



Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday February 20, 2008; 5:30pm

*Board Room
Northern Inyo Hospital*

DRAFT AGENDA

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT BOARD OF DIRECTORS MEETING

February 20, 2008 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 January 16 2008 regular meeting.
4. Financial and Statistical Reports for the month of December 2007; John Halfen
5. Administrator's Report ; John Halfen
 - A. Building Update
 - B. Standard & Poor's Credit Rating
 - C. 2007 Physician Inpatient / Outpatient revenue survey
 - D. FYI Section:
 - Proposed cuts to Medicare and Medicaid
 - E. Other
6. Chief of Staff Report – Richard Nicholson, M.D.
7. Old Business
 - A. Reaffirmation of John Halfen as negotiator regarding potential acquisition of real property at 2957 Birch Street, Bishop, California. Negotiation will be with the designee(s) of Southern Mono County Healthcare District.
 - B. Reaffirmation of John Halfen as negotiator regarding potential acquisition of real property at 152-H Pioneer Lane, Bishop, California. Negotiation will be with the designee(s) of Pioneer Medical Associates and/or Alice Casey, M.D. and Clifford Beck, M.D. (*action item*).
8. New Business
 - A. Peer review of Mechanical/Electrical/Plumbing (MEP) for Phase II of building project, and possible reassignment (*possible action*)
 - B. Parking Plan for Phase II
 - C. Purchase of Pulmonary Function Equipment (*action item*)
9. Reports from Board members on items of interest.
10. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.

11. 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. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of real property (Government Code Section 54956.8).
 - C. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a second real property (Government Code Section 54956.8).
 - D. Discussion with counsel of pending litigation and whether or not the District shall initiate litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).
 - E. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).
12. Return to open session, and report of any action taken in closed session.
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 5:35 p.m. by Peter Watercott, President.
- PRESENT Peter Watercott, President
D. Scott Clark, M.D., Vice President
John Ungersma, M.D., Treasurer
M.C. Hubbard, Director
- ALSO PRESENT John Halfen, Administrator
Richard Nicholson, M.D., Chief of Staff
Douglas Buchanan, Esq., Hospital District Legal Counsel
Sandy Blumberg, Administration Secretary
- ABSENT Michael Phillips, M.D., Secretary
Dianne Shirley, R.N., Performance Improvement Coordinator
- PUBLIC COMMENTS
ON AGENDA 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 December 5, 2007 regular meeting were approved.
- FINANCIAL AND
STATISTIAL REPORTS John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of November 2007. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$142,275. Mr. Halfen called attention to the following:
- *Net patient service revenue was over budget*
 - *Total expenses were over budget*
 - *Wages, salaries, and benefits were under budget*
 - *The Balance Sheet did not experience significant change*
 - *Total Assets continue to grow steadily*
 - *Year-to-date net income is \$2,032,397*
- Mr. Halfen noted professional fees, bad debt expense, and surgery supplies expense were all over budget. Outpatient service revenue was over budget, and inpatient service revenue was under budget. It was moved by M.C. Hubbard, seconded by John Ungersma, M.D., and passed to approve the financial and statistical reports for the month of November as presented.
- ADMINISTRATOR'S
REPORT Mr. Halfen reported the Office of Statewide Healthcare Planning and Development (OSHPD) recently signed off on plans for the connector between the new Radiology building and the main hospital building. Additionally, the latest estimate is that the Support Building will be completed in the first half of February, and the Radiology building will be ready for occupancy around the first of March. An open house has tentatively been scheduled for March 14 to provide tours of both buildings to interested members of the general public. Additionally, all of the plans
- BUILDING UPDATE

for Phase II of the building project are expected to be approved by OSHPD by the end of this year, and Phase II of the building project is expected to go out to bid in July.

Mr. Halfen also noted he believes the Bishop Paiute Tribe is in the process of drawing up an agreement for the lease of parking space adjacent to the Hospital. If a lease with the Tribe is agreed upon, parking challenges during Phase II of the building project should largely be eliminated.

INTERIM ARBITRAGE
REBATE ANALYSIS

Mr. Halfen referred to an Interim Arbitrage Rebate Analysis prepared by Bond Logistix for the 2005 General Obligation Bonds. A routine analysis of the outstanding bonds will be done every three years, and the current report reveals no problems with the rebate for this bond issuance.

MEDPAC MEETING
INFORMAITON

Mr. Halfen reported that MedPac recently announced significant reimbursement rate cuts (in particular to specialists) but because Northern Inyo Hospital (NIH) has achieved Critical Access status it will not affect the hospital negatively.

17,130

Mr. Halfen reported that 17,130 is the number of cookies prepared by Dietary staff during the 2007 calendar year.

ACA BOND
INSURANCE

Mr. Halfen also reported he has received notification that ACA, the company that insures the Hospital's 1998 bond issue is reportedly at risk of going out of business. The fact that the company is in financial trouble will not affect the Hospital or its interests negatively.

OTHER

Mr. Halfen also reported that thanks to the efforts of NIH's Employee Wellness Committee (including Gloria Phillips, R.N. and Dan David, R.N.) 134 employees have signed up for the Hospital's Wellness Program to date. The Program offers fitness and educational classes, free blood work and screenings, discounts at local business, and in general promotes the health and fitness of employees through a variety of different means.

Mr. Halfen noted it may be necessary to hold a special meeting of the District Board before the next regularly scheduled meeting. The purpose of the special meeting may be to consider an employee grievance and to discuss construction issues for Phase II of the building project.

CHIEF OF STAFF
REPORT

Chief of Staff Richard Nicholson, M.D. reported the Medical Staff has nothing new to report since the last regular meeting of the District Board.

OLD BUSINESS

REAFFIRMATION OF
NEGOTIATOR

Mr. Halfen asked for reaffirmation of himself as negotiator regarding the potential acquisition of a real property at 2957 Birch Street, Bishop,

California. Negotiation will be with the designee(s) of Southern Mono County Healthcare District.

Mr. Halfen also asked for reaffirmation of himself as negotiator regarding the potential acquisition of real property at 152-H Pioneer Lane, Bishop, California. Negotiation will be with the designee(s) of Pioneer Medical Associates and/or Alice Casey, M.D. and Clifford Beck, M.D. It was moved by Doctor Ungersma, seconded by Ms. Hubbard and passed to approve both reaffirmations as requested.

ELECTION OF OFFICERS

Mr. Watercott moved that the District Board re-elect the existing slate of Board officers for the 2008 calendar year. The current Board officers are: Peter Watercott President; D. Scott Clark, M.D., Vice President; John Ungersma, M.D., Treasurer; and Michael Phillips, M.D. Secretary. It was moved by Doctor Ungersma, seconded by Ms. Hubbard and passed to re-elect the existing slate of officers for another year.

NEW BUSINESS

RATIFY MODSPACE LEASE

Mr. Halfen requested that the Board ratify an agreement with ModSpace to lease a modular building for use by displaced staff and services during Phase II of the building project. The agreement with ModSpace involves a \$12,000 per month lease payment for a period of 5 years, and allows for a large modular building to be constructed that will house the Physical Therapy and EKG departments, as well as other services. The ground for the new building is being prepared at this time, and it imperative that the Hospital move forward as quickly as possible to get the new building in place. It was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to ratify the agreement with ModSpace as requested.

MEDICAL EQUIPMENT PRE-CONSTRUCTION AND CONSTRUCTION SERVICES

Mr. Halfen referred to a proposal from Turner Logistics to purchase medical equipment for the new Hospital building. The proposal allows for the purchase of all of the equipment needed with the bulk purchase allowing for an overall price lower than the cost of the equipment were it priced separately. The proposal also puts the task of purchasing the necessary equipment into the hands of Turner Logistics, a stand-alone company that operates independently of Turner Construction. The proposal has been reviewed by District Legal Counsel Douglas Buchanan, Esq., who has recommended minor changes be made to the agreement. Following discussion it was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the proposed agreement with Turner Logistics including the changes recommended by District Legal Counsel.

CONNECTOR BETWEEN IMAGING BUILDING AND HOSPITAL BUILDING

Mr. Halfen called attention to a change order from Turner Construction to facilitate construction of the connector between the new imaging center and the main hospital building. The order will allow for construction of the connector per direction from the Office of Statewide Healthcare Planning and Development (OSHPD). The cost of the change order is

within the budgeted allowance, and construction of the connector is the final hurdle to completion of the new imaging center. It was moved by Ms. Hubbard, seconded by Doctor Clark, and passed to ratify the change order with Turner Construction for the connector to the new Radiology building as presented.

APPROVAL OF
RADIOLOGY
PURCHASE, FLASH
LITE IIP

PACS Administrator Bill StJean called attention to a proposal to purchase Flash Lite IIP Radiology equipment. The equipment was budgeted for within the PACS budget, however the purchase was delayed in the hope that the cost would go down in a relatively short amount of time. The price of the equipment has decreased 38%, bringing the new purchase price to a total of \$66,718. Following discussion it was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the purchase of the Flash Lite IIP Radiology equipment as proposed.

AINSWORTH
AGREEMENT

Mr. Halfen called attention to a proposed agreement with Ainsworth Associates for mechanical engineering peer review and construction administration services for Phase II of the building project. The proposal allows for Ainsworth to act as construction consultants for Phase II in order to avoid potentially costly errors on the part of the design architects similar to those experienced in Phase I of the building project. Phase II will be much more complicated than Phase I, and bringing Ainsworth on board should help to significantly decrease errors in that portion of the project. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the agreement for mechanical engineering consultation services with Ainsworth Associates as presented.

LANGUAGE SERVICES
REPORT

Interpretive services manager Jose Garcia reported on the activity of the Hospital's Language Services program during the months of September, October, and November of 2007. Mr. Garcia reported a total of 256 language services sessions taking place during these three months, and he additionally stated he feels not all sessions are currently being reported. Language services were provided in Spanish, Korean, and Mandarin, with 206 sessions involving interpreters and 50 sessions involving use of the language line. Language services at NIH are still in the process of being expanded and improved upon, and Mr. Garcia feels the program is progressing in very positive ways. Doctor Clark thanked Mr. Garcia for his hard work and expressed his opinion that Mr. Garcia's presence has been very beneficial to the hospital.

BOARD MEMBER
REPORTS

Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. He also noted that the Northern Inyo Hospital Foundation's annual fundraising event has been named "Ground Hog A-Go-Go" this year, and it will be held on February 9 at the Tri-County Fairgrounds. No other board member reports were heard.

OPPORTUNITY FOR
PUBLIC COMMENT

In keeping with the Brown Act, Mr. Watercott again asked if any members of the public wished to address the Board of Directors on items of interest. No comments were heard.

CLOSED SESSION

At 6:32 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. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of real property (Government Code Section 54956.8).
- C. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a second real property (Government Code Section 54956.8).
- D. Discussion with counsel of pending litigation and whether or not the District shall initiate litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).
- E. Discussion with counsel of pending litigation and whether or not the District shall initiate a second litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).
- F. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).
- G. Conduct CEO Annual Performance Evaluation (Government Code Section 54957).

OPEN SESSION

At 7:10 p.m., the meeting was returned to open session. Mr. Watercott announced the Board took no reportable action.

PUBLIC COMMENT

Mr. Watercott again 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.

ADJOURNMENT

The meeting was adjourned at 7:14 p.m.

