

# Board Meetings

## March 15, 2023 Regular Board Meeting

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NORTHERN INYO HEALTHCARE DISTRICT  
*One Team. One Goal. Your Health.*

**AGENDA**  
**NORTHERN INYO HEALTHCARE DISTRICT**  
**BOARD OF DIRECTORS REGULAR MEETING**

**March 15, 2023 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 Board is again meeting in person at 2957 Birch Street Bishop, CA 93514. Members of the public will be allowed to attend in person or via zoom. Public comments can be made in person or via zoom:

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1. Call to Order (at 5:30 pm).
2. Public comments on closed session items.
3. Adjournment to Closed Session to/for:
  - a. Discussion of Public Employment (Gov. Code § 54957(b)(1))  
Title: CEO Candidate
  - b. Conference with Labor Negotiators (Gov. §54957.6) Agency Designated Representative:  
Northern Inyo Healthcare District Human Resources Director  
Unrepresented Employee: CEO Candidate
4. Return to open session and report on any actions taken in closed session.
5. **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.

6. New Business:

A. Ad Hoc Committee Reports

- a. Governance (Jean Turner)
- b. HR (Mary Mae Kilpatrick)
- c. Finance (Melissa Best-Baker)
- d. Compliance (Jody Veenker)

B. Chief Executive Officer Report

C. Chief Financial Officer Report

- a. Financial & Statistical Reports (*Board will consider the approval of these reports*)
- b. RSM Update (*Board will receive this report*)
- c. TAG Update (*Board will receive this report*)
- d. Audit Firm Discussion (*Board will consider the approval of staff's recommendation*)

D. Interim CEO Remote Work Days

- a. The following dates are approved for Interim CEO Chadwick to work remotely in accordance with his agreement. (*Board will consider approval of the Interim CEO's remote work days*)
  - 12/23/2022 – 12/30/2022
  - 1/23/2023 – 1/27/2023
  - 2/28/2023 – 3/2/2023
  - 3/27/2023 – 3/31/2023

E. Interim CEO Contract Extension, Alison Murray (*Board will consider approval of the Interim CEO's contract extension*)

F. Board Education, Noel Caughman

- a. Med Staff / Hospital Structure (*Board will receive this information*)

G. Symplr Contract Software, Stephen/Patty

- a. Return on Investment presentation (*Board will consider the approval of this software purchase*)

7. Chief of Staff Report, Sierra Bourne MD:

A. Medical Staff Appointments 2023 – 2024 (*Board will consider the approval of these Medical Staff Appointments*)

- a. Lucienne Bouvier, MD (*obstetrics & gynecology*) – Active Staff
- b. Darren Dennis, PA-C (*physician assistant, family practice*) – APP Staff

- c. Daniel Kirkham, MD (*radiology*) – Courtesy Staff
- d. Shawn Marvin, MD (*radiology*) – Telemedicine Staff
- e. Aviva Regev, MD (*anesthesiology*) – Courtesy Staff
- B. Medical Staff Appointments 2023 – 2024 Proxy Credentialing (*Board will consider the approval of these Medical Staff Appointments*)
  - a. Mike Khieu, MD (*cardiology, Renown*) – Telemedicine Staff
  - b. Rahesh Vaid, MD (*radiology, Quality Nighthawk*) – Telemedicine Staff
- C. Additional Privileges (*Board will consider the approval of these additional privileges*)
  - a. Carolyn Tiernan, MD– (*emergency medicine*) – privileges in Advanced Wound Care
- D. Change in Staff Category (*Board will consider the approval of this change in staff category*)
  - a. Michael Dillon, MD– (*emergency medicine*) – change from Active to Honorary Staff
- E. Medical Staff Resignations (*Board will consider the approval of these Medical Staff Resignations*)
  - a. Jon Bowersox, MD (*general surgery*) – effective 01/31/2023
  - b. Geoffrey McWilliams, MD (*radiology*) – effective 12/29/2022
  - c. Carolyn Saba, MD (*anesthesiology*) – effective 01/31/2023
  - d. Leena Sumitra, MD (*psychiatry*) – effective 12/31/2022
- F. New Privilege Forms (*Board will consider the approval of these new privilege forms*)
  - a. Nurse Practitioner – Psychiatry
  - b. Neurology
- G. Policies (*Board will consider approval of these policies*)
  - a. *Direct Notification of Abnormal Microbiology Findings*
- H. Medical Executive Committee Report (*Board will receive this report*)

