we are actively dealing with that are increasing the cost of healthcare and increasing the administrative burden on healthcare. Several of these topics will be covered at our August Board meeting. Some of these new laws will likely be more challenging than some healthcare systems can handle.

By: Louis Ward
Chief Operating Officer

DATE: August, 2022

Service: Deliver Outstanding Patient & Family Experience
Implement an enterprise-wide master plan

- **California Hospital Assoc. Seismic Relief Proposal**

The current 2030 standard requires that a building be reasonably capable of providing services following an earthquake. That means it must meet a classification of Structural Performance Category-3 or higher (e.g., SPC-3, SPC-4, SPC-4D, or SPC-5) for every acute care area of the hospital or the building can no longer be used to care for patients.
- Currently, over 96% of all hospital buildings have met the SPC-2 standard or higher; all will be in compliance by January 1, 2025. Tahoe Forest Health System currently meets the SPC-2 requirement however does have significant work to do to meet the 2030 SPC 3, SPC 4, or SPC 5 requirements. Under the Office of Statewide Health and Planning Development (OSHPD) there are two separate requirements, the structural requirements after a disaster that are called SPC requirements, and the non-structural requirements (operational) which are called NPC. The NPC requirements are those requirements that must be met to ensure a hospital can continue to operate as a hospital after the disaster; they have been very stringent and all-encompassing in past legislation. In the CHA proposed plan the new NPC requirements are as follows:
 - Post-event emergency medical services would be:
 - The emergency department continues to be operational
 - Storage areas for food, water, medical testing and monitoring equipment, and pharmaceutical supplies
 - Some equipment and supplies for clinical laboratory service
 - Some equipment and supplies for radiological service
 - Some operating rooms for surgical service
 - Some patient holding areas and post-anesthesia care stations for anesthesia service
 - For patients following emergent surgeries, continue to operate intensive care service
 - Provide Additional Time to Comply
 - Hospitals need a decade to plan, gain approval, and construct capital improvement projects like that required by the current 2030 standard. Prior to the COVID-19 pandemic, this timeline was challenging at best. Given hospitals' worsened financial position, additional time to comply is more needed than ever.
 - This proposal provides an additional seven years — until 2037 — for all hospitals to strengthen their buildings to these new standards is needed.

- Labor unions such as the Service Employees International Union (SEIU) have fought hard against any changes to the current SB1953 requiring all SPC and NPC work to be completed prior to 2030.
- The California Hospital Association is proposing these changes which SEIU would agree to if there was an agreement / support on the part of California Hospitals to increase the CA healthcare minimum wage starting in 2023 and finishing by 2024. The healthcare minimum wage would increase as high as \$25 dollars per hour in Urban areas by 2024, \$23 dollars per hour in Suburban areas by 2024, and \$20 dollars per hour in general (rural) areas by 2024.

Quality: Provide excellent patient focused quality care

Advance our culture of safety

- **COVID-19**
The covid positivity rate in the region has drastically decreased over the past month. In our 3 county area positive lab tests per calendar day has fallen to 1.7, the lowest level since reporting in below format. This is great news for the health system and the region.

Eastern Placer, Eastern Nevada and Western Washoe County positive COVID 19 Lab tests:

Cumulative 12/31/21	4691	equals	7	positive tests per calendar day over 22 months
Cumulative 1/31/22	7382	equals	86.8	positive tests per calendar day in Jan only
Cumulative 2/28/22	7836	equals	18.2	positive tests per calendar day in Feb only
Cumulative 3/31/22	7951	equals	3.7	positive tests per calendar day in March only
Cumulative 4/29/22	8052	equals	3.5	positive tests per calendar day up thru 4/29 only
Cumulative 5/31/22	8177	equals	3.9	positive tests per calendar day since 4/29
Cumulative 6/30/22	8501	equals	10.8	positive tests per calendar day since 5/31
Cumulative 8/2/22	8622	equals	3.7	positive tests per calendar day since July 1
Cumulative 8/16/22	8646	equals	1.7	positive tests per calendar day since 8/2/22

People: Strengthen a highly-engaged culture that inspires teamwork & joy

Attract, develop, and retain strong talent and promote great careers

- **Company Picnic**
This month, the Tahoe Forest Team spent a fantastic evening together with their families at Camp Tahoe Forest, the company picnic. The event took place at Truckee River Regional Park. It was great to get out of the work setting and spend time with coworkers and their families in a fun setting. Thank you to the Human Resources team for all of their work to ensure all of our employees and their families had lots of fun activities to do, great food to eat, and music to listen to.

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

Planned Moves:

- **IT to 10083 Lake Ave- August - Complete**

Active Projects:

Project: Tahoe Forest Nurse Call Replacement

Background: In 2018, TFH completed phase 1 of the Nurse Call replacement system, which included Med Surg, ICU and Briner Imaging. This project, phase 2, will replace the remainder of the antiquated systems and condense the nurse calls at TFHD to a single more reliable system.

Summary of Work: Remove and replace existing Nurse Call Systems in Ambulatory Surgery, Emergency, Diagnostic Imaging, Respiratory and Extended Care Center Departments.

Update Summary: Project has been complete. Staff are working through HCAI Closeout.

Start of Construction: March 2022

Estimated Completion: July 2022

Project: Incline Sterile Processing Remodel & Exterior Shop Remodel

Background: Incline Village Community Hospital Sterile Processing Department (“IVCH SPD”) – In preparation to offer endoscopy procedures at IVCH, this service is in need of reconfiguration and equipment upgrades to process the future instruments.

IVCH Exterior Shop Remodel “IVCH-Shop” - The exterior storage shop at IVCH is in disrepair and is not readily used due to its condition. This project is to renovate and upgrade the exterior shop to utilize for storage and relocate Engineer outside of the Hospital to provide space for patient care services.

The projects were bid together to provide economies of scale.

Summary of Work: IVCH-SPD: Create a temporary decontamination room to allow for continuity of operations during the construction timeline. Once completed, renovate the existing decontamination room and add the additional utilities needed to support the new equipment.

IVCH-Shop: Renovate shop to provide improved utility and storage as well as space to move engineering outside of the Hospital.

Update Summary: Shop: Completed. Sterile Processing: Project is awaiting equipment for installation, 98% complete.

Start of Construction: August 2021

Estimated Completion: July 2022

Project: Underground Storage and Day Tank Replacement.

Background: The existing Diesel underground storage is 30 years old in need of replacement. Staff analyzed if an above ground tank would be suitable, due to site constrained it was determined that a replacement underground tank would best serve the hospital.

Summary of Work: Removal of the existing Underground storage tank, day tank and day tank structure (not compliant). Excavate and install a new 15,000-gallon underground tank in the ambulance bay. A new day tank will be installed in the 500 KW generator room.

Update Summary: The New tank has been set. Piping, connectivity and backfill are underway.

Start of Construction: May 2022

Estimated Completion: December 2022

Project: Medical Office Building Renovation

Background: Outpatient clinical services are in need of additional space to meet the healthcare need of the community. To provide efficient, flexible space staff intend to renovate the entire second floor of the Medical

office building and create a single use suite that can be utilized for primary care and specialty services. MOB suite 360 is also planned to be renovated to utilize the additional space that has since become available.

Summary of Work: Relocate Occupation Health, Out Patient Lab and Primary Care services in suite 360. Demo all suites. Construct new use-flexible outpatient OSHPD 3 spaces for outpatient clinical services. Include the remodel of suite 340 to create a continuous primary care suite on both the 2nd and 3rd floors of the MOB, all RHCs.

Update Summary: Project is proceeding on schedule above ceiling work is wrapping up. Staff are working on CDPH application submittals and staff & stock plans. Occupancy of the 2nd floor is scheduled for late November. The Suite 340 has been approved, scope of work is scheduled to start early December.

Start of Construction: March 2022

Estimated Completion: June 2022

Project: MRI Replacement

Background: The existing MRI mechanical equipment is at end of life and the existing MRI itself does not provide the function needed to provide the necessary quality of care.

Summary of Work: Renovate the existing MRI suite to provide for two changing rooms and a gurney hold area. Order and install new 3T Siemens MRI.

Update Summary: Temporary MRI has been installed and in use. The old MRI has been removed preparation for the new MRI is underway. During demolition three conflicts were found: Sewer line, CMU wall and 2; gas line. All three of these existing conditions have required minor design changes which are currently into HCAI for approve. All issues have been resolved and construction is again pursuing. Impact was expected to be 60 days, actual is 45 days. The next phase is reconstruction of firewall between MRI and ASD. Staff are assessing the impact of the unforeseen conditions. Siemens has experienced delays in manufacturing; staff are working to resolve the issue.

Start of Construction: April 2022

Estimated Completion: December 2022

Project: Incline Village Community Hospital Site Improvements

Background: Demand for parking at Incline Village Community Hospital has exceeded its capacity.

Summary of Work: In the Tahoe Basin the Truckee Regional Planning Agency, "TRPA" regulates the amount of disturbed land each individual parcel can have, Incline is at its capacity. Partnered with JKAE staff have planned a transfer of development rights as the first step in increasing the available parking onsite.

Update Summary: The project is ahead of schedule. The rear parking lot is scheduled to complete late September. The following phase will be the addition of two ADA stalls off the ambulance pull through.

Start of Construction: Summer 2022

Estimated Completion: Winter 2022

Projects in Planning:

Project: Tahoe Forest Hospital Seismic Improvement

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. Renovate the Diagnostic Imaging reception, waiting room and X-Ray to increase capacity and receive new equipment. Renovate Emergency Department beds 8-15 to provide addition patient privacy. Renovate Emergency Department beds 4-7 to private rooms. Aesthetic upgrades of the 1978 and 1990 buildings including but not limited to flooring, ceilings, signage and painting.

1978 Building – Diagnostic Imaging, portions of Emergency Department

1990 Building – Portions of the Surgical Department

1993 Building – Portions of the Dietary Department

Med Gas Building – Primary Med Gas distribution building.

Update Summary Design Development is under review. The Seismic submittal for the 1978 building has been resubmitted to HCAI. The other 7 HCAI permits have been approved. Staff are planning the start of the 1990 building(Surgery/ASD) in November.

Start of Construction: Winter 2022

Estimated Completion: Winter 2025

Project: Incline Village Community Hospital X-Ray and CT Replacement

Background: Incline Village Community Hospital has been provided a grant opportunity to support the replacement of the X-Ray and CT at the Hospital. Various components of the X-Ray are end of service and end of support. The CT is approaching end of service. The new CT will be replaced with a new 128 slice machine, existing 16 slices.

Summary of Work: Provide temporary accommodations to ensure hospital can provide X-Ray and CT services during the project. Replace X-Ray and CT equipment and modify space for code compliance and improved staff and patient workflow.

Update Summary: Schematic Design is near completion. Temporary CT plan has been approved by North Lake Tahoe Fire. Contract to conclude design is under negotiation.

Start of Construction: Fall 2022

Estimated Completion: Spring 2023

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: Staff are working with the design building on programming and deliverables for the Town of Truckee Development Permit. Schematic Design is 50% completed. With long lead times on Electrical Gear, the team is focused on the electrical design to proceed with an early equipment buy. Staff plan have submitted a predevelopment permit to the Town of Truckee.

Start of Construction: Spring 2023

Estimated Completion: Winter 2023

Project: Lake Street Housing

Background: On-Call housing and On-Boarding housing are critical to district operations and recruitment of talented employees.

Summary of Work: Demolish 10151 & 10145 Lake Ave to create 2 new duplex houses to be utilized for recruitment and retention. As well as create 10 new studio apartments to support the Hospitals On Boarding needs.

Update Summary: Project is on hold until the Master Plan progresses further.

Start of Construction: Summer 2023

Estimated Completion: Spring 2024

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 Staff submit plans to the Town 7/22/22.

Start of Construction: Winter 2022

Estimated Completion: Spring 2023

Project: Martis Outlook Primary Care

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 Staff are working on completion of construction drawing. Permit submittal expected August 26th.

Start of Construction: Winter 2022

Estimated Completion: Spring 2023

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 Dental, Opto, Behavioral Health and Out Patient Lab Services.

Summary of Work: Remodel 8 suites within the Building.

Update Summary Staff have released the Request for Qualifications, August 16, 2022.

Start of Construction: Fall 2023

Estimated Completion: Fall 2025

Project: Med Surg/ICU Remodel.

