



Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday June 17, 2009 5:30pm

*Board Room
Northern Inyo Hospital*

DRAFT AGENDA

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT BOARD OF DIRECTORS MEETING

June 17, 2009 at 5:30 P.M.

In the Board Room at Northern Inyo Hospital

1. Call to Order (at 5:30 P.M.).
2. Opportunity for members of the public to comment on any items on this Agenda.
3. Approval of minutes of the April 29, 2009 special meeting and the May 20, 2009 regular meeting.
4. Adjournment to closed session to:
 - A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
 - B. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a real property (Government Code Section 54956.8).
 - C. Confer with legal counsel regarding claim filed by John Nesson M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
 - D. Discussion with counsel of pending litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).
5. Return to open session, and report of any action taken in closed session.
6. Financial and Statistical Reports for the month of April 2009; John Halfen.
7. Administrator's Report; John Halfen.
 - A. Building Update
 - B. Traffic Study Response, Caltrans
 - C. Stimulus money, EMR, IT
 - D. Physician Recruiting
 - E. F.Y.I. Section
 - F. Other
8. Chief of Staff Report – Richard Nicholson, M.D..
 - A. Extension of Temporary Privileges for Virtual Radiology Teleradiologists (*action item*).
 - B. Approval of Hospital wide Policies and Procedures (*action items*):
 1. Informed Consent Required for Pregnant Patients Before Radiological Procedures
 2. KUB X-Ray – for kidney stones
 3. Timeliness for Critical Tests and Critical Results

4. Tracheostomy Care
 - C. Other
9. Old Business
 - A. Reaffirmation of John Halfen as negotiator regarding potential acquisition of real property at Barlow Lane and Highway 395, Bishop, California. Negotiation will be with the designee(s) of Inyo Mono Title (*action item*).
 - B. Termination of Professional Services Contract (*action item*).
10. New Business
 - A. Approval of Policy and Procedure titled: *Red Flags Identity Theft Prevention* (*action item*).
 - B. 3-D Imaging for Hospital rebuild project, Turner Construction (*information item*).
 - C. Approval of appropriations limit for the 2009-2010 fiscal year, Board Resolution #09-04 (*action item*).
 - D. Beta Risk Management Policy Renewal (*action item*).
 - E. Milliman retirement plan actuarial valuation as of January 1 2009 (*action item*).
 - F. Engagement of Sheppard, Mullin, Richter & Hampton LLP (*action item*).
 - G. Security Report, 2/24/09 through 5/19/09 (*information item*).
11. Reports from Board members on items of interest.
12. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.
13. Opportunity for members of the public to address the Board of Directors on items of interest.
14. Adjournment.

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CALL TO ORDER The meeting was called to order at 12:00 noon by Peter Watercott, President.

PRESENT Peter Watercott, President
John Ungersma, M.D., Vice President
M. C. Hubbard, Secretary
D. Scott Clark, M.D., Director

ALSO PRESENT John Halfen, Administrator
Douglas Buchanan, Esq., District Legal Counsel
Sandy Blumberg, Administrative Secretary

ABSENT Michael Phillips, M.D., Treasurer
Richard Nicholson M.D., Chief of Staff

OPPORTUNITY FOR
PUBLIC COMMENT Mr. Watercott asked if any members of the public wished to address the Board on any items listed on this agenda and/or on any items of interest. No comments were heard.

TURNER
CONSTRUCTION
CHANGE ORDER Turner Construction Project Manager Kathy Sherry informed the Board a change order is needed to relocate Northern Inyo Hospital (NIH's) existing electrical duct bank to a new location, in order to continue with Phase II of the Hospital rebuild project. Ms. Sherry distributed Turner Change Order CDR-001, which provided details on the work needed as well as the associated costs, which total \$570,246. Turner has determined that Rex Moore Electrical is the best and most reliable contractor available to perform the work needed, and representatives from Rex Moore were present to answer any questions the Board may have. Ms. Sherry outlined the conflict between the existing electrical duct bank and the proposed foundation and footprint of the new Hospital building. Rex Moore representatives also explained they have made every effort to keep the cost of the relocation as low as possible. Turner Construction Project Manager John Hawes stated the work needed to relocate the electrical duct bank is expected to take 3 to 4 weeks, which will extend the overall construction timeline for Phase II by approximately one month. Mr. Hawes also explained Turner's desire to receive Board approval of the change order as soon as possible so the electrical vaults needed for the relocation can be ordered without delay.

Mr. Halfen reviewed the status of the Hospital's investments and explained how he intends to cover the cost of Phase II including the increase in price caused by this change order. He noted some portions of the project will come in under budget, which will help to cover the cost of this change order and any other overages that may occur. Mr. Halfen explained how the Hospital will still be able to provide the funding

necessary to complete Phase II of the rebuild project, including the cost of this change order.

Following discussion it was moved by D. Scott Clark, M.D., seconded by MC Hubbard, and passed to approve Turner Construction Change Order Request Number CDR-0001 as requested.

INCREASE IN AMOUNT
AUTHORIZED FOR
PHASE II OF BUILDING
PROJECT

Mr. Halfen additionally requested Board approval to increase the amount he is authorized to spend on Phase II of the building project to a total of 43.5 million dollars, in order to cover the cost of this change order as well as other small increases that may occur. It was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to authorize Mr. Halfen to spend up to 43.5 million dollars to complete Phase II of the rebuild project as requested.

PUBLIC COMMENT

Mr. Watercott again asked if any members of the public wished to report on any items on this agenda or on any items of interest.

PROPOSED
LEGISLATION AB646

John Ungersma, M.D. discussed recent developments regarding proposed legislation AB646, which would allow District hospitals to employ physicians. Doctor Ungersma asked that Board members and other interested persons write to their representatives to encourage passage of this proposed legislation, and he provided letters that could be used for this purpose. He encouraged the Board to express their support of the proposed legislation without delay.

ADJOURNMENT

The meeting was adjourned at 12:42 p.m.

Peter Watercott, President

Attest:

M.C. Hubbard, Secretary

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- CALL TO ORDER The meeting was called to order at 5:40 p.m. by Peter Watercott, President.
- PRESENT Peter Watercott, President
John Ungersma, M.D., Vice President
Michael Phillips, M.D. Treasurer
D. Scott Clark, M.D., Director
Richard Nicholson, M.D., Chief of Staff
- ALSO PRESENT John Halfen, Administrator
Douglas Buchanan, District Legal Counsel
Sandy Blumberg, Administrative Secretary
- ABSENT M.C. Hubbard, Secretary
- OPPORTUNITY FOR
PUBLIC COMMENT Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.
- MINUTES The minutes of the April 15 2009 regular meeting were approved.
- FINANCIAL AND
STATISTICAL REPORTS John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of March 2009. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$336,959. Mr. Halfen called attention to the following:
- *Inpatient service revenue was under budget*
 - *Outpatient service revenue was over budget*
 - *Total expenses were over budget*
 - *Salaries and wages were over budget, but employee benefits were under budget*
 - *Professional fees expense was over budget*
 - *The Balance Sheet did not experience significant change*
 - *Year-to-date net income totals \$3,523,886*
- ADMINISTRATOR'S
REPORT Mr. Halfen noted the Hospital's total assets continue to grow. It was moved by D. Scott Clark, M.D., seconded by Michael Phillips, M.D., and passed to approve the financial and statistical reports for the month of March as presented.
- BUILDING UPDATE Mr. Halfen reported work is underway to relocate the Hospital's existing electrical duct bank in order to proceed with foundation work for Phase II of the Hospital rebuild project. The electrical bank relocation will take approximately 3 to 4 weeks to complete and will extend the overall timeline for completion of the building project by one month. As soon as the relocation is complete, work on the foundation for the new building will begin and some time in the next several weeks it is hoped that the

Office of Statewide Healthcare Planning and Development (OSHPD) will approve the plans for the new Hospital building. At this time the main hold up in obtaining the building permit is problems with the design for the Hospital's standby kitchen. Project architects are working to reach an agreement with OSHPD as quickly as possible.

RADIOLOGY UPDATE

Mr. Halfen reported Radiology coverage is currently being provided by locum tenens physicians, and the financial effect of utilizing temporary coverage will be determined in the next couple of weeks.

PHYSICIAN
RECRUITING

Mr. Halfen also reported the Hospital is currently recruiting for a family practitioner, an internal medicine physician, and a part-time urologist interested in practicing in this area.

F.Y.I. SECTION
LAB SURVEY

Mr. Halfen informed the Board the Hospital's Laboratory Department recently underwent an unannounced survey by the Joint Commission, and the Lab passed that survey with flying colors. The surveyors were very impressed with the overall operation of the department and Mr. Halfen congratulated everyone responsible for the successful review of Lab operations.

AUXILIARY
INSTALLATION

Mr. Halfen also noted the Northern Inyo Hospital Auxiliary recently held their annual luncheon and installation of incoming officers. As a group, Auxiliary members recorded a total of 6,964 volunteer hours for the year, and 147,808 total hours overall since the time the Auxiliary was founded.

CHIEF OF STAFF
REPORT

Chief of Staff Richard Nicholson, M.D. reported following careful review and consideration the Medical Staff Executive Committee makes the following recommendations to the District Board:

1. Advancement of Board-certified internist Vasuki Sittampalam, M.D. to the Northern Inyo Hospital Active Medical Staff with requested privileges
2. Appointment of Board-certified radiologist Stuart A. Souders, M.D. to the Provisional Consulting Medical Staff with requested privileges
3. Appointment of Board-Certified neurologist Maria T. Toczek, M.D. to the Provisional Consulting Medical Staff with requested privileges

It was moved by Doctor Clark, seconded by John Ungersma, M.D., and passed to approve the Medical Staff advancement and appointments as recommended.

Doctor Nicholson also reported that following review by the appropriate Medical Staff Committees, the Medical Staff Executive Committee recommends approval of the proposed Hospital wide Policy and Procedure titled *Fetal Fibronectin Testing*. It was moved by Doctor

OLD BUSINESS

Ungersma, seconded by Doctor Clark, and passed to approve the Policy and Procedure titled *Fetal Fibronectin Testing* as recommended.

IT ACTION PLAN

Information Technology (IT) Department Manager Adam Taylor referred to an assessment provided by HIS Professionals which evaluates NIH's IT Department operations and makes recommendations for improvement as well as direction the Department should take in the future. Mr. Taylor reviewed the proposed action plan as well as the long-term goals of the IT department, which include working toward a more unified hospital information system. Additionally, the IT Department will strive to improve communication with Hospital staff and concentrate on customer service to a higher degree. Mr. Watercott praised the IT action plan and stated his feeling that it provides the opportunity for positive growth and constructive improvements being made to Hospital IT services.

REAFFIRMATION OF
NEGOTIATOR

Mr. Halfen asked for reaffirmation of himself as negotiator regarding the potential acquisition of real property at Barlow Lane and Highway 395 in Bishop California. Negotiation will be with the designee(s) of Inyo Mono Title. It was moved by Doctor Ungersma, seconded by Doctor Clark, and passed to approve the reaffirmation of Mr. Halfen as negotiator as requested.

2009/2010 BUDGET

Carrie Petersen, Controller reviewed the proposed budget assumptions for the 2009/2010 fiscal year. She noted the budget format is similar to the one used for the past 5 or 6 years and includes an across the board rate increase of 7.5% effective June 1, 2009. She additionally noted the assumptions include two employee cost of living adjustments (COLAs) provided the financial performance of the hospital remains positive, and it includes an allowance to add a sixth and seventh step to all pay grades which currently stop at step 5. Budgeted capital expenditures with a Priority 1 status total \$507,431.11, and the total operating budget for the year is \$85,943,217.

Mr. Halfen discussed current economic influences on hospital operations and reviewed the revenue producing performance of specific departments within the hospital. He explained some of the expected challenges relative to current economic conditions for the upcoming year, and also explained that planning aside it is not possible to predict the unexpected, but every effort has been made to realistically budget for the 2009/2010 year. He additionally explained that depreciation expense will increase and interest income will decrease, both as a result of progress being made on the Hospital rebuild project.

Following discussion it was moved by Doctor Clark seconded by Doctor Ungersma, and passed to approve Budget Resolution 1 for the 2009/2010 fiscal year (effective as of 5/21/09), which reads as follows: "The

Northern Inyo County Local Hospital District approves the fiscal year 2010 operating budget of \$85,943,217 and a capital budget of \$507,431.11 which provides for:

- An across the board rate increase of 7.5%, effective 6-01-2009
- Normal growth in contractals, discounts, bad debt, and charity
- No change in employee benefits
- No growth in Full Time Equivalents (FTE's)
- Inflation for supplies and other consumables of 10.0%
- An increase in depreciation consistent with the building project"

Mr. Watercott noted that Budget Resolution #2 will be tabled until such time as Board member MC Hubbard is present, due to the fact that two of the Board members at this meeting must recuse themselves from the vote. Budget Resolution #2 includes allowance for a 2% COLA effective the first pay period in July; an additional COLA of 1% effective after January 1 2010 if financial conditions allow; and the addition of steps six and seven to all pay grades.

LANGUAGE SERVICES ANNUAL REPORT

Language Services Director Jose Garcia presented the Language Services Annual Report for the 2008 calendar year. Mr. Garcia noted that during the year interpretive services were provided in 23 different languages and a total of 1,596 interpreter sessions were conducted. He additionally called attention to a revised Spanish translation of the Hospital's mission statement for interpretive services, and asked for Board approval of the revision. It was moved by Dr. Ungersma, seconded by Doctor Phillips, and passed to approve the revised translation of the mission statement into Spanish as requested. Mr. Garcia also called attention a request to upgrade interpreter pay grades and explained the reasons an upgrade is needed. He additionally noted the language services policy is required to be adopted and approved on an annual basis, and he reviewed changes and improvements that have been made to the policy. It was moved by Doctor Ungersma, seconded by Doctor Phillips, and passed to approve the Language Services Policy including the recommended changes, and the interpreter pay grade changes as recommended. Mr. Garcia also asked for Board approval of the annual Language Services report, and it was moved by Doctor Phillips, seconded by Doctor Ungersma, and passed to approve the Language Services Annual Report as presented. Doctor Ungersma praised Mr. Garcia for the superb job he as done with the Hospital's Language Services program, and stated his opinion that a press release on interpretive services should be issued to the local media.

TERMINATION OF PROFESSIONAL SERVICES AGREEMENT

Mr. Halfen stated his opinion that for business reasons it is his recommendation that the District Board terminate the professional services agreement with Curtis Schweizer, M.D. under the 90 days 'without cause' contract provision. Mr. Halfen stated as a result of an employee grievance filed against Doctor Schweizer the Medical Staff has

been working to ensure that a healthy working environment exists in the surgery unit; however the Medical Staff bylaws limit their ability to take action. Mr. Halfen suggested the most efficient way to minimize legal exposure on the part of the District may be to terminate Dr. Schweizer's professional services agreement with the provision that Dr. Schweizer will then have 90 days to demonstrate he is an asset to the Hospital and therefore have his agreement for services reinstated. Dr. Schweizer was present and stated his belief that the situation has been resolved to an acceptable level and the environment in the surgery unit is greatly improved. Vicki Labraque, Surgery Unit RN agreed with Doctor Schweizer and expressed her opinion that morale within the surgery unit is greatly improved. Discussion followed and Doctor Phillips noted if the situation has indeed been resolved to the satisfaction of everyone involved, it will be easy to document that fact and Dr. Schweizer's agreement can easily be reinstated. Following additional discussion the Board decided to table this agenda item to the June meeting of the District Board, in order to gather enough background information to determine what the appropriate course of action should be.

