



Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday, October 18, 2006

*Conference Room, Hospice of the
Owens Valley*

DRAFT AGENDA

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT BOARD OF DIRECTORS MEETING

October 18, 2006 at 5:30 P.M.

In the Conference Room of the *Hospice of the Owens Valley*

1. Call to Order (at 5:30 P.M.).
- 1.5 Complaints brought against an employee (*closed session Sept. 20, 2006*).
2. Opportunity for members of the public to comment on any items on this Agenda.
3. Approval of minutes of the September 20, 2006 regular meeting.
4. Financial and Statistical Reports for the month of August 2006 – J. Halfen.
5. Administrator's Report – John Halfen.
 - A. Building Update
 - Drainage / Access
 - E. Flu Shot Clinic / Drive-by
 - B. Medical Staff Donation to Sunshine Committee
 - F. Audited Financial Statements, June 2006 and 2005 (*action item*)
 - C. Regional Service Planning meeting report
 - G. Trustee Subscription Renewal (*action item*)
 - D. Ground Breaking
 - H. Everest Challenge Donation, Dr. Tom Reid
6. Chief of Staff Report – Taema Weiss, M.D.
 - A. Action items:
 1. Policy and Procedure approval, "*Informed Consent Required for Pregnant Patients Before Radiologic Procedures*"
 2. Advancement of urologist Tomi Bortolazzo, M.D. to Active Staff with privileges as previously granted
 3. Advancement of orthopaedic surgeon Mark Robinson, M.D. to Active Staff with privileges as previously granted
 4. Appointment of Sierra Park Orthopaedic Clinic fellow Alexander Denes, M.D. to the Northern Inyo Hospital Provisional Consulting Medical Staff with requested privileges related to his orthopaedic fellowship
 5. Acceptance of letters of resignation from Staff radiologist John Montin, M.D. and Staff urologist Daniel Eventov, M.D.
 - B. Information items:

1. Christmas party donation
2. Floor bed prioritization
7. Old Business
 - A. Critical Access status update
 - B. Employee Satisfaction Survey (*follow-up*)
 - C. NIH Performance Improvement Plan (*action item*)
 - D. Communications tower lease (*action item*)
8. New Business
 - A. GE Centricity software purchase, RHC Electronic Health Record (*action item*)
 - B. Quadramed Tempus One Scheduling (*action item*)
 - C. Wage Adjustment for grades 1-7 (*action item*)
 - D. Compensation for Chiefs of Service (*action item*)
 - E. Munivest Banking Corporate Resolution (*action item*)
9. Reports from Board Members on Items of Interest
10. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.
11. Adjournment to closed session to:
 - A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
 - B. Confer with legal counsel regarding claim filed by Jeffrey L. Montgomery against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
12. Return to open session, and report of any action taken in closed session
13. Opportunity for Members of the Public to Address the Board of Directors on Items of Interest.
14. Adjournment

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CALL TO ORDER	The meeting was called to order at 5:32 p.m. by Peter Watercott, President.
PRESENT	Peter Watercott, President D. Scott Clark, M.D., Vice President Pat Calloway, Secretary John Ungersma, M.D., Treasurer
ALSO PRESENT	John Halfen, Administrator Taema Weiss, M.D., Chief of Staff Douglas Buchanan, Esq., Hospital District Legal Counsel Sandy Blumberg, Administrative Secretary
ABSENT	Michael Phillips, M.D.
ALSO PRESENT FOR RELEVANT PORTION(S)	Dianne Shirley, R.N., Performance Improvement Coordinator
PUBLIC COMMENTS ON AGENDA	Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.
NIH PERFORMANCE IMPROVEMENT PLAN	Mr. Halfen stated the Northern Inyo Hospital (NIH) Performance Improvement Plan will be discussed at the next regular meeting of the District Board.
MINUTES	The minutes of the July 2006 regular meeting were approved.
FINANCIAL AND STATISTIAL REPORTS	John Halfen, Chief Financial Officer, reviewed with the Board the financial and statistical reports for the month of July 2006. He noted that financial reports for June 2006 were mailed to the Board during the month of August and would not be reviewed unless there were questions on their content. No questions were heard. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$182,907 for the month of July 2006. Mr. Halfen called attention to the following: <i>Gross patient revenue was 4% under budget</i> <i>Total Expenses were under budget</i> <i>Bad-debt expense was over budget due to write offs of patient accounts</i> <i>Cash flow during the month was affected by \$1,000,000 being transferred to investments</i>

The Balance Sheet did not undergo significant change

A motion was made by Pat Calloway, seconded by D. Scott Clark, M.D. and passed to approve the financial and statistical reports for the months of June and July 2006.

ADMINISTRATOR'S
REPORT

BUILDING UPDATE /
BID PROCESS, TURNER
CONSTRUCTION

Mr. Halfen reported that bids for the new Service building and for the new Radiology buildings went out 10 days ago, and are expected back in approximately two weeks. Bids for the Service building should be fairly straightforward while bids for Radiology will be complicated due to the nature of the requirements for that space. It is uncertain how close the actual bids will come to the original estimates, so Mr. Halfen has refrained from releasing cost information to the general public, until he has a more accurate idea of what the actual numbers will be.

GROUNDBREAKING

Mr. Halfen stated that groundbreaking for the Service building should take place during the month of October, and may be planned for noon on the same day as the next regular meeting of the District Board.

Mr. Halfen also reported the City of Bishop's plan check of the Service and Radiology building plans is being held up due to concerns the City has about drainage in the area of the Hospital and Home Street School. Hospital and City representatives will meet later this week to discuss the issue in more detail.

REGIONAL SERVICE
PLANNING MEETING
REPORT

Regional Service Planning Commission meetings will resume in October, and the next meeting is scheduled for October 4 at 6:00pm at Mammoth Hospital. The Commission plans to begin work on drafting a plan for start-up of an LVN training program in this area.

CMSP CONTRACT

Mr. Halfen reported the Hospital has received its renewed CMSP contract, and that reimbursement rates are even lower than in the past. The CMSP write-off percentage is now around 90%, compared to a previous rate of 60%. Mr. Halfen intends to bring up the subject of low CMSP reimbursement rates at the upcoming ACHD conference to be held in San Diego later this month. He feels it may be time for hospitals to come together in an effort to bring CMSP reimbursement rates to level more equitable for the hospitals.

LEASED PARKING
PROPOSAL

Mr. Halfen referred to a map (included in the Board packet) which shows an area adjacent to Hospital property that Northern Inyo Hospital (NIH) may lease for the purpose of providing additional parking during rebuild construction. The Hospital is in the process of drafting an agreement with the Bishop Paiute Tribe to lease the land and add 37 new parking spaces for employee and visitor parking. Mr. Halfen will submit the proposed lease for Board approval once the preliminary details have been finalized.

OTHER

Mr. Halfen informed the Board that Mammoth Hospital recently purchased the former Cerro Coso College building in Bishop, and that contrary to popular belief there are no plans to use the building for clinical practice. Mammoth Hospital plans to use the newly acquired space for office, rather than clinical functions, and they expect to relocate part of their Administrative and clerical operations to Bishop.

CHIEF OF STAFF
REPORT

Chief of Staff Taema Weiss, M.D., reported the following:

Following careful review and consideration, the Medical Executive Committee makes the following recommendations to the District Board:

- Appointment of Asao Kamei, M.D. as Chief of Medicine/Intensive Care
- Reinstatement of Staff membership and privileges for Valley Emergency Affiliate Michael Dillon, M.D., following a three-month leave of absence
- Appointment of Family Health Centre Internist Vasuki Sittampalam, M.D. to the Northern Inyo Hospital Provisional Active Medical Staff with requested privileges related to her private practice in internal medicine.

It was moved by Doctor Clark, seconded by John Ungersma M.D. and passed to approve the Medical Executive Committee recommendations as presented.

Doctor Weiss also reported the following:

Non-resident orthopaedic surgeon Elliot Carlisle, M.D. has withdrawn his application for Consulting Staff membership
Valley Emergency Affiliate Doris Lin, M.D., who applied for Active Staff with privileges in emergency medicine was granted privileges for 60 days effective March 30, 2006. Doctor Lin does not currently reside in the state of California, therefore the Executive Committee recommends that her application for Staff membership continue to be deferred until such time as it is known if she plans to relocate to the area.

Doctor Weiss additionally reported that applications for advancement from Provisional to Active Staff status have been received from orthopaedist Mark Robinson, M.D., and from urologist Tomi Bortolazzo, M.D..

Reappointment packets have been sent to seventeen Medical Staff members whose Staff membership and Hospital privileges are due to expire on December 31, 2006.

OLD BUSINESS

CRITICAL ACCESS
STATUS

Mr. Halfen stated the Hospital is still awaiting Critical Access designation, and he recently discovered that CMS currently considers NIH's application to be incomplete. Following a request for review of the

NEW BUSINESS

application, Mr. Halfen expects a phone call any day stating that Critical Access status has been granted to NIH. After receiving Critical Access designation the Hospital will immediately begin processing its swing bed application.

EMPLOYEE
SATISFACTION
SURVEY

Mr. Halfen stated results of the Employee Satisfaction Survey were mailed to Board members for their review earlier this month, and he asked for direction regarding what action the Board would like to see taken as a result of the survey. The Board asked that the areas with the lowest employee satisfaction scores be reviewed, and that Hospital staff be asked for suggestions for improvement in those areas. Mr. Halfen stated that studies of this type are valuable when performed approximately every two years for the purpose of comparison to assess whether or not improvements have been made. The current survey revealed eight general areas where improvement might be needed, and Mr. Halfen plans to address those eight areas at a future meeting. Mr. Halfen also intends to call a meeting of the employee Personnel Policies Advisory Committee (PPAC) in order to begin addressing the areas of concern.

G.E. CENTRICITY
SOFTWARE

Mr. Halfen stated that consideration of the purchase of GE Centricity software for the Rural Health Clinic will be tabled to a future date, due to the fact that new information is being considered on the subject.

POLICY & PROCEDURE
MANUALS

Following review and approval by applicable committees and service chiefs, the following Policy and Procedure manuals were on hand for the review and approval of the District Board:

- Mammography
- Radiation Safety
- Radiology (2)
- MRI Safety (2)
- Nuclear Medicine

It was moved by Ms. Calloway, seconded by Doctor Clark, and passed to approve the Policy and Procedure manuals as presented.

ALLTEL LEASE
PROPOSAL

Mr. Halfen updated the Board on the status on the Hospital's communications tower agreement with Alltel cellular. Mr. Halfen originally thought the Hospital was being underpaid for Alltel's use of the tower, but he now believes that this is not the case. He has reached an agreement with Alltel allowing for a lease payment to NIH of \$1,800 per month, and that agreement will be reviewed by District Legal Counsel Doug Buchanan then submitted to the Board for approval.

ACTUARIAL
VALUATION AS OF
JANUARY 1, 2006

Mr. Halfen referred to the Northern Inyo County Local Hospital District (NICLHD) Retirement Plan Actuarial Valuation as of January 1, 2006, prepared by Milliman Consultants and Actuaries. Mr. Halfen stated that current investment yields for the plan are not as high as he had hoped, and that the plan is being adversely affected by the aging of NIH's workforce.