Peter Watercott, President

Attest:

Michael Phillips, M.D., Secretary

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BUDGET VARIANCE ANALYSIS

Dec-07 PERIOD ENDING PRIOR TO AUDIT

In the month, NIH was

-7% under budget in IP days; under in IP Ancillary and under in OP Revenue resulting in

**\$ (276,718) (-4.6%) under in gross patient revenue from budget and
\$ 182,239 (5.2%) over in net patient revenue from budget**

Total Expenses were:

**\$ (98,342) (-2.8%) under budget. Wages and Salaries were
\$ 41,800 (3.2%) over budget and Employee Benefits
\$ (141,372) (-18.1%) under budget
\$ 122,085 of other income resulted in a net income of
\$ 443,446 \$ 210,522 over budget.**

The following expense areas were over budget for the month:

**\$ 41,799.87 3.20% Wages and Salaries due to Holidays & Cash-outs
\$ 72,675 35% Professional Fees; registry staff & Physicians
\$ 17,722 12% Purchased Services

\$ 10,103 7% Bad Debt Expense**

Other Information:

**39.60% Contractual Percentages for month
45.27% Contractual Percentages for Year**

\$ 2,475,843 Year-to-date Net Revenue

Special Notes for Month:

Contractuals are reducing as expected for the Critical Access Hospital designation

NORTHERN INYO HOSPITAL

Balance Sheet

December 31, 2007

Assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2007</u>
Current assets:			
Cash and cash equivalents	2,076,719	1,871,559	1,341,678
Short-term investments	12,735,289	12,299,222	12,719,858
Assets limited as to use	1,170,558	1,400,096	1,057,115
Plant Expansion and Replacement Cash	4,973,046	5,862,534	10,944,955
Other Investments (Partnership)	386,880	386,880	386,880
Patient receivable, less allowance for doubtful accounts 715,609	8,196,613	8,085,152	7,625,080
Other receivables	381,557	554,915	207,225
Inventories	2,079,942	2,089,669	2,077,353
Prepaid expenses	728,522	707,955	620,550
Total current assets	<u>32,729,126</u>	<u>33,257,982</u>	<u>36,980,693</u>
Assets limited as to use:			
Internally designated for capital acquisitions	457,827	457,430	455,329
Specific purpose assets	542,178	43,397	482,715
	<u>1,000,005</u>	<u>500,827</u>	<u>938,044</u>
Revenue bond construction funds held by trustee	686,080	1,020,656	788,195
Less amounts required to meet current obligations	<u>1,170,558</u>	<u>1,400,096</u>	<u>1,057,115</u>
Net Assets limited as to use:	<u>515,527</u>	<u>121,387</u>	<u>669,125</u>
Long-term investments	<u>6,873,115</u>	<u>6,873,115</u>	<u>5,741,537</u>
Property and equipment, net of accumulated depreciation and amortization	<u>23,901,619</u>	<u>23,208,579</u>	<u>17,498,027</u>
Unamortized bond costs	<u>317,504</u>	<u>318,991</u>	<u>326,426</u>
Total assets	<u><u>64,336,891</u></u>	<u><u>63,780,054</u></u>	<u><u>61,215,807</u></u>

NORTHERN INYO HOSPITAL

Balance Sheet December 31, 2007

Liabilities and net assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2007</u>
Current liabilities:			
Current maturities of long-term debt	-	190,000	270,000
Accounts payable	608,898	730,147	559,389
Accrued salaries, wages and benefits	2,572,949	2,517,507	2,565,601
Accrued interest and sales tax	163,916	255,678	168,394
Deferred income	384,876	421,889	105,164
Due to third-party payors	3,664,308	3,664,308	3,219,011
Due to specific purpose funds	-	-	-
Total current liabilities	<u>7,394,946</u>	<u>7,779,528</u>	<u>6,887,558</u>
Long-term debt, less current maturities	22,180,000	22,180,000	22,180,000
Bond Premium	399,037	400,243	406,270
Total long-term debt	<u>22,579,037</u>	<u>22,580,243</u>	<u>22,586,270</u>
Net assets:			
Unrestricted	33,820,729	33,376,886	31,259,264
Temporarily restricted	542,178	43,397	482,715
Total net assets	<u>34,362,907</u>	<u>33,420,283</u>	<u>31,741,979</u>
Total liabilities and net assets	<u>64,336,891</u>	<u>63,780,054</u>	<u>61,215,807</u>

NORTHERN INYO HOSPITAL

Statement of Operations

As of December 31, 2007

	MTD		MTD		YTD		YTD	
	Actual	Budget	Variance \$	Variance %	Actual	Budget	Variance \$	Variance %
	MTD Actual	MTD Budget	Variance \$	%	YTD Actual	YTD Budget	Variance \$	%
Unrestricted revenues, gains and other support:								
In-patient service revenue:								
Routine	486,014	592,334	(106,320)	(18.0)	3,483,174	3,554,040	(70,866)	(2.0)
Ancillary	1,819,377	1,926,340	(106,963)	(5.6)	11,900,041	11,557,977	342,064	3.0
Total in-patient service revenue	2,305,391	2,518,674	(213,283)	-8.5%	15,383,215	15,112,017	271,198	1.8%
Out-patient service revenue	3,478,923	3,542,358	(63,435)	(1.8)	22,311,388	21,254,064	1,057,324	5.0
Gross patient service revenue	5,784,314	6,061,032	(276,718)	(4.60)	37,694,602	36,366,081	1,328,521	3.7
Less deductions from patient service revenue:								
Patient service revenue adjustments								
Routine	167,004	180,594	13,590	7.5	873,413	1,083,573	210,160	19.4
Contractual adjustments	1,962,543	2,407,909	445,366	18.5	15,171,262	14,447,445	(723,817)	(5.0)
Total deductions from patient service revenue	2,129,546	2,588,503	458,957	17.7	16,044,675	15,531,018	(513,657)	(3.3)
Net patient service revenue	3,654,768	3,472,529	182,239	5%	21,649,928	20,835,063	814,865	4%
Other revenue								
Transfers from Restricted Funds for Other Operating Expenses	-	65,541	(65,541)	(100.0)	393,995	393,244	751	0.2
Total Other revenue	44,855	92,038	(47,183)	(51.3)	575,287	552,210	23,077	4.2
Total revenue, gains and other support	3,699,622	3,564,567	135,055	(51.2)	22,225,215	21,387,273	837,942	4.2
Expenses:								
Salaries and wages	1,345,150	1,303,350	(41,800)	(3.2)	7,709,456	7,820,102	110,646	1.4
Employee benefits	638,915	780,287	141,372	18.1	4,160,137	4,681,699	521,562	11.1
Professional fees	280,827	208,152	(72,675)	(34.9)	1,736,374	1,248,890	(487,484)	(39.0)
Supplies	388,407	467,888	79,481	17.0	2,675,618	2,807,350	131,732	4.7
Purchased services	171,310	153,588	(17,722)	(11.5)	949,597	921,464	(28,133)	(3.1)
Depreciation	127,074	162,839	35,765	22.0	747,869	977,038	229,169	23.5
Interest	33,273	32,271	(1,002)	(3.1)	199,635	193,629	(6,006)	(3.1)
Bad debts	160,785	150,682	(10,103)	(6.7)	1,019,558	904,093	(115,465)	(12.8)
Other	213,040	198,066	(14,974)	(7.6)	1,185,700	1,188,403	2,703	0.2
Total expenses	3,358,781	3,457,123	98,342	2.8	20,383,943	20,742,668	358,725	1.7
Operating income (loss)	340,842	107,444	233,398	(54.0)	1,841,271	644,605	1,196,666	2.5
Other income:								
District tax receipts	37,013	41,816	(4,803)	(11.5)	222,078	250,894	(28,816)	(11.5)
Interest	77,466	83,333	(5,867)	(7.0)	507,956	500,002	7,954	1.6
Other	7,606	4,663	2,943	63.1	34,752	27,975	6,777	24.2
Grants and Other Non-Restricted Contributions	-	12,500	(12,500)	(100.0)	10,000	75,000	(65,000)	(86.7)
Partnership Investment Income	-	-	-	N/A	-	-	-	N/A
Total other income, net	122,085	142,312	(20,227)	(14)	774,786	853,871	(79,085)	(9.3)
Non-Operating Expense								
Medical Office Expense	11,243	10,111	(1,132)	(11.2)	69,013	60,665	(8,348)	(13.8)
Urology Office	8,237	6,721	(1,516)	(22.6)	71,201	40,328	(30,873)	(76.6)
Total Non-Operating Expense	19,481	16,832	(2,649)	(15.7)	140,214	100,993	(39,221)	(38.8)
Excess (deficiency) of revenues over expenses	443,446	232,924	210,522	90.4	2,475,843	1,397,483	1,078,360	77.2

NORTHERN INYO HOSPITAL
Statement of Operations--Statistics
As of December 31, 2007

	Month		YTD Actual	YTD Budget	Year				
	Actual	Budget			Variance	Percentage			
Operating statistics:									
Beds	25.00	25.00	N/A	N/A					
Patient days	251.00	271.00	(20.00)	0.93	25.00	1,626.00	196.00	N/A	1.12
Maximum days per bed capacity	775.00	775.00	N/A	N/A	4,600.00	4,600.00	N/A	N/A	
Percentage of occupancy	32.39	34.97	(2.58)	0.93	39.61	35.35	4.26		1.12
Average daily census	8.10	8.74	(0.65)	0.93	9.90	8.84	1.07		1.12
Average length of stay	3.30	3.08	0.22	1.07	3.36	3.08	0.28		1.09
Discharges	76.00	88.00	(12.00)	0.86	542.00	528.00	14.00		1.03
Admissions	70.00	89.00	(19.00)	0.79	535.00	534.00	1.00		1.00
Gross profit-revenue depts.	3,773,323.67	3,956,919.00	(183,595.33)	0.95	25,179,363.63	23,741,459.00	1,437,904.63		1.06
Percent to gross patient service revenue:									
Deductions from patient service revenue and bad debts									
Salaries and employee benefits	39.60	45.24	(5.64)	0.88	45.27	45.24	0.03		1.00
Occupancy expenses	34.26	34.38	(0.12)	1.00	31.45	34.38	(2.93)		0.91
General service departments	3.39	3.54	(0.15)	0.96	3.09	3.54	(0.45)		0.87
Fiscal services department	6.45	5.65	0.80	1.14	5.44	5.65	(0.21)		0.96
Administrative departments	4.61	4.56	0.05	1.01	4.27	4.56	(0.29)		0.94
Operating income (loss)	5.31	5.46	(0.15)	0.97	4.62	5.46	(0.84)		0.85
Excess (deficiency) of revenues over expenses	5.56	1.70	3.86	3.27	4.54	1.70	2.84		2.67
	7.67	3.84	3.83	2.00	6.57	3.84	2.73		1.71
Payroll statistics:									
Average hourly rate (salaries and benefits)	36.16	41.24	(5.08)	0.88	37.69	41.24	(3.55)		0.91
Worked hours	48,472.31	44,676.00	3,796.31	1.08	273,841.39	268,056.00	5,785.39		1.02
Paid hours	54,804.07	50,524.00	4,280.07	1.08	314,605.11	303,144.00	11,461.11		1.04
Full time equivalents (worked)	275.41	253.84	21.57	1.08	261.30	255.78	5.52		1.02
Full time equivalents (paid)	311.39	287.07	24.32	1.08	300.20	289.26	10.94		1.04

NORTHERN INYO HOSPITAL

Statements of Changes in Net Assets

As of December 31, 2007

	<u>Month-to-date</u>	<u>Year-to-date</u>
Unrestricted net assets:		
Excess (deficiency) of revenues over expenses	443,445.85	2,475,842.79
Net Assets due/to transferred from unrestricted	-	-
Net assets released from restrictions used for operations	-	477,120.00
Net assets released from restrictions used for payment of long-term debt	-	(393,995.00)
Contributions and interest income	397.07	2,497.60
Increase in unrestricted net assets	<u>443,842.92</u>	<u>2,561,465.39</u>
Temporarily restricted net assets:		
District tax allocation	498,719.19	536,218.51
Net assets released from restrictions	-	(477,120.00)
Restricted contributions	-	-
Interest income	61.97	364.57
Increase (decrease) in temporarily restricted net assets	<u>498,781.16</u>	<u>59,463.08</u>
Increase (decrease) in net assets	942,624.08	2,620,928.47
Net assets, beginning of period	33,420,283.33	31,741,978.94
Net assets, end of period	<u><u>34,362,907.41</u></u>	<u><u>34,362,907.41</u></u>