RETENTION OF
SPECIAL COUNSEL
FOR ANTI-TRUST
OPINION

District Legal Counsel Douglas Buchanan requested Board approval to retain special legal counsel to provide an opinion on anti-trust issues involving the Hospital's exclusive practice agreements. It was moved by Doctor Clark, seconded by Doctor Ungersma and passed to approve retention of special legal counsel to obtain an opinion on anti-trust issues affecting the Hospital.

BOARD MEMBER
REPORTS

Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. No reports were heard.

OPPORTUNITY FOR
PUBLIC COMMENT

Mr. Watercott again asked if any members of the public wished to comment on any items listed on the agenda for this meeting. Stephen Kobayashi, M.D. expressed his concern regarding the possible termination of Dr. Schweizer's professional services agreement, and stated his belief that Dr. Schweizer has a history of providing valuable service to NIH. It is Doctor Kobayashi's hope that the Board will consider leaving Dr. Schweizer's agreement intact and that the issues in the surgery unit will be resolved amicably. Mr. Watercott thanked Doctor Kobayashi for his concern regarding this matter.

ADJOURNMENT TO
CLOSED SESSION

At 8:12 p.m. Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to:

- A. Hear reports on the hospital quality assurance activities and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
- B. Instruct negotiator regarding price and terms of payment for the

purchase, sale, exchange, or lease of a real property (Government Code Section 54956.8).

- C. Confer with legal counsel regarding claim filed by John Nesson M.D. against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).

RETURN TO OPEN
SESSION AND REPORT
OF ACTION TAKEN

At 8:42 p.m. the meeting was returned to open session. Mr. Watercott reported the Board took action to reject the claim filed by John Nesson, M.D. against Northern Inyo County Local Hospital District and other Defendants.

OPPORTUNITY FOR
PUBLIC COMMENT

Mr. Watercott again asked if any member of the public wished to comment on any item of interest or on any items listed on the agenda for this meeting. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 8:43 p.m.

Peter Watercott, President

Attest:

M.C. Hubbard, Secretary

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BUDGET VARIANCE ANALYSIS

Apr-09 PERIOD ENDING PRIOR TO AUDIT

In the month, NIH was

-19% over budget in IP days;
(-0.3%) under in IP Ancillary Revenue and
(4.0%) over in OP Revenue resulting in
\$ (730,358) (-11.1%) under in gross patient revenue from budget &
\$ (310,498) (-7.9%) under in net patient revenue from budget

Total Expenses were:

\$ 76,957 (2.0%) over budget. Wages and Salaries were
\$ 23,049 (1.6%) over budget and Employee Benefits
\$ (161,186) (-19.2%) under budget.
\$ 326,312 of other income resulted in a net loss of
\$ (6,569) \$ (233,022) under budget.

The following expense areas were over budget for the month:

\$ 23,049 2% Wages and Salaries
\$ 182,331 65% Professional Fees; registry staff & Physicians
\$ 49,988 26% Purchased Services
\$ 21,843 10% Depreciation Expense (see note below)
\$ 65,750 144% Interest Expense (see note below)

Other Information:

40.38% Contractual Percentages for month
40.68% Contractual Percentages for Year

\$ 3,517,317 Year-to-date Net Revenue

Special Notes for Month:

Interest Expense will remain high for year due to first Phase of Building Project being completed and the interest payments for the first issue of the 2005 General Obligation Bond will no longer be capitalized as it was during the construction. The depreciation expense was under estimated during the budget process and will be over budget all year.

We have added a new line on the Income Statement to show the amount of 3rd party contractals being reduced monthly. Auditors feel we have too high of an amount booked for Medicare and Medi-Cal Cost Report settlements.

NORTHERN INYO HOSPITAL

Balance Sheet

April 30, 2009

Assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2008</u>
Current assets:			
Cash and cash equivalents	1,436,000	4,823,914	2,434,216
Short-term investments	16,006,979	14,692,024	15,199,287
Assets limited as to use	3,458,642	2,651,693	49,003
Plant Expansion and Replacement Cash	14,781,732	1	1,941,239
Other Investments (Partnership)	961,824	961,824	352,361
Patient receivable, less allowance for doubtful accounts \$421,161	6,588,291	6,745,256	8,273,347
Other receivables (Includes GE Financing Funds)	189,498	731,156	571,376
Inventories	2,172,258	2,172,348	2,177,577
Prepaid expenses	1,141,679	744,530	602,851
Total current assets	<u>46,736,903</u>	<u>33,522,744</u>	<u>31,601,257</u>
Assets limited as to use:			
Internally designated for capital acquisitions	656,714	556,555	558,237
Specific purpose assets	178,529	568,774	520,160
	<u>835,243</u>	<u>1,125,329</u>	<u>1,078,397</u>
Revenue bond construction funds held by trustee	853,958	806,520	782,802
Less amounts required to meet current obligations	3,458,642	2,651,693	49,003
Net Assets limited as to use:	<u>(1,769,441)</u>	<u>(719,843)</u>	<u>1,812,196</u>
Long-term investments	<u>8,914,638</u>	<u>8,914,638</u>	<u>8,914,638</u>
Property and equipment, net of accumulated depreciation and amortization	<u>34,049,651</u>	<u>33,211,060</u>	<u>29,541,929</u>
Unamortized bond costs	<u>693,195</u>	<u>295,200</u>	<u>308,583</u>
Total assets	<u>88,624,947</u>	<u>75,223,800</u>	<u>72,178,602</u>

NORTHERN INYO HOSPITAL

Balance Sheet

April 30, 2009

Liabilities and net assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2008</u>
Current liabilities:			
Current maturities of long-term debt	109,856	168,070	683,626
Accounts payable	668,020	1,446,904	1,140,966
Accrued salaries, wages and benefits	2,563,742	3,165,620	2,600,516
Accrued interest and sales tax	179,544	447,730	172,391
Deferred income	95,308	142,958	-
Due to third-party payors	2,591,585	2,612,468	3,940,301
Due to specific purpose funds	-	-	-
Total current liabilities	<u>6,208,054</u>	<u>7,983,750</u>	<u>8,537,799</u>
Long-term debt, less current maturities	39,735,143	25,270,196	25,270,196
Bond Premium	1,490,272	380,954	391,804
Total long-term debt	<u>41,225,415</u>	<u>25,651,150</u>	<u>25,662,000</u>
Net assets:			
Unrestricted	41,012,948	41,020,125	37,458,642
Temporarily restricted	178,529	568,774	520,160
Total net assets	<u>41,191,477</u>	<u>41,588,899</u>	<u>37,978,803</u>
 Total liabilities and net assets	 <u>88,624,947</u>	 <u>75,223,800</u>	 <u>72,178,602</u>

NORTHERN INYO HOSPITAL

Statement of Operations

As of April 30, 2009

	MTD Actual	MTD Budget	MTD Variance \$	MTD Variance %	YTD Actual	YTD Budget	YTD Variance \$	YTD Variance %	Prior YTD
Unrestricted revenues, gains and other support:									
In-patient service revenue:									
Routine	464,640	607,596	(142,956)	(23.5)	5,996,938	6,075,960	(79,022)	(1.3)	1,959,439
Ancillary	1,284,523	2,028,606	(744,083)	(36.7)	18,802,510	20,286,060	(1,483,551)	(7.3)	6,342,843
Total in-patient service revenue	1,749,163	2,636,202	(887,039)	-33.6%	24,799,448	26,362,020	(1,562,572)	-5.9%	8,302,282
Out-patient service revenue	4,105,429	3,948,747	156,682	4.0	41,098,215	39,487,470	1,610,745	4.1	11,346,822
Gross patient service revenue	5,854,591	6,584,949	(730,358)	(11.1)	65,897,663	65,849,490	48,173	0.1	19,649,104
Less deductions from patient service revenue:									
Patient service revenue adjustments	107,253	142,545	35,292	24.8	2,061,197	1,425,450	(635,747)	(44.6)	405,095
Contractual adjustments	2,150,685	2,535,204	384,519	15.2	25,092,739	25,352,040	259,301	1.0	8,444,707
Prior Period Adjustments	(48)	-	48	100.0	(1,635,264)	-	1,635,264	100.0	(41,889)
Total deductions from patient service revenue	2,257,889	2,677,749	419,860	15.7	25,518,673	26,777,490	1,258,817	4.7	8,807,914
Net patient service revenue	3,596,702	3,907,200	(310,498)	-8%	40,378,990	39,072,000	1,306,990	3%	10,841,190
Other revenue	28,207	28,005	202	0.7	370,055	280,050	90,005	32.1	81,422
Transfers from Restricted Funds for Other Operating Expenses	65,541	65,541	-	-	655,410	655,410	-	0.0	-
Total Other revenue	93,748	93,546	202	0.2	1,025,465	935,460	90,005	9.6	81,422
Total revenue, gains and other support	3,690,450	4,000,746	(310,296)	0.1	41,404,455	40,007,460	1,396,995	9.6	10,922,613
Expenses:									
Salaries and wages	1,430,475	1,407,426	(23,049)	(1.6)	13,977,049	14,074,260	97,211	0.7	3,831,559
Employee benefits	677,784	838,970	161,186	19.2	8,261,790	8,389,700	127,910	1.5	2,119,417
Professional fees	463,862	281,531	(182,331)	(64.8)	3,657,771	2,815,310	(842,461)	(29.9)	832,154
Supplies	448,746	474,570	25,824	5.4	4,803,069	4,745,700	(57,369)	(1.2)	1,310,138
Purchased services	244,821	194,833	(49,988)	(25.7)	2,068,786	1,948,330	(120,456)	(6.2)	459,146
Depreciation	230,993	209,150	(21,843)	(10.4)	2,182,363	2,091,500	(90,863)	(4.3)	370,096
Interest	111,586	45,836	(65,750)	(143.5)	1,099,079	458,360	(640,719)	(139.8)	96,812
Bad debts	106,104	168,022	61,918	36.9	1,286,088	1,680,220	394,132	23.5	459,178
Other	224,461	241,537	17,076	7.1	2,021,847	2,415,370	393,523	16.3	557,114
Total expenses	3,938,832	3,861,875	(76,957)	(2.0)	39,357,842	38,618,750	(739,092)	(1.9)	10,035,614
Operating income (loss)	(248,381)	138,871	(387,252)	2.1	2,046,613	1,388,710	657,903	11.5	886,998
Other income:									
District tax receipts	47,650	37,013	10,637	28.7	476,500	370,130	106,370	28.7	111,039
Interest	62,462	60,000	2,462	4.1	807,799	600,000	207,799	34.6	265,680
Other	115,433	8,333	107,100	1,285.3	490,766	83,330	407,436	488.9	18,839
Grants and Other Non-Restricted Contributions	100,767	3,333	97,434	2,923.3	118,098	33,330	84,768	254.3	10,000
Partnership Investment Income	-	-	-	-	-	-	-	-	-
Total other income, net	326,312	108,679	217,633	200	1,893,163	1,086,790	806,373	74.2	405,559
Non-Operating Expense									
Medical Office Expense	14,641	13,408	(1,233)	(9.2)	147,423	134,080	(13,343)	(10.0)	31,239
Urology Office	8,670	7,689	(981)	(12.8)	86,191	76,890	(9,301)	(12.1)	43,252
Pediatric Office	45,606	-	(45,606)	N/A	145,680	-	(145,680)	N/A	-
OB-GYN Office	15,582	-	(15,582)	N/A	43,165	-	(43,165)	N/A	-
Total Non-Operating Expense	84,499	21,097	(63,402)	(300.5)	422,459	210,970	(211,489)	(100.3)	74,491
Excess (deficiency) of revenues over expenses	(6,569)	226,453	(233,022)	(102.9)	3,517,317	2,264,530	1,252,787	55.3	1,218,066

NORTHERN INYO HOSPITAL
Statement of Operations--Statistics
As of April 30, 2009

	Month		Month		YTD Actual		YTD Budget		Year	
	Actual	Budget	Variance	Percentage	Actual	Percentage	Budget	Percentage	Variance	Percentage
Operating statistics:										
Beds	25.00	25.00	N/A	N/A	25.00	N/A	25.00	N/A	N/A	N/A
Patient days	216.00	265.00	(49.00)	0.82	2,848.00	0.82	2,650.00	0.82	198.00	1.07
Maximum days per bed capacity	750.00	750.00	N/A	N/A	7,600.00	N/A	7,500.00	N/A	N/A	N/A
Percentage of occupancy	28.80	35.33	(6.53)	0.82	37.47	0.82	35.33	0.82	2.14	1.06
Average daily census	7.20	8.83	(1.63)	0.82	9.37	0.82	8.83	0.82	0.54	1.06
Average length of stay	2.54	3.01	(0.47)	0.84	3.03	0.84	3.01	0.84	0.02	1.01
Discharges	85.00	88.00	(3.00)	0.97	940.00	0.97	880.00	0.97	60.00	1.07
Admissions	82.00	87.00	(5.00)	0.94	931.00	0.94	870.00	0.94	61.00	1.07
Gross profit-revenue depts.	3,634,279.24	4,321,007.00	(686,727.76)	0.84	42,899,510.78	0.84	43,210,070.00	0.84	(310,559.22)	0.99
Percent to gross patient service revenue:										
Deductions from patient service revenue and bad debts	40.38	43.22	(2.84)	0.93	40.68	0.93	43.22	0.93	(2.54)	0.94
Salaries and employee benefits	35.60	34.08	1.52	1.04	33.51	1.04	34.08	1.04	(0.57)	0.98
Occupancy expenses	6.62	4.38	2.24	1.51	5.50	1.51	4.38	1.51	1.12	1.26
General service departments	6.34	6.28	0.06	1.01	6.01	1.01	6.28	1.01	(0.27)	0.96
Fiscal services department	5.83	4.74	1.09	1.23	4.96	1.23	4.74	1.23	0.22	1.05
Administrative departments	6.17	5.37	0.80	1.15	5.14	1.15	5.37	1.15	(0.23)	0.96
Operating income (loss)	(3.96)	1.84	(5.80)	(2.15)	2.64	(2.15)	1.84	(2.15)	0.80	1.43
Excess (deficiency) of revenues over expenses	(0.11)	3.44	(3.55)	(0.03)	5.34	(0.03)	3.44	(0.03)	1.90	1.55
Payroll statistics:										
Average hourly rate (salaries and benefits)	38.38	43.24	(4.86)	0.89	41.02	0.89	43.24	0.89	(2.22)	0.95
Worked hours	48,094.53	47,276.00	818.53	1.02	473,335.27	1.02	472,760.00	1.02	575.27	1.00
Paid hours	54,306.61	51,895.00	2,411.61	1.05	538,255.98	1.05	518,950.00	1.05	19,305.98	1.04
Full time equivalents (worked)	279.62	273.27	6.35	1.02	273.29	1.02	273.27	1.02	0.02	1.00
Full time equivalents (paid)	315.74	299.97	15.77	1.05	310.77	1.05	299.97	1.05	10.80	1.04

