

January 19 2022 Regular Board Meeting

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AGENDA

NORTHERN INYO HEALTHCARE DISTRICT BOARD OF DIRECTORS REGULAR MEETING

January 19, 2022 at 5:30 p.m.

Northern Inyo Healthcare District invites you to join this meeting:

TO CONNECT VIA ZOOM: *(A link is also available on the NIHD Website)*
<https://zoom.us/j/213497015?pwd=TDIiWXRuWjE4T1Y2YVFWbnF2aGk5UT09>
Meeting ID: 213 497 015
Password: 608092

PHONE CONNECTION:
888 475 4499 US Toll-free
877 853 5257 US Toll-free
Meeting ID: 213 497 015

The Governor of the State of California has issued Executive Orders that temporarily suspend certain requirements of the Brown Act. Please be advised that the NIHD Board Room is closed to the public and that some or all of the District Board members may attend this meeting telephonically or via video conference. This meeting will be accessible to members of the public virtually and telephonically who seek to observe and address the Board of Directors, including giving public comments.

1. Call to Order (at 5:30 pm).
2. **Public Comment:** The purpose of public comment is to allow members of the public to address the Board of Directors. Public comments shall be received at the beginning of the meeting and are limited to three (3) minutes per speaker, with a total time limit of thirty (30) minutes for all public comment unless otherwise modified by the Chair. Speaking time may not be granted and/or loaned to another individual for purposes of extending available speaking time unless arrangements have been made in advance for a large group of speakers to have a spokesperson speak on their behalf. Comments must be kept brief and non-repetitive. The general Public Comment portion of the meeting allows the public to address any item within the jurisdiction of the Board of Directors on matters not appearing on the agenda. Public comments on agenda items should be made at the time each item is considered.
3. New Business:

- A. COVID 19 Community Update (*Board will receive this update*)
 - B. Approval of the renewal agreement between Northern Inyo Healthcare District and Eastern Sierra Emergency Physicians (*Board will consider the approval of this renewal agreement*)
 - C. Approval of District Board Resolution 22-01, Nondesignated Public Hospital Bridge Loan Program (*Board will consider the approval of this District Board Resolution*)
 - D. Policy and Procedure Approval, Charge Capture Policy and Procedure (*Board will consider the approval of this Policy and Procedure*)
 - E. Recommendation to Appoint a Board Member to the Compliance and Business Ethics Committee (*Board will consider the appointment of a representative*)
 - F. Discussion of existing Board Committee's (*Board will discuss this item*)
 - G. Northern Inyo Healthcare District Orthopedic Services December Highlight (*Board will receive this information*)
4. Chief of Staff Report, Sierra Bourne MD:
- A. Radiology Privilege Form (*Board will consider the approval of this form*)
 - B. Medical Executive Committee Meeting Report (*Board will receive this information*)
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Consent Agenda

- 5. Approval of District Board Resolution 22-02, to continue to allow Board meetings to be held virtually (*Board will consider the approval of this District Board Resolution*)
- 6. Approval of minutes of the December 15, 2021 Regular Board Meeting (*Board will consider the approval of these minutes*)
- 7. Approval of minutes of the December 29, 2021 Special Board Meeting (*Board will consider the approval of these minutes*)
- 8. Operating Room Flooring Replacement Update (*Board will consider accepting this update*)
- 9. Chief Executive Officer Report (*Board will consider accepting this report*)
- 10. Chief Medical Officer Report (*Board will consider accepting this report*)
- 11. Chief Nursing Officer Report (*Board will consider accepting this report*)
- 12. Financial and Statistical reports as of November 30, 2021 (*Board will consider accepting this report*)
- 13. Approval of Policies and Procedures (*Board will consider the renewal of this Policy and Procedure*)
 - A. *Identity Theft Red Flags Rule Policy*

14. Reports from Board members (*Board will provide this information*).
15. Public comments on closed session items.
16. Adjournment to Closed Session to/for:
 - A. Conference with Legal Counsel, existing litigation (*pursuant to Paragraph (1) of subdivision (d) of Government Code Section 54956.9*). Name of case: Inyo County LAFCO and NIHD v. SMHD, Case No. 3-2015-8002247-CY-WM-GDS-Sacramento County.
17. Adjournment.

In compliance with the Americans with Disabilities Act, if you require special accommodations to participate in a District Board meeting, please contact administration at (760) 873-2838 at least 48 hours prior to the meeting.


**NORTHERN INYO HEALTHCARE DISTRICT
RECOMMENDATION TO THE BOARD OF DIRECTORS
FOR ACTION**

Date: 01/07/2021

Title: **EASTERN SIERRA EMERGENCY PHYSICIANS CONTRACT RENEWAL**

Synopsis: It is recommended that the Board of Directors approve the proposed contract to allow Eastern Sierra Emergency Physicians (ESEP) to continue to provide physicians services in the respective fields and departments as detailed in the contract.

It is recommended that the Board of Directors approve the proposed contract to allow Eastern Sierra Emergency Physicians (ESEP) to continue to provide physicians services in the respective fields and departments as detailed in the contract. ESEP, in its ongoing partnership with The District, provides emergency medicine, inpatient hospitalist, outpatient medicine, medication assisted treatment, anesthesia, and ultrasound physician services to NIHD. ESEP is eager to build on its decade-long partnership with NIHD to continue to improve access to compassionate, evidence based medical care to the members of our local community and to any individual that seeks care through our shared doors. This three (3) year contract outlines the services and partnership roles ESEP provides in detail. The date the proposed action will become effective is March 1, 2022.

Prepared by: 
Name: John "Adam" Hawkins, DO
Title: President of ESEP. Medical Director, Emergency Department at NIHD.

Approved by: 
Name Kelli Davis
Title Chief Executive Officer

FOR EXECUTIVE TEAM USE ONLY:

Date of Executive Team Approval: 1-12-2022 Submitted by: Kelli Davis
Chief Officer

**AGREEMENT, NORTHERN INYO HEALTHCARE DISTRICT
AND
EASTERN SIERRA EMERGENCY PHYSICIANS**

THIS AGREEMENT IS MADE AND ENTERED INTO this 1st day of March, 2022, by and between Northern Inyo Healthcare District (hereinafter referred to as “District”) and Eastern Sierra Emergency Physicians Inc. (hereinafter referred to as “ESEP”).