Background: With the Med Surg/ICU in use for over 17 years, the rooms are in need of updates both for aesthetics and operational efficiency.

Summary of Work: Remove and replace all finishes with Patient rooms. Remodel portions of the support space to promote operational efficiency.

Update Summary Staff have released the Request for Qualifications, August 16, 2022.

Start of Construction: Fall 2023

Estimated Completion: Spring 2024

Project: Tahoe City Primary Care and Urgent Care Expansion.

Background: Improving access to care around our District is a key strategic goal. This project aims to separate Primary Care and Urgent Care Operations and to increase capacity significantly.

Summary of Work: Expand Urgent Care (Suite B-202) into the adjacent Suite (B-201). Suite 201 will house lab draw services and additional support services. Remodel Suite B-206 and 207 to create a new 6 exam room Primary Care Clinic.

Update Summary Staff have released the Request for Qualifications, August 16, 2022.

Start of Construction: Fall 2023

Estimated Completion: Spring 2024



Board CNO Report

By: Jan Iida, RN, MSN, CEN

DATE: August 2022

Chief Nursing Officer

Service: Optimize delivery model to achieve operational and clinical efficiency

- We have decided to move away from Blue Sky for tele-stroke program and move forward with TeleSpecialist we have just received the contract and hope to return with changes quickly.
- OR efficiency company Optum started August 15th with our OR department staff and physicians. The group has spent the first week in the OR and interviewing staff and management.

Quality: Provide clinical excellence in clinical outcomes

- We welcomed Katie Dawson this month as our Clinical Practice Coordinator she replaced Ashley Davis, who is now in Quality Department. Katie will continue with our inpatient wounds.
- Nursing Departments continue with ongoing chart audits for various areas for improvement.

Growth: Meets the needs of the community

- We will be meeting and touring our facility with the Dean of Orvis School of Nursing for the possible opportunities to have nursing students at TFH. This may help with future recruitment of nurses upon completion their RN.

Board Informational Report

By: Jake Dorst
Chief Information and Innovation Officer

DATE: August 2022

Service: Optimize delivery model to achieve operational and clinical efficiency:

Most of the past month has been focused on the large Epic Upgrade that was implemented on Wednesday, August 17, 2022:

- Massive efforts focused on August 17th Epic Upgrade:
 - Weekly meetings were held for two months before coordinating with teams across the organization. They have gathered their Epic Upgrade materials, finalized the content, reviewed them in the PLY environment in Epic, and assigned Healthstreams/created educational materials for the district for their respected areas.
 - They have rolled out this education to all leadership and published it on the Tahoe Forest Intranet (Epic Education) page.
 - Supported the end users in going into PLY (Epic test environment) to play with the environment and get familiar with the changes coming.
 - Enhanced provider educational support and opportunities related to the Upgrade:
 - Healthstream demos
 - MedStaff, leadership and CMO communications
 - Intranet education
 - Elbow-to-elbow support/education.
 - Providing elbow-to-elbow support in the weeks leading up to Upgrade for all end users/departments, also during and after Upgrade.
 - On-Call/ and in-person support planned for Upgrade
 - Preparations for Downtime and support for our HelpDesk.
 - Found many opportunities to elaborate and enhance support in the many departments throughout the district, looping in Clinical IT folks to supplement that support.
 - Supported and onboarded our new team members to the Upgrade process.
 - Enhanced communication with Mercy teams on a smooth rollout and preparations of the Upgrade and support before and on Upgrade.
- The Upgrade went off with little to now interruption and was done in about an hour.
 - Few issues that were corrected by our multi-disciplinary team to fix issues with PACS and Pharmacy.

Project Management

- Kick off the new Occupational Health Software project
- (Agility <https://www.nethealth.com/solutions/occupational-medicine/>)
- Went live RL6 software for risk management and incident reporting.
- Complete technical build daily productivity.
- Completed vRad contract.

**TAHOE FOREST HOSPITAL DISTRICT
RESOLUTION NO. 2022-15**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE TAHOE FOREST
HOSPITAL DISTRICT AUTHORIZING CONTINUED REMOTE
TELECONFERENCE MEETINGS OF THE BOARD OF DIRECTORS PURSUANT
TO GOVERNMENT CODE SECTION 54953(e)**

WHEREAS, TAHOE FOREST HOSPITAL DISTRICT (“District”) is a hospital district duly organized and existing under the “Local Health Care District Law” of the State of California; and

WHEREAS, Government Code section 54953(e), as amended by Assembly Bill No. 361, allows legislative bodies to hold open meetings by teleconference without reference to otherwise applicable requirements in Government Code section 54953(b)(3), so long as the legislative body complies with certain requirements, there exists a declared state of emergency, and one of the following circumstances is met:

1. State or local officials have imposed or recommended measures to promote social distancing.
2. The legislative body is holding the meeting for the purpose of determining, by majority vote, whether as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.
3. The legislative body has determined, by majority vote, pursuant to option 2, that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

WHEREAS, Board of Directors previously adopted Resolution No. 2022-01 finding that the requisite conditions exist for the Board of Directors to conduct teleconference meetings under California Government Code section 54953(e); and

WHEREAS, Government Code section 54953(e)(3) requires the legislative body adopt certain findings by majority vote within 30 days of holding a meeting by teleconference under Government Code section 54953(e), and then adopt such findings every 30 days thereafter; and

WHEREAS, the Board of Directors desires to continue holding its public meetings by teleconference consistent with Government Code section 54953(e).

NOW, THEREFORE, BE IT RESOLVED the Board of Directors of the Tahoe Forest Hospital District does hereby resolve as follows:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Conditions are Met. The Board of Directors hereby finds and declares the following, as required by Government Code section 54953(e)(3):

1. The Board of Directors has reconsidered the circumstances of the state of emergency declared by the Governor pursuant to his or her authority under Government Code section 8625;
2. The state of emergency continues to directly impact the ability of members of the Board of Directors to meet safely in person; and

3. State and local officials have imposed or recommended measures to promote social distancing.

PASSED AND ADOPTED at the meeting of the Tahoe Forest Hospital District Board of Directors held on the 25th day of August, 2022 by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Alyce Wong
Chair, Board of Directors
Tahoe Forest Hospital District

Martina Rochefort
Clerk of the Board
Tahoe Forest Hospital District



Date: August 16, 2022

To: Tahoe Forest Hospital District Board of Directors

From: Karli Epstein, Executive Director – Incline Village Community Hospital Foundation IVCHF

Re: Request for new board member approval

Dear Tahoe Forest Hospital District:

IVCHF has recently approved Julie Teel to become a board member. She brings a wealth of experience, expertise, and community connections to our Foundation Board and community.

Julie Teel's resume is attached

Respectfully submitted on behalf of the Incline Village Community Hospital Foundation

JULIE TEEL

SKILLED BOARD MEMBER PROVIDING GUIDANCE AND LEADERSHIP TO PROFIT & NON-PROFIT ORGANIZATIONS. STRATEGIC IN FUNDRAISING & EVENT PLANNING LOGISTICS WITH GOAL OF MAXIMIZING EXPOSURE OF BRAND AND INCREASING REVENUE WITH INNOVATIVE IDEAS.

BOARD EXPERIENCE

2017 - Present **RALEY'S FAMILY OF FINE STORES**
W. Sacramento, California

Member, Board of Directors

- Privately held company established in 1935. Today the company operates approximately 124 grocery stores in Northern California and Nevada. Holdings include Raley's, Bel Air Markets, Nob Hill Foods and Food Source stores with Sales over \$3B and over 11,000 employees.
- Member of the Search Committee to fill Board seat.

2019 - Present **OZARK TRUCKING INC.**
Sacramento, California

Member, Board of Directors

- Founded in 1989, today operates as a premier transportation and logistics company headquartered in Sacramento with a satellite office in Lathrop, California. Ozark's portfolio of transportation services includes medium-to-long haul, regional and local van capacity, temperature-controlled transportation and warehousing for dry freight, chilled and frozen food products.

NON-PROFIT LEADERSHIP EXPERIENCE

LOYOLA MARYMOUNT UNIVERSITY, LOS ANGELES, CALIFORNIA
TRUSTEE

- **Trustee 2016 - Present**

The Board of Trustees is the legal governing body of the University. The board has ultimate responsibility for the educational, physical, and financial well-being of the University, as well as for its preservation and advancement as a leader in Catholic higher education.

- Member of the **Student Life Committee** 2014 - Present
- **Regent** 2014 - 2016

(916) 201-1822

JulieTeel2010@Gmail.Com

- **Chair, Parent's Council** 2013 - 2017

CROCKER ART MUSEUM, SACRAMENTO, CALIFORNIA
TRUSTEE, BOARD OF DIRECTOR'S 2012 - 2018 & 2019 - Present

- **CROCKER BALL CHAIR** 2011, 2012 & 2018

OVERSIGHT OF THE MUSEUM'S LARGEST FUNDRAISER OF THE YEAR WHICH CONTRIBUTES TO 10% OF THE MUSEUM'S ANNUAL OPERATING BUDGET.

SALVATION ARMY NATIONAL BOARD OF DIRECTORS 2018 - PRESENT
SALVATION ARMY ADVISORY BOARD, SACRAMENTO, CALIFORNIA 2012 - 2018

MAKE-A-WISH NORTHERN CALIFORNIA AND NORTHERN NEVADA 2015 - PRESENT
MEMBER, BOARD OF DIRECTORS

TAHOE FUND, LAKE TAHOE, CALIFORNIA & NEVADA
MEMBER, BOARD OF DIRECTORS 2015 - PRESENT

- **CO-CHAIR OF ANNUAL DINNER**

SACRAMENTO REGIONAL FAMILY JUSTICE CENTER, SACRAMENTO, CALIFORNIA

- **CHAIR OF ANNUAL FUNDRAISING GALA** 2016, 2017
- **Annual Fundraising Gala Committee** 2016 - Present

SACRAMENTO CHILDREN'S HOME, SACRAMENTO, CALIFORNIA

- **HONORARY CO-CHAIR OF THE 150TH ANNIVERSARY GALA** 2017

AFFILIATIONS

NATIONAL CHARITY LEAGUE, SACRAMENTO, CALIFORNIA

- **SUSTAINER** 2009 - PRESENT

CITY YEAR RED JACKET SOCIETY, SACRAMENTO, CALIFORNIA

- **CO-CHAIR** 2016 - 2018

EDUCATION

STANFORD LAW SCHOOL, Stanford, California **Directors' College 2015, 2017**
CITY YEAR RED JACKET SOCIETY LEADERSHIP CONFERENCE **2016, 2017**
BOSTON, MASSACHUSETTES

HONORS

EASTER SEALS SUPERIOR PILLARS OF GIVING AWARD **2019**
Sacramento Family Justice Center Hope Gala Honoree **2019**
Salvation Army Spirit of Giving Award **2018**
CITY YEAR SACRAMENTO RIPPLES OF HOPE HONOREE **2017**

REFERENCES

Furnished upon request

(916) 201-1822

JulieTeel2010@Gmail.Com

Tahoe Forest Hospital District
Key Employee Voluntary Retirement Plan
Executive Summary
August 2022

Background – For some time Tahoe Forest Hospital District (TFHD) has been facing the challenge of attracting, retaining and rewarding key employees – most especially physicians. The recent pandemic increased the magnitude of the challenge thru an extremely tight labor market. Senior management of TFHD engaged Executive Benefit Solutions (EBS) to assist them in creating a plan design to address its needs in a way that is both attractive to the key employees and financially viable for the organization.

Limitations of Corporate Structure – As a hospital district TFHD generally follows the rules of tax-exempts/non-profit organizations when it comes to key employee benefit programs. TFHD has no company stock or stock options to offer. In addition, TFHD must follow the rules of IRC Section 457(f) which precludes the offering of a traditional nonqualified deferred compensation plan so effectively used in many for-profit companies.

Initial Plan Design Specs

1. Eligible employees will be comprised primarily of physicians, but also include department directors and executives.
2. The goal is to allow key employees an opportunity to build supplemental retirement income for the future on a tax-favored basis. The plan will be voluntary.
3. TFHD is looking for a competitive benefit plan at a reasonable cost for the organization.
4. TFHD needs an experienced partner with the ability to effectively administer the plan on an ongoing basis

Proposed Plan Design –EBS has proposed a plan design consisting of two separate components. The employee will have the ability to voluntarily reduce his or her current salary for a period of five years. The employee and TFHD will save taxes it would have paid on this compensation. The employee and TFHD will enter into a loan regime split dollar life insurance arrangement with annual premium payments equal to the amount of the chosen salary reduction.