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***Consent Agenda***

***All matters listed under the consent agenda are considered routine  
and will be enacted by one motion unless any member of the  
Board wishes to remove an item for discussion.***

- 8. Approval of minutes of the February 8, 2023 Special Board Meeting (*Board will consider the approval of these minutes*)
- 9. Approval of minutes of the February 15, 2023 Regular Board Meeting (*Board will consider the approval of these minutes*)
- 10. Approval of minutes of the February 21, 2023 Special Board Meeting (*Board will consider the approval of these minutes*)
- 11. Chief Medical Officer Report (*Board will consider accepting this report*)
- 12. Compliance Department Quarterly Report (*Board will consider the accepting this report*)

13. Approval of Policies and Procedures (*Board will consider the approval of these Policies and Procedures*)
    - a. *Use of Hospital Issued Notice of Noncoverage (HINN)*
    - b. *Verifying and Securing Authorizations*
    - c. *Advance Beneficiary Notice (ABN)*
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14. Reports from Board Members (*Board will provide this information*)
15. 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

## January 2023 – Financial Summary

	MONTH	PY Month	YTD	PY Month
<b>IP Gross Revenue</b>	3,898,882	3,708,290	22,925,035	21,964,037
<b>OP Gross Revenue</b>	11,943,811	8,803,380	83,911,478	74,159,531
<b>Clinic Gross Revenue</b>	1,552,193	1,448,892	9,775,470	8,285,713
<b>Net Patient Revenue</b>	6,362,614	7,143,445	46,221,892	54,090,928
<b>IP Days:</b>	273	279	1,530	1,565
<b>IP Days w/o Newborns</b>	247	252	1,366	1,399
<b>OP Visits</b>	3,647	3,513	25,420	25,570
<b>RHC Visits</b>	2,816	3,426	18,592	19,700
<b>NIA Clinics</b>				
<b>Surgeries IP</b>	19	18	135	133
<b>Surgeries OP</b>	108	4	703	595
<b>Diagnostic Imaging</b>	1,999	1,895	14,160	13,672
<b>Emergency</b>	753	724	5,779	5,082
<b>Rehab</b>	77	120	579	887
<b>Nursing Visits</b>	248	338	1,782	2,031
<b>Observation Hours</b>	1,738		12,692	

### REVENUE

#### **Payor mix**

Blue Cross	8.8%	12.5%	18.4%	20.0%
Commercial	9.9%	6.5%	6.0%	4.9%
Medicaid	24.2%	21.9%	26.0%	30.0%
Medicare	54.9%	58.4%	46.8%	42.7%
Self-pay	0.4%	0.7%	2.7%	2.0%
Workers' Comp	0.0%	0.0%	0.1%	0.3%

#### **Deductions**

Contract Adjust	7,536,311	6,081,113	56,811,330	46,476,550
Bad Debt	687,018	599,855	7,981,117	3,485,112
Write-off	380,030	211,549	3,223,053	967,427
Other	2,429,480	91,039	2,410,954	517,077

Other deductions is favorable due to a gain in the Hospital Quality Assure Revenue Fund receipts. This category is moving from deductions to other revenue.

### CENSUS

Patient Days	273	279	1,530	1,565
Adjusted Days	1,218	1,050	7,781	7,754
Employed FTE	352	323	355	347
Contract FTE	29	44	42	39
Total FTE	381	367	397	385
EPOB	1.54	1.46	2.01	1.63

**DENIALS** under review

**CHARITY** under review

**BAD DEBT** under review

**CASH**

Cash collections were \$13,287,985 for January.