I. RECITALS

1. District is a California healthcare district organized and operating under the authority of Health and Safety Code section 32000, et seq. (hereinafter referred to as “The Healthcare District Law”), and governed by a Board of Directors (hereinafter referred to as “Board”).
2. District operates Northern Inyo Hospital (hereinafter “Hospital”), an acute care general hospital located at 150 Pioneer Lane, Bishop, Inyo County, California, which includes inpatient and outpatient services, a Rural Health Clinic, and Northern Inyo Associates, a group of 1206 (b) outpatient clinics
3. ESEP is a California professional corporation, dated August 10, 2010, which contracts with qualified and licensed physicians licensed to practice medicine in the State of California and who are certified by the American Board of Emergency Medicine, The American Board of Internal Medicine, The American Board of Family Medicine, or The American Board of Anesthesia, or are board-eligible, and who are qualified for, and practicing, one or more of the medical specialties and applicable subspecialties of emergency medicine, hospitalist medicine, and anesthesia (hereinafter referred to as “Physician Services”). ESEP may, from time to time, negotiate with the District to include new, or remove existing Physician Services.
4. The District desires to retain the services of ESEP as part of the District's Physician Services program inclusive of inpatient, outpatient, and call services on a non-exclusive basis.
5. The parties enter this agreement (hereinafter referred to as “Agreement”) in order to provide a full statement of their respective responsibilities in connection with the provision of the Physician Services provided during the term of this Agreement.

Wherefore, in consideration of the promises set forth below, the parties covenant and agree as follows:

II. COVENANTS OF THE PARTIES

1. Covenants of the District
 - 1.1 *Space:* District shall make space available to ESEP in its emergency department, medical surgical unit, intensive care unit, operating rooms, preoperative unit, and outpatient clinics (hereinafter referred to as “Hospital and Clinics”) sufficient to allow ESEP to provide Physician Services in accordance with the terms of this Agreement. District shall accord ESEP full access to Hospital and Clinics and use of all facilities of the Hospital and Clinics relevant to Physician Services. These spaces shall be reasonably staffed and provided with all necessary fixtures, supplies, equipment, and furniture by District at its sole cost. District shall, at their sole expense, provide furnished call rooms for the on duty emergency physician and hospitalist physician for their exclusive use while on duty. District shall maintain these spaces to include, at a minimum, a bed, desk, and computer with electronic health record access.
 - 1.2 *Equipment and Supplies:* District at its expense shall provide ESEP all necessary expendable and non-expendable equipment and supplies reasonably necessary for the efficient and safe provision of Physician Services in accordance with District policies and the terms of this Agreement.

- 1.3 Maintenance:* District shall at its sole cost and expense maintain and repair all equipment and shall provide utilities and services reasonably required for ESEP to fulfill the terms of this Agreement.
- 1.4 Liability Insurance:* District shall, at its sole expense, procure and maintain professional liability (malpractice) insurance coverage for the benefit of ESEP and all physicians and physician extenders contracted or employed by ESEP (hereinafter referred to as ESEP Providers”) to provide Physician Services and, under such malpractice insurance coverage or a medical director or director and officer or other liability policy maintained by the District, liability coverage of ESEP and ESEP Providers with respect to the administrative responsibilities inclusive of the medical directorship set forth in Exhibit B as well as any elected or appointed leadership position within the medical staff and/or District. This malpractice and other liability coverage will be in force and effective at all times during the term of this Agreement. The policy limits of such coverage shall be at least \$1,000,000.00 for any one occurrence and \$3,000,000.00 annual aggregate coverage per ESEP Provider. If the District’s malpractice insurance or other insurance required by this Agreement is terminated or converted at any time, then District shall also acquire ‘tail’ coverage in the above stated amounts with a retroactive date to the beginning of the Agreement, in addition to the required coverage for the remaining duration of the Agreement. ESEP agrees to cooperate with District in connection with the purchase and maintenance of such coverage. If this Agreement is terminated for any reason, District shall likewise maintain uninterrupted insurance for ESEP and ESEP Providers who provide services under this Agreement, including but not limited to providing tail coverage, such that the services provided by ESEP and ESEP Providers during the term of the Agreement shall be covered even after termination of this Agreement. District shall provide ESEP and ESEP Providers with copies of certificates of coverage as needed or requested. ESEP and ESEP Providers, in their discretion, may procure and maintain any professional liability insurance coverage at their own expense in addition to, or in place of, the coverage provided for herein.
- 1.5 Non-Physician Personnel:* District, at its expense, shall provide the services of licensed registered and vocational nurses and other non-physician technicians and assistants necessary for the efficient and safe provision of Physician Services. District shall be responsible for the selection, management, direction, and control of such personnel for employment purposes, except that ESEP and ESEP Providers shall at times provide a supervisory role and, when acting in a supervisory capacity, be responsible for the direction and control of such personnel for all professional medical matters related to Physician Services. All staffing responsibilities of the District shall be in accordance with District policy. As of the date of this Agreement, District attests that District has, and intends to maintain adequate staffing for ESEP to efficiently and safely provide Physician Services under the terms of this Agreement. District will make every reasonable effort to notify ESEP of staffing limitations or changes related to Physician Services.
2. Covenants of ESEP
- 2.1 Services:* ESEP shall provide Physician Services on a prompt and continuing basis in accordance-with the terms of this Agreement. Services shall be provided by duly licensed physicians and/or physician extenders pursuant to “Exhibit A” of this Agreement. It is expected that ESEP will provide clinic and/or hospital care of patients on all contracted days inclusive of weekend days and holidays and when required or otherwise mutually agreed by the parties. ESEP and ESEP providers will be expected to be available at the premises of District during scheduled hours. District and ESEP shall set the initial scheduled work hours within ten (10) days of the mutual execution of this Agreement and thereafter shall work together to provide a mutually beneficial scheduling calendar for the

duration of this Agreement. In the event a scheduled ESEP Provider will not be available for an assigned shift, ESEP shall, whenever possible, provide District no less than forty eight (48) hours notice of any personnel change. In the event ESEP Provider is unavailable for an assigned shift and no alternate ESEP Provider is available to cover the assigned shift, District shall, at their sole expense, procure alternate coverage for Physician Services until such a time that ESEP and ESEP Providers are able to provide Physician Services under the terms of this Agreement. In such an event wherein ESEP Providers are unable to provide Physician Services District shall only assume sole responsibility for Physician Services if failure of ESEP and ESEP providers to provide Physician Services is reasonable and on good cause.