NORTHERN INYO HOSPITAL

Statements of Cash Flows

As of December 31, 2007

	<u>Month-to-date</u>	<u>Year-to-date</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	942,624.08	2,620,928.47
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities: (correcting debt payment)	-	-
Depreciation	127,073.72	747,869.35
Provision for bad debts	160,785.44	1,019,557.64
Loss (gain) on disposal of equipment	-	134.57
(Increase) decrease in:		
Patient and other receivables	(98,889.06)	(1,765,422.72)
Other current assets	(10,839.30)	(110,560.99)
Plant Expansion and Replacement Cash	889,488.21	5,971,909.27
Increase (decrease) in:		
Accounts payable and accrued expenses	(194,581.54)	332,091.08
Third-party payors	-	445,297.00
Net cash provided (used) by operating activities	<u>1,815,661.55</u>	<u>9,261,803.67</u>
Cash flows from investing activities:		
Purchase of property and equipment	(820,113.39)	(7,151,461.56)
Purchase of investments	(436,066.87)	(1,147,009.10)
Proceeds from disposal of equipment	-	(134.57)
Net cash provided (used) in investing activities	<u>(1,256,180.26)</u>	<u>(8,298,605.23)</u>
Cash flows from financing activities:		
Long-term debt	(191,205.55)	(277,233.30)
Issuance of revenue bonds	334,575.77	102,114.88
Unamortized bond costs	1,486.95	8,921.70
Increase (decrease) in donor-restricted funds, net	(499,178.23)	(61,960.68)
Net cash provided by (used in) financing activities	<u>(354,321.06)</u>	<u>(228,157.40)</u>
Increase (decrease) in cash and cash equivalents	205,160.23	735,041.04
Cash and cash equivalents, beginning of period	<u>1,871,559.12</u>	<u>1,341,678.31</u>
Cash and cash equivalents, end of period	<u>2,076,719.35</u>	<u>2,076,719.35</u>

Northern Inyo Hospital
Summary of Cash and Investment Balances
Calendar Year 2007

Month	Operations Checking Account				Time Deposit Month-End Balances									
	Balance at Beginning of Month	Deposits	Disbursements	Balance at End of Month	Premium Interest Checking	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	936,738	3,349,146	3,230,137	1,055,747	519	17,418,118	525,863	25,122	2,798	5,734	715,405	744,735	16,654	15,331,544
February	1,055,747	3,012,726	3,529,773	538,700	8	18,118,118	525,863	25,122	2,789	5,834	716,060	786,899	16,717	15,376,250
March	538,700	3,711,798	3,700,602	549,896	0	19,014,106	526,320	25,141	2,900	5,839	716,764	829,159	16,775	13,996,056
April	549,896	7,165,639	5,972,745	1,742,790	0	16,533,747	473,447	25,141	2,900	5,839	429,339	872,431	17,616	13,275,050
May	1,742,790	3,030,162	4,660,401	112,551	0	20,225,400	473,447	25,141	3,029	5,839	429,769	934,534	17,680	10,891,486
June	112,551	5,152,683	4,224,606	1,040,628	0	18,456,227	473,766	25,157	3,031	5,842	430,173	788,259	17,745	10,944,955
July *	1,040,628	3,387,765	3,921,993	506,401	0	20,781,983	440,641	25,157	3,031	5,842	430,618	830,478	17,810	8,999,586
August	506,401	4,397,557	4,059,627	844,331	0	20,725,316	478,140	25,157	3,031	5,842	431,050	872,949	17,876	8,000,350
September	844,331	3,624,606	4,136,051	332,887	0	21,064,617	478,437	25,173	3,033	5,846	431,441	915,472	17,935	6,743,527
October	332,887	5,621,707	5,376,158	578,436	0	19,686,180	34,442	25,173	3,033	5,846	431,874	958,132	17,996	6,095,837
November	578,436	4,268,508	4,207,737	639,207	0	19,167,169	34,442	25,173	3,033	5,846	432,257	1,020,656	18,056	5,862,534
December	639,207	4,613,761	4,453,280	799,688	0	19,603,236	533,220	25,185	3,034	5,849	432,642	686,080	18,106	4,973,046

* Cash for July corrected after report due to late posting of Medicare deposits

- 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 \$575,000 to cover the Bond Reserve Account Requirement with respect to the Series 1998 Bonds. The Project amount represents the balance available to spend on the building project; however, the district accumulates invoices and only requests reimbursement quarterly.
 - (2) The Bond and Interest Fund now contains the Debt Service amount from the County for both the original Bond and the 2005 Bond.

Northern Inyo Hospital
Investments as of 12/31/2007

ID	Purchase Date	Maturity Date	Institution	Rate	Principal Invested
1	28-Dec-07	01-Jan-08	Local Agency Investment Fund	4.80%	8,302,630.73
2	02-Dec-07	01-Jan-08	Local Agency Investment Fund	4.80%	296,272.00
3	24-Jan-03	24-Jan-08	Capital One Bank	4.31%	100,000.00
4	24-Jan-03	24-Jan-08	Capital One, F.S.B.	4.30%	100,000.00
5	24-Jan-03	24-Jan-08	Key Bank USA	3.50%	100,000.00
6	30-Aug-07	28-Feb-08	United States Treasury Bills	4.08%	379,296.77
7	18-Mar-05	18-Mar-08	First Federal Bank	4.00%	100,000.00
8	23-Mar-07	24-Mar-08	Farmers Bank	5.00%	100,000.00
9	05-Jul-07	22-Apr-08	Federal Home Loan Mtg Corp-MBS	5.24%	492,680.00
10	25-Oct-07	24-Apr-08	United States Treasury Bills	3.88%	379,674.56
11	14-Dec-04	27-May-08	Cantella & Co., Inc	3.50%	225,000.00
12	11-Mar-05	11-Jun-08	Community Bank	4.00%	98,000.00
13	11-Mar-05	11-Jun-08	Equity Bank	4.00%	100,000.00
14	20-Jun-07	15-Jun-08	FANNIE MAE FNMA-MBS	5.29%	486,750.00
Short Term Investments					11,260,304.06
Maturing Fiscal Year 2008					
15	19-Dec-07	02-Jul-08	Bear, Stearns Securities	5.06%	988,600.00
16	30-Jan-06	28-Jul-08	Federal Home Loan Bank-FNC	5.00%	500,000.00
17	15-Oct-03	15-Oct-08	R-G Crown Bank	4.00%	97,000.00
18	31-Oct-05	27-Oct-08	Federal Home Loan Bank-MBS	5.00%	500,000.00
19	09-Oct-07	24-Nov-08	Citigroup Med Term Note	5.33%	1,330,153.95
20	26-May-05	26-Nov-08	Federal Home Loan Bank-FNC	4.50%	1,000,000.00
21	04-Jan-05	05-Jan-09	Mututal Bank	4.36%	99,000.00
22	07-Jan-04	07-Jan-09	Bear Stearns Security	4.08%	100,000.00
23	21-Sep-07	01-Apr-09	Citigroup Med Term Note	3.38%	239,293.07
Maturing Fiscal Year 2009					4,854,047.02
24	18-Dec-07	01-Nov-09	Cantella & Co., Inc	4.50%	101,897.88
25	21-Sep-07	01-Nov-09	Citigroup Med Term Note	6.88%	702,986.88
26	30-Dec-04	30-Dec-09	Capital City Bank and Trust	4.75%	99,000.00
27	22-Apr-05	22-Apr-10	Bank of Waukegan	4.75%	99,000.00
Maturing Fiscal Year 2010					1,002,884.76
28	23-Jul-07	23-Jul-10	Federal Home Loan Bank-MBS	5.50%	500,000.00
29	13-Nov-07	04-Aug-10	Merrill Lynch & Co Inc	4.79%	986,000.00
30	24-Feb-06	24-Feb-11	Federal Home Loan Bank-MBS	6.00%	1,000,000.00
Maturing Fiscal Year 2011					2,486,000.00
Long-Term Investments					8,342,931.78
Total Investments					19,603,235.84

Financial Indicators

	Target	Dec-07	Nov-07	Oct-07	Sep-07	Aug-07	Jul-07	Jun-07	May-07	Apr-07	Mar-07	Feb-07	Jan-07
Current Ratio	>1.5-2.0	4.43	4.28	4.12	4.43	4.69	4.97	5.37	5.35	5.40	4.76	5.35	5.54
Quick Ratio	>1.33-1.5	3.99	3.84	3.71	4.04	4.29	4.56	4.95	4.93	5.00	4.38	4.95	5.11
Days Cash on Hand	>75	270.34	263.64	267.90	303.54	283.51	310.04	353.49	289.37	354.74	327.83	331.37	327.96

NORTHERN INYO HOSPITAL
STATISTICS

12 MONTHS 2007	IP		SURGERIES OP		TOTAL		BIRTHS		ADMITTS		ER VISITS		OP REFERRALS		ADMITTS (W/NB)		PT DAYS (W/O NB)		PT DAYS (W/NB)		DISCH (W/NB)	
	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07	05 / 06 / 07	07
JANUARY	35 / 40 / 38		65 / 72 / 73		100 / 112 / 111		17 / 19 / 17		49 / 60 / 47		540 / 563 / 510		3048 / 3135 / 3331		109 / 126 / 111		275 / 370 / 289		320 / 410 / 350		115 / 124 / 108	
FEBRUARY	29 / 29 / 24		81 / 62 / 59		110 / 91 / 83		15 / 20 / 19		54 / 44 / 14		422 / 467 / 521		2777 / 3100 / 2991		121 / 106 / 107		319 / 255 / 251		358 / 303 / 291		111 / 113 / 105	
MARCH	34 / 50 / 25		78 / 101 / 53		112 / 151 / 78		20 / 26 / 17		59 / 63 / 49		606 / 543 / 460		3163 / 3387 / 3079		123 / 152 / 117		366 / 333 / 286		395 / 399 / 322		127 / 149 / 116	
APRIL	27 / 31 / 31		68 / 81 / 59		95 / 112 / 90		9 / 18 / 17		43 / 54 / 48		486 / 474 / 525		3119 / 3145 / 3251		97 / 114 / 105		244 / 310 / 245		282 / 346 / 276		104 / 116 / 112	
MAY	41 / 31 / 38		74 / 73 / 95		115 / 104 / 133		16 / 20 / 19		49 / 53 / 40		594 / 564 / 580		2968 / 3313 / 3343		113 / 111 / 112		349 / 345 / 299		385 / 381 / 342		103 / 106 / 103	
JUNE	32 / 49 / 27		60 / 76 / 70		92 / 125 / 97		16 / 16 / 12		53 / 44 / 41		631 / 552 / 511		3287 / 3235 / 3186		113 / 107 / 104		288 / 307 / 297		318 / 342 / 323		126 / 97 / 107	
JULY	40 / 31 / 41		89 / 59 / 85		129 / 90 / 126		21 / 30 / 24		51 / 36 / 49		587 / 619 / 624		2997 / 3012 / 3109		128 / 129 / 132		306 / 313 / 388		345 / 371 / 445		122 / 126 / 127	
AUGUST	30 / 40 / 35		84 / 117 / 115		114 / 157 / 150		14 / 28 / 26		66 / 54 / 46		716 / 580 / 565		3276 / 3401 / 3402		117 / 138 / 126		292 / 350 / 353		321 / 408 / 421		116 / 134 / 140	
SEPTEMBER	48 / 35 / 36		93 / 86 / 90		141 / 121 / 126		22 / 14 / 18		52 / 42 / 55		567 / 470 / 515		3063 / 2952 / 2897		127 / 110 / 118		325 / 289 / 283		372 / 320 / 326		123 / 118 / 109	
OCTOBER	28 / 26 / 37		86 / 62 / 94		114 / 88 / 131		4 / 16 / 15		40 / 43 / 30		494 / 523 / 560		3061 / 3290 / 3378		90 / 108 / 87		237 / 289 / 283		247 / 301 / 296		97 / 97 / 93	
NOVEMBER	44 / 39 / 38		69 / 82 / 103		113 / 121 / 141		12 / 21 / 15		47 / 14 / 29		580 / 494 / 452		3207 / 2991 / 3178		105 / 100 / 100		278 / 323 / 284		304 / 389 / 320		101 / 103 / 98	
DECEMBER	40 / 29 / 27		77 / 78 / 92		117 / 107 / 119		13 / 12 / 17		52 / 20 / 42		583 / 454 / 510		3171 / 2792 / 2900		121 / 109 / 87		352 / 304 / 251		377 / 329 / 286		120 / 117 / 92	
CALENDAR YEAR	428 / 430 / 397		924 / 949 / 988		1352 / 1,379 / 1,385		179 / 238 / 216		615 / 527 / 490		6766 / 6303 / 6333		37137 / 37753 / 38045		1364 / 1410 / 1306		3621 / 3768 / 3499		4004 / 4279 / 3998		1365 / 1400 / 1308	
MONTHLY AVERAGE	36 / 36 / 33		77 / 79 / 82		113 / 115 / 115		15 / 20 / 18		51 / 44 / 41		564 / 525 / 528		3,095 / 3,146 / 3,170		114 / 118 / 109		302 / 314 / 292		334 / 357 / 333		114 / 117 / 109	

