



Northern Inyo County Local Hospital District

**Board of Directors Regular Meeting**

**Wednesday February 17, 2010; 5:30pm**

*Board Room  
Northern Inyo Hospital*

***DRAFT AGENDA***  
**NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT**  
**BOARD OF DIRECTORS MEETING**  
**February 17, 2010 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 20 2009 regular meeting.
4. Financial and Statistical Reports for the month of December 2009; John Halfen.
5. Administrator's Report; John Halfen.
  - A. Building Update
  - B. Security Report
  - C. 25,687
  - D. Bonds Update
  - E. Disaster Drill Report/Evaluation
  - F. Other
6. Chief of Staff Report – Helena Black, M.D., Vice Chief of Staff.
  - A. Medical Staff appointments, credentialing, and privileging (*action items*).
  - B. Hospital wide Policies and Procedures (*action items*).
    1. *Dispensing – General*
    2. *Access to Medications in the Absence of the Pharmacist*
    3. *Off-Label Use Policy*
    4. *Timeliness for Critical Results*
    5. *Other*
  - C. Other
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 (*action item*).
8. New Business
  - A. Inyo County Conflict of Interest Code, requirement to review, amend, or report.
  - B. Language Services Annual Report (*Jose Garcia*).
  - C. District Bylaws review (*Doug Buchanan*).
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. 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)).
  - C. Consideration of employment, evaluation of performance, discipline, or dismissal of a District employee (Government Code Section 54957).
  - D. Consideration of employment, evaluation of performance, discipline, or dismissal of a second District employee (Government Code Section 54957).
  - E. Confer with legal counsel regarding application to present late claim against Northern Inyo County Local Hospital District filed by Stephen Johnson and Elizabeth Monahan-Johnson (Government Code Section 54956.9(a)).
  - F. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a real property (Government Code Section 54956.8).
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.

**THIS SHEET**

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- CALL TO ORDER                    The meeting was called to order at 5:34 p.m. 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  
Charlotte Helvie, M.D., Chief of Staff
- ALSO PRESENT FOR  
RELEVANT PORTION(S)            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 2 2009 regular meeting and the December 11 2009 special meeting were approved.
- FINANCIAL AND  
STATITISTICAL  
REPORTS                            Mr. Halfen called attention to the financial and statistical reports for the month of November 2009. He stated that reports for the month of October were also included in the Board packet but would not be addressed unless there were questions on their content. Mr. Halfen noted the statement of operations for November shows a bottom line excess of expenses over revenues of \$200,785. He additionally called attention to the following:
- *Inpatient Service revenue was over budget*
  - *Outpatient Service revenue was under budget*
  - *Total expenses were over budget*
  - *Salaries and wages and employee benefits were both over budget*
  - *Professional fees expense was over budget*
  - *The Balance Sheet showed a small decrease in total assets*
  - *Year-To-Date Net Revenue totals \$1,116,931*
- Mr. Halfen noted short-term investments are lower due to the fact that the Hospital has liquidated assets in order to help provide funding for the Hospital rebuild project. He also reported the Hospital realized the loss resulting from the CIT Group bankruptcy during the month of November. He also noted salaries and wages and employee benefits are often high during the months of November and December, and those figures should return to normal after the start of the year. It was moved by M.C.

Hubbard, seconded by John Ungersma, M.D. and passed to approve the financial and statistical reports for the months of October and November 2009 as presented.

ADMINISTRATOR'S  
REPORT

BUILDING PROJECT  
BUDGET & CASH FLOW

Mr. Halfen reviewed with the Board the current budget for the Hospital rebuild project, and he identified the sources of funding for the project as well as the expected timeline for cash expenditures.

SECURITY REPORT

Mr. Halfen also called attention to the monthly security report, which revealed no significant security issues.

MEDI-CAL CUTS

Mr. Halfen noted Medi-Cal has cut its reimbursement rate for inpatient services by ten percent, and additional cuts are expected in the future.

CIT GROUP  
BANKRUPTCY

Mr. Halfen stated the Hospital realized a loss of \$149,393.81 as a result of the CIT group bankruptcy, but Northern Inyo Hospital (NIH) still holds bonds from that investment which will have monetary value in the future.

BONDS UPDATE

Mr. Halfen also reported the next series of revenue bonds have yet to be issued, and market conditions are still being watched in order to choose the most beneficial time to present the bond offering.

CHIEF OF STAFF  
REPORT

On behalf of Chief of Staff Charlotte Helvie, M.D., Medical Staff Coordinator Maggie Egan informed the Board the Medical Executive Committee has met and recommends acceptance of the voluntary Staff resignation of Radiologist Farhad Keliddari, M.D.. It was moved by D. Scott Clark, M.D., seconded by Doctor Ungersma, and passed to accept the voluntary resignation of Dr. Farhad Keliddari as recommended. Ms. Egan also reported the Medical Staff is working with Administration to develop a Hospitalist program, and the Medical Executive Committee is in the process of developing a Performance Improvement plan for the Medical Staff. Additionally, Vice Chief of Staff Helena Black, M.D. recently attended a Medical Staff boot camp, and she is interested in holding a similar boot camp for the NIH Medical Staff.

OLD BUSINESS

HEALTH PLAN  
RENEWAL REPORT

Mr. Halfen referred to the Health Plan Renewal Report from Barry Miller and Associates for the 2010 policy year. Mr. Halfen called attention to a 3.5 percent increase in the cost of the plan, and stated the Hospital may have to look into alternative insurance solutions in the future. It was suggested NIH might look into the possibility of combining insurance membership with other area hospitals, and Mr. Halfen stated he has discussed this possibility with Ridgecrest Hospital and Southern Mono Healthcare District, and neither are interested in combining membership. Following review of the report it was moved by Doctor Clark, seconded

by Ms. Hubbard, and passed to approve the Health Plan Renewal Report from Barry Miller and Associates as presented.

NEW BUSINESS

RHC STAFF  
AGREEMENT  
AMENDMENT, J. SCOTT

Mr. Halfen called attention to a proposed Amendment to the Rural Health Clinic (RHC) Staff Physician Agreement with Jennifer Scott, M.D.. He noted the proposed amendment is an attempt to reimburse Dr. Scott in a logical and fair way compared to other physicians who do not perform as many female physicals. Mr. Halfen stated the proposed agreement allows for a 60-day trial at a 70/30 reimbursement rate for the physician. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the proposed Amendment with Dr. Scott as recommended.

PLATELET FUNCTION  
TEST MACHINE

Laboratory Manager Leo Freis, RPH referred to a proposal to purchase a Platelet Function Analyzer for the Laboratory Department at a cost of \$9,000. Mr. Freis stated the Hospital's current machine is obsolete and considered to be old technology, and it is in the best interest of the Hospital to obtain newer equipment. Following review of the proposal it was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the purchase of the Platelet Function Analyzer as requested.

TURNER  
MOBILIZATION  
CONTRACT

Mr. Halfen called attention to a proposed agreement with Turner Logistics Corporation to initiate the process of purchasing equipment for the new Hospital building. The agreement authorizes Turner to negotiate on behalf of the Hospital in order to obtain the best possible equipment prices. Following review of the agreement it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the agreement with Turner Logistics Corporation to mobilize the process of purchasing equipment for the new Hospital building.

VSM & NIH  
AGREEMENT; &  
KAMEI/HATHAWAY  
OPERATIONS  
AGREEMENT RE:  
MUTUHI MUGO, M.D.

Mr. Halfen called attention to a proposed agreement between VSM Medical Group and Northern Inyo Hospital; and to a proposed Operations Agreement between Nickoline Hathaway M.D. and Asao Kamei, M.D. and Northern Inyo Hospital; which would facilitate bringing Mutuhi Mugo M.D. to this area to practice internal medicine with Doctors Kamei and Hathaway. Mr. Halfen explained that Doctor Mugo needs to be employed by an independent company (VSM) per the terms of her J-1 visa, and that these two agreements will help facilitate Dr. Mugo establishing her practice in this area. Mr. Halfen noted the Hospital consulted with Wolfsdorf Immigration Law firm when drawing up these agreements, and District Legal Counsel Doug Buchanan noted he will make housekeeping corrections to the agreements prior to them being signed. Following review of the agreements it was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the proposed agreements between VSM Medical Group and Northern Inyo Hospital; and the proposed Operations Agreement between Nickoline

Hathaway, M.D. and Asao Kamei, M.D. and Northern Inyo Hospital as requested.

MID-YEAR COST OF  
LIVING ADJUSTMENT

Mr. Halfen called attention to statistics on current inflation rates and on the consumer price index, which do not appear to support the need for a mid-year cost-of-living increase to the salaries of NIH employees. Following review of the statistics provided it was moved by Doctor Clark, seconded by Doctor Ungersma and passed to approve the management suggestion that a mid-year cost of living adjustment (COLA) to employee salaries is not warranted for mid-year 2010.

SERVICE AGREEMENT  
WITH TAHOE CARSON  
RADIOLOGY

Mr. Halfen introduced representatives from Tahoe Carson Radiology, the physician group selected to provide Radiology coverage for Northern Inyo Hospital. He explained the selection process and the careful consideration given to the matter, and stated he is confident Tahoe Carson is well suited to meet the needs of NIH. Mr. Halfen additionally noted the group's financial statements are positive, and that a rotation of 5 or 6 physicians will be used to provide coverage. Doctor Clark stated he is pleased to recommend the selection of Tahoe Carson Radiology, and it was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the service agreement with Tahoe Carson Radiology as recommended.

ARCADIA PATHOLOGY  
AGREEMENT  
EXTENSION

Mr. Halfen also called attention to a proposed extension to the Pathology and Clinical Laboratory Service Agreement with Arcadia Pathology Medical Group, which would extend the current agreement to June 30, 2010. It was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to approve the extension with Arcadia Pathology Medical Group as requested.

TURNER  
CONSTRUCTION  
CHANGE ORDERS

Kathy Sherry with Turner Construction Company called attention to the following (proposed) change orders for Phase II of the hospital rebuild project:

1. COR 23: Food Service Equipment Contract, \$88,870.70

Ms. Sherry explained that this change order is needed to bring the Hospital's new standby kitchen up to code. It was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve COR 23 for a Food Service Equipment Contract as requested.

2. COR 24: Underground pre-insulated pipe, \$78,219.82

This change order allows for the purchase of pre-insulated pipe as recommended by NIH's construction project mechanical engineer. Pre-insulated piping was not included in the original building plan but has been determined to be prudent and necessary for this project. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve COR 24 for pre-insulated piping as recommended.

3. COR 25; Lab Waste UG Decon Waste Piping, \$39,119.30



This change order allows for improvement being made to the system that will be used for disposal of Laboratory Department waste. It was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve COR 25 as recommended.

4. COR 26: Additional trades, \$148,653.34

This change order allows for additional equipment, materials, and labor to be performed by RHP Mechanical, which was not included in the original construction project budget. It was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve COR 26 as requested.

BOARD MEMBER  
REPORTS

Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. Doctor Ungersma gave a report on the Association of California Healthcare Districts (ACHD) Leadership Day, and updated the Board on the progress of various ACHD projects. Mr. Watercott expressed his appreciation of Doctor Ungersma's dedication to ACHD and thanked him for serving as a member of the ACHD Board. Doctor Ungersma additionally mentioned the NIH Board might consider conducting an annual self-evaluation, a concept discussed at the ACHD meeting.

OPPORTUNITY FOR  
PUBLIC COMMENT

In keeping with the Brown Act, Mr. Watercott again asked if any members of the public wished to comment on any items listed on the agenda and/or on any items of interest. Medical Staff Coordinator Maggie Egan stated the Northern Inyo Hospital Foundation's fundraising event "Groundhog-A-Go-Go" will be held on February 6 at the Tri-County Fairgrounds.

CLOSED SESSION

At 7:04p.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. 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)).
- C. Consider employment, evaluation of performance, discipline or dismissal of a District employee (Government Code Section 54957).
- D. Confer with legal counsel regarding application to present a late claim against Northern Inyo County Local Hospital District filed by Steven Johnson and Elizabeth Monahan-Johnson (Government Code Section 54956.9(a)).
- E. Conduct CEO Annual Performance Evaluation (Government Code Section 54957).

RETURN TO OPEN  
SESSION AND REPORT  
OF ACTION TAKEN

At 8:33 p.m. the meeting returned to open session. Mr. Watercott reported the Board voted to deny the application to present a late claim filed by Steven Johnson and Elizabeth Monahan-Johnson.

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, or on any items of interest. Director of Nursing Susan Batchelder, R.N. commented that members of her family recently had occasion to obtain healthcare services at Northern Inyo Hospital, and their experience here was extremely positive.

ADJOURNMENT

The meeting was adjourned at 8:37 p.m..