- 2.2 *Personnel:* Except as otherwise expressly provided in this Agreement, ESEP may, with prior written approval by District, select and employ or otherwise contract with duly licensed physicians and physician extenders as ESEP, in the sole exercise of their discretion, deems necessary so long as such actions abide by, and are in accordance with, applicable contractual and employment laws and regulations. During the term of this Agreement, ESEP and ESEP Providers shall maintain membership on the Hospital's medical staff and privileges appropriate for Physician Services that ESEP is required to provide pursuant to this Agreement. ESEP and ESEP Providers will abide by the Medical Staff bylaws and any policies and procedures applicable to Physician Services at the District. ESEP and all ESEP Providers shall be board certified or board eligible, unless specifically exempted from this provision by the medical staff as per relevant bylaws or policy. Physician extenders may provide services in the Hospital and Clinics only under the supervision of a qualified Physician. Physician extenders shall be credentialed through the District medical staff office and in accordance with the medical staff bylaws. Physician extenders will be required to abide by minimal proficiency standards and licensure of same. Except as otherwise expressly provided in this Agreement, the terms and conditions by which ESEP Providers are compensated by ESEP shall be at the sole and exclusive discretion of ESEP. In contracting with or employing any ESEP Provider, ESEP shall include the following contractual terms for any ESEP Provider who shall provide Physician Services under this Agreement. ESEP and ESEP Providers will not engage in any activities during the eight (8) hour period immediately preceding the beginning of the scheduled shift that will directly cause ESEP or ESEP Providers to provide a level of care to patients that falls below the standard of care or endangers patient safety. ESEP and ESEP Providers shall adhere to policies and bylaws regarding professional conduct and behavior required by the District and Medical Staff which apply to all providers who provide services at the District and which have been provided to ESEP and ESEP Providers. ESEP shall not continue to utilize an ESEP Provider for Physician Services under this Agreement who has been unavailable for a scheduled shift without more than 72 hours prior notice more than three (3) times in any year, except on finding of good cause.
- 2.3 *Admitting Privileges:* ESEP and ESEP providers will apply for, and must receive approval of full privileges before the first scheduled shift. District will reasonably cooperate with ESEP and ESEP Providers to assist with the privilege approval process.
- 2.4 *Quality Assurance:* ESEP shall, at the District's expense, cooperate and assist in the collection of data regarding productivity, patient satisfaction, time to treatment, and any other matter on which the District is obligated or desires to collect data from all of its providers so long as same will not interfere with the ability of ESEP to provide services under this Agreement.
- 2.5 *Standards:* ESEP shall at all times endeavor to operate the Physician Service in a manner consistent with the highest standards maintained for the operation of such services in comparable healthcare systems. It is understood from time to time the Medical Staff

and/or District may set standards of professional practice and duties generally applicable to all medical staff members. ESEP shall comply with such directives given to it from the Medical Staff and shall also cause all ESEP Providers to do so.

- 2.6 *District and Governance Authorities:* ESEP, in connection with their operation and conduct of the department, shall endeavor to comply with all applicable provisions of law, and other valid bylaws, rules and regulations and requirements of the Board, the Medical Staff, and the joint commission and other similar accrediting and certifying entities to which the District is subject, and governmental agencies having jurisdiction over, the operations of the District and services, licensing of healthcare practitioners, delivery of services to patients of governmentally regulated third party payers whose members or beneficiaries receive care at the District, including but not limited to rules and regulations promulgated with respect to the transfer of patients from the emergency department.
- 2.7 *Medical Records:* ESEP and ESEP Providers shall at all times maintain complete and legible medical records, which accurately document the medical necessity of all services rendered to each patient who is treated. Said records shall be kept in the electronic health record (EHR) selected by the District. Such medical records shall be the property of the District and the District shall be solely responsible for the maintenance, safety and security of said medical records. At ESEP's written request, District may, in its discretion, which shall not be unreasonably withheld, provide ESEP with copies of any records reflecting services performed by ESEP or ESEP Providers with respect to, any claims against ESEP or ESEP Providers in the nature of malpractice. District and ESEP shall comply with all applicable federal and state laws and regulations regarding the confidentiality and secure treatment of individually identifiable health information. Upon the expiration or termination of this Agreement, unless a patient specifies otherwise and in accordance with applicable law, District is entitled to the original medical records. For so long as it is required by applicable statute, District will retain medical records and make said records available to ESEP if reasonably necessary for any purpose including patient care and medical malpractice defense.
- 2.8 *Financial Records:* District and ESEP each shall have access to all financial records of the other party pertinent to the Physician Services rendered by ESEP and all billings and collections made by District under this Agreement for the purpose of any audit or examination necessary to comply with any request or demand to District or ESEP with which District or ESEP respectively, is legally obligated to comply in order to verify cost of services rendered under this Agreement.
- 2.9 *Laws and Regulations:* ESEP shall maintain and make available all necessary books, documents and records in order to assure that District will be able to meet all requirements for participation and payment associated with public and private third party payment programs, including but not limited to matters covered by Section 1861(v) (1) (I) of the Social Security Act, as amended. With respect to Section 1861(v) (1) (I), it is agreed: Until expiration of four years after furnishing services pursuant to this Agreement, ESEP shall make available upon written request of the Secretary of Health and Human Services or the U.S. Controller General, or any of their duly authorized representatives, this Agreement, books, documents, and records of ESEP that are necessary to verify the nature and extent of costs incurred by District under this Agreement. If ESEP carries out any of the duties of this Agreement with a value of \$10,000 or more over a twelve-month period through a subcontract with a related organization, such agreement must contain a clause to the effect that until the expiration of four years after the furnishing of services under the subcontract, the related organization shall make available, upon written request of the Secretary of Health and Human Services, the U.S. Comptroller General, or any of their duly authorized

representatives, the subcontract, and any books, documents and records of the related organization that are necessary to verify the nature and extent of costs incurred by District under this Agreement.

III. COMPENSATION AND BILLING

1. Compensation

1.1 Rates: ESEP and the District have agreed on compensation that District will pay to ESEP for the terms of this Agreement as set forth in “Exhibit B” attached hereto. Compensation as outlined in “Exhibit B” shall be adjusted commiserate with changes in staffing provided by ESEP for Physician Services.

1.2 Patient Charges: ESEP will charge patients on a fee-for-service basis. Charges for services performed by ESEP shall be reasonable, consistent with fair and customary charges in the community, allow consideration for the level of skill or complexity provided, and shall comply with all applicable laws and regulations governing physician charges. If necessary, the District and ESEP will cooperate in setting charge schedules and billing practices in order to facilitate compliance with billing guidelines established by third party payers and all applicable governmental regulations and in negotiating contracts with PPOs, HMOs, IPAs and other managed care organizations and third party payors that affect reimbursement for ESEP services. District shall provide ESEP with copies of all managed care or other payor contracts that govern reimbursement for ESEP Services (“ESEP Payor Contracts”). Any new ESEP Payor Contracts or material amendments to existing ESEP Payor Contracts shall require the approval of ESEP’s board or its designee or be within ESEP-approved payor contract parameters.