NORTHERN INYO HOSPITAL

Statements of Changes in Net Assets

As of April 30, 2009

	<u>Month-to-date</u>	<u>Year-to-date</u>
Unrestricted net assets:		
Excess (deficiency) of revenues over expenses	(6,568.62)	3,517,316.89
Net Assets due/to transferred from unrestricted	(100,013.89)	(96,061.16)
Adjustment due to Distribution to Restricted undeposited	(753.26)	(753.26)
Net assets released from restrictions used for operations	-	35,325.92
Net assets released from restrictions used for payment of long-term debt	(65,541.00)	(655,410.00)
Contributions and interest income	100,158.67	98,477.26
Increase in unrestricted net assets	(72,718.10)	2,898,895.65
Temporarily restricted net assets:		
District tax allocation	-	550,811.01
Net assets released from restrictions	(390,245.00)	(892,868.88)
Restricted contributions	-	100.00
Interest income	-	326.72
Net Assets for Long-Term Debt due from County	65,541.00	655,410.00
Increase (decrease) in temporarily restricted net assets	(324,704.00)	313,778.85
Increase (decrease) in net assets	(397,422.10)	3,212,674.50
Net assets, beginning of period	41,588,899.43	37,978,802.83
Net assets, end of period	41,191,477.33	41,191,477.33

NORTHERN INYO HOSPITAL

Statements of Cash Flows

As of April 30, 2009

	<u>Month-to-date</u>	<u>Year-to-date</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	(397,422.10)	3,212,674.50
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities: (correcting fund deposit)	-	-
Depreciation	230,992.64	2,182,362.56
Provision for bad debts	106,103.56	1,286,088.05
Loss (gain) on disposal of equipment	-	11,229.70
(Increase) decrease in:		
Patient and other receivables	592,519.27	780,846.77
Other current assets	(397,059.34)	(533,509.31)
Plant Expansion and Replacement Cash	(14,781,730.73)	(12,840,492.86)
Increase (decrease) in:		
Accounts payable and accrued expenses	(1,696,597.98)	(407,259.06)
Third-party payors	(20,883.00)	(1,348,716.00)
Net cash provided (used) by operating activities	<u>(16,364,077.68)</u>	<u>(7,656,775.65)</u>
Cash flows from investing activities:		
Purchase of property and equipment	(1,069,582.84)	(6,690,084.50)
Purchase of investments	(1,314,955.77)	(1,417,155.29)
Proceeds from disposal of equipment	-	(11,229.70)
Net cash provided (used) in investing activities	<u>(2,384,538.61)</u>	<u>(8,118,469.49)</u>
Cash flows from financing activities:		
Long-term debt	15,516,050.29	14,989,645.19
Issuance of revenue bonds	(47,438.75)	(71,156.55)
Unamortized bond costs	(397,995.16)	(384,612.61)
Increase (decrease) in donor-restricted funds, net	290,086.33	243,153.89
Net cash provided by (used in) financing activities	<u>15,360,702.71</u>	<u>14,777,029.92</u>
Increase (decrease) in cash and cash equivalents	(3,387,913.58)	(998,215.22)
Cash and cash equivalents, beginning of period	<u>4,823,913.91</u>	<u>2,434,215.55</u>
Cash and cash equivalents, end of period	<u><u>1,436,000.33</u></u>	<u><u>1,436,000.33</u></u>

**Northern Inyo Hospital
Summary of Cash and Investment Balances
Calendar Year 2009**

Month	<u>Operations Checking Account</u>				<u>Time Deposit Month-End Balances</u>								
	Balance at Beginning of Month	Deposits	Disbursements	Balance at End of Month	Investment Operations Fund	Bond and Interest Fund (2)	Equipment Donations Fund	Childrens Fund	Scholarship Fund	Tobacco Settlement Fund	Total Revenue Bond Fund (1)	Project Revenue Bond Fund (1)	General Obligation Bond Fund
January	910,403	3,465,150	3,801,871	573,681	25,688,066	557,358	26,212	3,137	8,014	521,838	729,992	18,350	974
February	573,681	5,073,277	4,962,667	684,291	25,701,675	557,358	26,212	3,137	8,014	521,965	759,081	-	-
March	684,291	6,979,617	5,689,346	1,974,563	23,604,971	557,497	26,218	3,138	8,016	530,337	806,520	-	-
April	1,974,563	9,529,952	9,189,387	2,315,128	24,919,927	167,252	26,218	3,138	8,016	630,495	853,958	-	14,464,947
May	716,230	4,861,035	4,171,128	1,406,138	22,583,401	505,947	25,192	3,035	20,855	532,894	934,534	18,258	2,318,199
June	1,406,138	3,979,790	4,241,108	1,144,820	24,112,234	506,089	25,199	3,036	10,960	533,038	782,802	18,278	1,941,042
July	1,144,820	3,591,736	4,304,179	432,378	25,157,206	473,714	25,799	3,036	10,960	533,181	826,431	18,297	1,896,555
August	432,378	3,928,525	4,052,898	308,005	24,668,222	539,232	25,799	3,036	10,960	533,315	870,108	18,316	1,802,362
September	308,005	6,941,975	5,021,257	2,228,723	23,464,535	539,363	25,805	3,037	8,963	533,463	913,829	18,335	488,249
October	2,228,723	3,669,458	5,409,330	488,851	24,438,919	72,065	25,805	3,037	8,963	521,427	957,490	18,349	490,613
November	488,851	3,294,047	3,600,921	181,977	24,595,851	89,165	25,805	3,037	8,963	521,554	1,000,949	18,350	491,657
December	181,977	4,947,737	4,219,311	910,403	24,670,653	557,358	26,222	3,037	8,014	521,703	682,553	18,350	882

Notes: (1) The difference between the Total and Project Revenue Bond Funds represents amounts held by the trustee to make payments on the District's behalf and about \$75,000 to cover the Bond Reserve Account Requirement with respect to the Series 1998 Bonds. The Project is exhausted.
(2) The Bond and Interest Fund now contains the Debt Service amount from the County for both the original Bond and the 2005 Bond.

Investments as of 03/31/2009

ID	Purchase Date	Maturity Date	Institution	Certificate ID	Rate	Principal Invested
1	02-Mar-09	01-Apr-09	Local Agency Investment Fund	20-14-002	1.61%	1,739,571
2	02-Mar-09	01-Apr-09	Local Agency Investment Fund	20-14-002 Walker	1.61%	310,608
3	02-Mar-09	01-Apr-09	Prudential Instl Liquidity	1012-2406	0.70%	100,000
4	31-Mar-09	01-Apr-09	Union Bank-Money Market	2740028807	0.35%	13,335,512
5	07-Aug-08	15-Jun-09	World Savings Bank Note	98153BAE4	5.17%	1,105,773
6	12-Jun-08	19-Jun-09	Federal Home Loan Bank-Wachovia	3133XFVF0	5.25%	102,703
Current Fiscal Year Totals						16,694,167
7	03-Jun-08	01-Jul-09	International Lease Finance Corp	459745FM2	4.75%	1,005,500
8	10-Oct-08	09-Oct-09	Amboy Bank	023305CF0	3.75%	250,000
9	15-Oct-08	15-Oct-09	Colonial Bank, N.A.	195554PG9	3.65%	250,000
10	15-Oct-08	15-Oct-09	Comerica Bank	200339CT4	3.65%	250,000
11	15-Oct-08	15-Oct-09	Morgan Stanley Bank	61747MPB1	3.65%	250,000
12	17-Oct-08	16-Oct-09	Bank of Michigan	06424TCW9	3.60%	250,000
13	17-Oct-08	16-Oct-09	Firstbank of Puerto Rico	337629B32	3.70%	250,000
14	17-Oct-08	16-Oct-09	GMAC Bank	36185AXP8	3.65%	250,000
15	16-Oct-08	16-Oct-09	Westernbank Puerto Rico	95989QKL0	3.75%	250,000
16	21-Sep-07	01-Nov-09	Citigroup Med Term Note	12560PCL3	6.88%	702,987
17	17-Feb-09	01-Nov-09	Federal Home Loan Mtg Corp-MBS	31282VBY0	4.50%	59,380
18	22-Feb-08	07-Dec-09	Bear Stearns Co Note	073902BR8	4.58%	933,927
19	12-Dec-08	12-Dec-09	1st Financial Bank USA (FNC CD)	5X42582	3.55%	249,000
20	12-Dec-08	12-Dec-09	Discover Bank (FNC CD)	5x42584	3.15%	250,000
21	12-Dec-08	12-Dec-09	M&T Bank N.A. (FNC CD)	5X42577	3.15%	250,000
22	12-Dec-08	12-Dec-09	Texas Community Bank (FNC CD)	5X42597	3.40%	250,000
23	18-Aug-08	15-Dec-09	World Savings Bank Note	9515GAA3	5.24%	492,950
24	30-Dec-04	30-Dec-09	Capital City Bank and Trust	9N01713	4.75%	99,000
25	05-Jan-09	05-Jan-10	Gulf Cost Community Bank IFNC CD)	5X42841	2.64%	99,000
26	11-Dec-08	15-Jan-10	Berkshire Hathaway Fin Corp GRD Sr Not	084664AR2	2.49%	203,510
27	11-Dec-08	22-Feb-10	Citigroup Inc	172967CU3	6.49%	97,308
28	25-Jul-08	01-Mar-10	Schwab Medium Term Note	80851QCX0	4.33%	528,440
29	11-Dec-08	15-Apr-10	Greater Bay Bancorp Sr Note	391648AT9	3.82%	101,688
30	22-Apr-05	22-Apr-10	Bank of Waukegan	065563AR9	4.75%	99,000
31	11-Dec-08	28-Apr-10	Toyota Motor Credit Corp Note	829233PV60	2.79%	200,164
32	24-Apr-08	15-May-10	American General Finance Corp Note	02635PSV6	4.47%	503,905
Fiscal Year End 2010						8,125,760
33	18-Dec-08	18-Dec-10	Worlds Foremost Bank (FNC CD)	5X42688	4.40%	100,000
Fiscal Year End 2011						100,000
Total Investments						24,919,927

Financial Indicators

	Target	Apr-09	Mar-09	Feb-09	Jan-09	Dec-08	Nov-08	Oct-08	Sep-08	Aug-08	Jul-08	Jun-08	May-08
Current Ratio	>1.5-2.0	7.53	4.20	4.09	3.89	4.13	3.92	3.90	3.31	3.68	3.64	3.70	4.28
Quick Ratio	>1.33-1.5	6.96	3.74	3.66	3.50	3.69	3.47	3.44	2.89	3.22	3.18	3.31	3.85
Days Cash on Hand	>75	337.98	227.43	222.55	230.22	223.53	223.62	218.15	229.56	229.67	222.74	233.39	239.70

**Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of April 30, 2009**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 2006-07	NovaRad RIS (part of original NovaRad PACS System)	208,426 *
FY 2007-08	Seimens Patient Monitor SC 9000XL	7,799
	3-D FOR M.E.P.	45,000
	OMNICELL COLOR TOUCH	55,419 *
	Access II Immunoassay System (Approved 4-08 with Reagent Agreement)	64,724 *
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>381,368</u>
FY 2008-09	Beckman Coulter Act10	10,344 *
	Modular Building Purchase-Quality Improvement	21,785 *
	Modular Building Purchase-Employee Health & Community Relations	31,114 *
	Laparoscopic Video Equipment-Surgery	249,020 *
	Coagulation Analyzer	25,000
	Mizuhosi Fracture Table	125,483 *
	AMO Phaco Machine for Surgery	82,918 *
	Zeiss Ophthalmic Argon Laser	39,840
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>585,504</u>
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	381,368
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	<u>585,504</u>

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2008
 As of April 30, 2009**

MONTH APPROVED BY BOARD DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
Year-to-Date Board-Approved Amount to be Expended	117,639
Year-to-Date Administrator-Approved Amount	597,115 *
Actually Expended in Current Fiscal Year	849,233 *
Year-to-Date Completed Building Project Expenditures	939,431 *
TOTAL FUNDS APPROVED TO BE EXPENDED	1,563,987
Total-to-Date Spent on Incomplete Board Approved Expenditures	0
Reconciling Totals:	
Actually Capitalized in the Current Fiscal Year Total-to-Date	1,446,348
Plus: Lease Payments from a Previous Period	0
Less: Lease Payments Due in the Future	0
Less: Funds Expended in a Previous Period	0
Plus: Other Approved Expenditures	117,639
ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	1,563,987
Donations by Auxiliary	0
Donations by Hospice of the Owens Valley	0
+Tobacco Funds Used for Purchase	12,179
	0
	12,179

*Completed Purchase
 (Note: The budgeted amount for capital expenditures for the fiscal year ending June 30, 2006, is \$3,600,000 coming from existing hospital funds.)

**Completed in prior fiscal year

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2008
 As of April 30, 2009**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
Board Approved Construction and Remodel amounts to be Reimburse from Revenue Bonds:		
FY 1996-97	Central Plant and Emergency Power Generator	3,000,884 **
FY 1997-98	Administration/Office Building (Includes Furniture and Landscaping)	1,617,772 **
FY 2000-01	New Water Line Construction	89,962 **
FY 2001-02	Siemens ICU Patient Monitoring Equipment	170,245 **
	Central Plant and Emergency Power Generator OSHPD Fee	18464.5 **
FY 2003-04	Emergency Room Remodel (Included in New Building & Remodel)	0
FY 2004-05	Emergency Room Remodel (add to \$500,000) (In New Building & Remodel)	0
FY 2005-06	Hospital Building and Remodel see revisions below	39,500,000
FY 2005-06	Construction Cost Overrun Approval	15,250,000
FY 2008-09	Phase II-Bid 1 (Bid Approvals-part of above original numbers)	17,580,971
Total-To-Date Board Approved Construction Amounts to be reimbursed from Revenue Bonds & General Obligation Bond		<u><u>59,647,328</u></u>

**Total-To-Date Spent on Construction In Progress from Rev Bonds for
 Incomplete Projects (Includes Architect Fees for Future Phases)**

*Completed Purchase

**Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of April 30, 2009**

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
EMAR Final Close-out	PHARMACY	35,335		
This project was Board Approved last Fiscal Year; final payment				
IBM EXP TP X41 Notebook Computer	IT	1,972		
Purchased for EMAR; used for other project per IT				
IBM EXP TP X41 Notebook Computer	IT	1,972		
Purchased for EMAR; used for other project per IT				
IBM EXP TP X41 Notebook Computer	IT	1,972		
Purchased for EMAR; used for other project per IT				
IBM EXP TP X41 Notebook Computer	IT	1,972		
Purchased for EMAR; used for other project per IT				
IBM EXP TP X41 Notebook Computer	IT	1,972		
Purchased for EMAR; used for other project per IT				
IBM EXP TP X41 Notebook Computer	IT	1,972		
Purchased for EMAR; used for other project per IT				
2-INTEL X3.2GHZ 1MB 380 G4 Processor	IT	1,231		
Purchased for EMAR; used for other project per IT				
4-HP 1GB REG PC2-3200 2X512 MEMORY	IT	1,220		
Purchased for EMAR; used for other project per IT				
2-HP DL380 G4 US NEMA HOT PLUG RPS	IT	373		
Purchased for EMAR; used for other project per IT				
12-35GB 1K U320 UNI HDD ALL	IT	2,935		
Purchased for EMAR; used for other project per IT				
1-HP DL380G4 X2.3 GHZ RCK SERVER	IT	2,483		
Purchased for EMAR; used for other project per IT				
2-MS SLD W2003 SRV ENT	IT	3,455		
Purchased for EMAR; used for other project per IT				
2-MS SLD SQL SRVR 2000 STD	IT	1,004		
Purchased for EMAR; used for other project per IT				
S-HP PL DL380 G3 REDUNDANT FAN KITS	IT	405		
Purchased for EMAR; used for other project per IT				
HP DL380G4 X3.2GHz 1MB US RACK SERVE IT		2,483		
Purchased for EMAR; used for other project per IT				
Replacement and Repairs to Boiler Doors	MAINTENANCE	12,635		
CARRIER 2 ZONE CONTROL SYSTEM FOR ADMIN BUILDING		5,256		
HOVER MATT PATIENT TRANSFER DEVICE	ER	3,193		
Alpha Funds to partially reimburse				
CANNON iR 1025iF Printer	ADMISSION SERVICES	2,252		
Month Ending April 30, 2009			86,093	597,115