Split Dollar Life Insurance Information – Split Dollar has been around for many decades and is an agreement between two parties (typically employer and employee) on how to split the ownership, death benefit and cash value of a life

insurance contract. The plan being proposed for TFHD would have the policy owned by the employee with premium payments made by TFHD. The premium payments are treated as a loan to the employee which is collateralized by the cash value/death benefit in the policy. TFHD will offer a 15% match (on the first \$50k of annual premiums). The match would be part of the loan to the participant.

Split Dollar Life Insurance arrangements have been used by tax-exempt/non-profits for many years as an alternative to the limited plan design options that tax-exempts/non-profit have.

Plan Impact for Key Employees – Participants will save current taxes thru the reduction of salary. Policy cash vales grow on a tax deferred basis and future distributions can be non-taxable to the employee if properly structured. In addition, the participant will have supplement life insurance coverage.

Plan Impact for TFHD – TFHD will save some payroll taxes on lower salary. There will be annual cash flow impact for the company match (up to the cap), but that amount will be recovered in the future when the loan is repaid (likely at the death of the participant, but possibly sooner.

Trevor Lattin of EBS will be making a presentation on the plan design in the August 25 board meeting that will provide additional details. In addition, Trevor will be prepared to answer any questions.

Tahoe Forest Health District

Key Employee Retirement Plan Recommendation

August 2022



Table of Contents

- Project Overview
- Executive Benefit Overview
- Recommendation
- Analysis
- Implementation
- Contact Information
- Appendix

Project Overview

- In November 2021, TFHD contacted EBS to engage on a project for the key employees:
 - The revised plan will cover three classes of key employees (a) Executives (b) Department Directors (c) Physicians
 - The primary goal for the plan is to provide key employees the opportunity to build supplemental retirement income through voluntary participation.
 - EBS reviewed different plan design options, and brought back a design that offers:
 - Lower annual taxable income for participants
 - A limited matching contribution
 - Future non-taxable distributions
 - Future non-taxable death benefit (for estate planning needs)

Executive Benefit Overview

Competitive Disadvantage

- Non-Profit organizations face a significant competitive disadvantage in their efforts to attract and retain talented executives and professionals.
- The design of compensation and benefit programs is limited by:
 - The inability to offer equity or other performance-based compensation,
 - Additional tax restrictions and,
 - Form 990 reporting requirements.

Practical Planning Alternatives

- The following is a comparative review of:
 - Nonqualified retirement plans available to non-profits

Tax Restrictions Impacting Plan Design

- IRC Section 457(f) “substantial risk of forfeiture” requirement:
 - Once vested, incentive and deferred compensation benefits become fully taxable regardless of the timing of the actual benefit payments
 - Separation from service prior to vesting results in forfeiture of the entire benefit
 - Eliminates the ability to use partial, graded or performance vesting
 - Eliminates the possibility of installment payment of benefits
 - Bottom line: non-profit and governmental entities cannot use traditional, non-qualified deferred compensation plans available to for-profit companies

Recommendation

Plan Design Overview

- Plan Purpose: Allows key employees at TFHD the ability to save for retirement in a tax advantaged way.
- Plan Structure:
 - ✓ Key employee voluntarily reduces salary for five years.
 - ✓ TFHD agrees to loan premiums to key employee for the purchase of a life insurance policy (loan regime split dollar life insurance arrangement).
 - ✓ At retirement, key employee can access cash from the policy on a non-taxable basis, if properly structured. Alternatively, key employee can use future death benefit for estate planning needs.
 - ✓ TFHD is reimbursed for premium loans at death of key employee.

Recommendation (Cont.)

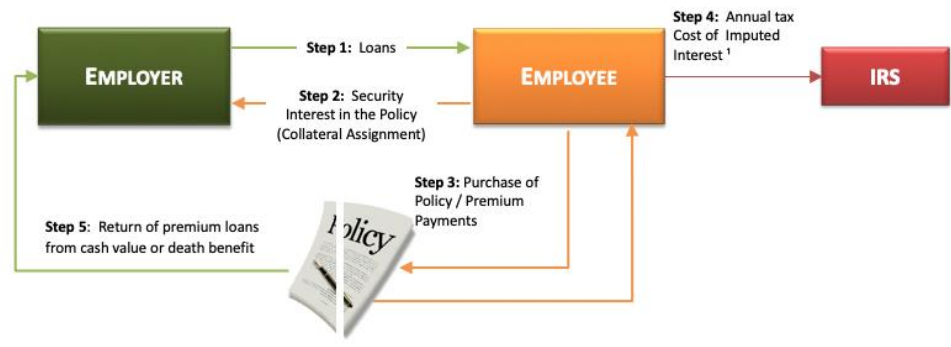
Here is how the policy works.

- **Step 1.** The Employer pays the premiums on an employee-owned life insurance policy, which is treated as a loan to the Employee.
- **Step 2.** The Employee uses part of the loan to assign a security interest in the policy (a collateral assignment) to the Employer. This allows for the Employer to receive a death benefit that will recover the cost of the program at the Employee's death.
- **Step 3.** The Employee uses part of the loan to pay the premiums and as the owner of the policy, will receive non-taxable income (as a retirement benefit) and a death benefit in excess of the Employer's security interest.
- **Step 4.** Annual taxes for the cost of imputed income is calculated. There is not tax to employee if interest accrues on the loans.
- **Step 5.** The premium loans are returned to the Employer either from the built-up cash surrender value or from a death benefit.

The **Policy Rights** for the Employer and Employee are shown to the right.

The **Cost/Benefit** analysis is shown on the right. In addition, here are some of the accounting treatment

- From an accounting perspective, a loan regime split dollar plan would convert compensation expense to a balance sheet asset - a loan receivable:
 - **Asset:** Tahoe Forest records a loan receivable amount for the loan provided to the employee to fund the insurance policy.
 - **Liability:** No liability is recorded because Tahoe Forest is paying the life insurance premiums instead of accruing a benefit expense.
 - **Expense:** Compensation expense is converted to a loan receivable



Policy Rights

- | | |
|--|--|
| <p>Employer:</p> <ul style="list-style-type: none"> • To recover premium loans from policy cash value or death benefit • Secured by Collateral Assignment | <p>Employee:</p> <ul style="list-style-type: none"> • Owner of policy, subject to rights assigned to Employer • Cash value and death benefit in Excess of Employer's Interest |
|--|--|

Cost / Benefit

- | | |
|---|---|
| <p>Employer:</p> <ul style="list-style-type: none"> • Conversion of compensation expense to an asset • Favorable Form 990 treatment • Cost is the opportunity cost of money on premium loans • Can minimize 21% excise tax liability | <p>Employee:</p> <ul style="list-style-type: none"> • Non-Taxable Supplemental Retirement Income • Significant Life Insurance Coverage • Minimal Cost |
|---|---|

¹ – No tax cost to employee if interest accrues on the loans.

Chart provided by:



Sample Participant Illustration

Plan Design Considerations

- When TFHD offered a voluntary plan to key employees in 2019, there was no participation.
- For this reason, EBS is proposing the use of a loan regime split dollar plan structure that will encourage participation, but will still be cost effective for the organization.
- The design structure proposes that TFHD offer a matching contribution to enhance the attractiveness of the program. The following pages will show the financial impact to the organization and a sample participant.

Sample Participant Illustration

Assumptions:

- Participant will lower her salary by \$100,000 annually for 5 years.
- TFHD will pay a \$100,000 annual premium for 5 years for a life insurance policy owned by the participant. The premium payments are treated as loans to participant.
- TFHD will offer a 15% match on “contributions” up to \$50,000. However, the participant can “contribute” beyond the match limit.
- Policy distributions will be taken out over 20 years commencing at age 65.
- We will show the impact of the plan from both the participant's and the company's perspective

Sample Participation Illustration

Cash Compensation versus Split Dollar Plan

Comparison of Financial Results

Participant		Funding		After Tax Retirement Income Annually for 20 Years (A65-84)			Cost to Organization NPV @ 4.0%		
Participant	Age	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	43	Participant Contribution For 5 Years	15% Tahoe Match	After Tax Investment Account	Split Dollar Plan	Split \$ vs Pay As Cash	After Tax Investment Account	Split Dollar Plan	Split \$ vs Pay As Cash
		100,000	15,000	40,988	91,901	224%	462,990	351,791	76%

Sample Participation Illustration

Tahoe Forest Hospital - Projection of After-Tax Retirement Income - Cash Compensation

Yr	Beg of Yr Age	Portion of Participant's Compensation Invested			Ellen Cooper's After-tax Investment Account				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		Portion of Comp	Income Tax at 45.00% (1)	After-Tax Comp	BOY Account Balance	Deposit	Projected Benefit Distribution	Investment Earnings @ 5.50% Pre Tax @ 3.85% After Tax (2)	EOY Account Balance
1	43	100,000	(45,000)	55,000	0	55,000	0	2,118	57,118
2	44	100,000	(45,000)	55,000	57,118	55,000	0	4,317	116,434
3	45	100,000	(45,000)	55,000	116,434	55,000	0	6,600	178,034
4	46	100,000	(45,000)	55,000	178,034	55,000	0	8,972	242,006
5	47	100,000	(45,000)	55,000	242,006	55,000	0	11,435	308,441
6	48	0	0	0	308,441	0	0	11,875	320,316
7	49	0	0	0	320,316	0	0	12,332	332,648
8	50	0	0	0	332,648	0	0	12,807	345,455
9	51	0	0	0	345,455	0	0	13,300	358,755
10	52	0	0	0	358,755	0	0	13,812	372,567
11	53	0	0	0	372,567	0	0	14,344	386,911
12	54	0	0	0	386,911	0	0	14,896	401,807
13	55	0	0	0	401,807	0	0	15,470	417,276
14	56	0	0	0	417,276	0	0	16,065	433,342
15	57	0	0	0	433,342	0	0	16,684	450,025
16	58	0	0	0	450,025	0	0	17,326	467,351
17	59	0	0	0	467,351	0	0	17,993	485,344
18	60	0	0	0	485,344	0	0	18,686	504,030
19	61	0	0	0	504,030	0	0	19,405	523,435
20	62	0	0	0	523,435	0	0	20,152	543,587
21	63	0	0	0	543,587	0	0	20,928	564,515
22	64	0	0	0	564,515	0	0	21,734	586,249
23	65	0	0	0	586,249	0	(40,988)	20,993	566,254
24	66	0	0	0	566,254	0	(40,988)	20,223	545,488
25	67	0	0	0	545,488	0	(40,988)	19,423	523,923
26	68	0	0	0	523,923	0	(40,988)	18,593	501,528
27	69	0	0	0	501,528	0	(40,988)	17,731	478,271
28	70	0	0	0	478,271	0	(40,988)	16,835	454,118
29	71	0	0	0	454,118	0	(40,988)	15,905	429,035
30	72	0	0	0	429,035	0	(40,988)	14,940	402,987
31	73	0	0	0	402,987	0	(40,988)	13,937	375,936
32	74	0	0	0	375,936	0	(40,988)	12,895	347,843
33	75	0	0	0	347,843	0	(40,988)	11,814	318,669
34	76	0	0	0	318,669	0	(40,988)	10,691	288,371
35	77	0	0	0	288,371	0	(40,988)	9,524	256,907
36	78	0	0	0	256,907	0	(40,988)	8,313	224,232
37	79	0	0	0	224,232	0	(40,988)	7,055	190,298
38	80	0	0	0	190,298	0	(40,988)	5,748	155,059
39	81	0	0	0	155,059	0	(40,988)	4,392	118,462
40	82	0	0	0	118,462	0	(40,988)	2,983	80,457
41	83	0	0	0	80,457	0	(40,988)	1,520	40,988
42	84	0	0	0	40,988	0	(40,988)	0	0
43	85	0	0	0	0	0	0	0	0
		500,000	(225,000)	275,000		275,000	(819,764)	544,764	



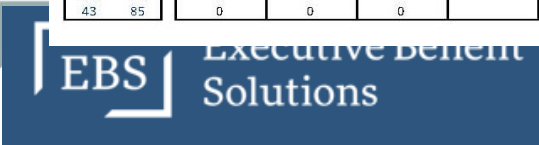
Sample Participation Illustration

Tahoe Forest Hospital - Projection of After-Tax Retirement Income - Split Dollar Plan