1.3 Daily Memoranda and Billing: The District shall act as the designated billing and collection agent for ESEP and ESEP Providers. ESEP hereby assigns to District the right to bill and collect such charges. The District will comply with third party payor billing requirements and participate in quality incentive programs of the plans and/or government. In the event District bills patients through a single invoice combining District and ESEP’s charges, the billing shall clearly distinguish the professional fees of ESEP and ESEP Providers from those of District’s facility fees and those of any non-ESEP professional fees included in the invoice. ESEP shall cooperate in the preparation and filing of such documentation and records as are necessary to allow District to efficiently perform its billing duties as set forth herein. District will collect and retain all facility fees related to Physician Services. If the collected portion of ESEP professional fees generated by Physician’s Services at any time is in excess of the compensation for Physician Services as set forth in “Exhibit B” District will compensate ESEP no less than the total amount of collected professional fees. As set forth herein, ESEP shall have the right to review District financial records to verify billing, collection, and payments. District agrees that for the purposes of billing transparency, that District will, no less than quarterly, provide ESEP with all financial records related to billings, collections, and services under this Agreement accompanied by all supporting financial documentation, balance sheets, and records. As ESEP is assigning its rights of payment, billing, and collection from the patients to District, the failure of District to collect fees or billings from patients shall not impact or affect any payments due and owing from District to ESEP for service performed and rendered to patients. District shall pay all monies owed to ESEP based on the rates set forth in “Exhibit B” no later than the fifteenth (15th) day of the month following the month of service. District’s obligation to pay ESEP for Physician Services rendered up to the date of termination shall survive the termination of this Agreement. District agrees to indemnify, defend, and hold harmless ESEP in the event a third-party asserts a claim against ESEP arising from allegations that District engaged in improper billing for the services provided by ESEP under this Agreement.

1.4 *Payment of All Sums:* Under this part all sums owed ESEP by District shall be made at the following address:

Eastern Sierra Physicians
P.O. Box 1448
Bishop, CA 93515

Or such other address or account as ESEP may designate from time to time by notice to the District.

1.5 *Reasonable Compensation.* Notwithstanding anything in this Agreement to the contrary, in no event shall ESEP's total cash compensation during any Fiscal Year (pro-rated for partial years) for all services provided by ESEP pursuant to this Agreement exceed reasonable, fair market value compensation based on applicable state or federal law, regulations and guidelines and nationally recognized compensation survey data. The compensation referenced herein is intended to comply with applicable law governing physician compensation.

IV. TERM

1. *Term:* The term of this Agreement shall be for three (3) years, or from March 1, 2022 to February 28, 2025 provided that the parties may amend the Agreement during the term in accordance with Section 5.5. Unless provided, in writing, one hundred and twenty (120) days prior to the end of the Agreement the terms of this Agreement shall be automatically renewed for an additional three (3) years, or from March 1, 2025 to February 28, 2028.
2. *Termination:* This Agreement may not be terminated without cause. A party may terminate this Agreement on ninety (90) days written notice to the other party due to a material uncured breach of this Agreement by the other party, provided that the party in breach has been given thirty (30) days' written notice and opportunity to cure, which cure period may precede or overlap or be coincident with the ninety day termination notice period and the other party has failed to cure the breach within that thirty-day period. District may terminate this Agreement and all ESEP rights hereunder immediately upon the occurrence of any of the following causes.
 - 2.1 Failure of ESEP to provide Physician Services coverage for a period in excess of two (2) consecutive days (48 hours) where ESEP or ESEP Provider was scheduled to provide service coverage and where failure to provide Physician Services was without good cause.
 - 2.2 Upon a determination by a majority of the Board, after consultation with the executive committee of the medical staff, that ESEP or any of its providers has been guilty of repeated acts of professional incompetence in response to which ESEP has not taken reasonable or appropriate steps.
 - 2.3 ESEP has, after reasonable prior written notice and an opportunity to rectify, failed to maintain the Physician Service in a manner consistent with the highest standards maintained for the operation of similar services in comparable Districts.
 - 2.4 ESEP is, after reasonable prior written notice and an opportunity to rectify, engaged in a continuing course of conduct that places District or its medical staff at risk of adverse action in connection with licensing or accreditation entities.
 - 2.5 ESEP is engaging in or about to engage in conduct that puts the District, its Medical Staff, or parties at risk of harm.
 - 2.6 Upon appointment of a receiver of ESEP's assets, an assignment by ESEP of its assets for the benefit of its creditors, or any action taken or suffered by ESEP under any bankruptcy or insolvency act that is not remedied within thirty (30) days or said appointment, assignment, or action.

3. *Cooperation.* In the event of termination of the Agreement for any reason whatsoever, the parties agree to cooperate with each other to promptly resolve any outstanding financial, administrative or patient care issues. The parties agree to cooperate to carry out the intent and purpose of this Agreement, including without limitation, the execution and delivery to the other party any further agreements or documents necessary for taking action reasonably required to effectuate the provisions of this Agreement. This clause shall survive the termination of this Agreement.

V. OTHER MATTERS

1. *Indemnification:* Each party shall indemnify and hold harmless the other and its subsidiaries and/or affiliates, if applicable, from and against any and all claims, demands, losses, damages, judgments, penalties, fines, costs, charges, and other expenses (including without limitation litigation costs, reasonable attorneys' fees, witness fees and expenses incident thereto) (collectively referred to as "Claims"), to the extent arising out of or relating to the willful misconduct of a party or any misrepresentation of the warranties contained in this Agreement, provided that ESEP shall have no obligation to indemnify hereunder if the District has insurance available to cover the entirety of the Claims at issue. In the event the District's insurance limits do not cover the entirety of the Claims at issue, ESEP's obligation to indemnify will be limited to amounts in excess of such limits.
2. *Compliance with Anti-Referral Laws:* Each party intends to comply in all respects with all governing laws and regulations relating to fraud and abuse and prohibitions against inappropriate referrals and enter into this Agreement with the intent of conducting their relationship and implementing the agreements contained herein in full compliance with applicable federal, state, and local law, including without limitation, the Medicare/Medicaid anti-kickback statute (the "anti-kickback law") and section 1877 of the Social Security Act (the Stark law), as amended. Notwithstanding any unanticipated effect of any of the provisions of this Agreement, neither party will intentionally conduct itself under the terms of this Agreement in a manner that would constitute a violation of the anti-kickback law or the Stark law. Without limiting the generality of foregoing, the parties expressly agree that nothing contained in this Agreement shall require either party to refer any patients to the other, or to any affiliate or subsidiary of the other. Specifically, ESEP and ESEP Providers are free to secure and maintain contracts and privileges at other hospitals and to admit patients who require hospitalization to any hospital that is desired. ESEP is free to refer patients for diagnosis, treatment or testing to any qualified provider. If any legislation, regulation or government policy is passed or adopted, the effect of which would cause either party to be in violation of such laws due to the existence of any provision of this Agreement, then the parties agree to negotiate in good faith for a period of ninety (90) days to modify the terms of this Agreement to comply with applicable law. Should the parties hereto fail to agree upon modified terms to this Agreement within this time, then either party may immediately terminate this Agreement by giving written notice to the other party.
3. *Independent Contractor:* No relationship of employer, employee, agency, partner, joint venture, or other similar relationship is created by this Agreement, it being understood that ESEP will act hereunder as an independent contractor, and none of the providers performing services for ESEP, whether said providers be members, partners, employees, subcontractors, or otherwise, shall have any claim under this Agreement or otherwise against District for vacation pay, sick leave, retirement benefits, social security, worker's compensation benefits, or employee benefits of any kind; that District shall neither have nor exercise any control or direction over the methods by which ESEP shall perform its work and functions, which at all times shall be in strict accordance with currently approved methods and practices in their field; and the sole interest of District is to ensure that Physician Services shall be performed and rendered in a competent, efficient, and satisfactory manner and in accordance with the