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Peter Watercott, President

Attest:

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M.C. Hubbard, Secretary

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**BUDGET VARIANCE ANALYSIS**

**Dec-10 PERIOD ENDING After Audit**

**In the month, NIH was**

**-11% under budget in IP days;**  
**( -0.22% ) under in IP Ancillary Revenue and**  
**( 16.3% ) over in OP Revenue resulting in**  
**\$ 105,887 ( 1.5% ) over in gross patient revenue from budget &**  
**\$ (196,386) ( -4.6% ) under in net patient revenue from budget**

**Total Expenses were:**

**\$ 172,903 ( 4.1% ) over budget. Wages and Salaries were**  
**\$ (47,097) ( -3.1% ) under budget and Employee Benefits**  
**\$ 73,545 ( 8.0% ) over budget.**  
**of other income resulted in a net loss of (see**  
**\$ (110,265) special note below)**  
**\$ (271,200) \$ (542,012) under budget.**

**The following expense areas were over budget for the month:**

**\$ 73,545 8% Employee Benefits**  
**\$ 133,505 39% Professional Fees; registry staff & Physicians**  
**\$ 11,774 5% Purchased Services**  
**\$ 78,079 54% Bad Debt**

**Other Information:**

**46.83% Contractual Percentages for month**  
**42.66% Contractual Percentages for Year**

**\$ 845,730 Year-to-date Net Revenue**

**Special Notes:**

**Radiology Professional Fee Revenue and Expense were not budgeted.**

**Other Income: Interest was a loss for the month due to the Citigroup bankruptcy**

# NORTHERN INYO HOSPITAL

Balance Sheet  
December 31, 2009

Assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2009</u>
<b>Current assets:</b>			
Cash and cash equivalents	4,290,579	1,548,684	881,651
<b>Short-term investments</b>	25,183,195	27,007,412	29,519,296
Assets limited as to use	1,865,913	1,735,974	738,740
Plant Expansion and Replacement Cash	4,816,077	6,879,234	10,439,607
Other Investments (Partnership)	961,824	961,824	961,824
Patient receivable, less allowance for doubtful accounts \$588,751	7,519,318	7,986,333	7,591,694
Other receivables (Includes GE Financing Funds)	955,531	1,269,130	867,584
Inventories	2,483,724	2,463,151	2,456,265
Prepaid expenses	1,189,885	1,240,982	1,057,280
<b>Total current assets</b>	49,266,045	51,092,724	54,513,940
<b>Assets limited as to use:</b>			
Internally designated for capital acquisitions	658,259	658,229	657,814
Specific purpose assets	54,497	54,477	564,033
	712,756	712,706	1,221,847
<b>Revenue bond construction funds held by trustee</b>	702,945	1,045,102	788,610
Less amounts required to meet current obligations	1,865,913	1,735,974	738,740
<b>Net Assets limited as to use:</b>	(450,212)	21,834	1,271,716
<b>Long-term investments</b>	1,595,933	1,595,933	100,000
<b>Property and equipment, net of accumulated depreciation and amortization</b>	41,204,691	39,514,474	35,316,271
<b>Unamortized bond costs</b>	672,272	674,887	687,964
<b>Total assets</b>	92,288,729	92,899,852	91,889,892

# NORTHERN INYO HOSPITAL

## Balance Sheet December 31, 2009

### Liabilities and net assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2009</u>
<b>Current liabilities:</b>			
Current maturities of long-term debt	364,717	634,665	1,103,540
Accounts payable	1,491,826	965,908	1,523,288
Accrued salaries, wages and benefits	3,108,032	3,270,545	2,807,675
Accrued interest and sales tax	241,158	626,534	247,663
Deferred income	311,257	354,968	48,991
Due to third-party payors	2,678,771	2,678,771	2,940,964
Due to specific purpose funds	-	-	-
<b>Total current liabilities</b>	<u>8,195,761</u>	<u>8,531,391</u>	<u>8,672,120</u>
<b>Long-term debt, less current maturities</b>	38,609,004	38,609,004	38,624,386
Bond Premium	1,455,531	1,459,873	1,481,587
<b>Total long-term debt</b>	<u>40,064,535</u>	<u>40,068,877</u>	<u>40,105,973</u>
<b>Net assets:</b>			
Unrestricted	43,973,937	44,245,107	42,547,767
Temporarily restricted	54,497	54,477	564,033
<b>Total net assets</b>	<u>44,028,434</u>	<u>44,299,584</u>	<u>43,111,799</u>
 <b>Total liabilities and net assets</b>	 <u>92,288,729</u>	 <u>92,899,852</u>	 <u>91,889,892</u>

**NORTHERN INYO HOSPITAL**

**Statement of Operations**

*As of December 31, 2009*

	MTD Actual	MTD Budget	MTD Variance \$	MTD Variance %	YTD Actual	YTD Budget	YTD Variance \$	YTD Variance %	Prior YTD
<b>Unrestricted revenues, gains and other support:</b>									
In-patient service revenue:									
Routine	516,195	658,278	(142,083)	(21.6)	3,570,723	3,949,644	(378,922)	(9.6)	3,655,005
Ancillary	1,644,520	2,114,519	(469,999)	(22.2)	11,755,547	12,687,108	(931,561)	(7.3)	11,680,400
Total in-patient service revenue	2,160,714	2,772,797	(612,083)	(0.22)	15,326,269	16,636,752	(1,310,483)	-7.9%	15,335,405
Out-patient service revenue	5,112,787	4,394,817	717,970	16.3	29,285,684	26,368,857	2,916,827	11.1	24,714,301
<b>Gross patient service revenue</b>	<b>7,273,501</b>	<b>7,167,614</b>	<b>105,887</b>	<b>1.50</b>	<b>44,611,953</b>	<b>43,005,609</b>	<b>1,606,344</b>	<b>3.7</b>	<b>40,049,707</b>
<b>Less deductions from patient service revenue:</b>									
Patient service revenue adjustments	145,575	233,198	87,623	37.6	1,060,151	1,399,190	339,039	24.2	1,451,334
Contractual adjustments	3,037,022	2,688,598	(348,424)	(13.0)	17,108,031	16,131,580	(976,451)	(6.1)	15,393,010
Prior Period Adjustments	(195)	(41,667)	(41,472)	100.0	(392,906)	(250,000)	142,906	100.0	(695,807)
<b>Total deductions from patient service revenue</b>	<b>3,182,401</b>	<b>2,880,129</b>	<b>(302,272)</b>	<b>(10.5)</b>	<b>17,775,275</b>	<b>17,280,770</b>	<b>(494,505)</b>	<b>(2.9)</b>	<b>16,148,536</b>
<b>Net patient service revenue</b>	<b>4,091,099</b>	<b>4,287,485</b>	<b>(196,386)</b>	<b>-5%</b>	<b>26,836,678</b>	<b>25,724,839</b>	<b>1,111,839</b>	<b>4%</b>	<b>23,901,170</b>
Other revenue	36,523	40,117	(3,594)	(9.0)	177,537	240,705	(63,168)	(26.2)	259,819
Transfers from Restricted Funds for Other Operating Expenses	64,666	64,666	-	-	387,996	387,995	1	0.0	393,246
<b>Total Other revenue</b>	<b>101,189</b>	<b>104,783</b>	<b>(3,594)</b>	<b>(3.4)</b>	<b>565,533</b>	<b>628,700</b>	<b>(63,167)</b>	<b>(10.1)</b>	<b>653,065</b>
<b>Total revenue, gains and other support</b>	<b>4,192,289</b>	<b>4,392,268</b>	<b>(199,979)</b>	<b>(3.4)</b>	<b>27,402,211</b>	<b>26,353,539</b>	<b>1,048,672</b>	<b>(10.1)</b>	<b>24,554,236</b>
<b>Expenses:</b>									
Salaries and wages	1,459,297	1,506,394	47,097	3.1	8,983,577	9,038,357	54,780	0.6	8,279,964
Employee benefits	991,874	918,329	(73,545)	(8.0)	6,033,757	5,509,966	(523,791)	(9.5)	5,013,161
Professional fees	472,736	339,231	(133,505)	(39.4)	2,662,555	2,035,370	(627,185)	(30.8)	2,009,055
Supplies	464,982	507,094	42,113	8.3	3,115,416	3,042,565	(72,851)	(2.4)	2,861,896
Purchased services	235,032	223,258	(11,774)	(5.3)	1,475,269	1,339,538	(135,731)	(10.1)	1,162,852
Depreciation	222,834	230,399	7,565	3.3	1,334,682	1,382,390	47,708	3.5	1,282,112
Interest	108,247	105,658	(2,589)	(2.5)	650,432	633,949	(16,483)	(2.6)	654,843
Bad debts	223,586	145,507	(78,079)	(53.7)	1,255,340	873,041	(382,299)	(43.8)	772,979
Other	174,637	204,451	29,814	14.6	1,227,963	1,226,702	(1,261)	(0.1)	1,247,157
<b>Total expenses</b>	<b>4,353,224</b>	<b>4,180,321</b>	<b>(172,903)</b>	<b>(4.1)</b>	<b>26,738,991</b>	<b>25,081,878</b>	<b>(1,657,113)</b>	<b>(6.6)</b>	<b>23,284,019</b>
<b>Operating income (loss)</b>	<b>(160,936)</b>	<b>211,947</b>	<b>(372,883)</b>	<b>0.7</b>	<b>663,220</b>	<b>1,271,661</b>	<b>(608,441)</b>	<b>(3.5)</b>	<b>1,270,217</b>
<b>Other income:</b>									
District tax receipts	43,711	47,650	(3,939)	(8.3)	262,267	285,900	(23,633)	(8.3)	285,900
Interest	(114,678)	43,338	(158,016)	(364.6)	89,076	260,030	(170,954)	(65.7)	556,402
Other	5,530	-	5,530	N/A	30,733	-	30,733	N/A	34,607
Grants and Other Non-Restricted Contributions	-	1,224	(1,224)	(100.0)	36,963	7,342	29,621	403.4	9,105
Partnership Investment Income	-	-	-	N/A	-	-	-	-	-
Net Medical Office Activity	(44,828)	(33,347)	(11,481)	(287.3)	(236,527)	(200,090)	(36,437)	(18.2)	37,648
<b>Total other income, net</b>	<b>(110,265)</b>	<b>58,865</b>	<b>(169,130)</b>	<b>(287)</b>	<b>182,510</b>	<b>353,182</b>	<b>(170,672)</b>	<b>(48.3)</b>	<b>923,662</b>
<b>Excess (deficiency) of revenues over expenses</b>	<b>(271,200)</b>	<b>270,812</b>	<b>(542,012)</b>	<b>(200)</b>	<b>845,730</b>	<b>1,624,843</b>	<b>(779,113)</b>	<b>(48)</b>	<b>2,193,879</b>

**NORTHERN INYO HOSPITAL**  
**Statement of Operations--Statistics**  
*As of December 31, 2009*

	Month		Month		Year		Year	
	Actual	Budget	Variance	Percentage	YTD Actual	YTD Budget	Variance	Percentage
<b>Operating statistics:</b>								
Beds	25	25	N/A	N/A	25	25	N/A	N/A
Patient days	237	265	(28)	0.89	1,558	1,588	(30)	0.98
Maximum days per bed capacity	775	775	N/A	N/A	4,600	4,600	N/A	N/A
Percentage of occupancy	30.58	34.19	(3.61)	0.89	33.87	34.52	(0.65)	0.98
Average daily census	7.65	8.55	(0.90)	0.89	8.47	8.63	(0.16)	0.98
Average length of stay	3.12	3.01	0.11	1.04	3.12	3.01	0.11	1.04
Discharges	76	88	(12)	0.86	500	528	(28)	1
Admissions	81	87	(6)	0.93	504	524	(20)	1
Gross profit-revenue depts.	4,837,902	4,741,502	96,400	1.02	29,392,402	28,448,958	943,444	1.03
<b>Percent to gross patient service revenue:</b>								
Deductions from patient service revenue and bad debts	46.83	42.21	4.62	1.11	42.66	42.21	0.45	1.01
Salaries and employee benefits	33.43	33.81	(0.38)	0.99	33.40	33.81	(0.41)	0.99
Occupancy expenses	4.65	5.10	(0.45)	0.91	4.89	5.10	(0.21)	0.96
General service departments	5.89	5.90	(0.01)	1.00	5.73	5.90	(0.17)	0.97
Fiscal services department	4.48	5.13	(0.65)	0.87	4.92	5.13	(0.21)	0.96
Administrative departments	4.89	5.23	(0.34)	0.93	5.10	5.23	(0.13)	0.98
Operating income (loss)	(3.65)	1.41	(5.06)	(2.59)	0.02	1.41	(1.39)	0.01
Excess (deficiency) of revenues over expenses	(3.73)	3.78	(7.51)	(0.99)	1.90	3.78	(1.88)	0.50
<b>Payroll statistics:</b>								
Average hourly rate (salaries and benefits)	41.97	44.47	(2.50)	0.94	42.87	44.47	(1.60)	0.96
Worked hours	47,378.12	46,842.00	536.12	1.01	293,187.63	281,044.00	12,143.63	1.04
Paid hours	57,928.27	54,496.00	3,432.27	1.06	347,624.93	326,976.00	20,648.93	1.06
Full time equivalents (worked)	269.19	270.76	(1.57)	0.99	279.76	270.23	9.52	1.04
Full time equivalents (paid)	329.14	315.01	14.13	1.04	331.70	314.40	17.30	1.06