NORTHERN INYO HOSPITAL
DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS

12 MONTHS 2007	DIAGNOSTIC RADIOLOGY	MAMMOGRAPHY	NUCLEAR MEDICINE	ULTRASOUND	CT SCANNING	MRI	LABORATORY	EKG / EEG	PHYSICAL THERAPY	RESPIRATORY THERAPY	RURAL HEALTH CLINIC	TOTALS
JANUARY	340 / 312 / 308	202 / 229 / 198	47 / 29 / 36	102 / 107 / 166	151 / 123 / 112	86 / 85 / 86	1968 / 1686 / 1621	127 / 103 / 139	313 / 302 / 335	16 / 12 / 19	1014 / 1029 / 941	4386 / 4017 / 3961
FEBRUARY	323 / 250 / 263	203 / 211 / 194	52 / 60 / 38	119 / 135 / 157	142 / 111 / 102	77 / 92 / 71	1753 / 1633 / 1662	83 / 82 / 84	306 / 361 / 302	12 / 19 / 19	921 / 970 / 965	3991 / 3924 / 3857
MARCH	413 / 329 / 289	204 / 83 / 122	52 / 52 / 29	113 / 133 / 144	161 / 126 / 95	92 / 105 / 76	2105 / 1853 / 1734	81 / 132 / 100	315 / 425 / 340	12 / 14 / 16	1240 / 1099 / 1095	4785 / 4351 / 4020
APRIL	349 / 254 / 258	232 / 237 / 246	40 / 35 / 46	137 / 109 / 139	180 / 107 / 123	84 / 84 / 105	1815 / 1984 / 1767	97 / 84 / 85	378 / 397 / 300	18 / 21 / 14	1103 / 915 / 883	4433 / 4227 / 3966
MAY	304 / 263 / 262	221 / 241 / 230	54 / 41 / 85	98 / 122 / 150	161 / 110 / 131	96 / 88 / 100	1782 / 1741 / 1743	85 / 95 / 112	333 / 374 / 295	17 / 18 / 18	971 / 958 / 1007	4122 / 4051 / 4133
JUNE	302 / 257 / 264	208 / 220 / 243	47 / 32 / 37	117 / 128 / 149	146 / 119 / 128	81 / 111 / 101	1902 / 1828 / 2203	87 / 104 / 90	420 / 370 / 260	15 / 10 / 7	1016 / 859 / 864	4341 / 4038 / 4346
JULY	236 / 228 / 275	145 / 134 / 192	46 / 35 / 46	119 / 126 / 155	113 / 121 / 109	84 / 71 / 113	1742 / 1615 / 1618	93 / 93 / 94	375 / 379 / 276	15 / 13 / 17	952 / 946 / 887	3920 / 3761 / 3782
AUGUST	254 / 269 / 256	237 / 275 / 256	50 / 47 / 59	123 / 135 / 149	128 / 120 / 126	90 / 97 / 130	1838 / 1741 / 1850	86 / 132 / 115	389 / 408 / 289	23 / 14 / 17	1059 / 1020 / 1064	4277 / 4258 / 4311
SEPTEMBER	278 / 251 / 224	179 / 229 / 218	65 / 45 / 75	110 / 126 / 149	135 / 99 / 101	81 / 78 / 55	1784 / 1542 / 1667	102 / 111 / 83	350 / 355 / 254	18 / 11 / 9	1011 / 917 / 1047	4113 / 3764 / 3882
OCTOBER	288 / 265 / 287	186 / 233 / 223	37 / 44 / 58	93 / 116 / 173	123 / 123 / 101	97 / 79 / 92	1724 / 1757 / 1877	110 / 102 / 116	322 / 345 / 284	21 / 27 / 12	980 / 923 / 1129	3981 / 4014 / 4352
NOVEMBER	285 / 230 / 234	223 / 236 / 250	39 / 35 / 39	117 / 146 / 160	97 / 118 / 69	70 / 87 / 102	1803 / 1594 / 1668	98 / 93 / 93	306 / 269 / 350	34 / 17 / 6	1052 / 991 / 992	4124 / 3816 / 3963
DECEMBER	273 / 234 / 205	197 / 194 / 227	38 / 31 / 26	78 / 120 / 130	127 / 117 / 75	84 / 72 / 80	1692 / 1573 / 1566	90 / 98 / 69	303 / 242 / 365	19 / 14 / 6	1039 / 930 / 937	3856 / 3553 / 3596
CALENDAR YEAR	3645 / 3142 / 3105	2434 / 2522 / 2599	567 / 486 / 574	1326 / 1503 / 1821	1664 / 1394 / 1272	1022 / 1049 / 1111	21908 / 20547 / 20966	1139 / 1229 / 1180	4110 / 4227 / 3650	220 / 190 / 160	12358 / 11557 / 11811	50309 / 47774 / 48169
MONTHLY AVERAGES	304 / 262 / 269	203 / 210 / 217	47 / 41 / 48	111 / 125 / 152	139 / 116 / 106	85 / 87 / 93	1826 / 1712 / 1747	95 / 102 / 98	343 / 352 / 304	18 / 16 / 13	1030 / 963 / 984	4192 / 3981 / 4014

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2008
 As of December 31, 2007**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 1995-96	Hospital Information System	\$1,300,000
FY 2006-07	Platelet Incubator/Agitator Purchase (non-budget)	2,600
	QuadraMed Tempus One Scheduling System (Includes Surgery Module)	233,750
	GE Centricity RHC Electronic Health Record Software	75,950
	Hologic Stereotactic Breast Biopsy System	156,000
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>1,768,300</u>
FY 2007-08	Biomerieux Blood Culture Instrument	44,375
	Manageware Infant Security Solution	45,001 *
	Contract Management Software	4,400 *
	GE Pelvic Ultrasound for RHC	47,351 *
	Network Switch Upgrade	171,957
	Gemstar Pain Management Devices	34,978 *
	GE Pelvic Ultrasound for OB	38913.38 *
	Clark Equipment TMX 20 Forklift	33000
	Seimens Patient Monitor SC 9000XL	7798.82
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>427,773</u>
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	1,768,300
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	427,773

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2008
 As of December 31, 2007**

**MONTH
 APPROVED**

BY BOARD DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	<u>AMOUNT</u>
Year-to-Date Board-Approved Amount to be Expended	2,025,431
Year-to-Date Administrator-Approved Amount	94,583 *
Actually Expended in Current Fiscal Year	<u>170,643 *</u>
TOTAL FUNDS APPROVED TO BE EXPENDED	<u>2,290,656</u>
Total-to-Date Spent on Incomplete Board Approved Expenditures (Hospital Information System and Building Project)	1,353,735
 Reconciling Totals:	
Actually Capitalized in the Current Fiscal Year Total-to-Date	265,225
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	<u>2,025,431</u>
ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	<u>2,290,656</u>
 Donations by Auxiliary	 0
Donations by Hospice of the Owens Valley	0
Donations by Others (Barry Miller & Associates for Infant Security System)	5,000
Donations by Others (Union Bank of California for Infant Security System)	<u>1,000</u>
	<u>6,000</u>

*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 December 31, 2007**

MONTH		AMOUNT
APPROVED		
BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	
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	39,500,000
FY 2005-06	Construction Cost Overrun Approval	15,250,000
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 December 31, 2007**

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
CANNON iR-2830 W/FAX & PRINT	PRINTING & DUPLICATI	6,131		
Month Ending December 31, 2007			6,131	94,583

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Northern Inyo County Local Hospital District, California

Primary Credit Analysts:

Matthew Reining
San Francisco
(1) 415-371-5044
matthew_reining@
standardandpoors.com

Secondary Credit Analysts:

Keith I Dickinson
San Francisco
(1) 415-371-5036
keith_dickinson@
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Credit Profile

Northern Inyo Cnty Local Hosp Dist GO bnds

<i>Long Term Rating</i>	BBB+/Stable	Affirmed
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Rationale

Standard & Poor's Ratings Services affirmed its 'BBB+' rating on Northern Inyo County Local Hospital District, Calif.'s series 2005 GO bonds, reflecting:

- A small service area population and limited local economy that is concentrated in government and tourism;
- A concentrated tax base, with one single taxpayer, the Los Angeles Department of Water and Power (LADWP; 'AA-' long-term rating), accounting for 45% of total assessed value (AV);
- Operational risks associated with operating a small regional hospital; and
- A sizable capital improvement plan relating primarily to mandated seismic regulations.

These weaknesses are tempered by:

- Average unemployment levels, anchored by state and local government;
- High per capita AV, at \$264,000, due primarily to valuation of the LADWP property;
- Strong creditworthiness of the leading taxpayer, LADWP, as well as the essentiality of its assets within the district boundaries; and
- Solid financial performance and adequate operational liquidity.

The unlimited general obligation pledge of the district secures the bonds.

The district operates a 25-bed hospital facility located in the town of Bishop, serving the residents of northern Inyo County and the Owens Valley, approximately 300 miles north of Los Angeles and 160 miles south of Reno, Nev. The district hospital is the sole health care provider in Inyo County and provides emergency medical care as well as in-patient services for

concentration in a single large institutional taxpayer, as well as the general operational risks associated with a small rural hospital.

**STANDARD
& POOR'S**

One Market
Steuart Tower, 15th Floor
San Francisco, CA 94105-1000
tel 415 371-5004
reference no.: 40166849

December 20, 2007

Northern Inyo County Local Hospital District
1500 Pioneer Lane
Bishop, CA 93514
Attention: Mr. John Halfen, Chief Executive Officer

Re: *Northern Inyo County Local Hospital District, California, General Obligation Bonds*

Dear Mr. Halfen:

Standard & Poor's has reviewed the rating on the above-referenced obligations. After such review, we have affirmed the "BBB+" rating and stable outlook. A copy of the rationale supporting the rating and outlook is enclosed.

The rating is not investment, financial, or other advice and you should not and cannot rely upon the rating as such. The rating is based on information supplied to us by you or by your agents but does not represent an audit. We undertake no duty of due diligence or independent verification of any information. The assignment of a rating does not create a fiduciary relationship between us and you or between us and other recipients of the rating. We have not consented to and will not consent to being named an "expert" under the applicable securities laws, including without limitation, Section 7 of the Securities Act of 1933. The rating is not a "market rating" nor is it a recommendation to buy, hold, or sell the obligations.

This letter constitutes Standard & Poor's permission to you to disseminate the above-assigned rating to interested parties. Standard & Poor's reserves the right to inform its own clients, subscribers, and the public of the rating.

Standard & Poor's relies on the issuer/obligor and its counsel, accountants, and other experts for the accuracy and completeness of the information submitted in connection with the rating. To maintain the rating, Standard & Poor's must receive all relevant financial information as soon as such information is available. Placing us on a distribution list for this information would facilitate the process. You must promptly notify us of all material changes in the financial information and the documents. Standard & Poor's may change, suspend, withdraw, or place on CreditWatch the rating as a result of changes in, or unavailability of, such information. Standard & Poor's reserves the right to request additional information if necessary to maintain the rating.