standards required by the Medical Staff and District. ESEP will be solely responsible for the payment of any applicable taxes, fees, benefits, worker's compensation, etc. on behalf of ESEP and ESEP Providers. Notwithstanding the foregoing, District will coordinate and procure the professional liability insurance for ESEP and ESEP Providers as set forth herein, including but not limited to tail coverage upon termination of the Agreement, such that ESEP and ESEP Providers are covered even if claims occur after termination of this Agreement.

4. *Not Exclusive:* It is specifically agreed and understood that ESEP and ESEP Providers shall not be required to limit their practices exclusively to the District, it being understood that additional enterprises and other Physician Services agreements shall be permissible. Provided however, neither ESEP nor ESEP Providers may engage in other agreements or enterprises that will materially interfere with the performance of services required under this Agreement.
5. *Amendment:* This Agreement may be amended at any time by written agreement duly executed by both parties.
6. *Assignment:* ESEP shall not assign, sell or transfer this Agreement or any interest therein without the consent of the District in writing first hand and obtained. Notwithstanding and of the foregoing, it is understood and agreed that, in the event that ESEP forms an alternative professional organization, duly authorized under the laws of this State to practice medicine, said alternative professional organization may be substituted in place of ESEP, with all of the rights and subject to all of the obligations of ESEP under the terms of this Agreement. Said substitution shall be effected upon ESEP by giving written notice to the District.
7. *Attorney's Fees:* In the event that suit, mediation or arbitration, is brought regarding the provisions of this Agreement or the enforcement thereof, the prevailing party shall be awarded its cost of suit and reasonable attorney's fees as part of any judgement rendered therein. The parties agree to submit to mediation prior to the filing of any court proceeding.
8. *Notices:* The notices required by this Agreement shall be effective if mailed, postage prepaid as follows:

To District at:

Northern Inyo Hospital Healthcare District
Attn: Chief Executive Officer
150 Pioneer Lane
Bishop, CA 93514

To ESEP at:

Eastern Sierra Physicians
P.O. Box 1448
Bishop CA, 93515

Or such other address as a Party may designate from time to time by notice to the other Party.

9. *Complete Agreement:* This Agreement and its Exhibits, with any subsequent amendments, is the complete Agreement between the parties as to the terms covered herein. All of the promises, representations and warranties of the parties in regard to the terms of this Agreement are stated herein, or in any amendment. Any prior promises representations or warranties occurring in the course of negotiations are superseded by this Agreement.
10. *Validity:* If any portion of this Agreement is found to be void or illegal, it shall not affect the validity or enforceability of any other portion thereof.

11. *Counterparts*: This Agreement may be executed in any number of counterparts which, when read together shall constitute one document. A facsimile or other digital signature shall have the same force, effect and validity as an original.

IN WITNESS WHEREOF, the parties have executed this Agreement at Bishop, California, on _____, 2022.

DISTRICT:

BY
Kelli Davis, MBA

ESEP:

BY
John Adam Hawkins, DO

EXHIBIT A: SPECIALTIES; WORK LOCATION; WORK SCHEDULE; ETC.

- I.** *Specialties:* Emergency Medicine, Internal Medicine, Family Medicine, Hospitalist Medicine, Anesthesia and applicable subspecialties thereof.
- II.** *Practice:*
1. *Emergency Medicine:* ESEP shall provide eight thousand seven hundred and sixty (8760) hours per year of full time emergency medicine Physician Services in the emergency department.
 2. *Hospitalist Medicine:* ESEP shall provide hospitalist medicine Physician Services coverage in the intensive care unit and medical surgical unit. Hours per month shall be decided at least one (1) month in advance by agreement between the hospitalist medicine director and the chief medical officer or their designees. ESEP shall, in good faith, work towards providing eight thousand seven hundred and sixty (8760) hours per year of full time hospitalist coverage in the intensive care unit and medical surgical unit.
 3. *Hospital Medicine Clinic:* ESEP shall provide outpatient internal medicine and family medicine Physician Services as part of the Hospital Medicine Clinic, hereinafter referred to as “HMC”. HMC services shall be provided on a part time basis as determined by the hospitalist medicine director and chief medical officer or their designees.
 4. *Anesthesia:* ESEP shall provide part-time (1 FTE out of a 4 FTE coverage program) Anesthesia Physician Services. Schedule and staffing shall be agreed upon by ESEP and District at least one month prior to rendering of anesthesia Physician Services.
 5. *Medication Assisted Treatment:* ESEP shall provide outpatient part-time Medication Assisted Treatment Program, hereinafter referred to as “MAT Program”. Schedule and staffing shall be agreed upon by ESEP and District at least one month prior to rendering of MAT Physician Services.
 6. *Work Location:* Northern Inyo Associates Clinics, Rural Health Clinic, and Northern Inyo Hospital.
- III.** *Minimum Performance Standards (if any):* To be determined by ESEP medical director(s) and/or chief medical officer and/or the chief of staff and in accordance with the Medical Staff bylaws.
- IV.** *On-Call Coverage Schedule:* ESEP shall provide eight thousand seven hundred and sixty (8760) hours per year of emergency medicine administrative call, e.g., back-up call.
- V.** *Additional Duties (if any):* To abide by the bylaws of the Medical Staff; participate in the quality assessment and performance improvement activities of District as well as meet the requirements of meaningful use; code patient visits and procedures for billing purposes in a timely fashion.
- VI.** *Physician Leadership:* ESEP shall provide medical directorship and physician leadership for the emergency medicine and hospitalists services as outlined in “Exhibit C”.