# NORTHERN INYO HOSPITAL

## Statements of Changes in Net Assets

As of December 31, 2009

	<u>Month-to-date</u>	<u>Year-to-date</u>
<b>Unrestricted net assets:</b>		
Excess (deficiency) of revenues over expenses	(271,200.31)	845,730.25
Net Assets due/to transferred from unrestricted	-	-
Interest posted twice to Bond & Interest	-	(47.40)
Net assets released from restrictions used for operations	-	579,995.00
<b>Net assets released from restrictions used for payment of long-term debt</b>	(64,666.00)	(387,996.00)
Contributions and interest income	30.47	445.10
<b>Increase in unrestricted net assets</b>	<u>(335,835.84)</u>	<u>1,038,126.95</u>
<b>Temporarily restricted net assets:</b>		
District tax allocation	-	54,928.54
Net assets released from restrictions	-	(579,995.00)
Restricted contributions	-	15,450.00
Interest income	20.33	128.50
Net Assets for Long-Term Debt due from County	64,666.00	387,996.00
<b>Increase (decrease) in temporarily restricted net assets</b>	<u>64,686.33</u>	<u>(121,491.96)</u>
<b>Increase (decrease) in net assets</b>	(271,149.51)	916,634.99
<b>Net assets, beginning of period</b>	44,299,583.62	43,111,799.12
<b>Net assets, end of period</b>	<u>44,028,434.11</u>	<u>44,028,434.11</u>

# NORTHERN INYO HOSPITAL

## Statements of Cash Flows

*As of December 31, 2009*

	<u>Month-to-date</u>	<u>Year-to-date</u>
<b>Cash flows from operating activities:</b>		
Increase (decrease) in net assets	(271,149.51)	916,634.99
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities: (correcting fund deposit)		47.40
Depreciation	222,834.00	1,334,682.39
Provision for bad debts	223,586.27	1,255,339.85
Loss (gain) on disposal of equipment	-	4,137.56
(Increase) decrease in:		
Patient and other receivables	557,027.11	(1,270,912.29)
Other current assets	30,524.33	(160,063.87)
Plant Expansion and Replacement Cash	2,063,157.28	5,623,529.54
Increase (decrease) in:		
Accounts payable and accrued expenses	(65,682.03)	524,656.95
Third-party payors	-	(262,192.45)
<b>Net cash provided (used) by operating activities</b>	<u>2,760,297.45</u>	<u>7,965,860.07</u>
 <b>Cash flows from investing activities:</b>		
Purchase of property and equipment	(1,913,050.64)	(7,223,102.63)
Purchase of investments	1,824,217.01	2,840,169.12
Proceeds from disposal of equipment	-	(4,137.56)
<b>Net cash provided (used) in investing activities</b>	<u>(88,833.63)</u>	<u>(4,387,071.07)</u>
 <b>Cash flows from financing activities:</b>		
Long-term debt	(274,290.86)	(780,261.79)
Issuance of revenue bonds	342,156.67	85,664.48
Unamortized bond costs	2,615.43	15,692.58
Increase (decrease) in donor-restricted funds, net	(50.80)	509,042.86
<b>Net cash provided by (used in) financing activities</b>	<u>70,430.44</u>	<u>(169,861.87)</u>
 <b>Increase (decrease) in cash and cash equivalents</b>	<u>2,741,894.26</u>	<u>3,408,927.13</u>
 <b>Cash and cash equivalents, beginning of period</b>	<u>1,548,684.28</u>	<u>881,651.41</u>
 <b>Cash and cash equivalents, end of period</b>	<u>4,290,578.54</u>	<u>4,290,578.54</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	2,315,128	3,264,722	4,556,036	1,023,814	28,168,905	552,617	26,218	3,138	8,016	631,411	934,534	-	11,007,929
June	1,023,814	3,947,195	3,990,630	980,379	29,618,958	552,753	26,225	3,184	8,018	631,589	788,610	-	10,122,651
July	980,379	7,052,713	7,416,364	616,727	30,121,668	574,431	26,225	2,639	18,468	631,762	836,048	-	9,398,497
August	616,727	6,367,182	5,462,850	1,521,059	29,615,171	574,431	26,225	2,639	18,468	631,852	883,487	-	8,652,655
September	1,521,059	4,571,506	4,221,577	1,870,988	29,609,631	574,537	26,230	2,639	17,470	631,900	930,926	-	8,074,645
October	1,870,988	6,700,748	6,690,198	1,881,538	29,097,832	34,292	26,230	2,639	17,470	631,949	978,365	-	8,074,772
November	1,881,538	14,574,637	14,781,591	1,674,584	28,603,006	34,292	26,230	2,639	17,470	631,999	1,045,102	-	6,395,453
December	1,674,584	9,083,464	6,295,659	4,462,389	26,778,789	34,310	26,233	2,640	17,472	632,026	702,945	-	4,657,307

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 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 December 31, 2009

Institution	Certificate ID	Purchase Dt	Maturity Dt	Principal	YTM	Broker
LAIF (Walker Fund)	20-14-002	02-Nov-09	01-Dec-09	\$317,004	0.57%	Northern Inyo Hospital
Union Bank-Money Market	2740028807	30-Nov-09	01-Dec-09	\$13,603,161	0.09%	Union Bank
Financial Northeastern (Money Market)	130-18319 039	31-Dec-09	04-Jan-10	\$99,000	0.00%	Financial Northeastern Corp.
Gulf Cost Community Bank IFNC CD)	5X42841	05-Jan-09	05-Jan-10	\$99,000	2.64%	Financial Northeastern Corp.
Berkshire Hathaway Fin Corp GRD Sr Note	084664AR2	11-Dec-08	15-Jan-10	\$203,510	2.49%	Multi-Bank Service
Multi-bank Securities (Money Market)	312-00458-14	10-Dec-09	18-Jan-10	\$766,557	0.00%	Multi-Bank Service
Citigroup Inc	172967CU3	11-Dec-08	22-Feb-10	\$97,308	6.49%	Multi-Bank Service
Schwab Medium Term Note	80851QCX0	25-Jul-08	01-Mar-10	\$528,440	4.33%	Multi-Bank Service
Greater Bay Bancorp Sr Note	391648AT9	11-Dec-08	15-Apr-10	\$101,688	3.82%	Multi-Bank Service
Bank of Waukegan	065563AR9	22-Apr-05	22-Apr-10	\$99,000	4.75%	Financial Northeastern Corp.
Toyota Motor Credit Corp Note	829233PV60	11-Dec-08	28-Apr-10	\$200,164	2.79%	Multi-Bank Service
American General Finance Corp Note	02635PSV6	24-Apr-08	15-May-10	\$503,905	4.47%	Multi-Bank Service
<b>Total Short Term Investments</b>				<b>\$16,618,737</b>		
Federal Home Loan Mtg Corp-MBS	313397L82	10-Nov-09	25-Oct-10	\$3,988,333	0.31%	Multi-Bank Service
United States Treasury Note-FNC	912828JS0	10-Nov-09	30-Nov-10	\$4,038,750	0.33%	Financial Northeastern Corp.
Worlds Foremost Bank (FNC CD)	5X42688	18-Dec-08	18-Dec-10	\$100,000	4.40%	Financial Northeastern Corp.
National Rural Utilites Corp Bond-FNC	63743FLH7	13-Aug-09	15-Aug-11	\$250,000	2.35%	Financial Northeastern Corp.
Union National Bank & Trust CO-FNC	5L27278	19-Oct-09	19-Oct-11	\$250,000	2.00%	Financial Northeastern Corp.
HSBC Financial Corp	40429XWB8	15-Sep-09	15-Sep-12	\$250,000	3.85%	Financial Northeastern Corp.
Citigroup Inc	125581FT0	10-Dec-09	01-May-13	\$46,122	7.00%	Multi-Bank Service
Citigroup Inc	125588FU7	10-Dec-09	01-May-14	\$66,903	7.00%	Multi-Bank Service
United States Treasury Note-FNC	912828LK4	31-Aug-09	31-Aug-14	\$995,933	2.46%	Financial Northeastern Corp.
Citigroup Inc	125588FV5	10-Dec-09	01-May-15	\$66,181	7.00%	Multi-Bank Service
Citigroup Inc	125581FW3	10-Dec-09	01-May-16	\$107,830	7.00%	Multi-Bank Service
<b>Total Long Term Investments</b>				<b>\$10,160,052</b>		
<b>Grand Total Investments</b>				<b>\$26,778,789</b>		

**Financial Indicators**

	Target	Dec-10	Nov-09	Oct-09	Sep-09	Aug-09	Jul-09	Jun-09	May-09	Apr-09	Mar-09	Feb-09	Jan-09
Current Ratio	>1.5-2.0	6.01	5.99	6.10	5.81	6.05	6.39	6.29	6.56	7.53	4.20	4.09	3.89
Quick Ratio	>1.33-1.5	5.45	5.41	5.53	5.27	5.51	5.85	5.78	6.04	6.96	3.74	3.66	3.50
Days Cash on Hand	>75	315.81	306.58	307.60	364.93	344.81	349.84	388.66	289.03	337.98	227.43	222.55	230.22

**Northern Inyo Hospital**  
**Monthly Report of Capital Expenditures**  
**Fiscal Year Ending JUNE 30, 2010**  
**As of December 31, 2009**

<b>MONTH APPROVED BY BOARD</b>	<b>DESCRIPTION OF APPROVED CAPITAL EXPENDITURES</b>	<b>AMOUNT</b>
FY 2008-09	Coagulation Analyzer	25,000
	Zeiss Ophthalmic Argon Laser	42,642 *
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	67,642
FY 2009-10	STAT Centrifuge	3,317
	QuickThaw Plasma Thawing System	5,736 *
	Blood Gas Analyzer	16,028 *
	Shredding Machine	32,178 *
	CommVault IT Data Backup	75,031
	Zumasys NetApp IT Data Storage	67,005 *
	CDW-G IT Network Switches	74,382
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	273,677
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	67,642
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	273,677
	Year-to-Date Board-Approved Amount to be Expended	177,730
	Year-to-Date Administrator-Approved Amount Actually Expended in Current Fiscal Year	136,066 * 163,588 *
	Year-to-Date Completed Building Project Expenditures	0 *
	<b>TOTAL FUNDS APPROVED TO BE EXPENDED</b>	<b>477,384</b>
	<b>Total-to-Date Spent on Incomplete Board Approved Expenditures</b>	<b>0</b>

**Northern Inyo Hospital  
 Monthly Report of Capital Expenditures  
 Fiscal Year Ending JUNE 30, 2010  
 As of December 31, 2009**

**MONTH  
 APPROVED**

Reconciling Totals:

Actually Capitalized in the Current Fiscal Year Total-to-Date	299,654
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	177,730
	177,730

ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	477,384
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Donations by Auxiliary	0
Donations by Hospice of the Owens Valley	0
+Tobacco Funds Used for Purchase	0
	0
	0

\*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, 2010  
As of December 31, 2009**

<b>Administrator-Approved Item(s)</b>	<b>Department</b>	<b>Amount</b>	<b>Month Total</b>	<b>Grand Total</b>
Folder-Sealer Machine for Payroll	HR/PAYROLL	7,172		
LIS INSTRUMENT INTFE SOFTWARE	LAB	2,750		
<b>MONTH ENDING DECEMBER 31, 2009</b>			<b>9,922</b>	<b>136,066</b>

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NORTHERN INYO HOSPITAL  
DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS

MONTHS 2009	DIAGNOSTIC RADIOLOGY		MAMMOGRAPHY		NUCLEAR MEDICINE		ULTRASOUND		CT SCANNING		MRI		LABORATORY		EKG/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 / 605	198 / 193 / 434	36 / 71 / 86	166 / 205 / 206	112 / 170 / 165	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 / 183	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	76 / 403 / 472	1754 / 1774 / 1904	100 / 149 / 121	340 / 346 / 428	16 / 12 / 13	1095 / 1211 / 1477	4020 / 5324 / 5611													
APRIL	258 / 697 / 600	248 / 199 / 378	46 / 183 / 68	139 / 196 / 198	123 / 264 / 161	105 / 453 / 483	1767 / 1984 / 1824	85 / 121 / 108	300 / 410 / 380	14 / 14 / 16	893 / 1318 / 1423	3965 / 5639 / 5639													
MAY	262 / 613 / 650	230 / 479 / 391	85 / 167 / 87	150 / 213 / 187	131 / 230 / 131	100 / 424 / 656	1743 / 1758 / 1811	112 / 137 / 103	295 / 349 / 354	18 / 9 / 12	1007 / 1308 / 1373	4133 / 5667 / 5756													
JUNE	264 / 616 / 594	243 / 486 / 455	37 / 118 / 37	149 / 186 / 224	128 / 156 / 150	101 / 542 / 461	2203 / 1752 / 1881	90 / 123 / 120	260 / 314 / 388	7 / 19 / 19	864 / 1247 / 1387	4346 / 5559 / 5716													
JULY	275 / 604 / 610	192 / 477 / 444	46 / 71 / 84	155 / 196 / 210	109 / 157 / 179	113 / 443 / 505	1618 / 1716 / 1805	94 / 142 / 102	276 / 357 / 328	17 / 15 / 11	887 / 1190 / 1116	3782 / 5388 / 5394													
AUGUST	256 / 561 / 528	256 / 402 / 398	59 / 86 / 73	149 / 190 / 193	126 / 150 / 165	130 / 542 / 392	1850 / 1647 / 1779	115 / 145 / 103	289 / 325 / 386	17 / 11 / 12	1084 / 1294 / 1071	4311 / 5353 / 5100													
SEPTEMBER	224 / 587 / 505	218 / 464 / 402	75 / 70 / 113	149 / 181 / 200	101 / 157 / 61	55 / 502 / 360	1667 / 1822 / 1743	83 / 131 / 116	254 / 322 / 363	9 / 13 / 11	1047 / 1288 / 1209	3882 / 5527 / 5083													
OCTOBER	287 / 639 / 546	223 / 511 / 434	58 / 82 / 88	173 / 210 / 176	101 / 167 / 165	92 / 464 / 423	1877 / 1783 / 1685	116 / 118 / 112	284 / 367 / 413	12 / 15 / 12	1129 / 1422 / 1297	4352 / 5788 / 5341													
NOVEMBER	234 / 541 / 562	250 / 398 / 381	39 / 62 / 37	160 / 168 / 177	69 / 161 / 159	102 / 378 / 415	1668 / 1449 / 1651	93 / 86 / 102	350 / 311 / 363	6 / 9 / 8	992 / 1249 / 1151	3963 / 4812 / 5006													
DECEMBER	205 / 587 / 602	227 / 411 / 377	26 / 60 / 86	130 / 196 / 199	75 / 137 / 173	80 / 447 / 399	1556 / 1704 / 1653	69 / 92 / 93	365 / 278 / 370	6 / 14 / 18	937 / 1311 / 1379	3596 / 4800 / 4950													
CALENDAR YEAR	3105 / 7101 / 6861	2599 / 4524 / 4537	574 / 1166 / 821	1821 / 2379 / 2366	1272 / 2199 / 1804	1111 / 4772 / 5471	20986 / 20952 / 21014	1180 / 1460 / 1316	3650 / 4078 / 4450	160 / 152 / 152	11811 / 15045 / 15714	48169 / 63381 / 64107													
MONTHLY AVERAGES	259 / 592 / 572	217 / 377 / 378	48 / 97 / 68	152 / 198 / 197	106 / 183 / 150	93 / 398 / 456	1747 / 1746 / 1751	98 / 122 / 110	304 / 340 / 371	13 / 13 / 13	984 / 1254 / 1310	4014 / 5282 / 5342													

\*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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NORTHERN INYO HOSPITAL  
Statement of Operations  
As of December 31, 2009  
Fiscal Year Ending June 30, 2010

	1ST QTR QTD Actual	1ST QTR QTD Budget	1ST QTR Variance \$	2ND QTR QTD Actual	2ND QTR QTD Budget	2ND QTR Variance \$	YTD Actual	YTD Budget	YTD Variance \$
Unrestricted revenues, gains and other support:									
In-patient service revenue:									
Routine	1,768,073	1,974,822	(206,749)	1,802,650	1,974,822	(172,172)	3,570,723	3,949,644	(378,922)
Ancillary	5,832,339	6,343,564	(511,225)	5,923,208	6,343,544	(420,336)	11,755,547	12,687,108	(931,561)
Total in-patient service revenue	7,600,411	8,318,386	(717,975)	7,725,858	8,318,366	(592,508)	15,326,269	16,636,752	(1,310,483)
Out-patient service revenue	14,969,427	13,184,442	1,784,985	14,316,257	13,184,415	1,131,842	29,285,684	26,368,857	2,916,827
Gross patient service revenue	22,569,838	21,502,828	1,067,010	22,042,115	21,502,781	539,334	44,611,953	43,005,609	1,606,344
Less deductions from patient service revenue:									
Patient service revenue adjustments	557,710	699,597	(141,887)	502,441	699,593	(197,152)	1,060,151	1,399,190	339,039
Contractual adjustments	8,098,655	8,065,789	32,866	9,009,375	8,065,791	943,584	17,108,031	16,131,580	(976,451)
Prior Period Adjustments	(7,633)	(125,000)	117,367	(385,273)	(125,000)	(260,273)	(392,906)	(250,000)	142,906
Total deductions from patient service revenue	8,648,732	8,640,386	8,346	9,126,543	8,640,384	486,159	17,775,275	17,280,770	494,505
Net patient service revenue	13,921,105	12,862,442	1,058,663	12,915,572	12,862,397	53,175	26,836,678	25,724,839	1,111,839
Other revenue	88,338	120,354	(32,016)	89,200	120,351	(31,152)	177,537	240,705	(63,168)
Transfers from Restricted Funds for Other Operating Expenses	193,998	193,997	1	193,998	193,998	-	387,996	387,995	1
Total Other revenue	282,336	314,351	(32,015)	283,198	314,349	(31,152)	565,533	628,700	(63,167)
Total revenue, gains and other support	14,203,441	13,176,793	1,026,648	13,198,770	13,176,746	22,024	27,402,211	26,353,539	1,048,672

	1ST QTR QTD Actual	1ST QTR QTD Budget	1ST QTR Variance \$	2ND QTR QTD Actual	2ND QTR QTD Budget	2ND QTR Variance \$	YTD Actual	YTD Budget	YTD Variance \$
Expenses:									
Salaries and wages	4,438,924	4,519,182	(80,258)	4,544,653	4,519,175	25,478	8,983,577	9,038,357	(54,780)
Employee benefits	2,749,337	2,754,982	(5,645)	3,284,420	2,754,984	529,436	6,033,757	5,509,966	523,791
Professional fees	1,278,273	1,017,685	260,588	1,384,282	1,017,685	366,597	2,662,555	2,035,370	627,185
Supplies	1,571,119	1,521,285	49,834	1,544,297	1,521,280	23,017	3,115,416	3,042,565	72,851
Purchased services	679,182	669,768	9,414	796,087	669,770	126,317	1,475,269	1,339,538	135,731
Depreciation	666,180	691,195	(25,015)	668,502	691,195	(22,693)	1,334,682	1,382,390	(47,708)
Interest	324,285	316,974	7,311	326,147	316,975	9,172	650,432	633,949	16,483
Bad debts	566,453	436,520	129,933	688,887	436,521	252,366	1,255,340	873,041	382,299
Other	640,753	613,353	27,400	587,210	613,349	(26,139)	1,227,963	1,226,702	1,261
Total expenses	12,914,506	12,540,944	373,562	13,824,485	12,540,934	1,283,551	26,738,991	25,081,878	1,657,113
Operating income (loss)	1,288,935	635,849	653,086	(625,716)	635,812	(1,261,528)	663,220	1,271,661	(608,441)
Other income:									
District tax receipts	131,133	142,950	(11,817)	131,133	142,950	(11,817)	262,267	285,900	(23,633)
Interest	138,772	130,015	8,757	(49,696)	130,015	(179,711)	89,076	260,030	(170,954)
Other	8,528	-	8,528	22,205	-	22,205	30,733	-	30,733
Grants and Other Non-Restricted									
Contributions	36,963	3,671	33,292	-	3,671	(3,671)	36,963	7,342	29,621
Partnership Investment Income	-	-	-	-	-	-	-	-	-
Net Medical Office Activity	(83,709)	(100,045)	16,336	(152,818)	(100,045)	(52,773)	(236,527)	(200,090)	(36,437)
Total other income, net	231,686	176,591	55,095	(49,176)	176,591	(225,767)	182,510	353,182	(170,672)
Excess (deficiency) of revenues over expenses	1,520,622	812,440	708,182	(674,891)	812,403	(1,487,294)	845,730	1,624,843	(779,113)
Contractual Percentage	40.83%	42.21%	-1.38%	44.53%	42.21%	2.32%	42.66%	42.21%	0.45%

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NORTHERN INYO HOSPITAL  
SECURITY REPORT  
12/16/09 THRU 01/25/10

FACILITY SECURITY

Access security during this period revealed eight occasions of open or unsecured exterior doors being located during those times when doors were to be locked or secured. Three interior doors were found unsecured during this same period.

Main building roof access was found unsecured on four occasions.

Rural Health Clinic suffered two alarm malfunctions during this period and Sierra Security was notified.

Weather created safety problems arose during this period and Security Staff provided snow removal and distribution of ice melt when and where necessary.

A boiler alarm was observed by Security Staff and Maintenance was called out

HUMAN SECURITY

On December 31<sup>st</sup>, Security provided assistance to the Inyo County Sheriff personnel with a combative in-custody presented for medical clearance to the jail. Medical clearance was provided without incident.

On January 2<sup>nd</sup>, Security removed a belligerent visitor from A-Floor. This individual was counseled by Security and allowed to return without any further problems.

On January 3<sup>rd</sup>, Security provided Emergency Room stand-by with a potential 5150 individual that self presented and was moderately uncooperative with his treatment. Mental Health personnel responded and determined this individual was not subject to the provisions of 5150 W&I. Security stood by with this subject for most of the evening and early morning until such time he was discharged.

On January 4<sup>th</sup>, this subject returned by ambulance and was again monitored by Security. In this instance the stand-by was minimal as the subject was far more cooperative.

During this period Security provided stand-by in two other cases of potential 5150 subjects.

Law Enforcement stand-by was provided in seventeen instances during this period, four of which were for Lab BAC's.

Security provided patient assists on forty three occasions during this period.

MISC

California Assembly Bill 1083 / Health and Safety Code, Section 1257.7 (amended)

See attached



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**NORTHERN INYO HOSPITAL  
DRILL REPORT / EVALUATION**

**Drill: Disaster**

**Date: 1-16-10**

**Type of Incident: Equipment failure.**

**Drill synopsis.**

1. All stoves were out of order. At 4: am we found out the power was out to our stoves, we were with out stoves until 1:30 PM.
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

**Personnel Involved: Dietary 5, Maintenance 4 and 1 Electrician.**

**Departments Affected: Dietary**

**Observations:**

**Clinical:**

Every thing went well . All patients were served in a timely manner. Staff received breakfast and lunch without interruption. The back up plans worked very well.

**Infection Control: No problems**

**Safety: No problems**

**Social Services:**

N/A

**Corrections:**

**Identified:**

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**NORTHERN INYO HOSPITAL**  
*Northern Inyo County Local Hospital District*  
Medical Staff Office

150 Pioneer Lane  
Bishop, California 93514  
(760) 873-2136 voice  
(760) 872-5836 fax

TO: Board of Directors  
Northern Inyo County Local Hospital District

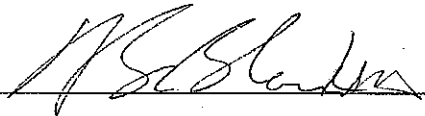
FROM: Helena Black, MD, Vice Chief of Staff  
Northern Inyo Hospital Medical Staff

DATE: February 9, 2010

RE: Medical Executive Committee report

The Medical Executive Committee met on February 9, 2010 and considered the recommendations of the Credentials Committee.

Following careful review and consideration, the Committee agreed to recommend to the Medical Staff Executive Committee and Hospital District Board of Directors approval of the appointment of Great Basin Imaging/Tahoe Carson Radiology radiologists Nicholas Carlevato, M.D., Sheldon Kop, M.D., Stephen Loos, M.D., Thomas McNamara, M.D., and Keith Shonnard, M.D., certified by the American Board of Radiology, to the Provisional Consulting Medical Staff with requested privileges.

  
\_\_\_\_\_  
Helena Black, MD, Vice Chief of Staff

Title: Dispensing - General	
Scope: Departmental	Department: Pharmacy
Source: Pharmacy	Effective Date: 1/15/03

**PURPOSE:**

To ensure that all compounding, packaging, distribution, and dispensing of drugs shall be consistent with federal and state laws, rules, and regulations and applicable law or regulation governing professional licensure and operation of pharmacies and professional standards of pharmacy practice

**POLICY:**

1. Drug dispensing is restricted to a licensed pharmacist or to a designee under the direct supervision of a pharmacist. A licensed pharmacist must monitor all drug preparation for dispensing and dispensing by non-pharmacist personnel except for physicians who dispense pursuant to section 4068 of the California Business and Professions Code.
2. Only a pharmacist, or authorized pharmacy personnel under the direction and direct supervision of a pharmacist, shall fill and label containers from which drugs are to be distributed or dispensed, make labeling changes, or transfer drugs to different containers.
3. Supportive personnel (non-pharmacists) shall work under the direct supervision of a licensed pharmacist. The supervising pharmacist must be fully aware of all drug-preparation for dispensing and drug-dispensing activities. Supportive personnel shall comply with facility and pharmacy policies and procedures.
4. Drugs may be dispensed only from the original or a direct copy of the prescriber's drug order. (Also see Verbal Orders Policy)
5. A pharmacist shall review the prescriber's original order, or a direct copy thereof, before the initial dose is dispensed (except when a licensed independent practitioner with appropriate clinical privileges controls prescription ordering, preparation, and administration, as in endoscopy or cardiac catheterization laboratories, surgery, or during cardiorespiratory arrest, and for some emergency orders when time does not permit). This review shall include the patient's demographic information (e.g., age, weight, allergies, diagnosis) and drug therapy (current drug regimen).
6. After-hours, prescriber's orders shall be electronically transmitted (e.g. via facsimile) to an after-hours pharmacist who will perform order review and who will input orders into the pharmacy system via a remote connection (see Access to Medications in the Absence of the Pharmacist Policy).
7. Direct copies of orders shall be retained by the pharmacy for 3 years.
8. The pharmacy shall process drug orders as follows:
  - a. Ensure that the patient's name, other identification (e.g., patient number and location), time and date are on the order form.
  - b. Review the order for legibility, effectiveness, appropriateness, and safety of drug therapy. (Also see: Drug Therapy Monitoring)
  - c. Enter the order in the Pharmacy Computer Application.