**Northern Inyo Hospital
PLANT EXPANSION AND REPLACEMENT BUILDING PROJECTS**

(Completed and Occupied or Installed)

Item		Amount	Grand Total
Turner Construction; Retainer Payment for Phase I	Support Building	436,352	
Turner Construction; Retainer Payment for Phase I	Radiology Building	419,240	
MONTH ENDING AUGUST 31, 2008			855,592
<hr/>			
HVAC Roof System-Support Building	Support Building	16,817	
MONTH ENDING MARCH 31, 2009			872,409
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SIGNAGE	Grounds	27,972	
Radiology Doors	Radiology Building	39,051	
MONTH ENDING APRIL 30, 2009			939,431
<hr/>			

NORTHERN INYO HOSPITAL
DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS

MONTHS 2009	DIAGNOSTIC RADIOLOGY		MAMMOGRAPHY		NUCLEAR MEDICINE		ULTRASOUND		CT SCANNING		MRI		LABORATORY		E.K.G./ EEG		PHYSICAL THERAPY		RESPIRATORY THERAPY		RURAL HEALTH CLINIC		TOTALS	
	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09	07 / 08 / 09
JANUARY	308 / 544 / 606	188 / 193 / 434	36 / 71 / 86	166 / 205 / 206	112 / 170 / 165	102 / 217 / 153	86 / 89 / 470	1621 / 1809 / 1635	139 / 103 / 120	335 / 335 / 363	19 / 10 / 10	941 / 1057 / 1457	3961 / 4586 / 5562											
FEBRUARY	263 / 593 / 477	194 / 193 / 182	38 / 63 / 51	157 / 205 / 195	102 / 217 / 153	102 / 217 / 153	71 / 85 / 435	1662 / 1744 / 1643	84 / 113 / 116	302 / 364 / 314	19 / 11 / 10	965 / 1150 / 1374	3857 / 4738 / 4950											
MARCH	269 / 529 / 581	122 / 311 / 261	29 / 133 / 1	144 / 223 / 201	95 / 233 / 152	95 / 233 / 152	76 / 403 / 472	1734 / 1774 / 1904	100 / 149 / 121	340 / 346 / 428	15 / 12 / 13	1095 / 1211 / 1477	4028 / 5324 / 5611											
APRIL	258 / 697 / 600	246 / 199 / 378	46 / 183 / 68	139 / 196 / 198	123 / 264 / 161	123 / 264 / 161	105 / 453 / 483	1767 / 1984 / 1824	85 / 121 / 108	300 / 410 / 380	14 / 14 / 16	883 / 1318 / 1423	3966 / 5839 / 5639											
MAY	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
JUNE	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
JULY	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
AUGUST	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
SEPTEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
OCTOBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
NOVEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
DECEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
CALENDAR YEAR	1098 / 2363 / 2264	760 / 896 / 1255	149 / 450 / 216	606 / 829 / 800	432 / 884 / 631	338 / 1030 / 1860	6784 / 7311 / 7006	408 / 486 / 465	1277 / 1455 / 1485	68 / 47 / 49	3884 / 4736 / 5731	15804 / 20487 / 21762												
MONTHLY AVERAGES	275 / 591 / 566	190 / 224 / 314	37 / 113 / 54	162 / 207 / 200	108 / 221 / 158	85 / 258 / 465	1696 / 1828 / 1752	102 / 122 / 116	319 / 364 / 371	17 / 12 / 12	971 / 1184 / 1433	3951 / 5122 / 5441												

*Radiology has changed their methodology for capturing statistics and feel these are more accurate. They are much higher than previously reported.

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DEPARTMENT OF TRANSPORTATION

District 9
500 South Main Street
Bishop, California 93514
PHONE (760)872-0602
FAX (760)872-5225
TTY 711 (760) 872-0602



*Flex your power!
Be energy efficient!*

May 21, 2009

Mr. Peter Watercott, President
Northern Inyo Hospital Board of Directors
150 Pioneer Lane
Bishop, CA 93514

Dear Mr. Watercott:

The Northern Inyo Hospital Board requested that Caltrans District 9 consider installation of a signal at the intersection of Pioneer Lane and SR 168 (Line Street). The California Department of Transportation (Caltrans) appreciates your concern about safety on State Route 168 in Bishop.

As a result of your request District 9 Traffic Operations has completed an intersection analysis and signal warrant study at the location to determine if signal placement is warranted. The applicable California Manual on Uniform Traffic Control Devices (MUTCD) Warrants (numbers 1, 2, 3 and 7) were analyzed. None of these warrants were satisfied, even though the study was conducted when Pioneer lane is serving as the only entrance to Northern Inyo Hospital. Traffic is expected to decrease when the main entrance to Northern Inyo Hospital is reopened. Based on the completed intersection analysis, a signal is not warranted at this location. Please see the enclosed intersection analysis for details of how the study was conducted and the warrant analysis.

As mentioned in my letter dated January 9, 2009, the department has made several modifications to increase safety at the Pioneer Lane intersection. We will continue to monitor conditions on State Route 168 (West Line Street).

Safety is Caltrans' highest concern in fulfilling our mission to improve mobility across California. If you have additional concerns, feel free to contact me at 760-872-0602 or Terry Erlwein, District Traffic Operations Engineer at 760-872-0650.

Sincerely,

A handwritten signature in black ink, appearing to read "T. P. Hallenbeck".

Thomas P. Hallenbeck
District Director, Caltrans District 9

c: Inyo County Board of Supervisors
City of Bishop

Memorandum

*Flex your power!
Be energy efficient!*

To: CRAIG HOLSTE
Deputy District Director
Maintenance and Operations

Date: April 28, 2009

File: Pioneer Lane

From: TERESA ERLWEIN
Traffic Operations Engineer
District 9

Subject: State Route 168 (Line Street) and Pioneer Lane Intersection Analysis

The Inyo County Local Transportation Commission and Northern Inyo Hospital Board requested that Caltrans District 9 consider installation of a signal at the intersection of Pioneer Lane and SR 168 (Line Street). Pioneer Lane is one of two entrances into the Northern Inyo Hospital Campus off of SR 168 and is located at INY-168-PM 17.660. Pioneer lane also serves a complex of doctor's offices. As a result of this request District 9 Traffic Operations has conducted an intersection analysis at the location to determine if signal placement is warranted. California Manual on Uniform Traffic Control Devices (MUTCD) Warrants 1, 2, 3 and 7 were analyzed. None of these warrants were satisfied, even though the study was conducted when Pioneer lane is serving as the only entrance to Northern Inyo Hospital. Pioneer Lane traffic is expected to decrease when the new main entrance to Northern Inyo Hospital is reopened. Based on the completed intersection analysis, a signal is not warranted at this location.

Existing Conditions

The existing intersection at Pioneer Lane is a 90-degree "T" intersection and has historically been the main entrance to the Northern Inyo Hospital campus. Another entrance to Northern Inyo is located at PM 17.784 approximately 125 feet west of and across from the Sunland Drive intersection with SR 168. Historically this second access has been a minor entrance used mainly to access the emergency room and some employee parking. There is street lighting at the Pioneer Lane intersection and at the Sunland Drive intersection with SR 168. SR 168 at the Pioneer Lane intersection has a 12-foot west bound and eastbound lane, 8-foot shoulders on each side and a 12-foot wide center turn lane. Additionally, a sidewalk of approximately 10 feet width is on the north side of SR 168. A bike path/ac sidewalk of approximately 10 ft width is located on the south side of SR 168. Pioneer Lane has a 12-foot southbound and northbound lane with shoulder of approximately 8 feet. There are two driveways for the Church of the Nazarene located across from the hospital. Approximately 190 feet west of Pioneer Lane on the same side there is a driveway to the Bishop Care Center. See attached photograph for locations.

CRAIG HOLSTE

April 28, 2009

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The posted speed limit on SR 168 at the intersection with Pioneer Lane (PM 17.660) is 35 mph. At PM 17.63, the eastbound 85th percentile speed is 41 mph and the westbound 85th percentile speed is 44 mph. The eastbound pace speed is 32-41 mph and the westbound pace speed is 35-44 mph.

Currently the Hospital is undergoing a major remodel scheduled to be completed in the winter of 2010. After completion of the remodel the main entrance to Northern Inyo will be located at PM 17.784, historically the minor access. This access is currently closed during the remodel so all hospital traffic is using the Pioneer Lane entrance for access. Parking that was available at the minor entrance is not available during construction so that most employees began using the street parking on SR 168. Previous to construction, this parking was rarely used.

In order to determine if a traffic signal is justified at the Pioneer Lane and SR 168 intersection, Caltrans conducted a 12-day traffic count. Traffic volumes were recorded hourly on Pioneer Lane, northbound and southbound, and on SR 168, eastbound and westbound, from January 9 to January 20, 2009. Analysis of the count data showed that the majority of Pioneer Lane's traffic volumes occurred between 0700 and 1700 daily. Because right turns from Pioneer to SR 168 westbound have minimal conflict with SR 168 these turns were not included in the counts. The average day one hour volumes used in the warrant analysis for Pioneer Lane were calculated from the 12-day count and are shown in the table below.

	0600	0700	0800	0900	1000	1100	1200	1300	1400	1500	1600	1700	1800	1900
Pioneer Lane	3	34	37	40	45	48	39	32	40	52	44	33	14	13
INY-168	218	594	681	662	731	819	914	826	801	884	837	824	511	334

The CA MUTCD states that *"The investigation of the need for a traffic control signal shall include an analysis of the applicable factor contained in the following traffic signal warrants and other factors related to existing operation and safety at the study location:*

- Warrant 1, Eight-Hour Vehicular Volume.*
- Warrant 2, Four-Hour Vehicular Volume.*
- Warrant 3, Peak Hour.*
- Warrant 4, Pedestrian Volume.*
- Warrant 5, School Crossing.*
- Warrant 6, Coordinated Signal System.*
- Warrant 7, Crash Experience.*
- Warrant 8, Roadway Network.*

CRAIG HOLSTE

April 28, 2009

Page 3

The satisfaction of a traffic signal warrant or warrants shall not in itself require the installation of a traffic control signal." Additionally, the CA MUTCD also states "A traffic control signal should not be installed unless one or more of the factors described in this Chapter are met."

An analysis of the factors that apply to the intersection of SR 168 and Pioneer Lane would include the above Warrants 1, 2, 3, and 7. For a full explanation of the warrants used and the application of these warrants see California MUTCD Section 4C. The following is a summary of the analysis count data collected at Pioneer Lane as applied to the warrants in Section 4C.

Warrant 1, Eight-Hour Vehicular Volume

Condition A Minimum Vehicle Volume-This warrant was not satisfied. The highest 8 hours of traffic volumes ranged from 662 to 914 on SR 168 and from 37 to 52 for Pioneer Lane. This warrant requires a minimum 84 for the minor road. None of the top 8 hours meet this minimum count.

Condition B Interruption of Continuous Traffic-This warrant was not satisfied. The highest 8 hours of traffic volumes ranged from 662 to 914 on SR 168 and from 37 to 52 on Pioneer Lane. This warrant requires a minimum 42 for the minor road. Pioneer Lane only meet this minimum for 4 hours of the minimum 8 hours needed.

Combination of Condition A&B-This warrant was not satisfied. This warrant requires that both Conditions A and B are 80% satisfied. Neither condition is 80% for Pioneer Lane.

Warrant 1-Eight Hour Vehicular Volume was not satisfied.

Warrant 2, Four-Hour Vehicular Volume

The minimum vehicle count to justify this warrant is 60 vehicles per hour. The 4 hours with the highest counts on Pioneer Lane are all below 60.

Warrant 2-Four Hour Vehicular Volume was not satisfied.

Warrant 3, Peak Hour

Warrant 3 requires that all 3 conditions be met in Part A or that Part B conditions be satisfied. Pioneer Lane conditions do not satisfy Part A. Only 1 of the three conditions in Part A is met. To satisfy Part B the minimum count number for 1 hour is 75 vehicles per hour. Pioneer Lanes maximum count for one hour was 52 vehicles. Part B is not satisfied either.

CRAIG HOLSTE

April 28, 2009

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Warrant 3-Peak Hour was not satisfied.

Warrant 7, Crash Experience

The intersection of SR 168 and Pioneer Lane does not satisfy warrant 7. Warrant 7 requires that all 3 criteria A, B and C be met.

Criterion A is for other alternatives to be tried in an effort to reduce crash frequency. Additional red curbing was added east of the Pioneer Lane intersection on December 30, 2008 to increase sight distance for drivers making left turns off of Pioneer Lane. One accident has occurred since that time. Additional intersection warning signing could be tried, if deemed necessary. Criterion A has been met.

Criterion B requires 5 or more collisions within a 12-month period. The most current 3-year collision report available (07/01/2004-06/30/2007) shows that there were two collisions within the past three years. The Bishop Police Department reports only one collision within the past 12 months. See accident data below for complete data. Criterion B is not met.

Criterion C requires that Warrant 1 data be met at 80% and that Warrant 4 also be met at 80%. Warrant 1 was not met at 80% and Warrant 4 was not considered because pedestrian volumes are insignificant at this location as compared to minimum pedestrian warrant volumes. Criterion C is not met.

Warrant 7-Crash Experience was not satisfied.

Accident Data:

3 year Table B-07/01/2004-06/30/2007 (Most current data available)

Accident Rates (Per MVM*)		
Type	Actual Average	Statewide Average
Fatal	0	0.002
Fatal + Injury	0.12	0.08
Total	0.23	0.19
*Million Vehicle Miles		

Two collisions were recorded within the area of the intersection of Pioneer Lane and SR 168 during the three-year study period. There were zero fatalities, one injury accident and one property damage only accident. Both of the accidents were broadside collisions.

CRAIG HOLSTE

April 28, 2009

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The first accident (PM 17.65) was just west of Pioneer Lane at the driveway for the Bishop Care Center. Party 1 attempted to make a left turn from the driveway of the Bishop Care Center to travel east on SR 168 (Line Street). Party 2 was traveling westbound on SR 168 when party 1 pulled out directly into party 2's path. Party 2 was unable to avoid the collision with party 1. Failure to yield right of way was listed as the cause of this collision.