EXHIBIT B: COMPENSATION

I. Fair Market Value Base Compensation: \$4,600,000 (four million six hundred thousand dollars) per year.

1. Includes eight thousand seven hundred and sixty (8760) hours of Emergency Medicine Coverage
2. Includes eight thousand seven hundred and sixty (8760) hours of Emergency Medicine back-up call
3. Includes ESEP providing approximately 80-85% of 8760 eight thousand seven hundred and sixty (8760) hours per year of full time hospitalist coverage in the intensive care unit and medical surgical unit.
 - 3.1 *Base Compensation shall be increased to \$4,800,000 (four million eight hundred thousand dollars) per year upon full staffing for the provision of hospitalist Physician Services.*
4. Hospitalist Medical Director, \$50,000 (fifty thousand dollars).
5. Emergency Services Medical Director, \$50,000 (fifty thousand dollars).

II. Hospitalist Clinic Compensation: \$175 (one hundred and seventy five dollars) per hour of clinical work and \$87.50 (eighty seven dollars and fifty cents) per clinic day for administrative duties.

III. Emergency Medicine Double Coverage Compensation: \$250 (two hundred and fifty dollars) per hour.

IV. Inpatient Hospitalist Double Coverage Compensation: \$190 (one hundred ninety dollars) per hour.

V. Physician Anesthesiologist Compensation: \$460,000 (four hundred and sixty thousand dollars) per physician anesthesiologist per year.

1. \$450,000 (four hundred and fifty thousand dollars) compensation for 1 FTE of operating room(s) coverage and call schedule hours for a 4 FTE anesthesia coverage program
2. \$10,000 (ten thousand) ESEP administrative practice management stipend
3. District shall reimburse ESEP an additional \$215 (two hundred and fifteen dollars) per hour for each hour worked by an ESEP anesthesiologist that was an emergency fill-in for a shift or portion of a shift assigned to a non-ESEP provider.

VI. Medication Assisted Treatment Compensation: \$223 (two hundred and twenty three dollars) per hour of clinical work and \$25,000 (twenty five thousand dollars) per year for administrative duties.

VII. Trans-Esophageal Echocardiogram Compensation: \$300 (three hundred dollars) per study.

VIII. Benefits:

1. *Liability Insurance:* As noted in 2.1.4 above.
2. *Continuing Medical Education:* Up to \$3,000 (three thousand dollars) per year of reimbursement for continuing medical education for each ESEP Provider who works full-time and \$2,000 (two thousand) for each ESEP Provider who works part-time. Eligibility is to be determined by ESEP under these criteria and the pertinent ESEP Physician Services Contracts and policies and procedures. This includes, but is not limited to medical conference registrations, fees, and travel expenses, medical licensure, medical exams, medical credentialing, medical society membership fees, medical educational media, and software and/or hardware utilized for continuing medical education purposes.
3. *Annual Raise:* A 3.5% increase to compensation will be applied based on the previous year's total compensation, annually, for the duration of the contract.
4. *Signing Bonus and Moving Expenses:* District shall pay ESEP a \$10,000 (ten thousand dollars) sign on bonus and up to \$5,000 (five thousand dollars) for moving expenses with receipts per each full time physician recruited by ESEP.

5. *Loan Repayment:* District shall pay newly recruited full time ESEP physicians \$20,000 (twenty thousand dollars) per year for three years for use towards repayment of educational loans.

EXHIBIT C: PHYSICIAN LEADERSHIP

The medical director and other leadership services ESEP agrees to provide to District under this Agreement include:

1. Participates in District utilization review
2. Collaborates with clinical and administrative director in establishing and evaluating policies, procedures, and protocols for Physician Services for patient care and medical developments, including new treatment modalities, drug information and other relevant developments.
3. Collaborates with clinical and administrative directors in recommending, developing and implementing new services to be provided as part of Physician Service offerings.
4. Identifies equipment needs and collaborates with clinical and administrative director in coordinating standardization of instrumentation, equipment and supplies for Physician Services.
5. Assists District in providing public education and community outreach concerning Physician Services including, public speaking engagements for community services group, public forums, and seminars and health fairs sponsored by District.
6. Collaborates with clinical and administrative directors in developing policies and procedures governing the use, availability and coordination of Physician Services.
7. Attends meetings District campus, or elsewhere, at reasonable times, and for reasonable periods, in order to accomplish each of the above duties, and rendering reports, recommendations and evaluations as may be reasonably requested by District.
8. Collaborates with clinical and administrative directors to ensure compliance with the District, Board, and Medical Staff bylaws, policies and procedures and rules and regulations, the recommendations of the Joint Commission and the requirements of all federal, state and municipal statutes, regulations, ordinances and directives governing the provision of healthcare services and the practice of medicine.
9. Participation, and California Health & Safety Code 1250 et seq., and the regulations promulgated thereunder applicable to licensed healthcare facilities, and patient privacy and consent laws.
10. Medical directors shall devote time in accordance with work schedule in performing the director services required under this Agreement to ensure the proper management of Physician Services.
11. ESEP medical directors shall provide District with a monthly time log. This time log must be legible, identify with specificity the dates services were performed and specify the nature of ESEP's medical director activity. ESEP shall maintain sufficient back-up information to permit District compliance office and/or finance department to audit and validate the information provided on the time sheets for a period of no less than four (4) years following the expiration of this Agreement. Because either ESEP or District may be called upon to provide a detailed summary of services performed to either state or federal government authorities, ESEP acknowledges and agrees that their failure to provide the monthly time logs constitutes a material breach of "Exhibit C" of this Agreement by ESEP and hereby authorizes District to withhold payment of medical directorship compensation hereunder until ESEP has completed and delivered the applicable time log(s) to District, and invoices submitted more than sixty (60) days after the month in which services are provided will not be paid, and withholding medical director payment as permitted under this Section does not constitute a material breach of this Agreement.
12. ESEP shall serve as liaison to providers, both District and non-District providers in the Eastern Sierra region.

13. ESEP shall promote collaboration between internal and external health care teams in the Eastern Sierra region.
14. Collaborates with clinical and administrative directors in developing an operating budget and a capital budget on an annual basis for the emergency and hospitalist departments.
15. Participate in activities and committees as required by the bylaws of the Medical Staff; participate in the quality assessment and performance improvement activities of District as well as meet the requirements of state of federal mandate; serve as the physician lead for purposes of administrative oversight of the operating rooms and Physician Services.

Kelli Davis, MBA
District

John Adam Hawkins, DO
ESEP

**NORTHERN INYO HEALTHCARE DISTRICT
RECOMMENDATION TO THE BOARD OF DIRECTORS
FOR ACTION**

Date: December 30, 2021

Title: **NONDESIGNATED PUBLIC HOSPITAL BRIDGE LOAN APPLICATION**

Synopsis: Authorizing the Execution and Delivery of Loan and Security Agreement and Promissory Note.