- d. If a technician or other non-pharmacist enters the order, the pharmacist on duty must verify the order in the computer.
9. The pharmacy shall only dispense medications that, in the pharmacist's judgment, should not be dispensed through the Automated Dispensing Cabinets.
10. Drugs shall be dispensed in ready-to-administer forms to the extent practical to minimize opportunities for error.
11. A unit-dose drug distribution system, which permits identification of the drug up to the point of administration, shall be used. Drugs not commercially available in unit-dose packages shall be extemporaneously packaged by the pharmacy in unit-dose packages.
12. Containers shall meet the specifications of the pharmacy's containers policy (see Dispensing: Containers).
13. Labels shall meet the specifications of the pharmacy's labeling policy (see Dispensing: Labels).
14. When dispensing a medication, a pharmacist shall perform a final check after the order has been filled or refilled. This check shall verify that the order was filled and labeled correctly and witness thereto shall be in the form of the pharmacist's initials on the label, or on a log.
15. The pharmacy shall ensure that drugs are delivered to patient care areas and are available for administration at the scheduled times. If the pharmacy is unable to provide a drug prior to the scheduled administration time, the pharmacy shall inform the nurse responsible for the area and/or the nurse responsible for the patient.
16. Medications transmitted to the pharmacy shall be dispensed or entered into the pharmacy system for automated dispensing in the following time frames:
  - a. Stat: 15 minutes from the receipt of the order
  - b. Now: 30 minutes from the receipt of the order
  - c. Routine: Prior to the next scheduled dose
17. Nurses shall compare drugs supplied with the Medication Administration Record (MAR) or prescriber's order and report irregularities to the pharmacy.

<b>Committee Approval</b>	<b>Date</b>
Pharmacy and Therapeutics Committee	12/17/2009
Medical Executive Committee	
Board of Directors	

Revised 12/09  
 Reviewed 9/04,10/05  
 Supersedes

# MM.4.50

## NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title: Access to Medications in the Absence of the Pharmacist	
Scope: Hospital-Wide	Department:
Source: Pharmacy	Effective Date: 6/16/04

### **PURPOSE:**

To delineate a system for safely providing medications to meet patient needs when the pharmacy is closed.

### **POLICY:**

#### **Pharmacist-on-call**

1. Pharmacy hours are 0700 to 1700. From 1701 through 0659, seven days per week, a pharmacist will be available by telephone and will be within 15 minutes of the hospital.
2. The pharmacist-on-call will be available for questions by the nursing and medical staff during the on-call period.
3. The pharmacist-on-call will return to the hospital (call-back) whenever the pharmacist-on-call and the nursing supervisor agree to the need.

#### **Floor Stock**

1. Other than medications available for administration that are stored in the Automated Dispensing Cabinets, no medications shall be floor stock on any nursing unit.
2. Diagnostic and ancillary departments of the hospital may stock pharmaceuticals specific to their departments only when the Pharmacy and Therapeutics Committee and the physician in charge of the department has authorized such.

#### **Pharmacy Access After Pharmacy Hours**

1. There shall be no access to the pharmacy by anyone other than a registered pharmacist except in the case of a disaster or fire in the pharmacy when the on-call pharmacist cannot be contacted.
2. A "disaster" key to the pharmacy shall be kept in an Automated Dispensing Cabinet in a sealed and tamper-evident envelope that shall only be accessed in case of a disaster or fire in the pharmacy when the on-call pharmacist is not available.

#### **Crash Cart Medication Trays**

1. One back up set of 4 Crash Cart medication trays will be kept in the Nursing Supervisor Office in a locked cabinet.

2. If the nursing supervisor accesses the back-up trays, the supervisor will notify the pharmacy or the relieving supervisor who will notify the pharmacy of the use of the back-up trays.

<b>Committee Approval</b>	<b>Date</b>
Policy and Procedure Committee	12/17/2009
Pharmacy and Therapeutics	12/17/2009
Medical Executive Committee	
Administration	
Board of Directors	

Revised 03/06, 12/09

Reviewed 10/05

Supercedes



# DRAFT

## NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title: Off-Label Use Policy	
Scope: Hospital Wide	Department:
Source: Director of Pharmacy	Effective Date:

### PURPOSE:

To ensure that medications may be prescribed for indications not found in the FDA-approved package insert (off-label use), if based upon recognized and authoritative published criteria

### POLICY:

1. Medications prescribed for FDA approved indications may be dispensed, distributed and administered at Northern Inyo Hospital.
2. Medication prescribed for off-label use may be dispensed, distributed and administered at Northern Inyo Hospital if the indication for prescribing appears in the on-line compendia service "Up-To-Date", or any other compendium approved by the Pharmacy and Therapeutics Committee from time to time.
3. Medication prescribed for off-label use may be dispensed, distributed and administered at Northern Inyo Hospital for off-label indications if in the professional judgment of the pharmacist there is sufficient evidence in the medical literature to support the safe use the drug for the off-label indication.

### PROCEDURE:

1. Prior to dispensing or entering an order into the hospital computer system for an off-label indication, pharmacists will access "Up-To-Date" and verify that the indication, prescribed dose and any monitoring criteria are present.
2. Prior to dispensing or entering an order into the hospital computer system for an off-label indication, if the indication is not found in "Up-To-Date", the pharmacist will obtain at least one article published in a recognized medical journal supporting the prescribed indication for use.
3. Pharmacists will enter the order upon verification
4. Pharmacists will notify nursing of the off-label indication and any dosing or monitoring differences between the off-label use and the approved use.

Committee Approval	Date
Pharmacy and Therapeutics Committee	12/17/2009
Medical Executive Committee	
Administration	
Board of Directors	

**NORTHERN INYO HOSPITAL  
POLICY AND PROCEDURE**

Title: Timeliness for Critical Results	
Departments/Scope: Radiology	
Source: Radiology	Effective Date: 01/20/2010

**Purpose:**

As a Critical Access Hospital we are required to define the acceptable length of time for reporting critical results to the ordering physician.

**Policy:**

Critical results are to be reported to the ordering physician (provider) within 1 hour of determining the results of the test. In the event that the provider is unavailable in the timeframe set out in this program, an agent (nurse or provider's staff member) may be notified.

Critical Tests that fall under the policy are:

- CT of the Brain
- Nuc Med VQ scans or CT Pulmonary Angiogram
- Ultrasound Vascular for DVT

Critical Results that fall under this policy are:

- Cerebral Hemorrhage Tumor
- Pulmonary Thrombosis
- Deep Vein Thrombosis

All results that fall under this policy shall be tracked, trended and reported to the Medical Staff and NIH Performance Improvement Committee.

<b>Committee Approval</b>	<b>Date</b>
Compliance Committee	
Policy and Procedure Committee	
Medical Executive Committee	
Administration	
Board of Directors	

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RANDY H. KELLER  
County Counsel

SUSANNE M. RIZO  
Deputy County Counsel



*Independence:*  
P.O. Box M, 224 No. Edwards St.  
Independence, CA 93526  
760 878-0229 Fax 760 878-2241

*Bishop:*  
163 May Street  
Bishop, CA 93514  
760 872-1169 Fax 760 873-5695

OFFICE OF THE COUNTY  
COUNSEL

January 7, 2010

Local Agency Governing Boards  
Inyo County, California

Subject: CONFLICT OF INTEREST CODE: REQUIREMENT TO REVIEW, AMEND OR REPORT

Dear Governing Board Members:

Government Code Section 87306.5 requires every local agency's code reviewing body to, no later than July 1 of every even-numbered year, direct every local government agency which has adopted a conflict of interest code to review its conflict of interest code and either amend the code or report to the respective code reviewing body that no amendment is necessary. This letter constitutes the official notification pursuant to Government Code section 87306.5. Pursuant to that Government Code section, the report must be submitted to the agency's code reviewing body no later than October 1 of each even-numbered year.

County records indicate that the Inyo County Board of Supervisors is your agency's code reviewing body. Under the provisions of Government Code section 87306.5 you are required to review your conflict of interest code and amend it as required by Government Code section 87306, or submit a written statement to the Office of County Counsel no later than October 1, 2010 that no change in your code is required.

We are enclosing a revised County of Inyo Standardized Conflict of Interest Code Form should your Agency's Conflict of Interest Code need revision or amendment. To assist your agency in making its biennial report, we are enclosing a Local Agency Biennial Report form, which should be completed and returned to the Office of County Counsel by **October 1, 2010**. Early responses are appreciated, especially if you anticipate amending your code, to give our office an adequate opportunity for review.

Sincerely,

A handwritten signature in black ink, appearing to read "R. Keller", is written over a faint, larger signature.

Randy H. Keller  
County Counsel

RK/dg

Enclosures - Local Agency Biennial Form  
- Standard Conflict of Interest Code Form

iC:CIC/GOVBd.Ltr.10

RECEIVED JAN 08 2010

## 2010 LOCAL AGENCY BIENNIAL REPORT

Government Code Section 87306.5 requires local agencies to submit to their code reviewing body a biennial report identifying changes in its code, or a statement that their code is not in need of amendment. Such reports shall be submitted to the Office of County Counsel for approval no later than October 1, of each even-numbered year. Once reviewed, the Office of County Counsel will submit all reports to the Board for their approval. You may use this form or you may prepare your own report. When completed, all reports must be mailed to:

County Counsel  
County of Inyo  
Post Office Box M  
Independence, CA 93526

###

This agency has reviewed its conflict of interest code and has determined that:

- (1)  Our agency's code accurately designates all positions which make or participate in the making of governmental decisions; that the disclosure assigned those positions accurately requires the disclosure of all investments, business positions, interests in real property and sources of income which may foreseeably be affected materially by the decisions made by those designated positions; and further that the code includes all other provisions required by Government Code Section 87302; or,
- (2)  Our agency's code is in need of amendment. We have determined that the following amendments are necessary (check applicable items):
- Include new positions which must be designated.
  - Make changes to the reportable sources of income, investments, business positions, or real property.
  - Make changes to the titles of positions assigned.
  - Delete positions which have been abolished or changed.
  - Change or add the provisions required by Government Code Section 87302.

Contact Person \_\_\_\_\_  
Agency \_\_\_\_\_  
Mailing Address \_\_\_\_\_  
Date of Review of Agencies Conflict of Interest Code \_\_\_\_\_

\_\_\_\_\_  
Signature of Presiding Officer

**Note:** Government Code Section 87306 requires that when a department has determined that amendments are necessitated by changed circumstances, the amendments or revisions shall be submitted to the code reviewing body within 90 days.

**CONFLICT OF INTEREST CODE OF THE**  
**\_\_\_\_\_ DISTRICT**  
**COUNTY OF INYO, STATE OF CALIFORNIA**

**SECTION 1. Purpose.**

Pursuant to California Government Code section 87300, et seq., the \_\_\_\_\_ District hereby adopts the following Conflict of Interest Code. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code section 81000). The provisions of this Conflict of Interest Code are additional to California Government Code section 87100 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Conflict of Interest Code shall be interpreted in a manner consistent therewith.

**SECTION 2. Designated Positions.**

The positions listed on Appendix "A" are designated positions. Persons holding these designated positions are deemed to make, or participate in the making of, decisions which may have a material effect on a financial interest.

**SECTION 3. Disclosure Statements.**

Each designated position is assigned to one or more of the disclosure categories set forth in Appendix "B". Each person in a designated position shall file a statement of financial interest disclosing that person's interest in investments, business positions, real property, and income, designated as reportable under the disclosure category to which the person's position is assigned by Appendix "A".

Notwithstanding the disclosure category to which a consultant position is assigned by Appendix "A", the Presiding Officer of the \_\_\_\_\_ District's Governing Board may determine in writing that a particular consultant, although a "designated" position, is hired to perform a range of duties that are limited in scope and, thus, is not required to fully comply with the disclosure requirements of the category designated for consultants on Appendix "A". Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent, if any, of the disclosure requirements for such consultant. Such written determination is a public record and shall be filed and retained for public inspection in the same manner and locations as is required for statements of financial interest.