The second accident (PM 17.660) was at the Pioneer Lane intersection. Party 1 caused the collision by failing to enter the highway when safe. Party 2 was westbound on SR 168 (Line Street) at a stated speed of 35 mph approaching the intersection of SR 168 and Pioneer Lane. Party 1 entered the intersection from Pioneer Lane attempting to make a left and travel eastbound onto SR 168. Party 1 struck the passenger side of Party 2. Party 1 was cited for impeding the flow of traffic and unsafe lane change.

A report was obtained from the Bishop Police Department for an accident that occurred on 4/6/2009. This accident is not yet entered into the statewide system and so is not reflected in the accident table above. This accident occurred at PM 17.660 the intersection of SR 168 and Pioneer Lane. Party 1 caused a broadside collision by failing to yield to traffic when entering a highway.

c: Tom Hallenbeck, Caltrans District 9
Brad Mettam, Caltrans District 9
Bryan Winzenread, Caltrans District 9

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NORTHERN INYO HOSPITAL
Northern Inyo County Local Hospital District
150 Pioneer Lane, Bishop, California 93514

Medical Staff Office
(760) 873-2136 voice
(760) 872-5836 fax
maggie.egan@nih.org

TO: Medical Staff Executive Committee
FROM: D. Scott Clark, M.D.
Acting Chief of Radiology
DATE: June 2, 2009
RE: Extension of Temporary Privileges

I recommend a sixty (60) day extension of temporary privileges, to address a patient care need, for the following teleradiologists affiliated with Virtual Radiologic:

Kimberly Joyce Burkholz, MD

Farhad Keliddari, MD

Karen Stark Caldemeyer, MD

Susan Amy Klein, MD

Steven Mark Cohen, MD

Leslie Scott Miller, MD

Mark Cameron Davis, MD

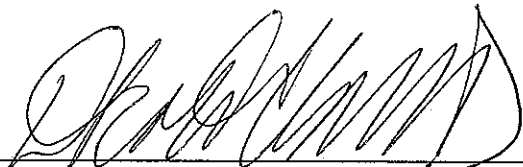
Marc Howard Paul, MD

Charles Stephen Henry, MD

Shailendri Eswar-Rao Philip, MD

Heidi Kristine Henry, MD

Richard Lee Toothman, MD



D. Scott Clark, M.D., Acting Chief of Radiology

NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title: Informed Consent Required for Pregnant Patients Before Radiological Procedures	
Scope: Departmental	Department: Radiology
Source: Radiology	Effective Date: 10-18-06

PURPOSE:

To insure that informed consent is obtained from pregnant patients who undergo radiological procedures

POLICY:

1. Prior to performing any radiological procedure on a pregnant patient, the Radiologic Technologist will ask the patient if she has been informed of the risks, benefits and alternatives to the procedure to be performed.
2. If the patient has been so informed, the patient will be asked by Radiology Department staff to sign an "Informed Consent for Pregnant Patient Undergoing Radiological Procedure."
3. If the patient refuses to sign the consent form, the Radiological Technologist will refer the patient to the Radiologist, but will not perform the procedure.
4. If the patient signs the consent form, the Radiologic Technologist will submit the completed consent form to the Radiologist who will determine whether or not to perform the procedure.

Committee Approval	Date
Radiology Committee	5-22-06
Medical/ICU Committee	5-24-06
Perinatal-pediatric Committee	6-8-06
Surgical-Tissue Committee	8-30-06
Medical Executive Committee	10-3-06
Administration	10-6-06
Board of Directors	10-18-06

Revised
Reviewed
Supercedes New

**NORTHERN INYO HOSPITAL
Policy and Procedure Approval
Tracking Sheet**

Policy name: Informed Consent Required for Pregnant Patients Before Radiologic Procedures

Approval	Signature	Date
Radiology Committee	<i>John W. Jenson</i>	5-22-06
Medical/ICU Committee	<i>[Signature]</i>	5/24/06
Perinatal-Pediatric Committee	<i>[Signature]</i>	6/8/06
Surgical-Tissue Committee	<i>[Signature]</i>	8/30/06
Medical Executive Committee	<i>Tara Weiss</i>	10/3/06
Administration	<i>[Signature]</i>	10-6-06
Board of Directors	<i>[Signature]</i>	10-18-06



NORTHERN INYO HOSPITAL
Northern Inyo County Local Hospital District
150 Pioneer Lane, Bishop, California 93514

Radiology Department
(760) 873-2155 voice
(760) 872-6393 fax

Informed Consent for Pregnant Patient Undergoing Radiologic Procedure

The undersigned consents to the radiologic examination herein described:

The undersigned affirms that she has been informed by an appropriately licensed practitioner of the risks, benefits and alternatives to the above examination, that she has had all of her questions answered regarding the risks, benefits and alternatives to the above examination, and that she willingly agrees to the examination.

PRINT Patient's Name

Patient SIGNATURE

Date

Signature: Patient's Legal Representative

Relation to Patient

Date/Time

Signature: Witness

Date/Time

**NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE**

Title: KUB X-Ray – for kidney stones	
Scope: Departmental	Department: Radiology
Source: ARRT, J.N., CA-Title 17	Effective Date:
Radiology Manager: <i>Marsha Winton</i>	Date signed:
Radiation Safety Officer:	Date signed:

PURPOSE:

The purpose of this procedure guideline is to assist the radiologic technologist in performing x-rays that are diagnostic for kidney stones.

POLICY:

A KUB and single plane tomogram of the kidneys will be performed on patients when physicians order a “KUB for kidney stones”.

PROCEDURE:

INDICATIONS:

Physicians may request the procedure as indicated by the patient’s clinical condition. A standard KUB will be done for any clinical other than kidney stones.

CONTRAINDICATIONS:

None.

PATIENT PREPARATION:

None.

VIEWS OBTAINED:

Supine KUB, single plane tomogram of the kidneys

IMAGING PROCEDURE:

- Explain the procedure to the patient. Encourage and answer all questions.
- Verify patient identification using name and one other method (phone number, date of birth, etc.)
- Verify exam orders.
- Check the pregnancy status of **ALL** females of childbearing age (12-60) prior to exam.
- Always use proper collimation to reduce patient exposure to radiation.
- Gonadal shielding should be used unless device interferes with the objectives of the procedure.
- Be certain to include right or left markers in the field of view.
- The patient should hold their breath to reduce motion on the image.
- Verify that all images are on the PACS system and that information is correct.
- Document procedure completion on patient chart for all in-patients and ER patients.
- Place the proper paperwork in Radiologist office for interpretation.

Committee Approval	Date

Revised
Reviewed
Supercedes

Draft

NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title Tracheostomy Care	
Scope: Respiratory Therapist, ICU RN	Department: Respiratory Care, ICU
Source: Kevin Christensen, Jan Kneip	Effective Date: 11-2-2008

POLICY:

Regular tracheostomy care, using aseptic technique, will assure patency of the airway and reduce the risk of infection.

PURPOSE:

A tracheostomy is the surgical opening into the trachea for the purpose of establishing an airway. Whether a tracheostomy is performed in an emergency situation or after careful preparation, as a permanent measure or as a temporary therapy, post-procedure patient care has the same purpose:

1. To promote and assure free passage of air within the tracheo-bronchial tree by preventing encrustation and clogging of the inner cannula.
2. To facilitate the removal of secretions.
3. To care for tracheostomy tubes and surrounding skin, preventing infection and promoting healing.

SPECIAL CONSIDERATIONS:

Physician order Not required:

Procedure may be performed by: x RN, x LVN, x RT, x MD

Special education required to perform procedure: X Yes knowledge of sterile technique.

KNOWLEDGE BASE:

Northern Inyo Hospital uses tracheostomy tubes that have a disposable inner cannula. Shiley disposable inner cannulas are indicated by "DCT" (Disposable Cannula Tube) on the plate of the outer cannula, and by the "pinching" snap lock mode on the inner cannula.

1. A duplicate sterile tracheostomy tube of the same size must be kept at the bedside, so that, should an obstruction occur or the tube be dislodged, it can be replaced immediately by another tube.
2. The obturator should be placed in a clean plastic bag and taped to a convenient location in the patient's room.

3. To reduce the possibility of contamination, aseptic technique is essential during suctioning and tracheostomy care.
4. Heated humidification with sterile water helps prevent drying of tracheal and bronchial mucosa and the formation of crusts.
5. It is the physician's responsibility to change the outer cannula unless he writes an order for the respiratory therapist to do.

INDICATIONS:

1. Tracheostomy care should not be done on new tracheotomies until after 72 hours, unless specifically ordered. If excessive drainage is occurring contact the surgeon.
2. Tracheostomy care, including changing of the inner cannula and cleaning of the stoma site, should be done as often as needed, and / or at a minimum of once every 12 hours. Preferably between 07:00 – 09:00 and 19:00 – 21:00.
3. Trach ties need to be changed whenever soiled to avoid compromised skin integrity. Always hold tracheostomy in place with one hand while ties are being changed (a second nurse or respiratory therapist may be needed). Ties are tightened down to one finger space to allow for venous outflow.
4. Secretions should be suctioned and / or coughed out of the trachea on a regular basis as needed and prior to removing the inner cannula during trach care.

EQUIPMENT:

1. Personnel Protective Equipment.
2. Sterile gloves
3. Suction catheter of appropriate size.
4. Suction equipment.
5. Resuscitation bag.
6. Oxygen.
7. Hydrogen peroxide.
8. Sterile water.
9. Disposable inner cannula sized to trach (from Central Supply).
10. Precut gauze tracheostomy dressing. (Do not cut 4 x 4 gauze; the loose fibers could enter the trachea).
11. 4 x 4 gauze and sterile Q tips to clean stoma.
12. Sterile basin (from Central Supply).
13. Tracheostomy ties (from Respiratory Care).

PROCEDURE:

This procedure can be done by either RT or nursing, but a team approach is recommended.

1. Explain procedure to patient. If not contraindicated, place patient in semi-fowlers position to decrease abdominal pressure on diaphragm.
2. Suction the patient. Set the suction pressure as low as possible, yet high enough to effectively clear secretions. For adults -80 to -120 mmHg is usually adequate. Remember - do not insert the catheter very far. This is a short tube.
3. Change disposable inner cannula.
 - a. Open sterile disposable inner cannula tray aseptically by removing the lid.
 - b. Don clean gloves. Note: Sterile gloves are not necessary since sterile portions of the cannula are not touched.
 - c. Unlock, by unsnapping and remove the disposable inner cannula. Discard.
 - d. Remove the disposable inner cannula from the tray by picking it up from the snap-lock end, keeping the inner aspect sterile.
 - e. Replace and snap-lock in place the new sterile inner cannula.
4. Clean the stoma site.

Note: to avoid excessive trauma, the dressing is not changed for 24 hours following surgery of a tracheostomy unless there is excessive bleeding.

 - a. Open packages of sterile 4 x 4s (at least 2) and / or sterile Q-tips.
 - b. Open tracheostomy dressing packages.
 - c. Remove soiled dressing and discard.
 - d. Don sterile gloves if using sterile 4 x 4s to clean stoma. (gloves are not necessary if Q-tips are used).
 - e. Using 4 x 4s or Q-tips cleanse area around the tracheostomy with a solution of ½ hydrogen peroxide and ½ sterile normal saline, working from tracheostomy site and moving outward. Repeat procedure with plain sterile NS and allow to dry.
 - f. Reapply sterile tracheostomy drain sponge dressing under the flange of the stoma site. Do not cut gauze for this purpose as fibers may loosen and become caught in the stoma.
5. Change trach ties, leaving one finger-width of space between neck and ties.

DOCUMENTATION:

1. Time of cannula change or dressing change.
2. Condition of skin around tracheal opening including description of secretion and odor.
3. How patient tolerated procedure.
4. Examine the neck for subcutaneous emphysema.

References:

Egan's Fundamentals of Respiratory Care, Ninth Edition

Lippincott Manual of Nursing Practice, Eighth Edition

Committee Approval: No	Date
Responsibility for review and maintenance: ICU nurse manager, Respiratory Care Department Head	1-14-09

Revised 11-2008
Reviewed
Supercedes

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**NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE**

Title: Red Flags Identity Theft Prevention	
Scope: Multi-Department	Department: Billing, Admissions, Compliance
Source: Compliance Officer	Effective Date:

PURPOSE:

In order to comply with the Federal Trade Commission's Identity Theft Prevention Red Flags Rule (16CFR681.2), this policy will create a program to

1. Identify the relevant Red Flags based on the risk factors associated with the Hospital's covered accounts;
2. Delineate policies and procedures for detecting Red Flags;
3. Identify steps to prevent and mitigate Identity Theft; and
4. Create a system for regular updates and administrative oversight to the program

POLICY:

A. Definitions:

"Covered Account" means (i) any account NIH offers or maintains primarily for personal family or household purposes, that involves multiple payments or transactions, including one or more deferred payments; and (ii) any other account NIH identifies as having a reasonably foreseeable risk to patients or to the safety and soundness of the hospital from Identity Theft. As of January 1, 2009, the Hospital has determined that all patient accounts are Covered Accounts

"Identity Theft" means fraud committed using the identifying information of another person

"Red Flag" means a pattern practice or specific activity that indicates the possible existence of Identity Theft.

B. Identification of Red Flags

The following shall constitute Red Flags for purposes of this policy:

1. Suspicious Documents
2. Suspicious Personal Identifying Information
3. Suspicious or Unusual Use of Covered Account
4. Alerts from Others (e.g. customer, Identity Theft victim, law enforcement)

C. Detection of Red Flags

In order to facilitate detection of the Red Flags listed above, Admissions staff or Billing Staff will take the following steps to obtain and verify the identity of any person seeking service:

1. New Patients/Accounts
 - a. Require identifying information (e.g., full name, date of birth, address, government issued ID, insurance card, etc.), which will be copied. Copies will be retained in our document management system for a minimum of 10 years.

- b. When available verify presented information with insurance company's information

2. Existing Accounts

- a. Verify validity of requests for changes of billing address
- b. Verify identification of inquirers before giving out any personal information

D. Preventing and Mitigating Identity Theft

In order to prevent and mitigate the effects of Identity Theft, staff will follow the appropriate steps identified in the Procedure section of this Policy and Procedure.

E. Program Administration

The Compliance Officer is responsible for developing, implementing, administering and updating the program created by this policy. The Compliance Officer will be responsible for developing a training program for staff identified by the Compliance officer as responsible for, or having a role in implementing the Program.

F. Service Provider Arrangements

The Hospital will require, by contract, that service providers that perform activities in connection with Covered Accounts have policies and procedures in place designed to detect, prevent and mitigate the risk of Identity Theft with regard to the Covered Accounts.

G. Updating of Program

The Compliance Officer will periodically review the effectiveness of the Program and update the Program to reflect the addition or removal of Covered Accounts, and changes in risks to patient/covered account holders from Identity Theft.

PROCEDURE:

IDENTITY THEFT RED FLAG	PREVENTION/MITIGATION PROCEDURE	RESOLUTION OF RED FLAG
Documents provided for identification appear to have been altered or forged.	Stop the admissions/billing process and require applicant to provide additional satisfactory information to verify identity.	Additional documentation must be provided to resolve discrepancy and continue admission/billing process.
Personal identifying information provided by the customer is not consistent with other personal identifying information provided by the patient. For example, there is a lack of correlation between the Social Security Number (SSN) range and date of birth.	Stop the admissions/billing process and require applicant to provide additional satisfactory information to verify identity.	Additional documentation must be provided to resolve discrepancy and continue admission/billing process.