Year	Beg of Yr Age	FUNDING							John Hancock's Accumulator IUL 21 (5.50%)						Loan Receivable				
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
		Particant Contrib	Tahoe Match @ 15.0%	Total Contrib (Split \$ Loan)	Long-Term AFR Rate For This Loan	Annual Interest	Imputed Interest Income	Cum Loans With Interest	Tahoe Cash Flow Assuming Death Age 85	Annual Premium	Non-Taxable Withdrawal For Tax on Imputed Income [Col 6 x 45.00%]	Non-Taxable Withdrawal For Income	Policy Cash Surrender Value	Total Death Benefit	Participant's Death Ben Net of Loan [13-7]	Cum Premium Loan Balance [Col 7]	Premium Loans Receivable Account Balance [Lesser of Col 12 or 15]	Premium Loans Valuation Reserve [Col 15 - 16]	Change In Premium Loans Valuation Reserve [Chg Col 17]
1	43	100,000	15,000	115,000	2.00%	2,300	0	117,300	(115,000)	115,000	0	50,920	2,050,672	1,933,372	117,300	50,920	66,380	(66,380)	
2	44	100,000	15,000	115,000	2.25%	4,934	0	237,234	(115,000)	115,000	0	158,699	2,157,437	1,920,203	237,234	158,699	78,535	(12,155)	
3	45	100,000	15,000	115,000	2.50%	7,914	0	360,147	(115,000)	115,000	0	271,809	2,269,534	1,909,387	360,147	271,809	88,338	(9,803)	
4	46	100,000	15,000	115,000	2.75%	11,255	0	486,403	(115,000)	115,000	0	396,625	2,389,155	1,902,752	486,403	396,625	89,778	(1,440)	
5	47	100,000	15,000	115,000	3.00%	14,976	0	616,378	(115,000)	115,000	0	524,245	2,514,921	1,898,542	616,378	524,245	92,133	(2,355)	
6	48	0	0	0		15,356	0	631,734	0	0	0	544,229	2,514,921	1,883,186	631,734	544,229	87,505	4,628	
7	49	0	0	0		15,746	0	647,481	0	0	0	565,135	2,514,921	1,867,440	647,481	565,135	82,346	5,159	
8	50	0	0	0		16,147	0	663,628	0	0	0	589,568	1,112,375	448,747	663,628	589,568	74,059	8,287	
9	51	0	0	0		16,557	0	680,185	0	0	0	616,596	1,112,375	432,190	680,185	616,596	63,589	10,470	
10	52	0	0	0		16,979	0	697,164	0	0	0	644,550	1,112,375	415,211	697,164	644,550	52,613	10,976	
11	53	0	0	0		17,411	0	714,575	0	0	0	674,303	1,112,375	397,800	714,575	674,303	40,272	12,341	
12	54	0	0	0		17,855	0	732,430	0	0	0	728,823	1,112,375	379,945	732,430	728,823	3,607	36,665	
13	55	0	0	0		18,310	0	750,739	0	0	0	772,375	1,127,668	376,928	750,739	750,739	0	3,607	
14	56	0	0	0		18,777	0	769,516	0	0	0	816,533	1,159,477	389,962	769,516	769,516	0	0	
15	57	0	0	0		19,255	0	788,771	0	0	0	863,696	1,191,901	403,130	788,771	788,771	0	0	
16	58	0	0	0		19,747	0	808,518	0	0	0	914,051	1,224,828	416,310	808,518	808,518	0	0	
17	59	0	0	0		20,251	0	828,769	0	0	0	967,794	1,258,132	429,363	828,769	828,769	0	0	
18	60	0	0	0		20,768	0	849,538	0	0	0	1,025,139	1,312,177	462,640	849,538	849,538	0	0	
19	61	0	0	0		21,299	0	870,837	0	0	0	1,086,274	1,368,706	497,869	870,837	870,837	0	0	
20	62	0	0	0		21,844	0	892,680	0	0	0	1,151,429	1,427,771	535,091	892,680	892,680	0	0	
21	63	0	0	0		22,402	0	915,083	0	0	0	1,234,223	1,505,752	590,669	915,083	915,083	0	0	
22	64	0	0	0		22,976	0	938,059	0	0	0	1,322,966	1,587,560	649,501	938,059	938,059	0	0	
23	65	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,312,018	1,561,302	623,243	938,059	938,059	0	0	
24	66	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,300,221	1,534,261	596,202	938,059	938,059	0	0	
25	67	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,287,510	1,506,387	568,328	938,059	938,059	0	0	
26	68	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,273,817	1,477,628	539,569	938,059	938,059	0	0	
27	69	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,259,090	1,447,954	509,895	938,059	938,059	0	0	
28	70	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,243,280	1,410,147	472,088	938,059	938,059	0	0	
29	71	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,227,441	1,378,485	440,426	938,059	938,059	0	0	
30	72	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,211,614	1,343,539	405,481	938,059	938,059	0	0	
31	73	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,195,839	1,305,168	367,110	938,059	938,059	0	0	
32	74	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,180,256	1,263,327	325,268	938,059	938,059	0	0	
33	75	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,164,992	1,253,230	315,171	938,059	938,059	0	0	
34	76	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,149,779	1,243,363	305,305	938,059	938,059	0	0	
35	77	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,134,200	1,233,296	295,237	938,059	938,059	0	0	
36	78	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,117,339	1,222,072	284,013	938,059	938,059	0	0	
37	79	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,099,063	1,209,557	271,498	938,059	938,059	0	0	
38	80	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,079,220	1,195,596	257,537	938,059	938,059	0	0	
39	81	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,057,621	1,179,998	241,939	938,059	938,059	0	0	
40	82	0	0	0		23,564	23,564	938,059	0	10,604	91,901	1,034,078	1,162,571	224,512	938,059	938,059	0	0	
41	83	0	0	0		23,564	23,564	938,059	0	10,604	91,901	987,943	1,121,640	183,581	938,059	938,059	0	0	
42	84	0	0	0		23,564	23,564	938,059	0	10,604	91,901	938,182	1,077,128	139,070	938,059	938,059	0	0	
43	85	0	0	0		0	0	0	938,059	0	0	0	0	0	0	0	0	0	

Cash Flow Sum => 363,059

1,848,627



Sample Participation Illustration

Tahoe Forest Hospital - Projected Cash Flow and P&L Comparison: Cash Compensation vs. Split Dollar

Sample Participant

Year	Beg of Yr Age	CASH COMPENSATION							SPLIT DOLLAR							COMPARISON				
		(1) Cash Comp	(2) Payroll Taxes @ 2.45%	(3) Premium Loan Including Match	(4) Cash Flow	(5) Change in Note Receivable	(6) Change in Note Receivable Valuation Reserve	(7) P&L [4+5+6]	(8) Cum P&L	(9) Cash Comp	(10) Payroll Taxes @ 2.45%	(11) Premium Loan Including Match	(12) Cash Flow	(13) Change in Note Receivable	(14) Change in Note Receivable Valuation Reserve	(15) P&L [12+13+14]	(16) Cum P&L	(17) Split Dollar vs Cash Comp [Col 12 - 4]	(18) Split Dollar vs Cash Comp [Col 16-8]	(19) Cum Split Dollar vs Cash Comp [Cum Col 18]
1	43	(100,000)	(2,450)	0	(102,450)	0	0	(102,450)	(102,450)	0	0	(115,000)	(115,000)	117,300	(66,380)	(64,080)	(64,080)	(12,550)	38,370	38,370
2	44	(100,000)	(2,450)	0	(102,450)	0	0	(102,450)	(204,900)	0	0	(115,000)	(115,000)	119,934	(12,155)	(7,222)	(71,301)	(12,550)	95,228	133,599
3	45	(100,000)	(2,450)	0	(102,450)	0	0	(102,450)	(307,350)	0	0	(115,000)	(115,000)	122,914	(9,803)	(1,889)	(73,191)	(12,550)	100,561	234,159
4	46	(100,000)	(2,450)	0	(102,450)	0	0	(102,450)	(409,800)	0	0	(115,000)	(115,000)	126,255	(1,440)	9,816	(63,375)	(12,550)	112,266	346,425
5	47	(100,000)	(2,450)	0	(102,450)	0	0	(102,450)	(512,250)	0	0	(115,000)	(115,000)	129,976	(2,355)	12,621	(50,755)	(12,550)	115,071	461,495
6	48	0	0	0	0	0	0	0	(512,250)	0	0	0	0	15,356	4,628	19,984	(30,771)	0	19,984	481,479
7	49	0	0	0	0	0	0	0	(512,250)	0	0	0	0	15,746	5,159	20,906	(9,865)	0	20,906	502,385
8	50	0	0	0	0	0	0	0	(512,250)	0	0	0	0	16,147	5,287	24,433	14,568	0	24,433	526,818
9	51	0	0	0	0	0	0	0	(512,250)	0	0	0	0	16,557	10,470	27,028	41,596	0	27,028	553,846
10	52	0	0	0	0	0	0	0	(512,250)	0	0	0	0	16,979	10,976	27,954	69,550	0	27,954	581,800
11	53	0	0	0	0	0	0	0	(512,250)	0	0	0	0	17,411	12,341	29,752	99,303	0	29,752	611,553
12	54	0	0	0	0	0	0	0	(512,250)	0	0	0	0	17,855	36,665	54,520	153,823	0	54,520	666,073
13	55	0	0	0	0	0	0	0	(512,250)	0	0	0	0	18,310	3,607	21,917	175,739	0	21,917	687,989
14	56	0	0	0	0	0	0	0	(512,250)	0	0	0	0	18,777	0	18,777	194,516	0	18,777	706,766
15	57	0	0	0	0	0	0	0	(512,250)	0	0	0	0	19,255	0	19,255	213,771	0	19,255	726,021
16	58	0	0	0	0	0	0	0	(512,250)	0	0	0	0	19,747	0	19,747	233,518	0	19,747	745,768
17	59	0	0	0	0	0	0	0	(512,250)	0	0	0	0	20,251	0	20,251	253,769	0	20,251	766,019
18	60	0	0	0	0	0	0	0	(512,250)	0	0	0	0	20,768	0	20,768	274,538	0	20,768	786,788
19	61	0	0	0	0	0	0	0	(512,250)	0	0	0	0	21,299	0	21,299	295,837	0	21,299	808,087
20	62	0	0	0	0	0	0	0	(512,250)	0	0	0	0	21,844	0	21,844	317,680	0	21,844	829,930
21	63	0	0	0	0	0	0	0	(512,250)	0	0	0	0	22,402	0	22,402	340,083	0	22,402	852,333
22	64	0	0	0	0	0	0	0	(512,250)	0	0	0	0	22,976	0	22,976	363,059	0	22,976	875,309
23	65	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
24	66	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
25	67	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
26	68	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
27	69	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
28	70	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
29	71	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
30	72	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
31	73	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
32	74	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
33	75	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
34	76	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
35	77	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
36	78	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
37	79	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
38	80	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
39	81	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
40	82	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
41	83	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
42	84	0	0	0	0	0	0	0	(512,250)	0	0	0	0	0	0	0	363,059	0	0	875,309
43	85	0	0	0	0	0	0	0	(512,250)	0	0	938,059	938,059	(938,059)	0	0	363,059	938,059	0	875,309
		(512,250)							363,059							875,309	875,309			

Sample Participation Illustration

Tahoe Forest Hospital - Projected Balance Sheet Comparison: Cash Compensation vs. Split Dollar