Pension plan contributions are increasing, and while no action is required at this time, the pension valuation is a matter of concern to the financial well being of the District. Doctor Ungersma inquired as to how NIH's pension valuation compares to other hospitals, and Mr. Halfen responded that the Hospital is in a more favorable position than most.

OTHER - None -

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

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

CLOSED SESSION At 6:23 p.m., Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to:

1. Hear reports on Hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
2. Confer with legal counsel regarding claim filed by Noam Scott against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
3. Confer with legal counsel regarding claim filed by Jeffrey L. Montgomery against Northern Inyo County Local Hospital District and other Defendants (Government Code Section 54956.9(a)).
4. To hear complaints brought against an employee (Government Code Section #54957).

OPEN SESSION At 6:57 p.m., the meeting was returned to open session. Mr. Watercott announced the Board took no reportable action.

PUBLIC COMMENT Mr. Watercott again asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.

ADJOURNMENT The meeting was adjourned at 7:00 p.m.

Peter Watercott, President

Attest:

Patricia Ann Calloway, Secretary

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BUDGET VARIANCE ANALYSIS

Aug-06 PERIOD ENDING

In the month, NIH was

29% over budget in IP days and under in OP Revenue resulting in
\$ 462,740 (7.7%) over in gross patient revenue from budget and
\$ (61,427) (-1.7%) under in net patient revenue from budget

Total Expenses were:

\$ (214,611) (-6.5%) under budget. Wages and Salaries were
\$ (126,588) (-10.4%) under budget and Employee Benefits were
\$ (158,155) (-20.3%) under budget
\$ 110,636 of other income resulted in a net gain of
\$ 550,641 \$ 70,316 over budget.

The expense overage was primarily

\$ 46,893 33.8 Bad Debt Expense
\$ 72,103 33.3 Professional fees

Other Information:

48.30% Contractual Percentages for month

46.84% Contractual Percentages for Year

\$ 733,548 Year-to-date Net Revenue

When we receive Critical Access Hospital designation, we should see a correction in our Contractual Percentages.

NORTHERN INYO HOSPITAL

Balance Sheet

August 31, 2006

Assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2006</u>
Current assets:			
Cash and cash equivalents	3,117,078	3,129,192	3,148,845
Short-term investments	7,293,116	7,418,059	6,637,435
Assets limited as to use	357,046	208,778	603,039
Plant Expansion and Replacement Cash	15,635,754	15,575,070	15,515,948
Other Investments (Partnership)	369,561	369,561	369,561
Patient receivable, less allowance for doubtful accounts 604,672	6,883,346	6,483,731	6,374,400
Other receivables	286,341	234,370	212,005
Inventories	1,882,744	1,886,880	1,897,120
Prepaid expenses	514,837	556,326	470,018
Total current assets	<u>36,339,824</u>	<u>35,861,967</u>	<u>35,228,370</u>
Assets limited as to use:			
Internally designated for capital acquisitions	654,012	653,280	652,606
Specific purpose assets	443,351	443,351	474,914
	<u>1,097,363</u>	<u>1,096,631</u>	<u>1,127,520</u>
Revenue bond construction funds held by trustee	1,167,917	1,121,978	1,632,595
Less amounts required to meet current obligations	357,046	208,778	603,039
Net Assets limited as to use:	<u>1,908,234</u>	<u>2,009,831</u>	<u>2,157,076</u>
Long-term investments	<u>8,307,321</u>	<u>8,307,321</u>	<u>8,307,321</u>
Property and equipment, net of accumulated depreciation and amortization	<u>11,393,845</u>	<u>11,211,701</u>	<u>10,895,169</u>
Unamortized bond costs	<u>343,299</u>	<u>343,784</u>	<u>344,269</u>
Total assets	<u><u>58,292,523</u></u>	<u><u>57,734,605</u></u>	<u><u>56,932,206</u></u>

NORTHERN INYO HOSPITAL
Balance Sheet
August 31, 2006

Liabilities and net assets

	<u><i>Current Month</i></u>	<u><i>Prior Month</i></u>	<u><i>Prior Month</i></u>
Current liabilities:			
Current maturities of long-term debt	205,000	205,000	235,000
Accounts payable	626,415	941,531	683,397
Accrued salaries, wages and benefits	3,214,247	3,132,294	2,954,330
Accrued interest and sales tax	360,597	260,476	168,166
Deferred income	27,517	62,685	97,853
Due to third-party payors	3,192,131	3,017,377	2,864,110
Due to specific purpose funds	-	-	-
Total current liabilities	<u>7,625,907</u>	<u>7,619,362</u>	<u>7,002,857</u>
Long-term debt, less current maturities	22,450,000	22,450,000	22,450,000
Bond Premium	431,586	431,586	431,586
Total long-term debt	<u>22,881,586</u>	<u>22,881,586</u>	<u>22,881,586</u>
Net assets:			
Unrestricted	27,341,678	26,790,306	26,572,849
Temporarily restricted	443,351	443,351	474,914
Total net assets	<u>27,785,029</u>	<u>27,233,656</u>	<u>27,047,763</u>
 Total liabilities and net assets	 <u>58,292,523</u>	 <u>57,734,605</u>	 <u>56,932,206</u>

NORTHERN INYO HOSPITAL

Statement of Operations

As of August 31, 2006

			MTD	MTD			YTD	YTD
	MTD Actual	MTD Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %
Unrestricted revenues, gains and other support:								
In-patient service revenue:								
Routine	625,852	557,910	67,942	12.2	1,225,280	1,115,820	109,460	9.8
Ancillary	2,258,087	2,122,312	135,775	6.4	4,138,238	4,244,624	(106,386)	(2.5)
Total in-patient service revenue	2,883,939	2,680,222	203,717	7.6%	5,363,519	5,360,444	3,075	0.1%
Out-patient service revenue	3,609,237	3,350,214	259,023	7.7	6,918,328	6,700,428	217,900	3.3
Gross patient service revenue	6,493,176	6,030,436	462,740	7.70	12,281,847	12,060,872	220,975	1.8
Less deductions from patient service revenue:								
Patient service revenue adjustments	71,620	131,706	60,086	45.6	200,989	263,412	62,423	23.7
Contractual adjustments	2,878,638	2,294,385	(584,253)	(25.5)	5,165,270	4,588,770	(576,500)	(12.6)
Total deductions from patient service revenue	2,950,258	2,426,091	(524,167)	(21.6)	5,366,259	4,852,182	(514,077)	(10.6)
Net patient service revenue	3,542,918	3,604,345	(61,427)	-2%	6,915,588	7,208,690	(293,102)	-4%
Other revenue	29,863	20,957	8,906	42.5	55,735	41,914	13,821	33.0
Total revenue, gains and other support	3,572,781	3,625,302	(52,521)	42.5	6,971,323	7,250,604	(279,281)	33.0
Expenses:								
Salaries and wages	1,091,331	1,217,919	126,588	10.4	2,267,873	2,435,838	167,965	6.9
Employee benefits	622,697	780,852	158,155	20.3	1,426,334	1,561,704	135,370	8.7
Professional fees	288,821	216,718	(72,103)	(33.3)	519,655	433,436	(86,219)	(19.9)
Supplies	473,723	475,251	1,528	0.3	949,426	950,502	1,076	0.1
Purchased services	126,070	161,810	35,740	22.1	253,785	323,620	69,835	21.6
Depreciation	128,506	136,247	7,741	5.7	255,924	272,494	16,570	6.1
Interest	33,043	33,043	(0)	-	66,087	66,086	(1)	-
Bad debts	185,716	138,823	(46,893)	(33.8)	386,197	277,646	(108,551)	(39.1)
Other	150,617	154,472	3,855	2.5	285,737	308,944	23,207	7.5
Total expenses	3,100,524	3,315,135	214,611	6.5	6,411,017	6,630,270	219,253	3.3
Operating income (loss)	472,257	310,167	162,090	36.0	560,305	620,334	(60,029)	29.7
Other income:								
District tax receipts	35,168	102,713	(67,545)	(65.8)	70,336	205,426	(135,090)	(65.8)
Interest	71,283	70,588	695	1.0	142,330	141,176	1,154	0.8
Other	4,186	15,785	(11,599)	(73.5)	7,860	31,570	(23,710)	(75.1)
Grants and Other Non-Restricted Contributions	-	121	(121)	(100.0)	750	242	508	209.9
Partnership Investment Income	-	-	-	N/A	-	-	-	N/A
Total other income, net	110,636	189,207	(78,571)	(42)	221,276	378,414	(157,138)	(41.5)
Non-Operating Expense								
Medical Office Expense	7,770	13,858	6,088	43.9	19,000	27,716	8,717	31.5
Urology Office	24,483	5,191	(19,292)	(371.6)	29,034	10,382	(18,652)	(179.7)
Total Non-Operating Expense	32,252	19,049	(13,203)	(69.3)	48,034	38,098	(9,936)	(26.1)
Excess (deficiency) of revenues over expenses	550,641	480,325	70,316	14.6	733,548	960,650	(227,102)	(23.6)

NORTHERN INYO HOSPITAL
Statement of Operations—Statistics
As of August 31, 2006

	Month		Month		Year			
	Actual	Budget	Variance	Percentage	Actual	Budget	Variance	Percentage
Operating statistics:								
Beds	32.00	32.00	N/A	N/A	32.00	32.00	N/A	N/A
Patient days	350.00	271.00	79.00	1.29	663.00	542.00	121.00	1.22
Maximum days per bed capacity	992.00	960.00	N/A	N/A	1,984.00	1,920.00	N/A	N/A
Percentage of occupancy	35.28	28.23	7.05	1.25	33.42	28.23	5.19	1.18
Average daily census	11.29	9.03	2.26	1.25	10.69	9.03	1.66	1.18
Average length of stay	3.21	3.08	0.13	1.04	3.22	3.08	0.14	1.05
Discharges	109.00	88.00	21.00	1.24	206.00	176.00	30.00	1.17
Admissions	112.00	89.00	23.00	1.26	211.00	178.00	33.00	1.19
Gross profit-revenue depts.	4,533,240.96	3,937,409.00	595,831.96	1.15	8,199,323.95	7,874,818.00	324,505.95	1.04
Percent to gross patient service revenue:								
Deductions from patient service revenue and bad debts								
Salaries and employee benefits	48.37	42.63	5.74	1.13	46.93	42.63	4.30	1.10
Occupancy expenses	26.34	33.14	(6.80)	0.79	30.03	33.14	(3.11)	0.91
General service departments	2.74	3.08	(0.34)	0.89	2.90	3.08	(0.18)	0.94
Fiscal services department	4.49	5.17	(0.68)	0.87	4.92	5.17	(0.25)	0.95
Administrative departments	3.60	4.54	(0.94)	0.79	3.86	4.54	(0.68)	0.85
Operating income (loss)	3.86	5.16	(1.30)	0.75	4.11	5.16	(1.05)	0.80
Excess (deficiency) of revenues over expenses	6.78	4.83	1.95	1.40	4.18	4.83	(0.65)	0.87
	8.48	7.97	0.51	1.06	5.97	7.97	(2.00)	0.75
Payroll statistics:								
Average hourly rate (salaries and benefits)	34.49	40.34	(5.86)	0.85	36.98	40.34	(3.36)	0.92
Worked hours	42,190.62	41,075.00	1,115.62	1.03	86,196.64	82,150.00	4,046.64	1.05
Paid hours	49,589.22	49,534.00	55.22	1.00	99,714.89	99,068.00	646.89	1.01
Full time equivalents (worked)	239.72	237.43	2.29	1.01	244.88	237.43	7.45	1.03
Full time equivalents (paid)	281.76	286.32	(4.57)	0.98	283.28	286.32	(3.04)	0.99