Disbursements were \$9,858,312 for January.

Year-to-date change in cash position is (\$8,141,418)

**Payor Issues**

Blue Cross owes \$1.3 million of non-routine collections. We have reported to the insurance commissioner's office.  
MCR Cost Settlement payable (January) \$2,429,480 – secondary audit on-going

**SALARIES**

Per Adjust Bed Day	\$2,250	\$2,579	\$2,340	\$2,367
Total Salaries	\$2,740,507	\$2,708,692	\$18,204,920	\$18,357,100

**BENEFITS**

Per Adjust Bed Day	\$1,749	\$2,415	\$1,780	\$1,983
Total Benefits	\$2,130,312	\$2,535,459	\$13,847,252	\$15,375,850

**PROFESSIONAL FEES**

Per Adjust Bed Day	\$1,597	\$1,598	\$1,748	\$1,554
Total Physician Fee	\$1,289,298	\$510,404	\$9,102,677	\$7,623,967
Total Contract Labor	\$1,001,828	\$1,033,945	\$6,565,896	\$3,963,482
Total Other Pro-Fees	\$363,447	\$231,485	\$2,434,676	\$1,841,974

**PHARMACY**

Per Adjust Bed Day	\$296	\$273	\$296	\$315
Total Rx Expense	\$360,384	\$286,978	\$2,299,614	\$2,439,828

**MEDICAL SUPPLIES**

Per Adjust Bed Day	\$391	\$176	\$379	\$309
Total Medical Supplies	\$476,757	\$184,989	\$2,950,805	\$2,395,622

**EHR SYSTEM**

Per Adjust Bed Day	\$104	\$114	\$136	\$105
Total EHR Expense	\$126,194	\$119,346	\$1,059,592	\$815,664

**OTHER EXPENSE**

Per Adjust Bed Day	\$649	\$764	\$730	\$707
Total Other	\$790,292	\$802,058	\$5,679,540	\$5,482,105

**DERECIATION AND AMORTIZATION**

Per Adjust Bed Day	\$281	\$319	\$305	\$311
Total Other	\$342,452	\$334,665	\$2,376,379	\$2,486,168