<p>The SSN provided is the same as that submitted by other persons opening an account or other patients.</p>	<p>Stop the admissions/billing process and require applicant to provide additional satisfactory information to verify identity.</p>	<p>Additional documentation must be provided to resolve discrepancy and continue admission/billing process.</p>
<p>Patient has an insurance number but never produces an insurance card or other physical documentation of insurance.</p>	<p>Stop the admissions/billing process and require applicant to provide additional satisfactory information to verify identity.</p>	<p>Additional documentation must be provided to resolve discrepancy and continue admission/billing process.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with the patient.</p>
<p>Records showing medical treatment that is inconsistent with a medical history as reported by the patient (e.g. inconsistent blood type).</p>	<p>Investigate complaint, interview individuals as appropriate, review previous files for potentially inaccurate records. Items to consider include: blood type, age, race, and other physical descriptions may be evidence of medical identity theft.</p>	<p>Depending on the inconsistency and review of previous files, either delay or do not open a new covered account or terminate services.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>
<p>Complain/inquiry from an individual based on receipt of:</p> <ul style="list-style-type: none"> ▪ a bill for another individual ▪ a bill for a product or service that the patient denies receiving ▪ a bill from a health care provider that the patient never saw ▪ a notice of insurance benefits (or Explanation of Benefits) for health services never received 	<p>Investigate complain, interview individuals as appropriate</p>	<p>Terminate treatment/credit until identity has been accurately resolved; refuse to continue attempting to collect on the account until identity as been resolved.</p> <p>Notify Law enforcement as appropriate.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>
<p>Complaint/inquiry from a patient about information added to a credit report by a health care provider or insurer</p>	<p>Investigate complain, interview individuals as appropriate</p>	<p>Terminate treatment/credit until identity has been accurately resolved; refuse to continue attempting to collect on the account until identity as been resolved.</p> <p>Notify Law enforcement as appropriate.</p>

		<p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>
<p>Complaint or question from a patient about the receipt of a collection notice from a bill collector</p>	<p>Investigate complain, interview individuals as appropriate</p>	<p>Terminate treatment/credit until identity has been accurately resolved; refuse to continue attempting to collect on the account until identity as been resolved.</p> <p>Notify Law enforcement as appropriate.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>
<p>Patient or insurance company report that coverage for legitimate hospital stay is denied because insurance benefits have been depleted or a lifetime cap has been reached.</p>	<p>Investigate complain, interview individuals as appropriate</p>	<p>Additional documentation must be provided to resolve discrepancy and continue admissions/billing process. Contact insurance company as necessary.</p> <p>Notify Law enforcement as appropriate.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>
<p>Mail sent to the patient is returned repeatedly as undeliverable although transactions continue to be conducted in connection with the patients covered account.</p>	<p>Skip-tracing procedures are used to find the patient's current mailing address</p>	<p>Patient is found and contact information is updated.</p>
<p>Hospital is notified by a customer, a victim of identity theft, a law enforcement authority, or any other person that it has opened a fraudulent account for a person engaged in identity theft.</p>	<p>Investigation to determine of billing was made fraudulently</p>	<p>Additional documentation must be provided to resolve discrepancy and continue admissions/billing process. Contact insurance company as necessary.</p> <p>Notify Law enforcement as</p>

		<p>appropriate.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>
<p>Personal identifying information provided by the patient is associated with known fraudulent activity as indicated by internal or third-party sources used by the Hospital. For example: The address on an application is the same as the address provided on a fraudulent application The phone number on an application is the same as the number provided on a fraudulent application</p>	<p>Investigate complain, interview individuals as appropriate</p>	<p>Terminate treatment/credit until identity has been accurately resolved; refuse to continue attempting to collect on the account until identity as been resolved.</p> <p>Notify Law enforcement as appropriate.</p> <p>If the results of the investigation do not indicate fraud, all contact and identifying information is re-verified with patient.</p>

Committee Approval	Date
Compliance Committee	2-10-09
Administration	
Board of Directors	

Revised
Reviewed
Supercedes

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**RESOLUTION NO. 09-04
OF THE
NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT
BOARD OF DIRECTORS**

WHEREAS, the Northern Inyo County Local Hospital District is required to establish an annual appropriations limit in accordance with Article XIII B of the California Constitution; and

WHEREAS, using data provided by the State of California Department of Finance, on September 17, 2008, the Board of Directors of Northern Inyo Hospital established an appropriations limit of \$571,808.24 for the July 1, 2008 to June 30, 2009 fiscal year; and

WHEREAS, using the attached data provided by the State of California Department of Finance, an appropriations limit of \$573,523.66 has been calculated for the July 1, 2009 to June 30, 2010 fiscal year.

NOW, THEREFORE, BE IT RESOLVED by this Board of Directors of Northern Inyo County Local Hospital District, meeting in regular session this 17th day of June, 2009 that an appropriations limit of \$573,523.66 be established for the Northern Inyo County Local Hospital District for the 2009-2010 fiscal year; and

BE IT FURTHER RESOLVED that this Resolution be made a part of the minutes of this meeting.

Peter J. Watercott, President

Attest:

Michael Phillips, Secretary

APPROPRIATIONS LIMIT CALCULATIONS
FISCAL YEAR 2010

Per capita change multiplied by the population change yields a calculation factor.

For the district this is:

$$1.0062 \times .9969 = 1.0030$$

$$1.0030 \times \$571,808.24 = \$573,523.66$$

New Limit is \$573,523.66

May 2009

Enclosure I

- A. **Price Factor:** Article XIII B specifies that local jurisdictions select their cost-of-living factor to compute their appropriation limit by a vote of their governing body. The cost-of-living factor provided here is per capita personal income. If the percentage change in per capita personal income is selected, the percentage change to be used in setting the 2009-2010 appropriation limit is:

Per Capita Personal Income	
Fiscal Year (FY)	Percentage change over prior year
2009-2010	0.62

- B. Following is an example using sample population change and the change in California per capita personal income as growth factors in computing a 2009-2010 appropriation limit.

2009-2010:

Per Capita Cost of Living Change = 0.62 percent
 Population Change = 1.11 percent

Per Capita Cost of Living converted to a ratio:

$$\frac{0.62 + 100}{100} = 1.0062$$

Population converted to a ratio:

$$\begin{array}{r} - .31 \\ \frac{1.11 + 100}{100} = 1.0111 \end{array} \quad .9969$$

Calculation of factor for FY 2009-2010:

$$\begin{array}{r} .9969 = 1.0030 \\ 1.0062 \times 1.0111 = 1.0174 \end{array}$$

Enclosure II
Annual Percent Change in Population Minus Exclusions
January 1, 2008 to January 1, 2009 and Total Population, January 1, 2009

County City	<u>Percent Change</u> 2008-2009	<u>Population Minus Exclusions</u>		<u>Total</u>
		1-1-08	1-1-09	1-1-2009
Inyo				
Bishop	-0.20	3,543	3,536	3,536
Unincorporated	-0.34	14,439	14,390	14,513
County Total	-0.31	17,982	17,926	18,049

(* Exclusions include residents on federal military installations and group quarters residents in state mental institutions, state and federal correctional institutions and veteran homes.

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**BETA Healthcare Group Risk Management Authority
RENEWAL QUOTE & COVERAGE SUMMARY**

HEALTHCARE ENTITY LIABILITY COVERAGE

Entity:	Northern Inyo County Local Hospital District
Date:	May 29, 2009
Coverage:	Healthcare Entity Comprehensive Liability, <i>coverage includes:</i> <ul style="list-style-type: none"> • Professional Liability (claims made basis) • General Liability (occurrence basis) <ul style="list-style-type: none"> • Personal Injury and Advertising Injury Liability • Employee Benefit Administration Liability • Fire and Water Damage Legal Liability sub-limit • Asbestos Liability sub-limit (claims made basis) • Pollution Liability sub-limit (claims made basis)
Form:	HCL/CM(07/09)
Effective Date:	July 1, 2009
Retroactive Date:	July 1, 2004 (applicable to claims made coverages only)
Contract Period:	July 1, 2009 at 12:01 a.m. to July 1, 2010 at 12:01 a.m.
Liability Limits:	\$20 million per occurrence and a \$20 million aggregate \$1 million per occurrence and a \$3 million aggregate sub-limit per covered physician subject to the entity's \$20 million per occurrence and a \$20 million aggregate limit <i>All defense expenses are paid outside of the per occurrence limits. All sub-limits are subject to the per occurrence and aggregate limits.</i>
Deductible:	\$25,000 Ind
OB Risk Management Initiative Credit:	Credit received: N/A
<p>In 2008/2009, BHG continued its risk management efforts to reduce the frequency and severity of obstetrical claims by offering evidence-based surveys of member's OB departments on a voluntary basis. As outlined in the letter BHG sent on January 22, 2009, members that volunteered to participate in the survey, which included an on-site evaluation, and could demonstrate implementation of 100% of the interventions were awarded a 5% rate credit on the contribution applicable to the HCL primary \$5M limits effective July 1, 2009. If your hospital participated in the OB initiative and successfully completed all requirements, the credit received will be indicated above. Hospitals that did not participate or did not implement all requirements will have "N/A" stated above.</p>	
Annual Contribution:	\$199,964
Annual Dividend Credit:	(\$45,993)
Annual Contribution Due:	\$153,971
Monthly Installment Contribution Due:	\$12,830.91

BHG will discontinue the end of year HCL contribution audit following the expiration of the July 1, 2009 contract year. The member will still be required to report to us new exposure increases during the course of the year. New exposures include an addition of a new location, new service or a new physician, surgeon, dentist, physician assistant, nurse anesthetist, nurse practitioner or nurse midwife that is to be covered under the HCL Coverage Contract. HCL contribution audits may still be requested; however, any refunds will be subject to the underwriting department's approval.

**BETA Healthcare Group Risk Management Authority
RENEWAL QUOTE & COVERAGE SUMMARY
HEALTHCARE ENTITY LIABILITY COVERAGE**

Entity:	Northern Inyo County Local Hospital District-ER
Annual Contribution:	\$26,107
Annual Contribution Due:	\$26,107
Monthly Installment Contribution Due:	\$2,175.61

Exposure category		Census for 7/1/09 to 7/1/10
1	ER Providers - MDs, DOs, NPs, PAs	7,343.00

**BETA Healthcare Group Risk Management Authority
RENEWAL QUOTE & COVERAGE SUMMARY
HEALTHCARE ENTITY LIABILITY COVERAGE**

Entity:	Northern Inyo County Local Hospital District
Annual Contribution:	\$173,857
Annual Dividend Credit:	(\$45,993)
Annual Contribution Due:	\$127,864
Monthly Installment Contribution Due:	\$10,655.31

Exposure category	Census for 7/1/09 to 7/1/10
1 Acute Care Beds	3,418.00
2 Cribs and Bassinets	502.00
3 Emergency Visits	1,241.00
4 Non-Urgent ER Visits	6,102.00
5 Outpatient Visits	33,809.00
6 Reference Lab	7,236.00
7 Home Health	318.00
8 Surgeries: Outpatient	1,240.00
9 Surgeries: Inpatient	296.00
10 Vaginal Deliveries	186.00
11 C-Sections	66.00
12 Physicians Group 3	8.64
13 Nurse Practitioner (Non-ER)	36.24

In order to determine the reported FTEs for each physician group or mid-level category listed above, divide the reported census by 12. One FTE is based on 160 hours worked per month. Please note that ER providers are rated based on visits, not FTEs.

**BETA Healthcare Group Risk Management Authority
RENEWAL QUOTE & COVERAGE SUMMARY**

DIRECTORS & OFFICERS LIABILITY COVERAGE

Entity:	Northern Inyo County Local Hospital District
Date:	May 29, 2009
Coverage:	Directors, Officers and Trustees Liability, <i>coverage includes:</i> <ul style="list-style-type: none"> • Entity coverage • Duty to defend • Employment practices liability
Form:	D&O/CM(07/07)
Type:	Claims Made And Reported
Retroactive Date:	July 1, 1989
Contract Period:	July 1, 2009 at 12:01 a.m. to July 1, 2010 at 12:01 a.m.
Liability Limits:	\$1 million per occurrence and a \$1 million aggregate <i>Defense expenses paid within limits</i>
Indemnity and Defense Deductible:	Deductibles applicable to Section 2 Coverages Coverage (A): \$0 each Claim Coverage (B): \$10,000 each Claim including Defense Expenses Coverage (C): \$10,000 each Claim including Defense Expenses Coverage (D): 50/50 copay- up to \$1M per contract Coverage (E): \$0 each Claim
Annual Contribution Due:	\$45,091

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milliman.com

May 15, 2009

Mr. John Halfen
Chief Financial Officer
Northern Inyo Hospital
150 Pioneer Lane
Bishop, California 93514-2599

***Northern Inyo County Local Hospital District Retirement Plan
Actuarial Valuation as of January 1, 2009***

Dear John:

Enclosed are two copies of the Actuarial Valuation as of January 1, 2009.

We are recommending an annual contribution of \$3,048,000. This means the current monthly contribution rate of \$221,000 should be increased to \$254,000, effective July 1, 2009. The contribution increase is due primarily to the increase in payroll.

If you have any questions or would like to review the report with me, please give me a call at (415) 394-3716.

Sincerely,

A handwritten signature in black ink, appearing to read "Rich Wright".

Rich Wright

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**Northern Inyo County
Local Hospital District
Retirement Plan**

Actuarial Valuation as of January 1, 2009

Prepared by:

Richard A. Wright, F.S.A.

May 15, 2009



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May 15, 2009

Northern Inyo Hospital
150 Pioneer Lane
Bishop, California 93514-2599

***Northern Inyo County Local Hospital District Retirement Plan
Actuarial Valuation as of January 1, 2009***

At the request of the Hospital, we have made an actuarial valuation of the Northern Inyo County Local Hospital District Retirement Plan for the plan year beginning January 1, 2009.

In preparing our report, we relied on financial information provided by New York Life Insurance Company and employee data furnished to us by the Hospital. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

The actuarial cost method and assumptions used as well as the supporting data and principal plan provisions upon which the valuation is based are set forth in the following report. In our opinion, each actuarial assumption, method, and technique used is reasonable taking into account the experience of the Plan and reasonable expectations. Nevertheless, the emerging costs will vary from those presented in this report to the extent actual experience differs from that projected by the actuarial assumptions.

The calculations reported herein have been made in accordance with the applicable provisions of the Internal Revenue Code. The results of this valuation are applicable only for the current year and are intended to be used only by the plan sponsor for the specific purposes described herein. Accordingly, this report may not be distributed to any third party without Milliman's written consent. Reliance on information contained in this report by anyone for anything other than the intended purpose puts the relying entity at risk of being misled.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, all costs, liabilities, and other factors under the Plan were determined in accordance with generally accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. We further certify that, to the best of our knowledge, the report is complete and accurate and the information presented herein, in our opinion, fully and fairly discloses the actuarial position of the Plan.

