



Hazel Hawkins
MEMORIAL HOSPITAL

**SPECIAL AND REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
911 SUNSET DRIVE, HOLLISTER, CALIFORNIA
THURSDAY, JULY 28, 2022 – 5:00 P.M.
SUPPORT SERVICES BUILDING, 2ND-FLOOR, GREAT ROOM
IN-PERSON AND BY VIDEO CONFERENCE**

Mission Statement - The San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the health care consumers of the community.

Vision Statement - San Benito Health Care District is committed to meeting community health care needs with quality care in a safe and compassionate environment.

This meeting will be held in-person and by video conference in order to reduce the risk of spreading COVID-19 and pursuant to the Governor’s Executive Orders and the County of San Benito Public Health Officer’s Orders. All votes taken during this meeting will be by roll call vote, and the vote will be publicly reported.

There is limited capacity for the public to attend at the physical location of the meeting. Members of the public may also participate in the public meeting using the Zoom application by using the information set forth below. Members of the public may submit email correspondence to lgarcia@hazelhawkins.com up to two (2) hours before the meeting begins. Members of the public may also speak during the meeting through the Zoom application during the public comment time period. Comments are limited to three (3) minutes.

**Phone Number: 1+ (669) 900-6833
Meeting ID: 931 6668 9955
Passcode: 564382**

AGENDA

	<u>Presented By</u>
1. <u>Call to Order/Roll Call</u>	(Hernandez)
2. <u>Approval of the Agenda</u>	(Hernandez)
➤ Motion/Second	
➤ Action/Board Vote-Roll Call	
3. <u>Board Announcements</u>	(Hernandez)
A. Physician Recognition	
4. <u>Public Comment:</u>	(Hernandez)
This opportunity is provided for members to comment on the closed session topics, not to exceed three (3) minutes.	
5. <u>Closed Session</u> (pgs. 1-3) (See Attached Closed Session Sheet Information)	(Hernandez)
6. <u>Reconvene Open Session/Closed Session Report</u> (estimated time 5:45 P.M.)	(Hernandez)

7. **Public Comment**

(Hernandez)

This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on matters within the jurisdiction of this District Board which are not otherwise covered under an item on this agenda. This is the appropriate place to comment on items, on the Consent Agenda. Written comments for the Board should be provided to the Board clerk for the official record. Whenever possible, written correspondence should be submitted to the Board in advance of the meeting to provide adequate time for its consideration. Board Members may not deliberate or take action on an item not on the duly posted agenda.

8. **Board Resolution** (pgs. 4-5)

(Hernandez)

Consider Approval of RESOLUTION NO. 2022-11 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD July 31, 2022, THROUGH August 31, 2022.

- Report
- Board Questions
- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

9. **Consent Agenda—General Business** (pgs.6-15)

(Hernandez)

(A Board Member may pull an item from the Consent Agenda for discussion.)

A. Minutes of the Regular Meeting of the Board of Directors June 23, 2022.

B. Reviewed/Revised Policy:

- Utilization Management Plan

- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

10. **Report from the Medical Executive Committee** (pgs. 16-19)

(Dr. Bogey)

A. Medical Staff Credentials: July 20, 2022

- Report
- Board Questions
- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

C. Medical Staff Synopsis: July 20, 2022

11. **President/Chief Executive Officer (CEO)** (pgs. 20-46)

(Hannah)

A. Mission Statement

B. Comments on Officer/Director Reports (Board Members may comment on the reports listed)

- Chief Clinical Officer/Patient Care Services (Acute Facility)
- Chief Operating Officer/VP Ambulatory Services
- Provider Services & Clinic Operations
- Skilled Nursing Facilities Reports (Mabie Southside/Northside)
- Home Health Care Agency – No Report
- Laboratory
- Patient & Community Engagement/Business Development
- Foundation Report

C. CEO Written Report and Verbal Updates

- Administrative Dashboard
- Anthem Blue Cross Letters – Communication Plan

12. **Report from the Finance Committee** (pgs. 47-81) (Hannah)
- A. **Finance Committee Minutes**
Minutes of the Meeting of the Finance Committee, June 16, 2022.
 - B. **Finance Report/Financial Statement Review**
 - 1. Review of Financial Report for June 2022.
 - C. **Financial Updates**
 - 1. Finance Dashboard
 - 2. Surgery Rural Health Clinic
 - 3. Parking Lot Repaving
 - 4. CNA Agreement
 - 5. Anthem Blue Cross Commercial Agreement

13. **Recommendations for Board Action** (Hannah)
- A. **Contracts:**
 - 1. Consider Approval of RESOLUTION NO. 2022-12 OF THE BOARD OF DIRECTORS OF SAN BENITO HEALTH CARE DISTRICT REGARDING UNION BANK.

- Report
- Board Questions
- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

- 2. Consider Approval of RESOLUTION 2022-13 OF THE BOARD OF DIRECTORS OF SAN BENITO HEALTH CARE DISTRICT ADOPTING AMENDMENT NO. 1 TO THE AMENDED AND RESTATED SAN BENITO HEALTH CARE DISTRICT PENSION PLAN. (Quinn)

- Report
- Board Questions
- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

- B. **Physician Agreements:** (Casillas)
 - 1. Proposed Approval of Michael Bogey, M.D. – Master Services Agreement for Chief Medical Officer Coverage and Trauma Program Medical Director.

- Report
- Board Questions
- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

- C. **Capital**
No capital items to discuss.

14. **Report from the Facilities Committee** (pgs. 82-83) (Casillas)
- A. Minutes of the Meeting of the Facilities Committee, July 21, 2022.

15. **New Business:** (Hannah)
- 1. Consider a Resolution Approving an Agreement with the California Nurses Association, and Authorizing the CEO and Board President to Execute the Agreement.

- Report
- Board Questions
- Motion/Second
- Public Comment
- Action/Board Vote-Roll Call

(Hernandez)

16. **Upcoming Events:**

- A. ACHD Annual Conference – September 14, 2022 - September 16, 2022
- B. Strategic Planning Retreat – October 13, 2022

17. **Adjournment**

The next Regular Meeting of the Board of Directors is scheduled for **Thursday, August 25, 2022**, at 5:00 p.m., and will be held in person, and by video conference in order to reduce the risk of spreading COVID-19.

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting and in the Administrative Offices of the District. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Notes: Requests for a disability-related modification or accommodation, including auxiliary aids or services, to attend or participate in a meeting should be made to District Administration during regular business hours at 831-636-2673. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

***** To be distributed at or before the Board meeting**

**SAN BENITO HEALTH CARE DISTRICT BOARD OF DIRECTORS
JULY 28, 2022**

AGENDA FOR CLOSED SESSION

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

LICENSE/PERMIT DETERMINATION
(Government Code §54956.7)

Applicant(s): (Specify number of applicants) _____

CONFERENCE WITH REAL PROPERTY NEGOTIATORS
(Government Code §54956.8)

Property: (Specify street address, or if no street address, the parcel number, or other unique reference, of the real property under negotiation): _____

Agency negotiator: (Specify names of negotiators attending the closed session):__

Negotiating parties: (Specify name of party (not agent): _____

Under negotiation: (Specify whether instruction to negotiator will concern price, terms of payment, or both):

CONFERENCE WITH LEGAL COUNSEL-EXISTING LITIGATION
(Government Code §54956.9(d)(1))

Name of case: (Specify by reference to claimant's name, names of parties, case or claim numbers):
_____, or

Case name unspecified: (Specify whether disclosure would jeopardize service of process or existing settlement negotiations): _____

CONFERENCE WITH LEGAL COUNSEL-ANTICIPATED LITIGATION
(Government Code §54956.9)

Significant exposure to litigation pursuant to Section 54956.9(d)(2) or (3) (Number of potential cases): 1

Additional information required pursuant to Section 54956.9(e): _____

Initiation of litigation pursuant to Section 54956.9(d)(4) (Number of potential cases): _____

LIABILITY CLAIMS
(Government Code §54956.95)

Claimant: (Specify name unless unspecified pursuant to Section 54961):

Agency claimed against: (Specify name): _____

- THREAT TO PUBLIC SERVICES OR FACILITIES**
(Government Code §54957)

Consultation with: (Specify the name of law enforcement agency and title of officer): _____

- PUBLIC EMPLOYEE APPOINTMENT**
(Government Code §54957)

Title: (Specify description of the position to be filled):

- PUBLIC EMPLOYMENT**
(Government Code §54957)

Title: (Specify description of the position to be filled): _____

- PUBLIC EMPLOYEE PERFORMANCE EVALUATION**
(Government Code §54957)

Title: (Specify position title of the employee being reviewed): ____

- PUBLIC EMPLOYEE DISCIPLINE/DISMISSAL/RELEASE**
(Government Code §54957)

(No additional information is required in connection with a closed session to consider discipline, dismissal, or release of a public employee. Discipline includes potential reduction of compensation.)

- CONFERENCE WITH LABOR NEGOTIATOR**
(Government Code §54957.6)

Agency designated representative: Barbara Vogelsang, Chief Clinical Officer

Employee organization: California Nurses Association (CNA)

Unrepresented employee: (Specify position title of unrepresented employee who is the subject of the negotiations):

- CASE REVIEW/PLANNING**
(Government Code §54957.8)

(No additional information is required to consider case review or planning.)

- REPORT INVOLVING TRADE SECRET**
(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility):

1. Trade Secrets, Strategic Planning, Proposed New Programs, and Services.

Estimated date of public disclosure: (Specify month and year): unknown

HEARINGS/REPORTS
(Government Code §37624.3 & Health and Safety Code §§1461, 32155)

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

1. Report from Quality, Risk, and Compliance.

CHARGE OR COMPLAINT INVOLVING INFORMATION PROTECTED BY FEDERAL LAW (Government Code §54956.86)

(No additional information is required to discuss a charge or complaint pursuant to Section 54956.86.)

ADJOURN TO OPEN SESSION

**RESOLUTION NO. 2022-11
OF THE BOARD OF DIRECTORS OF
SAN BENITO HEALTH CARE DISTRICT**

**PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A
STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION
ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS
FOR THE PERIOD JULY 31, 2022 THROUGH AUGUST 31, 2022**

WHEREAS, San Benito Health Care District ("District") is a public entity and local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code;

WHEREAS, the District Board of Directors is committed to preserving and nurturing public access and participation in its meetings;

WHEREAS, all meetings of the District's governing body are open and public, as required by The Ralph M. Brown Act, so that members of the public may attend, participate, and observe the District's public meetings;

WHEREAS, The Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions;

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558;

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the boundaries of the District, caused by natural, technological, or human-caused disasters;

WHEREAS, it is further required that (i) state or local officials have imposed or recommended measures to promote social distancing, or (ii) the legislative body meeting in person would present imminent risks to the health and safety of attendees;

WHEREAS, such conditions now exist within the District Boundaries of San Benito Health Care District;

WHEREAS, the District Board of Directors does hereby acknowledge the current state of emergency and is following the September 30, 2021 Recommendations on Social Distancing and Hybrid Meetings issued by San Benito County Health and Human Services Agency recommending that public agencies continue to utilize remote meetings for the purpose of preventing the transmission of COVID-19;

WHEREAS, as a consequence of the local emergency, the District Board of Directors may conduct meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e), and that the District shall comply with the requirements to provide the public with access to the meetings pursuant to Section 54953(e) (2);

WHEREAS, meetings of the District Board of Directors will be available to the public via the zoom application listed on the agenda;

NOW THEREFORE IT IS HEREBY ORDERED AND DIRECTED THAT:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. Proclamation of Local Emergency. The District hereby proclaims that a local emergency continues to exist throughout San Benito County, and as of September 30, 2021, the San Benito County Health Department continues to recommend that physical and social distancing strategies be practiced in San Benito County, which includes remote meetings of legislative bodies, to the extent possible.
3. Ratification of Governor's Proclamation of a State of Emergency. The District hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.
4. Remote Teleconference Meetings. The District Board of Directors is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of The Brown Act.
5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) August 31, 2022, or such time the District adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District may continue to meet via teleconference meeting all the requirements of Section (3)(b).

This Resolution was adopted at a duly noticed Regular Meeting of the Board of Directors of the District on July 28, 2022, by the following vote.

AYES:
NOES:
ABSTENTIONS:
ABSENT:

Board Member
San Benito Health Care District

**REGULAR MEETING OF THE BOARD OF DIRECTORS
SAN BENITO HEALTH CARE DISTRICT
SUPPORT SERVICES BUILDING, 2ND-FLOOR, GREAT ROOM
In-person and Video Conference**

**THURSDAY, JUNE 23, 2022
MINUTES**

HAZEL HAWKINS MEMORIAL HOSPITAL

Directors Present

Jeri Hernandez, Board Member
Bill Johnson, Board Member
Don Winn, Board Member
Josie Sanchez, Board Member
Rick Shelton, Board Member

Also, Present In-person/Video Conference

Steven Hannah, Chief Executive Officer
Mark Robinson, Chief Financial Officer
Barbara Vogelsang, Chief Clinical Officer
Mary Casillas, Chief Operating Officer/VP of Ambulatory Services
Laura Garcia, Executive Assistant
Dr. Bogey, Chief of Staff
Heidi A. Quinn, District Legal Counsel
Sherrie Bakke, Patient & Community Engagement/Business Development

Pursuant to Executive Order N-25-20 issued by the Governor of the State of California in response to concerns regarding COVID-19, Board Members of San Benito Health Care District, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

1. Call to Order

The meeting was conducted in-person and via video conferencing and attendance was taken by roll call. Directors Hernandez, Johnson, Shelton, Sanchez, and Winn were present. A quorum was present and the meeting was called to order at 5:00 p.m. by Board President, Jeri Hernandez.

2. Approval of Agenda

MOTION: Director Sanchez moved to approve the Agenda and was seconded by Director Shelton. Moved/Seconded/and Unanimously Carried. Ayes: Sanchez, Shelton, Winn, Johnson, Hernandez (Roll Call)

3. Board Announcements

Director Hernandez read a thank you letter written by a patient's family member the SNF-Southside. She was thankful for the compassion and care the staff has been providing to her mother.

4. Closed Session

Before going into a closed session, Director Hernandez asked if there was any public comment in regards to the closed session agenda items. There being no public comment, the Board of Directors went into a closed session at 5:10 pm to discuss Conference with Labor Negotiator, Government Code §54957.6, Report Involving Trade Secret, Government Code §37606 Health & Safety Code §32106, and Hearing Reports, Government Code §37264.3 & Health and Safety Code §1461,32155.

5. Reconvene Open Session/Closed Session Report

The Board of Directors reconvened into Open Session at 5:40 pm. District Counsel, Quinn reported that in Closed Session the Board discussed Conference with Labor Negotiator, Government Code §54957.6, Report Involving Trade Secret, Government Code §37606 Health & Safety Code §32106, and Hearing

Reports, Government Code §37264.3 & Health and Safety Code §1461,32155 and no reportable action taken.

6. **Public Comment**

No public comment was received.

7. **Board Resolution No. 2022-10**

Item: **Proposed Approval for RESOLUTION NO. 2022-10 OF THE BOARD OF DIRECTORS OF SAN BENITO HEALTH CARE DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY THE GOVERNOR'S STATE OF EMERGENCY DECLARATION ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD, JUNE 23, 2022 THROUGH JULY 31, 2022.**

No public comment.

MOTION: The Board of Directors moved to approve RESOLUTION NO. 2022-10 OF THE BOARD OF DIRECTORS OF SAN BENITO HEALTH CARE DISTRICT PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION ON APRIL 30, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD JUNE 23, 2022 THROUGH JULY 31, 2022 and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Shelton, Sanchez, Winn, Hernandez, Johnson. (Roll Call)

8. **Consent Agenda-General Business**

Director Hernandez presented the Consent Agenda and requested a motion to approve the Consent Agenda.

A. Minutes of the Regular Meeting of the Board of Directors, May 26, 2022.

No public comment.

MOTION: The Board of Directors moved to approve the Consent Agenda, and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Sanchez, Winn, Shelton, Hernandez, Johnson. (Roll Call)

9. **Report from the Medical Executive Committee**

A full written report can be found in the Board packet.

A. **Credentials Report:** Chief of Staff, Dr. Bogey presented the Credentials Report from June 15, 2022.

Item: **Proposed Approval of the Credentials Report; Three (3) New Appointments, One (1) Reappointment, One (1) Resignations/Retirements.**

No public comment.

MOTION: The Board of Directors moved to approve the Credentials Report from June 15, 2022, as presented and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Sanchez, Shelton, Hernandez, Johnson, Winn. (Roll Call)

B. **Medical Staff Synopsis:** Dr. Bogey, Chief of Staff, provided a summary of the Medical Executive Committee Report.

C. Proposed Approval for recommended changes to the Clinical Privileges Delineation Form for Certified Registered Nurse Anesthetists (CRNA).

MOTION: The Board of Directors moved to approve the CRNA privileges form as presented and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Winn, Sanchez, Johnson, Shelton, Hernandez. (Roll Call)

10. **President/Chief Executive Officer**

A full written report can be found in the Board packet for CEO Report.

Board Education:

No presentations for this month.

CEO Report

Mission Statement: Mr. Hannah drew attention to the Mission Statement.

Mr. Hannah commented on the CCO report and indicated the Quality Department is developing a plan to meet The Joint Commission's new Standard regarding Emergency Management. He thanked Monica Hamilton, Director of Quality for an in-depth assessment of the department.

Mr. Hannah commented on the SNFs report and indicated the census reached 90 and on May 26th they reached a census of 93. Their census is growing and it is nice to see the service can be provided to the community. He also indicated that 9-10 state surveyors arrived and expected them to exit on June 24, 2022. He also stated that SNFs received CMS 5 Star rating in May 2022.

Mr. Hannah provided a summary of the Public Relations report and stated the report has scan codes to review the videos of the physicians that have been interviewed, and he indicated the videos have had many views.

Mr. Hannah also announced the resignation of Alice Oliveira, Director of Auxiliary, and indicated Mark Lema is currently working with Frankie to recruit for the position. He thanked Alice for her service at Hazel Hawkins Memorial Hospital.

Mr. Hannah provided a Strategic Plan update and stated that October seems to be better for the Strategic Planning Committee, due to the ACHD annual meeting in September. He stated Laura and Sherrie will be working together to gather dates that will work. He provided an update of the organizational chart and stated revisions were made. He said Pharmacy now reports to the Chief Operating Officer. He also stated the organizational chart is more balanced. The Board of Directors agreed with the revisions of the organization chart.

Mr. Hannah provided a legislative update and said that while not in the Governor's proposed budget, there is still focus being put on the letter Assemblymember Eduardo Garcia of District 56, authored for a one-time budget request on behalf of all District Hospitals across California for funding to help meet 2030 seismic requirements. He also stated Assemblymember Wood, of District 2 is putting his focus on smaller hospitals and their ability to meet the upcoming seismic requirements. Dominic Dursa, of Rivas's office, visited with the administrative team on June 16, 2022, he listened to the Strategic Plan and provided great advice, and how to communicate with the community.