Northern Inyo Healthcare District  
Income Statement  
Fiscal Year 2023

	7/31/2022	7/31/2021	8/31/2022	8/31/2021	9/30/2022	9/30/2021	10/31/2022	10/31/2021	11/30/2022	11/30/2021	12/31/2022	12/31/2021	1/31/2023	1/31/2022	2023 YTD	2022 YTD
<b>Gross Patient Service Revenue</b>																
Inpatient Patient Revenue	3,986,305	2,774,294	3,395,933	2,563,061	1,938,350	3,193,923	2,813,064	3,361,605	3,474,955	3,958,181	3,417,547	2,404,683	3,898,882	3,708,290	22,925,035	21,964,037
Outpatient Revenue	11,474,649	11,563,898	12,619,549	10,530,380	11,643,340	10,677,079	12,337,627	10,581,296	12,582,796	10,120,970	11,309,707	11,882,529	11,943,811	8,803,380	83,911,479	74,159,531
Clinic Revenue	1,112,050	1,074,051	1,281,637	1,155,594	1,298,041	1,126,962	1,312,937	1,206,362	1,616,268	1,137,285	1,602,344	1,136,568	1,552,193	1,448,892	9,775,470	8,285,713
Gross Patient Service Revenue	16,573,004	15,412,242	17,297,119	14,249,034	14,879,730	14,997,964	16,463,628	15,149,263	17,674,019	15,216,437	16,329,598	15,423,780	17,394,886	13,960,561	116,611,984	104,409,281
<b>Deductions from Revenue</b>																
Contractual Adjustments	(9,974,707)	(4,886,114)	(7,321,894)	(6,636,885)	(6,081,011)	(6,880,919)	(9,139,351)	(7,559,945)	(8,553,896)	(7,207,126)	(8,204,159)	(7,224,448)	(7,536,311)	(6,081,113)	(56,811,330)	(46,476,550)
Bad Debt	(1,834,762)	(1,956,168)	(2,292,073)	(524,864)	110,396	(120,841)	(789,398)	115,976	(134,138)	(132,762)	(2,354,124)	(266,596)	(687,018)	(599,855)	(7,981,117)	(3,485,112)
A/R Writeoffs	(378,045)	(6,801)	(717,468)	(138,222)	(739,907)	(70,088)	(325,216)	(73,605)	(338,106)	(181,117)	(344,283)	(286,045)	(380,030)	(211,549)	(3,223,053)	(967,427)
Other Deductions from Revenue	67,000	67,000	(67,000)	67,000	-	67,000	950	67,000	17,166	67,000	410	91,038	(2,429,480)	91,039	(2,410,954)	517,077
Deductions from Revenue	(12,120,514)	(6,782,083)	(10,398,435)	(7,232,972)	(6,710,522)	(7,004,848)	(10,253,015)	(7,450,574)	(9,008,974)	(7,454,005)	(10,902,156)	(7,686,051)	(11,032,838)	(6,801,478)	(70,426,454)	(50,412,011)
<b>Other Patient Revenue</b>																
Incentive Income	-	34,766	-	(35,500)	-	665	-	24,456	-	1,619	-	10	-	(24,026)	-	1,990
Other Oper Rev - Rehab Thera Serv	5,303	17,014	4,367	18,560	4,346	13,352	10,361	15,820	7,875	15,908	3,545	2,625	566	8,388	36,362	91,668
Medical Office Net Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other Revenue	5,303	51,780	4,367	(16,940)	4,346	14,017	10,361	40,275	7,875	17,528	3,545	2,635	566	(15,638)	36,362	93,658
<b>Net Patient Service Revenue</b>	<b>4,457,793</b>	<b>8,681,939</b>	<b>6,903,050</b>	<b>6,999,123</b>	<b>8,173,554</b>	<b>8,007,133</b>	<b>6,220,974</b>	<b>7,738,965</b>	<b>8,672,921</b>	<b>7,779,959</b>	<b>5,430,987</b>	<b>7,740,364</b>	<b>6,362,614</b>	<b>7,143,445</b>	<b>46,221,892</b>	<b>54,090,928</b>
<b>Cost of Services - Direct</b>																
Salaries and Wages	2,175,027	2,138,510	2,269,022	2,212,918	2,195,439	2,099,073	2,179,142	2,131,194	2,262,511	2,303,918	2,158,750	2,726,796	2,338,917	2,346,958	15,578,807	15,959,366
Benefits	2,008,070	1,618,760	1,759,698	1,635,349	1,801,034	1,795,655	1,669,695	1,801,576	1,754,398	2,059,894	1,064,181	1,867,561	2,199,930	11,924,638	13,196,378	
Professional Fees	1,381,538	1,415,923	1,438,889	1,354,663	1,650,775	1,487,469	1,797,498	1,766,505	1,963,643	1,340,719	1,652,265	1,388,736	1,652,745	1,452,179	11,537,353	10,206,193