Mr. John Halfen
Page 2
December 20, 2007

Please send all information to:

Standard & Poor's Ratings Services
Public Finance Department
55 Water Street
New York, NY 10041-0003

If you have any questions, or if we can be of help in any other way, please feel free to call or contact us at nypublicfinance@standardandpoors.com. For more information on Standard & Poor's, please visit our website at www.standardandpoors.com. We appreciate the opportunity to work with you and we look forward to working with you again.

Sincerely yours,

Standard & Poor's Ratings Services
a division of The McGraw-Hill Companies, Inc.

A handwritten signature in black ink that reads "STANDARD + POOR'S" with a stylized flourish at the end.

cf
enclosure

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2007 Physician Inpatient/Outpatient Revenue Survey



©Merritt Hawkins & Associates
5001 Statesman Drive
Irving, Texas 75063
www.merrithawkins.com
(800) 876-0500



2007 Physician Inpatient/Outpatient Revenue Survey

INTRODUCTION:

Merritt Hawkins & Associates is a national physician search and consulting firm specializing in the recruitment of physicians in all medical specialties. Established in 1987, Merritt Hawkins & Associates is a division of AMN Healthcare, the largest health care staffing organization in the United States.

As part of our effort to monitor trends in health care staffing, we conduct an ongoing series of surveys covering a range of staffing issues, including physician recruiting incentives, physician practice patterns, hospital recruiting patterns, and related topics. This report summarizes Merritt Hawkins & Associates' third survey of the revenue physicians in various specialties generate for their affiliated hospitals. This periodic survey was conducted previously by Merritt Hawkins & Associates in 2002 and in 2004.

The survey is intended to provide benchmark data hospitals can use to develop a "quantitative analysis" of their physician recruiting programs. A quantitative analysis as defined by the U.S. Internal Revenue Service (IRS) establishes the financial benefits that newly recruited physicians will bring to a hospital. These benefits may support the hospital's mission of providing quality care to the community by creating revenue streams necessary to its continued or its enhanced operation. A quantitative analysis therefore may serve as part of a hospital's physician recruiting plan by demonstrating the financial benefits to the hospital of physician recruitment. It should be noted, however, that a physician recruiting plan also should include a "qualitative analysis" demonstrating how newly recruited physicians will enhance quality of care in the community.

Survey data also may be used in setting physician compensation levels or recruiting incentives through a cost/benefit analysis comparing the aggregate expense of recruiting physicians to the average revenue generated by physicians in various specialties.

METHODOLOGY

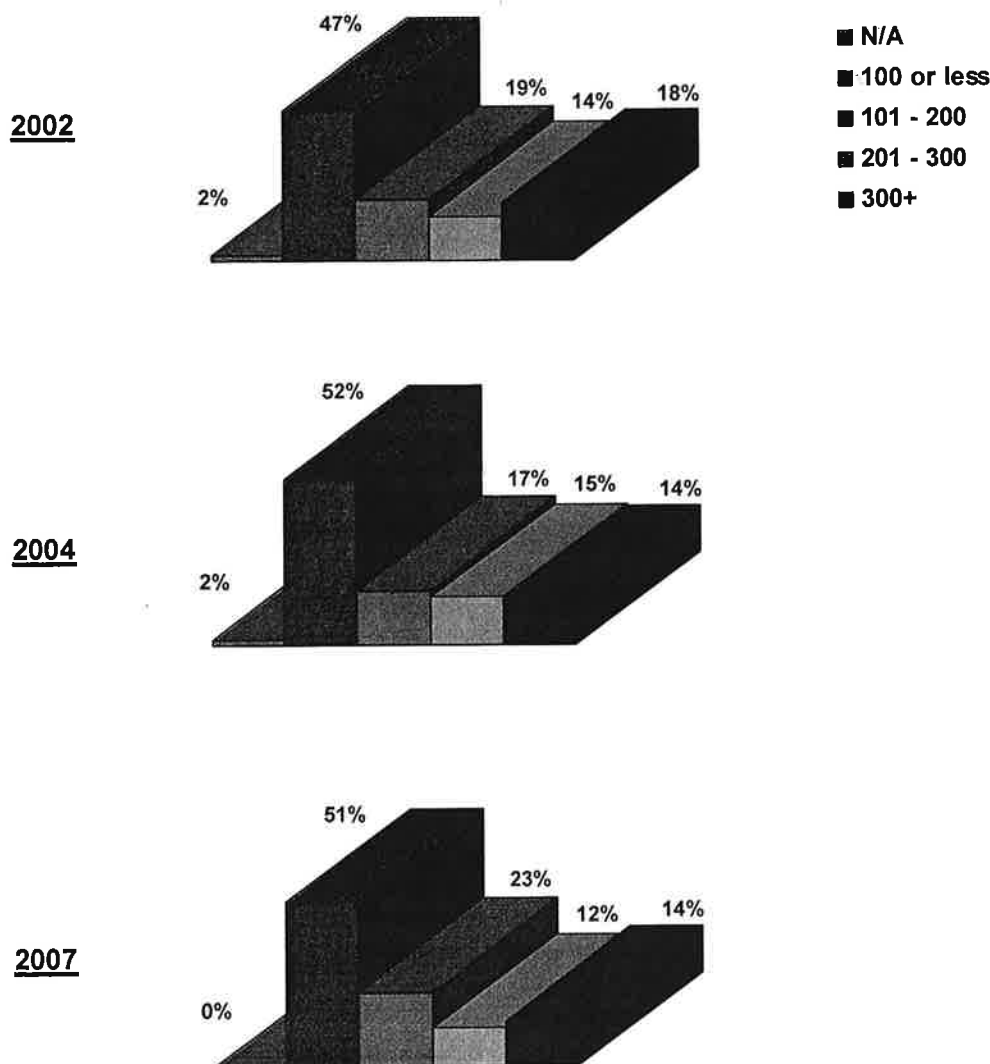
Merritt Hawkins & Associates mailed the Physician Inpatient/Outpatient Revenue Survey to 5,000 hospital chief financial officers (CFOs) nationwide. The survey form was mailed once in October, 2006 and again in February, 2007. The survey could be taken anonymously or those CFOs requesting survey results could identify themselves and their facilities. The survey asked hospital CFOs to indicate the combined *net* inpatient and outpatient revenue generated annually for their facilities by a single, full time equivalent (FTE) physician in a variety of specialties. In the case of primary care physicians (defined as family practitioners, general internists, and pediatricians), survey respondents were asked to determine revenue from direct admissions, lab tests, etc., not indirect revenue primary care physicians may have generated from patient referrals to specialists utilizing the hospital.

The survey provided various revenue ranges and allowed CFOs to select the most appropriate range for each specialty. In lieu of indicating a range, CFOs also had the option of indicating on the survey form the specific amount of revenue generated annually for their hospital per a single physician in various specialties.

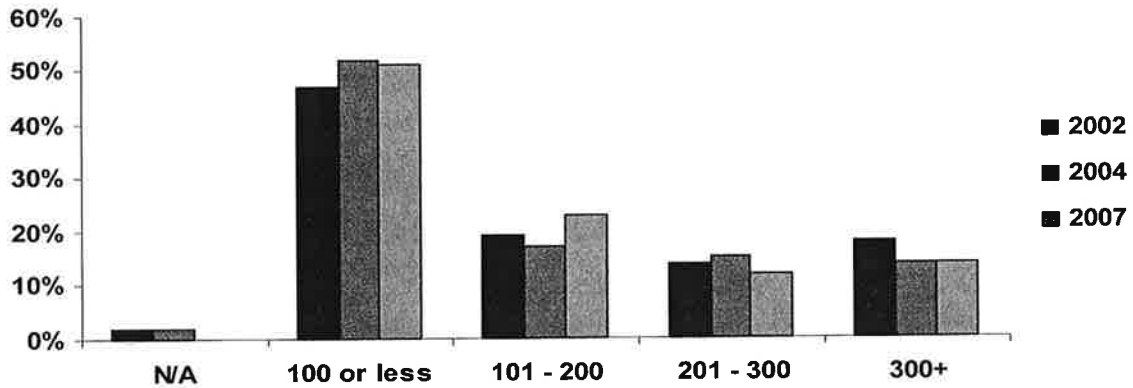
In cases where a range was indicated, the survey takes the midpoint of this range to determine a weighted average for each specialty. A total of 119 completed surveys were received. It should be noted that the volume of categorical responses varied by specialty. Not all returned survey forms included data for all specialties. In addition, the survey was self-selecting. Given these factors, figures for average revenue generated per medical specialty cannot be expected to reflect the experiences of all hospitals.

RESPONDING HOSPITALS BY NUMBER OF BEDS

Questionnaires were mailed to 5,000 chief financial officers (CFOs) at acute care hospitals throughout the country, once in October, 2006 and once in February, 2007. Responding hospitals by number of beds are indicated below, with comparisons to the surveys conducted in 2002 and 2004.

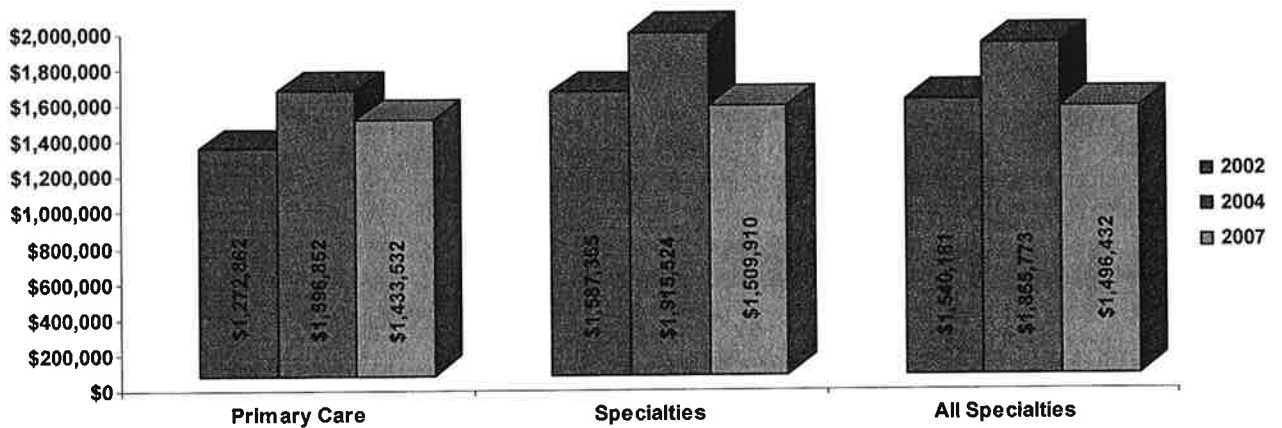


RESPONDING HOSPITALS BY NUMBER OF BEDS (YEAR TO YEAR COMPARISON)