Mr. Hannah provided an update on today's census and said there are currently 31 in-patients. Med/Surg has 15, ICU 4 with one COVID-19 positive, OB 4, and there are 8 in-patient holds in the emergency room and 2 Covid positive patients. There are 16 employees out with COVID-19, and as of today, there are 3 more employees who have tested positive for COVID-19, and 99% are booster compliant. He also stated that there are 41 new cases in the community with 80 active cases. The positivity rate in the community is 12.3%.

Ms. Bakke welcomed Don Winn and explained what Patient Experience is. She provided an update on the overall rating of the hospital in the last 12 months by service date based on when the service was received. The rating was 9 or 10 and the California average is 9%. What patients are requesting is communication, and also, to be treated with respect. Ms. Bakke said that in January when she started the numbers for understanding the medications did not look good and packets were constantly being put together. She shared that there is no mechanism to survey the clinics but with the new program Reputation.Com, the patient will receive the survey the next day. She provided an example of a patient from the clinic who was referred to the emergency room, her paperwork was not changed from English to Spanish and they were able to catch that the next day to address the issue. For the emergency room, it will be a star rating. She said that June 2022, had all positive ratings.

Mr. Schwarzwaelder provided an update regarding the CMS 30-Day All-Cause Readmissions Rate. He indicated the target is 11% and in the rolling 12 months the target increased to 11.80%. He said it has been difficult to achieve improvement for the increased rate for the last couple of months but he will monitor re-admissions closely.

11. **Report from the Finance Committee**

A full report can be found in the Board packet.

A. **Finance Committee Minutes**

Minutes of the meeting of the Finance Committee, from June 16, 2022, have been provided to the Board of Directors.

B. **Financial Report/Financial Statement Review**

1. Finance Statements – May 2022
2. Finance Dashboard
3. 401-(a) Plan

12. **Recommendation for Board Action**

A. **Capital:**

No capital items to discuss.

B. **Contracts:**

No contracts to discuss.

D. **Physician Agreements**

Item: Proposed Approval for M. Aslam Barra, M.D., OB\Gyn – Amendment 1 to Professional Service Agreement, Multi-Specialty Clinic Coverage.

Ms. Casillas stated the agreement has a proposed effective date of 7/22 with a 2-year term and a 9-day termination clause. The amendment allows for an additional 5 hours of coverage at the Multi-Specialty Clinic location, for a total of 20 hours per week for 4th Street and Multi-Specialty clinic coverage.

No public comment.

MOTION: The Board of Directors moved to approve the additional hours for 2 years, and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Shelton, Winn, Hernandez, Sanchez, Johnson. (Roll Call)

Item: Proposed Approval for Russel Dedini, M.D. – Addendum 6 to Orthopedic Services Coverage Agreement.

Ms. Casillas stated the agreement has a proposed effective date of 7/1/22 with a 2-year term and a 90-day termination clause. The addendum allows for a 3% rate increase in per shift compensation. She noted the base compensation will remain below the 75th percentile of Fair Market Value.

No public comment.

MOTION: The Board of Directors moved to approve a 3% increase for Dr. Dedini's Addendum 6 to coverage agreed upon and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Sanchez, Hernandez, Winn, Shelton, Johnson. (Roll Call)

Item: FYE 06/30/2023 Operating and Capital Budgets.

Mr. Robinson stated the Operating and Capital Budgets for FYE 06/30/2023 are included in the Board packet. He presented the Operating Budget noting the transition to the new budgeting software, Axiom, is not yet complete, and the budget for FYE 06/30/2023 was completed in Microsoft Excel. He provided an update on Statistics, Gross Patient Revenue, Contractual Allowances, and Expenses. Mr. Robinson stated that approving the FYE 06/30/2023 Operating and Capital Budgets is just a guide not approving what is on the budget.

No public comment.

MOTION: The Board of Directors moved to approve FYE 06/3/2023 Operating and Capital Budgets, and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Sanchez, Shelton, Winn, Hernandez, Johnson. (Roll Call)

12. Report from District Facilities & Service Development Committee

A full report can be found in the Board packet.

- A. Minutes of the meeting of the Facilities Committee, from June 16, 2022, have been provided to the Board of Directors.

Mr. Robinson stated the roof is 75% complete with an estimated time of completion for mid-July.

13. New Business:

Item: Consider Approval for the Officer slate of the Board of Directors with the term ending December 2022.

No public comment.

MOTION: The Board of Directors moved to approve the Officer slate ending December 2022, and was seconded. Moved/Seconded/and Unanimously Carried. Ayes: Winn, Hernandez, Shelton, Sanchez, Johnson. (Roll Call)

14. Adjournment

There being no further regular business or actions, the meeting was adjourned at 6:42 p.m.

The next Regular Meeting of the Board of Directors is scheduled for **Thursday, July 28, 2022**, at 5:00 p.m., and will be conducted in person and via teleconference to reduce the risk of spreading COVID-19, and pursuant to SBHCD Board Resolution No. 2022-05.



PATIENT CARE SVS POLICY/PROCEDURE

Reviewed: 12/09, 12/12, 1/15, 12/17, 9.19

Revised: 7/95, 3/01, 5/04, 1208, 3/13, 2/19, 6/22

Pg. 1 of 5

SUBJECT: UTILIZATION MANAGEMENT PLAN

PURPOSE of UTILIZATION MANAGEMENT (UM):

To maintain processes to ensure the quality, safety, appropriateness, and efficiency of care furnished to our patients by the facility and medical staff.

PURPOSE of UTILIZATION MANAGEMENT PLAN:

1. Assure appropriate resource allocation in providing quality of care to each patient, regardless of payment source, in a cost-effective and timely manner,
2. Delineate the responsibilities and authority of personnel for conducting utilization management functions,
3. Outline processes to review the medical necessity of hospital admissions, continued stays, and discharge planning,
4. Define processes to review potential overutilization, underutilization and inefficient utilization of resources,
5. Describe framework for reporting, corrective action and documentation requirements for the utilization management process, and
6. Integrate utilization review findings into quality improvement activities.

POLICY:

It is the policy of the San Benito Health Care District and Hazel Hawkins Memorial Hospital to establish the Utilization Management Plan for the District to satisfy the applicable Code of Federal Regulations, Centers for Medicare and Medicaid Services (CMS) Conditions of Participation (CoP), California Department of Public Health, The Joint Commission (TJC), Medi-Cal and Peer Review Organizations' regulations and guidelines.

AUTHORITY:

The Utilization Management function is the responsibility of the Medical Executive Committee (MEC) in accordance with Medical Staff bylaws.

The Governing Board of San Benito Health Care District has ultimate accountability for the management of the quality, appropriateness, and clinical necessity of admission and continued stay for hospital patients. The governing body reviews and approves the UM Plan and delegates to MEC the authority and responsibility to carry out the UM function.

SCOPE:

The UM program applies to all medical/surgical services and all ages of patients (neonates through geriatric). The Case Managers ensure their assignments cover observation and inpatients in ICU, general nursing units, and any emergency department admits. To support ongoing communication, the Case Managers ensure patients and their families are included in pertinent discussions/decisions about their ongoing care and that necessary information is directed internally and externally for appropriate action in a confidential manner.

1/1/11

GOALS:

1. To ensure patients receive medically necessary and appropriate care in a timely fashion and at the right level of care.
2. To provide an effective discharge planning process that focuses on patients' needs, goals, and treatment preferences to ensure a continued care plan to facilitate ongoing recovery and prevent readmission.
3. To assist the promotion and maintenance of quality care through analysis, review and evaluation of clinical practices across the continuum of care.
3. To assure the efficient utilization of services and appropriate lengths of stay through concurrent and retrospective review, and to provide discharge planning for patients, regardless of payor source.
4. To assure medical record documentation clearly substantiates the quality and utilization of services needed for the management and progress of each patient.

UTILIZATION MANAGEMENT PROGRAM ROLES:**Governing Board**

- 1) Approve UM Plan annually
- 2) Delegate responsibility for implementation of the UM Plan to the Medical Staff and Chief Executive Officer
- 3) Receive and review UM reports

Medical Staff

- 1) Review and approve the UM Plan annually
- 2) Identify and appoint Physician Advisors for UM
- 3) Identify areas to improve resource utilization through review of UM data and medical records
- 4) Improve resource utilization through education and peer review
- 5) Develop and approve UM criteria and guidelines
- 6) Refer physician specific issues to the respective medical staff department, peer review, or the Medical Executive Committee for action
- 7) Work with utilization and case management staff

Administration

- 1) Allocate sufficient UM staffing resources
- 2) Create an environment that promotes effective resource utilization
- 3) Serve as a resource to UM staff

Physician Advisor(s)

- 1) Assist Case Management staff with medical necessity determinations
- 2) Communicate with providers when necessary
- 3) Evaluate quality and appropriateness of care through review of medical records and UM data
- 4) Serve as a resource to UM staff
- 5) Review and approve draft reports prepared by UM staff
- 6) Assist with appeal processes for payer denials when necessary

Case Management

- 1) Perform admission, and continued stay reviews for observation patients and inpatients to assess medical necessity throughout the episode of care. This is accomplished through chart review and collaboration with the healthcare team.
- 2) Participate in Multidisciplinary Rounds to assess/reassess patient's medical status, readiness for discharge, and post-hospital continuing care needs.

- 3) Formulate a timely discharge plan to meet the patient needs by consulting with patient, family, nursing, ancillary staff, and physicians.
- 4) Provide patients/families with available data to assist in selection of post-discharge care providers.
- 5) Document all Case Management activities in the medical record.
- 6) Ensure necessary patient medical information is provided to continuing care providers.
- 7) Consult with Attending physicians and/or Physician Advisor for any patient care concerns; refer cases for peer review when indicated.
- 8) Attend Business Office / Case Management meetings to discuss insurance and discharge plans.
- 9) Make agency referrals and transportation arrangements as necessary.

Utilization Review

- 1) Prospective reviews to obtain pre-authorization for outpatient and inpatient services are conducted by Registration Staff.
- 2) Concurrent reviews are performed by Case Managers and include:
 - a. Initial assessments in Emergency Department or after admission to ensure patients meet medical necessity for hospitalization,
 - b. Ensure Observation stays do not exceed payor limitations,
 - c. Participate in daily Multidisciplinary Rounds to learn current patient treatment and potential needs at time of discharge,
 - d. Validate/document medical necessity for continued stay in hospital,
 - e. Consult with Attending physicians and/or Physician Advisor for medical necessity, discharge planning, or other patient/utilization concerns,
 - f. Escalate unresolved concerns to avoid over/under utilization of hospital resources, delay in care, avoidable days, and denials,
 - g. Respond to payor requests for medical information for continued stay authorization,
 - h. Collect data to track resource utilization metrics.
- 3) Retrospective Reviews are performed by Quality Nurses and Case Managers and include:
 - a. Review aggregate utilization reports to identify opportunities for improvement
 - b. Conduct denial investigations and formulate appeals according to findings
 - c. Perform claims / coding reviews for billing purposes
 - d. Initiate focused reviews to collect additional data on topics of concern, tabulate results and analyze reports.
 - e. Assist with developing / implementing action plans to address unfavorable trends using continuous quality improvement processes.

Nursing Staff

- 1) Conduct admission / ongoing patient assessments to identify short and long-term patient needs
- 2) Communicate / collaborate with healthcare team to ensure patient needs are addressed
- 3) Participate in daily Multidisciplinary Rounds

Multidisciplinary Rounding Team

- 1) Attendees may include Physicians, Nurses, Case Managers, Social Worker, Rehabilitation, Dietary, and other ancillary representatives,
- 2) Discuss current treatment plan, patient progress, assess continued stay needs, and anticipated discharge needs,
- 3) Identify actual and/or potential utilization issues,
- 4) Communicate / collaborate with patients and their families regarding care and post-discharge plans.

UTILIZATION MANAGEMENT REPORTING STRUCTURE:

The Utilization Management program will report to the Quality Assurance & Performance Improvement Committee, whose minutes and attachments are forwarded to the Medical Executive Committee, and Governing Board.

CONFLICT OF INTEREST:

A Case Manager or physician will not be permitted to participate in the review of any case in which he/she is (1) a relative of the patient receiving care, or (2) the attending or consulting physician, or (3) where their partner, associate, or relative is involved in the care of the patient.

CONFIDENTIALITY:

Information and records collected while performing UM activities are maintained in a confidential manner that complies with applicable state, federal, and local laws, rules, and regulations.

DEFINITIONS:

Acute Admissions: a level of health care in which the patient's severity of illness and intensity of service can only be performed in an inpatient setting.

Admission Review: an assessment of medical necessity and appropriateness of a hospital admission. This review is typically performed no later than the first business day following the admission. The use of UR criteria is not mandatory but offers an established, evidence-based reference to determine appropriate level of care as needed.

Case Management: a professional and collaborative process that assesses, plans, implements, coordinates, monitors and evaluates the options and services required to meet an individual's health needs.

Concurrent Review: an assessment that determines medical necessity or appropriateness of services during a patient's hospital stay or course of treatment, such as an assessment of the need for continued inpatient care for hospitalized patients. Concurrent reviews include continued-stay authorization and discharge review.

Denial Management: a process where all denied claims are appropriately appealed or declared uncollectible and reported in a manner that provides optimal information flow. It includes a consistent approach to track and to appeal denials and a reporting system that measures outcome and appeal status. Non-authorizing decisions may be based on medical appropriateness or benefit coverage.

Diagnosis Related Group (DRG): a case-mix classification system that groups patients who are similar clinically in terms of diagnosis and treatment, and in their consumption of hospital resources, thus allowing comparisons of resource use across hospitals with varying mixes of patients.

Level of Care: various intensities of service levels such as acute, rehabilitation, sub-acute, Skilled Nursing Facility (SNF), Home Health Care and Outpatient services. The level of care is based on review of an individual patient's severity of illness, resource needs, recuperation progress, co-morbidities, complications, ability for self-care and family support.

Observation Status: a level of care comprising short-stay encounters for patients who do not meet medical necessity criteria for acute inpatient status but who require close nursing observation or medical management within the hospital to determine if they need to be admitted to the hospital.

Over Utilization: provision of services that exceeds patient needs or standard of care.

Physician Advisor: Any available Physician Leader.

Prospective Review: assessment performed prior to the patients' receiving services. Depending on the payor source reviews may include pre-authorization for inpatient and/or outpatient services.

Readmission Rate: the ratio of patients re-admitted to the hospital within 30 days following hospital discharge compared to the total number of patients discharged.

Retrospective Review: a review conducted after the patient has been discharged.

Underutilization: provision of lower level of services than required to meet patient needs.

Utilization Management (UM): the process of evaluating and determining the coverage and the appropriateness of medical care services to ensure the proper use of resources.

Utilization Review (UR): evaluation (prospective, concurrent, or retrospective) of the coverage, medical necessity, efficiency, or appropriateness of health care services and treatment plans for an individual patient.

UR Criteria: a set of evidence-based clinical indicators that can assist with the determination of appropriate level of care.

REFERENCES:

CMS Conditions of Participation for Critical Access Hospitals, Chapter 42 CFR 485 Subpart F.

The Joint Commission



MEMORIAL HOSPITAL
SKILLED NURSING FACILITIES
HOME HEALTH AGENCY

San Benito Health Care District

**MEDICAL EXECUTIVE COMMITTEE
CREDENTIALS REPORT
JULY 20, 2022**

NEW APPOINTMENTS

PRACTITIONER	DEPT/SERVICE	STATUS REQUEST	PROCTOR ASSIGNED
Davis, Demetrice MD	Radiology/Teleradiology (statrad)	Provisional	
Jacobs, David MD	Radiology/Teleradiology (statrad)	Provisional	
Nalaboff, Kenneth MD	Radiology/Teleradiology (statrad)	Provisional	
Olsen, Eric MD	Radiology/Teleradiology (statrad)	Provisional	
LaCorte, Natalie MD	Medicine/FM-Hospitalist	Provisional	
Lee, Mimi MD	Medicine/Teleneurology	Provisional	

REAPPOINTMENTS

PRACTITIONER	DEPT/SERVICE	STATUS	TERM

ALLIED HEALTH – NEW APPOINTMENT

PRACTITIONER	DEPT/SERVICE	STATUS
Adams, Nathan CRNA	Surgery/Anesthesia	Provisional
Powell, Tiassa CRNA	Surgery/Anesthesia	Provisional
Simonson, Chris CRNA	Surgery/Anesthesia	Provisional
Stinger, Thomas CRNA	Surgery/Anesthesia	Provisional
Struthers, Matthew CRNA	Surgery/Anesthesia	Provisional
Teitzel, Kelly CRNA	Surgery/Anesthesia	Provisional
Tune, Bryan CRNA	Surgery/Anesthesia	Provisional
Guinvarch, Brandon PA	Clinic/Phys Assist FP	Provisional
Ham, Lawrence PA	Clinic/Phys Assist FP	Provisional

AHP – REAPPOINTMENTS

PRACTITIONER	DEPT/SERVICE	STATUS	TERM

RESIGNATIONS/RETIREMENTS

PRACTITIONER	DEPT/SERVICE	CURRENT STATUS	COMMENT
Huang, Guiqing MD	Perinatal/Peds	Provisional	No longer with Mednax
Vetter, Stephen MD	Surgery/ENT	Courtesy	Did not return reappointment app

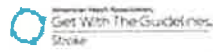
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16.



San Benito Health Care District
Board of Directors Meeting
23 July 2022
Chief Clinical Officer Report

- Emergency Department: 2,166 Visits; 189 Admitted; 19 Codes Trauma; 21 Codes Stroke; 5 LWBS
- Med / Surg: In June we had 392 patients for a 13.1 daily census with 14 Covid patient days
- ICU: In June we had 96 patients with a 3.57 daily census with 27 Covid patient days.
- OB: 31 deliveries; 98 Outpatient Visits
- Surgery: 60 Inpatient procedures, 141 Outpatient procedures; 18% of inpatient/total procedures done in the surgery center meeting our goal of less than 25%.
- Jennifer Bange, RD, has begun a project to revise the patient menus. New menus will have items which allow for cultural food preferences (a TJC requirement), will include a reduced carbohydrate diabetic menu, and be based on the most current Dietary Guidelines for Americans.



The American Heart Association and American Stroke Association proudly recognize

**Hazel Hawkins Memorial Hospital
Hollister, CA**

Get With The Guidelines® - Stroke GOLD PLUS with Target Stroke Honor Roll

Achievement Award Hospital

The American Heart Association and American Stroke Association are proud to recognize Hazel Hawkins Memorial Hospital for achieving the 2022 Get With The Guidelines® - Stroke GOLD PLUS with Target Stroke Honor Roll. This award is a testament to the hospital's commitment to providing high-quality, evidence-based care to its patients.