**SECTION 4. Place, Time and Requirements of Filing.**

(A) Place of Filing.

All persons required to file a statement of financial interests shall file the original with the Inyo County Clerk, and a copy with the Presiding Officer of the \_\_\_\_\_ District's Governing Board.

(B) Time and Content of Filing.

The first statement by a person in a designated position upon the effective date of this Conflict of Interest Code, shall be filed within thirty (30) days after the effective date of this Conflict of Interest Code, and shall disclose investments, business positions, and interest in real property, held on the effective date of this Conflict of Interest Code, and income received twelve (12) months before the effective date of this Conflict of Interest Code. The first statement by a person who assumes a designated position after the effective date of this Conflict of Interest Code, shall be filed within thirty (30) days after assuming such position with the District and shall disclose investments, business positions, and interests in real property held, and income received, during the twelve (12) months before the date of assuming such position. After filing the first statement, each person in a designated position shall file an annual statement on or before April 1, disclosing

reportable investments, business positions, interests in real property held, and income received, any time during the previous calendar year or since the date the person assumed the designated position during the calendar year. Every person in a designated position who leaves a designated position shall file, within thirty (30) days of leaving the position, a statement disclosing reportable investments, business positions, interests in real property held, and income received, at any time during the period between the closing date of the last statement required to be filed, and the date of leaving the position.

**SECTION 5. Contents of Disclosure Statement.**

Statements of financial interest shall be made on forms supplied by the Inyo County Clerk and shall contain all of the information as required by the current provisions of Government Code sections 87206 and 87207 for interest in investments, business positions, real property, and sources of income designated as reportable under the disclosure category to which the person's position is assigned on Appendix "A".

**SECTION 6. Disqualification.**

An person in a designated position must disqualify himself or herself from making, or participating in the making, or using their official position to influence the making of any decision which will have a material financial effect, as distinguishable from its effect on the public generally, on any financial interest as defined in Section 87103 of the Government Code. No person in a designated position shall be required to disqualify himself or herself with respect to any matter which could not be legally acted upon or decided without his or her participation.

APPENDIX "A"  
CONFLICT OF INTEREST CODE OF THE  
\_\_\_\_\_  
DISTRICT  
COUNTY OF INYO, STATE OF CALIFORNIA

DESIGNATED POSITIONS

Designated Positions

Disclosure Category



**APPENDIX "B"**

**CONFLICT OF INTEREST CODE OF THE  
DISTRICT  
COUNTY OF INYO, STATE OF CALIFORNIA**

**DISCLOSURE CATEGORIES**

**CONFLICT OF INTEREST CODE OF THE  
NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT  
COUNTY OF INYO, STATE OF CALIFORNIA**

**SECTION 1: Purpose**

Pursuant to California Government Code section 87300, et seq., the Northern Inyo County Local Hospital District hereby adopts the following Conflict of Interest Code. Nothing contained herein is intended to modify or abridge the provisions of the Political Reform Act of 1974 (Government Code section 81000). The provisions of this Conflict of Interest Code are additional to California Government Code section 87100 and other laws pertaining to conflicts of interest. Except as otherwise indicated, the definitions of said Act and regulations adopted pursuant thereto are incorporated herein and this Conflict of Interest Code shall be interpreted in a manner consistent therewith.

**SECTION 2: Designated Positions**

The positions listed on Appendix "A" are designated positions. Officers holding these positions are designated positions and are deemed to make, or participate in the making of, decisions which may foresee ably have a material effect of a financial interest.

**SECTION 3: Disclosure Statements**

Each designated position is assigned to one or more of the disclosure categories as set forth in Appendix "B". Each designated position shall file an annual statement disclosing that officer's interest in investments, business positions, real property, and income, designated as reportable under the disclosure category to which the officer's position is assigned on Appendix "A".

Notwithstanding the disclosure category to which a consultant position is assigned on Appendix "A", the President of the Northern Inyo County Local Hospital District Board of Directors may determine in writing that a particular consultant, although a "designated" position is hired to perform a range of duties that are limited in scope and, thus, is not required to fully comply with the disclosure requirements of the category designated for consultants on Appendix "A". Such written determination shall include a description of the consultant's duties and, based upon that description, a statement of the extent, if any, of the disclosure requirements for such consultant. Such written determination is a public record and shall be filed and retained for public inspection in the same manner and locations as is required for statements of financial interest.

**SECTION 4: Place, Time, and Requirements of Filing**

(A) Place of Filing.

All designated positions required to submit a statement of financial interests shall file the original with the Inyo County Clerk, and a copy with the President of the Northern Inyo County Local District Board of Directors.

(B) Time and Content of Filing

The first statement filed under this conflict of interest code by a designated position shall disclose any reportable investments, business positions, interest in real property, and income. This first statement shall be filed by each designated officer thirty (30) days after the effective date of this Conflict of Interest Code, disclosing investments, business positions, and interest in real property, held on the effective date of this Conflict of Interest Code, and income received twelve (12) months before the effective date of this Conflict of Interest Code. Thereafter, each new designated officer shall file a statement within thirty (30) days after assuming office. Each designated officer shall file an annual statement on or before April 1, disclosing reportable investments, business positions, interests in real property held, and income received, any time during the previous calendar year or since the date the designated officer took office during the calendar year. Every designated officer who leaves office shall file, within thirty (30) days of leaving office, a statement disclosing reportable investments, business positions, interests in real property held, and income received, at any time during the period between the closing date of the last statement required to be filed, and the date of leaving office.

**SECTION 5: Contents of Disclosure Statement**

Statements of financial interest shall be made on forms supplied by the Inyo County Clerk and shall contain all of the information as required by the current provisions of Government Code sections 87206 and 87207 for interest in investments, business positions, real property, and income designated as reportable under the disclosure category to which the employee's position is assigned on Appendix "A".

**SECTION 6: Disqualification**

A designated officer must disqualify himself or herself from making, or participating in the making, or using their official position to influence the making of any decision which will foresee ably have a material financial effect, as distinguishable from its effect on the public generally, on any financial interest as defined in Section 87103 of the Government Code. No designated officer shall be required to disqualify himself or herself with the respect to any matter which could not be legally acted upon or decided without his or her participation.

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# NORTHERN INYO HOSPITAL

Northern Inyo County Local Hospital District

150 Pioneer Lane · Bishop, California 93514 · Voice (760) 873-5811 · Fax (760) 872-2768

## Language Services Department 2010 Annual Report

### Introduction

2009 was a very productive year for the Language Services Department. The Language Services General Policy was reviewed twice, first in March and then in December. The first review was needed to adjust interpreter's compensation based on the number of interpreting sessions each one provide, and the latter included changes in all procedures, especially those reflecting the incorporation of the videoconference interpreting units.

Networking with administrators, trainers, and personnel involved in the provision of language services is very important. Through relationships established while attending conferences and trainings is that I met, and worked with personnel from the Health Care Interpreter Network or HCIN, and I was able to obtain the right contract allowing NIH to join the Network.

The Designated Interpreter Program was implemented with the goal of improving the ability of hospital staff in contacting in-house interpreters.

Collection of patient's race, ethnicity, and primary language is critical to identify patient's needs, improve services, and maintain compliance with language access related laws and regulations. NIH provided healthcare services to 66,284 patient's visits in more than 22 different languages during 2009; according with NIH's Affinity system.

	Language	Patients
1	American Sign Language	39
2	Arabic	16
3	Armenian	1
4	Danish	1
5	Dutch	1
6	English	63273
7	French	12
8	German	8
9	Hindustani	15
10	Italian	1
11	Korean	2
12	Miao Hmong	4
13	None	38
14	Norwegian	1
15	Other	18
16	Polish	1
17	Portuguese	1
18	Russian	1
19	Spanish	2786
20	Thai	30
21	Unknown	22
22	Vietnamese	17
	Total	66284



# NORTHERN INYO HOSPITAL

Northern Inyo County Local Hospital District

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## Language Services Department 2010 Annual Report

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I was elected to CHIA's (California Healthcare Interpreting Association) Board of Directors for the 2009-2010 term, and last October I had the opportunity to host the association's Board in-person annual meeting here in Bishop. Meeting here at NIH required Board members to travel to "rural" California, providing them with an opportunity to tour Mammoth Hospital and NIH, and learn about provision of language services in the Eastern Sierra.

### Annual Report

Northern Inyo Hospital's commitment to providing **high quality healthcare** drives its Language Services Department Mission and Philosophy of "ensuring timely and appropriate access to medical services for limited- and non-English speaking, and hearing-impaired patients."

The Language Services General Policy ensures the hospital's compliance with regulations related to language services, outlines the Language Services Program in order to assist patients with language or communication barriers through the utilization of **trained and assessed bilingual personnel**, and provides guidance on the utilization of these resources.

Since its implementation (2007), the Language Services General Policy has been reviewed three times. The Policy was reviewed in August 2008 and March 2009 in order to compensate dual-role interpreters in proportion with the number of interpreting sessions provided, and currently we have established a fair compensation tier; the more interpreting sessions the better the compensation is. The Policy's last review, December 2009, was necessary to make the changes in all procedures leading to identifying patient's language needs, provision of language services, and the implementation of the videoconference interpreting units from HCIN.



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Provision of language services at Northern Inyo Hospital encompasses:

- 1) Direct patient care in qualifying languages;
- 2) In-person, over-the-phone, and videoconferencing interpreting;
- 3) American Sign Language videoconference interpreting; and
- 4) Translation of vital documents.

### Direct patient care in qualifying languages

During the implementation of the Approved Bilingual Employee Program, Northern Inyo Hospital followed the guidance set forth by the California Health and Safety Code, Section 1259 of providing means of communication for patients experiencing language barriers, particularly when these are part of “population groups comprising 5% of the population of the geographical area served by the hospital or of the actual patient population of the hospital.” Following Section 1259 and data provided by the US Census 2000, Spanish is the only qualifying language within NIH’s service area.

Approved Bilingual employees are allowed to provide direct services in Spanish; therefore, their ability to perform all activities required in their job description in English and also in Spanish became an **addendum** to the same. Language proficiency is critical, and in order to obtain the Approved Bilingual designation, non-clinical employees must pass Language Line’s language proficiency test at level 3 and clinical employees at level 4, the latter being the same level required for dual-role interpreters. Currently we have **12 Approved Bilingual employees**, 9 have passed the test at level 4 or higher, and 3 at level 3+; **4 are designated as clinical** (this includes a nurse practitioner from the Rural Health Clinic) and **8 as non-clinical**; this category includes personnel from



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admissions and billing services. Clinical and non-clinical designation is based on their job classification.

### In-person, over-the-phone, and videoconferencing interpreting

Northern Inyo Hospital provides **in-person** interpreting services in Spanish to patients whose primary language is Spanish. Employees seeking the dual-role interpreter designation must complete the criteria established by the Language Services Program. **The Program includes 12 dual-role interpreters.**

Communication is vital in health care, and in order to reduce waiting time in providing health care services with the assistance of an in-house interpreter, starting June of 2009, the Language Services Department implemented the Designated Interpreter Program. The Program designates one or two interpreters, every day, as the first point of contact when interpreting services are needed, and provides interpreters with a cellular phone to be reached at. Both, the Designated Interpreter Calendar and cellular phone numbers are available to all NIH staff.

Compared with 2008, **interpreting sessions** provided by NIH interpreters **in 2009 increased 24.75%.**

NIH In-Person Interpreting Sessions Provided in 2009												
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
167	169	218	171	169	203	146	177	214	174	145	168	<b>2121</b>

Language Line Services provides NIH with over-the-phone interpreting services in more than 170 different languages, as well as language proficiency testing for employees applying for the Approved Bilingual or dual-role interpreter designation.





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The table “2009 Language Line Interpreting Usage” details language used, number of calls, and minutes used per language. Compared with 2008, **in 2009 the number of calls made and minutes of use increased 30.43% and 37.51% respectively.**

The list of languages requested when utilizing Language Line’s over-the-phone interpreter services reflects the data provided by the US Census 2000 for Bishop and Inyo County, with Spanish being the most frequently requested language followed by Vietnamese and other Asian languages.

After months of communication with the Health Care Interpreter Network HCIN—[www.hcin.org](http://www.hcin.org), and thanks to a generous grant from the California HealthCare Foundation, **NIH became the first “small” rural**

**hospital to join the Network.** NIH received a six-month free trial membership, two video units, training and installation to access HCIN for what is called “HCIN Lite” membership.