Contract Labor	992,406	455,352	622,813	541,517	1,451,288	491,195	1,024,423	527,022	1,493,476	449,716	(20,338)	434,773	1,001,828	865,229	6,565,896	3,764,803
Pharmacy	211,326	274,517	671,932	354,714	54,166	344,942	136,557	405,802	596,330	392,006	268,920	380,870	360,384	286,978	2,299,614	2,439,828
Medical Supplies	315,752	277,812	290,221	255,157	578,033	358,049	366,356	369,855	474,848	451,788	448,838	497,972	476,757	184,989	2,950,805	2,395,622
Hospice Operations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
EHR System Expense	107,979	112,267	220,753	114,869	220,408	132,491	183,047	112,342	146,908	108,392	54,304	115,958	126,194	119,346	1,059,592	815,664
Other Direct Expenses	546,374	589,703	667,228	544,051	808,934	585,893	572,765	689,732	793,341	618,316	471,021	679,861	598,990	643,886	4,458,655	4,351,442
Total Cost of Services - Direct	7,738,472	6,882,843	7,940,556	7,013,237	8,760,076	7,294,767	7,929,482	7,804,027	9,485,455	7,724,749	6,097,940	8,310,179	8,423,377	8,099,494	56,375,359	53,129,296
<b>General and Administrative Overhead</b>																
Salaries and Wages	360,265	319,290	365,276	323,708	370,478	319,740	381,872	305,823	373,439	355,039	373,193	412,400	401,590	361,734	2,626,113	2,397,735
Benefits	356,264	283,420	312,157	299,665	316,570	312,500	1,160,994	243,511	302,169	322,152	(788,291)	382,695	262,752	335,529	1,922,615	2,179,473
Professional Fees	535,217	342,533	190,076	351,845	318,029	177,703	265,196	194,953	274,630	188,260	191,161	360,435	291,948	225,696	2,066,257	1,841,425
Contract Labor	30,218	78,500	52,224	69,031	92,958	44,534	57,021	87,853	156,142	111,853	(102,132)	102,071	(25,859)	103,502	260,572	597,344
Depreciation and Amortization	318,087	370,335	332,153	358,995	334,828	347,178	362,317	358,655	346,018	347,192	340,523	369,148	342,452	334,665	2,376,379	2,486,168
Other Administrative Expenses	79,314	234,811	164,310	117,308	199,538	140,164	119,767	134,758	314,165	154,566	152,489	190,884	191,302	158,172	1,220,885	1,130,662
Total General and Administrative Overhead	1,679,363	1,628,889	1,416,196	1,520,552	1,632,402	1,341,820	2,347,167	1,325,552	1,766,564	1,479,063	166,944	1,817,634	1,464,185	1,519,298	10,472,821	10,632,807
Total Expenses	9,417,836	8,511,732	9,356,752	8,533,790	10,392,477	8,636,587	10,276,649	9,129,578	11,252,019	9,203,811	6,264,884	10,127,813	9,887,562	9,618,792	66,848,180	63,762,103
Financing Expense	183,196	179,672	182,350	179,585	180,796	176,035	182,190	138,640	178,894	136,649	183,171	101,007	180,418	227,252	1,271,015	1,138,839
Financing Income	64,203	173,785	431,229	173,785	247,716	173,785	247,716	173,785	247,716	173,785	247,716	173,785	247,716	173,785	1,734,010	1,216,493
Investment Income	74,115	23,766	23,389	16,876	(18,154)	20,534	99,582	20,443	16,704	16,045	50,390	27,865	124,884	6,662	370,911	132,190
Miscellaneous Income	484,508	499,440	(364,949)	1,105,828	146,486	9,508,790	10,519	384,016	68,632	407,081	2,271,115	2,688,686	485,200	844,798	3,101,511	15,438,640
Net Income (Change is Financial Position)	<b>(4,520,413)</b>	<b>687,526</b>	<b>(2,546,383)</b>	<b>(417,762)</b>	<b>(2,023,671)</b>	<b>8,897,620</b>	<b>(3,880,048)</b>	<b>(951,010)</b>	<b>(2,424,941)</b>	<b>(963,590)</b>	<b>1,552,152</b>	<b>401,879</b>	<b>(2,847,566)</b>	<b>(1,677,354)</b>	<b>(16,690,870)</b>	<b>5,977,309</b>
Operating Income	(4,960,043)	170,207	(2,453,702)	(1,534,666)	(2,218,923)	(629,454)	(4,055,675)	(1,390,614)	(2,579,099)	(1,423,852)	(833,897)	(2,387,449)	(3,524,949)	(2,475,347)	(20,626,288)	(9,671,175)