Angela P. ...
Executive Director

... ..
Executive Director



COO Report
July 2022

Ambulatory Services

- General Surgery Clinic – we are in the process of remodeling hospital owned clinic space at 930 Sunset Drive, Building 1 Suite C. This clinic will be the hub for our three general surgeons and a mid-level provider. We expect to complete this project by the end of October. The licensing process with the State has been initiated.
- Orthopedic Clinic – Full time Orthopedic Surgeon, Thomas Nguyen MD, started June 17. He is seeing patients, operating in our OR and taking call on a regular basis.
- Rural Health Clinics – Jullian Nguyen MD, Family and Sports Medicine physician started on July 5 in our Mabie First Street Clinic and will start rotating through the Orthopedic Clinic as well.
- Recruitment – We are in continued discussion with a GI group for additional coverage both in clinic and with call. We have initiated discussion with a spine surgeon for potential part time coverage. Recruitment efforts continue for OB, Behavioral Health, Family Medicine, and Cardiology.
- Dr. Barra has started providing additional coverage at the Multi-Specialty Clinic for continuum of care for his private practice patients.
- Maple Street – We are currently scoping the project to be an Orthopedic Center of Excellence. This will house our PT services and Orthopedic Specialty Team. Scoping should be complete by mid-August.

Imaging Services

- Chris DeMaggio, a 32-year employee, was promoted to Diagnostic Imaging Manager and will report directly to Bernadette Enderez, Director of Imaging Services.
-

Laboratory Services

- Mobile Phlebotomy- we are in the planning stages of developing a mobile phlebotomy service. A pilot of the service will be coming in September. The staff is currently shadowing Home Health.

EVS/FNS

- Our new Certified Dietary Manager (CDM), Jessica Kopyczy, started in early July. She is making some exciting changes in the kitchen and café.





Hazel Hawkins
MEMORIAL HOSPITAL

To: San Benito Health Care District Board of Directors
From: Amy Breen-Lema, Director, Provider Services & Clinic Operations
Date: July 13, 2022
Re: All Clinics – June 2022

2022 Rural Health and Specialty clinics' visit volumes

Total visits for June 2022 in all outpatient clinics = **6,358**

Orthopedic Specialty	422
Multi-Specialty	764
Primary Care Associates	1344
Sunset/Annex	952
San Juan Bautista	381
1st Street	525
4th Street	1262
Barragan	708

- Monthly visit trend: down 11% compared to June 2021.
- On June 17th, we welcomed Orthopedic Surgery Sports Medicine fellowship-trained surgeon **Thomas X. Nguyen, M.D.** In his short time with us, he has already made a huge impact with positive patient feedback. The clinic and surgical services teams are exploring the possibilities of doing reverse total joint shoulder replacement surgeries in the near future.
- At the end of June, OB/Gyn **Aslam Barra, M.D.** retired from his local private practice after nearly 37 years. He will continue to participate in emergency call coverage, has maintained a part-time presence at the 4th Street clinic, and in July will begin seeing patients on a part-time basis at the Multi-Specialty clinic.



WILLIAM & INEZ MABIE SKILLED NURSING FACILITY

JULY 2022

BOARD REPORT

JULY 21, 2022

**To:
San Benito Health Care District
Board of Directors**

**From:
Sherry Hua, RN, MSN, DON for William & Inez Mabie SNF**

I. Management Activities:

1. On June 20-24, 2022 we had a successful Annual Survey. The staff worked very hard.
2. Covid-19 due to open family visitation under CDPH guidelines, both Skilled Nursing Facilities have experienced residents Covid-19 outbreaks from asymptomatic positive visitors. It has made it very challenging for SNF Covid-19 management.
3. Skilled Nursing Facilities continue to follow CDPH guidelines & work hard to keep residents and staff safe.

II. In-services for the month of July:

- | | |
|-------------|---|
| 7/7 | Acutely III: Urinary Track Infection in Older Adults
Mandatory L.N. & C.N.A. |
| 7/21 | Elder Abuse and Dependent Adult Reporting
Mandatory All Staff |
| 7/18 | POC for Annual Survey
All Staff |

III. Census Statistics for June:

Statistics:	2022	2021
Total Number of Admissions:	8	8
Number of Transfers from HHH:	6	6
Number of Transfers to HHH:	3	1
Number of Deaths:	2	2
Number of Discharges:	8	4
Total Discharges:	10	6
Total Census Days:	1316	1312

Note: Transfers are included in the number of admissions and discharges.
Deaths are included in the number of total discharges. Total census excludes bed hold days.

Total Discharged by Payer Status Category:	
Medicare:	5
Medicare MC:	1
Medical:	4
Medical MC:	0
Private (self pay):	0
Insurance:	0
Total:	10

Total Patient Days by Payer Status Category:	
Medicare:	89
Medicare MC:	17
Medi-Cal:	1149
Medi-Cal MC:	0
Private:	60
Insurance:	1
Bed Hold/LOA	7
TOTAL:	1323
Average Daily Census	44.10

IV. Palliative Care Referral Statistics for June:

Referral Sources:	
New Referrals	11
Acute Referrals	6
Southside Referrals	2
Northside Referrals	3

Patients Served	32
Patients Discharged	2
Patients Deceased	9
Grief Support	28
Total Patient Visits	99



Mabie Northside SNF

July 2022

BOARD REPORT

July 21, 2022

To:
San Benito Health Care District
Board of Directors

From:
Sherry Hua, RN, MSN, DON for Mabie Northside SNFs

I. Management Activities:

1. On June 20 – 24, 2022 we had a successful Annual Survey, the staff worked very hard.
2. COVID– 19 due to open family visitation under CDPH guidelines, both Skilled Nursing Facilities have experienced residents COVID-19 outbreaks from asymptomatic positive visitors. It has made it very challenging for SNF Covid-19 management.
3. Skilled Nursing Facilities continue to follow CDPH guidelines & work hard to keep residents and staff safe.

II. In-services for the month of July 2022:

- 07/07 **Acutely III: Urinary Tract Infection in Older Adults, COVID - 19 Mitigation Plan, Infection Control and Prevention**
Mandatory – All Staff
- 07/18 POC For Annual Survey
All Staff
- 07/21 Elder Abuse and Dependent Adult Reporting

JUNE STATISTICS:	2022
Total Number of Admissions:	9
Number of Transfers from HHH:	8
Number of Transfers to HHH:	1
Number of Deaths:	3
Number of Discharges:	9
Total Census Days:	1,257

Note: Transfers are included in the number of admissions and discharges.
Deaths are included in the number of discharges. Total census excludes bed hold days.

Total Discharged by Payer Status Category:	
Medicare:	8
Medicare MC:	1
Medical:	2
Medical MC:	0
Private (self pay):	1
Insurance:	0
Total:	12

Total Patient Days by Payer Status Category:	
Medicare:	141
Medicare MC:	3
Medi-Cal:	1,061
Medi-Cal MC:	0
Private:	52
Insurance:	0
Bed Hold/LOA	3
TOTAL:	1,260
Average Daily Census	42.00

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Hazel Hawkins

MEMORIAL HOSPITAL

To: San Benito Health Care District Board of Directors

From: Anita Frederick, Administrator, San Benito Home Health Care

Date: June 2022

HOME HEALTH STATS

	February 2022	March 2022	April 2022	May 2022
Total Admissions	40	45	45	44
Total Home Visits	622	556	476	422
Census / Total Patients	76	77	75	86

REFERRAL SOURCES

	February 2022	March 2022	April 2022	May 2022
Hazel Hawkins	35%	33%	39%	32%
Other Hospitals	7%	6.5%	11%	14%
Southside SNF	18%	6.5%	2%	7%
Northside SNF	8%	18%	18%	11%
Other SNFs	5%	0%	2%	2%
M.D. / Clinics	27%	36%	28%	34%

PAYOR REFERRAL SOURCE

	February 2022	March 2022	April 2022	May 2022
Medicare	72%	83%	62%	89%
PVT	8%	2%	7%	2%
Medicare Managed	13%	13%	18%	5%
Medi-Cal	5%	2%	11%	2%
Workers Comp	0%	2%	2%	2%

*PAYOR SOURCE OF VISITS MADE

	February 2022	March 2022	April 2022	May 2022
Medicare	71%	73%	77%	81%
Medi-Cal	6%	4%	5%	5%
Private	9%	7%	7%	4%
Managed Medicare	14%	16%	11%	8%
Workers Comp	0%	0%	0%	2%

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Hazel Hawkins

MEMORIAL HOSPITAL

QAPI PROJECTS

	February 2021	March 2022	April 2022	May 2022
Management of Complaints		Developed	100%	100%
Medication Reconciliation		Developed	20%	20%
Expired Supplies		Developed	100%	100%
Decrease Hospitalization		Developed	10	18
Reduction of Falls	9 Falls	15 Falls	14 Falls	14 Falls



Hazel Hawkins

MEMORIAL HOSPITAL

To: San Benito Health Care District Board of Directors
From: Bernadette Enderez, Director of Laboratory Services
Date: July 2022
Re: Laboratory

Updates:

1. Service/Outreach
 - Main laboratory outpatient modification

2. Covid Testing
 - Period: June 2022
 - Total Samples tested: 4398
 - Positivity Rate: 7.09%

3. New Tests/Analyzers
 - Billing for Pathology technical component started 7/1/22
 - Business case proposal for new chemistry analyzers in process.

4. Quality Assurance/Performance Improvement Activities
 - Sunquest project implementation meeting every Monday.
 - Competency assessment on all waived testing personnel for clinics, skilled nursing facility, and acute hospital ongoing. Target completion date is end of July.
 - Medical Necessity performance improvement project with Skilled Nursing in process.
 - Close the loop audit for critical value reporting policy compliance initiated for inpatients and outpatients.

5. Laboratory Statistics
 - See attached report

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MAIN LABORATORY													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	1019	840	799	602	801	875	1138	925	903	1080	942	1059	10983
2021	891	739	1020	939	955	1058	1080	1272	1563	1504	1491	1584	14096
2022	2035	1336	1506	1323	1277	1165							

HHH EMPLOYEE HEALTH WEEKLY COVID TEST (INCLUDING SNF_NEW SNF LOCATION ONLY)													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020							89	478	725	560	565	2599	5016
2021	1888	1566	1443	1110	1031	1122	1045	1656	2143	1695	1842	2458	18999
2022	2987	2136	1915	1767	2219	2546							

MC CRAY LAB													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	1074	1019	941	921	1143	1125	1111	1028	1061	1260	999	1073	12755
2021	1263	1274	1394	1125	1119	1193	1165	1248	1192	1187	1100	1099	14359
2022	1230	1044	1206	1069	1033	1025							

SUNNYSLOPE LAB													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	671	652	424	2	135	472	437	426	463	498	377	470	5027
2021	699	601	624	590	479	636	553	613	580	574	462	487	6898
2022	536	511	632	521	467	488							

ER AND ASC													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	1199	1034	943	931	909	1163	1909	1490	1145	1114	1186	1186	14209
2021	1628	1162	1126	1077	1083	1089	1174	1415	1272	1139	1059	1279	14503
2022	1434	839	1040	993	1328	1335							

TOTAL OUTPATIENT													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	3963	3545	3107	2456	2988	3635	4684	4347	4297	4512	4069	6387	47990
2021	6369	5342	5607	4841	4667	5098	5778	6204	6750	6750	5945	6907	70258
2022	8222	5866	6299	5673	6324	6559							

TOTAL INPATIENT (ICU,MEDSURG,OB,SNF)													
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2020	443	409	412	353	473	508	814	700	494	442	653	1146	6847
2021	1116	1053	603	654	705	751	761	803	791	986	874	1301	10398
2022	1311	1102	945	678	963	1258							



LABORATORY DEPARTMENT
REQUISITION STATISTICS

Bernadette Enderez 7/14/22
Director of Laboratory Services

Michael McGinnis, M.D.
Medical Director

[Handwritten Signature]
7/8/22

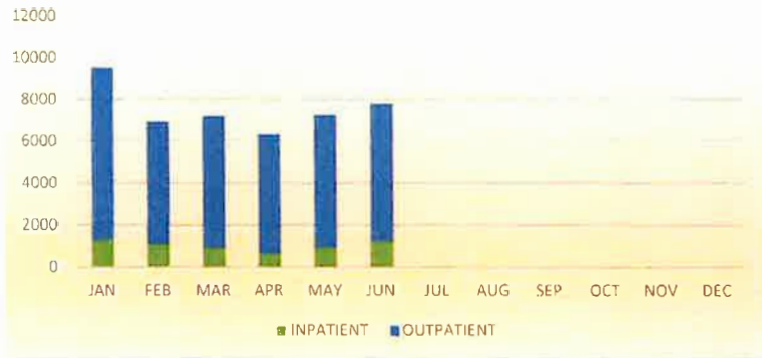
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INPATIENT VS OUTPATIENT LABORATORY STATISTICS

YR 2022														
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
INPATIENT	1311	1102	945	678	963	1258							6257	INPATIENT
OUTPATIENT	8222	5866	6299	5673	6324	6559							38943	OUTPATIENT

YR 2021														
	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL	
INPATIENT	1116	1053	603	654	705	751	946	803	791	986	874	1301	10583	INPATIENT
OUTPATIENT	6369	5342	5607	4841	4667	5098	5778	6204	6750	6750	5954	6907	70267	OUTPATIENT

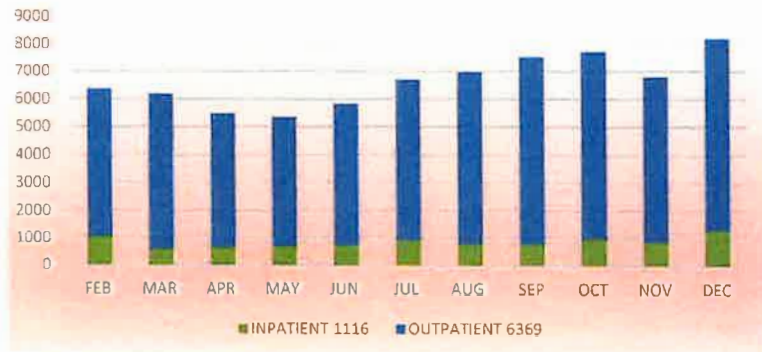
YR 2022 INPATIENT VS OUTPATIENT STATS



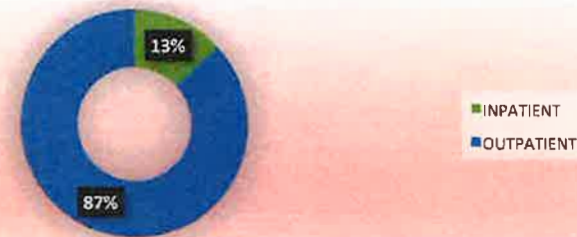
YR 2022 INPATIENT VS OUTPATIENT TOTALS



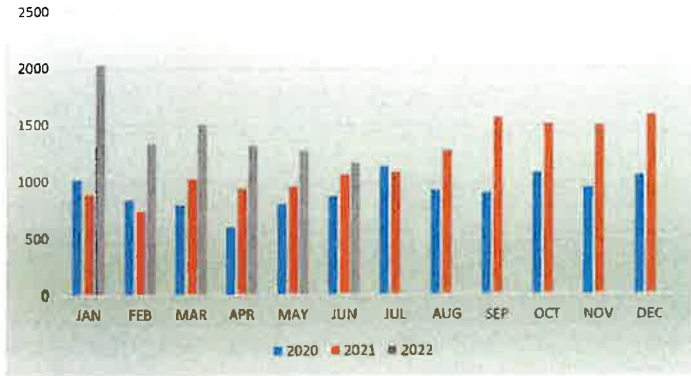
YR 2021 INPATIENT VS OUTPATIENT STATS



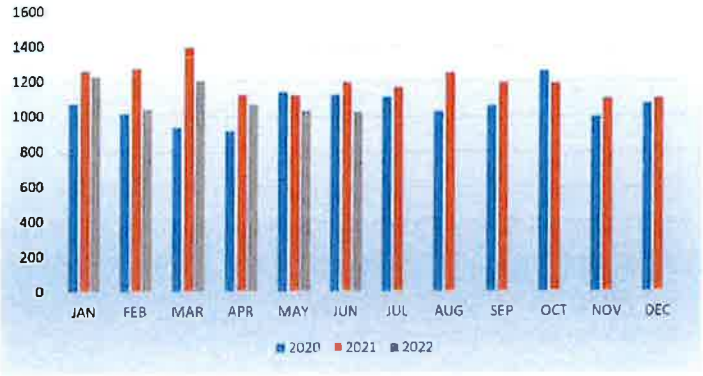
YR 2021 INPATIENT VS OUTPATIENT TOTALS



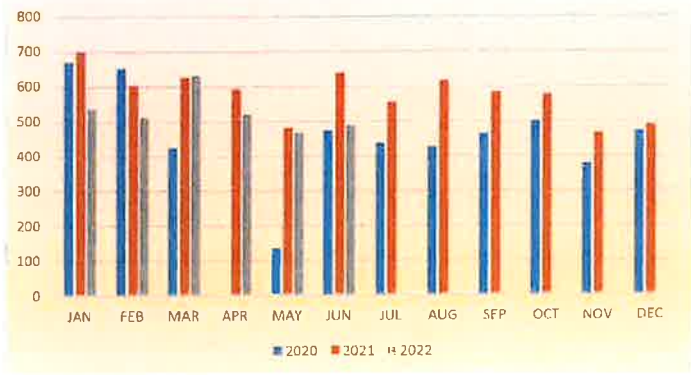
MAIN LAB OUTPATIENT STATISTICS



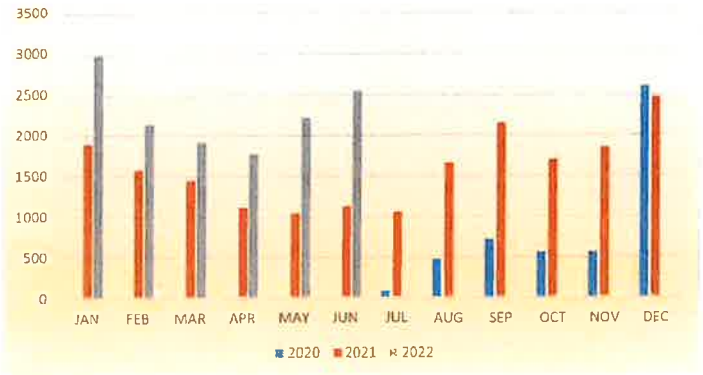
MC CRAY OUTPATIENT STATISTICS



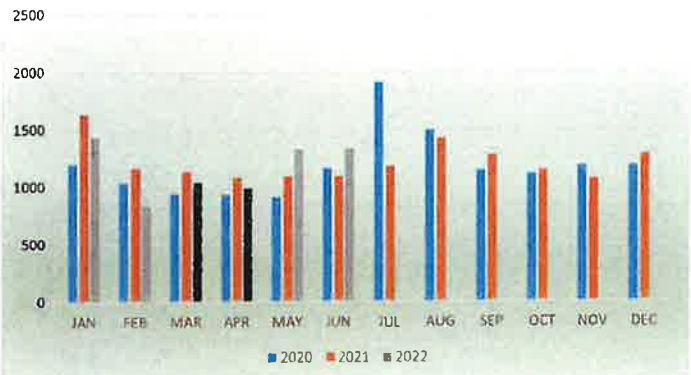
SUNNYSLOPE LAB STATISTICS



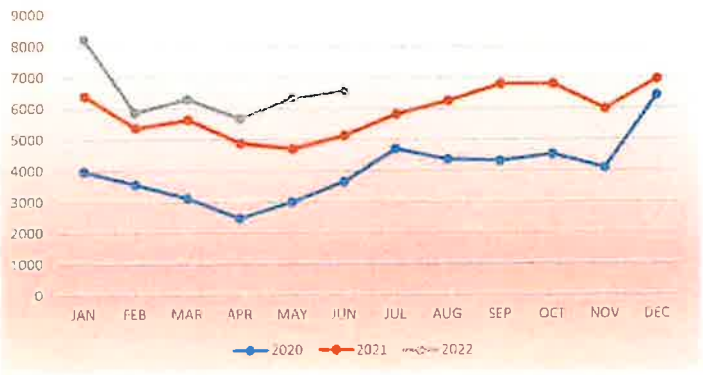
HHH EMPLOYEE COVID19 SURVEILLANCE STATISTICS