Sample Participant

Year	Beg of Yr Age	CASH COMPENSATION						SPLIT DOLLAR						COMPARE		
		(1) Cum Cash	(2) Loan Receivable	(3) Cash Surrender Value of Life Insurance	(4) Lesser of Col 2 or 3	(5) Assets	(6) Liabilities	(7) Net Position	(8) Cum Cash	(9) Loan Receivable	(10) Cash Surrender Value of Life Insurance	(11) Lesser of Col 2 or 3	(12) Assets	(13) Liabilities	(14) Net Position	(15) NET POSITION Split Dollar vs Cash Comp [Col 12 - 4]
1	43	(102,450)	0	0	0	(102,450)	0	(102,450)	(115,000)	117,300	50,920	50,920	(64,080)	0	(64,080)	38,370
2	44	(204,900)	0	0	0	(204,900)	0	(204,900)	(230,000)	237,234	158,699	158,699	(71,301)	0	(71,301)	133,599
3	45	(307,350)	0	0	0	(307,350)	0	(307,350)	(345,000)	360,147	271,809	271,809	(73,191)	0	(73,191)	234,159
4	46	(409,800)	0	0	0	(409,800)	0	(409,800)	(460,000)	486,403	396,625	396,625	(63,375)	0	(63,375)	346,425
5	47	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	616,378	524,245	524,245	(50,755)	0	(50,755)	461,495
6	48	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	631,734	544,229	544,229	(30,771)	0	(30,771)	481,479
7	49	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	647,481	565,135	565,135	(9,865)	0	(9,865)	502,385
8	50	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	663,628	589,568	589,568	14,568	0	14,568	526,818
9	51	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	680,185	616,596	616,596	41,596	0	41,596	553,846
10	52	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	697,164	644,550	644,550	69,550	0	69,550	581,800
11	53	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	714,575	674,303	674,303	99,303	0	99,303	611,553
12	54	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	732,430	728,823	728,823	153,823	0	153,823	666,073
13	55	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	750,739	750,739	750,739	175,739	0	175,739	687,989
14	56	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	769,516	769,516	769,516	194,516	0	194,516	706,766
15	57	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	788,771	788,771	788,771	213,771	0	213,771	726,021
16	58	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	808,518	808,518	808,518	233,518	0	233,518	745,768
17	59	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	828,769	828,769	828,769	253,769	0	253,769	766,019
18	60	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	849,538	849,538	849,538	274,538	0	274,538	786,788
19	61	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	870,837	870,837	870,837	295,837	0	295,837	808,087
20	62	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	892,680	892,680	892,680	317,680	0	317,680	829,930
21	63	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	915,083	915,083	915,083	340,083	0	340,083	852,333
22	64	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
23	65	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
24	66	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
25	67	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
26	68	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
27	69	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
28	70	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
29	71	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
30	72	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
31	73	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
32	74	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
33	75	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
34	76	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
35	77	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
36	78	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
37	79	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
38	80	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
39	81	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
40	82	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
41	83	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
42	84	(512,250)	0	0	0	(512,250)	0	(512,250)	(575,000)	938,059	938,059	938,059	363,059	0	363,059	875,309
43	85	(512,250)	0	0	0	(512,250)	0	(512,250)	363,059	0	0	0	363,059	0	363,059	875,309



Estimating Contributions

Estimating Contributions

- The reason to estimate contributions is to determine potential cost to TFHD.
- Under the split dollar plan design, TFHD will recover the entire cost of the premium payment, including both employee contribution and company match.
- The short-term cost to the company is the cash flow outlay of the company match.
- The following estimates are based on EBS experience with voluntary plans and are based on age, compensation, years of service.

Estimating Contributions

Estimating Deferrals

Based on Income and Age of Executives

Deferral Percentage Based on Income			
Comp From	To	Estimated Deferral %	Deferral \$ at Midpoint
0	150,000	0.00%	0
150,001	200,000	7.50%	13,125
200,001	250,000	10.00%	22,500
250,001	350,000	12.50%	37,500
350,001	500,000	15.00%	63,750
500,001	1,000,000	15.00%	112,500

Deferral Probability Based on Age		
Age From	To	Estimated Probability of Deferral
30	35	25.00%
36	40	50.00%
41	45	66.67%
46	50	75.00%
51	55	66.67%
56	58	50.00%
58	65	5.00%

Estimating Contributions

Tahoe Forest - Split Dollar Plan

Estimated Contributions

Title	27,456,315 % of Total Salaries=>		Estimated Deferrals Based on Salary Level With and Without a \$50,000 Cap			Probability Adjusted Contributions			Estimated Impact on Tahoe's Contributions to Qualified Plans Due to Reduction in Compensation							
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
	Salary	Age	Estimated Deferral % Based on Comp	Potential Deferral	15% Match	Col 4 Deferral Capped at \$50K	15% Match	Probability of Deferring [based on Age]	Expected Deferrals without a Cap [Col 4x8]	15% Match	Eligible Comp Up To IRS Limit Before Deferral	Eligible Comp Up To IRS Limit With Deferral	Reduction in Comp Eligible for 401(a) Part 1 3% Match & 403(b) 5% Match	Comp Over \$5 Wage Base Up To IRS Comp Limit Before Deferral	Comp Over \$5 Wage Base Up To IRS Comp Limit With Deferral	Reduction in Comp Eligible for 401(a) Part 2 3% Match
1 President & CEO	657,494	67	15.0%	98,624	14,794	50,000	7,500	0%	0	0	305,000	305,000	0	158,000	158,000	0
2 Orthopedic Surgeon	639,236	53	15.0%	95,885	14,383	50,000	7,500	67%	63,924	9,589	305,000	305,000	0	158,000	158,000	0
3 Orthopedic Surgeon	639,236	36	15.0%	95,885	14,383	50,000	7,500	50%	47,943	7,191	305,000	305,000	0	158,000	158,000	0
4 Orthopedic Surgeon	639,236	37	15.0%	95,885	14,383	50,000	7,500	50%	47,943	7,191	305,000	305,000	0	158,000	158,000	0
5 Orthopedic Surgeon	639,236	41	15.0%	95,885	14,383	50,000	7,500	67%	63,924	9,589	305,000	305,000	0	158,000	158,000	0
6 Gastroenterologist	550,992	69	15.0%	82,649	12,397	50,000	7,500	0%	0	0	305,000	305,000	0	158,000	158,000	0
7 Cardiologist	542,052	53	15.0%	81,308	12,196	50,000	7,500	67%	54,205	8,131	305,000	305,000	0	158,000	158,000	0
8 General Radiologist	535,369	42	15.0%	80,305	12,046	50,000	7,500	67%	53,537	8,031	305,000	305,000	0	158,000	158,000	0
9 General Radiologist	535,369	58	15.0%	80,305	12,046	50,000	7,500	5%	4,015	602	305,000	305,000	0	158,000	158,000	0
10 General Radiologist	535,369	64	15.0%	80,305	12,046	50,000	7,500	5%	4,015	602	305,000	305,000	0	158,000	158,000	0
11 ENI/Facial Plastic Surgeon	515,364	41	15.0%	77,305	11,596	50,000	7,500	67%	51,536	7,730	305,000	305,000	0	158,000	158,000	0
12 Urologist	514,989	58	15.0%	77,248	11,587	50,000	7,500	5%	3,862	579	305,000	305,000	0	158,000	158,000	0
13 Hematology/Oncology Physician	483,614	65	15.0%	72,542	10,881	50,000	7,500	5%	3,627	544	305,000	305,000	0	158,000	158,000	0
14 Hematology/Oncology Physician	483,614	47	15.0%	72,542	10,881	50,000	7,500	75%	54,407	8,161	305,000	305,000	0	158,000	158,000	0
15 Hematology/Oncology Physician	483,614	44	15.0%	72,542	10,881	50,000	7,500	67%	48,361	7,254	305,000	305,000	0	158,000	158,000	0
16 Gastroenterologist	479,363	54	15.0%	71,904	10,786	50,000	7,500	67%	47,936	7,190	305,000	305,000	0	158,000	158,000	0
17 General Surgeon	455,853	44	15.0%	68,378	10,257	50,000	7,500	67%	45,585	6,838	305,000	305,000	0	158,000	158,000	0
18 General Surgeon	455,853	43	15.0%	68,378	10,257	50,000	7,500	67%	45,585	6,838	305,000	305,000	0	158,000	158,000	0
19 Ophthalmologist	414,800	42	15.0%	62,220	9,333	50,000	7,500	67%	41,480	6,222	305,000	305,000	0	158,000	158,000	0
20 Obstetrician/Gynecologist	407,297	50	15.0%	61,095	9,164	50,000	7,500	75%	45,821	6,873	305,000	305,000	0	158,000	158,000	0
21 General Radiologist	401,527	66	15.0%	60,229	9,034	50,000	7,500	0%	0	0	305,000	305,000	0	158,000	158,000	0
22 CFO	396,552	50	15.0%	59,483	8,922	50,000	7,500	75%	44,612	6,692	305,000	305,000	0	158,000	158,000	0
23 In-House Counsel	389,705	45	15.0%	58,456	8,768	50,000	7,500	67%	38,971	5,846	305,000	305,000	0	158,000	158,000	0
24 Internist/Cardiologist	367,912	73	15.0%	55,187	8,278	50,000	7,500	0%	0	0	305,000	305,000	0	158,000	158,000	0
25 Obstetrician/Gynecologist	364,478	41	15.0%	54,672	8,201	50,000	7,500	67%	36,448	5,467	305,000	305,000	0	158,000	158,000	0
26 Obstetrician/Gynecologist	364,478	46	15.0%	54,672	8,201	50,000	7,500	75%	41,004	6,151	305,000	305,000	0	158,000	158,000	0
27 Obstetrician/Gynecologist	364,478	43	15.0%	54,672	8,201	50,000	7,500	67%	36,448	5,467	305,000	305,000	0	158,000	158,000	0
28 VP Provider Services	337,509	43	12.5%	42,189	6,328	42,189	6,328	67%	28,126	4,219	305,000	305,000	0	158,000	158,000	0
29 Internist/Pulmonologist	332,948	60	12.5%	41,618	6,243	41,618	6,243	5%	2,081	312	305,000	305,000	0	158,000	158,000	0
30 CIO	331,080	49	12.5%	41,385	6,208	41,385	6,208	75%	31,039	4,656	305,000	300,041	4,959	158,000	153,041	4,959
31 Hospitalist (Day)	318,219	36	12.5%	39,777	5,967	39,777	5,967	50%	19,889	2,983	305,000	298,331	6,670	158,000	151,331	6,670
32 CNO	290,000	60	12.5%	36,250	5,438	36,250	5,438	5%	1,813	272	290,000	288,188	1,813	143,000	141,188	1,813
33 Sports Medicine Physician	288,932	58	12.5%	36,116	5,417	36,116	5,417	5%	1,806	271	288,932	287,126	1,806	141,932	140,126	1,806
34 CHRO	283,716	45	12.5%	35,465	5,320	35,465	5,320	67%	23,643	3,546	283,716	280,073	23,643	136,716	133,073	23,643
35 Family Medicine	270,132	55	12.5%	33,766	5,065	33,766	5,065	67%	22,511	3,377	270,132	247,621	22,511	123,132	100,621	22,511
36 Family Medicine	270,132	41	12.5%	33,766	5,065	33,766	5,065	67%	22,511	3,377	270,132	247,621	22,511	123,132	106,248	22,511
37 Family Medicine	270,132	38	12.5%	33,766	5,065	33,766	5,065	50%	16,883	2,532	270,132	253,248	16,883	123,132	106,248	16,883
38 Family Medicine	270,132	35	12.5%	33,766	5,065	33,766	5,065	25%	8,442	1,266	270,132	261,690	8,442	123,132	114,690	8,442
39 Family Medicine	270,132	50	12.5%	33,766	5,065	33,766	5,065	75%	25,325	3,799	270,132	244,807	25,325	123,132	97,807	25,325
40 Family Medicine	270,132	53	12.5%	33,766	5,065	33,766	5,065	67%	22,511	3,377	270,132	247,621	22,511	123,132	100,621	22,511
41 Family Medicine	270,132	34	12.5%	33,766	5,065	33,766	5,065	25%	8,442	1,266	270,132	261,690	8,442	123,132	114,690	8,442
42 Family Medicine	270,132	37	12.5%	33,766	5,065	33,766	5,065	50%	16,883	2,532	270,132	253,248	16,883	123,132	106,248	16,883
43 General Radiologist	267,685	39	12.5%	33,461	5,019	33,461	5,019	50%	16,730	2,510	267,685	250,954	16,730	120,685	103,954	16,730
44 Director Pharmacy	258,184	54	12.5%	32,273	4,841	32,273	4,841	67%	21,515	3,227	258,184	236,669	21,515	111,184	89,669	21,515
45 Pediatrician	248,839	36	10.0%	24,884	3,733	24,884	3,733	50%	12,442	1,866	248,839	236,397	12,442	101,839	89,397	12,442
46 Pediatrician	248,839	32	10.0%	24,884	3,733	24,884	3,733	25%	6,221	933	248,839	242,618	6,221	101,839	95,618	6,221