NORTHERN INYO HOSPITAL**Statements of Changes in Net Assets***As of August 31, 2006*

	<u>Month-to-date</u>	<u>Year-to-date</u>
Unrestricted net assets:		
Excess (deficiency) of revenues over expenses	550,640.88	733,547.63
Net Assets due/to transferred from unrestricted	-	-
Net assets released from restrictions used for operations	-	33,875.00
Net assets released from restrictions used for payment of long-term debt	-	-
Contributions and interest income	731.88	1,406.62
Increase in unrestricted net assets	<u>551,372.76</u>	<u>768,829.25</u>
Temporarily restricted net assets:		
District tax allocation	-	2,056.96
Net assets released from restrictions	-	(33,875.00)
Restricted contributions	-	254.91
Interest income	-	-
Increase (decrease) in temporarily restricted net assets	<u>-</u>	<u>(31,563.13)</u>
Increase (decrease) in net assets	551,372.76	737,266.12
Net assets, beginning of period	27,233,656.35	27,047,762.99
Net assets, end of period	<u><u>27,785,029.11</u></u>	<u><u>27,785,029.11</u></u>

NORTHERN INYO HOSPITAL

Statements of Cash Flows

As of August 31, 2006

	<u>Month-to-date</u>	<u>Year-to-date</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	551,372.76	737,266.12
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities:	-	-
Depreciation	128,506.06	255,923.85
Provision for bad debts	185,715.55	386,197.12
Loss (gain) on disposal of equipment	-	-
(Increase) decrease in:		
Patient and other receivables	(637,301.86)	(969,479.60)
Other current assets	45,625.09	(30,443.46)
Plant Expansion and Replacement Cash	(60,683.84)	(119,805.83)
Increase (decrease) in:		
Accounts payable and accrued expenses	(168,209.06)	325,029.56
Third-party payors	174,754.00	328,021.00
Net cash provided (used) by operating activities	<u>219,778.70</u>	<u>912,708.76</u>
Cash flows from investing activities:		
Purchase of property and equipment	(310,649.96)	(754,599.48)
Purchase of investments	124,942.68	(655,681.71)
Proceeds from disposal of equipment	-	-
Net cash provided (used) in investing activities	<u>(185,707.28)</u>	<u>(1,410,281.19)</u>
Cash flows from financing activities:		
Long-term debt	-	(30,000.00)
Issuance of revenue bonds	(45,938.82)	464,678.11
Unamortized bond costs	485.24	970.48
Increase (decrease) in donor-restricted funds, net	(731.88)	30,156.51
Net cash provided by (used in) financing activities	<u>(46,185.46)</u>	<u>465,805.10</u>
Increase (decrease) in cash and cash equivalents	(12,114.04)	(31,767.33)
Cash and cash equivalents, beginning of period	<u>3,129,191.95</u>	<u>3,148,845.24</u>
Cash and cash equivalents, end of period	<u>3,117,077.91</u>	<u>3,117,077.91</u>

NORTHERN INYO HOSPITAL
STATISTICS

MONTHS 2006	SURGERIES						TOTAL			BIRTHS			ER			OP REFERRALS			ADMITS (W/NB)			PT DAYS (W/NB)			DISCH (W/NB)																																																																																																																																																								
	IP		OP		TOTAL		BIRTHS			ER			OP REFERRALS			ADMITS (W/NB)			PT DAYS (W/NB)			DISCH (W/NB)																																																																																																																																																											
	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06																																																																																																																																																							
JANUARY	24 / 35 / 40	76 / 65 / 72	100 / 100 / 112	15 / 17 / 19	43 / 49 / 60	484 / 540 / 563	2701 / 3048 / 3135	2867 / 2777 / 3100	101 / 109 / 126	287 / 275 / 370	335 / 320 / 410	102 / 115 / 124	FEBRUARY	36 / 29 / 29	79 / 81 / 62	115 / 110 / 91	21 / 15 / 20	45 / 54 / 44	467 / 422 / 467	3086 / 3163 / 3387	101 / 123 / 152	334 / 319 / 255	383 / 356 / 303	122 / 111 / 113	MARCH	30 / 34 / 50	113 / 78 / 101	143 / 112 / 151	9 / 20 / 26	49 / 59 / 63	555 / 606 / 543	2932 / 3119 / 3145	106 / 97 / 114	300 / 244 / 310	350 / 262 / 346	107 / 104 / 116	APRIL	23 / 27 / 31	88 / 68 / 81	121 / 95 / 112	19 / 9 / 18	51 / 43 / 54	468 / 474	2548 / 2968 / 3313	104 / 113 / 111	249 / 349 / 345	299 / 365 / 361	112 / 103 / 106	MAY	25 / 41 / 31	87 / 74 / 73	112 / 115 / 104	21 / 16 / 20	42 / 49 / 53	515 / 594 / 564	2886 / 3267 / 3235	96 / 113 / 107	286 / 286 / 307	328 / 318 / 342	92 / 126 / 97	JUNE	22 / 32 / 49	75 / 60 / 76	97 / 92 / 125	17 / 16 / 16	56 / 53 / 44	641 / 631 / 552	2822 / 2997 / 3012	90 / 128 / 129	252 / 306 / 313	276 / 345 / 371	93 / 122 / 126	JULY	31 / 40 / 31	98 / 89 / 59	127 / 129 / 90	11 / 21 / 30	48 / 51 / 38	571 / 587 / 619	2855 / 3276 / 3401	102 / 117 / 136	314 / 292 / 350	344 / 321 / 408	94 / 116 / 134	AUGUST	35 / 30 / 40	64 / 84 / 117	99 / 114 / 157	13 / 14 / 26	52 / 66 / 54	573 / 716 / 580							SEPTEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /								OCTOBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /								NOVEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /								DECEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /								CALENDAR	228 / 268 / 301	688 / 599 / 641	914 / 867 / 942	126 / 128 / 175	386 / 424 / 408	4348 / 4562 / 4362	22197 / 24635 / 25728	617 / 921 / 983	2313 / 2429 / 2563	2637 / 2704 / 2960	816 / 924 / 965	MONTHLY	28 / 34 / 38	86 / 75 / 80	114 / 108 / 118	16 / 16 / 22	48 / 53 / 51	543 / 570 / 545	2,775 / 3,079 / 3,216	102 / 115 / 123	289 / 304 / 323	330 / 338 / 370	102 / 116 / 121

NORTHERN INYO HOSPITAL
DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS

MONTHS 2006	DIAGNOSTIC RADIOLOGY		MAMMOGRAPHY		NUCLEAR MEDICINE		ULTRASOUND		CT SCANNING		MRI		LABORATORY		EKG/EEG		PHYSICAL THERAPY		RESPIRATORY THERAPY		RURAL HEALTH CLINIC		TOTALS	
	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06	04 / 05 / 06
JANUARY	309 / 340 / 312	240 / 202 / 228	32 / 47 / 29	97 / 102 / 107	98 / 151 / 123	92 / 86 / 85	1755 / 1988 / 1686	97 / 127 / 103	515 / 313 / 302	16 / 16 / 12	16 / 16 / 12	953 / 1014 / 1029	4204 / 4366 / 4017											
FEBRUARY	225 / 323 / 250	221 / 203 / 211	40 / 52 / 60	104 / 119 / 135	115 / 142 / 111	64 / 77 / 92	1719 / 1753 / 1633	95 / 83 / 82	502 / 308 / 361	21 / 12 / 19	841 / 921 / 970	3947 / 3991 / 3924												
MARCH	306 / 413 / 329	257 / 201 / 83	47 / 52 / 52	121 / 113 / 133	110 / 181 / 126	93 / 92 / 105	2067 / 2105 / 1853	99 / 81 / 132	648 / 316 / 425	15 / 12 / 14	1099 / 1240 / 1099	4862 / 4785 / 4351												
APRIL	256 / 349 / 254	217 / 232 / 237	41 / 40 / 35	126 / 137 / 109	100 / 180 / 107	88 / 84 / 84	2022 / 1815 / 1984	82 / 97 / 84	567 / 378 / 397	11 / 18 / 21	910 / 1103 / 915	4420 / 4433 / 4227												
MAY	275 / 304 / 263	204 / 221 / 241	46 / 54 / 41	121 / 98 / 122	97 / 181 / 110	85 / 96 / 88	1833 / 1782 / 1741	84 / 85 / 95	372 / 333 / 374	12 / 17 / 18	828 / 971 / 958	3966 / 4122 / 4051												
JUNE	325 / 302 / 257	235 / 208 / 220	57 / 47 / 32	126 / 117 / 128	116 / 146 / 119	73 / 81 / 111	2007 / 1902 / 1828	133 / 87 / 104	281 / 420 / 370	26 / 15 / 10	993 / 1016 / 859	4372 / 4341 / 4038												
JULY	207 / 236 / 228	207 / 145 / 134	55 / 46 / 35	126 / 119 / 126	102 / 113 / 121	95 / 84 / 71	1865 / 1742 / 1615	83 / 93 / 93	234 / 375 / 379	16 / 15 / 13	1019 / 952 / 946	4009 / 3920 / 3761												
AUGUST	244 / 254 / 269	213 / 237 / 275	63 / 50 / 47	144 / 123 / 136	121 / 128 / 120	91 / 90 / 97	1937 / 1838 / 1741	75 / 86 / 132	223 / 389 / 408	20 / 23 / 14	1016 / 1059 / 1020	4147 / 4277 / 4258												
SEPTEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
OCTOBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
NOVEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
DECEMBER	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /	/ / /												
CALENDAR YEAR	2147 / 2521 / 2162	1794 / 1649 / 1630	380 / 388 / 331	965 / 928 / 995	859 / 1182 / 937	681 / 690 / 733	15205 / 14905 / 14081	748 / 739 / 825	3342 / 2829 / 3016	137 / 128 / 121	7659 / 8276 / 7796	33917 / 34235 / 32627												
MONTHLY AVERAGES	268 / 315 / 270	224 / 206 / 204	48 / 49 / 41	121 / 116 / 124	107 / 148 / 117	85 / 86 / 92	1901 / 1863 / 1760	84 / 92 / 103	418 / 354 / 377	17 / 16 / 15	957 / 1035 / 975	4240 / 4279 / 4078												

Northern Inyo Hospital
Summary of Cash and Investment Balances
Calendar Year 2006