ER AND ASC LAB STATISTICS



OUTPATIENT LAB STATISTICS



LABORATORY DEPARTMENT

OUTPATIENT STATISTICS

Bernadette Enderez
Director of Laboratory Services

Michael McGinnis, M.D.
Medical Director

PATIENT ENGAGEMENT | SATISFACTION

- Rounding
- Press Ganey Comments and Results Distribution to Directors
- Press Ganey Contract Revision—Change to mail and email.
- Collaboration with Quality to resolve grievances.
- Reputation.Com survey management

Reputation

Year	Surveys Sent	Surveys Opened	Clicked	CTR	Facebook/Google Reviews	Negative	Positive	Overall Rating
2022	986	927	123	13%	28	21%	79%	4.2/5
2021	0	0	0	0	28	54%	46%	2.9/5

COMMUNITY ENGAGEMENT

Employees:

- Hawkins Happenings
- Employee of the Month Postings
- Breakfast Donated by McDonalds
- Skilled Nursing Facility Staff Recognition—South Side

Physicians / Providers

- Testimonial Video - Dr. Gabriel's Patient
- Dr. Barra Retirement Recognition Video (1600 You Tube Views)
- Central California Anesthesia Solutions Reception
- Health Center Provider Photo Shoot



Public:

- Tuesday Evening Qigong/Yoga Classes
- Migrant Health and Wellness Event
- Stanford Blood Drive
- Facility Use Policy
- Community Foundation CEO Update
- Donated 350 First Aids for Hollister Downtown Association's Street Festival/Car Show participants



Volunteers

- Completed New Volunteer Handbook
- Foundation Reception

MARKETING

- Social Media Postings:

Facebook Page reach ⓘ







11,773 ↓ 26.1%

Instagram reach ⓘ

234 ↓ 2.1%

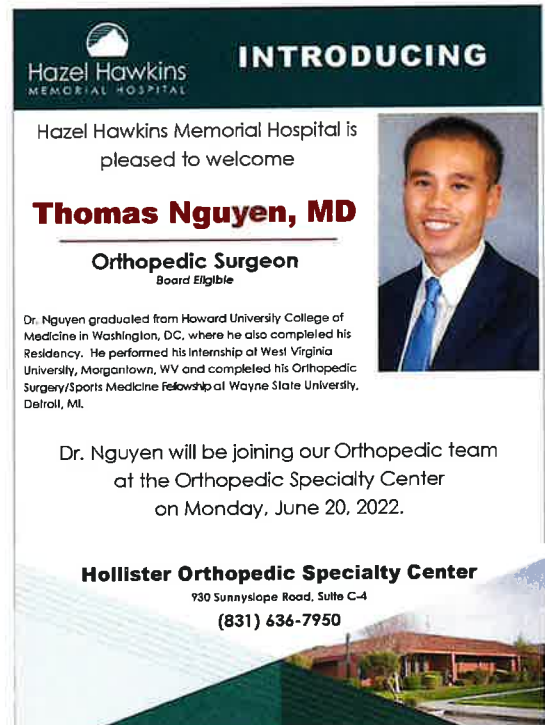
Content ⓘ

Sort by: Reach ▼

 <p>Thu Jun 30 10:06am Cora Acosta, RN, recogni... Post Reach 1,078</p>	 <p>Wed Jun 29 1:57pm Have you seen our new C... Post Reach 1,038</p>	 <p>Thu Jun 30 9:50am Thank you @Mcdonalds ... Post Reach 1,000</p>
 <p>Wed Jul 6 2:28pm Safety Huddle was extra ... Post Reach 794</p>	 <p>Thu Jun 23 3:45pm It is so thoughtful of fam... Post Reach 763</p>	 <p>Fri Jul 1 6:15pm Thank you to @Stanford... Post Reach 743</p>

BUSINESS DEVELOPMENT

- Pinnacle Health, Relationship Building
- Physician/Provider On-boarding Check list Taskforce
- Physician Onboarding: Thomas Nguyen, MD
- Anthem Blue Cross Taskforce
- Website Development



Hazel Hawkins Memorial Hospital **INTRODUCING**

Hazel Hawkins Memorial Hospital is pleased to welcome

Thomas Nguyen, MD
Orthopedic Surgeon
Board Eligible

Dr. Nguyen graduated from Howard University College of Medicine in Washington, DC, where he also completed his Residency. He performed his Internship at West Virginia University, Morgantown, WV and completed his Orthopedic Surgery/Sports Medicine Fellowship at Wayne State University, Detroit, MI.

Dr. Nguyen will be joining our Orthopedic team at the Orthopedic Specialty Center on Monday, June 20, 2022.

Hollister Orthopedic Specialty Center
930 Sunnyslope Road, Suite C-4
(831) 636-7950



TO: San Benito Health Care District Board of Directors
FROM: Liz Sparling, Foundation Director
DATE: July 2022
RE: Foundation Report

The Hazel Hawkins Hospital Foundation Board of Trustees did not meet in July but will resume Board Meetings on August 11, 2022.

Financial Report	June
1. Income	\$ 15,617.61
2. Expenses	\$ 22,478.11
3. New Donors	11
4. Total Donations	79

Approved Allocations

1. No Allocations.

Directors Report

- The Foundation had our Flagpole/Garden area Dedication to Gerald McCullough on July 15th. The event was very successful and the refreshed garden area looks really nice. Thank you to Jeri Hernandez, Adrian Flores and his Engineering Team, Environmental Services and the Dietary Department for helping make this refresh and event a success. Sherry Bakke and Frankie Gallagher were also a great help that evening.
- The Northside Nurses station will be completed soon. This is the final component of our Mabie Makeover Campaign at Northside.
- The grant report for the Monterey Peninsula Foundation Grant was submitted and we have now fulfilled all our reporting requirements with this grant.
- Our FLEX grant report for the Diabetes Education Program report has been submitted and CHA has asked Amy Breen-Lema, Kristi Matthews and I to be at their August Roundtable to present our program. They were very impressed with our program and report.
- We submitted our new application for the Hospice Giving Foundation Grant that funds the Palliative Care Program. We should hear from them in the next couple weeks. We are in process of submitting the report for this year that is due July 30, 2022.
- I attended the Twin Oaks opening of their new Club House and Pool on July 8th. It is a very nice 55+ housing community adjacent to HHMH.

Dinner Dance Committee

Our "Save the Date" postcard was mailed in late June that explains that we will be having a Gourmet Dinner Pick-Up again this year but with a social hour at the Inn's private guest house that will have music, wine and beer tasting, no host bar and an awards presentation. Sponsor letters will go out in the next week. Our Committee met and we selected: Max & Cilly Sweet – Donors of the Year, Teknova – Business Donor of the Year & Pat Slatten – Heart for Hazel Award. Our event will be November 5, 2022.

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Hazel Hawkins

MEMORIAL HOSPITAL

SAN BENITO HEALTH CARE DISTRICT

Mission Statement -The San Benito Health Care District is a public agency that serves as a responsive, comprehensive health care resource for its patients, physicians, and the health care consumers of the community.

Vision Statement - San Benito Health Care District is committed to meeting community health care needs with quality care in a safe and compassionate environment.

CEO's Administrative Report – July 28th, 2022

To: San Benito Health Care District Board of Directors

COVID-19 Pandemic Surge

Handouts will be provided at the Board meeting with the most current San Benito County COVID – 19 information.

Administrative General Updates

Administration Dashboard:

Please find the newly developed Administrative Dashboard included on the final page of the CEO report.

I and other members of our team will discuss the various metrics along with MTD and YTD results at the Board meeting.

Anthem Blue Cross Negotiation:

The pending termination date is August 10th, 2022. To date, negotiations with Anthem Blue Cross have not resulted in a required increase to the current plan rates. Anthem Blue Cross continues to ignore understanding of the situation and that HHMH, while a stand-alone and sole hospital within the District having nearly 65,000 residents, cannot provide services while receiving such a low rate for reimbursement.

Behind my report are letters that will be sent this week to those citizens who are patients at HHMH regarding their options once the agreement with Anthem Blue Cross terminates and HHMH becomes an out-of-network provider. Staff is preparing the phone line and information that can help these patients navigate their care options during this period. While HHMH believes that Anthem Blue Cross will ultimately raise their rates to acceptable levels, unfortunately, for patients,



Hazel Hawkins

MEMORIAL HOSPITAL

the negotiation process which oftentimes results in contract termination, can take several months to resolve.

Strategic Plan Update:

A facilitated strategic planning retreat is being planned to occur in October at an offsite location. Sherrie Bakke and Laura Garcia are coordinating the event date and details. More information will be provided as it becomes available.

Legislative Update:

I participated with the ACHD CEO Seismic Work Group this past week. We learned that AM Garcia's request for \$1 Billion while not included in the original budget is still being discussed as a potential for a budget trailer bill. In addition, the work group decided to take a "neutral" stance on AM Wood's potential request for additional funding for a subset of District hospitals due to the potential for it to cause disagreement between CHA, ACHD, and individual District hospitals.

The underlying issue is that various political stances on the situation do not result in a "one size fits all" solution for every size and type of hospital to meet the seismic requirements. I reminded the seismic work group that a main reason that many smaller hospitals have been unable to move forward with updating their infrastructures is that the State's MediCal program pays less than the cost to provide services to the MediCal population. In HHMH's case, this percentage is nearly a third of the total patient base and in other hospitals' situations, this percentage can be as high as 75%. I suggested that a solution could be for the State to take MediCal expansion seriously when it comes to compensating hospitals adequately for providing services to that portion of the population.

CHA continues to promote an extension of the seismic requirements until 2037 but as of yet, there isn't a firm belief that the extension will be granted.

Medical Staff updates

Medical Staff:

The medical executive committee is recommending several new credentialing candidates forward with the onboarding of the new anesthesia group.

The ER Physician coverage agreement with USACs is coming up for renewal in February of 2023 and the Radiologist coverage agreement for HHMH is coming up for renewal in June of 2023. Plans for these important coverage agreements are being developed so that we have adequate time to assess available options before the term end dates. While HHMH is strongly promoting a solid and loyal medical staff, it is also important to ensure that coverage agreements meet the District's requirements for quality of care provided, patient experience, and are financially adequate.



Hazel Hawkins

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Dr. Barra will be recognized, in person, at this month’s Board meeting for his nearly 40 years of service to the District.

Community and Regional Activities

CEO HHMH/Community Activities:

- Hospital Rounding – Daily
- Public health – Monthly
- CCAS Anesthesia Group Reception – July 7th
- Community Foundation CEO Update – July 15th

CEO Regional/National Activities:

- Good Samaritan Medical Center CEO/Outreach Director meeting – July 14th
- ACHE CEO Network Meeting – July 18th
- ACHD Seismic Work Group – July 21st

Sincerely,

Steven Hannah

Steven M. Hannah, MHA
Chief Executive Officer

Acronyms

ACHD	Association of California Hospital Districts
ACO	Accountable Care Organization
APP	Advanced Practice Practitioners (FNP and PA)
AFE	*Acronym Free Environment
ASC	Ambulatory Surgery Center
BBK	Best, Best and Krieger Law Firm
CAH	Critical Access Hospital
CCAHN	California Critical Access Hospital Network (CHA)
CDC	Center for Disease Control
CDPH	California Department of Public Health
CEO	Chief Executive Officer
CFO	Chief Finance Officer
CHA	California Hospital Association
CHNA	Community Health Needs Assessment (Not applicable to Districts)
CIN	Clinically Integrated Network
CMI	Case Mix Index (CMS acuity measure)
CMMI	Centers for Medicare and Medicaid Innovation CMO Chief Medical Officer

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Hazel Hawkins

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CMS	Centers for Medicare and Medicaid (HCFA from the old days)
CNE	Chief Nurse Executive
COO VP AS	Chief Operating Officer, Vice President of Ambulatory Services
COS	Chief of Staff (Medical)
COVID – 19	Coronavirus SARS-CoV-2
CY	Calendar Year
DHLF	District Hospital Leadership Forum
DPM	Doctor of Podiatry Medicine
ED	Emergency Department
FMV	Fair Market Value
FNP	Family Nurse Practitioner
FQHC	Federally Qualified Health Center
FY	Fiscal Year
HCA	Hospital Corporation of America
HCP	Healthcare personnel
HHMH	Hazel Hawkins Memorial Hospital
HIPPA	Health Information Privacy and Portability Act
HIT	Health Information Technology
HOPD	Hospital Outpatient Department
HPF	Hospital Provider Fee Program
HR	Human Resources
ICU	Intensive Care Unit
IPA	Independent Physician Association
LLP	Limited Liability Partnership
Locum Tenens	Temporary physician – “in place of another”
LOI	Letter of Intent
MACRA	CMS-Medicare Access & CHIP Reauthorization Act of 2015 MAP
MAP	Management Action Plan
MD	Medical Doctor
MGMA	Medical Group Management Association
MS & Med Surg	Medical Surgical Unit
MIPs	CMS-Merit Based Incentive Payment System
MOB	Medical Office Building
MOR	Management Operating Review
MOU	Memorandum of Understanding
OR	Operating Room
OSHPD	Office of Statewide Health Planning and Development
P&L	Profit and Loss
PA	Physician Assistant
PC	Professional Corporation
PCP	Primary Care Provider
PHO	Physician Hospital Organization
PPS	Prospective Payment System
PR	Public Relations
PSA	Professional Services Agreement
Q1, Q2, etc.	Quarter 1, quarter 2, etc.
QIP	Quality Incentive Program
RA	Recruitment Agreement
RFI	Request for Information
RFP	Request for Proposal
RHC	Rural Health Clinic



Hazel Hawkins

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SNF	Skilled Nursing Facility
SPC	Structural Performance Category
TBD	To be Determined
TJC	The Joint Commission (formerly JACHO)
TPA	Third Party Administrator
USACS	US Acute Care Solutions
VEP	Pinehurst Hospitalist Medical Group d/b/a VEP Healthcare
VP	Vice President



San Benito Health Care District
 Hazel Hawkins Memorial Hospital
 July 28, 2022

Description	Target	Rolling 12 month June
Overall Rating of the Hospital	77%	70.73 ↓
Likelihood to Recommend the Hospital	75%	64.62 ↓
CMS 30-Day All Cause Readmission Rate	11%	11.38 ↓
Surgical Site Infections (SIR)	1.00	< 1.00 =

Description	Target	MTD Actual	YTD Actual	YTD Target
Average Daily Census - Acute	13.90	19.87	20.67	14.29
Average Daily Census - SNF	86.00	85.77	82.31	82.38
# of Surgery Cases	162	135	1,262	2,114
EBIDA %	0.47%	1.07%	5.52%	3.20%
Operating Margin	-1.70%	-0.81%	2.07%	-1.47%
Met or Exceeded Target				
Within 10% of Target				
Not Within 10%				

Note: Proposed targets for "Overall Rating of the Hospital" and "Likelihood to Recommend the Hospital" are based on the 50th percentile of Small Hospitals < 50 Beds in the Press Ganey Database.

SIR = The Standardized Infection Ratio compares the actual number of Hospital Acquired Infections to the predicted number of infections. A SIR of 1 means that the actual number is equal to the predicted number.

SIR = July - Dec 2021 rate. SSI SIR is calculated by NHSN every 6 months.

FAQ

Hazel Hawkins Hospital Contract with Anthem Blue Cross

Q: Why is the Anthem Blue Cross agreement in jeopardy of termination?

A: Anthem Blue Cross is a for profit health insurance plan. While the cost of your insurance premium, paid for by your employer and/or you, continues to escalate and the cost of providing health care services continues to escalate, Anthem has not increased their contractual payment to Hazel Hawkins Memorial Hospital (HHMH) since 2018. The current Anthem Blue Cross contracted payment does not sufficiently cover the cost of the healthcare services provided. To date, Hazel Hawkins Memorial Hospital has not been able to secure adequate reimbursement, market rate, for the health care services provided to Anthem Blue Cross Preferred Provider Organization (PPO) Members.

Q: Anthem Blue Cross is my health plan. How does the contract negotiation impact me?

A: Negotiations between Anthem Blue Cross and Hazel Hawkins Memorial Hospital have been ongoing since 2020. If an agreement cannot be reached by the current contract termination date at midnight on August 10, 2022, Hazel Hawkins Memorial Hospital and Health System, including outpatient services will be "out-of-network" for all patients with an Anthem Blue Cross Preferred Provider Organization (PPO) Health Plan and an Anthem Blue Cross Blue Cross Medicare plan.

Q: How does "out of network" impact my access to healthcare services provided by Hazel Hawkins Memorial Hospital?