Northern Inyo Hospital
May 15, 2009
Page 2

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,



Richard A. Wright, FSA, MAAA
Consulting Actuary

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SECTION I. VALUATION SUMMARY

Introduction

This report sets forth the results of our valuation of the Northern Inyo County Local Hospital District Retirement Plan, as of January 1, 2009. In Section II we furnish certain financial statements and actuarial exhibits of the Fund for the 2008 plan year. Section III presents the determination of the contribution requirement for the 2009 plan year.

A summary of the Plan is set forth in Appendix A, and the actuarial assumptions and cost method used in determining the costs and liabilities are described in Appendix B. The membership data is shown in Appendix C.

Highlights

The investment performance of the fund showed a return of 6.5% for 2008 in comparison with 6.7% for 2007. For this valuation, we have kept the pre-retirement interest assumption at 6.75%. We have also kept the post-retirement interest assumption at 8.0%, since most distributions are paid as lump sums and are calculated using an interest rate of 8.0%.

The normal cost increased from \$2,097,840 in last year's valuation to \$2,325,750 this year, due to the \$1,463,328 increase in payroll, and to actuarial experience. The normal cost as a percentage of payroll increased slightly from 14.3% in last year's valuation to 14.4% this year.

The Full Funding Limitation is a measure of the funding status of the plan as of the valuation date. It is normally used to determine minimum required contributions and the maximum tax-deductible limit for taxable entities. For the 2009 Plan Year, the Full Funding Limitation would limit contributions to the Plan to \$9,846,830 for the year.

The recommended contribution is based on a target funding level of 125% of the Accumulated Benefit Obligation (ABO). The plan's current funding level is 118.8% of ABO, compared with 122.7% as of January 1, 2008. The excess over 125% (or deficit, in the case of this year's valuation) is being amortized over a 25-year period beginning on January 1, 2002. The recommended contribution for the 2009 Plan Year is \$3,048,000, or \$254,000 per month if paid in 12 monthly installments during the 7/1/2009-6/30/2010 fiscal year.

SECTION I. VALUATION SUMMARY

Results of Valuation

The following table summarizes the principal valuation results and compares them with the prior plan year.

	<u>January 1, 2009</u>	<u>January 1, 2008</u>
Number of Participants		
Active – Fully vested	127	107
– Partially vested	74	69
– Nonvested	<u>80</u>	<u>93</u>
– Total	281	269
Part-time employees with accrued benefits	21	26
Disabled employees with accrued benefits	1	1
Terminated vested	46	44
Retired	<u>0</u>	<u>0</u>
Total participants	349	340
Participant Payroll	\$ 16,144,532	\$ 14,681,204
Actuarial Liability (PBO)	\$ 36,810,886	\$ 32,372,597
Funding Target – 125% of Accumulated Benefit Obligation (ABO)	\$ 31,476,244	\$ 26,961,254
Actuarial Assets	\$ 29,912,439	\$ 26,459,931
Normal Cost at Beginning of Year	\$ 2,325,750	\$ 2,097,840
As a percentage of applicable payroll	14.4%	14.3%
Full Funding Limitation	\$ 9,846,830	\$ 8,551,215
Recommended Contribution	\$ 3,048,000	\$ 2,652,000
As a percentage of applicable payroll	18.9%	18.1%
Investment Return		
Current annual yield	6.5%	6.7%
Average annual yield for last 5 years	6.0%	5.8%

SECTION I. VALUATION SUMMARY

Monthly Contributions

To satisfy the funding requirement for the 2009 plan year, we recommend the schedule of contributions shown below. Contributions for a fiscal year (July 1 to June 30) are being applied to the plan year (January 1 to December 31) ending within the fiscal year.

<u><i>Approximate Date of Contribution</i></u>	<u><i>Contributions for the 2009 Plan Year</i></u>
07/15/2009	\$ 254,000
08/15/2009	254,000
09/15/2009	254,000
10/15/2009	254,000
11/15/2009	254,000
12/15/2009	254,000
01/15/2010	254,000
02/15/2010	254,000
03/15/2010	254,000
04/15/2010	254,000
05/15/2010	254,000
06/15/2010	<u>254,000</u>
Total	<u>\$ 3,048,000</u>

SECTION II. FINANCIAL EXHIBITS

Exhibit 1. Summary of Plan Assets

The valuation assets as of January 1, 2009, are the sum of the accrued balances in the contractual Fixed Dollar Account (GA-928) and the Indexed Bond Fund (account #11344) as of December 31, 2008, maintained by New York Life, plus any accrued but unpaid contributions and minus any distributions payable. The balance in the contractual Pension Account is allocated to retired participants and beneficiaries and is excluded from the valuation. Development of the assets is as follows:

	<u>January 1, 2009</u>	<u>January 1, 2008</u>
<i>Plan Assets</i>		
Fixed Dollar Account (GA-928)	\$ 20,390,583	\$ 17,747,190
Indexed Bond Fund (Acc. #11344)	<u>8,195,856</u>	<u>7,656,741</u>
Total	\$ 28,586,439	\$ 25,403,931
Accrued Contributions	<u>1,326,000</u>	<u>1,056,000</u>
<i>Actuarial Assets</i>	\$ 29,912,439	\$ 26,459,931
<i>Asset Allocation</i>		
Fixed Dollar Account	68.2%	67.1%
Indexed Bond Fund	27.4%	28.9%
Accrued Contributions	<u>4.4%</u>	<u>4.0%</u>
Total	100.0%	100.0%

Note: We have not audited the fund's assets shown above. We have relied on the information furnished by New York Life Insurance Company.

SECTION II. FINANCIAL EXHIBITS

Exhibit 2. Summary of Changes in Plan Assets

Plan assets increase or decrease each year due to employer contributions, investment income, benefit payments to retiring participants, plan expenses paid by the trust fund, and any realized and unrealized gains and losses from investments.

	<i>Plan Year Ending</i>	
	<i>December 31, 2008</i>	<i>December 31, 2007</i>
<i>Beginning Balance</i>	\$ 25,403,931	\$ 23,475,394
<i>Additions:</i>		
Employer contributions	2,382,000	1,992,000
Investment income	1,739,681	1,601,277
Experience adjustment	<u>0</u>	<u>135,379</u>
Total	4,121,681	3,728,656
<i>Subtractions:</i>		
Benefit payments	(826,276)	(1,766,020)
Expenses & related charges	(36,563)	(34,099)
Experience adjustment	<u>(76,334)</u>	<u>0</u>
Total	(939,173)	(1,800,119)
<i>Ending Balance</i>	\$ 28,586,439	\$ 25,403,931

SECTION II. FINANCIAL EXHIBITS

Exhibit 3. Historical Returns on Plan Assets

The following table shows the historical return on plan assets since 1993:

<i>Plan Year</i>	<i>Return</i>
2008	6.53%
2007	6.71%
2006	5.57%
2005	5.32%
2004	5.84%
2003	5.41%
2002	8.18%
2001	7.33%
2000	8.48%
1999	4.42%
1998	7.90%
1997	8.64%
1996	5.70%
1995	12.16%
1994	2.89%
1993	8.89%
Average for last 5 years	5.99%
Average for last 10 years	6.37%

The actuarial valuation rate for the 2009 plan year is 6.75%.

SECTION II. FINANCIAL EXHIBITS

Exhibit 4. Present Value of Accumulated Plan Benefits (ABO)

The present value of accumulated plan benefits (also known as the Accumulated Benefit Obligation or ABO) is the value of benefits that have been accrued to date.

	<i>As of</i> <i>January 1, 2009</i>	<i>As of</i> <i>January 1, 2008</i>
<i>Vested Benefits</i>		
Active participants	\$ 20,602,278	\$ 17,584,311
Part-time participants with accrued benefits	451,210	343,536
Terminated vested participants	2,921,251	2,359,353
Disabled participants	13,577	12,693
Participants currently receiving payments	<u>0</u>	<u>0</u>
Total	\$ 23,988,316	\$ 20,299,893
 <i>Nonvested Benefits</i>	 <u>1,192,679</u>	 <u>1,269,110</u>
 <i>Total</i>	 \$ 25,180,995	 \$ 21,569,003
 <i>Valuation Assets</i>	 \$ 29,912,439	 \$ 26,459,931
 <i>Funding Ratio</i>	 118.8%	 122.7%

SECTION II. FINANCIAL EXHIBITS

Exhibit 5. Changes in Accumulated Plan Benefits

The changes in the present value of accumulated plan benefits for the last two plan years are summarized below.

	<i>Plan Year Ending</i>	
	<i>December 31, 2008</i>	<i>December 31, 2007</i>
<i>Beginning of Year</i>	\$ 21,569,003	\$ 19,009,679
Benefits accumulated and actuarial experience	2,982,360	2,055,918
Increase for interest due to the decrease in the discount period	1,455,908	1,378,202
Plan amendment	0	0
Change in actuarial assumptions	0	891,224
Benefits paid	<u>(826,276)</u>	<u>(1,766,020)</u>
<i>End of Year</i>	\$ 25,180,995	\$ 21,569,003

SECTION III. DETERMINATION OF CONTRIBUTION

Exhibit 6. Development of Normal Cost

The normal cost is calculated according to the actuarial cost method. Under the projected unit credit cost method, the normal cost is equal to the value of the benefits accrued during the year based on compensation projected to retirement. The normal cost is as follows:

	<i>Plan Year Beginning</i>	
	<i>January 1, 2009</i>	<i>January 1, 2008</i>
Normal cost as of beginning of plan year	\$ 2,325,750	\$ 2,097,840
Estimated payroll for plan participants	16,144,532	14,681,204
Normal Cost as % of payroll	14.4%	14.3%
Normal cost as of end of plan year	2,482,738	2,239,444

SECTION III. DETERMINATION OF CONTRIBUTION

Exhibit 7. Actuarial Liability (PBO)

In the Projected Unit Credit method, the actuarial liability is equal to that portion of an employee's projected benefit that is allocated to past service periods and includes the value of assumed future compensation increases. This is also known as the Projected Benefit Obligation or PBO. Any actuarial liability in excess of the plan's assets is called an unfunded liability.

	<i>As of</i> <i>January 1, 2009</i>	<i>As of</i> <i>January 1, 2008</i>
<i>Actuarial Liability (PBO)</i>		
Active participants	\$ 33,424,848	\$ 29,657,015
Part-time participants with accrued benefits	451,210	343,536
Terminated vested participants	2,921,251	2,359,353
Disabled participants	13,577	12,693
Participants currently receiving payments	<u>0</u>	<u>0</u>
Total	\$ 36,810,886	\$ 32,372,597
<i>Actuarial Assets</i>	\$ 29,912,439	\$ 26,459,931
<i>Unfunded Actuarial Liability</i>	\$ 6,898,447	\$ 5,912,666

SECTION III. DETERMINATION OF CONTRIBUTION

Exhibit 8. Full Funding Limitation

The full funding limitation is defined by the Internal Revenue Code and limits minimum required and maximum deductible contributions of well-funded retirement plans.

	<i>Plan Year Ending</i>	
	<u><i>December 31, 2009</i></u>	<u><i>December 31, 2008</i></u>
Actuarial Liability	\$ 36,810,886	\$ 32,372,597
Normal Cost	<u>2,325,750</u>	<u>2,097,840</u>
Total	\$ 39,136,636	\$ 34,470,437
Actuarial assets	\$ 29,912,439	\$ 26,459,931
Full Funding Limitation, beginning of year	\$ 9,224,197	\$ 8,010,506
Interest	<u>622,633</u>	<u>540,709</u>
Full Funding Limitation, end of year	\$ 9,846,830	\$ 8,551,215

SECTION III. DETERMINATION OF CONTRIBUTION

Exhibit 9. Recommended Contribution

The recommended contribution targets a funding level of 125% of the Accumulated Benefit Obligation (ABO). Since the plan is currently funded less than 125% of ABO, the deficit is amortized over the 25 years starting from January 1, 2002. The recommended contribution is reduced, if necessary, to the Full Funding Limitation.

	<i>Plan Year Ending</i>	
	<i>December 31, 2009</i>	<i>December 31, 2008</i>
<i>Target Surplus</i>		
Accumulated Benefit Obligation (ABO)	\$ 25,180,995	\$ 21,569,003
Funding Target %	<u> x 125%</u>	<u> x 125%</u>
Funding Target (125% of ABO)	\$ 31,476,244	\$ 26,961,254
Actuarial Assets	<u>29,912,439</u>	<u>26,459,931</u>
Excess / (deficit)	\$ (1,563,805)	\$ (501,323)
<i>Recommended Contribution</i>		
ABO Normal Cost	\$ 2,711,907	\$ 2,435,752
Amortization of (Excess) / Deficit	<u>143,015</u>	<u>44,589</u>
Total as of beginning of year	\$ 2,854,922	\$ 2,480,341
Interest	<u>192,707</u>	<u>167,423</u>
Total as of end of year	\$ 3,047,629	\$ 2,647,764
<i>Full Funding Limitation, end of year</i>	\$ 9,846,830	\$ 8,551,215
<i>Recommended Contribution</i>	\$ 3,047,629	\$ 2,647,764

SECTION IV. APPENDICES

Appendix A. Summary of Pension Plan

The following paragraphs are only a brief summary of the more important provisions of the plan. In the event there are any inconsistencies between statements contained in this Appendix and the plan document, the provisions of the plan document shall control.

Effective Date: March 1, 1975; last restatement January 1, 2002.

Plan Eligibility: An employee becomes a participant of the plan on the earliest January 1 or July 1 following the later of attainment of age 21 and completion of 1 year of service.

Vesting: 50% vesting after 5 years of Credited Service increasing 10% per year until 100% vested after 10 years of service. Active participants automatically become 100% vested upon attainment of normal retirement age or if they become totally and permanently disabled.

Normal Retirement Date: The first day of the month coinciding with or following the later of Participant's attainment of age 65 or completion of 5 years of plan participation. However, the Normal Retirement Date shall not be later than age 70.

Normal Retirement Benefit: 2.50% of Average Annual Compensation multiplied by years of Credited Service, but not less than \$600.

Average Annual Compensation: Average of annual compensations for the highest consecutive 36-month period within the 10 years immediately preceding the determination date. Compensation includes wages, shift differential, standby pay, and 50% of the value of any unused and unpaid sick leave existing at the time of termination of employment, and accrued after April 26, 1997.

Accrued Benefit: Normal Retirement Benefit prorated on credited service.

Normal Form of Retirement Benefit: Life Annuity.

Early Retirement: The first day of the month coinciding with or following the Participant's attainment of age 55 and completion of at least 5 years of credited service. Then the normal retirement benefit will be reduced by 5/9% for each of the first 60 months and 5/18% for each additional month that payment starts before normal retirement age.

Pre-Retirement Death Benefit: If a vested participant dies prior to retirement, his or her beneficiary will receive the actuarially determined present value of his or her accrued benefit.

SECTION IV. APPENDICES

Appendix B. Actuarial Cost Method and Assumptions

The following cost method and assumptions were used in valuing the benefits of all participants.