Operations Checking Account

Time Deposit Month-End Balances

Month	Balance at Beginning of Month	Deposits	Disbursements	Balance at End of Month	Premium Interest Checking	Investment Operations Fund	Bond and Interest Fund (2)	Equipment Donations Fund	Childrens Fund	Scholarship Fund	Tobacco Settlement Fund	Total Revenue Fund (1)	Project Revenue Bond Fund (1)	General Obligation Bond Fund
January	503,459	2,956,639	2,747,467	712,630	1,515,896	14,369,650	405,366	19,073	2,789	5,462	619,624	2,064,655	1,354,819	15,228,009
February	712,630	2,872,585	2,729,386	855,830	1,522,540	14,060,252	405,366	19,073	2,789	5,462	620,110	2,110,126	1,354,822	15,274,852
March	855,830	3,154,458	3,317,840	692,448	1,528,083	14,462,252	405,677	19,086	2,791	5,465	620,684	1,893,590	1,092,699	15,330,565
April	692,448	4,468,398	3,568,419	1,592,427	1,533,222	14,281,849	201,464	19,086	2,791	5,465	626,433	1,939,392	1,092,702	15,382,132
May	1,592,427	2,852,264	3,493,876	950,815	1,539,308	14,932,849	466,295	19,086	2,791	5,465	627,096	1,779,338	867,196	15,443,286
June	950,815	3,272,613	3,109,328	1,114,100	1,544,902	14,932,849	466,576	24,896	2,793	5,469	627,709	1,632,595	867,200	15,499,501
July	1,114,100	2,592,650	2,845,491	861,259	1,550,786	15,713,474	434,758	24,896	2,793	5,724	628,384	1,121,978	310,860	15,558,623
August	861,259	3,563,476	3,206,915	1,217,820	1,556,826	15,588,531	466,576	24,896	2,793	5,724	629,066	1,167,917	310,864	15,619,307
Prior Year														
September	1,530,032	2,628,615	3,288,264	870,383	1,002,293	13,757,623	2,745	19,063	2,788	461	616,906	2,608,176	1,727,133	15,039,286
October	870,383	2,533,574	2,895,822	508,135	1,005,208	14,557,305	3,524	19,063	2,788	461	618,256	2,652,889	1,727,134	15,083,773
November	508,135	3,524,877	3,799,669	233,343	1,008,257	14,450,700	3,524	19,063	2,788	461	618,629	2,548,065	1,558,118	15,128,734
December	233,343	3,726,751	3,456,635	503,459	1,011,394	14,499,600	405,366	19,073	2,789	5,462	619,106	2,222,618	1,558,120	15,175,801

Notes: (1) The difference between the Total and Project Revenue Bond Funds represents amounts held by the trustee to make payments on the District's behalf and about \$575,000 to cover the Bond Reserve Account Requirement with respect to the Series 1998 Bonds. The Project amount represents the balance available to spend on the building project; however, the district accumulates invoices and only requests reimbursement quarterly.

(2) The Bond and Interest Fund now contains the Debt Service amount from the County for both the original Bond and the 2005 Bond.

Northern Inyo Hospital

Investments as of 8/31/2006

	Purchase Dt	Maturity Dt	Institution	Rate	Principal
1	8/2/2006	9/1/2006	Local Agency Investment Fund	4.90%	278,872.44
2	8/2/2006	9/1/2006	WM Financial	4.74%	104.66
3	8/2/2006	9/7/2006	Local Agency Investment Fund	4.90%	2,790,458.15
4	7/31/2006	10/26/2006	United States Treasury Bills	4.98%	499,075.34
5	8/22/2005	11/22/2006	Federal Home Loan Bank-FNC	4.18%	250,000.00
6	7/31/2006	1/25/2007	United States Treasury Bills	5.06%	250,810.00
7	12/19/2003	3/19/2007	Camden National Bank ME	3.00%	97,000.00
8	3/11/2004	3/19/2007	Commercial Savings Bank	2.75%	98,000.00
9	3/19/2004	3/19/2007	Summit State Bank	3.00%	99,000.00
10	3/28/2005	3/23/2007	Discover Bank	4.00%	100,000.00
11	7/27/2005	4/27/2007	Federal Home Loan Bank-MBS	4.00%	250,000.00
12	5/7/2004	5/7/2007	Five Star Bank Natomas	3.31%	99,000.00
13	5/11/2004	5/11/2007	Bear Stearns Security	3.25%	1,000,000.00
14	6/22/2005	6/22/2007	Federal Home Loan Bank-FNC	4.00%	1,000,000.00
15	7/8/2005	6/29/2007	FANNIE MAE FNMA-MBS	4.00%	500,000.00
16	7/5/2005	7/5/2007	Federal Home Loan Bank-MBS	4.00%	500,000.00
17	3/14/2006	9/14/2007	Federal Home Loan Bank-FNC	5.13%	600,000.00
18	11/28/2005	11/28/2007	Federal Home Loan Bank-MBS	5.00%	500,000.00
19	8/19/2006	12/1/2007	Cantella & Co., Inc	4.50%	92,487.08
20	12/27/2005	12/27/2007	Federal Home Loan Bank-FNC	5.00%	500,000.00
21	1/24/2003	1/24/2008	Capital One Bank	4.31%	100,000.00
22	1/24/2003	1/24/2008	Capital One, F.S.B.	4.30%	100,000.00
23	1/24/2003	1/24/2008	Key Bank USA	3.50%	100,000.00
24	3/18/2005	3/18/2008	First Federal Bank	4.00%	100,000.00
25	12/14/2004	5/27/2008	Cantella & Co., Inc	3.50%	225,000.00
26	3/11/2005	6/11/2008	Community Bank	4.00%	98,000.00
27	3/11/2005	6/11/2008	Equity Bank	4.00%	100,000.00
28	1/30/2006	7/28/2008	Federal Home Loan Bank-FNC	5.00%	500,000.00
29	4/21/2005	10/7/2008	Federal Home Loan Bank-MBS	4.00%	1,335,000.00
30	10/15/2003	10/15/2008	R-G Crown Bank	4.00%	97,000.00
31	10/31/2005	10/27/2008	Federal Home Loan Bank-MBS	5.00%	500,000.00
32	5/26/2005	11/26/2008	Federal Home Loan Bank-FNC	4.50%	1,000,000.00
33	12/15/2003	12/15/2008	Bear, Stearns Securities	3.00%	300,000.00
34	1/4/2005	1/5/2009	Mututal Bank	4.36%	99,000.00
35	1/7/2004	1/7/2009	Bear Stearns Security	4.08%	100,000.00
36	8/19/2006	11/1/2009	Cantella & Co., Inc	4.50%	131,723.37
37	12/30/2004	12/30/2009	Capital City Bank and Trust	4.75%	99,000.00
38	4/22/2005	4/22/2010	Bank of Waukegan	4.75%	99,000.00
39	2/24/2006	2/24/2011	Federal Home Loan Bank-MBS	6.00%	1,000,000.00
			Total		\$15,588,531.04

Financial Indicators

	Target	Aug-06	Jul-06	Jun-06	May-06	Apr-06	Mar-06	Feb-06	Jan-06	Dec-05	Nov-05	Oct-05	Sep-05
Current Ratio	>1.5-2.0	4.77	4.71	5.03	4.99	5.05	4.76	4.77	4.93	5.02	4.76	4.43	4.45
Quick Ratio	>1.33-1.5	4.41	4.36	4.66	4.70	4.75	4.44	4.37	4.62	4.69	4.47	4.16	4.16
Days Cash on Hand	>75	330.63	305.76	390.80	336.95	330.17	284.11	326.36	295.71	294.69	290.98	296.59	301.22

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2005
 As of August 31, 2006**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 1995-96	Hospital Information System	\$1,300,000
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>1,300,000</u>
FY 2006-07	Philips Biphasic Defibrillators (eight)	101,388 *
	Crash Carts	15,735 *
	Urology Office Equipment & Charts (Purchased from Dr. Evantov) (Half of \$35,000 buy-up amount)	18,856 *
	Platelet Incubator/Agitator Purchase (non-budget)	2,600
	Computer Backup/Disaster Recovery Upgrade	59,122
	Virtual Servers	36,888
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>234,589</u>
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	1,300,000
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	<u>234,589</u>
	Year-to-Date Board-Approved Amount to be Expended	1,398,610
	Year-to-Date Administrator-Approved Amount	296,974 *
	Actually Expended in Current Fiscal Year	<u>135,979 *</u>
	TOTAL FUNDS APPROVED TO BE EXPENDED	1,831,562

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2005
 As of August 31, 2006**

MONTH		AMOUNT
APPROVED	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	
BY BOARD	Total-to-Date Spent on Incomplete Board Approved Expenditures	1,199,399
	(Hospital Information System and Building Project)	
 Reconciling Totals:		
	Actually Capitalized in the Current Fiscal Year Total-to-Date	432,952
	Plus: Lease Payments from a Previous Period	0
	Less: Lease Payments Due in the Future	0
	Less: Funds Expended in a Previous Period	0
	Plus: Other Approved Expenditures	<u>1,398,610</u>
	ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	<u><u>1,831,562</u></u>
	Donations by Auxiliary	0
	Donations by Hospice of the Owens Valley	0
	Donations by Others	<u>0</u>
		0

**Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2005
As of August 31, 2006**

MONTH APPROVED	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
Board Approved Construction and Remodel amounts to be Reimburse from Revenue Bonds:		
FY 1996-97	Central Plant and Emergency Power Generator	3,000,884 **
FY 1997-98	Administration/Office Building (Includes Furniture and Landscaping)	1,617,772 **
FY 2000-01	New Water Line Construction	89,962 **
FY 2001-02	Siemens ICU Patient Monitoring Equipment	170,245 **
	Central Plant and Emergency Power Generator OSHPD Fee	18464.5 **
FY 2003-04	Emergency Room Remodel (Included in New Building & Remodel)	0
FY 2004-05	Emergency Room Remodel (add to \$500,000) (In New Building & Remodel)	0
FY 2005-06	Hospital Building and Remodel	39,500,000
FY 2005-06	Construction Cost Overrun Approval	15,250,000
Total-To-Date Board Approved Construction Amounts to be reimbursed from Revenue Bonds & General Obligation Bond		<u><u>59,647,328</u></u>
Total-To-Date Spent on Construction In Progress from Rev Bonds for Incomplete Projects (Includes Architect Fees for Future Phases)		

*Completed Purchase

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2005
As of August 31, 2006

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
Coilpro Coil Cleaner	Maintenance	2,295		
Surgical Doppler 8MH	Surgery	2,808		
PAL Monitor w/Printer	Med/Surg	3,403		
Super Vac System 5000	Surgery	13,032		
Month Ending August 31, 2006			21,538	296,974

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HEALTH FORUM
AHA

Trustee

RENEWAL INVOICE

B2494 TH ROE 954057014
ADMINISTRATION DEPT
NORTHERN INYO HOSP
150 PIONEER LANE
BISHOP

CA 93514-2599

Note: Allow 6-8 weeks for this renewal to be processed. Disregard if you have already renewed and sent payment.

Order Number	Issues	Expire Date
22-Sep-06	519R5G	954057014
	010	JUL 06

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B2494 TH954397014 0001 CPYS S4
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GOVERNING BOARD PRES
NORTHERN INYO HOSP
150 PIONEER LANE
BISHOP

CA 93514-2599

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U.S. Rate	\$49 Per Subscription
Canadian & Foreign Rate	\$72 Per Subscription
Annual Rate	\$140 Per Subscription

(Must be prepaid and drawn from U.S. bank in U.S. currency)

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Check is enclosed for Amount:

Please make checks payable to: Health Forum, Inc.