It is recommended that the Board of Directors approve the resolution of the authorization to execute the loan of \$497,000.00 from California Health Facilities Financing Authority to fund the working capital of Northern Inyo Healthcare District and appointing Kelli Davis, Chief Executive Officer, as the Authorized Officer to execute and deliver any and all documents that are necessary for the completion of the loan process.

Prepared by: Dolores Perez, Assistant Controller

Approved by: Vinay Behl, Interim Chief Financial Officer

FOR EXECUTIVE TEAM USE ONLY:

Date of Executive Team Approval: _____ Submitted by: _____
Chief Officer

RESOLUTION NO 22-01

RESOLUTION OF **NORTHERN INYO HEALTHCARE DISTRICT** AUTHORIZING EXECUTION AND DELIVERY OF A LOAN AND SECURITY AGREEMENT, PROMISSORY NOTE, AND CERTAIN ACTIONS IN CONNECTION THEREWITH FOR THE CALIFORNIA HEALTH FACILITIES FINANCING AUTHORITY NONDESIGNATED PUBLIC HOSPITAL BRIDGE LOAN PROGRAM

Nondesignated Public Hospital Bridge Loan Program

WHEREAS, **Northern Inyo Healthcare District** (the “Borrower”) is a nondesignated public hospital as defined in Welfare and Institutions Code Section 14165.55, subdivision (1), excluding those affiliated with county health systems pursuant to Chapter 240, Statutes of 2021 (SB 170), Section 25; and

WHEREAS, Borrower has determined that it is in its best interest to borrow an aggregate amount not to exceed **\$497,00.00** from the California Health Facilities Financing Authority (the “Lender”), such loan to be funded with the proceeds of the Lender’s Nondesignated Public Hospital Bridge Loan Program; and

WHEREAS, the Borrower intends to use the funds solely to fund its working capital needs to support its operations;

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Borrower as follows:

Section 1. The Board of Directors of Borrower hereby ratifies the submission of the application for a loan from the Nondesignated Public Hospital Bridge Loan Program.

Section 2. **KELLI DAVIS, CHIEF EXECUTIVE OFFICER** (an “Authorized Officer”) is hereby authorized and directed, for and on behalf of the Borrower, to do any and all things and to execute and deliver any and all documents that the Authorized Officer(s) deem(s) necessary or advisable in order to consummate the borrowing of moneys from the Lender and otherwise to effectuate the purposes of this Resolution and the transactions contemplated hereby.

Section 3. The proposed form of Loan and Security Agreement (the “Agreement”), which contains the terms of the loan is hereby approved. The loan shall be in a principal amount not to exceed **\$497,000.00**, shall not bear interest, and shall mature 24 months from the date of the executed Loan and Security Agreement between the Borrower and the Lender. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Agreement in substantially said form that includes the redirection of up to 20% of Medi-Cal reimbursements (checkwrite payments) to Lender in the event of default, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Section 4. The proposed form of Promissory Note (the “Note”) as evidence of the Borrower's obligation to repay the loan is hereby approved. The Authorized Officer is hereby authorized and directed, for and on behalf of the Borrower, to execute the Note in substantially said form, with such changes therein as the Authorized Officer may require or approve, such approval to be conclusively evidenced by the execution and delivery thereof.

Date of Adoption: 01/19/2022

SECRETARY'S CERTIFICATE

I, Topah Spoonhunter, Secretary of **NORTHERN INYO HEALTHCARE DISTRICT**, hereby certify that the foregoing is a full, true and correct copy of a resolution duly adopted at a regular meeting of the Board of Directors of **NORTHERN INYO HEALTHCARE DISTRICT** duly and regularly held at the regular meeting place thereof on the 19th day of January, 2022, of which meeting all of the members of said Board of Directors had due notice and at which the required quorum was present and voting and the required majority approved said resolution by the following vote at said meeting:

Ayes:

Noes:

Absent:

I further certify that I have carefully compared the same with the original minutes of said meeting on file and of record in my office; that said resolution is a full, true and correct copy of the original resolution adopted at said meeting and entered in said minutes; and that said resolution has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

Topah Spoonhunter, Secretary
Board of Directors

Date: _____



NORTHERN INYO HEALTHCARE DISTRICT NON-CLINICAL POLICY AND PROCEDURE

Title: Charge Capture Policy and Procedure		
Owner: Director of Revenue Cycle	Department: Business Office	
Scope: District Wide		
Date Last Modified: 11/03/2021	Last Review Date: No Review Date	Version: 2
Final Approval by: NIHD Board of Directors	Original Approval Date: 02/20/2019	

PURPOSE: To ensure that each service department accurately, completely and in a timely manner, records patient service revenue.

POLICY:

Charges for services provided to patients will be recorded in the appropriate patient visit upon the delivery of care for all system generated charges. Manual charges will be placed within seventy-two (72) hours of the provision of care.

Each service department providing patients with chargeable services and supplies is solely responsible for the timely and accurate posting of their charges to the appropriate patient visit. Each service department is also responsible for the daily reconciliation of all charges to ensure accurate and complete posting of charges into the organization’s financial system.

DEFINITIONS:

1. Charge Description Master (CDM): A list detailing the official rate charged by a hospital for individual procedures, services and supplies.
2. Current Procedural Terminology (CPT): These are medical code sets that are used to report medical, surgical and diagnostic procedures and services to entities such as physicians, health insurance companies and accreditation organizations.
3. Modifier(s): A modifier indicates that a service or procedure has been altered by some specific circumstance, but not changed in its definition or code. Modifiers are used to add information or to change the description of a service in order to improve specificity.
4. Service department: Any department within the hospital that provides a service for which a charge can be generated.

PROCEDURE:

1. Charge Identification and Recording

1. The development of procedures to address the charge capture processes shall be service area specific. The procedures need not be the same for different services within a single department (i.e., X-ray, MRI, CT).

2. Each service department will have designated staff positions assigned the responsibility to provide system inherent charge capture entry and review. Assignments will be developed to provide coverage of this responsibility on a daily basis. There will be a minimum of two staff members trained in the charge capture activities so that back-up can be provided at all times.
3. Utilizing the appropriate charge description master (CDM) codes, the caregiver shall accurately document all chargeable services and supplies at the time of service in an appropriate manner and format as designated by each service department's policies and procedures.
4. If charges are generated and entered via documentation of those services, the service department will record all documented charges the appropriate patient visit within twenty-four (24) hours of the provision of the service.
5. All manual charges will be placed on the patient's visit within seventy-two (72) hours of the date the service(s) was rendered by the department providing the service.

2. Charge Audit and Control

1. Each service department will be responsible for the daily reconciliation of charge capture, charge entry, charge interface processes, system inherent charge review and for the appropriate resolution of identified errors and omissions by midnight of the following day.
2. Each service department is responsible for documenting and implementing an audit process to ensure all chargeable services are accurately documented at the time of service.
3. The documented services and supplies will be compared to the daily department census (revenue and usage report), schedules and/or interface service reports within twenty-four (24) hours of the original posting date.
4. All errors or omissions will be corrected on the patient's visit in the system on the day the error or omission is discovered.