Estimating Contributions

Tahoe Forest - Split Dollar Plan

Estimated Contributions

Title	27,456,315 % of Total Salaries-->		Estimated Deferrals Based on Salary Level With and Without a \$50,000 Cap			Probability Adjusted Contributions			Estimated Impact on Tahoe's Contributions to Qualified Plans Due to Reduction in Compensation							
	(1)	(2)	3,313,571 12.07%	497,036 1.81%	2,675,009 9.74%	401,251 1.46%	Exp Deferrals--> & Match	1,471,434 5.36%	220,715 0.80%	Sum of Column 13--> 3% 401(a) Part 1 & 5% 403(b)-->	476,739 1.74%	38,139 0.14%	Sum of Column 16--> 3% 401(b)-->	476,739 1.74%	14,302 0.05%	Estimated Combined Reduction in Qualified Plan Matches Due to Deferrals-->
	Salary	Age	Estimated Deferral % Based on Comp	Potential Deferral	15% Match	Col 4 Deferral Capped at \$50K	15% Match	Probability of Deferring [Based on Age]	Expected Deferrals without a Cap [Col 4x8]	15% Match	Eligible Comp Up To IRS Limit Before Deferral	Eligible Comp Up To IRS Limit With Deferral	Reduction in Comp Eligible for 401(a) Part 1 3% Match & 403(b) 5% Match	Comp Over 55 Wage Base Up To IRS Comp Limit Before Deferral	Comp Over 55 Wage Base Up To IRS Comp Limit With Deferral	Reduction in Comp Eligible for 401(a) Part 2 3% Match
47. Pediatrician	248,839	65	10.0%	24,884	3,733	24,884	3,733	5%	1,244	187	248,839	247,595	1,244	101,839	100,595	1,244
48. Pediatrician	248,839	51	10.0%	24,884	3,733	24,884	3,733	67%	16,589	2,488	248,839	232,249	16,589	101,839	85,249	16,589
49. Pediatrician	248,839	44	10.0%	24,884	3,733	24,884	3,733	67%	16,589	2,488	248,839	232,249	16,589	101,839	85,249	16,589
50. Neurologist	247,837	39	10.0%	24,784	3,718	24,784	3,718	50%	12,392	1,859	247,837	235,445	12,392	100,837	88,445	12,392
51. Hospitalist (Day)	245,029	52	10.0%	24,503	3,675	24,503	3,675	67%	16,335	2,450	245,029	228,694	16,335	98,029	81,694	16,335
52. Exec Dir Governance/BusDev	228,724	60	10.0%	22,872	3,431	22,872	3,431	5%	1,144	172	228,724	227,580	1,144	81,724	80,580	1,144
53. Family Medicine	224,209	50	10.0%	22,421	3,363	22,421	3,363	75%	16,816	2,522	224,209	207,394	16,816	77,209	60,394	16,816
54. Controller	218,503	59	10.0%	21,850	3,278	21,850	3,278	5%	1,093	164	218,503	217,410	1,093	71,503	70,410	1,093
55. Internal Medicine	215,278	54	10.0%	21,528	3,229	21,528	3,229	67%	14,352	2,153	215,278	200,927	14,352	68,278	53,927	14,352
56. Obstetrician/Gynecologist	215,042	68	10.0%	21,504	3,226	21,504	3,226	0%	0	0	215,042	215,042	0	68,042	68,042	0
57. Admin Director Surgical Services	214,162	57	10.0%	21,416	3,212	21,416	3,212	50%	10,708	1,606	214,162	203,454	10,708	67,162	56,454	10,708
58. Director Cancer Center	211,150	41	10.0%	21,115	3,167	21,115	3,167	67%	14,077	2,112	211,150	197,073	14,077	64,150	50,073	14,077
59. Family & Occupational Medicine	207,318	64	10.0%	20,732	3,110	20,732	3,110	5%	1,037	155	207,318	206,281	1,037	60,318	59,281	1,037
60. Endocrinologist	205,117	46	10.0%	20,512	3,077	20,512	3,077	75%	15,384	2,308	205,117	189,733	15,384	58,117	42,733	15,384
61. Director PRIME	203,964	67	10.0%	20,396	3,059	20,396	3,059	0%	0	0	203,964	203,964	0	56,964	56,964	0
62. Family Medicine	202,599	65	10.0%	20,260	3,039	20,260	3,039	5%	1,013	152	202,599	201,586	1,013	55,599	54,586	1,013
63. Dir Q&R	200,771	62	10.0%	20,077	3,012	20,077	3,012	5%	1,004	151	200,771	199,767	1,004	53,771	52,767	1,004
64. Revenue Cycle Project Director	194,251	64	7.5%	14,569	2,185	14,569	2,185	5%	728	109	194,251	193,523	728	47,251	46,523	728
65. Dir Facilities Management/Construction	191,675	31	7.5%	14,376	2,156	14,376	2,156	25%	3,594	539	191,675	188,081	3,594	44,675	41,081	3,594
66. Internal Medicine	191,454	61	7.5%	14,359	2,154	14,359	2,154	5%	718	108	191,454	190,736	718	44,454	43,736	718
67. Dir Distinct-Part SNF	191,126	46	7.5%	14,334	2,150	14,334	2,150	75%	10,751	1,613	191,126	180,375	10,751	44,126	33,375	10,751
68. Dir Finance Provider Svcs	188,218	62	7.5%	14,116	2,117	14,116	2,117	5%	706	106	188,218	187,512	706	41,218	40,512	706
69. Exec Director Foundations	185,400	36	7.5%	13,905	2,086	13,905	2,086	50%	6,953	1,043	185,400	178,448	6,953	38,400	31,448	6,953
70. Admin Dir Transitions	185,001	63	7.5%	13,875	2,081	13,875	2,081	5%	694	104	185,001	184,307	694	38,001	37,307	694
71. Director IT	181,670	56	7.5%	13,625	2,044	13,625	2,044	50%	6,813	1,022	181,670	174,857	6,813	34,670	27,857	6,813
72. Director of Operations IV	179,916	62	7.5%	13,494	2,024	13,494	2,024	5%	675	101	179,916	179,241	675	32,916	32,241	675
73. Dir Laboratory Services	179,083	53	7.5%	13,431	2,015	13,431	2,015	67%	8,954	1,343	179,083	170,129	8,954	32,083	23,129	8,954
74. Director OH & Wellness	178,581	51	7.5%	13,394	2,009	13,394	2,009	67%	8,929	1,339	178,581	169,652	8,929	31,581	22,652	8,929
75. Dir Mkts/Communications	175,637	61	7.5%	13,173	1,976	13,173	1,976	5%	659	99	175,637	174,979	659	28,637	27,979	659
76. Dir Primary Care Clinics	168,184	50	7.5%	12,614	1,892	12,614	1,892	75%	9,460	1,419	168,184	158,723	9,460	21,184	11,723	9,460
77. Admin Dir Case Mgmt/Care Coord	168,176	61	7.5%	12,613	1,892	12,613	1,892	5%	631	95	168,176	167,546	631	21,176	20,546	631
78. Neurologist	165,225	50	7.5%	12,392	1,859	12,392	1,859	75%	9,294	1,394	165,225	155,931	9,294	18,225	8,931	9,294
79. Director HIM	164,800	68	7.5%	12,360	1,854	12,360	1,854	0%	0	0	164,800	164,800	0	17,800	17,800	0
80. Director DI	161,213	40	7.5%	12,091	1,814	12,091	1,814	50%	6,045	907	161,213	155,168	6,045	14,213	8,168	6,045
81. Director Materials Mgmt.	160,219	60	7.5%	12,016	1,802	12,016	1,802	5%	601	90	160,219	159,618	601	13,219	12,618	601
82. Director Specialty Svcs	159,135	35	7.5%	11,935	1,790	11,935	1,790	25%	2,984	448	159,135	156,151	2,984	12,135	9,151	2,984
83. Hospitalist (Day)	159,110	50	7.5%	11,933	1,790	11,933	1,790	75%	8,950	1,342	159,110	150,160	8,950	12,110	3,160	8,950
84. Hospitalist (Day)	159,110	50	7.5%	11,933	1,790	11,933	1,790	75%	8,950	1,342	159,110	150,160	8,950	12,110	3,160	8,950
85. Dir Well Neigh/Com Health	152,194	59	7.5%	11,415	1,712	11,415	1,712	5%	571	86	152,194	151,623	571	5,194	4,623	571
86. Director Nutrition Svcs.	146,665	56	0.0%	0	0	0	0	50%	0	0	146,665	146,665	0	0	0	0
87. Family Medicine	140,468	54	0.0%	0	0	0	0	67%	0	0	140,468	140,468	0	0	0	0
88. Director MSK Service Line	140,196	42	0.0%	0	0	0	0	67%	0	0	140,196	140,196	0	0	0	0
89. Dir Medical Staff Svcs	135,859	46	0.0%	0	0	0	0	75%	0	0	135,859	135,859	0	0	0	0
90. Family Medicine	135,066	49	0.0%	0	0	0	0	75%	0	0	135,066	135,066	0	0	0	0
91. Director Access Center	132,732	58	0.0%	0	0	0	0	5%	0	0	132,732	132,732	0	0	0	0
92. Dir Children's Center	116,982	64	0.0%	0	0	0	0	5%	0	0	116,982	116,982	0	0	0	0

Estimating Contributions

Tahoe Forest - Split Dollar Plan

Estimated Contributions

			Estimated Deferrals Based on Salary Level With and Without a \$50,000 Cap				Probability Adjusted Contributions			Estimated Impact on Tahoe's Contributions to Qualified Plans Due to Reduction in Compensation																
% of Total Salaries=>			27,456,315 100%		3,313,571 497,036 12.07% 1.81%		2,675,009 401,251 9.74% 1.46%		Exp Deferrals=> & Match		1,471,434 220,715 5.36% 0.80%		Sum of Column 13=> 3% 401(a) Part 1 & 5% 403(b)=>		476,739 38,139		Sum of Column 16=> 3% 401(b)=>		476,739 14,302							
			Estimated Deferral % Based on Comp		Potential Deferral		15% Match		Col 4 Deferral Capped at \$50K		15% Match		Probability of Deferring [based on Age]		Expected Deferrals without a Cap [Col 4x8]		15% Match		Reduction in Comp Eligible for 401(a) Part 1 3% Match & 403(b) 5% Match		Comp Over SS Wage Base Up To IRS Comp Limit Before Deferral		Comp Over SS Wage Base Up To IRS Comp Limit With Deferral		Reduction in Comp Eligible for 401(a) Part 2 3% Match	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)											
Title	Salary	Age	Estimated Deferral % Based on Comp	Potential Deferral	15% Match	Col 4 Deferral Capped at \$50K	15% Match	Probability of Deferring [based on Age]	Expected Deferrals without a Cap [Col 4x8]	15% Match	Eligible Comp Up To IRS Limit Before Deferral	Eligible Comp Up To IRS Limit With Deferral	Reduction in Comp Eligible for 401(a) Part 1 3% Match & 403(b) 5% Match	Comp Over SS Wage Base Up To IRS Comp Limit Before Deferral	Comp Over SS Wage Base Up To IRS Comp Limit With Deferral	Reduction in Comp Eligible for 401(a) Part 2 3% Match										
93 Director Patient Access	111,674	34	0.0%	0	0	0	0	25%	0	0	111,674	111,674	0	0	0	0										
94 Hospitalist (Day)	63,644	36	0.0%	0	0	0	0	50%	0	0	63,644	63,644	0	0	0	0										
95 Physician Pre-Surgery Clinic	51,861	35	0.0%	0	0	0	0	25%	0	0	51,861	51,861	0	0	0	0										
96 Pediatrician	31,486	73	0.0%	0	0	0	0	0%	0	0	31,486	31,486	0	0	0	0										

Projected Financial Impact

Projected Financial Impact

Tahoe Forest Hospital - Projection of After-Tax Retirement Income - Split Dollar Plan