A: If termination occurs, on or after August 11, 2022, Hazel Hawkins Memorial Hospital inpatient and outpatient services will no longer be contracted with Anthem Blue Cross PPO and Anthem Blue Cross Medicare This means you may no longer have in-network benefits with our hospital including inpatient and outpatient services, homecare, and skilled nursing. **You may continue to access our health care providers and Hospital for health care services as follows:**

- **Emergency Care:** Emergency care access is **not impacted**. You may continue to receive emergency care at our Emergency Department, regardless of our network status with Anthem Blue Cross.
- **Continuity of Care:** Some patients may be eligible to receive "Continuity of Care" benefits from Anthem Blue Cross for a period of time. These patients often need ongoing care or treatment, are pending an obstetric delivery, or already have a procedure authorized and scheduled. For questions about ongoing care or your benefit coverage, please call the phone number listed on the back of your Anthem Blue Cross insurance card.
- **Out-Of-Network Care:** You may still access our health care providers and Hospital for health care services if you have an out-of-network benefit. In some situations, depending on the type of service Anthem Blue Cross authorizes, in-network benefits may be available if alternative providers are not available in the service area. Please call the number listed on the back of your insurance card to discuss your specific in or out-of-network benefits with Anthem Blue Cross.

Q: Will I have to pay more to receive care if Hazel Hawkins Memorial Hospital becomes an out-of-network provider?

A: Please call Anthem Blue Cross Customer Service, (844)971-0117 or number listed on the back of your insurance card to discuss your specific in or out-of-network benefits with Anthem Blue Cross. Hazel Hawkins Memorial Hospital offers self-pay and prompt payment options. Contact our Business Office to learn if these options are financially beneficial for you or your family, (831) 205-5710.

Q: What if I have a medical appointment, plan on delivering my baby or elective procedure scheduled on or after August 11, 2022?

A: We understand you may already have appointments scheduled on or after August 11, 2022. If this is the case, you may qualify for Continuity of Care benefits. Contact Anthem Blue Cross Customer Service (844)971-0117, or using the phone number on the back of your health insurance card, to learn more about your Continuity of Care benefit coverage.

Q: How long will Hazel Hawkins Memorial Hospital be an out-of-network provider?

A: At this time, it is difficult to determine how long we may be out of network. We have kept the lines of communication open with Anthem Blue Cross. We recognize and value our relationship with our patients and remain open to discussions with Anthem Blue Cross toward a mutually beneficial agreement. Please feel free to contact Anthem directly, (844)971-0117 to express your concern about having to leave the community to access health care services.



Hazel Hawkins
MEMORIAL HOSPITAL

August 1, 2022

**Important Information for Anthem Blue Cross PPO Plan Members
Regarding Your Care at Hazel Hawkins Memorial Hospital**

Dear Valued Patient,

Hazel Hawkins is currently negotiating a new agreement with Anthem Blue Cross PPO, "Anthem", and as of this date we have not yet reached agreement on a new contract. If we are unable to reach agreement, the contract will terminate at midnight on **August 10, 2022**. Please know we are doing everything possible to reach a successful agreement so your care at Hazel Hawkins Memorial Hospital (HHMH) and/or with our outpatient services will not be impacted.

We are providing you with this information because, our records indicate you or your family member are a current or recent HHMH patient and covered by Anthem. If HHMH becomes an out of network provider, your benefits may change and you may be required to obtain authorization for certain non-emergency healthcare services. **Please be advised, this does not impact access to emergency care.**

The pending change is a result of ongoing negotiations between Hazel Hawkins Memorial Hospital (HHMH) and Anthem. The negotiations began in 2020. Currently, Anthem, a for-profit organization, is refusing to pay Hazel Hawkins Memorial Hospital market competitive rates for the healthcare services we provide to their members. If we cannot reach a financially equitable agreement with Anthem by August 10, 2022, HHMH and our outpatient clinics will no longer be a contracted provider with Anthem. This means, the care you or your covered family member receives from HHMH will be considered out-of-network on August 11, 2022. This may result in changes to your financial responsibility for care received from Hazel Hawkins Memorial Hospital and our outpatient services.

We understand you may already have an appointment scheduled for inpatient or outpatient services after August 10, 2022. The enclosed Frequently Asked Questions (FAQ) provides the information you need to make ongoing healthcare decisions. We encourage you to visit our website at www.HazelHawkins.com/AnthemPPOFAQ2022 for the most up to date information on the Anthem negotiations.

Questions, not answered in the FAQ, can be directed to **Anthem Blue Cross Customer Service, (844) 971-0117**. You may also contact our Business Office, (831) 205-5710 or speak with your benefits manager/employer and

We greatly appreciate the continued opportunity to care for you and your family. My team and I will continue to work with Anthem to reach a financially sustainable and competitive agreement in order to save you and your family from any disruption to the exceptional care you've come to expect from Hazel Hawkins Memorial Hospital.

Sincerely,

Steven M. Hannah
Chief Executive Officer

encl.

CEO MESSAGE 21 JUL 2022
Hospitals Are Resilient, Not Invincible

Carmela Coyle

President & CEO, California
Hospital Association, Sacramento

There's a widely held misconception about California's hospitals that their proven resilience in the face of challenges over decades upon decades means they can withstand anything thrown their way.

As someone who has worked closely with hospitals for nearly 35 years, it's sad and sobering to say, out loud, that this common belief simply isn't true.

As far back as 1989, renowned health care futurist Jeff Goldsmith, PhD, wrote the following in *Harvard Business Review*:

"Except for major regional institutions, the acute-care hospital as we know it will probably not survive ... In the future, acute care will be concentrated in a small number of high-tech regional centers treating traumatic and chronically ill patients ..."

It's frightening to think about the fact that Goldsmith's prediction, spurred by a global pandemic that has wreaked unprecedented havoc throughout the health care system, is on its way to becoming a reality.

Here are the facts as they stand today:

- More than half of California's hospitals are losing money every day on the patients they care for; reserves and relief funds are rapidly dwindling; and hospitals are grappling with difficult decisions about whether they can tolerate cuts to vital services just to remain viable.
- Sadly, among the first cuts will likely be obstetric services — especially in more rural areas — but it is happening in troubled urban communities as well; according to a Modern Healthcare article this week, maternity care deserts are growing as more hospitals cut obstetric services.
- Hospitals, often among the largest employers in their counties, are being forced to trim staff — which account for nearly 60% of all costs — to make ends meet; California cut more than 28,000 positions in June alone.
- The Centers for Medicare & Medicaid Services is proposing what amounts to a cut in Medicare inpatient hospital payments, which cover nearly 6.5 million Californians.
- California's Medi-Cal program, which covers low-income Californians (a third of the state's 40 million people), has not increased rates in a decade, despite skyrocketing inflation.

All of this comes at a time when there is significant pressure on hospitals and other components of the health care system to hold costs in check. At the same time, we all know that massive investments — not cuts — are needed to help people with behavioral health needs, many of which are driven by the effects of the pandemic, and to reduce health disparities among diverse populations.

It is tantamount to an impossible task to, all at once, reduce cost growth, provide higher wages for health care workers, expand behavioral health services, reduce health disparities, and continue to provide for the needs of a growing older population.

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In the end, it is Californians who will suffer. Moms-to-be who must drive miles and hours to reach a hospital to deliver a baby. Even longer wait times to get appointments for pediatric mental health care. Emergency departments that are overflowing as staffing is cut to the bone.

As bad as things are nationally, California has it even worse. By 2030, all hospital buildings must meet an enhanced seismic standard that they be fully operational, including buildings that house non-emergency units like dietary services, or they will be forced to close. The price tag for this work is north of \$100 billion, a cost that simply cannot be absorbed given the current state of affairs.

Something has to give.

Hospitals and their reputation for being survivors create a perception that is doing them a disservice as aid from federal and state legislators has fallen far short of what's needed to rebuild this deeply fractured health care system.

This is not hyperbole. These are the facts, and unless action is taken, California will see an ongoing and accelerating degradation of the health care services that so many rely on to live their best lives.

San Benito Health Care District
Finance Committee Minutes
July 21, 2022 - 5:00pm

Present: Jeri Hernandez, Board President
 Rick Shelton, Board Treasurer
 Bill Johnson, Board Secretary
 Don Winn, Board Interim
 Steven Hannah, Chief Executive Officer
 Mark Robinson, Vice President-Finance\Support Services
 Mary Casillas, Chief Operations Officer
 Lindsey Parnell, Controller

CALL TO ORDER

The meeting of the Finance Committee was called to order at 5:00pm as a hybrid virtual meeting due to the COVID-19 outbreak. Instructions to log in were posted with the agenda on the Public Notice bulletin board.

I. FINANCIAL STATEMENTS

A. Preliminary June 2022

The Preliminary Financial Statements for June 2022 were presented for review. For the month ending June 30, 2022, the District's Net Surplus (Loss) is (\$175,525) compared to a budgeted Surplus (Loss) of (\$225,000). The District was under budget for the month by \$49,475.

YTD ending June 30, 2022, the District's Pre-Audit Net Surplus (Loss) is \$4.9 million compared to a budgeted Surplus (Loss) of \$454,901. The District is exceeding its budget for the year by \$4.49 million.

Acute discharges were over budget for the month by 74 discharges or 53%. The Average Daily Census was 19.87 compared to a budget of 13.9. The average length of stay was 2.79. The Acute I/P gross revenue was over budget by \$2.4 million while O/P services gross revenue exceeded budget by \$2.96 million or 16%. Inpatient ER visits were over budget by 74 visits while ER O/P visits were over budget by 353 visits or 21%. The Rural Health Clinics treated 3,828 patients (includes 708 visits at the Diabetes Clinic) while the other clinics treated 2,530 outpatients. Other Operating revenue was over budget by \$62,778 due primarily to an Anthem Blue Cross CP4P award of \$15,865 and physician collections exceeding budget. Operating expenses were over budget by \$960,084 due mainly to variances in: Registry by \$337,711 due to medical leaves for employees and Purchased Services by \$236,403 due to recruiting fees. Non-operating Revenue was under budget by \$36,512 due to other non-operating expense related to G.O. Bond handling fees from the County.

The Skilled Nursing Facilities had an average daily census of 85.77 with a budgeted ADC of 86. The SNFs Net Surplus (Loss) is \$648,585 compared to a budget of (\$25,921).

Fiscal year ending June 30, 2022 is budgeted to meet or exceed all of the Cal- Mortgage bond covenant targets. They are a 1.25 DSR, 30 days-cash-on-hand and a 1.5 current ratio.

II. **FINANCIAL UPDATES**

- A. **Finance Dashboard** – The Finance Dashboard was reviewed by the Committee in detail.
- B. **Surgery Rural Health Clinic** – A summary update of costs and progress was provided for the Surgery Rural Health Clinic on Sunset Drive. The cost of the Clinic is expected to total \$329,560, exceeding the original budget by \$133,500. Project completion is expected in October 2022.
- C. **Parking Lot Repaving** – The final bid was presented for the Parking Lot Repaving /Repairs. Costs for the project are expected to total \$105,000.
- D. **CNA Agreement** – A summary of the 4-year agreement reached with the California Nurses Association was presented and is included in your packet. The agreement is effective January 1, 2022 through December 31, 2025. The wage increases over the 4-year period are 3.5%, 3%, 3%, and 3%.
- E. **Anthem Blue Cross Commercial Agreement** – An update was provided on the agreement ending August 11, 2022 with Anthem Blue Cross. Additional details and documentation will be presented at the Board Meeting on Thursday, July 28, 2022.

III. **CONTRACTS**

- A. **Board Resolution Union Bank Signature Authority** – The Finance Committee recommends the approval of a bank-mandated resolution to authorizing the individual now or subsequently holding the position of Controller of the District to enter into contract with the bank in conducting the District's normal banking activities.
- B. **Board Resolution 401(a) Plan** – The Finance Committee recommends the approval of a resolution to adopt Amendment No. 1 to the San Benito Health Care District Pension Plan, allowing for the creation of a 401(a) Plan.

IV. **PHYSICIAN CONTRACTS**

- A. **Michael Bogey, M.D., Master Services Agreement for Chief Medical Officer Coverage and Trauma Program Medical Director** – The Master Services Agreement has a proposed effective date of 08/1/2022, a 1-year term with auto renewal, and a 30-day termination clause. The agreement allows for a total of 45 hours per month, including 5 hours per month as Trauma Program Medical Director. The base monthly compensation will be set below the 75th percentile of Fair Market Value at \$6,750 per month. The Finance Committee recommends this agreement for Board approval.

V. **CAPITAL**

- A. **Stryker 4K Video** – The capital request will be moved to the August 18, 2022 Finance Committee Meeting pending additional information.

ADJOURNMENT

There being no further business, the Committee was adjourned at 5:36pm.

Respectfully submitted,



Lindsey Parnell
Controller



FINANCE COMMITTEE
Thursday, July 21, 2022, 5:00 p.m
Meeting Agenda

Call to Order

I. Financial Reports:

- A. Financial Statements – Preliminary June 2022

II. Financial Updates

- A. Finance Dashboard
- B. Surgery Rural Health Clinic
- C. Parking Lot Repaving
- D. CNA Agreement
- E. Anthem Blue Cross Commercial Agreement

III. Contracts

- A. Board Resolution - Union Bank Signature Authority (**Action Item**)
- B. Board Resolution - 401(a) Plan (**Action Item**)

IV. Physician Contracts

- A. Michael Bogey, M.D. – Master Services Agreement for Chief Medical Officer Coverage and Trauma Program Medical Director (**Action item**)

V. Capital

- A. Stryker 4K Video - OR (**Action Item**)

Adjournment



Hazel Hawkins
MEMORIAL HOSPITAL

June 21, 2022

CFO Financial Summary for the Finance Committee:

For the month ending June 30, 2022, the District's Net Surplus (Loss) is (\$175,525) compared to a budgeted Surplus (Loss) of (\$225,000). The District exceeded its budget for the month by \$49,475.

For the YTD ending June 30, 2022, the District's **Pre-Audit** Net Surplus (Loss) is \$4.9 million compared to a budgeted Surplus (Loss) of \$454,901. The District is exceeding its budget YTD by \$4.49 million.

Acute discharges were 214 for the month, exceeding budget by 74 discharges or 53%. The ADC was 19.87 compared to a budget of 13.90. The ALOS was 2.79. The acute I/P gross revenue exceeded budget by **\$2.4 million** while O/P services gross revenue was **\$2.96** or 16% over budget. ED I/P visits were 169 and ED O/P visits were 1,996 compared to the budget of 1,643 visits. The RHCs & Specialty Clinics treated 3,828 (includes 708 visits at the Diabetes Clinic) and 2,530 visits respectively.

Other Operating revenue exceeded the under budget by **\$62,778** due primarily an Anthem Blue Cross CP4P award of \$15,865 and physician collections exceeding budget.

Operating Expenses were over budget by **\$960,084** due mainly to variances in: Registry by \$337,711 due to medical leaves for employees and Purchase Services of \$236,403 due to recruiting fees.

Non-operating Revenue was under budget by **\$36,512** due to other non-operating expense related to G.O. Bond handling fees from the County.

The SNFs ADC was **85.77** for the month. The Net Surplus (Loss) is \$648,585 compared to a budget of (\$25,921). The ADC is budgeted to be 86 residents for the month. YTD, the SNFs Net Surplus (Loss) is \$833,251. The State has increased its per diem rate to \$682.38 from \$626.60 effective 08/01/2021. The State reprocessed the RAs using the new rate on 07/11/2022.

The debt service ratio for the fiscal year ending **June 30, 2022** is budgeted to exceed **1.25**, the days-cash-on-hand is projected to exceed **30.00** and the current ratio is projected to be more than **1.5**. The Cal- Mortgage 2021 bond covenant targets are a **1.25** DSR, **30** days-cash-on-hand and a **1.5** current ratio.

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HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
 HOLLISTER, CA 95023
 FOR PERIOD 06/30/22

	CURRENT MONTH					YEAR-TO-DATE				
	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21
GROSS PATIENT REVENUE:										
ACUTE ROUTINE REVENUE	3,770,236	2,842,724	927,512	33	3,363,236	49,220,252	35,557,897	13,662,355	38	40,488,616
SNF ROUTINE REVENUE	1,926,700	1,681,449	245,251	15	1,551,030	21,120,560	19,742,401	1,378,159	7	17,333,980
ANCILLARY INPATIENT REVENUE	5,285,919	4,059,030	1,226,889	30	4,214,713	63,089,239	50,517,288	12,571,951	25	56,045,936
HOSPITALIST\PEDS I/P REVENUE	190,841	0	190,841		157,441	2,476,735	971,096	1,505,639	155	1,973,807
TOTAL GROSS INPATIENT REVENUE	11,173,695	8,583,203	2,590,492	30	9,286,420	135,906,785	106,788,682	29,118,103	27	115,842,338
ANCILLARY OUTPATIENT REVENUE	21,073,473	18,167,751	2,905,722	16	20,733,898	241,770,385	230,196,699	11,573,686	5	218,103,903
HOSPITALIST\PEDS O/P REVENUE	52,948	0	52,948		49,535	665,279	83,398	581,881	698	304,685
TOTAL GROSS OUTPATIENT REVENUE	21,126,421	18,167,751	2,958,670	16	20,783,433	242,435,664	230,280,097	12,155,567	5	218,408,588
TOTAL GROSS PATIENT REVENUE	32,300,116	26,750,954	5,549,162	21	30,069,853	378,342,448	337,068,779	41,273,669	12	334,250,926
DEDUCTIONS FROM REVENUE:										
MEDICARE CONTRACTUAL ALLOWANCES	9,676,397	6,859,527	2,816,870	41	7,334,483	95,919,147	87,102,717	8,816,430	10	87,198,778
MEDI-CAL CONTRACTUAL ALLOWANCES	7,203,068	5,636,514	1,566,554	28	5,958,754	91,534,836	70,249,494	21,285,342	30	69,293,657
BAD DEBT EXPENSE	68,532	244,615	(176,084)	(72)	170,796	3,551,085	3,088,889	462,196	15	3,138,006
CHARITY CARE	273,523	64,563	208,960	324	80,921	1,106,663	815,269	291,394	36	836,086
OTHER CONTRACTUALS AND ADJUSTMENTS	3,268,724	3,613,483	(344,759)	(10)	4,104,569	44,925,003	45,579,766	(654,763)	(1)	46,748,850
HOSPITALIST\PEDS CONTRACTUAL ALLOW	12,317	0	12,317		(19,969)	92,976	31,634	61,342	194	62,205
TOTAL DEDUCTIONS FROM REVENUE	20,502,562	16,418,702	4,083,860	25	17,629,554	237,129,710	206,867,769	30,261,941	15	207,277,580
NET PATIENT REVENUE	11,797,555	10,332,252	1,465,303	14	12,440,299	141,212,739	130,201,010	11,011,729	9	126,973,346
OTHER OPERATING REVENUE	633,018	570,240	62,778	11	1,318,436	7,626,735	6,591,822	1,034,913	16	12,438,634
NET OPERATING REVENUE	12,430,572	10,902,492	1,528,080	14	13,758,735	148,839,474	136,792,832	12,046,642	9	139,411,979
OPERATING EXPENSES:										
SALARIES & WAGES	4,521,030	4,605,892	(84,862)	(2)	4,375,167	56,457,310	56,038,466	418,844	1	51,675,997
REGISTRY	499,721	167,095	332,626	199	326,534	5,447,939	2,103,319	3,344,620	159	8,863,777
EMPLOYEE BENEFITS	2,921,594	2,547,951	373,643	15	3,598,855	31,202,586	30,959,146	243,440	1	30,371,736
PROFESSIONAL FEES	1,521,757	1,388,622	133,135	10	1,466,513	17,350,151	17,188,830	161,321	1	16,613,614
SUPPLIES	1,223,595	957,273	266,322	28	1,230,840	13,975,344	12,278,740	1,696,604	14	12,451,021
PURCHASED SERVICES	1,283,634	945,514	338,120	36	1,426,445	12,709,664	11,664,152	1,045,512	9	12,387,120
RENTAL	160,642	139,631	21,011	15	159,522	1,787,606	1,675,591	112,015	7	1,926,957
DEPRECIATION & AMORT	318,334	323,393	(5,059)	(2)	334,490	3,751,805	3,880,738	(128,933)	(3)	4,004,533
INTEREST	5,473	5,708	(235)	(4)	2,629	49,943	69,250	(19,307)	(28)	35,989
OTHER	363,834	296,441	67,393	23	307,193	4,190,144	3,491,401	698,743	20	3,320,391
TOTAL EXPENSES	12,819,613	11,377,520	1,442,093	13	13,228,188	146,922,492	139,349,633	7,572,859	5	141,651,136
NET OPERATING INCOME (LOSS)	(389,041)	(475,028)	85,987	(18)	530,547	1,916,982	(2,556,801)	4,473,783	(175)	(2,239,156)