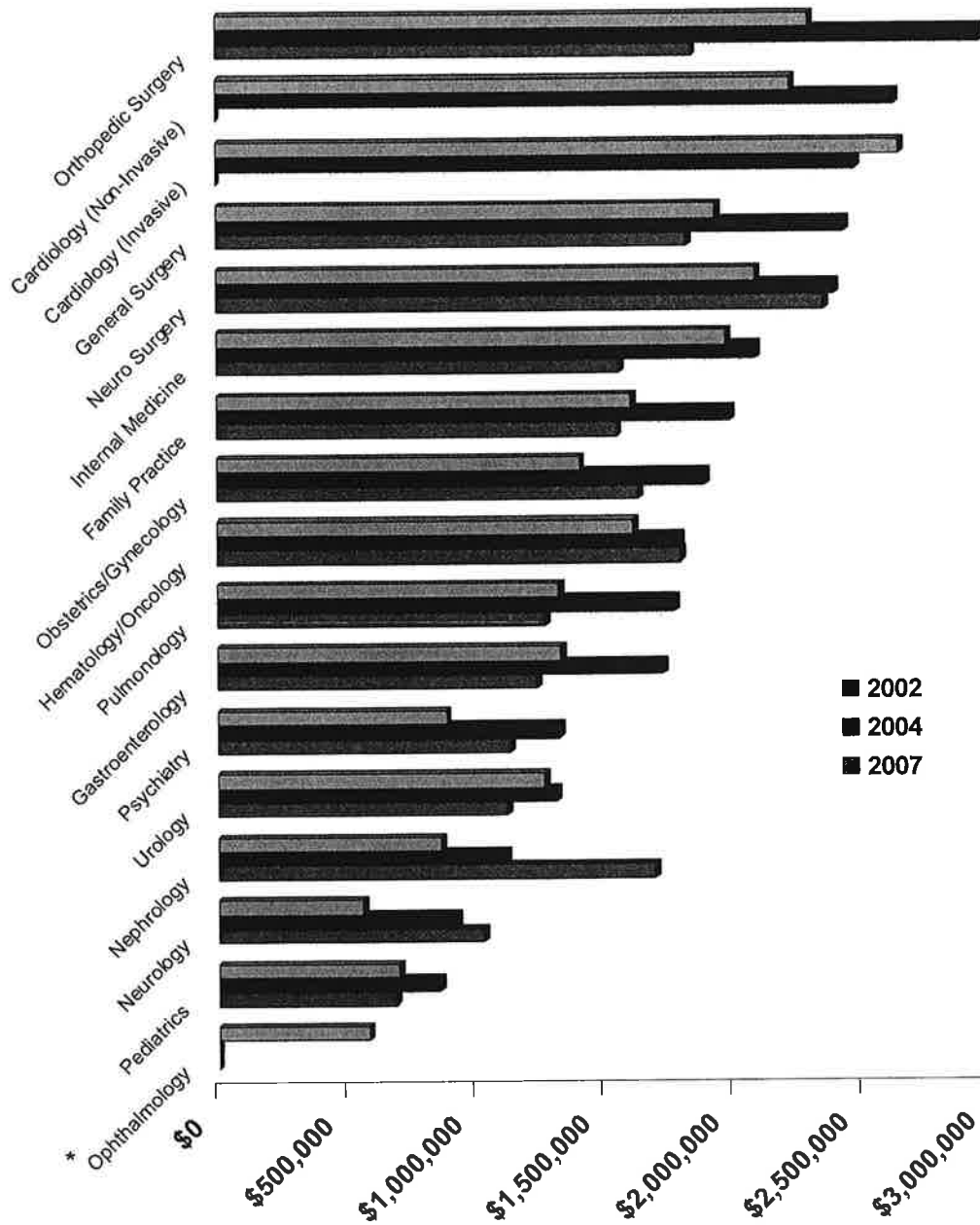
AVERAGE REVENUE GENERATED BY PRIMARY CARE PHYSICIANS, SPECIALISTS, AND ALL PHYSICIANS

(Primary care is defined in this survey as family practice, general internal medicine, and pediatrics. 2007 numbers for "Specialties" and "All Specialties" include average revenue generated by ophthalmologists, a specialty not included in the 2002 and 2004 surveys)



REVENUE GENERATED BY SPECIALTY

The graph below indicates average annual inpatient/outpatient revenue generated for hospitals by physicians in various medical specialties.

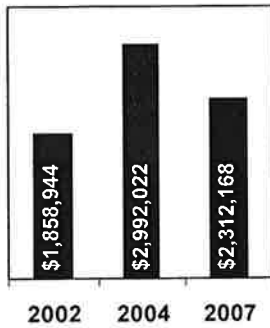


*Ophthalmology included for the first time in 2007

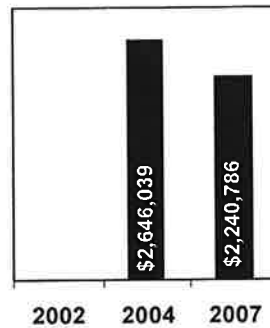
SPECIALTY REVENUE COMPARISON

Average annual inpatient/outpatient revenue generated by physicians for their affiliated hospitals by specialty, 2007 figures compared to 2004 and 2002

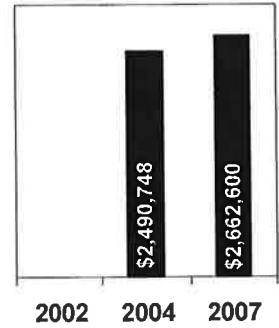
Orthopedic Surgery



Cardiology (Non-Invasive)*

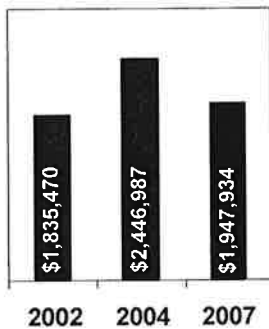


Cardiology (Invasive)*

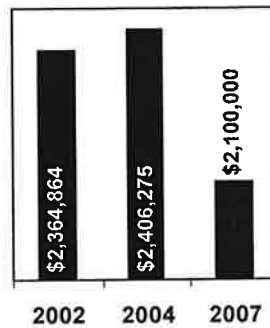


*Invasive and Non-Invasive Cardiology were not surveyed independently in 2002

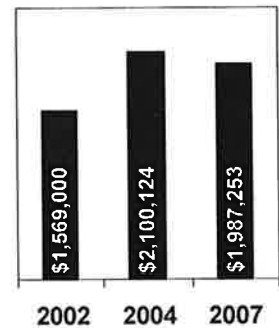
General Surgery



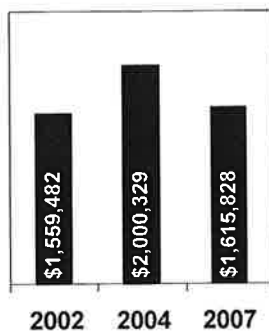
Neuro Surgery



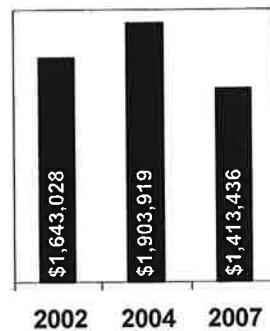
Internal Medicine



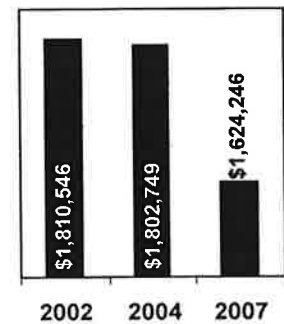
Family Practice



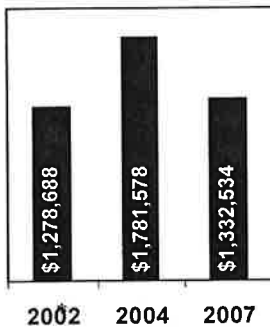
Obstetrics/Gynecology



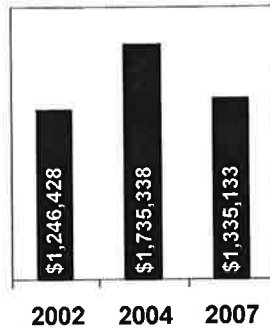
Hematology/Oncology



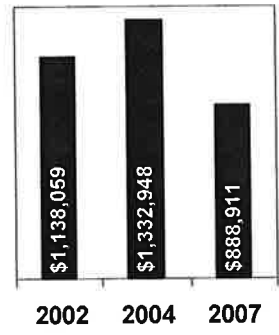
Pulmonology



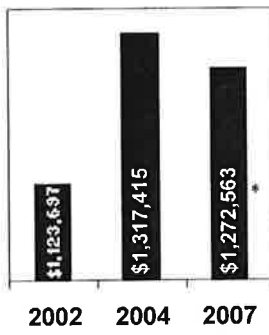
Gastroenterology



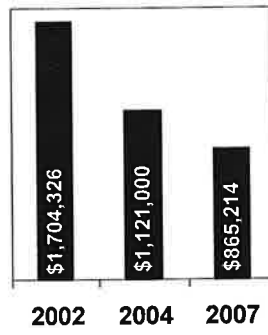
Psychiatry



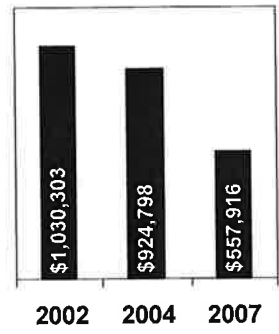
Urology



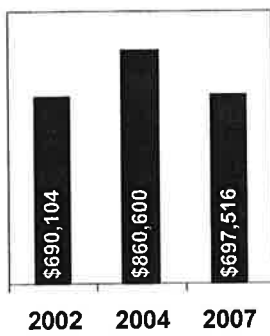
Nephrology



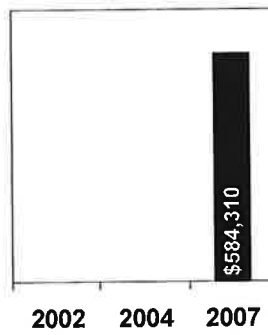
Neurology



Pediatrics



Ophthalmology *



*Ophthalmology not included in 2002/2004

COST/BENEFIT ANALYSIS

The numbers below contrast the average annual inpatient/outpatient revenue generated by physicians in various specialties for their affiliated hospitals with average salaries or income guarantees offered to recruit physicians. Average salaries and income guarantee figures are derived from Merritt Hawkins & Associates' 2006 Review of Physician Recruiting Incentives and indicate the financial incentives offered to physicians in some 2,800 physician search assignments Merritt Hawkins & Associates conducted from March 31, 2005 to April 1, 2006. The numbers below may be used as part of a "quantitative" physician recruiting cost/benefit analysis. A "qualitative" analysis also will factor in the quality of care benefits that new physician services may bring to a given community.

<u>Specialty</u>	<u>Revenue</u>	<u>Avg. Starting Salary*</u>
Cardiology (Invasive)	\$2,662,600	\$342,000
Orthopedic Surgery	\$2,312,168	\$370,000
Cardiology/Non-Inv.	\$2,240,786	\$342,000
Neurosurgery	\$2,100,000	\$489,000
Internal Medicine	\$1,987,253	\$162,000
General Surgery	\$1,947,934	\$272,000
Hematology/Oncology	\$1,624,246	\$275,000
Family Practice	\$1,615,828	\$145,000
OB/GYN	\$1,413,436	\$234,000
Gastroenterology	\$1,335,133	\$315,000
Pulmonology	\$1,332,534	\$248,000
Urology	\$1,272,563	\$320,000
Psychiatry	\$888,911	\$174,000
Nephrology	\$865,214	\$225,000
Pediatrics	\$697,516	\$151,000
Ophthalmology	\$584,310	N/A
Neurology	\$557,916	\$210,000

*2006 MHA Recruitment Incentives Survey

TRENDS AND OBSERVATIONS

Merritt Hawkins & Associates' 2007 Physician Inpatient/Outpatient Revenue Survey marks the third time we have collected data regarding the net revenue physicians in various specialties generate for their affiliated hospitals through patient referrals, admissions, treatments and procedures.

The 2007 Survey indicates that average net inpatient/outpatient revenue generated by physicians for their affiliated hospitals decreased by specialty relative to 2004 in most cases. Average revenue generated by primary care physicians declined from \$1,596,852 in 2004 to \$1,433,532 in 2007. However, revenue generated by primary care physicians in 2007 was up compared to the 2002 figure (\$1,272,862).

Average revenue generated by specialist physicians declined from \$1,915,524 in 2004 to \$1,509,910 in 2007. Revenue generated by medical specialists in 2007 also was down compared to the 2002 figure (\$1,587,355). A partial explanation for this is that ophthalmology, a specialty that generates relatively little revenue for most hospitals, was included in the survey for the first time in 2007, bringing down the overall average for specialists and for all physicians (primary care and specialists.)

Average revenue generated by all physicians, primary care and specialists, declined from \$1,855,773 in 2004 to \$1,496,432 in 2007. Revenue generated by all physicians also was down compared to the 2002 figure (\$1,540,181).