Based on Projected Aggregate Contributions

Year	FUNDING								John Hancock's Accumulation IUL 21 (5.50%)						Loan Receivable			
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
	Participant Contrib	Tahoe Match @ 15.0%	Total Contib (Split \$ Loan)	Long-Term AFR Rate For This Loan	Annual Interest	Imputed Interest Income	Cum Loans With Interest	Tahoe Cash Flow Assuming Death Age 85	Annual Premium	Non-Taxable Withdrawal For Tax on Imputed Income [Col 6 x 45.00%]	Non-Taxable Withdrawal For Income	Estimated Policy Cash Surrender Value	Estimated Total Death Benefit	Participant's Death Ben Net of Loan [13-7]	Cum Premium Loan Balance [Col 7]	Premium Loans Receivable Account Balance [Lesser of Col 12 or 15]	Premium Loans Valuation Reserve [Col 15 - 16]	Change in Premium Loans Valuation Reserve [Chg Col 17]
1	1,471,434	220,715	1,692,149	3.25%	54,995	0	1,747,144	(1,692,149)	1,692,149	0	0	749,259	30,174,287	28,427,143	1,747,144	749,259	997,885	(997,885)
2	1,471,434	220,715	1,692,149	3.25%	111,777	0	3,551,070	(1,692,149)	1,692,149	0	0	2,335,145	31,745,259	28,194,189	3,551,070	2,335,145	1,215,925	(218,040)
3	1,471,434	220,715	1,692,149	3.25%	170,405	0	5,413,624	(1,692,149)	1,692,149	0	0	3,999,491	33,394,692	27,981,068	5,413,624	3,999,491	1,414,132	(198,207)
4	1,471,434	220,715	1,692,149	3.25%	230,938	0	7,336,711	(1,692,149)	1,692,149	0	0	5,836,071	35,154,837	27,818,127	7,336,711	5,836,071	1,500,640	(86,507)
5	1,471,434	220,715	1,692,149	3.25%	293,438	0	9,322,298	(1,692,149)	1,692,149	0	0	7,713,924	37,005,398	27,683,101	9,322,298	7,713,924	1,608,373	(107,734)
6	0	0	0		302,975	0	9,625,272	0	0	0	0	8,007,977	37,005,398	27,380,126	9,625,272	8,007,977	1,617,295	(8,922)
7	0	0	0		312,821	0	9,938,094	0	0	0	0	8,315,588	37,005,398	27,067,305	9,938,094	8,315,588	1,622,506	(5,211)
8	0	0	0		322,988	0	10,261,082	0	0	0	0	8,675,107	16,367,859	6,106,778	10,261,082	8,675,107	1,585,974	36,531
9	0	0	0		333,485	0	10,594,567	0	0	0	0	9,072,804	16,367,859	5,773,293	10,594,567	9,072,804	1,521,763	64,211
10	0	0	0		344,323	0	10,938,890	0	0	0	0	9,484,135	16,367,859	5,428,969	10,938,890	9,484,135	1,454,755	67,008
11	0	0	0		355,514	0	11,294,404	0	0	0	0	9,921,920	16,367,859	5,073,455	11,294,404	9,921,920	1,372,484	82,271
12	0	0	0		367,068	0	11,661,472	0	0	0	0	10,724,143	16,367,859	4,706,387	11,661,472	10,724,143	937,329	435,155
13	0	0	0		378,998	0	12,040,470	0	0	0	0	11,364,989	16,592,884	4,552,414	12,040,470	11,364,989	675,481	261,848
14	0	0	0		391,315	0	12,431,785	0	0	0	0	12,014,749	17,060,943	4,629,158	12,431,785	12,014,749	417,037	258,444
15	0	0	0		404,033	0	12,835,818	0	0	0	0	12,708,720	17,538,033	4,702,215	12,835,818	12,708,720	127,099	289,938

Projected Financial Impact

Tahoe Forest Hospital - Projected Cash Flow and P&L Comparison: Cash Compensation vs. Split Dollar

Based on Projected Aggregate Contributions

Year	CASH COMPENSATION								SPLIT DOLLAR								COMPARISON		
	(1) Cash Comp	(2) Payroll Taxes @ 2.45%	(3) Premium Loan Including Match	(4) Cash Flow	(5) Change in Note Receivable	(6) Change in Note Receivable Valuation Reserve	(7) P&L [4+5+6]	(8) Cum P&L	(9) Cash Comp	(10) Payroll Taxes @ 2.45%	(11) Premium Loan Including Match	(12) Cash Flow	(13) Change in Note Receivable	(14) Change in Note Receivable Valuation Reserve	(15) P&L [12+13+14]	(16) Cum P&L	(17) ANNUAL CASH FLOW Split Dollar vs Cash Comp [Col 12 - 4]	(18) ANNUAL P&L Split Dollar vs Cash Comp [Col 16-8]	(19) CUM P&L Split Dollar vs Cash Comp [Cum Col 18]
1	(1,471,434)	(36,050)	0	(1,507,484)	0	0	(1,507,484)	(1,507,484)	0	0	(1,692,149)	(1,692,149)	1,747,144	(997,885)	(942,890)	(942,890)	(184,665)	564,594	564,594
2	(1,471,434)	(36,050)	0	(1,507,484)	0	0	(1,507,484)	(3,014,968)	0	0	(1,692,149)	(1,692,149)	1,803,926	(218,040)	(106,263)	(1,049,153)	(184,665)	1,401,221	1,965,815
3	(1,471,434)	(36,050)	0	(1,507,484)	0	0	(1,507,484)	(4,522,452)	0	0	(1,692,149)	(1,692,149)	1,862,554	(198,207)	(27,803)	(1,076,956)	(184,665)	1,479,681	3,445,496
4	(1,471,434)	(36,050)	0	(1,507,484)	0	0	(1,507,484)	(6,029,937)	0	0	(1,692,149)	(1,692,149)	1,923,087	(86,507)	144,430	(932,526)	(184,665)	1,651,914	5,097,411
5	(1,471,434)	(36,050)	0	(1,507,484)	0	0	(1,507,484)	(7,537,421)	0	0	(1,692,149)	(1,692,149)	1,985,587	(107,734)	185,704	(746,821)	(184,665)	1,693,189	6,790,599
6	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	302,975	(8,922)	294,053	(452,768)	0	294,053	7,084,652
7	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	312,821	(5,211)	307,611	(145,158)	0	307,611	7,392,263
8	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	322,988	36,531	359,519	214,362	0	359,519	7,751,782
9	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	333,485	64,211	397,697	612,058	0	397,697	8,149,479
10	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	344,323	67,008	411,331	1,023,389	0	411,331	8,560,810
11	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	355,514	82,271	437,785	1,461,174	0	437,785	8,998,595
12	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	367,068	435,155	802,223	2,263,397	0	802,223	9,800,818
13	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	378,998	261,848	640,846	2,904,244	0	640,846	10,441,664
14	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	391,315	258,444	649,760	3,554,003	0	649,760	11,091,424
15	0	0	0	0	0	0	0	(7,537,421)	0	0	0	0	404,033	289,938	693,971	4,247,974	0	693,971	11,785,395
				(7,537,421)				(7,537,421)					(8,460,746)			4,247,974	(923,325)	11,785,395	

Projected Financial Impact

Tahoe Forest Hospital - Projected Balance Sheet Comparison: Cash Compensation vs. Split Dollar

Based on Projected Aggregate Contributions

Year	CASH COMPENSATION							SPLIT DOLLAR							COMPARE
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
	Cum Cash	Loan Receivable	Cash Surrender Value of Life Insurance	Lesser of Col 2 or 3	Assets	Liabilities	Net Position	Cum Cash	Loan Receivable	Cash Surrender Value of Life Insurance	Lesser of Col 2 or 3	Assets	Liabilities	Net Position	NET POSITION Split Dollar vs Cash Comp [Col 12 - 4]
1	(1,507,484)	0	0	0	(1,507,484)	0	(1,507,484)	(1,692,149)	1,747,144	749,259	749,259	(942,890)	0	(942,890)	564,594
2	(3,014,968)	0	0	0	(3,014,968)	0	(3,014,968)	(3,384,298)	3,551,070	2,335,145	2,335,145	(1,049,153)	0	(1,049,153)	1,965,815
3	(4,522,452)	0	0	0	(4,522,452)	0	(4,522,452)	(5,076,447)	5,413,624	3,999,491	3,999,491	(1,076,956)	0	(1,076,956)	3,445,496
4	(6,029,937)	0	0	0	(6,029,937)	0	(6,029,937)	(6,768,596)	7,336,711	5,836,071	5,836,071	(932,526)	0	(932,526)	5,097,411
5	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	9,322,298	7,713,924	7,713,924	(746,821)	0	(746,821)	6,790,599
6	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	9,625,272	8,007,977	8,007,977	(452,768)	0	(452,768)	7,084,652
7	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	9,938,094	8,315,588	8,315,588	(145,158)	0	(145,158)	7,392,263
8	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	10,261,082	8,675,107	8,675,107	214,362	0	214,362	7,751,782
9	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	10,594,567	9,072,804	9,072,804	612,058	0	612,058	8,149,479
10	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	10,938,890	9,484,135	9,484,135	1,023,389	0	1,023,389	8,560,810
11	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	11,294,404	9,921,920	9,921,920	1,461,174	0	1,461,174	8,998,595
12	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	11,661,472	10,724,143	10,724,143	2,263,397	0	2,263,397	9,800,818
13	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	12,040,470	11,364,989	11,364,989	2,904,244	0	2,904,244	10,441,664
14	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	12,431,785	12,014,749	12,014,749	3,554,003	0	3,554,003	11,091,424
15	(7,537,421)	0	0	0	(7,537,421)	0	(7,537,421)	(8,460,746)	12,835,818	12,708,720	12,708,720	4,247,974	0	4,247,974	11,785,395

Implementation

Implementation

Steps to Implementation by EBS:

- Preparation of a detailed outline of plan provisions for review with legal counsel
- Development of a participant communication and enrollment plan
- Structuring of the related informal funding/financing arrangements
- Consideration of any special plan administration and/or financial reporting issues
- Ongoing plan administration and technical support

Estimated Timeline

- Approval of plan by board of directors – August 25, 2022
- Work with HR on enrollment logistics – August 2022
- Group enrollment meetings – September 26 – September 30, 2022
- Individual enrollment meetings – October 15 – November 22, 2022
- Placement of funding, plan documentation, and transition to administration – December 1 – December 31, 2022

Communication and Education Strategy

- Create tailored participant enrollment materials, including an FAQ section
- Provide group live, online webinars with follow up recording
- Offer one on one support via in-person meetings or calls
- Provide personal financial analysis, as needed
- Participant access to online portal to obtain plan information, year round

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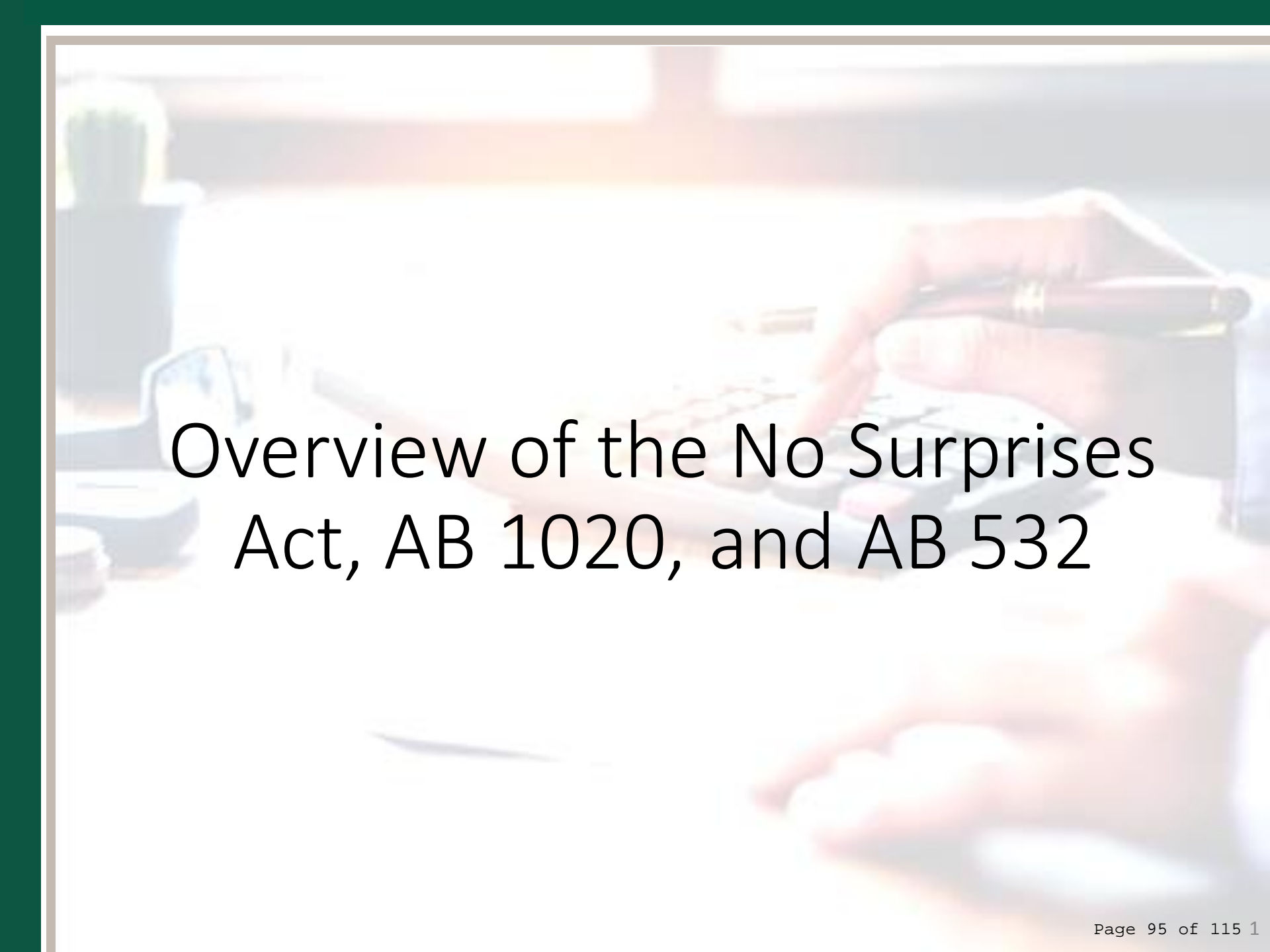
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Overview of the No Surprises Act, AB 1020, and AB 532