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HAZEL HAWKINS MEMORIAL HOSPITAL - COMBINED
 HOLLISTER, CA 95023
 FOR PERIOD 06/30/22

	-----CURRENT MONTH-----					-----YEAR-TO-DATE-----				
	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	10,363	10,000	363	4	92,496	164,302	180,000	(15,698)	(9)	229,097
PROPERTY TAX REVENUE	185,249	185,248	1	0	355,240	2,222,988	2,222,980	8	0	2,245,791
GO BOND PROF TAXES	160,091	160,090	1	0	261,865	1,921,086	1,921,086	0	0	1,970,880
GO BOND INT REVENUE\EXPENSE	(75,091)	(75,090)	(1)	0	(77,865)	(901,086)	(901,086)	0	0	(934,380)
OTHER NON-OPER REVENUE	8,056	7,866	190	2	7,877	171,247	94,396	76,851	81	33,111
OTHER NON-OPER EXPENSE	(75,263)	(38,161)	(37,102)	97	(52,496)	(542,996)	(506,574)	(36,422)	7	(1,001,417)
INVESTMENT INCOME	110	75	35	47	630	(11,203)	900	(12,103)	(1,345)	(3,872)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	213,516	250,028	(36,513)	(15)	587,746	3,024,338	3,011,702	12,636	0	2,539,208
NET SURPLUS (LOSS)	(175,525)	(225,000)	49,475	(22)	1,118,293	4,941,321	454,901	4,486,420	986	300,052
EBIDA	\$ 133,071	\$ 51,554	\$ 81,517	158.12%	\$ 1,321,279	\$ 8,216,121	\$ 3,822,213	\$ 4,393,908	114.95%	\$ 4,269,503
EBIDA MARGIN	1.07%	0.47%	0.60%	126.36%	9.60%	5.52%	2.79%	2.73%	97.55%	3.06%
OPERATING MARGIN	(3.13)%	(4.36)%	1.23%	(28.17)%	3.86%	1.29%	(1.87)%	3.16%	(168.90)%	(1.61)%
NET SURPLUS (LOSS) MARGIN	(1.41)%	(2.06)%	0.65%	(31.57)%	8.13%	3.32%	0.33%	2.99%	898.43%	0.22%

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HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
 HOLLISTER, CA 95023
 FOR PERIOD 06/30/22

	-----CURRENT MONTH-----					-----YEAR-TO-DATE-----				
	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21
GROSS PATIENT REVENUE:										
ROUTINE REVENUE	3,770,236	2,842,724	927,512	33	3,363,236	49,220,252	35,557,897	13,662,355	38	40,488,616
ANCILLARY INPATIENT REVENUE	5,022,828	3,727,479	1,295,349	35	4,013,496	60,267,959	46,624,776	13,643,183	29	53,522,003
HOSPITALIST I\A P REVENUE	190,841	0	190,841		157,441	2,476,735	971,096	1,505,639	155	1,973,807
TOTAL GROSS INPATIENT REVENUE	8,983,904	6,570,203	2,413,701	37	7,534,174	111,964,945	83,153,769	28,811,176	35	95,984,425
ANCILLARY OUTPATIENT REVENUE	21,073,473	18,167,751	2,905,722	16	20,733,898	241,770,385	230,196,699	11,573,686	5	218,103,903
HOSPITALIST O\A P REVENUE	52,948	0	52,948		49,535	665,279	83,398	581,881	698	304,685
TOTAL GROSS OUTPATIENT REVENUE	21,126,421	18,167,751	2,958,670	16	20,783,433	242,435,664	230,280,097	12,155,567	5	218,408,588
TOTAL GROSS ACUTE PATIENT REVENUE	30,110,325	24,737,954	5,372,371	22	28,317,607	354,400,609	313,433,866	40,966,743	13	314,393,013
DEDUCTIONS FROM REVENUE ACUTE:										
MEDICARE CONTRACTUAL ALLOWANCES	9,555,337	6,628,881	2,926,456	44	7,348,481	94,090,464	84,408,957	9,681,507	12	86,113,871
MEDI-CAL CONTRACTUAL ALLOWANCES	7,881,692	5,462,856	2,418,836	44	5,112,236	91,320,182	68,905,414	22,414,768	33	69,389,869
BAD DEBT EXPENSE	89,299	244,615	(155,317)	(64)	159,301	3,439,646	3,088,889	350,757	11	3,164,178
CHARITY CARE	273,523	64,563	208,960	324	80,921	977,955	815,269	162,686	20	836,086
OTHER CONTRACTUALS AND ADJUSTMENTS	3,239,596	3,579,867	(340,271)	(10)	4,061,589	44,534,085	45,187,091	(653,006)	(1)	46,356,153
HOSPITALIST\PEDS CONTRACTUAL ALLOW	12,317	0	12,317		(19,969)	92,976	31,634	61,342	194	62,205
TOTAL ACUTE DEDUCTIONS FROM REVENUE	21,051,763	15,980,782	5,070,981	32	16,742,560	234,455,308	202,437,254	32,018,054	16	205,922,361
NET ACUTE PATIENT REVENUE	9,058,562	8,757,172	301,390	3	11,575,047	119,945,301	110,996,612	8,948,689	8	108,470,652
OTHER OPERATING REVENUE	633,018	570,240	62,778	11	1,318,436	7,626,735	6,591,822	1,034,913	16	12,438,634
NET ACUTE OPERATING REVENUE	9,691,579	9,327,412	364,167	4	12,893,482	127,572,036	117,588,434	9,983,602	9	120,909,286
OPERATING EXPENSES:										
SALARIES & WAGES	3,625,699	3,744,509	(118,810)	(3)	3,538,011	45,845,334	45,766,840	78,494	0	41,661,813
REGISTRY	499,981	162,270	337,711	208	307,650	5,326,431	2,044,617	3,281,814	161	8,609,979
EMPLOYEE BENEFITS	2,072,139	2,012,262	59,877	3	2,765,109	24,304,374	24,563,289	(258,915)	(1)	23,524,282
PROFESSIONAL FEES	1,519,717	1,379,011	140,706	10	1,464,473	17,325,252	17,072,830	252,422	2	16,588,105
SUPPLIES	1,120,296	884,472	235,824	27	1,048,336	12,904,817	11,357,904	1,546,913	14	11,467,858
PURCHASED SERVICES	1,123,006	886,603	236,403	27	1,182,959	11,793,776	10,946,285	847,491	8	11,251,854
RENTAL	158,853	138,635	20,218	15	158,552	1,773,384	1,663,635	109,749	7	1,910,957
DEPRECIATION & AMORT	277,059	282,496	(5,437)	(2)	294,420	3,269,130	3,389,979	(120,849)	(4)	3,516,635
INTEREST	5,473	5,708	(235)	(4)	2,629	49,943	69,250	(19,307)	(28)	35,989
OTHER	309,259	255,432	53,827	21	286,544	3,693,210	3,010,927	682,283	23	2,878,686
TOTAL EXPENSES	10,711,482	9,751,398	960,084	10	11,048,682	126,285,650	119,885,556	6,400,094	5	121,446,160
NET OPERATING INCOME (LOSS)	(1,019,902)	(423,986)	(595,916)	141	1,844,800	1,286,386	(2,297,122)	3,583,508	(156)	(536,873)

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HAZEL HAWKINS MEMORIAL HOSPITAL - ACUTE FACILITY
 HOLLISTER, CA 95023
 FOR PERIOD 06/30/22

	-----CURRENT MONTH-----					-----YEAR-TO-DATE-----				
	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	10,363	10,000	363	4	92,496	164,302	180,000	(15,698)	(9)	229,097
PROPERTY TAX REVENUE	159,183	159,182	1	0	305,255	1,910,196	1,910,190	6	0	1,929,791
GO BOND PROP TAXES	160,091	160,090	1	0	261,865	1,921,086	1,921,086	0	0	1,970,880
GO BOND INT REVENUE\EXPENSE	(75,091)	(75,090)	(1)	0	(77,865)	(901,086)	(901,086)	0	0	(934,380)
OTHER NON-OPER REVENUE	8,056	7,866	190	2	7,877	171,247	94,396	76,851	81	33,111
OTHER NON-OPER EXPENSE	(66,920)	(29,819)	(37,101)	124	(42,120)	(432,845)	(396,423)	(36,422)	9	(847,829)
INVESTMENT INCOME	110	75	35	47	630	(11,203)	900	(12,103)	(1,345)	(3,872)
COLLABORATION CONTRIBUTIONS	0	0	0	0	0	0	0	0	0	0
TOTAL NON-OPERATING REVENUE/(EXPENSE)	195,792	232,304	(36,512)	(16)	548,137	2,821,697	2,809,063	12,634	0	2,376,796
NET SURPLUS (LOSS)	(824,110)	(191,682)	(632,428)	330	2,392,937	4,108,083	511,941	3,596,142	703	1,839,923

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HAZEL HAWKINS SKILLED NURSING FACILITIES
HOLLISTER, CA
FOR PERIOD 06/30/22

	-----CURRENT MONTH-----					-----YEAR-TO-DATE-----				
	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21	ACTUAL 06/30/22	BUDGET 06/30/22	POS/NEG VARIANCE	PERCENT VARIANCE	PRIOR YR 06/30/21
GROSS SNF PATIENT REVENUE:										
ROUTINE SNF REVENUE	1,926,700	1,681,449	245,251	15	1,551,030	21,120,560	19,742,401	1,378,159	7	17,333,980
ANCILLARY SNF REVENUE	263,092	331,551	(68,459)	(21)	201,217	2,821,279	3,892,512	(1,071,233)	(28)	2,523,933
TOTAL GROSS SNF PATIENT REVENUE	2,189,792	2,013,000	176,792	9	1,752,247	23,941,839	23,634,913	306,926	1	19,857,913
DEDUCTIONS FROM REVENUE SNF:										
MEDICARE CONTRACTUAL ALLOWANCES	121,060	230,646	(109,586)	(48)	(13,998)	1,828,683	2,693,760	(865,077)	(32)	1,084,907
MEDI-CAL CONTRACTUAL ALLOWANCES	(678,623)	173,658	(852,281)	(491)	846,517	214,653	1,344,080	(1,129,427)	(84)	(96,213)
BAD DEBT EXPENSE	(20,767)	0	(20,767)		11,495	111,438	0	111,438		(26,172)
CHARITY CARE	0	0	0	0	0	128,708	0	128,708		0
OTHER CONTRACTUALS AND ADJUSTMENTS	29,129	33,616	(4,487)	(13)	42,980	390,918	392,675	(1,757)	0	392,697
TOTAL SNF DEDUCTIONS FROM REVENUE	(549,201)	437,920	(987,121)	(225)	886,995	2,674,401	4,430,515	(1,756,114)	(40)	1,355,220
NET SNF PATIENT REVENUE	2,738,993	1,575,080	1,163,913	74	865,252	21,267,438	19,204,398	2,063,040	11	18,502,693
OTHER OPERATING REVENUE	0	0	0	0	0	0	0	0	0	0
NET SNF OPERATING REVENUE	2,738,993	1,575,080	1,163,913	74	865,252	21,267,438	19,204,398	2,063,040	11	18,502,693
OPERATING EXPENSES:										
SALARIES & WAGES	895,331	861,383	33,948	4	837,156	10,611,976	10,271,626	340,350	3	10,014,184
REGISTRY	(260)	4,825	(5,085)	(105)	18,884	121,508	58,702	62,806	107	253,798
EMPLOYEE BENEFITS	849,455	535,689	313,766	59	833,746	6,898,212	6,395,857	502,355	8	6,847,454
PROFESSIONAL FEES	2,040	2,214	(174)	(8)	2,040	24,898	26,000	(1,102)	(4)	25,509
SUPPLIES	103,299	72,801	30,498	42	182,505	1,070,527	920,836	149,691	16	983,163
PURCHASED SERVICES	160,628	58,911	101,717	173	243,487	915,886	717,867	198,019	28	1,135,266
RENTAL	1,790	996	794	80	970	14,210	11,956	2,254	19	16,000
DEPRECIATION	41,275	40,897	378	1	40,070	482,675	490,759	(8,084)	(2)	487,898
INTEREST	0	0	0	0	0	0	0	0	0	0
OTHER	54,575	41,009	13,566	33	20,649	496,934	480,474	16,460	3	441,705
TOTAL EXPENSES	2,108,131	1,618,725	489,406	30	2,179,506	20,636,828	19,374,077	1,262,751	7	20,204,976
NET OPERATING INCOME (LOSS)	630,862	(43,645)	674,507	(1,545)	(1,314,254)	630,610	(169,679)	800,289	(472)	(1,702,283)
NON-OPERATING REVENUE\EXPENSE:										
DONATIONS	0	0	0	0	0	0	0	0	0	0
PROPERTY TAX REVENUE	26,066	26,066	0	0	49,985	312,792	312,790	2	0	316,000
OTHER NON-OPER EXPENSE	(8,343)	(8,342)	(1)	0	(10,376)	(110,151)	(110,151)	0	0	(153,588)
TOTAL NON-OPERATING REVENUE/(EXPENSE)	17,723	17,724	(1)	0	39,609	202,641	202,639	2	0	162,412
NET SURPLUS (LOSS)	648,585	(25,921)	674,506	(2,602)	(1,274,644)	833,251	32,960	800,291	2,428	(1,539,871)



San Benito Health Care District
 Hazel Hawkins Memorial Hospital
 JUNE 2022

Description	Target	MTD Actual	YTD Actual	YTD Target
Average Daily Census - Acute	13.90	19.87	20.67	14.29
Average Daily Census - SNF	86.00	85.77	82.31	82.99
Acute Length of Stay	2.98	2.79	3.25	3.03
ER Visits:				
Inpatient	95	169	1,804	1,208
Outpatient	1,643	1,996	21,790	20,986
Total	1,738	2,165	23,594	22,194
Days in Accounts Receivable	45.0	43.8	43.8	45.0
Productive Full-Time Equivalents	495.86	504.17	502.94	495.86
Net Patient Revenue	10,332,252	11,797,555	141,212,739	130,201,010
Medicare Traditional Payor Mix	28.23%	31.01%	30.71%	26.91%
Commercial Payor Mix	29.37%	20.61%	23.34%	30.90%
Bad Debt % of Gross Revenue	0.92%	0.20%	0.95%	0.92%
EBIDA	51,554	133,071	8,216,121	3,822,213
EBIDA %	0.47%	1.07%	5.52%	2.79%
Operating Margin	-4.36%	-3.13%	1.29%	-1.87%
Salaries, Wages, Registry & Benefits %: by Net Operating Revenue	67.15%	63.89%	62.56%	65.14%
by Total Operating Expense	64.35%	61.95%	63.37%	63.94%
Bond Covenants:				
Debt Service Ratio	1.25	4.38	4.38	1.25
Current Ratio	1.50	1.86	1.86	1.50
Days Cash on hand	30.00	44.2	44.2	30.00
Met or Exceeded Target				
Within 10% of Target				
Not Within 10%				

Statement of Cash Flows
Hazel Hawkins Memorial Hospital
Hollister, CA
Twelve months ending June 30, 2022

	CASH FLOW		COMMENTS
	Current Month 6/30/2022	Current Year-To-Date 6/30/2022	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss)	(\$175,525)	\$4,941,321	
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:			
Depreciation	333,299	3,931,389	
(Increase)/Decrease in Net Patient Accounts Receivable	(234,597)	(1,454,363)	
(Increase)/Decrease in Other Receivables	(1,910,644)	6,921,377	
(Increase)/Decrease in Inventories	48,365	(268,909)	
(Increase)/Decrease in Pre-Paid Expenses	(33,617)	(421,548)	
(Increase)/Decrease in Due From Third Parties	0	490,502	
Increase/(Decrease) in Accounts Payable	802,298	798,598	
Increase/(Decrease) in Notes and Loans Payable	0	0	
Increase/(Decrease) in Accrued Payroll and Benefits	(238,956)	(1,687,274)	
Increase/(Decrease) in Accrued Expenses	3,133	13,214	
Increase/(Decrease) in Patient Refunds Payable	(348)	8,558	
Increase/(Decrease) in Third Party Advances/Liabilities	(242,141)	(11,055,370)	
Increase/(Decrease) in Other Current Liabilities	(303,468)	10,857	Semi-Annual Interest - 2021 Insured Revenue Bonds
Net Cash Provided by Operating Activities:	(1,776,676)	(2,712,969)	
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of Property, Plant and Equipment	(692,646)	(6,031,559)	
(Increase)/Decrease in Limited Use Cash and Investments	0	0	
(Increase)/Decrease in Other Limited Use Assets	2,249,593	714,843	Bond Principal & Int Payment - 2014 & 2021 Bonds
(Increase)/Decrease in Other Assets	6,416	76,992	Amortization
Net Cash Used by Investing Activities	1,563,363	(5,239,724)	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Increase/(Decrease) in Bond/Mortgage Debt	595,609	1,408,759	Refinancing of 2013 Bonds with 2021 Bonds
Increase/(Decrease) in Capital Lease Debt	(1,048,520)	146,676	
Increase/(Decrease) in Other Long Term Liabilities	0	56,145	
Net Cash Used for Financing Activities	(452,911)	1,611,580	
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	25,000	
Net Increase/(Decrease) in Cash	(841,749)	(1,374,792)	
Cash, Beginning of Period	18,243,015	18,776,056	
Cash, End of Period	\$17,401,264	\$17,401,264	\$0