PLEASE INDICATE JOB TITLES AND MAKE ANY CHANGES DIRECTLY ON LABELS TO THE LEFT.

TITLE CODES

- | | |
|---|---|
| <input type="checkbox"/> 04 Chairman | <input type="checkbox"/> 15 Treasurer of Board |
| <input type="checkbox"/> 05 Governing Board President | <input type="checkbox"/> 20 Secretary of Board |
| <input type="checkbox"/> 09 Vice Chairman | <input type="checkbox"/> 25 Other Board Members |
| <input type="checkbox"/> 10 Vice President of Board | <input type="checkbox"/> 99 Other _____ |

NOTE TO AHA MEMBERS
As a part of your membership in the American Hospital Association, \$25 is allotted from dues to pay for the Governing Board President copy.
DO NOT REMIT FOR THIS COPY

PLEASE SIGN FOR THIS ORDER BELOW:

Signature _____ Date _____

HEALTH FORUM, INC. P.O. BOX 92567 CHICAGO, IL 60675-2567
PH 800-621-6902 FAX 312-422-4799

GR0206

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NORTHERN INYO HOSPITAL POLICY AND PROCEDURE

Title: Informed Consent Required for Pregnant Patients Before Radiologic Procedures	
Scope: Departmental	Department: Radiology
Source: Radiology	Effective Date:

PURPOSE:

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

POLICY:

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

Committee Approval	Date
Radiology Committee	
Medical/ICU Committee	
OB Committee	
Surgical-Tissue Committee	
Medical Executive Committee	
Administration	
Board of Directors	

Revised
Reviewed
Supercedes



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

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

Informed Consent for Pregnant Patient Undergoing Radiologic Procedure

The undersigned consents to the radiologic examination herein described:

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

PRINT Patient's Name

Patient SIGNATURE

Date

Signature: Patient's Legal Representative

Relation to Patient

Date/Time

Signature: Witness

Date/Time

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NORTHERN INYO HOSPITAL PERFORMANCE IMPROVEMENT PLAN

PURPOSE

The purpose of the Northern Inyo Hospital Performance Plan is to ensure that the District Board of Directors, Medical Staff and Northern Inyo Hospital staff utilize a consistent, collaborative approach to planning, designing, measuring, assessing and improving performance of hospital processes.

The Performance Improvement Plan supports the mission of Northern Inyo Hospital to provide quality healthcare by maintaining an environment that is positive and caring for the patients, staff and community we serve.

We value: Excellence in patient care, provided through our efforts to maintain current education for staff and community members.

A healing, family centered environment, provided by maintaining a caring atmosphere, trust, dignity and service.

Fiscal stability, balanced with our obligations to patients and staff.

Conducting the activities of the hospital in an atmosphere of fairness and open communication.

Our unique rural location, providing opportunities for services that otherwise might not exist.

GOAL

The Northern Inyo Hospital, through the District Board of Directors, Medical Staff and administration, is dedicated to ensuring that quality care is provided, through an ongoing program of quality assessment and improvement. This program provides effective mechanisms for monitoring patient care and promoting continuous improvement in patient care through ongoing assessment of all systems, key functions and processes while reducing and preventing health care errors. The mechanisms will focus on providing safe, effective, optimal patient care and services in an environment of minimal risk.

Northern Inyo Hospital will provide a hospital wide program, which monitors and evaluates the delivery of patient care for all patients and seeks to improve care and performance through a planned and systematic monitoring program. The scope of this plan will include all Medical Staff committees, patient care and support service departments throughout the hospital.

OBJECTIVES

1. To continuously improve patient care and services by providing a system of quality assessment and performance improvement, based on data, feedback and participation of staff, physicians, patients and all who use this institution's services in order to decrease variation in patient outcomes, increase patient satisfaction and decrease cost per case.
2. To assign responsibility for performance improvement activities to the Board of Directors, the Medical Staff Quality Improvement/Executive Committees, Administration and all hospital departments.
3. To ensure coordination and integration of all performance improvement activities by establishing the Quality Improvement Committee as a focal point for all performance improvement activities. To objectively monitor the performance improvement activities to ensure consistent development and implementation of the Performance Improvement Program.

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NORTHERN INYO HOSPITAL PERFORMANCE IMPROVEMENT PLAN

4. To provide uniform implementation of the Performance Improvement Program by defining appropriate scope of care and services and effective critical indicators for all Medical Staff committee and departmental performance improvement units.
5. To accurately collect and organize data, to develop new systems and processes, to monitor such processes and determine areas for improvement. To provide systems to improve patient care and services, so that concerns regarding patient care are identified, and appropriate actions are implemented leading to sustained improvement in a collaborative, interdisciplinary manner.
6. To systematically aggregate, analyze and compare data over time utilizing appropriate statistical techniques and clinically sound and current data sources.
7. To incorporate available information from internal sources and other organizations about the occurrence of medical errors and sentinel events to reduce the risk of similar events in this institution.
8. To intensely analyze undesirable patterns or trends in performance and all sentinel events.
9. To effectively utilize the results of performance improvement activities in the credentialing, reappointment and privileging process of Medical Staff and allied health professionals.
10. To evaluate the entire Performance Improvement Program to determine its effectiveness in improving patient care and to ensure that improved performance is achieved and sustained.
11. To report information to the Medical Staff Quality Improvement Committee and the District Board of Directors to assist them in fulfilling their responsibility for the quality and safety of patient care.
12. To measure the performance of new and modified processes to determine whether the process is performing to expectation.
13. To provide necessary information and data to all appropriate departments and services when problems or opportunities to improve patient care and safety practices involving more than one department or service occur.

SCOPE OF ACTIVITIES

Northern Inyo Hospital's performance improvement program includes an overall assessment of the efficacy of performance improvement activities with a focus on continually improving care provided and patient safety practices. The plan provides a systemic mechanism for the hospital's departments, professions and individuals to function collaboratively in their efforts to provide continuing performance improvement. Data are collected to monitor, assess and evaluate the dimensions of performance of patient care and the clinical performance of all individuals with clinical privileges. Performance data for processes that are known to jeopardize the safety of the individuals served or associated with sentinel events are routinely monitored to assess care and identify opportunities to improve performance or resolve problem areas. Action is taken to correct identified areas to improve performance. The results of the monitoring, assessment and evaluation process are communicated to relevant individuals, departments and the Performance Improvement Coordinator.

Performance related to the following processes will be monitored at the suggested frequency of the Quality Improvement Committee:

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1. Management of hazardous conditions
2. Medication use (including medication errors and adverse drug reactions)
3. Operative procedures and other procedures that place patients at risk
4. Use of blood and blood components
5. Restraint use
6. Outcomes related to resuscitation
7. Staffing effectiveness
8. Infection control
9. Customer satisfaction
10. Pain management
11. Recommendations for achievement of patient safety goals
12. Performance measures related to accreditation and other requirements
13. Autopsy results
14. Care or services related to high-risk populations

METHODOLOGY

Northern Inyo Hospital utilizes the P (plan) D (do) C (check) A (act) methodology to plan, design, measure, assess and improve functions and processes. Data collection is systematically aggregated and analyzed over time and on an ongoing basis. Data is displayed utilizing a variety of tools including: run charts, control charts, pareto charts, etc. Performance is compared with external sources to aid in determining unacceptable levels of performance. When such areas are identified, they are intensively analyzed to identify system changes to improve performance and patient safety.

ORGANIZATION/AUTHORITY

District Board of Directors

The District Board of Directors has the overall responsibility for establishing an effective, integrated performance improvement program. Authority and responsibility for the implementation of the Performance Improvement Program shall be delegated to the Hospital Administrator and the Medical Staff Quality Improvement/Executive committees. Other staff professionals, through their clinical services, are assigned the responsibility for the delivery and evaluation of patient care and services they provide.

Quality Improvement/Executive Committees

The Quality Improvement/Executive Committee shall consist of the Executive Committee. The Performance Improvement Coordinator and the Director of Nursing are Ex-Officio non-voting members. The Committee chair is the Vice Chief of Staff.

Duties: The Quality Improvement/Executive Committee is responsible for overall supervision of patient care services, quality monitoring, assessment and improvement activities and accordingly shall

1. Develop and recommend to the District Board, and as adopted, maintain and oversee the implementation of a performance improvement plan, and revisions as needed, which sets

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NORTHERN INYO HOSPITAL PERFORMANCE IMPROVEMENT PLAN

forth specific mechanisms for reviewing, evaluating, and maintaining the quality, appropriateness, and efficiency of patient care within the Hospital.

2. Annually review, and report to the District Board of Directors, all patient care services and other services, which affect patient health and safety.
3. Review, evaluate, and coordinate findings and results of Service Chiefs, committees and other Medical Staff patient care review activities including, without limitation, utilization reviews, continuing education, medical records reviews, and other activities designed to monitor patient care practices.
4. Prepare and maintain related records of the committee's review, evaluation, and coordinated findings and results of such patient care review activities.
5. Make recommendations to the committees responsible for continuing health care education for the development of appropriate educational programs.
6. The quality and appropriateness of the diagnosis and treatment furnished by nurse practitioners, clinical nurse specialists, and physician assistants at NIH shall be evaluated by their supervising physician, who is a member of the NIH Medical Staff and such evaluation shall be reported to the Interdisciplinary Practice Committee of the Medical Staff.
7. Corrective action may be taken when indicated by the findings and recommendations generated by the Beta Healthcare Group (Quality Improvement Organization).
8. Appropriate remedial actions will be taken to address deficiencies found through the quality improvement programs. The outcomes of all remedial actions will be documented.

Special Quality/Performance Improvement units: The Quality Improvement Committee may periodically appoint special committees to investigate and address matters of performance improvement focusing on known or suspected problems; or when indicated, areas with potential for substantial improvement in patient care or services.

Meetings and Reports: The Quality Improvement Committee meets at least 10 times each year. A report submitted to or generated by the Quality Improvement Committee is deemed to have also been submitted to the Executive Committee. There will be a written or verbal summary report to the District Board of Directors on a periodic basis and at least quarterly.

Performance Improvement Committee

The Performance Improvement Committee functions as a separate part of the Department Managers Committee. The Committee consists of all department managers and will meet at least quarterly. The Committee reviews the performance improvement activities of hospital departments and patient care services, and other services which affect patient health and safety. Patient safety studies undertaken by the Pharmacy and Therapeutics Committee such as medication therapy are reported to the Performance Improvement Committee at least quarterly. Patient safety studies undertaken by the Infections Control Committee such as the study of nosocomial infections, are reported to the Performance Improvement Committee, at least quarterly.

The Performance Improvement Committee annually reviews, and reports to the Quality Improvement/Executive Committees all patient care services and other services which affect patient health and safety.

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The Performance Improvement Committee also takes appropriate remedial actions to address deficiencies found through the quality assurance programs and documents the outcomes of all remedial actions.