The Health Care Interpreter Network is a cooperative of California hospitals and health care providers sharing trained healthcare interpreters through an

2009 Language Line Interpreting Usage			
2009	Language	Calls	Minutes
January	Spanish	30	352
	Vietnamese	2	67
	French	1	2
February	Spanish	17	159
	Vietnamese	3	48
March	Spanish	18	197
April	Spanish	9	95
May	Spanish	19	213
	Vietnamese	2	34
	Russian	1	9
June	Spanish	23	232
	German	1	14
July	Spanish	30	263
	French	1	36
	Cantonese	1	18
	Hmong	1	13
August	Spanish	29	289
	Tagalog	1	5
September	Spanish	27	221
	Dutch	3	41
	Polish	1	13
October	Spanish	24	210
	Korean	3	44
November	Spanish	20	154
	Japanese	4	29
	Mandarin	1	12
December	Spanish	24	255
	Mandarin	4	43
Total		300	3068



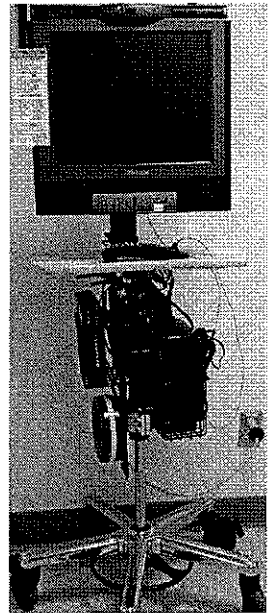
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automated video/voice call center system. Videoconferencing devices connect within seconds to an interpreter on the HCIN system. The Network is comprised of large public hospitals from Northern, Central and Southern California. Hospitals members holding a regular membership incur in annual charges ranging from \$40,000.00 to \$60,000.00 dollars. NIH's "Lite" annual membership will be limited to \$4,500.00, plus per-minute of usage charges.



The deployment of the video units took place on Thursday, December 10, 2009; one unit is located outside the emergency department, and the second at the Rural Health Clinic; the two areas with the most demand for interpreting services. During the initial proposal review to join the Network, I requested both units to be on a stand with wheels and to include the ability to connect to NIH's wireless network; in order to allow the unit's use in different areas of the hospital.

The Network provides videoconference interpreting in 19 spoken languages, they are: Spanish, Vietnamese, Cantonese, Mandarin, Russian, Punjabi, Hindi, Farsi, Korean, Hmong, Cambodian, Lao, Mien, Tagalog, Tongan, Armenian, Arabic, Mixteco, and Thai. Requests for interpreters not provided by HCIN automatically roll over to Language Line Services, in which case the interpreter is available via voice only.

HCIN Usage 2009			
December	Language	Calls	Minutes
	Spanish	10	34
	Mandarin	2	4
	Vietnamese	1	2
	American Sign Language	5	11
	<b>Total</b>	<b>18</b>	<b>51</b>

Northern Inyo Hospital's Mission states our value of "our unique rural location providing opportunities for services that otherwise might not exist" and being able to join HCIN is a clear example of that, I feel very proud of this accomplishment.



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## **Language Services Department 2010 Annual Report**

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Additionally, by bringing this service NIH proves to patients and the community its commitment to ensuring timely and appropriate access to medical services for limited- and non-English speaking, and hearing-impaired patients, and I am pleased to report a very well acceptance from NIH staff to the use of this new technology as a tool to communicate with non-English speaking patients.

### **American Sign Language videoconference interpreting**

Our commitment is with ALL patients, including the deaf and hard of hearing, and with the videoconference units we are able to provide communication assistance to patients whose primary language is American Sign Language - ASL.

HCIN provides ASL videoconference interpreting through the services of certified ASL interpreters.

### **Translation of vital documents**

Translation of vital documents, including those the patient needs to read and sign or containing critical information (educational or instructional) is an essential component of NIH's Language Services Department.

During 2009 I received 49 translation requests, all were completed and delivered.

Sincerely,

José García

Language Services Manager

Wednesday, February 17, 2010

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BYLAWS

of the

**NORTHERN INYO COUNTY LOCAL HOSPITAL  
DISTRICT**

BYLAWS OF THE  
NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT

PREAMBLE

Section 1. Name

The name of this non-profit hospital district organization shall be the Northern Inyo County Local Hospital District (hereinafter "the District"), organized January 11, 1946, under the terms of the Local Health Care District Law (Health and Safety Code, Section 32000, *et seq*), to promote the public health and the general welfare. This organization shall be fully empowered to receive and administer funds for the attainment of these objectives, all in accordance with the purposes and powers set forth in the Local Health Care District Law.

ARTICLE I

OFFICES

Section 1. Offices

The principal office for the transaction of the business of the District is hereby fixed at Northern Inyo Hospital (hereinafter referred to as "The Hospital") at 150 Pioneer Lane, Bishop, Inyo County, California. Branch offices may be established by the Board of Directors at such place or places within the geographical boundaries of the District as it deems necessary or advisable to the conduct of the business of the District.

Section 2. Title to Property

The title to all property of the District shall be vested in the Board of Directors, and the signatures of the President and Secretary authorized by appropriate resolution at any meeting of the Directors, shall constitute the proper authority for the purchase or sale of property, or for the investment or other disposal of trust funds which are subject to the control of the District.

ARTICLE II

PURPOSES AND SCOPE

Section 1. Scope of Bylaws

These Bylaws shall be known as the "District Bylaws," and shall govern the District, its Board of Directors (hereinafter "the Board"), and all of its affiliated and subordinate organizations and groups.

The Board may delegate certain powers to the Medical Staff and to other affiliated and subordinate organizations and groups. Such powers and functions not expressly delegated to such affiliated or subordinate organizations or groups are to be considered residual powers vested in the Board of the District provided, however, that no assignment, referral, or delegation

of authority by the Board shall preclude the Board from exercising the authority required to meet its responsibility for the conduct of the hospital and the quality of patient care.

The Bylaws of the Medical Staff and other affiliated and subordinate organizations and groups, and any amendments to such Bylaws, shall not be effective until the same are approved by the Board of the District. Said Bylaws may be reviewed by the Board annually, or at more frequent intervals if circumstances require, with the assistance of the Administrator and the attorney for the District.

In the event of any conflict between the Bylaws of the Medical Staff or any other affiliated or subordinate organization or group, and the provisions of these District Bylaws, these District Bylaws shall prevail. In the event the District Bylaws are in conflict with any statute of the State of California governing hospital districts or other applicable law, such statute or other applicable law shall prevail.

### Section 2. Purposes

The purposes of the District shall include, but not necessarily be limited to, the following:

- a. Within the limits of community resources, to provide the best facilities reasonably possible for the acute and continued care of the injured or ill.
- b. To conduct educational and research activities essential to the attainment of its purposes.
- c. To coordinate the services of the District with community agencies and other hospitals and health care institutions providing specialized care.
- d. To do any and all other acts and things necessary to carry out the provisions of the Local Health Care District Law.

### Section 3. Profit or Gain

There shall be no contemplation of profit or pecuniary gain, and no distribution of profits to any individual, under any guise whatsoever, nor shall there be any distribution of assets or surpluses to any individual on the dissolution of the District.

### Section 4. Disposition of Surplus

Should the operation of the District result in a surplus of revenue over expenses during any particular period, such surplus may be used and dealt with by the Board for improvements in the hospital's facilities for the care of the sick, injured, or disabled, or for other purposes not inconsistent with the Local Health Care District Law or these Bylaws.

### Section 5. Fiscal Year

The fiscal year of the District shall commence on the first day of July of each year and shall end on the last day of June of each year.

## Section 6. Annual Audit

The affairs and financial condition of the District shall be audited annually at the end of each fiscal year by a Certified Public Accountant selected by the Board, and a written report of such audit and appropriate financial statements shall be submitted to the Board. Additional audits may be authorized as considered necessary or desirable by the Board.

The annual audit report shall be reviewed and discussed by the Administrator and the Board.

## Section 7. Non-Discrimination

Unlawful discrimination is against the policy of the District in all activities including, but not limited to, admission, treatment, and employment. No person shall be excluded from participation in, or be denied the benefits of, any District program or activity on account of race, religious creed, color, national origin, physical disability, mental disability, medical condition, marital status, sex, age, sexual orientation, ancestry or pregnancy.

# ARTICLE III

## DIRECTORS

### Section 1. Number and Qualifications

The Board shall consist of five (5) members elected from and representing five (5) zones into which the District is divided. Each Board member shall be a registered voter residing in the zone of the District from which he or she is elected.

### Section 2. Election and Term of Office

Members of the Board shall be elected to overlapping four-year terms by the electors of the five (5) zones of the District. Elections shall be conducted pursuant to and as provided in the California Elections Code, amendments thereto, and other applicable California law.

### Section 3. Powers and Duties

The Board shall have and exercise all the powers of a Health Care District permitted by applicable law, including but not limited to the powers set forth in the Local Health Care District Law. Specifically, but without limitation, the Board shall be empowered as follows:

- a. To control and be responsible for the management of all operations and affairs of the District.
- b. To make and enforce all rules and regulations necessary for the administration, government, protection, and maintenance of hospitals and other facilities under District jurisdiction.



- c. To appoint an Administrator, to approve appointment of all officers of the Medical Staff and all chiefs of the various medical services, and to define the powers and duties of such appointees.
- d. To delegate certain powers to the Medical Staff and other affiliated or subordinate organizations in accordance with their respective bylaws.
- e. To approve or disapprove all constitutions, Bylaws, Rules and Regulations, including amendments thereof, of all affiliated or subordinate organizations.
- f. To appoint, promote, demote, and remove all members of the Medical Staff.
- g. To provide for the election of its officers and for the appointment of committees as necessary to effect the discharge of its responsibilities. In addition, the Board shall adopt a schedule of meetings, attendance requirements, and methods of recording minutes of governing body proceedings not including closed sessions.
- h. To, if deemed appropriate, appoint an executive committee of the Board. Lacking the appointment of an executive committee by resolution of a majority of the Board, the Board shall fulfill its duties and responsibilities acting as a committee-of-the-whole.
- i. To adopt resolutions and ordinances establishing policies or rules for the operation of the District and any of its facilities. Such resolutions and ordinances shall be kept in a separate book or file, and shall be available for inspection at all times. Such resolutions and ordinances shall be considered to be a part of these Bylaws.
- j. To designate by resolution persons who shall have authority to sign checks drawn on the funds of the District.
- k. To assume the responsibility for and perform the functions inherent in maintenance of accreditation of the hospital by the Joint Commission on Accreditation of Healthcare Organizations. The Board shall be actively involved in the accreditation process which shall include participation in the hospital survey process.
- l. To delegate to the Administrator and to the Medical Staff such authority as is appropriate to carry out the general purposes referred to in these Bylaws provided, however, that no assignment, referral, or delegation of authority by the Board shall preclude the Board from exercising the authority required to meet its responsibilities for the conduct of the hospital and the quality of patient care.
- m. To insure the preparation and maintenance of adequate and accurate records for all patients.
- n. To conduct, on an annual basis, a self-evaluation and review of the performance of the Board.
- o. To conduct, on an annual basis, an evaluation and review of the performance of the Administrator.
- p. To do any and all other acts and things necessary to carry out the provisions of these Bylaws or the provisions of the Local Health Care District Law.

#### Section 4. Compensation

The members of the Board shall receive \$100 each meeting not to exceed five (5) meetings a month in payment in lieu of expenses. Each member shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board, including, but not limited to, compensation for travel at the rate of thirty-seven cents per mile.

#### Section 5. Vacancies

Any vacancy upon the Board shall be filled by appointment by the remaining members of the Board, or, if the Board is unable to appoint, pursuant to applicable California law. Any person appointed to fill such vacancy shall hold office for the period prescribed by Section 1780 of the Government Code as it may be amended from time to time, or any successor statutes thereto.

#### Section 6. Orientation and Education

Orientation and continuing education programs relating to the operation of the hospital shall be provided to all members of the Board.

### ARTICLE IV

#### MEETING OF DIRECTORS

##### Section 1. Regular Meetings

Regular meetings of the Board shall be held at 5:30 P.M. at the Northern Inyo Hospital on the third Wednesday of each month, excepting August and November when no regular meeting shall be held, and December when the regular meeting shall be held on the first Wednesday of said month, provided that if the day upon which a regular meeting is scheduled is a legal holiday then said meeting shall be held on another day selected by the Board. The Board may change the time and/or place of such regular meetings by resolution adopted at the regular meeting held in the month immediately preceding, or at a special meeting called for such purpose. All members must attend a minimum of fifty percent (50%) of the meetings unless excused for good cause as approved by the remaining members of the Board.

##### Section 2. Special Meetings

Special meetings may be called at any time by the President, or by a majority of members of the Board. Written notice of such meeting shall be posted in a location freely accessible to the public, and shall be delivered to each Board member at least 24 hours before the meeting.

##### Section 3. Quorum

A majority of the members of the Board shall constitute a quorum for the transaction of business, but a member not entitled to vote because of a conflict of interest shall not be counted for the purpose of establishing a quorum on a particular question.

#### Section 4. Voting

The Board shall act by majority vote of the quorum. In the event that one less than the necessary number of "aye" votes has been cast, then an "abstain" vote shall constitute concurrence and the Clerk shall set forth in his or her minutes that the matter was passed pursuant to this rule.

#### Section 5. Adjournment

A quorum of the Board may adjourn any Board meeting to meet again at a stated day and hour provided, however, that in the absence of a quorum, a majority of the Board members present at any Board meeting, either regular or special, may adjourn from time to time until the time fixed for the next regular meeting of the Board.