3. Interface

1. Each service department is responsible for implementing an audit process to ensure accurate transmittal of system-recorded charges from each subsystem to the financial system.
2. Each service department is responsible for having or developing an interface related error report listing all transmittal failures.
3. Each service department is responsible for reviewing the error report and correcting the error within twenty-four (24) hours of the report.
4. If issues with the report or the correction of the errors occur, the service department should contact the Charge Capture Department for assistance.

4. Documentation

1. Each service department shall prepare individual detailed service area specific charge procedures including the following sections:
 1. Charge capture process
 2. Charge capture reconciliation process
 3. Charge capture auditing procedure
 4. Charge entry auditing procedures
 5. Charge interface procedures
 6. Audit documentation procedures

2. Copies of these procedures will be provided to members of the Executive Team and the Charge Capture Manager.
3. The Charge Capture Manager will ensure internal audit review of these procedures on a random basis.

5. Late Charges

1. Any charges processed more than four (4) days from the date of service delivery to a patient, will be considered a “Late Charge”. Exceptions to this are charges for services requiring:
 1. Creation of a charge for a new service
 2. Tests requiring a result before the service is charged
 3. Tests requiring a signed medical report before the service is charged
2. Late charges are followed as an “Exception” event in the Charge Capture process and are audited for circumstances or processes necessitating corrective action.
3. It will be necessary to submit late charges to the Charge Capture Department for processing. The Charge Edit Form is attached to this policy.
4. Extraordinary circumstances resulting in a late charge(s) must be submitted to the Business Office Manager with an explanation of the circumstances on a case-by-case basis so resources and affected areas can be informed as necessary.
5. Charges for send out services (outside labs) are to be charged at the time of the specimen send out, not as of the result.

6. Charging for Opened and Unopened Supplies

1. Service departments are responsible for patient chargeable supplies issued/used by the department, even when the revenue for the supply is credited to a common revenue department (Supplies Charged to Patients).
2. Patients should not be charged for supplies ordered by the physician or surgeons that were not used during the procedure. These items are to be included in administrative costs of the service department.
3. If the procedure is discontinued due to a medical complication and after the patient is given anesthesia, the provider may be reimbursed by Medicare and the payors for the collective cost of the initially planned procedure; however, a separate bill of unused items for the initial procedure will not be accepted. In this instance the modifier seventy-four (74) applies and will be attached at the claim level. (Reference #7, vi. Below detailing the use of modifier seventy-four (74)).
4. When unused, supplies determined to be inappropriate in size and do not end up fitting, are not reusable (i.e., screws or implants). They can be billed to CMS and commercial payers in the following instances:
 1. The items have come into contact with the patient and are subsequently removed, or if they are unsuccessfully inserted.
 2. Staff must thoroughly document all opened and unused items during each procedure, including the reason for nonuse, and attach documentation to the claims.
 3. Such supplies and implants are to be offered to the patient.

7. Charging for Discontinued Service or Patient Left Without Being Treated

1. If a patient arrives and is registered into the system, documentation must be recorded as to the reason why the patient did not receive the service, or the reason the service was not completed if it began.

1. If the diagnostic service is discontinued because the patient could not tolerate the procedure, charge for the service and a modifier fifty-two (52) will be attached at the claim level.
 2. If the service is discontinued due to equipment failure, **do not charge**. Place the applicable department “zero charge” indicative of the reason for the zero charge.
 3. If the service is discontinued because the physician or provider could not proceed for reasons related to patient well-being, charge for the service and a modifier fifty-three (53) will be attached at the claim level.
 4. If the patient was welcomed and placed in an exam room, vitals were taken and the patient left without seeing the provider, **do not charge**. Place the applicable department “zero charge”, indicative of the reason for the zero charge.
 5. If a surgery or diagnostic procedure is cancelled after the patient has been made ready and taken to the room where the procedure is to be performed but has not received anesthesia, the provider can cancel or discontinue the procedure. If none of the planned procedure(s) is completed, the first/only procedure is charged with the usual CPT code and a modifier seventy-three (73) will be attached at the claim level. The other procedures are not charged.
 6. If a surgery or diagnostic procedure is cancelled due to extenuating circumstances or those that threaten the well-being of a patient, and after the administration of anesthesia or after the procedure has started, the procedure is charged using the usual CPT code and a modifier seventy-four (74) will be attached at the claim level.
2. For any circumstances surrounding a question of to charge or not, contact the Charge Capture Manager or the Business Office Manager.

REFERENCES:

1. Healthcare Business Insights
2. Healthcare Financial Management Association
3. CMS Coding and Billing Manuals

RECORD RETENTION AND DESTRUCTION:

CROSS REFERENCED POLICIES AND PROCEDURES:

Supersedes: v.1 Charge Capture Policy and Procedure

**NORTHERN INYO HEALTHCARE DISTRICT
RECOMMENDATION TO THE BOARD OF DIRECTORS
FOR ACTION**

Date: December 3, 2021

Title: **Recommendation to appoint a Board member to the Compliance and Business Ethics Committee**

Synopsis: The Compliance Program for NIHD establishes the membership of the Compliance and Business Ethics Committee. The program establishes that a member of the Board will be on the committee. It is recommended that the Board nominate a member to serve on the committee.

Prepared by: Patty Dickson, Compliance Officer

Reviewed by: *Kelli Davis*
Kelli Davis
Chief Executive Officer

FOR EXECUTIVE TEAM USE ONLY:

Date of Executive Team Approval: *12-6-2021* Submitted by: *Kelli Davis*
Chief Officer

**NORTHERN INYO HEALTHCARE DISTRICT
REPORT TO THE BOARD OF DIRECTORS
FOR INFORMATION**

Date: 01/12/2022

Title: **NIHD ORTHOPEDIC SERVICES DECEMBER HIGHLIGHT**

Synopsis: In ensuring Board and Public awareness of services provided by NIHD, the December Healthy Lifestyle Talk "Sports Medicine & You: Helping Athletes Stay in the Game" with Bo Nasmyth Loy, MD, is shared as an information item. The link to the recorded event which took place on December 16th, is included in the highlight advertisement (attached) for information and direction to the recording

Prepared by: Barbara Laughton, Strategic Communication Specialist &
Scot Swan, Digital Marketing Specialist

Approved by: *Kelli Davis*
Name: Kelli Davis
Title: Chief Executive Officer

FOR EXECUTIVE TEAM USE ONLY:

Date of Executive Team Approval: _____ Submitted by: _____
Chief Officer