The survey did not ask respondents to provide any reasons for increases or decreases in annual revenue generated for their hospitals by physicians. It is possible that hospitals surveyed in 2007 may be seeing fewer patient admissions or experiencing declines in reimbursement for treatments and procedures. In some cases, hospitals may be losing well reimbursing elective and other procedures to free standing surgery centers and other competitors

Despite relative declines, the survey indicates that physicians continue to generate a significant level of revenue for their affiliated hospitals, close to \$1.5 million on average per physician. As the drivers of admissions, tests, and procedures, physicians are essential to the economic well being of hospitals and also are critical to the quality of care hospitals provide for their communities.

For further information about this survey and other health care staffing trends, contact:

Merritt Hawkins & Associates
5001 Statesman Drive
Irving, Texas 75063
(800) 876-0500
www.merrithawkins.com

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SPECIAL BULLETIN

Monday, February 4, 2008

President Proposes Nearly \$200 Billion in Medicare, Medicaid Cuts

President Bush today unveiled a fiscal year (FY) 2009 federal budget proposal that would cut an unprecedented \$182 billion from Medicare over the next five years, and \$17 billion from Medicaid. The budget would freeze Medicare updates for inpatient and outpatient services, inpatient rehab facilities and long-term care hospitals from 2009-2011, with updates of market-basket *minus* 0.65 percent each year thereafter. In addition, indirect medical education (IME) payments to hospitals for Medicare Advantage beneficiaries would be eliminated; the IME adjustment would be reduced from 5.5 percent to 2.2 percent over three years; hospital capital payments would be reduced by 5 percent in FY 2009; and hospital disproportionate share payments would be reduced by 30 percent over two years. The proposal also would establish a value-based purchasing program that would result in an overall cut to hospitals; lower the base payment rates for inpatient rehab hospitals for five post-acute conditions; and eliminate payment for so-called "never events." A detailed breakdown of the president's Medicare and Medicaid proposals is attached, and also is available at <http://www.stateneedsfeed.com/anemail/content/Scan001.PDF>.

The president's budget blueprint would have a disastrous impact on the health and health care of millions of patients and their communities. At a time when America's economy is faltering and the demand for hospital services is rising, these unprecedented cuts would jeopardize hospitals' ability to provide important services to those most in need - America's elderly, children and disabled.

John Halfen

From: American Hospital Association [AHA@xmr3.com]

Sent: Tuesday, February 05, 2008 10:36 AM

To: John Halfen

Subject: FY 2009 Budget Impact on Your Hospital



**American Hospital
Association**

SPECIAL BULLETIN

February 5, 2008

What the FY 2009 White House Budget Proposal Would Mean for Northern Inyo Hospital

President Bush yesterday unveiled a fiscal year (FY) 2009 federal budget proposal that would cut an unprecedented \$182 billion from Medicare over the next five years, with more than \$135 billion coming from hospitals. The budget would cut another \$17 billion from Medicaid. A detailed breakdown of the president's Medicare and Medicaid proposals is available [here](#).

The chart below spells out how the president's proposed cuts would impact **Northern Inyo Hospital**.

Provision	Minimum Five-Year Payment Cut to YOUR Hospital
<ul style="list-style-type: none"> • A three-year freeze in the market basket update, then a cut of 0.65 percent annually thereafter for: <ul style="list-style-type: none"> ○ Inpatient acute care ○ Outpatient care ○ Inpatient rehabilitation facility services* ○ Skilled nursing facility services 	N/A
<ul style="list-style-type: none"> • A five-year freeze in the payment update for home health, then a cut of 0.65 percent annually thereafter 	N/A
<ul style="list-style-type: none"> • A 30 percent cut to Medicare disproportionate share hospital payments phased in over two years 	N/A
<ul style="list-style-type: none"> • Cut in Medicare indirect medical education (IME) adjustment from 5.5 percent to 2.2 percent phased in over three years 	N/A
<ul style="list-style-type: none"> • Elimination of IME payments to hospitals for Medicare 	N/A

Advantage beneficiaries	
• Elimination of Medicare bad debt reimbursement phased in over four years	\$10 thousand
• A 5 percent cut to reimbursement for capital payment beginning in FY 2009	N/A
<hr/>	
Total impact of these cuts on your hospital	At least \$10 thousand
<hr/>	

Sources: Analysis of CMS final FY/CY 2008 IPPS, OPSS, and IRF payment impact files and Medicare cost reports (9/30/07 HCRIS file). N/A indicates that data was not available because the hospital did not provide that service or the cost report was not available for that facility. The impact of the bad debt phase-out includes inpatient and outpatient services, rehabilitation services, and SNF *units* of hospitals. Five year period refers to FY 2009-2013. *Payment for inpatient rehabilitation facilities is already frozen for 2009 per the Extension Act of 2007.

Additional proposed Medicare cuts **not** included in the chart above:

- Establishment of a hospital value-based purchasing program: \$1.7 billion over five years.
- Elimination of payment for so-called "never events": \$190 million over five years.
- Making payments site-neutral for five conditions treated in skilled nursing and inpatient rehabilitation facilities: \$1.7 billion over five years.
- Reinstatement of the "75 Percent Rule" for inpatient rehabilitation facilities.
- Reinstatement of long-term care hospital payment cuts and the "25 Percent Rule" in addition to a three-year freeze in payments, with cuts of 0.65 percent annually thereafter: \$2.9 billion over five years.
- Revisions to the inpatient transfer policy thresholds: \$510 million over five years.

The president's budget blueprint would have a disastrous impact on the health and health care of millions of patients and their communities. We must speak out as a field against these cuts with a unified voice to let congress know that these proposed cuts are not only unprecedented but unwarranted. Watch for an AHA Advocacy Alert in the coming days with the specific actions you can take to prevent these cuts from becoming reality.

Notes on methodology for data estimates can be found at <http://www.aha.org/09budget>.

Questions? Please call AHA Member Relations at 1-800-424-4301.

If you would prefer not to receive further messages from this sender, please click on the following Internet link and confirm your request:

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You will receive one additional e-mail message confirming your removal.

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Redefining Accuracy - Improving Outcomes

Eagle and the Raptor Series embody over 85 years of Collins' dedication to advancing respiratory diagnostics. It's the state-of-the-art technology you need to measure remarkable or subtle changes in lung function for diagnosing and trending the outcome of your patients.

We continue to redefine accuracy so you can achieve improved patient outcomes, more efficiently and more profitably.

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- **GemTach™** Higher sampling rates and the industry's shortest calibration time.
- **AutoFlow™** ultra-low resistance gas delivery system. Improves patient comfort and test compliance.
- **RaptorPlus™** software streamlines the testing process. Linked measurements optimize breathing at constant lung volume reference.
- **Merlin™** delivers networking and connectivity to hospital information systems, consolidates other vendors' data into RaptorPlus SQL database, and manages your workflow.



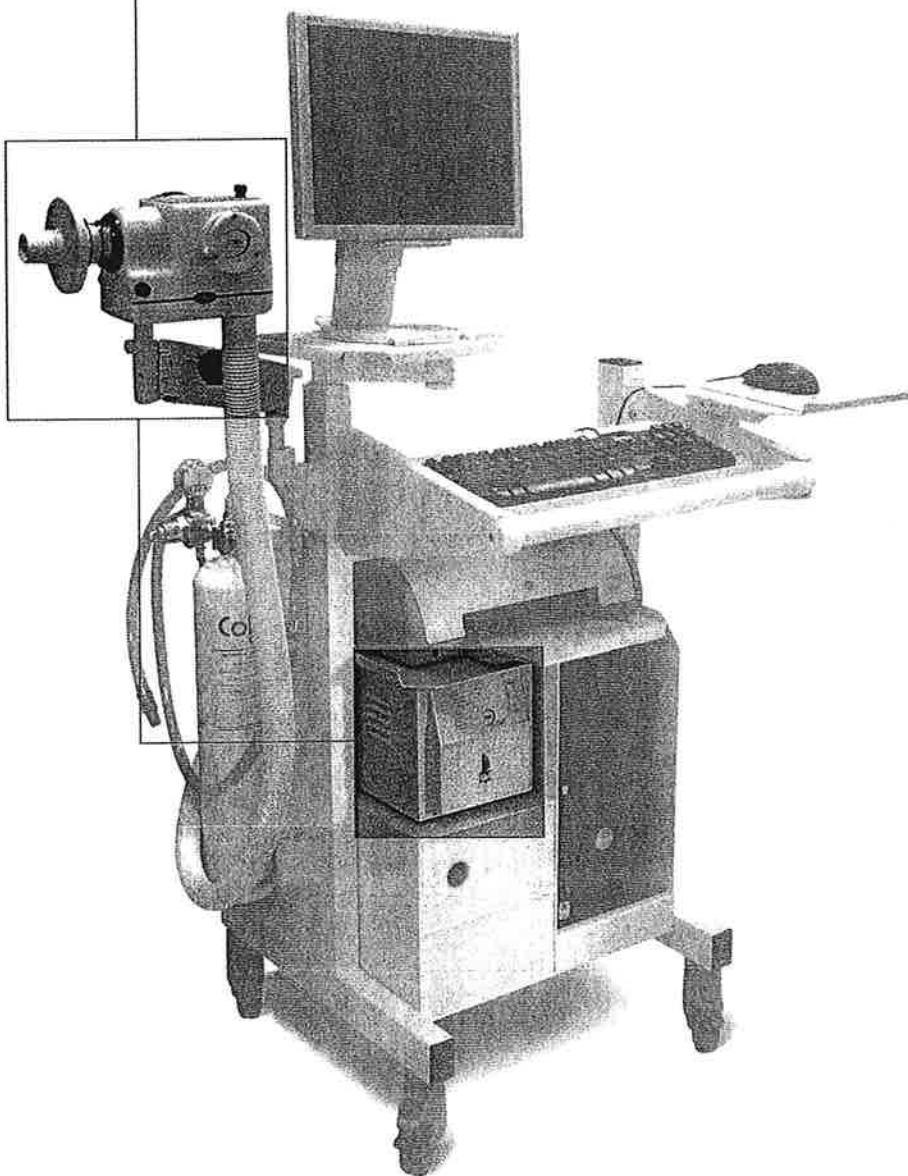
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Collins® Pulmonary Diagnostics

Redefining Accuracy. Beyond Expectations.

Eagle is designed to exceed industry standards, bringing you the most accurate pulmonary function testing at the lowest cost of operation. But we don't stop there.

Our expert customer support delivers extensive start-up training, application assistance, system uptime coverage, and on-site or remote service. We are the team you can rely on to protect your investment resources.



Technical Specifications

Tests Performed:

Spirometry (FVC, MVV, SVC) (36 parameters), Lung Volumes (Single-Breath & Multiple-Breath) (26 parameters), Diffusing Capacity (3 Equation, SBO_2) (43 parameters), Bronchoprovocation (Multiple Protocols) Maximum Pressures

GemTach Pneumotach:

Type:	Screen
Resistance:	<0.5 $\text{cmH}_2\text{O}/\text{L}/\text{sec}$ <1.5 $\text{cmH}_2\text{O}/\text{L}/\text{sec}$ with Collins DCII filter
Accuracy (Including Linearity):	$\pm 3\%$
Range:	$\pm 15 \text{ L}/\text{sec}$
Resolution:	0.45 ml/sec

4th Generation Fast Response MicroGas Analyzer:

Type:	CO , CH_4 , CO_2 - Type Infrared (NDIR)
Range, CO , CH_4 :	0 - 3000 ppm
Range, CO_2 :	0% - 15%
Response:	<100 msec
Sample Rate:	100 Hz
Accuracy:	1%
Linearity:	<1%
Noise:	<1% Full Scale

Electrochemical O_2 Cell:

Range:	0% - 100% O_2
Response:	<100 msec
Accuracy:	<1%
Linearity:	<1%
Noise:	<1%

AutoFlow Gas Delivery System:

Type:	Electromagnetic
Gas Source:	D_1CO Mix or 100% Oxygen
Spec:	<1.5 cmH_2O @ 6 L/sec

Computer Interface:

A/D Converter:	16 bit
Resolution:	0.3 mvolts

Minimum Computer Specifications:

Pentium® II, at least 350 MHz, 128 MB RAM, 4 USB Ports, 2 GB Hard Drive, CD-ROM Drive, Microsoft Windows® 2000, XP, 15" monitor

Safety & Conformance:

ISO 13485:2003 UL2601-1 2nd edition: 1997,
CAN/CSA C22.2 No. 601.1S1-M90, Class II Type BF,

Optional Hardware:

Digital Body Plethysmograph

References:

- Series "ATS/ERS Task Force: Standardisation of Lung Function Testing".
- General considerations for lung function testing. Eur Respir J 2005; 26: 153-161
- Standardisation of spirometry. Eur Respir J 2005; 26: 319-338
- Standardisation of the measurement of lung volumes. Eur Respir J 2005; 26: 511-522
- Standardisation of the single-breath determination of carbon monoxide uptake in the lung Eur Respir J 2005; 26: 720-735

Contact Information

Phone: 800.574.7374, 303.666.5555
Email: sales@nspirehealth.com
Web: www.nspirehealth.com



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Portable Office Spirometer



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KoKo[®] Legend redefines accuracy through technology and simplicity. Legend's intuitive color touch screen monitor quickly walks both patient and physician through standard testing procedures delivering superior patient test results. Legend's robust design endures the rigors of traveling from office to office or wherever your patient needs to be tested.