	<u>January 1, 2009</u>	<u>January 1, 2008</u>
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit
Funding Interest Rate		
<i>Pre-retirement</i>	6.75%	6.75%
<i>Post-retirement</i>	8.00%	8.00%
Salary Scale	6.00%	6.00%
Administrative Expenses	None.	None.
Mortality	1984 UP Mortality Table set back 4 years.	1984 UP Mortality Table set back 4 years.
Disability		
<i>Disablement Rate</i>	None.	None.
<i>Disabled Annuitants Mortality</i>	None.	None.
Withdrawal Rates	Table T-8, <u>The Actuary's Pension Handbook</u> , Crocker-Sarason-Straight.	Table T-8, <u>The Actuary's Pension Handbook</u> , Crocker-Sarason-Straight.
Retirement Age	The later of age 65 or the 5th anniversary of date of participation; or age 70, if earlier.	The later of age 65 or the 5th anniversary of date of participation; or age 70, if earlier.
Asset Valuation Method	Market value	Market value

SECTION IV. APPENDICES

Appendix C. Summary of Participant Data

Active Participants

Age	Number of Participants			Annual Salaries		
	Males	Females	Total	Males	Females	Total
Under 25	1	5	6	\$ 25,100	\$ 164,126	\$ 189,226
25 - 29	2	14	16	165,730	572,222	737,952
30 - 34	6	8	14	434,239	332,017	766,256
35 - 39	3	16	19	116,307	743,089	859,396
40 - 44	8	12	20	619,809	574,520	1,194,329
45 - 49	11	37	48	620,917	2,015,076	2,635,993
50 - 54	12	56	68	768,811	3,174,479	3,943,290
55 - 59	6	44	50	347,941	2,564,188	2,912,129
60 - 64	8	27	35	814,174	1,744,984	2,559,158
65 - 69	1	4	5	111,414	219,362	330,776
70 & Over	0	0	0	0	0	0
Total	58	223	281	\$ 4,024,442	\$12,104,063	\$16,128,505

Other Participants

Participant Status	Number of Participants			Annual Benefits		
	Males	Females	Total	Males	Females	Total
Part-time	1	20	21	\$ 6,624	\$ 104,808	\$ 111,432
Disabled	0	1	1	0	1,480	1,480
Terminated Vested	10	36	46	128,604	384,784	513,388
Retired	0	0	0	0	0	0
Total	11	57	68	\$ 135,228	\$ 491,072	\$ 626,300

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310-228-3700 office | 310-228-3701 fax | www.sheppardmullin.com

David R. Garcia
Writer's Direct Line
310-228-3747
drgarcia@sheppardmullin.com

May 19, 2009

VIA OVERNIGHT MAIL AND EMAIL

Board of Directors
Northern Inyo County Local Hospital District
150 Pioneer Lane
Bishop, California 93514

Re: Engagement of Sheppard, Mullin, Richter & Hampton LLP

Dear Directors:

The purpose of this letter is to confirm our engagement by Northern Inyo County Local Hospital District (the "District") to represent it in connection with the Matter (as defined below). We appreciate your confidence and thank you for selecting us as counsel for the District.

1. Scope of Representation. We have been engaged to analyze the antitrust risks, if any, in certain agreements with healthcare providers to provide exclusive medical services of various sorts to the District (the "Matter"). Except as we may agree otherwise in writing, we will be representing only the District and will not be representing any parent, subsidiary or other affiliated entity nor any shareholder, partner, member, director, officer, employee, agent or insurer of the District. The terms of this letter apply to other engagements for the District that we may undertake, except as we may otherwise agree.

2. Fees and Charges. Our fees are based on hours charged at scheduled rates that are periodically adjusted, generally as of the beginning of a calendar year. The hourly rates at this time are \$635 for me and \$360 for Valerie Alter. In addition to fees, our statements include our actual costs (except as set forth in Attachment A) for fees of governmental agencies and disbursements and/or charges for third parties, the current schedule for which is set forth on Attachment A and which also is adjusted from time to time (collectively "Charges"). Statements are submitted monthly and are due and payable upon receipt. The District agrees to notify us promptly in writing if it disputes any entry for legal services or charges on any statement. In the absence of any written objection thereto within thirty (30) days of the District's receipt of an invoice, the District will be deemed to have accepted and acknowledged the invoice as correct through the period covered by the invoice. Please understand that it is our policy to stop work on all matters we are handling for a client if any amount invoiced to such client is sixty (60) days or

more past due. Also, interest is charged at 10% per annum from date of statement for amounts outstanding more than sixty (60) days.

Unless we otherwise expressly agree in writing, any estimates we may provide from time to time and any Fee Deposits or advances against costs we may require are not a limitation on our fees and other charges. In addition, if as a result of our engagement we are required to produce documents or appear as witnesses in connection with any governmental or regulatory examination, audit, investigation or other proceeding or any matter, arbitration, mediation or dispute involving the District or related persons, the District is responsible for costs and expenses reasonably incurred by us including professional and staff time at then scheduled hourly rates and reasonable attorneys' fees and costs incurred that we may incur. Similarly in the event that the District should request that it be given its files or that they be transferred to some other firm, the District agrees that we may retain a copy of those files and District agrees to pay for the costs of such copying. These provisions shall survive any termination of our representation of the District.

3. Fee Deposits. We have agreed to undertake this matter without requiring an advance deposit given the currently contemplated limited nature of the Matter. However if the Matter is not concluded quickly, then, we reserve the right in the future (i) to require that the District deposits with us a Fee Deposit in such amount as we shall then request and (ii) from time to time thereafter to require that the amount of the Fee Deposit be increased. We may make such a request as the monthly activity in the matter increases, or for any other reason that we deem appropriate to protect our firm. Should we request the same, the initial Fee Deposit and any increase in the Fee Deposit must be paid within fifteen (15) days of our written request. The amounts we may request be deposited as a Fee Deposit will not represent our estimate of the total fees and Charges to be incurred in the course of this engagement or for any time period of our engagement. The Fee Deposit will be applied to our final invoice, or at our option, if the District is delinquent in the payment of any invoice, we may apply some or all of the Fee Deposit to the payment of such invoice. In such event, the District agrees that, within ten (10) days of our notice to it, it will deposit with us the amount so applied in order to restore the Fee Deposit to its amount prior to such application.

4. Conflicts with Other Clients. Sheppard, Mullin, Richter & Hampton LLP has many attorneys and multiple offices. We may currently or in the future represent one or more other clients (including current, former, and future clients) in matters involving the District. We undertake this engagement on the condition that we may represent another client in a matter in which we do not represent the District, even if the interests of the other client are adverse to the District (including appearance on behalf of another client adverse to the District in the matter) and can also, if necessary, examine or cross-examine District personnel on behalf of that other client in such proceedings or in other proceedings to which the District is not a party *provided* the other matter is not substantially related to our representation of the District and in

the course of representing the District we have not obtained confidential information of the District material to representation of the other client. By consenting to this arrangement, the District is waiving our obligation of loyalty to it so long as we maintain confidentiality and adhere to the foregoing limitations. We seek this consent to allow our Firm to meet the needs of existing and future clients, to remain available to those other clients and to render legal services with vigor and competence. Also, if an attorney does not continue an engagement or must withdraw therefrom, the client may incur delay, prejudice or additional cost such as acquainting new counsel with the matter.

5. Termination of Representation. The District has the right to terminate our representation of it at any time. Subject to our ethical obligation to give the District reasonable notice to arrange for alternate representation, we may terminate our representation of it at any time. Upon termination of our representation, and if necessary, the District agrees to promptly sign substitutions of counsel authorizing our withdrawal as its counsel of record in any proceeding. Unless we agree to render other legal services to the District, our representation will terminate upon completion of the Matter. That will be the case whether or not, as is not uncommon, we are designated to receive copies or courtesy copies of notices under one or more documents related to the Matter.

6. Document Retention. The District agrees that it will be responsible for providing us with all records pertinent to this matter, including information stored electronically such as e-mails and other computerized records. If the District has in effect document retention policies that could result in the destruction, deletion or alteration of information that could potentially be discoverable in this matter, it is very important that the District institute steps to stop all such destruction, deletion or alteration and to preserve all such information in the form that it now exists. In particular, you should notify your officers and employees that may have potentially discoverable emails or other paper or electronic files not to delete or destroy them, but to allow the District to preserve these records. Please remember that information that may be potentially discoverable includes not only information that is relevant to the underlying dispute but also information that could lead to the discovery of relevant information. You should err on the side of caution, and make sure that potentially discoverable information is no longer subject to destruction under your standard document retention policies until you speak with us further on this important subject.

7. Our Document Retention. It is our policy and practice to destroy our files ten (10) years after the file is first closed unless the client requests a shorter or longer retention period in writing. Files are generally closed at the conclusion of a lawsuit or completion of a transaction.

Board of Directors
Northern Inyo County Local Hospital District
May 19, 2009
Page 4

8. No Warranties. The assessment of antitrust risk is by its nature unpredictable. It is not possible to warrant a successful result or represent that a particular result can be obtained if a proposed transaction is challenged. You and the District acknowledge that we have not made any promises, warranties or guarantees to you or the District, express or implied, regarding the outcome of any challenge or attack on the contracts which are the subject of the Matter.

9. Arbitration. Any dispute between us concerning our fees or charges shall, if the District so elects, be submitted to arbitration under rules of the California State Bar, and shall be binding if (i) each of us so agrees after any such dispute arises, or (ii) such arbitration becomes binding under such rules. Any dispute between us concerning our fees or charges not so submitted to binding arbitration under the rules of the California State Bar, or that remains unresolved after non-binding arbitration under such rules, and any other dispute between or among the District and us or any of our attorneys and agents, including but not limited to claims of malpractice, errors or omissions, or any other claim of any kind regardless of the facts or the legal theories, shall be finally settled by mandatory binding arbitration in Los Angeles, California, conducted in accordance with California Code of Civil Procedure §§ 1282 *et seq.*, including, but not limited to, section 1283.05, with each party to bear its own costs and attorneys' fees and disbursements. Such arbitration shall be conducted before a single arbitrator, except in matters involving a dispute greater than five hundred thousand dollars, which shall be conducted before a three arbitrator panel with each side selecting one arbitrator and the two arbitrators selected by the parties choosing the third arbitrator. Judgment on a binding arbitration award may be entered in any court of competent jurisdiction. Arbitration has the potential to provide a more timely, more economic and more confidential resolution of any dispute between us. There will likely be less discovery and a determination by an agreed upon arbitrator or arbitrators rather than a judge or jury. *We mutually acknowledge that, by this agreement to arbitrate, each of us irrevocably waives our rights to court or jury trial. The District has the right to consult separate legal counsel at any time as to any matter, including whether to enter into this engagement letter and consent to the foregoing agreement to arbitrate.*

If the foregoing is an acceptable basis for our engagement as counsel, I would appreciate it if you would sign the enclosed copy of this letter and return it to us in the envelope provided. If you have any questions or concerns, please call.

SHEPPARD MULLIN RICHTER & HAMPTON LLP

Board of Directors

Northern Inyo County Local Hospital District

May 19, 2009

Page 5

Once again, thank you for selecting us to represent the District in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "David R. Garcia", written over a horizontal line.

David R. Garcia

for SHEPPARD, MULLIN, RICHTER & HAMPTON LLP

W02-WEST:1DRG1401545798.1

Enclosure

SHEPPARD MULLIN RICHTER & HAMPTON LLP

Board of Directors
Northern Inyo County Local Hospital District
May 19, 2009
Page 6

The undersigned has read and understands this engagement letter and agrees that it correctly sets forth the terms upon which Sheppard, Mullin, Richter & Hampton LLP has been engaged by the undersigned District in connection with the representation described herein and has waived any conflict of interest on the part of this Firm arising out of the representation described above.

Board of Directors
Northern Inyo County Local Hospital District

By: Peter Watercott

Its: President

ATTACHMENT A

ADMINISTRATIVE CHARGE TABLE

(As of January 1, 2009)

For your information, the following is a current list of the various costs that are charged to clients.

<u>Category</u>	<u>Charge</u>
Delivery (DHL, Federal Express, Airborne, messenger etc.)	Invoiced cost; not reduced by any volume discounts.
Document imaging (Scanning, OCR, Coding)	Invoiced cost.
Duplicating	\$0.25 per page; color copies \$0.75.
Lexis/ Westlaw Legal research	Ten Percent (10%) off of Vendor Standard Rates.
Postage	Actual cost of mailings over \$5.00 per day.
Telephone	
Local calls	No charge
Long distance calls within U.S. and Canada	\$0.10 to \$0.15 per minute
Other international calls	Firm's estimated cost
Travel	Actual Cost.

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NORTHERN INYO HOSPITAL
SECURITY REPORT
02/24/09 THRU 05/19/09

FACILITY SECURITY

Access security during this period revealed 42 occasions of open or unsecured exterior doors being identified during those hours when doors were to be locked or secured. 35 interior doors were found unlocked or unsecured during this same period.

Exterior door security has in general, continued to improve.

The School Building presents a specific concern partly due to the varied schedules of personnel coming and going. Exterior doors were found open on thirteen instances and interior offices were found unsecured in 28 occasions. It has become practice for Security Personnel to check this building early in the shift to insure building security.

Pioneer Medical Building security has improved dramatically with only nine instances of open or unsecured doors.

Notable facility security problems presented with less frequency during this period, however specific instances of concern were noted. Physical Therapy / Chemo was found open seven times, Radiology Film Library found unlocked eight times, various Administration Offices unlocked eight times. Turner Construction facilities were secured on four occasions. Other instances throughout the Campus occurred on a limited basis.

Hospital vehicles were found unsecured seven times with keys left in them on three occasions.

Security Personnel recovered lost or misplaced property on six occasions and in five of those instances the property was returned to the appropriate owners.

HUMAN SECURITY

NIH Security provided Law Enforcement standby in 23 instances during this period. Many of these cases were for arrest BAC's with the remainder primarily medical clearances for custody purposes and 5150's.

Bishop Police responded to the Hospital on four occasions upon the request of Security. Two of these instances resulted in arrests for Public Intoxication.

NIH Security provided immediate standby in seven instances with disruptive or uncooperative patients and in five cases of potential 5150's.

One theft of personal property from a Hospital employee was reported during this period. The theft involved the initial loss of a purse and contents from an unlocked vehicle in main parking lot. The theft was reported to Bishop Police. Some of the stolen property was recovered, however no suspect was identified. Just a reminder, lock up your personal property.

NIH Security provided patient assistance in 43 situations throughout the period. Many of those instances were for ER patients that required wheelchairs or directions to the ER.

Security personnel contacted 18 persons on Campus during this period that had no legitimate reason for being on the Hospital grounds. In eight of those instances those persons were found to have been under the influence of alcohol. None were intoxicated to the extent that they could not care for their safety. All persons were cooperative in leaving the Campus upon the request of Security Staff.

MISC.

Admission Policy review and recommendations with regard to weapons, contraband, medications etc. should be completed soon. Federal and State Law as well as Constitutional Search and Seizure issues have been researched and considered. The recommended policy changes will likely include a patient acknowledgement that reads the following listed items are not allowed upon admission. The patient will read and acknowledge they are not in possession of any of those items as listed upon admission.

Security has been issued a Department cell phone. This will eliminate the need for Security personnel using their personal cell phones and will simplify Security calls by the use of the "Push to Talk" function and the necessity of looking up individual numbers.

NIH Security now presents during the New Employee Orientation Meetings held each month. General security and safety measures are discussed and reminders for employee safety and security are presented.

END