Cost per day to run the District

\$393,398

Operational Days Cash on Hand

44.23

52.9
6

**HAZEL HAWKINS HOSPITAL
BAD DEBT WRITE OFF
JULY
2022**

CCS BAD DEBT RECOVERY %:		16.00%
BAD DEBT RECOVERY \$: JUNE 2022	\$	62,575.32

COLLECTION CONSULTING SERVICES:

355 Accounts Ready for Collections	\$	295,313.78
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TOTAL BAD DEBT	\$	295,313.78
WRITE-OFF COUNT	#	355

CHARITY CARE June 2022

43 Accounts W/O to Charity	\$	249,875.92
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SLIDING FEE SCALE CLINICS June 2022

47 Accounts W/O to Sliding Fee Scale	\$	23,647.25
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TOTAL CHARITY CARE May 2022	\$	273,523.17
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***NOTE**

TOTAL WRITE-OFF	\$	568,836.95
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Hazel Hawkins Memorial Hospital
 Bad Debt Expense
 For the Year Ending June 30, 2022

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total		
Budgeted Gross Revenue	28,077,628	28,267,165	27,507,614	30,000,374	27,367,008	27,461,364	29,584,020	27,738,115	28,163,207	28,701,313	27,450,017	26,750,954	337,068,779		
Budgeted Bad Debt Expense	256,791	258,639	251,859	275,200	249,843	250,205	272,444	256,135	258,393	263,901	250,864	244,615	3,088,889		
BD Exp as a percent of Gross Revenue	0.91%	0.91%	0.92%	0.92%	0.91%	0.91%	0.92%	0.92%	0.92%	0.92%	0.91%	0.91%	0.92%		
Actual Gross Revenue	30,573,916	32,794,947	31,149,360	30,941,189	29,743,202	32,375,338	32,845,938	27,616,502	33,348,273	29,650,966	32,104,475	32,056,327	375,200,433		
Actual Bad Debt Expense	253,140	298,645	409,735	369,191	292,840	311,132	261,710	317,672	325,621	275,585	367,283	68,532	3,551,086		
BD Exp as a percent of Gross Revenue	0.83%	0.91%	1.32%	1.19%	0.98%	0.96%	0.80%	1.2%	1.0%	0.9%	1.1%	0.2%	0.95%		
Budgeted YTD BD Exp	3,088,889	1.00%													
Actual YTD BD Exp	3,551,086	0.95%													
													YTD Charity Exp Budget	815,269	
													YTD Charity Exp Actual	1,106,663	
Amount under (over) budget	(462,197)	0.05%												Amt under (over) budget	(291,394)
Prior Year percent of Gross Revenue	0.95%													Charity Exp % of Gross Rev	0.29%
Percent of Decrease (Inc) from Prior Year	0.4%														

11

Tasks	proposed budget	Actual cost	Price change	Explanation of price change
Architect Fees	\$ 42,560.00	\$ 42,560.00	\$ -	
Consultant fees	\$ -	\$ 40,000.00	\$ 40,000.00	Extended timeline (possible two additional months) due to all the changes required.
City Permit Fees	\$ 16,000.00	\$ 16,000.00	\$ -	
Demolition	\$ 10,000.00	\$ 10,000.00	\$ -	
Disposal Fees	\$ 500.00	\$ 2,000.00	\$ 1,500.00	Disposal fess for additional work needed
Framing	\$ 20,000.00	\$ 20,000.00	\$ -	
Insulation of walls	\$ -	\$ 2,500.00	\$ 2,500.00	New insulation will be needed due to asbestos removal
ADA compliance with building	\$ 9,000.00	\$ 9,000.00	\$ -	
Concrete changes to walkway entrance for ADA	\$ -	\$ 19,000.00	\$ 19,000.00	ADA compliance requires concrete work at walkway and entrance
Water heater	\$ -	\$ 6,000.00	\$ 6,000.00	Per CDPH, Hot water heater redundancy is needed.
Plumbing	\$ 10,000.00	\$ 10,000.00	\$ -	
HVAC	\$ 7,000.00	\$ 35,000.00	\$ 28,000.00	Per CA title 24, new AC and ducting will be needed to meet efficiency regulations.
Air Balance	\$ -	\$ 3,500.00	\$ 3,500.00	Air balancing will be needed for new HVAC system.
Electrical	\$ 5,000.00	\$ 12,000.00	\$ 7,000.00	Per CA title 24 all new lighting fixtures and devices are required to meet new energy standards.
Windows	\$ -	\$ 2,000.00	\$ 2,000.00	upgrade will help with energy savings.
Doors	\$ 17,000.00	\$ 17,000.00	\$ -	
Sheet rock	\$ 15,000.00	\$ 15,000.00	\$ -	Additional sheetrock and ceiling work to accommodate new HVAC ducting.
Asbestos removal	\$ -	\$ 24,000.00	\$ 24,000.00	Asbestos was found in the walls and must be removed.
Paint	\$ 11,000.00	\$ 11,000.00	\$ -	
Cabinets & counters	\$ 10,000.00	\$ 10,000.00	\$ -	
Flooring	\$ 18,000.00	\$ 18,000.00	\$ -	
IT	\$ 5,000.00	\$ 5,000.00	\$ -	

Original Budget \$ 196,060.00

New Cost \$ 329,560.00

Price Delta \$ 133,500.00

21, 2021

07/19/2022

SUNSET DR PARKING LOT REPAIRS

BID TOTALS

MONTEREY PENINSULA
ENGINEERING

<u>Biditem</u>	<u>Description</u>	<u>Quantity</u>	<u>Unit</u>	<u>Unit Price</u>	<u>Bid Total</u>
10	AC REPAIRS	7,000.000	SF	6.50	45,500.00
20	SEAL COAT	175,000.000	SF	0.30	52,500.00
30	STRIPPING	1.000	LS	7,000.00	7,000.00
<hr/>					
Bid Total =====>					\$105,000.00
<hr/>					

01.
13

Summary of California Nursing Association (C.N.A.) agreement

- 1) A 4-year agreement effective 01/01/2022 through December 31, 2025.
- 2) Wage increases:
 - 3.5% year 1, retro increase to the 1st full pay period in January 2022.
 - 3.0% year 2
 - 3.0% year 3
 - 3.0% year 4
- 3) Insurance Premium increase:
 - Fulltime Family Plan, \$90 to \$200 per month
 - Fulltime Single Plan, \$15 to \$100 per month
 - Part-time Family Plan, \$135 to \$250 per month
 - Part-time Single Plan, \$76.12 to \$150 per month
 - RNs will pay an additional \$50 per month for each family member exceeding five members.
- 4) Two additional Federal Holidays recognized for RNs who work on those days.
 - Martin Luther King, Jr.
 - Juneteenth
- 5) Vacation and Holiday hours converted to a new PTO plan.
- 6) Removed cash-out for Sick Hours in excess of 640 Cap.
- 7) CE Hours must be used in the year they are earned and will not be carried over to future years.
- 8) Small increase for shift differentials.
 - Charge Nurse: \$2.00 to \$3.50 per hour
 - Evening Shift Differential \$3.50 to \$4.25 per hour
 - Night Shift Differential \$5.25 to \$5.75
- 9) RNs will receive a minimum of 2 hours pay at a 1.5 hourly rate when called back from standby.
- 10) Contract language was updated that had no financial impact.

RESOLUTION NO. 2022-12

OF THE BOARD OF DIRECTORS OF
SAN BENITO HEALTH CARE DISTRICT

REGARDING UNION BANK

Whereas, California Government Code 53679 stipulates that money not under control of the treasurer but belonging to a local agency and under the control of any of its officers or employees other than the treasurer may deposit funds as active deposits or inactive deposits;

Whereas, for deposits in excess of the amount insured under any federal law, a contract in accordance with Section 53649 is required;

Whereas, Board of Directors (“Board”) of the San Benito Health Care District (“District”) desires to enter in contract with Union Bank N.A. (“Bank”) so that such deposits may be made; and

NOW, THEREFORE, BE IT RESOLVED THAT:

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by reference.
2. The officer now or subsequently holding the position of Controller of the District is authorized by the District under California Government Code 53649 to enter into any contract with Bank relating to any deposit, which in their judgment is to the public advantage. Contracting requirements could include:
 - a. Establish bank accounts and services.
 - b. Sign, or change in writing, agreements with the Bank regarding the District’s bank deposit relationship.
 - c. Specify in writing to the Bank the individuals who are authorized in the name of and on behalf of the District to:
 - Withdraw funds from any of the District’s banking accounts on the Public Entity’s checks or orders;
 - Endorse and deliver to the Bank, for any purposes, and in any amount, negotiable or non-negotiable items of any kind, and owned by, or held by, or payable to the District; and
 - Send, review, and/or authorize wire and electronic transfers of funds from the District accounts. Such authority may be exercised by such authorized individual acting alone, regardless of any multiple signature requirements otherwise applicable to the accounts.
 - Otherwise access the Bank’s deposit accounts.

3. This authority has been granted by the District Board and shall remain in effect until the Bank receives written notice of revocation at the Office where the District's banking relationship is maintained.
4. This Resolution shall take effect immediately upon its adoption.

Dated: _____, 2022

AYES: _____

NOS: _____

ABSENCES: _____

ABSENT: _____

Chairperson

RESOLUTION NO. 2022-13

OF THE BOARD OF DIRECTORS OF
SAN BENITO HEALTH CARE DISTRICT

ADOPTING AMENDMENT NO. 1 TO THE AMENDED AND RESTATED
SAN BENITO HEALTH CARE DISTRICT PENSION PLAN

Whereas, the San Benito Health Care District (“District”) maintains the amended and restated San Benito Health Care District Pension Plan effective January 1, 2022 (“Plan”) regarding retirement income for eligible employees of the District;

Whereas, the District has decided to amend the above-referenced Plan by adopting a provision that allows the District to identify specific employment positions eligible for District contributions;

Whereas, the Board has been presented with an “Amendment No. 1” to the Plan attached hereto for approval; and

Whereas, the Board has reviewed and evaluated the proposed Amendment No. 1 and authorizes the District to adopt Amendment No. 1.

NOW, THEREFORE, BE IT RESOLVED

1. The Recitals set forth above are true and correct and are incorporated into this Resolution by reference.
2. The Board has hereby approved the proposed Amendment No. 1 and authorizes the District to adopt the Amendment to the Plan, to be effective on August 1, 2022.
3. The Board authorizes the execution of the amended Plan document and authorizes the performance of any other actions necessary to implement the adoption of the Plan amendment. The Board may designate any members of the Board (or other authorized person) to execute the amended Plan document and perform the necessary actions to adopt the amended Plan. The District will maintain a copy of the amended Plan, as approved by the Board, along with a copy of the prior Plan, in its files.
4. The District will act as administrator of the Plan and will be responsible for performing all actions necessary to carry out the administration of the Plan. The District may designate any other person or persons to perform the actions necessary to administer the Plan;
5. Plan participants shall be provided with a summary of the Plan provisions within a reasonable period following the adoption of the restated Plan.
6. This Resolution shall take effect immediately upon its adoption.

Dated: _____, 2022

AYES: _____

NOS: _____

ABSESIONS: _____

ABSENT: _____

Chairperson

Board of Directors Contract Review Worksheet

Chief Medical Officer Agreement for **Michael Bogey, M.D.**

Executive Summary: Dr. Michael Bogey currently serves as the hospital's Chief Medical Officer 40 hours per month with Exhibits for supervision and professional direction over the District's Healthcare Facilities and Home Health, Palliative Care & Utilization Review programs. As part of the hospital's Level 4 Trauma designation, a Trauma Program Medical Director is required to be in place.

Recommended Board Motion: It is recommended the hospital Board approve combining the original CMO Agreement and subsequent Exhibits into one master Agreement for 45 hours per month that includes 5 hours for Trauma Program.

Services Provided: Chief Medical Officer coverage.

Addendum Terms:

Contract Term	Effective Date	FMV %ile	Base Monthly Increase	Estimated Annual Cost Increase	Term clause
1 year with auto-renew	8/1/2022	<75th	\$750	\$9,000	30 days

Contract Rate: \$150 per hour x 45 hours a month for an annual cost of \$81,000.

**SAN BENITO HEALTH CARE DISTRICT
CHIEF MEDICAL OFFICER AGREEMENT**

This Director of Medical Affairs Agreement (“Agreement”) is made and entered into effective **August 1, 2022** (“Effective Date”), by and between **San Benito Health Care District**, a local health care district organized and operating pursuant to Division 23 of the California Health and Safety Code (“SBHCD”), and **Michael Bogey, M.D.** (“Physician”).

RECITALS

- A. SBHCD provides inpatient and outpatient health care services to residents of the San Benito Health Care District and surrounding communities (“Service Area”) through Hazel Hawkins Memorial Hospital, a licensed general acute care facility located in Hollister, California (“Hospital”), William and Inez Mabie Skilled Nursing Facility and Mabie Northside Skilled Nursing Facility, skilled nursing facilities located in Hollister, California (“SNF Facilities”), and rural health clinics operated under the name “Hazel Hawkins Community Health Clinic,” (collectively, “Healthcare Facilities”).
- B. SBHCD has need for a physician to act as Chief Medical Officer for its Healthcare Facilities, including its Home Health and Utilization Review Management Programs, in order to work with SBHCD administration to ensure service line excellence through quality, efficiency, patient experience, and medical staff relations. Physician will provide leadership and oversight of health care guidelines that are consistent with evidence-based medicine, federal and state regulations, and accreditation requirements, which promote quality outcomes.
- C. Physician is licensed to practice medicine in the State of California, is a member of Hospital’s Medical Staff, and is qualified to perform the administrative and professional duties associated with the position of Chief Medical Officer.
- D. SBHCD desires that Physician serve as Chief Medical Officer, and Physician has agreed to do so in accordance with the terms of this Agreement.

The Parties agree as follows:

- 1. Appointment as Chief Medical Officer. SBHCD appoints Physician, and Physician hereby accepts such appointment, to serve as the Chief Medical Officer (“CMO”) during the term of this Agreement and in accordance with its terms and conditions.
- 2. Chief Medical Officer Duties and Responsibilities. Physician’s duties and responsibilities under this Agreement shall include services for (i) the SBHCD Healthcare Facilities, (ii) the SBHCD Home Health Program, (iii) the SBHCD Utilization Review Management Program, and (iv) the SBHCD Trauma Program, as set forth in Exhibit A, Exhibit B, Exhibit C, and Exhibit D, respectively, as and when such services are requested by SBHCD (“Services”).
- 3. Medical Staff Membership.
 - 3.1 Position Independent of Staff Membership. This Agreement and the CMO position are independent of Physician’s Medical Staff membership at Hospital. Any rights Physician may have as a Medical Staff member, such as but not limited to, fair hearing or any other similar rights or procedures for termination of Medical Staff membership and clinical privileges, do not apply to termination of this Agreement or the position of CMO. Termination of this Agreement or the position of CMO shall be governed exclusively by the written terms of this Agreement, except as otherwise required by law.

- 3.2 Medical Staff Membership Required. As a condition to performing the Services under this Agreement, Physician shall have and maintain membership in good standing on the Medical Staff of Hospital and secure and maintain clinical privileges necessary to perform the duties associated with the position of CMO.
4. Licensure and Standards. Physician shall:
- 4.1 Be licensed to practice medicine in the State of California;
 - 4.2 Maintain current Board Certification or the equivalent in accordance with state regulations;
 - 4.3 Maintain unrestricted membership on the Medical Staff of Hospital;
 - 4.4 Comply with all policies, bylaws, rules and regulations of Hospital and its Medical Staff applicable to the Services under this Agreement;
 - 4.5 Comply with all applicable governmental laws and regulations and accreditation standards and perform in accordance with applicable professional organizations; and
 - 4.6 Conduct and participate in quality assurance, utilization review, credentialing, and other functions related to Services. Physician will report to SBHCD administration the results of such functions as appropriate. Physician will utilize the findings to modify existing programs and to develop new programs and procedures as may be appropriate for the Services.
 - 4.7 Maintain current Advanced Trauma Life Support certification or Comprehensive Advanced Life Support certification with Benchmark Lab or Trauma Module.
5. Compensation and Billing.
- 5.1 CMO Services. Physician shall be compensated for all Services performed under this Agreement as requested and approved by SBHCD in the amount of **One Hundred Fifty Dollars (\$150.00) per hour**. Physician shall devote sufficient time to fulfill Physician's obligations under this Agreement, but Physician's hours performing Services under this Agreement **shall not exceed forty-five (45) hours per month**.
 - 5.2 Reimbursement of Approved Expenses. SBHCD will reimburse Physician for reasonable expenses pre-approved by the SBHCD Chief Executive Officer ("CEO") as incurred by Physician directly related to Physician's Services under this Agreement.
 - 5.3 Payment. Payment for CMO Services performed by Physician will be made by SBHCD within thirty (30) days of the date that Physician submits the time report for the previous month's work. Payment for Services is contingent upon Physician's timely submission of the Time Report, attached to this Agreement as Exhibit E. No payment shall be made unless and until Physician submits the Time Report as required by this Agreement. As requested by Physician, all payments will be made payable to Michael Bogey, MD, Inc.
 - 5.4 Fair Market Value. The parties acknowledge, agree, and warrant to the other that the compensation provided pursuant to this Agreement is reasonable and not in excess of the fair market value of the services to be rendered by Physician.
6. Record Keeping Requirements
- 6.1 Time Records. Physician shall provide SBHCD with information and documentation which SBHCD may require from time to time. This information and documentation shall include, but not be limited to, Time Reports accurately documenting the Services provided

under this Agreement by Physician to SBHCD. Physician shall submit a monthly Time Report of the hours spent providing Service under this Agreement. Time Reports shall be submitted to Hospital no later than the tenth (10th) day after each month for which a Time Report is required.

- 6.2 Administrative Records. Until the expiration of four (4) years following the furnishing of Services pursuant to this Agreement, Physician shall make available, upon written request, to the Secretary of the Department of Health and Human Services or, upon request, to the Comptroller General, or any of their duly authorized representatives, this Agreement, and any books, documents and records of Physician that are necessary to certify the nature and extent of the costs of furnishing such Services under this Agreement.

7. Term and Termination

- 7.1 Term. This Agreement shall commence on the Effective Date and continue for a period of one (1) year, and shall automatically renew for successive one (1) year periods unless earlier terminated pursuant to the terms of this Agreement.