Administration

The Hospital Administrator serves as the Performance Improvement Administrator and delegates responsibility for the management of the Performance Improvement Program to the hospital wide Performance Improvement Coordinator and department heads for implementation. The Administrator ensures a means for collecting, interpreting and reporting data regarding patient satisfaction. The Administrator provides adequate financial and staff support for the activities of the Performance Improvement Program.

Performance Improvement Coordinator

The Performance Improvement Coordinator provides assistance and direction to the Medical Staff and departmental units in developing quality improvement programs, and assists in identifying known or suspected problems. The Performance Improvement Coordinator ensures the collection of data, identifies and tracks problems, trends or patterns of performance, and promotes consistency and uniformity in all quality improvement activities. Results of patient questionnaires and noted problems are reported to the hospital staff and appropriate committees for review and resolution. The Performance Improvement Coordinator provides guidance in identifying intra and inter-departmental processes and systems where opportunities for improvement in patient care and hospital services may be initiated. Confidential files are maintained and data is provided from committee performance improvement and peer review activities for use in the reappointment process and renewal of privileges of the Medical Staff and Allied Health Professionals with privileges.

Coordination of Risk Management/ Performance Improvement Activities

Coordination of risk management and performance improvement activities is ensured through concurrent analysis of Quality Review Reports (incident reporting) by the Performance Improvement Coordinator. Implementation of corrective action is referred to hospital committee structures for action. The Performance Improvement Coordinator represents hospital administration on the Safety Committee and participates in coordination of safety and risk management activities, including initiation of appropriate actions, when problems are found. Risk management concerns that are not resolved at the committee level may be referred to the Medical Staff Quality Improvement/Executive Committees for review and action.

Standing Committees

At Northern Inyo hospital there are fifteen Medical Staff standing committees directly involved in performance improvement activities. The specific duties of these committees and their composition are delineated in the Medical Staff Bylaws. Unless otherwise specified in the Bylaws, the chair and members of all committees shall be appointed by and may be removed by the Chief of Staff, subject to consultation with and approval by the Executive Committee.

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Each committee chair or other authorized person chairing a meeting has the right to discuss and to vote on issues presented to the committee.

The Administrator, or his or her designee, shall appoint any non-Medical Staff committee members who are not designated by title in the provision of resolution creating the committee. The removal of any committee member who is automatically assigned to a committee because he or she is a general officer or other official shall be governed by the Bylaws provisions pertaining to removal of such officer or official. Unless otherwise specified a committee member shall be appointed for a term of one year, subject to unlimited renewal and shall serve until the end of this period and until his or her successor is appointed, unless he or she shall sooner resign or be removed from the committee.

The standing committees are

1. Bylaws Committee
2. Credentials Committee
3. Emergency Services Committee
4. Executive Committee
5. Infection Control Committee
6. Interdisciplinary Practice Committee
7. Library and Medical Education Committee
8. Medical Service / Intensive Care Committee
9. Medical Staff Assistance Committee
10. Perinatal-Pediatrics committee
11. Purchasing Priorities Committee
12. Pharmacy and Therapeutic Committee
13. Surgery, Tissue, Transfusion and Anesthesia Committee
14. Quality Improvement Committee
15. Utilization Review and Medical Records Committee

Structure, duties and responsibilities of Medical Staff standing committees will be as stated in the Medical Staff Bylaws/Rules and Regulations.

Performance Improvement Units

Each performance improvement unit whether Medical Staff committee or hospital department committee providing patient care or support services develops a performance improvement program and implements procedures to ensure appropriate monitoring and resolution of known or suspected problems, which include:

1. The scope and important aspects of clinical services provided.
2. The quality of appropriateness of diagnosis and treatment furnished by licensed independent practitioners or allied health professionals
3. A systematic method of problem identification by means of critical indicators and, as appropriate, secondary screens
4. Routine collection of data; data aggregation and analysis over time
5. Periodic review and assessment of that data
6. Identification of problems and determination of corrective actions
7. Evaluation of the results of corrective actions
8. Methods for reporting results of corrective actions
9. Appropriate follow-up to ensure problem resolution and process improvement

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10. Periodic evaluation of performance improvement for effectiveness

Medical Staff

The Medical Staff shall make the commitment to actively participate in the Performance Improvement Program, and is delegated the authority and accountability for the monitoring and evaluation of medical functions and activities, and for the appropriateness of patient care and clinical performance of all individuals with clinical privileges.

Confidentiality

The information, data and results of reviews generated by all performance improvement/risk management activities within the hospital shall be considered confidential.

The Quality Review Report (QRR) and medication occurrence reports prepared by hospital employees and staff physicians are intended to constitute Medical Staff committee document. It will remain confidential and will be transmitted to the Quality Improvement Committee through the Performance Improvement Coordinator.

Conflict of Interest

No physician or other individual involved in performance improvement/peer review activities shall be required to review any case in which they are professionally involved.

PEER REVIEW PROCESS

Critical Indicators

A critical indicator is a primary screen used to identify occurrences that may indicate an aspect of care which might benefit from the peer review process.

Each Medical Staff service committee selects and approves critical indicators and secondary screens appropriate to their scope of practice.

1. Critical indicators identify adverse patient occurrences, or aspects of patient care that may be less than optimal and which may indicate the need for peer review.
2. Indicators concentrate on high volume and/or high-risk aspects of care.
3. Records not identified by critical indicators are not referred for peer review, but may be presented for educational purposes.
4. Critical indicators are reviewed yearly by each Medical Staff service committee.
5. A committee may add new indicators at any time.

Secondary Screens

Secondary screens are exceptions to indicators, which may be established by the individual service committees. If a record meets the exception it does not require peer review.

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Example of Secondary Screens

Indicator: Readmission to hospital within 30 days

1. Second admission for an unrelated diagnosis
2. Expected or scheduled return admission

Primary Review

Patient records are reviewed against unit specific critical indicators and secondary screens by the unit head nurses. Those that do not meet secondary screens will be designated for peer review.

Peer Review Assignment

The unit manager, in consultation with the committee chairperson, assigns a committee physician to conduct peer review. Every effort is made to make peer review assignment rotational and as random as possible, such as alphabetical. Peer review may be provided by any physician member of a committee with the exception of any physician who has been involved in the care of the patient. If pre-review identifies a case that may benefit from review by a member of the same specialty, or if a physician assigned to provide peer review does not feel qualified to assess a record or aspect of that record essential to the case, the committee chairman may assign a second reviewer and place the initial physician's name in rotation again.

Peer Review Procedures

Physicians conducting peer review should evaluate the patient record to assess the medical care provided and determine if there are aspects of care that may have contributed to the occurrence of the indicator(s).

1. Peer review should be objective, and presentation educational and brief
2. When a patient record is evaluated, review may only be required to the point where the indicator or occurrence is identified. However it is usually necessary to consider the entire chart in order to provide comprehensive assessment of the care provided.

Findings

Peer review conclusions including completion and quality of the medical record is concisely reported and recorded on the peer review assessment form, which may be included in the physician's or allied health professional's credentials packet. Peer review findings and concerns relevant to the patient's record may be noted on the peer review work sheet which is destroyed, following presentation at the conclusion of the meeting.

Presentation

Committee presentation of peer review findings, by the peer review physician shall include:

1. The indicator being reviewed (why the chart fell out)
2. Pertinent findings in the patient's record
3. Conclusions, suggested recommendations and actions, if applicable

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Practitioners involved in the case and peer review physicians are notified in advance of the patient's medical record number to be reviewed, and the date of the committee meeting at which that record is scheduled for presentation. Patients' records will be presented as soon as is feasible and not later than 2 meetings from the time the chart is initially scheduled for review. If review is scheduled for two meetings and the primary physician, allied health professional and/or reviewing physician is not in attendance, committee review and determination of conclusions may take place at that second meeting in the involved physician(s) or allied health professional's absence, at the discretion of the committee chairperson.

The peer review assessment form may be signed off only after the peer review findings have been reviewed with the involved physicians/ allied health professionals by the committee chairperson. If a case is not resolved within a 6-month period of time, it shall be referred to the Executive Committee for action. The peer review section of each committee meeting should take place, whenever feasible, prior to the business section of all meetings, in order to provide timely and useful review of records requiring presentation.

Conclusions

The Performance Improvement Department will collect and compile data regarding Conclusions and Indicators, Quality and Appropriateness of care provided by privileged practitioners and allied health professional to be considered at time of reappointment. All peer review document data will be accumulated in the individual physician's or allied health professional's credentialing folders, for review at time of reappointment.

Conclusions in the first five categories (found above the line on the Peer Review/Assessment form) do not require attending physician/allied health professional notification or committee vote but may be presented to a committee for educational purposes.

All instances when conclusions in the last five categories (found below the line on the peer Review/Assessment form) are being considered, by the peer review physician, will be discussed with the attending physician or allied health professional, prior to presentation in committee. Conclusions in the last five categories require a vote by the physician members of the committee.

If the committee agrees with conclusions in the last five categories, it is essential that the committee provides recommendations, and if needed, suggested corrective actions, which will be documented in the committee minutes.

Peer Review Concerns

Staff physicians or allied health professionals may bring questions regarding the results of a specific peer review, or the peer review process, to the attention of the Chief of Staff, who will determine any necessary actions that may be required to create uniformity in the peer review process.

If a member of the Medical Staff or an allied health professional registers concern regarding the fairness or accuracy of the peer review of a particular medical record, that medical record shall be presented to the Chief of Staff for determination of further action.

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Actions

1. Determination that peer review be done by another physician.
2. Return of the medical record to the involved committee with specific request for further review and conclusion.
3. Referral of a medical record to another service committee for review by the chairman or assigned peer for determination of conclusions, recommendations and actions.
4. Presentation of the medical record to the Executive Committee for determination of conclusions, recommendations and actions with peer reviewer and attending physicians present.
5. Referral of the record to the Program Beta Peer Review Network for external review.

When questions regarding the care provided can not be resolved, or aspects are identified that suggest review by another committee would be more appropriate, that chart may be referred to another committee for determination of conclusions and recommendations. The referring committee should define the aspect of care requiring further evaluation, and provide direction for additional review stating the specific questions that should be answered.

Medical Records Department

The Medical Records Director or designee shall participate in the following quality improvement activities:

1. Assist all Medical Staff and departmental quality improvement units in obtaining medical records for purposes of screening and peer review.
2. Provide statistics and reports of patient discharges by diagnosis for Medical Staff and hospital department committees for quality improvement purposes.
3. Ensure privacy and confidentiality of all records and documents, for patients, physicians, and hospital staff.
4. Screen medical records for compliance with Medical Staff Bylaws and established criteria for timeliness and completion of medical records.

PROGRAM EVALUATION

The Quality Improvement/Executive Committees, the Performance Improvement Coordinator, the Hospital Administrator and the District Board of Directors will, at least annually, evaluate the objectives, organization and effectiveness of the Performance Improvement Program for evidence of achievement of goals, objectives and the integration and coordination of reviews, actions and appropriate follow up. The evaluation will identify components of the Program that need to be instituted, altered or deleted. Resultant recommendations, when instituted should ensure that the program is comprehensive, effective in improving patient care/clinical performance, and cost effective.