Legislation – No Surprises Act

- On December 27, 2020, the No Surprises Act (NSA) was signed into law as part of the Consolidated Appropriations Act of 2021.
- The NSA establishes patient protections against surprise medical bills and includes several transparency and other provisions.
- Affects both Health Care Providers, Health Plans, and Air Ambulances.
- Most sections of the legislation went into effect on January 1, 2022

Health Care Provider Requirements regarding Surprise Medical Billing

- Out-of-network health care providers may not balance bill patients for:
 1. Covered emergency services
 2. Certain covered non-emergency services provided at in-network facilities (unless notice and consent process is followed).

Health Care Provider Requirements regarding Surprise Medical Billing

- Notice and Consent Process and Requirements
 - a) Cannot be used for certain services (emergency services, certain ancillary services, and items or services that are delivered as a result of an unforeseen urgent medical need that arises during a procedure for which notice and consent was received)
 - b) Must be received within 72 hours of the item or service being delivered, or if the item or service is scheduled, at the time the appointment was made.
 - c) Can be paper or electronic form.
 - d) Must contain the following:
 - a) Notification that the provider is out-of-network
 - b) A good faith estimate (GFE) of charges
 - c) A list of in-network providers at the facility to which the patient can be referred
 - d) Information on any prior authorization or care management requirements
 - e) A clear statement that consent is optional and the patient can instead opt for an in-network provider
 - f) Must be available in 15 most common languages spoken in our area
 - g) Space to obtain the patient's signature and date

Health Care Provider Requirements regarding Surprise Medical Billing

- Provider Required Disclosure of Balance Billing Protections
 1. Make publicly available information on patients' rights with respect to balance billing
 2. Must be available on providers' public websites
 3. Must contain information on the requirements established under this law, information on any state-level protections (if applicable), and contact information for state and federal agencies to report any potential violations.

Transparency – Patient Protections Provider Requirements

- Good Faith Estimates (GFE) are to be provided
 1. To the individual if uninsured
 2. To the Health Plan if insured (the implementation of this requirement has been delayed)
- Applies whenever items or services are scheduled at least 3 days in advance, or when requested by a patient
- Must be provided at least 3 business days before the service is furnished and no later than one business day after scheduling, unless the service is scheduled for more than 10 business days later
- If scheduled for more than 10 business days later, must furnish GFE within 3 business days of patient request or scheduling the service
- GFEs need to include:
 1. The total expected charges for scheduled items or services, including any expected ancillary services
 2. Expected billing and diagnostic codes for all items and services to be provided.

Transparency – Patient Protections

Provider Requirements

- Must establish dispute resolution process to address any disputes over pricing for uninsured patients that receive a substantially higher bill than the GFE provided prior to service.
- A substantially higher bill is considered to be \$400 or more than the GFE.
- The GFE must be considered part of the patient's medical record and patients may request a copy of any GFE for the past 6 years.

Health Plan Requirements regarding Surprise Medical Billing

- Requirements are related to:
 - Emergency Services, which include post-stabilization services unless certain conditions are met.
 - Non-emergency services performed by out-of-network providers at in-network facilities.

Health Plan Requirements - Emergency Services

- Requires health insurers to cover emergency services
 1. Without any prior authorization
 2. Regardless of whether the provider is in or out of the health plan's network
- When provided by an out-of-network provider, the health plan must cover emergency services as if they were in-network
 1. Without any more restrictive utilization management requirements
 2. At no more than the in-network cost-sharing amount based on new concepts called "recognized amount" and "qualifying amount"
 3. Must pay or issue denial to provider within 30 calendar days after receipt of bill
 4. Must reimburse the provider directly and cannot route payment through the patient
 5. Cost-sharing must count toward the patient's deductible and/or out-of-pocket cost-sharing maximum as though the services were provided in-network.
 6. If disagreement on the amount to be paid by the health plans to the provider, then an independent dispute resolution (IDR) process is followed.

Health Plan Requirements - Non-Emergency Services Performed by Out-of-Network Providers at In-Network Facilities

- When a patient is seen by an out-of-network provider in an in-network facility, health plans must:
 1. Assess patient cost-sharing for these services as if they were in-network
 2. The in-network cost-sharing amount is based on new concepts called “recognized amount” and “qualifying amount”
 3. Must pay or issue denial to provider within 30 calendar days after receipt of bill
 4. Must reimburse the provider directly and cannot route payment through the patient
 5. Cost-sharing must count toward the patient’s deductible and/or out-of-pocket cost-sharing maximum as though the services were provided in-network.
 6. If disagreement on the amount to be paid by the health plans to the provider, then an independent dispute resolution (IDR) process is followed
 7. Above applies unless provider has obtained consent from the patient consistent with the notice and consent requirements

Transparency – Patient Protections Health Plan Requirements

- Health plans are to include new information on insurance identification cards
 1. All plan deductibles, including in-network and out-of-network deductible amounts, as applicable.
 2. Maximum limits on out-of-pockets costs, including in-network and out-of-network out-of-pocket cost limits, as applicable
 3. A telephone number and web address for consumer assistance information, including information on in-network providers

Transparency – Patient Protections Health Plan Requirements

- Health plans are to send patients “Advanced Explanations of Benefits” (AEOB) prior to scheduled care or upon request by patients seeking more information prior to scheduling.
- There are 8 components for the AEOB
 1. Information on whether the provider or facility delivering the item or service are in-network for that particular item or service, based on the patients health plan
 - a) If in-network, the health plan will need to include the contracted rate for the item or service, based on the billing and diagnostic codes sent by the provider.
 - b) If out-of-network, the health plan will need to include a description of how the patient could obtain information on in-network providers delivering that item or service.

Transparency – Patient Protections Health Plan Requirements

- There are 8 components for the AEOB (continued)
 2. The GFE of expected charges, including likely billing and diagnostic codes, sent by the provider or facility.
 3. A GFE of the plan's payment responsibility
 4. A GFE of the patient's expected cost-sharing amount (based on the notification date and not the date of service).
 5. A GFE of the amount the patient has incurred toward meeting their financial responsibility limits, such as their deductible and out-of-pocket maximums.
 6. A disclaimer that coverage for the item or service is subject to a certain medical management technique (e.g., prior authorization), as appropriate
 7. A disclaimer that all information included in the notice is an estimate based on the information known at the time of scheduling or requesting the information and is subject to change.
 8. Any other information or disclaimers the health plans determine is appropriate for this notice.

Transparency – Patient Protections Health Plan Requirements

- Health plans are to send patients the AEOB by mail or electronically based on patient preference.
- Must be sent within three business days of receiving a request or notice that a service had been scheduled, as long as the service is scheduled for at least 10 business days after the notice.
- If the services is scheduled for less than 10 days after the notice, the health plan will need to provide this information within one business day.
- The Health Plan AEOB requirement was to be effective 1/1/2022 but the Department of Health and Human Services (HHS) exercised its “enforcement discretion” and has delayed the implementation of this component of the No Surprises Act.

Key Takeaways – No Surprises Act

- Protects patients from receiving surprise medical bills resulting from gaps in coverage for emergency services and certain services provided by out-of-network clinicians at in-network facilities, including air ambulances.
- Holds patients liable only for their in-network cost-sharing amount, while giving providers and insurers an opportunity to negotiate reimbursement.
- Allows providers and insurers to access an independent dispute resolution process in the event disputes arise around reimbursement.
- Requires both providers and health plans to assist patients in accessing health care cost information.

Legislation – AB 1020

- On October 4, 2021, AB 1020 was signed by the Governor of California. On December 23, 2021 the California Department of Public Health (CDPH) released the All Facilities Letter 21-54, which announced the chaptering of AB 1020.
- Referred to as “Health Care Debt and Fair Billing”
- Effective January 1, 2022

Existing Law – Debt and Fair Billing

- Provide public awareness of the availability of charity care, payment discounts, and government-sponsored health insurance.
- Standardizes billing and collections procedures
- Sets Charity care policy wherein all uninsured patients and patients with high medical costs who are at or below 350% of the federal poverty level (FPL) are eligible to apply for participation under a hospital's charity care policy or discount policy.
- The Department of Health Care Access and Information (HCAI) (formerly OSHPD) collects hospitals charity care policies, discount payment policies, eligibility procedures, review processes and application forms and makes this information available to the public.
- CDPH enforces compliance as a condition of facility licensure.

AB 1020 Changes to Existing Law

- Changes eligibility threshold for charity care/discounted care from 350% of FPL to 400% of FPL
- Authorizes a hospital to grant eligibility for charity care or discount payments to patients with incomes over 400% of the FPL.
- Redefines “high medical costs”
 - Annual out-of-pocket costs at the hospital that exceed the lesser of 10% of the patient’s current family income, or family income in the prior 12 months
- New notice requirements:
 - Display notice of policies on website with a link to the actual policies
 - Must send a patient a notice with specified information, including an application for the hospital’s charity care and financial assistance, before assigning a bill to collections.
- Limits selling debt to debt buyers unless certain conditions are met
 - Patient found ineligible for financial assistance or
 - Patient has not responded to attempts to bill or offer of financial assistance for 180 days.
- Prohibits credit reporting or civil actions for 180 days after initial billing (previously 150 days)
- Hospital must submit their debt collection policy to HCAI

Legislation – AB 532

- On October 4, 2021, AB 532 was signed by the Governor of California in conjunction with AB 1020.
- Referred to as “Fair Billing Policies”
- Effective January 1, 2022

Existing Law – Fair Billing Policies

- Maintain a written policy for discount payment and charity care policies and post them in locations visible to the public.
- Negotiate the terms of a discount payment plan with an eligible patient.
- Provide patients with written notice about the hospital's discount payment and charity care policies.
- Upon request of a person without health coverage, provide a written estimate of the amount a person without health coverage may pay for health care services and provide application forms for financial assistance or charity care.

AB 532 Changes to Existing Law

- Written patient notices about discount payment and charity care policies must include:
 - Internet address of the Health Consumer Alliance and a statement that there are organizations that will help the patient understand the billing and payment process.
 - Information about Covered California
 - Information about Medi-Cal presumptive eligibility, if the hospital participates in the program
 - Internet address for the hospital's list of shoppable services, as required by federal law
 - Notice is to be provided to the patient if conscious and able to receive the notice at:
 - Time of service
 - Time of discharge,
 - When the patient leaves the facility,
 - Or if patient leaves without receiving the notice, the hospital must mail it within 72 hours of providing services.
- Requires hospitals to automatically provide an individual without health coverage with an estimate and an application form for financial assistance or charity care, without need for a specific request from the patient