**Northern Inyo Healthcare District  
Balance Sheet  
Fiscal Year 2023**

	Jan 2023	Jan 2022
<b>Assets</b>		
Current Assets		
Cash and Liquid Capital	9,828,615	10,869,882
Short Term Investments	16,922,335	34,103,636
PMA Partnership	-	-
Accounts Receivable, Net of Allowance	12,132,383	23,422,744
Other Receivables	6,856,285	8,858,544
Inventory	3,039,453	3,375,509
Prepaid Expenses	1,645,043	1,651,594
Total Current Assets	50,424,114	82,281,909
Assets Limited as to Use		
Internally Designated for Capital Acquisitions	-	-
Short Term - Restricted	162,508	61,236
Limited Use Assets		
LAIF - DC Pension Board Restricted	774,348	1,316,833
DB Pension	14,044,924	18,395,253
PEPRA - Deferred Outflows	-	-
PEPRA Pension	-	-
Total Limited Use Assets	14,819,272	19,712,086
Revenue Bonds Held by a Trustee	1,087,201	14,073,128
Total Assets Limited as to Use	16,068,980	33,846,450
Long Term Assets		
Long Term Investment	2,749,221	989,654
Fixed Assets, Net of Depreciation	76,738,947	76,833,219
Total Long Term Assets	79,488,168	77,822,872
<b>Total Assets</b>	<b>145,981,262</b>	<b>193,951,231</b>
<b>Liabilities</b>		
Current Liabilities		
Current Maturities of Long-Term Debt	953,873	1,596,844
Accounts Payable	5,116,954	3,252,430
Accrued Payroll and Related	5,348,020	9,408,509
Accrued Interest and Sales Tax	168,763	200,365
Notes Payable	2,133,708	-
Unearned Revenue	168,418	14,439,154
Due to 3rd Party Payors	2,429,480	-
Due to Specific Purpose Funds	-	(25,098)
Other Deferred Credits - Pension	2,146,080	2,124,655
Total Current Liabilities	18,465,295	30,996,860
Long Term Liabilities		
Long Term Debt	33,455,530	47,102,947
Bond Premium	218,948	350,677
Accreted Interest	16,648,086	15,987,335
Other Non-Current Liability - Pension	47,821,876	45,570,613
Total Long Term Liabilities	98,144,440	109,011,572
Suspense Liabilities	-	(70,699)
Uncategorized Liabilities	561,672	703,159
<b>Total Liabilities</b>	<b>117,171,407</b>	<b>140,640,892</b>
<b>Fund Balance</b>		
Fund Balance	42,910,729	44,833,874
Temporarily Restricted	2,589,995	2,499,156
Net Income	(16,690,870)	5,977,309
<b>Total Fund Balance</b>	<b>28,809,855</b>	<b>53,310,339</b>
<b>Liabilities + Fund Balance</b>	<b>145,981,262</b>	<b>193,951,231</b>
(Decline)/Gain	(1,918,204)	(2,115,089)
	-	-

# Turnaround Action Group

We are using a three-pronged approach: Financial (revenue improvements), expenses (salaries, wages, benefits, supplies, services), and tax support.

## Finance Subcommittee

- RSM moved to process mapping which is precursor for workflow improvement
- Billing (OS) started the weekly denial review meetings
- UASI Clinical Documentation Specialist continues to review and train
- Billing Office fully staffed
  - Working all claims less than \$250, refunds, Medicare Bad Debt
  - AR clean-up in Athena and Cerner on-going
- Patient Access is increasing up-front collections

## Labor Subcommittee

- All Departments have been interviewed and schedules scrutinized
- Analysis of Full Time Equivalent staff under way
- Directors continue to reduce contract labor
- FTE management