Redefining Accuracy — Diagnostic Confidence

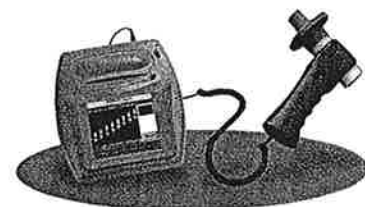
KoKo Legend's built-in algorithms provide assistance in interpretation allowing you to focus on the patient diagnosis and management plan. Immediate quality feedback of effort acceptability guarantees useable test results.

Redefining Accuracy — Improving Outcomes

KoKo Legend utilizes a unique flexible orifice pneumotachometer which is extraordinarily accurate at the low flow rates common in both pediatrics and COPD, complying with all aspects of the ATS/ERS 2005 recommendations for spirometry*.

Redefining Accuracy — Proven Technology

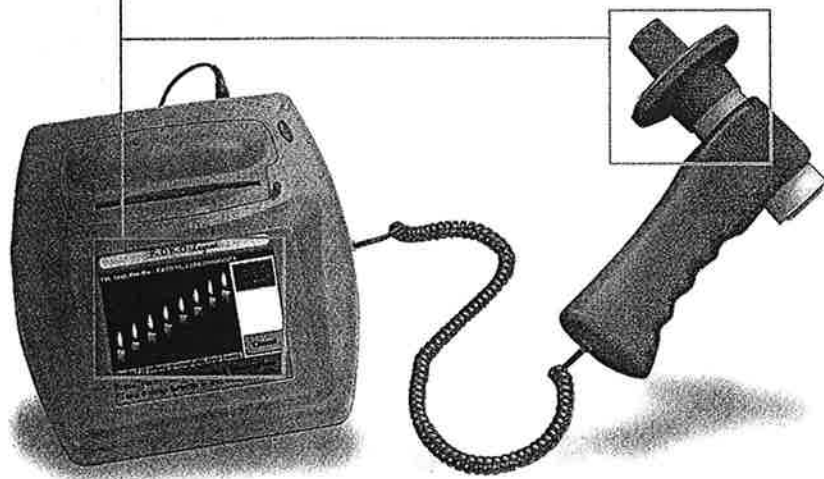
- **Incentive Graphics.** Real-time graphic displays assist patients throughout spirometry testing encouraging complete testing results.
- **Large Storage Capacity.** Each memory card stores over 750 patients with up to 8 studies per patient.
- **Printing Options.** Choose from Legend's built-in thermal printer or opt for direct USB connection for 8 1/2" x 11" printing.
- **KoKo PFT Software.** Optional software with customizable reporting, for long-term trending of patient data.
- **Battery Operation.** Rechargeable battery allows you to bring the KoKo Legend from room to room or across town.
- **Merlin™** networking & connectivity is fully compatible with the majority of electronic medical records systems (EMR) and hospital information networks via the KoKo PFT software.



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Our expert customer support delivers extensive start up training, including a DVD training module, ensuring you the confidence you need to get the most out of your KoKo Legend Spirometer.



References:

- Series "ATS/ERS Task Force: Standardisation of Lung Function Testing", Standardisation of spirometry, Eur Respir J 2005; 26: 319-338

Technical Specifications

Tests Performed:

FVC, SVC, Pre- and Post- BD

Parameters Measured:

Expiratory:

FVC, FEV₅, FEV₅/FVC%, FEV₁, FEV₁/FVC%, FEV₃, FEV₃/FVC%, FEV₆, FEV₆/FVC%, FEV₁/FEV₆%, PEFR, FEF₂₅%, FEF₅₀%, FEF₇₅%, FEF₂₅₋₇₅%, FEF_{2-1.2}, FEF₇₅₋₈₅%, Tpeak(ms), Vext(l), Vext(l), MET(s), Texp(s), Veot(l), MVVest

Inspiratory:

FIVC, FIV₅, FIV₅/FIVC, FIV₁/FIVC, FIV₃, FIV₃/FIVC, PIFR, FIF₅₀%, FIF₂₅₋₇₅%, FIF_{2-1.2}, FIF₅₀/FIF₅₀, MIT(s), Tinsp(s)

Pneumotachometer:

Flexible Variable Orifice Pneumotachometer

Calibration:

Three injection mode; one injection mode; Supports both one and three liter calibration syringes

Filter Requirement:

KoKoMoe (model #810000 or #819000)

Power Equipment:

Supplied external 100-240 VAC Switching Power Supply / Recharger, 12 VDC Output, 2.5 Amp.; Rechargeable internal NiMH battery

Accuracy:

±3% or 100 ml, whichever is greater

Reproducibility:

±0.5%

Volume Range:

+16 l

Flow Range:

+16 l/s

Resistance:

<1.5 cmH₂O/l/s when tested with KoKo Moe filter

Memory Storage:

Estimated 750 patients (6000 test series) per compact flash memory card

Software Compatibility:

KoKo PFT Spirometry Software version 4.6 or higher; operating on Windows 2000, XP or higher

Predicted Sets:

Hankinson (NHANES III), Crapo 1981, Polgar (Pediatrics), ERS 93/98 (ECCS), Pereira (Brazil), Gore (Australia); Gulsvik (Norway), Hedenstram (Sweden), SEPAR (Spain), Thai, Forche (Austria), Viljanen (Finland). Wang (Pediatrics), Knudson 1976

Interpretation Algorithm:

McKay (ATS / ARRD 1991)

Reports:

Formats for both Internal and External Printers: FVC Standard Best, FVC Pre-Post Best, FVC Complete Best 3, FVC Complete Best Pre/Post, FVC V/T Full Size, Pre-Post + V/T Full Size, Standard Best 3, Pre-Post Best 3, SVC Complete Best 3, SVC Pre-Post Best, user customized

Incentive Graphics:

Photo-realistic Color Candles; Sailboat

Connectivity:

Downloadable to KoKo PFT Software via built-in USB port; Uploadable patient demographics from KoKo PFT via built-in USB port

Printing:

Thermal printer and external parallel printer support (HP PCL3 format)

Languages:

English, Spanish, Portuguese, French, Norwegian, Swedish, Italian, German, Dutch, Danish, Finnish, Slovakian

Dimensions:

23.5 x 25.4 x 7.0 cm; 9.25 x 10.0 x 2.75 inches
1.6 kg; 3.6 lbs

Construction:

High-impact Polycarbonate

Operating Environment:

10 - 40° C; 0 - 80% relative humidity non-condensing at temperatures to 31° C

EMC Rating:

Radiation and conducted emissions and immunity per EN 60601-1-2

Performance Standards:

ATS/ERS 2005 - properly measures all 26 flow-time waveforms; BTS; NIOSH; ACOEM; MDD

Quality Standards:

FDA QSR, ISO 13485:2003, MDD 93/42/EEC, EN 60601-1, 60601-1-1, 60601-1-2, 60601-1-4, CMDCAS/Health Canada

Contact Information

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Web: www.nspirehealth.com



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Bill To: NORTHERN INYO HOSPITAL
 150 PIONEER LANE
 BISHOP, CA 93514

Ship To: ATTN: RECEIVING DEPT
 150 PIONEER LANE
 BISHOP, CA 93514

Contact : KEVIN CHRISTENSON

nSpire Health, Inc.
 1830 Lefthand Circle
 Longmont, CO 80501 USA

Tel: 800.574.7374
 303 666 5555 *ext 3353*

Fax: 720-890-5278
capitalsales@nspirehealth.com
www.nspirehealth.com

Quotation Number: 00010808 **Offer Number:** 1 **Sales Rep:** Kevin Siana (Southwest RM)
Telephone: 760 873 2406 **Offer Date:** November 16, 2007
Facsimile: **Expire Date:** February 25, 2008
Payment Terms : Net 30 Days **FOB Terms:** O ORIGIN, PRE PAY AND ADD

QTY	PART #	DESCRIPTION	LIST PRICE	DISC %	NET PRICE
1	K004130-A	EAGLE SYSTEM ASSEMBLED Includes testing capabilities for Spirometry, Lung Volumes via Nitrogen Washout, Closing Volumes and Diffusion Testing	\$33,987.00	15.00%	28,888.95
1	396340	CD,SW RAPTOR PLUS,V4.08b			INCLUDED
1	K004130	EAGLE SYSTEM			INCLUDED
1	K021259	MIPS/MEPS MODULE			INCLUDED
1	K720126	RAPTOR ACCESSORY KIT			INCLUDED
1	K803014	RAPTOR PLUS V4.08 W/ MOUSEPAD			INCLUDED
1	K022954	H-TANK CO REGULATOR - RAPTOR Includes Tube Conversion Kit			INCLUDED
1	K022959	H-TANK O2 REGULATOR FOR EAGLE Includes Tube Conversion Kit			INCLUDED
1	K022995	EAGLE SPAN GAS REGULATOR			INCLUDED
1	K022681	SPAN GAS, DISP E-CYL			INCLUDED
1	K700986	EAGLE CART Houses computer, monitor, keyboard, mouse, printer and diffusion (GEM) Module			INCLUDED
1	K200343	19" LCD MONITOR,WHITE			SEE BELOW
1	K200397	CAMERA,QUICKCAM COMMUNICAT STX			INCLUDED
1	K200400	CMPTR,OPTIPLEX 320,CONFIG			INCLUDED
1	K274016	COLOR GRAPHICS PRINTER			INCLUDED
1	K700931	POWER STRIP & SAFETY COVER			INCLUDED
1	K990047	OPERATOR TRAINING, ON-SITE Training for up to three people	\$2,300.00	0.00%	2,300.00
-1	K009999	TRADE IN-ALLOWANCE		0.00%	-2,100.00
1	396397	MERLIN KOKO CLIENT/RAPTOR PLUS	\$450.00	0.00%	450.00
1	396320	CD,SW RAPTOR PLUS,V4.08			INCLUDED
1	396385	CD,KOKO,MERLIN CLIENT SW			INCLUDED
1	760121	MANUAL,INST.KOKO MERLIN CLIENT			INCLUDED
1	K990038	HL7 INTERFACE,BI-DIRECTIONAL	\$10,000.00	10.00%	9,000.00

Shipping Terms are FOB Origin; Delivery, Stock to 60 Days; Payment Terms are Net 30 unless stated differently.
 Sale is subject to Credit Approval; A 30% deposit may be required based on credit rating.
 Includes standard first year warranty on parts and labor.
 Computer configurations are subject to availability. nSpire Health, Inc. reserves the right to substitute equivalent of superior models.
 This Quotation represents the entire contract. Any other obligations, whether verbal or implied, will not be honored unless in writing and signed by an authorized representative of nSpire Health, Inc.

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