Yearly review of the Performance Improvement Program will include but not be limited to:

1. The quality and appropriateness of the diagnosis and treatment furnished by doctors of medicine or osteopathy at NIH will be evaluated by the Beta Healthcare group (a Quality

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- Improvement Organization) at least annually and will be reported to the Quality Improvement Committee of the Medical Staff.
2. Review of performance improvement objectives in all Medical Staff and committee functions to assess the degree to which objectives are currently being met.
 3. Appraisal of compliance with the hospital wide Performance Improvement Program to determine the degree to which steps outlined in the program are being followed in all Medical Staff and departmental committee.
 4. Evaluation of the status of committee peer review activities and studies to determine if problems and areas for potential improvement are identified and recommendations and actions are appropriately initiated and, as possible, completed.
 5. Determination of data collection detail and frequency; set priorities for performance improvement activities.

Medical Staff Committee Structure and Responsibilities are delineated in the Northern Inyo Hospital Medical Staff Bylaws.

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N. I. H. M E M O R A N D U M

DATE: October 10, 2006
TO: Board of Directors
FROM: Lisa Harmon
RE: New Hospital Wide Scheduling Program

I am writing this memo to request approval for a new hospital wide patient scheduling program called TempusOne, a Quadramed product. The Purchasing Committee approved this as a priority one purchase for the current budget year.

Our current scheduling software is very time consuming and extremely ineffective waste of scheduler's time by all the redundancy, repeat data entering and difficult window field access. In addition the new program will allow us to move all the ancillary departments to (on line scheduling) with capabilities for all our modalities that our current system does not have.

All of the schedulers currently using our scheduling program are very frustrated because it impedes other job duties that need to be done. This new program would streamline and speed up the current scheduling process and will be totally integrated with our current HIS system. The current system takes approximately five to ten minutes to schedule one appointment. If the appointment is a multi-type appointment it could take up to fifteen to twenty minutes. With TempusOne it takes less than one minute to schedule an appointment. This has allowed us to attrition one FTE in the Rural Health Clinic in anticipation of a faster scheduling system. TempusOne is an extremely powerful tool that will grow along with Northern Inyo Hospital's growth in the years to come.

In the process to seek a new scheduling system all of the current users and future users were involved in selecting this new system.

Attached please find a request from Barbara Stuhaan regarding the Surgery Management Piece and literature on Quadramed's TempusOne.

Thanking you in advance for your consideration in this matter.

Sincerely,



Lisa Harmon
Patient Scheduling Chief Committee Member

DATE: October 10, 2006
TO: Board of Directors
FROM: Barbara Stuhaan
RE: Surgery Management Product

Surgery will be a part of the scheduling system as noted in Lisa's request, this is exciting for our department, because we have not been a part of the current scheduling program and with this new product, we will be able to co-ordinate with radiology and other departments that relate to our scheduling of surgical procedures.

In viewing the demonstration of the Surgery Management Product, which is an addition to the scheduling program, I was very impressed with its capabilities. Currently we have two homemade systems in excel, one that we use as a schedule and the other is one where we log all the information from the surgery inter-operative record to keep track of necessary information so we can generate reports. The statistical report for accounting has to be printed by the IT department. This system would accommodate the Pre-operative phase, Inter operative Phase and Post Operative Phase of the documentation of patient care. This system will allow for precise documentation of patient care, it utilizes AORN Standards and creates the surgical log, implant log and specimen log and can create any type of report related to any of the documentation from the peri-operative record. This would eliminate the information being documented in three different programs and duplicated by the clerks at the end of the day. In the past we have had multiple problems with our data and almost lost it on a few occasions, and one time, it mixed the procedures and the physicians, which made the documentation invalid, such as Dr. Green performing an orthopedic procedure, etc.

I would very much like to include the Surgery Management Product in this proposal, because of the need to have all the information in one system that is not homemade and requires duplication. This system would follow the patient because it is generated in Affinity. This system was developed by a Surgical Nurse and is one of the best systems I have seen for completeness.

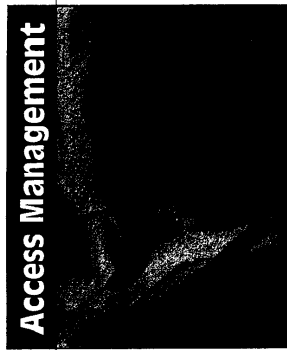
In addition to the cost of this system, we would need to purchase two computers for the operating rooms to allow the documentation to take place during the procedures.

I feel this system would make our unit much more efficient in regards to patient records for documentation of care and being able to generate reports required.

Thank You for your consideration in this most important issue.

Barbara Stuhaan RN, OR Nurse Manager

There is
POWER in
KNOWLEDGE



- **Fast, efficient enterprise scheduling**
- **Increases patient volume and reduces cancellations**
- **Improves patient/physician satisfaction**
- **Increases reimbursement and enhances revenue**

Affinity Scheduling is the industry's most powerful enterprise-wide scheduling product. It streamlines patient access and manages the scheduling needs of your entire enterprise. Additionally, Affinity Scheduling maximizes your facility's resources by moving patients through your organization efficiently, without costly delays and conflicts. All you have to do is press a key. Affinity Scheduling takes care of the rest.

The Benefits You Need

Enterprise-wide functionality

Affinity Scheduling schedules your entire enterprise, coordinating rooms, equipment and staff across multiple facilities from hospitals to doctor's offices and clinics. It was specifically designed for complex healthcare environments such as Integrated Delivery Networks (IDNs). Affinity Scheduling's integration is simplified with its HL7 communication module, allowing you to share data with all your existing systems and providers.

Innovative technology

Affinity Scheduling operates on an Oracle database. Oracle delivers unprecedented ease-of-use, power and performance, giving users unlimited storage scalability and faster performance with reduced maintenance needs. It allows for the lowest cost of ownership and ample power for enterprise applications.

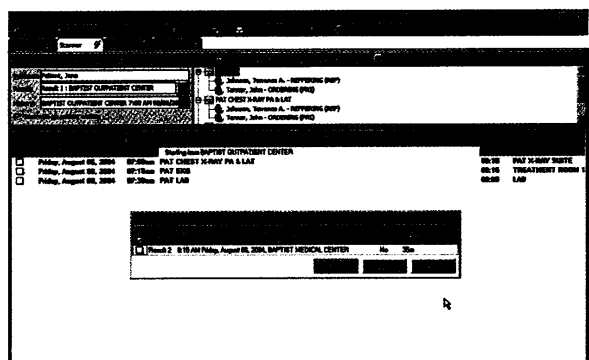
60 second scheduling

Affinity Scheduling schedules the most complex procedures in less than 60 seconds with no patient waiting.

Procedure preps, questionnaires and patient itineraries are automatically generated and provided to the patient. With Affinity Scheduling, patients will always be informed where to go and what to expect when they arrive.

The Affinity Difference
Seamless integration

Affinity Scheduling provides seamless integration with other QuadraMed systems which enhance its enterprise-wide functionality. This reduces duplicate patient information and improves compliance, patient satisfaction and the efficiency of your revenue cycle.



Multi-Facility Scheduling: Finds first available times across your enterprise for multiple procedures, departments and facilities.

Smarter Scheduling Features

- Streamlined, easy to use screen design
- Integrated healthcare access management functions
- Advanced Web capabilities
- Compatibility with multiple sites or single location
- Rehab series scheduling
- Unlimited scalability
- Unlimited patient insurance carriers
- More than 250 standard reports
- Security controls and comprehensive audit logs
- Patient and procedure confidentiality
- Conflict checking at patient, resource and physician levels
- Resource and procedure unavailabilities
- Integrated rules-based scheduling engine

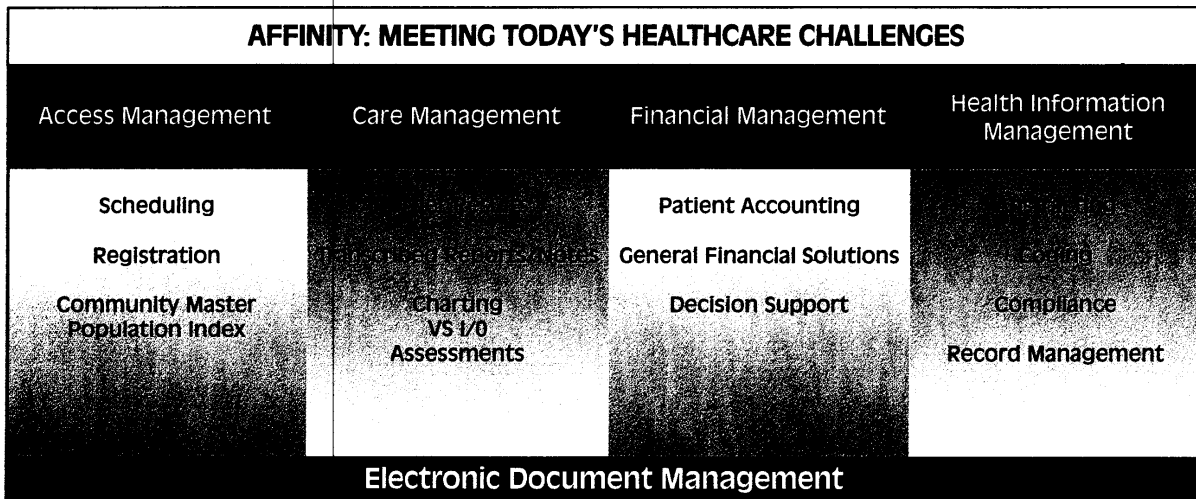
Powerful Access Management Tools

Affinity Scheduling is the core component of a complete healthcare access management solution. Additional integrated access management modules can be added to further expand it's functional capabilities including:

Affinity Scheduling Call-Back Reminder: Reduces patient no-shows and improves patient privacy and accuracy. Uses latest in interactive voice technology to automatically trigger appointment reminders during the initial scheduling call.

Affinity Scheduling Physician Web Scheduler: Increases customer service. Reduces costs and increases efficiency. Provides physicians with real-time access to a hospital's scheduling services via the internet.

Affinity Scheduling Medical Necessity: Reduces claims denials and improves compliance efficiency. Screens scheduled procedures for medical compliance prior to patient encounters.



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What you need to know.
 When you need to know it.