#### Section 6. Public Meetings

All meetings of the Board, whether regular, special, or adjourned, shall be open to the public, provided, however, that the foregoing shall not be construed to prevent the Board from holding closed sessions for any purpose for which California law allows closed sessions.

### ARTICLE V

#### OFFICERS

##### Section 1. Officers

The officers of the Board shall be a President, a Vice President, a Secretary, and a Treasurer, all elected by the Directors from among themselves. The remaining Director shall be designated the "Member at Large."

##### Section 2. Election of Officers

The Board shall elect its officers annually at its regular December meeting. Each officer shall hold office for the calendar year beginning on the first day of January following the election, or until he or she dies, vacates his or her office, or is otherwise disqualified to serve.

##### Section 3. President

The Board shall elect one of its number to act as President. If at any time, the President shall be unable to act, the Vice President shall take his or her place and perform his or her duties. If the Vice President shall also be unable to act, the Member at Large shall take his or her place and perform his or her duties. Any person acting in place of the President in accordance with this Section 3 shall be vested temporarily with all the functions and duties of the office of President for such period as he or she may be required to act.

The President shall:

- a. Preside over all meetings of the Board.
- b. Sign, as President and, with the attestation of the Secretary, execute in the name of the District, all contracts and conveyances, and all other instruments in writing which have been authorized by the Board.
- c. Have, subject to the advice and control of the Board, general responsibility for management of the affairs of the District during his or her term of office.

#### Section 4. Vice President

The Vice President shall, in the event of death, absence, or other inability to act of the President, exercise all the powers and perform all the duties herein given to the President.

#### Section 5. Secretary

The Secretary shall keep, or cause to be kept, accurate and complete minutes of all meetings, except only those parts which are held in closed session; call meetings on order of the President; attend to all correspondence of the Board; attest the signature of the President on contracts and conveyances and all other instruments as outlined in Section 3 of this Article; and perform such other duties as ordinarily pertain to his or her office.

#### Section 6. Treasurer

The Board shall elect a Treasurer from its membership, whose duty shall be to ascertain that all receipts are deposited, and disbursements made, in accordance with these Bylaws, the directions of the Board, and good business practice. The Board may appoint an Assistant Treasurer to maintain the financial records of the District, and to prepare such financial reports as are required by the Board or the Administrator.

#### Section 7. Other Officers

The Board may create such other offices as the business of the District may require, and the holder of each such office shall hold office for such period, have such authority, and perform such duties as are provided in these Bylaws, or as the Board may from time to time determine. Such additional offices may be filled either by members or non-members of the Board.

## ARTICLE VI ADMINISTRATOR

#### Section 1. Appointment

The Board shall appoint an Administrator, and such Administrator shall serve at the pleasure of the Board. The Administrator shall be the chief administrative officer of the District. It shall be his or her responsibility to carry out the policies of the Board, and he or she shall be responsible for the day-to-day operations of the District with power to hire and discharge District

employees. The Administrator shall also have such other duties and powers as may be determined by the Board from time to time.

The Board shall select and employ a competent and experienced Administrator who shall be its direct representative in the management of the hospital. It is desirable that the Administrator have at least a baccalaureate degree and a minimum of three years' experience in a reasonable administrative position in a hospital, or in the healthcare field, or have completed formal education in a graduate program in hospital administration. The Administrator shall be given the necessary authority and be held responsible for the administration of the hospital in all departments, and all other facilities of the District, subject only to the policies enacted by the Board or by any of its committees to which it has delegated power to act. More specifically, the authority and duties of the Administrator shall be:

- a. Carrying out all policies established by the Board;
- b. Development and submission to the Board, for approval, of a plan of organization of personnel and others connected with the operation of the hospital;
- c. Preparation of an annual budget showing the expected receipts and expenditures;
- d. Selection, employment, control and discharge of employees, and development and maintenance of personnel policies and practices for the hospital, including a personnel performance evaluation process;
- e. Maintenance of physical properties in a good state of repair and operating condition;
- f. Control of inventories including purchasing procedures, product selection, and supply distribution;
- g. Supervision of all business affairs to insure the wisest possible expenditure of funds in purchases of equipment, supplies, and payment of salaries, as well as the most efficient possible collection of monies owing to the District;
- h. Cooperation with the Medical Staff to the end that high quality care may be rendered to all patients;
- i. Presentation to the Board of periodic reports reflecting the financial activities of the hospital, and periodic reports of the performance evaluation process for all personnel who are not subject to the Medical Staff privilege delineation process, regarding competency of such personnel to provide services in their respective areas of responsibility;
- j. To attend all meetings of the Board and its committees;
- k. To designate in writing, on each occasion of the Administrator's absence, an individual to act for himself or herself in order to provide the hospital with administrative direction at all times;
- l. To perform any other duty that may be necessary in the best interests of the District.

**ARTICLE VII**  
**MEDICAL STAFF**

**Section I. Medical Staff**

The Medical Staff shall be organized in accordance with the Medical Staff Bylaws and shall be known as the Northern Inyo Hospital Medical Staff. The Medical Staff shall govern its own affairs, elect its own officers and conduct meetings in accordance with the Medical Staff Bylaws, provided, however, that such Medical Staff Bylaws shall include those matters as are required by Section 32128 of the Health and Safety Code of the State of California as the same may be amended from time to time.

The Medical Staff Bylaws and Rules and Regulations shall be adopted by the Medical Staff and approved by the Board before becoming effective. Neither body may unilaterally amend the Medical Staff Bylaws or Rules and Regulations.

Only a member of the Medical Staff with admitting privileges shall admit patients to the hospital, and only an appropriately licensed practitioner with clinical privileges shall be directly responsible for a patient's diagnosis and treatment within the area of his or her privileges. Each patient's general medical condition shall be the responsibility of a physician member of the Medical Staff, and each patient admitted to the hospital shall receive a baseline history and physical examination by a physician who is either a member of or approved by the Medical Staff.

Medical Staff appointments and reappointments are made by the Board. Recommendations are made by the Medical Staff Executive Committee and are to be submitted prior to action of the Board. Appointments and reappointments are not to exceed a term of two years. Final decisions regarding Medical Staff appointments, reappointments, and approval of clinical privileges shall be rendered by the Board, and the applicants shall be notified of these decisions in writing by the Hospital Administrator.

The authority for the evaluation of the professional competence of Medical Staff members and applicants for Medical Staff privileges is hereby delegated to the Medical Staff of the hospital. The Medical Staff Executive Committee shall be responsible for making recommendations to this Board concerning initial Medical Staff appointments, reappointments and assignment or curtailment of privileges. The Medical Staff of the hospital shall be so organized that it shall have bylaws which will include procedures for processing applications for membership and for clinical privileges as a basis for making of recommendations to the Board and for the establishment of qualifications for Medical Staff membership and for the criteria it delineates for clinical privileges within the hospital, to ensure the achievement and maintenance of high standards of professional ethical practices.

Whenever the Board does not concur with a Medical Staff Executive Committee recommendation relative to Medical Staff appointment, reappointment, or termination of appointment, and the granting or curtailment of clinical privileges, a committee consisting of the President of the Board (who shall be the chairperson of this committee), the Vice President of the Board, the Chief of Staff, the Vice Chief of Staff, and the Administrator shall review the matter

and submit a recommendation relative to the matter to the Board not later than the next scheduled regular meeting of the Board, provided, however, that the procedure set forth in this section shall not apply to the review, by the Board, of appeals from decisions of a hearing committee pursuant to Article 8 of the Bylaws of the Northern Inyo Hospital Medical Staff. Should any of the members of said committee be the same person, or the person whose appointment, reappointment, termination of appointment, and/or granting or curtailment of clinical privileges is the subject of the committee's meeting, such person shall not sit but be replaced by another Board member, or member of the Medical Staff, selected for such purpose by said body.

The Board shall adopt reasonable rules and regulations, or bylaws, providing for appellate review of any action, decision, or recommendation of the Medical Staff. This appellate review shall be conducted consistent with the requirements of Section 809.4 of the Business and Professions Code. Nothing in this section shall abrogate the obligation of the hospital and Medical Staff to comply with the requirements of Sections 809 to 809.9, inclusive, of the Business and Professions Code, and Sections 32150 to 32155, inclusive, of the Health and Safety Code.

The Administrator, and the Chief of Staff are hereby expressly given authorization, at their joint discretion, in the case of emergency, to grant Medical Staff privileges to any physician licensed to practice in the State of California.

The Medical Staff shall maintain a self-government with delegated authority to act on all medical matters considered to be in the best interest of the hospital and the welfare of the patient in conformity with the actions and directives of the Board.

The Bylaws of the Medical Staff will contain provisions whereby any doctor or other practitioner aggrieved may obtain a formal hearing by the Medical Staff incident to any adverse recommendations from the Medical Staff, regarding Medical Staff status or clinical privileges. Such Bylaws shall likewise provide a method and procedure for appeal to the Board by an aggrieved doctor or other practitioner.

Any doctor or other practitioner who feels aggrieved by any adverse recommendation or deprivation of Medical Staff status or clinical privileges shall be required, as a condition to exercising his or her right of appeal to the Board, to pursue his or her appeal through orderly channels of appeal and at the proper time and in the manner prescribed by the Bylaws and procedures of the Medical Staff of this hospital. When the Medical Staff has made its final ruling and decision concerning the appeal of any aggrieved doctor or practitioner in accordance with the Bylaws of the Medical Staff, and such doctor or practitioner then desires to appeal to the Board, he or she shall give notice in writing to the Hospital Administrator within ten (10) days next following the date of the entry of the final order of the Medical Staff. Said notices must state in substance the grievance made and complained of, and must be given in the time and manner herein specified, or the Board shall not take cognizance thereof except at its discretion. If said notice is so given within said time, then it shall be the duty of the Board to then consider such grievance in its entirety and render the decision of the Board in writing, and deliver a copy of its decision and findings to the aggrieved doctor or practitioner. Such decision shall be final.

The Medical Staff shall have the right to be heard, through its Chief of Staff or through any other representative it may designate, at meetings of the Board.

### Section 2. Medico-Administrative Positions

Members of the Medical Staff may at times be assigned administrative duties and responsibilities by the Board. If in the opinion of the Board the practitioner does not discharge the administrative duties and responsibilities assigned to him or her in accordance with standards set by the Board, then the Board may dismiss the practitioner from said duties and responsibilities, but such action by itself will not affect the Medical Staff privileges held by the practitioner.

### Section 3. Performance Improvement and Risk Management

The Board shall be responsible for providing for resources and support systems for the quality assurance/improvement functions and risk management functions related to patient care and safety.

The Board shall, in the exercise of its overall responsibility for consistent optimal quality of care provided to all patients, assign to the members of the Medical Staff directly responsible for patient care, reasonable authority for assuring the appropriate professional care to all patients. The Medical Staff shall conduct an ongoing review and appraisal of the quality of professional care rendered in the hospital and through monthly performance improvement reports shall report such activities and end results to the Board. Where the quality of care is shown to be less than optimal, improvement in quality shall be demonstrated.

The Board shall adopt a performance improvement plan that includes effective mechanisms for reviewing and evaluating patient care, and that focuses on the resolution of known or suspected problems. The Board and the Medical Staff Executive Committee will reappraise the plan at least annually to assure that the collective effort is comprehensive, shows minimal duplication of effort, is cost effective, and results in improved patient care. The reappraisal will identify components of the performance improvement program that need to be instituted, altered, or deleted.

## ARTICLE VIII

### PATIENTS' RIGHTS, PATIENTS' RESPONSIBILITIES AND PROCESS FOR RESOLUTION OF PATIENT GRIEVANCES OR COMPLAINTS

The Board and Medical Staff shall review and adopt a written policy on Patients' Rights, Patients' Responsibilities, and Process for Resolution of Patient Grievances or Complaints.



**ARTICLE IX**

**AUXILIARIES**

The hospital may have such auxiliary or auxiliaries to serve the community and patients, as the Board shall from time to time establish, authorize or approve. The organization, membership, officers, meetings, and proceedings shall be determined by the auxiliary or auxiliaries, subject to approval by the Board. The auxiliary or auxiliaries may adopt bylaws and rules and regulations to govern their organization and procedures, which shall be subject to the approval of the Board. The Board shall cause to be inspected or audited from time to time the financial books and records of the auxiliary. The auditors or examiners shall be selected by the Board.

**ARTICLE X**

**REVIEW AND AMENDMENT**

**Section 1. Review**

These Bylaws shall be reviewed by the Board annually, or at more frequent intervals if circumstances require, with the assistance of the Administrator and the attorney for the District.

**Section 2. Amendment**

These Bylaws may be altered, amended, repealed, added to or deleted by resolution of the Board adopted at any regular meeting of the Board by the vote of a majority of the members of the Board.

Adopted as revised at the regular meeting of the Board of Directors of the Northern Inyo County Local Hospital District held the 16th day of March, 2005.

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Peter J. Watercott, President

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Patricia A. Calloway, Secretary

**END**