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	FYTD
<b>Employee FTEs</b>	<b>331.39</b>	<b>345.37</b>	<b>336.29</b>	<b>342.25</b>	<b>334.17</b>	<b>328.56</b>	<b>351.95</b>	<b>354.82</b>
FTE factor	177.14	177.14	171.43	177.14	171.43	177.14		1,228.57
Contract Labor Hours	8,174	7,403	8,737	8,219	7,154	6,489	5,138	51,314.22
Accrual reversal (prior month accrual)		-	(7,822)	(5,221)				
Accrual for ME		7,822	5,221	1,725				
<b>Contract FTEs</b>	<b>46.14</b>	<b>41.79</b>	<b>35.79</b>	<b>46.40</b>	<b>41.73</b>	<b>36.63</b>	<b>29.00</b>	<b>41.77</b>
<b>Total FTEs</b>	<b>378</b>	<b>387</b>	<b>372</b>	<b>389</b>	<b>376</b>	<b>365</b>	<b>381</b>	<b>397</b>
<b>EPOB (employee per occupied bed)</b>	<b>1.72</b>	<b>2.18</b>	<b>2.77</b>	<b>2.63</b>	<b>1.51</b>	<b>1.81</b>	<b>1.54</b>	<b>2.01</b>

## Service/Operations Subcommittee

- Service line analyses on-going

## Purchasing Subcommittee

- Identified 5 areas to review – analysis on-going

- Microbiology through GPO
- Surgery Clinic purchase
- Physical therapy purchase
- Supply chain

**FIRST ADDENDUM TO EMPLOYMENT AGREEMENT  
Of  
INTERIM CHIEF EXECUTIVE OFFICER**

This First Addendum to Employment Agreement of Interim Chief Executive Officer (the “First Addendum”) is entered into between the Northern Inyo Healthcare District (“District”) and Lionel Chadwick (“Chadwick”) effective April 1, 2023 (the “Effective Date of First Addendum”, in reference to the following facts:

**WHEREAS**, the District entered into an Employment Agreement (the “Interim CEO Employment Agreement”) with Chadwick on or about October 24, 2022, wherein Chadwick would serve as the Interim Chief Executive Officer (“Interim CEO”) of the District from December 1, 2022 until March 31, 2023;

**WHEREAS**, the District desires to provide Chadwick with an extension to the term set forth in the Interim CEO Employment Agreement;

**WHEREAS**, the parties have agreed to amend the Interim CEO Employment Agreement as set forth herein; and

**WHEREAS**, capitalized terms used, but not defined, herein shall have the meaning set forth in the Interim CEO Employment Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth below, the District and Chadwick mutually agree that the Interim CEO Employment Agreement shall be modified as follows:

**I. RESPONSIBILITIES.**

The final two sentences of Paragraph 1.1 of Article I shall be stricken in their entirety.

A new Paragraph 1.3 shall be added to Article I, and shall read as follows.

“1.3 Work Schedule

Chadwick further agrees to perform the services of Interim CEO in accordance with the following *work schedule requirements*. *Chadwick’s onsite District work schedule shall constitute approximately twenty percent (20%) of total work time or four (4) days per month, notwithstanding any unanticipated emergent circumstances which may arise and which may require additional onsite work time. The balance of Chadwick’s work schedule shall be permitted to be performed offsite and/or remotely (performed from outside of the District) and may be scheduled at the sole discretion of Chadwick, subject to the aforementioned unanticipated emergent circumstances and provided that Chadwick shall schedule onsite work periods to include regularly scheduled Board of Directors meetings. During such offsite/remote periods, Chadwick shall be reasonably available by telephone, email, and/or for virtual meetings (e.g. zoom) as may be necessary to fulfill leadership duties and obligations. Chadwick and the District acknowledge and agree that actual time which must be devoted by Chadwick to the duties of the Interim CEO of the District will likely be less than forty (40) hours per week during offsite/remote periods and that adequate performance of the duties is based upon responsibilities rather than specific time*

availability. Additionally, Chadwick shall not participate in Administrator on Call (“AOC”) responsibilities.”

A new Paragraph 1.4 shall be added to Article I, and shall read as follows.

**“1.4 Interim Chief Operating Officer**

*An Interim Chief Operating Officer (“**Interim COO**”) shall be appointed during the term of this First Addendum. Such Interim COO shall formally assume onsite executive leadership and assist with onsite obligations and duties during Interim CEO’s physical absence from District. Anything to the contrary notwithstanding, Interim CEOs overall responsibilities as set forth in this Article I shall remain unchanged.*

**II. TERM AND TERMINATION.**

The parties agree that the Interim CEO Employment Agreement shall be amended to provide for an extension of the original Employment Term, which shall commence on Effective Date of First Addendum and be referred to herein as the “**Contract Extension Term**”.