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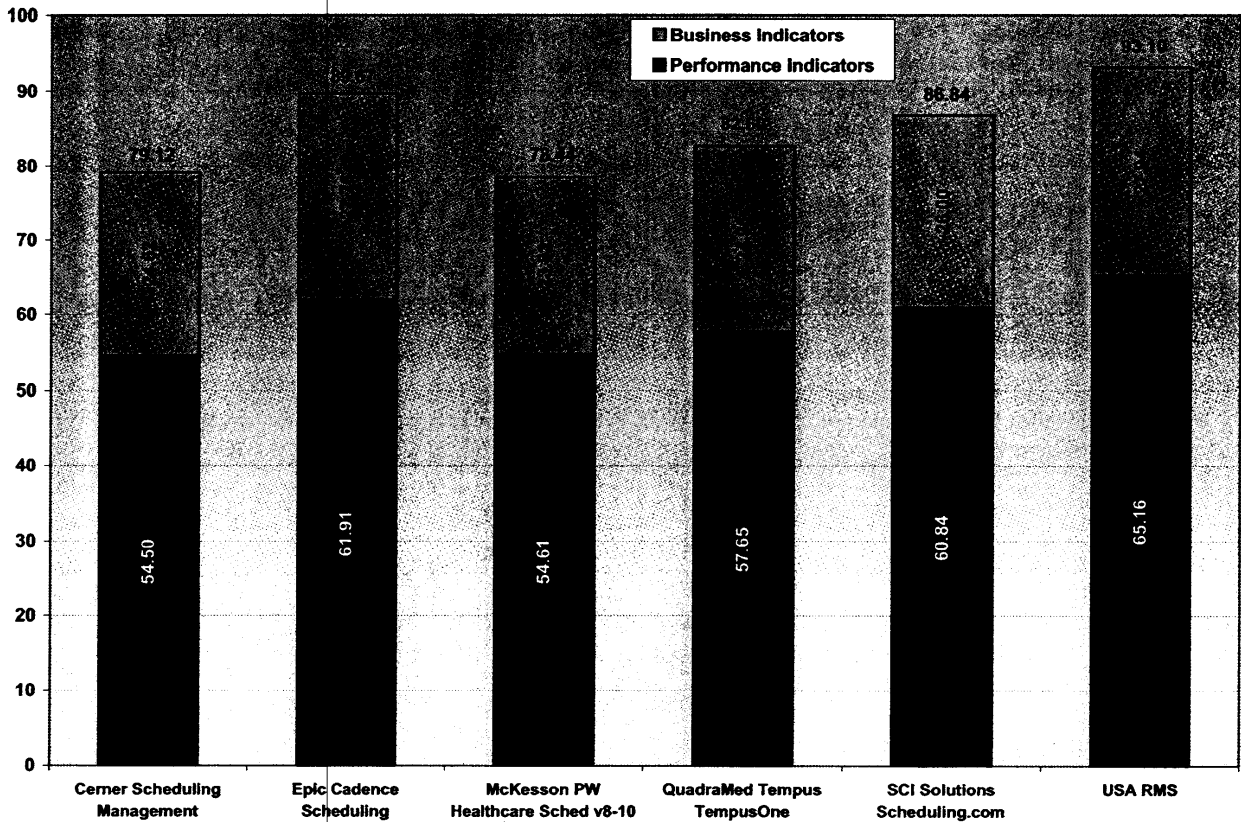
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Enterprise Scheduling

Rank	Previous Rank	Vendor Product	Overall Score	Rating % Change	Performance Indicator Average	Business Indicator Average	% Rated as Best Vendor	% Positive Commentary	Confidence Level
1	1	USA RMS	93.10	0%	8.38	93%	67%	94%	✓✓
2	2	Epic Cadence Scheduling	89.67	-1%	7.96	93%	88%	73%	✓✓✓
3	3	SCI Solutions Scheduling.com	86.84	+1%	7.82	87%	48%	73%	✓✓
4	4	QuadraMed Tempus TempusOne	82.60	+1%	7.41	83%	43%	58%	✓✓✓
5	6	Cerner Scheduling Management	79.12	+4%	7.01	82%	50%	63%	✓
6	5	McKesson PW Healthcare Sched v8-10	78.44	+3%	7.02	79%	20%	56%	✓✓✓
NA	NA	Per-S-Care G-11	63.00	-	5.50	78%	30%	70%	

*Preliminary scores do not meet KLAS' minimum confidence level **Does not meet minimum for preliminary reporting §Table legend can be found on page 92

Mid-Year 2006 Overall Scores



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CORPORATE RESOLUTION CERTIFICATION

I. ACCOUNT INFORMATION

ACCOUNT TITLE: Northern Inyo County Hospital

ACCOUNT NUMBER: [] - []

II. CERTIFICATION

I HEREBY CERTIFY that a meeting, duly called, of the Board of Directors of Northern Inyo County Hospital, a corporation, which said meeting a quorum was present and acting throughout, the following preamble and resolution was adopted and ever since has been and now is in full force and effect.

WHEREAS this Corporation is duly authorized and permitted by its Charter and Bylaws to:

- (1) Engage in cash and margin transactions in any and all forms of securities including, but not limited to, stocks, options, stock options, stock index options, foreign currency options and debt instrument options, bond debentures, notes, scrips, participation certificates, rights to subscribe, warrants, certificates of deposit, mortgages, chooses in action, evidences of indebtedness, commercial paper certificates or indebtedness, and certificates of interest of any and every kind and nature whatsoever, secured or unsecured, whether represented by trust, participating and/or other certificates or otherwise, and margin transactions, including short sales.
- (2) Receive on behalf of the Corporation or deliver to the Corporation or third parties monies, stocks, bonds, and other securities. To sell, assign, and endorse for transfer, certificates representing stocks, bonds, or other securities now registered or hereafter registered in the name of the Corporation.
- (3) Establish and maintain an asset management account with debit card, check writing, and margin privileges, from which account funds are directly spent, the responsibility for which is entirely that of the Corporation, such that checkwriting and debit card privileges will be limited to the following persons designated by the Corporation:

NOW THEREFORE BE IT RESOLVED that this Corporation open an account or accounts in its name with Pershing/Crocker/MuniVest and that John Halfen, President, N/A, Vice President, Carrie Petersen, Treasurer, or _____ or any one of them or their successors

in office, may, on behalf of this Corporation or any one of them acting individually, be and they are hereby authorized to (1) give orders in the said account or accounts for the purchase, sale, or other disposition of stocks, bonds, and other securities, (2) deliver to and receive from Pershing LLC (Pershing), on behalf of this Corporation monies, stocks, bonds, and other securities, (3) sign acknowledgements of the correctness of all statements of accounts, and (4) make, execute, and deliver under the corporate seal any and all written endorsements and documents necessary or proper to effectuate the authority hereby conferred; the within authorization to each of said officers to remain in full force and effect until written notice of the revocation thereof shall have been received by Pershing/Crocker/MuniVe.

III. SIGNATURE

I FURTHER CERTIFY that the following are the signatures of the officers (or others) authorized by the foregoing resolution to act for this Corporation:

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said Corporation this

(AFFIX CORPORATE SEAL HERE)

_____ day of _____.

SECRETARY: _____

NOTE: This certificate must be executed by an officer other than one of those authorized to act.



**THIS SHEET
LEFT BLANK
INTENTIONALLY**



**NORTHERN
INYO HOSPITAL**
Northern Inyo County Local Hospital District

150 Pioneer Lane
Bishop, California 93514
(760) 873-5811 voice
(760) 872-2768 fax

*People you know,
caring for people you love*

October 10, 2006

To: Northern Inyo Hospital Board of Directors

Subject: Wage Scale Adjustment

Recruiting for Licensed Personnel has been an area of concern at Northern Inyo Hospital over the past few years. In an effort to make our wages more attractive, there has been wage restructuring to the areas most affected by recruiting problems including Nursing, Radiology, Respiratory Therapy, Pharmacy, and Physical Therapy.

The lower pay grade positions in the hospital have not been adjusted in years and we would like to consider performing an across the scale increase of approximately 10% for the pay grades 7 and below. These grade scales contain approximately one-third of our employees and while a few position reclassifications out of grade seven have taken place, there has not been a restructure to the wage scale. Some of the local fast-food restaurants have started offering the same starting pay as our Dietary Department making it more difficult to find qualified employees to fill those jobs.

The positions effected by this would be:

1. Nursing Ward Clerks, Aides, and Techs
2. Dietary Employees
3. Laundry Employees
4. Environmental Services Attendants
5. Fiscal Services Registration Clerks, Scan Clerks, Data Clerks
6. Medical Records Clerks
7. Student Trainees

Based on a review of the budgets for fiscal year 2006-07, increasing those budgets would cost approximately \$250,000. The current grades 8 and 9 would be eliminated because there are no occupied positions assigned to those pay grades, 7 and below would be increased 10%. The adjusted grade 7 would fit in the grade scale just below our current grade 10, the next occupied grade scale.

Thank you for your consideration.

Carrie Petersen, Controller

Grade 7; N3; & ES3 10% Increase Estimated Cost to Budget by Department		
Dept	Amount	Position
6010	2,552.00	ICU Techs
6170	35,202.00	CNA's, Ward Clerks, Techs
6380	801.00	Tech
7070	12,574.00	Fiscal Service Clerks and Techs
7420	2,477.00	Clerk
7427	1,728.00	Clerk
8320	40,773.00	All Dietary Employees
8380	5,950.00	Clerk
8400	6,935.00	Purchasing Clerks
8440	31,305.00	Environmental Services
8470	2,781.00	PBX Operator
8480	4,452.50	Scan Clerks
8550	10,612.00	Accounts Receivable Clerk and Level I Biller
8560	10,035.00	Fiscal Service Clerks
8570	39,239.00	Fiscal Service Clerks Including Radiology
8700	6,304.00	Scan Clerks
9510	2,116.00	Fiscal Service Clerks
9511	497.00	Fiscal Service Clerks
	216,333.50	
	32,450.03	15% for PTO Increase
	248,783.53	Approximate Total Cost Increase based on Budgets

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT MASTER WAGE/SALARY SCALE

NURSING
GRADE

STEPS

	1	2	3	4	5	Job Title	No. of Employees
N1	9.3823	9.8514	10.344	10.8613	11.4042	Student Trainee	5
N3	11.8223	12.4135	13.0342	13.6859	14.3702	Nurse Aide	9
						Ward Clerk	4
						ICU Tech	5
						ER Tech 1	
						OR Clerk	
						PACU Clerk	1
						CS Tech	2
						RHC Tech	1
001	9.3824	9.8629	10.2633	10.7781	11.2817	Student Trainee	3
002	9.7599	10.2289	10.7325	11.1901	11.7507	Dishwasher	0
003	10.1605	10.6066	11.1099	11.6365	12.22	Laundry Worker	3
						File Clerk	2
						Food Service Work	8
004	10.5151	11.03	11.5218	12.0597	12.6317		
005	11.1454	11.6706	12.2193	12.8027	13.4095	Seamstress	0
						Pharmacy Clerk	0
						Diet Clerk	0
006	11.3274	11.8423	12.403	12.9864	13.57	Shredder Operator	1
007	11.7622	12.2886	12.8949	13.5012	14.1192	Patient Acct Rep/Analyst I	0
						PBX Operator	1
						Admitting Registrar	2
						Outpatient/ER Registrar	6
						Accounts Receivable Clerk	1
						Ins Biller/Pat Acct Analyst I	1
						Data Entry Clerk	2
						Washer Operator	1
						Purchasing Clerk	3
						Fiscal Services Clerk	9
						Pre-Registration Clerk	0
						Safety & Staff Develop. Clerk	0
						Radiology Assistant/Clerk	5
						Adm Serv Registrar/PerDiem	4
						Scan Clerk	1
						Cook	2
						Dietary Assistant I	0
						Med. Records Clerk	3
						Scan Clerk	0
						Outpatient Chart Auditor	0
ES1	10.1605	10.6684	11.2018	11.7619	12.3501	Environmental Services	16
						Total Employee Count	101

END