Paragraph 2.2 of Article II shall be modified to read as follows:

“Chadwick shall commence performing the services of CEO under the First Addendum of the Effective Date of First Addendum and shall continue to provide these services through the earlier of (i) June 30, 2023, or (ii) the commencement of a permanent Chief Executive Officer’s employment with the District (the “**Extended Employment Term**”), unless the Parties mutually agree in writing to an earlier Effective Date or the Employment Term is sooner terminated in accordance with this Article II. The Employment Term and the *Extended Employment Term shall collectively be referred to as the “**Employment Term**.”* The Employment Term may be extended upon mutual written agreement by the parties to *this Agreement.*”

In the last sentence of Paragraph 2.3, the reference to Section 3.4 shall be changed to Section 3.5.

Paragraph 2.4 shall be deleted in its entirety.

In the third sentence of Paragraph 2.5, the reference to Completion Incentive shall be removed and the reference to Section 3.4 shall be changed to Section 3.5.

A new Paragraph 2.6 shall be added to Article II, and shall read as follows.

**“2.6 Termination by Employment of Permanent CEO**

*In the event Chadwick’s Employment Term ends prior to June 30, 2023 due to the District’s employ of a permanent Chief Executive Office, in accordance with Paragraph 2.1, above, District shall provide Chadwick with 30 days written notice of termination. Notwithstanding anything to the contrary herein, for the purposes of this Paragraph 2.6, notification to Chadwick by email shall suffice for purposes of notice. In lieu of giving all or a portion of the 30 day notice, the District may make payment to Chadwick of base compensation, in the amount which would have been earned by Chadwick during said 30*

day notice period. Other than base compensation during the 30 day notice period, Chadwick will not be entitled to any severanpay upon termination of this First Addendum and the Interim CEO Employment Agreement

**III. COMPENSATION.**

The first sentence of Paragraph 3.1 of Article III shall be modified to read as follows:

“In consideration for all services to be performed by Chadwick, the District agrees to pay Chadwick base compensation at a rate of Seven Thousand and Five Hundred Dollars (\$7,500) per week (*pro rata for any partial week worked*) (“**Base Compensation**”).”

The Heading of Paragraph 3.2 of Article III shall be ~~modified~~ to read “[Reserved]”, and the text of said Paragraph 3.2 shall be stricken in its entirety. Additionally, any and all references to the “Completion Incentive” in the Interim CEO Employment Agreement shall be deemed not to apply during the Contract Extension Term whichsbegin April 1, 2023. The parties hereby acknowledge and agree that in recognition of successful completion of the original Employment Term the Completion Incentive earned by Chadwick during the original Employment Term shall be fully paid to Chadwick in full March 31, 2023, and that Chadwick shall not be entitled to any additional Completion Incentive during the term of this First Addendum.

Subsections a) and c) of Paragraph 3.5 of Article III shall stricken in their entirety.

The following sentence shall be added to the end of subsection e) of Paragraph 3.5:

“Additionally, during the Extended Employment Term, travel expenses actually incurred *for travel from Chadwick’s permanent residence to and from the District for purposes of performing the services of Interim CEO, which travel is expected to be on a monthly basis.*”

A new subsection f) shall be added to read as follows:

“*Actual incurred costs for Chadwick’s reasonable housing, car rental, and meals while Chadwick is performing services on site at District during the Extended Employment Term.*”

Except as expressly modified above, all other language in the Interim CEO Employment Agreement shall remain unchanged.

This First Addendum is hereby approved by the District as of March 15, 2023.

**NORTHERN INYO HEALTHCARE  
DISTRICT**

**INTERIM CEO**

By \_\_\_\_\_  
Name \_\_\_\_\_  
Title \_\_\_\_\_

\_\_\_\_\_  
Lionel Chadwick

































































































































































































































































































































