- 7.2 Termination Without Cause. Either party shall have the right to terminate this Agreement without stating a cause or reason and without cost or penalty upon not less than thirty (30) days' prior written notice to the other party.

- 7.3 Termination With Cause. Either party may terminate this Agreement at any time upon the following defaults, if any such default is not cured within fifteen (15) days after written notice of such default:

7.3.1 The other party's failure to perform any of its material obligations under the terms of this Agreement;

7.3.2 Any restriction or limitation being imposed by a governmental or accrediting authority having jurisdiction over the party to such an extent that it cannot without significant risk of violating the rules or regulations of such authority or the conditions of participation in a governmental program, engage in the provision of health care or professional services as required hereunder; or

7.3.3 The other party's filing of a petition in bankruptcy or having such a petition filed against it or having commenced against it any other similar insolvency proceeding.

- 7.4 Immediate Termination. SBHCD may terminate this Agreement immediately if:

7.4.1 Physician becomes involved in a pending criminal action or proposed debarment, exclusion, or other sanctioning action related to any federal or state healthcare program, or commits a felony or any offense involving fraud, theft or embezzlement;

7.4.2 Physician fails to maintain membership on the Medical Staff of Hospital in accordance with all applicable provisions of the Hospital's Medical Staff Bylaws; or

7.4.3 Physician violates any law or regulation relating to Medicare or Medi-Cal fraud and abuse, or to billing under the Medicare or Medi-Cal programs.

- 7.5 Effect of Termination. Following termination of the Agreement for any reason, the parties shall cooperate in the resulting transition of the Services.

8. Insurance. CMO Services are covered under SBHCD's insurance for such activities. During the term of this Agreement, Physician shall separately have and maintain professional liability

insurance with limits of not less than One Million Dollars (\$1,000,000) per incident and Three Million Dollars (\$3,000,000) annual aggregate. Such separate professional liability insurance may be purchased personally by Physician or provided to Physician pursuant to a professional or personal services agreement.

9. Independent Contractor. Physician is entering into this Agreement as an independent contractor of SBHCD. Neither party to this Agreement shall be deemed the employee, agent, partner, joint venturer, officer, principal or other representative of the other party. Each party shall have control over the hiring and firing of its own employees and shall pay all social security, withholding tax and other payroll charges applicable to him/it and to its own employees.
10. Conflict of Interest.
 - 10.1 Non-Competition. During the term of the Agreement, Physician shall not, directly or indirectly, serve in any administrative capacity for, or have any direct financial interest in, any other hospital, outpatient facility, or medical practice located within a thirty (30) mile radius of SBHCD's Service Area, without prior written permission from SBHCD.
 - 10.2 Disclosure. Physician agrees to report immediately any conflict or potential conflict of interest to SBHCD and to give full disclosure of facts pertaining to any transaction or related activity that may be reasonably construed as a conflict of interest. Physician further agrees to report to SBHCD any influence adversely affecting the decision-making process of Physician pertaining to the performances of Services under this Agreement.
11. Assignment. Physician may not assign or subcontract any portion of this Agreement without the prior written consent of SBHCD. SBHCD may assign this Agreement, in whole or in part, to any entity directly owned or controlled by, or which owns or controls, or which is under common ownership or control of SBHCD.
12. Legal Compliance.
 - 12.1 General Obligation. The parties are entering into this Agreement intending to comply with all provisions of applicable law and regulations. Nothing in this Agreement shall be construed to permit or require any illegal act.
 - 12.2 No Compensation for Referrals. The parties agree that nothing in this Agreement shall be construed to require SBHCD, Hospital, or Physician to make referrals of patients to one another. No payment is made under this Agreement for the referral of patients or in return for the ordering, purchasing or leasing of products or services from SBHCD or Hospital. Physician agrees, represents, and warrants that Physician will maintain full compliance with all applicable federal, state and local laws and regulations.
13. SBHCD Compliance Program. Physician acknowledges that SBHCD has implemented a compliance program for the purpose of ensuring that the provision of care at SBHCD is in compliance with applicable federal and state laws ("Compliance Program"). Physician acknowledges that Physician has received information relating to such Compliance Program, including Hospital's Code of Ethics. Physician agrees to comply with all applicable laws and adhere to, abide by and support the Compliance Program and policies promulgated therein. Physician shall participate in training and education sessions relating to the Compliance Program upon the request of SBHCD.
14. Physician's Warranties. Upon execution of this Agreement, Physician agrees, represents and warrants that Physician: (i) has not been convicted of a criminal offense related to healthcare (unless Physician has been officially reinstated into the federal healthcare programs by the Office

of Inspector General (“OIG”) and provided proof of such reinstatement to SBHCD); (ii) is not currently under sanction, exclusion or investigation (civil or criminal) by any federal or state enforcement, regulatory, administrative or licensing agency or is ineligible for federal or state program participation; and (iii) is not currently excluded from the federal procurement and non-procurement programs.

14.1 Notification Requirements. Physician agrees that if Physician becomes involved in a pending criminal action or proposed debarment or exclusion related to any federal or state healthcare program, Physician shall immediately notify SBHCD administration and SBHCD shall then have the right to terminate this Agreement.

15. HIPAA Compliance. Physician shall have access to medical records and other information regarding patients of Hospital or patients involved in Services (“Protected Health Information”). Physician shall maintain the confidentiality of all Protected Health Information in compliance with all applicable federal, state, and local laws and regulations, including, but not limited to, the California Confidentiality of Medical Information Act. Physician agrees to comply with the applicable provisions of the U.S. Department of Health and Human Services regulations on “Standards for Privacy of Individually Identifiable Health Information” (“Privacy Standards”), “Security Standards for the Protection of Electronic Protected Health Information” (“Security Standards”), “Standards for Notification in the Case of Breach of Unsecured Protected Health Information” (“Breach Notification Standards”), and “Rules for Compliance and Investigations, Impositions of Civil Monetary Penalties, and Procedures for Hearings” (“Enforcement Rule”) promulgated pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), the Health Information Technology for Economic and Clinical Health Act (“HITECH Act”), and the Genetic Information and Nondiscrimination Act of 2008 (“GINA”) (Privacy Standards, Security Standards, Breach Notification Standards, and Enforcement Rule are collectively referred to herein as the “HIPAA Standards”). Physician agrees not to use or further disclose any protected health information, as defined in 45 C.F.R. § 160.103 (“Protected Health Information”), concerning a patient other than as permitted or required by this Agreement or otherwise authorized under the HIPAA Standards. Physician agrees that Physician shall:

- A. Not use or further disclose Protected Health Information in a manner that would violate the requirements of applicable laws or this Agreement.
- B. Use appropriate safeguards to prevent use or disclosure of Protected Health Information except as permitted by law and the terms of this Agreement.
- C. Report to Hospital any use or disclosure of Protected Health Information not permitted by law or by this Agreement of which Physician becomes aware.
- D. Comply with the elements of any compliance program established by Hospital that applies to the use of or disclosure of Protected Health Information.

15.1 Hospital may terminate this Agreement with Physician at any time if it determines that Physician has violated a material term of this Section after providing Physician written notice of the violation and said violation is not cured to Hospital’s reasonable satisfaction within ten (10) days after notice.

15.2 At termination of this Agreement and after first consulting with Hospital, Physician shall return or destroy all Protected Health Information received from, or created by Hospital and retain no copies of such Protected Health Information or, if such return or destruction is not permissible under law or the terms of this Agreement or is not otherwise feasible, shall continue to maintain all Protected Health Information in accordance with the provisions of this Section and shall limit further uses and disclosures to those purposes that

make the return or destruction of the information infeasible. Physician's obligations under this Section shall survive the termination of this Agreement.

16. Applicable Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California. Venue shall be in San Benito County, California.
17. Limitation of Liability. Each party shall be responsible for its own acts and omissions and shall be liable for payment of that portion of any and all claims, liabilities, injuries, suits, and demands and expenses of all kinds that may result or arise out of any alleged malfeasance or neglect caused or alleged to have been caused by said party, its employees, agents, or subcontractors, in the performance or omission of any act or responsibility of said party under this Agreement. If a claim is made against both parties, each party will cooperate in the defense of said claim and cause their insurers to do likewise. Each party shall, however, retain the right to take any and all actions it believes necessary to protect its own interests.
18. Notices. Service of all notices under this Agreement shall be sufficient if hand-delivered, mailed to the party involved at its respective address set forth in this Agreement, by certified or registered mail, return receipt requested, or sent by nationally recognized overnight courier service, addressed to the appropriate party as indicated above each party's signature.
19. Waiver of Provisions. Any waiver of any terms and conditions of this Agreement must be in writing and signed by the parties to this Agreement. A waiver of any of the terms and conditions of this Agreement shall not be construed as a waiver of any other terms and conditions of this Agreement or a continuing waiver of the terms and conditions waived.
20. No Third-Party Rights. This Agreement is made solely for the benefit of the parties and their respective and permitted assigns. Nothing in this Agreement shall confer any rights or remedies on any persons other than the parties to it and nothing herein shall relieve or discharge the obligation or liability of any third persons.
21. Partial Invalidity. If a lawful forum finds any part of this Agreement invalid or unenforceable, such finding shall not invalidate the remaining provisions, unless such invalidity or unenforceability would defeat an essential business purpose of this Agreement.
22. Amendments. This Agreement may be amended by mutual agreement in writing and signed by each party of the parties without additional consideration.
23. Other Agreements. This Agreement may be one of several between SBHCD and Physician dealing with different aspects of their relationship. SBHCD maintains a current master list of all such agreements available for review by the Secretary of the United States Department of Health and Human Services in accordance with the requirements of Stark regulations.
24. Entire Agreement. This Agreement, with exhibits, and all documents referred to herein constitute the entire agreement between the parties with respect to the subject matter hereof. This Agreement supersedes all prior and contemporaneous agreements, representations and understandings of the parties which relate to the subject matter of this Agreement.

The Parties have executed this Agreement as of the Effective Date first set forth above.

SBHCD
San Benito Health Care District
911 Sunset Drive, Hollister, CA 95023

Physician
Michael Bogey, M.D.
3518 Greenfield Pl., Carmel, CA 93923

By: _____
Chief Executive Officer

Michael Bogey, M.D.

Date: _____

Date: _____

Physician and Group acknowledge and agree that payment due to Physician by SBHCD shall be paid directly to Group.

ACKNOWLEDGED AND AGREED

GROUP
Michael Bogey, MD, Inc.

PHYSICIAN
Michael Bogey, MD

By: _____
Michael Bogey, MD, Chief Executive Officer

Michael Bogey, MD

EXHIBIT A

**Chief Medical Officer
Duties and Responsibilities
For
SBHCD Healthcare Facilities**

As CMO, Physician shall provide the following services to **SBHCD Healthcare Facilities** ("Facilities"), as and when requested by SBHCD:

1. Provide medical supervision and professional direction to the Facilities staff in order to ensure quality of care.
2. Actively participate in the quality assessment and performance improvement processes, which includes utilizing an analysis of quality performance measures data.
3. Work with SBHCD administration in collaboration with multi-disciplinary teams in the development, communication, implementation and evaluation of policies, procedures and protocols addressing all necessary elements of Facilities activities.
4. Work with the administrative director of the Facilities, in collaboration with multi-disciplinary teams, to develop appropriate evidence-based clinical pathways that promote quality patient outcomes, operational efficiencies and inter-service collaboration.
5. Provide leadership related to all mandated governmental initiatives, including information technology related measures and quality metrics.
6. Assist in preparation for, and participate in, licensure and accreditation surveys involving the Facilities.
7. Provide appropriate in-service education and training for staff and other appropriate Facilities personnel as requested.
8. Assist with resolution of Facilities issues, including patient complaints pertaining to the care provided.
9. Report to the SBHCD Chief Executive Officer regarding service issues, as appropriate.
10. Participate in palliative care activities, as needed
11. Perform such other duties as SBHCD may reasonably assign to the CMO.

EXHIBIT B

Chief Medical Officer Duties and Responsibilities For SBHCD Home Health Program

As CMO, Physician shall provide the following services to the **SBHCD Home Health Program** (“Home Health”), as and when requested by SBHCD:

1. Provide a minimum of two (2) annual education and in-service instruction programs for Home Health’s nursing and ancillary personnel.
2. Make recommendations to SBHCD’s administration regarding the use of Home Health personnel, the necessary equipment, and general quality standards of patient care in connection with Home Health.
3. Serve as a liaison to the appropriate Medical Staff committees relevant to Home Health.
4. Review and make recommendations as necessary to revise Home Health’s policies and procedures. While this is an ongoing duty, an annual summary is to be provided to the CEO and CNO.
5. Review records and reports of patient service in Home Health to promote quality of patient care. Document a summary of this quality review with the SBHCD Quality/Risk Manager semi-annually.
6. Conduct random patient chart review quarterly and recommend criteria and clinical indicators for facilitating and improving services.
7. Consult with Home Health staff regarding appropriateness of admissions to and discharges from home care.
8. Communicate with patients’ physicians regarding patient care, including such issues as appropriateness of care, signing, and returning orders in a timely manner, etc.
9. Perform such other duties as Home Health may reasonably assign to the CMO.

EXHIBIT C

**Chief Medical Officer
Duties and Responsibilities
For**

SBHCD Utilization Review Management Program

As CMO, Physician shall provide the following services to the **SBHCD Utilization Review Management Program** ("Program"), as and when requested by SBHCD:

1. Assist with medical/geriatric administration and case management problems.
2. Conduct random patient chart review quarterly and recommend criteria and clinical indicators for facilitating and improving services.
3. Assist with the development of outcomes measurement and programs' integrity. Establish goals and review actions towards accomplishing these goals quarterly.
4. Assist with overall case management and reviews so as to improve patient outcomes and the appropriate utilization of the programs and services.
5. Participate in and/or review utilization management functions, payer determinations and appeals, as requested. Conduct second level medical necessary reviews for all patient cases that do not meet first level screening criteria or do not have a documented expectation of length of stay.
6. Provide recommendations on inpatient admissions, outpatient and observation services, and other hospital level services. Conduct peer to peer discussions with commercial payer medical directors for cases that are being concurrently denied. Perform commercial payer reviews and denial appeals, as needed and appropriate.
7. Review length of stay and facilitate discussions with the attending physician about the plan of care. Offer guidelines about level of care, length of stay, readmissions, and other utilization issues.
8. Follow the Utilization Management Plan process for physician disagreements.
9. Conduct a concurrent review of government and/or commercial cases to evaluate the opportunity for additional specificity for documentation based upon available information.
10. Educate Hospital staff and physicians on utilization management and documentation quality issues, as requested, including medical necessity criteria and regulations.
11. Serve the Hospital through teaching, consulting, and advising the Hospital Medical Staff and clinical utilization and clinical documentation issues which will help the Hospital's Medical Staff achieve accurate inpatient coding and efficient patient throughput.

EXHIBIT D

Chief Medical Officer Duties and Responsibilities For SBHCD Trauma Program

As CMO, Physician shall provide the following services to the **SBHCD Trauma Program** (“Program”), as and when requested by SBHCD:

A. Administration

1. Participate in the research, development and writing of Program policies, protocols, and practice guidelines.
2. Implement all Program policies and procedures as they pertain to patient care.
3. Organize, direct, and integrate the Program with all other departments and services within the Hospital.
4. Promote a cooperative and collaborative working environment among the clinical disciplines involved in trauma care.
5. Maintain an effective working relationship with the Medical Staff, Program staff, administration, and other departments.
6. Provide advice and direction in recommending privileges for the Program.
7. Participate in Program marketing activities.
8. Establish a physician case management process that fosters cost-effective, high quality patient care.
9. Assess the need for equipment, supplies, budget.
10. Assists the Program coordinator in developing and meeting the Program budgetary goals.
11. Oversee, participate in, and develop projects that ensure the cost-effectiveness of care provided by physicians and Hospital staff.

B. Program Initiatives

1. Lead efforts to develop and maintain a trauma center.
2. Collaborate with the Program coordinator to establish Program goals and objectives consistent with those of the Hospital and ensure that those of the Program are being met.
3. Develop and provide input on the development and maintenance of practice guidelines, policies, and methodologies for medical/surgical trauma care.
4. Assist in preparation for, and participate in, site review by regulatory and accreditation agencies.
5. Organize, direct, and implement Program practices to assure continued compliance with applicable laws and accreditation standards, including the guidelines established by the Statewide Trauma System and The Joint Commission.
6. Demonstrate positive interpersonal relations with colleagues, referral physicians, Hospital personnel, patients, and families in order to achieve maximum operational effectiveness and customer satisfaction.

7. Assure transfer agreements are in place and in good standing; maintain relationship with receiving facilities; foster collaborative relationships.
8. Make appropriate referrals for specialty services and communicate regularly with referring physicians as appropriate.
9. Assume clinical responsibility for all trauma patients.
10. Ensure that adequate attending physician availability is provided to render care to trauma patients.
11. Ensure establishment of physician/surgeon call schedules for all trauma care, excluding those who do not meet educational and credentialing requirements.
12. Provide trauma care leadership and consultation for emergency, surgery, and intensive care unit departments.
13. Participate in regional and statewide activities affecting the Program.
14. Attend local and national meetings and conferences to remain current regarding issues relevant to the performance of duties.
15. Demonstrate consistent, efficient, cost effective, and quality trauma care at all times.
16. Participate in trauma patient/family satisfaction projects as developed by Hospital.

C. **Performance Improvement ("PI")**

1. Determine and implement PI activities appropriate to the Program.
2. Oversee the Program's PI program and participate in other quality initiatives that involve the care of injured patients.
3. Review and investigate all Program PI inquiries in collaboration with the Program coordinator and refer to the appropriate committees.
4. Monitor compliance with trauma treatment guidelines, policies, and protocols.
5. Assure that the quality and appropriateness of patient care are monitored and evaluated and that appropriate actions based on findings are taken on a consistent basis.
6. Report quality of care issues promptly to appropriate individuals, including the Program coordinator and Hospital administration.
7. Identify and correct deficiencies in Program policies, guidelines, and protocols.
8. Consult with appropriate Medical Staff and administration regarding quality care issues and adverse outcomes; identify areas to improve patient care.
9. Assure that the continuum of care is maintained.
10. Identify representatives from various disciplines appropriate to participate in PI activities.
11. Coordinate, schedule and facilitate the Program's PI peer review process.
12. Chair the Morbidity and Mortality Committee meetings and the Multidisciplinary Trauma Conference.
13. Review all trauma-related peer review and initiate action as necessary.
14. Assist the Program coordinator in evaluating the effectiveness of corrective actions resulting from the PI processes.

15. Assume responsibility for the accuracy and validity of trauma statistics.

D. **Clinical Education**

1. Support the requirements for trauma CME by participating and assisting in the education and training of Hospital personnel and physicians.
2. Provide education for Hospital staff regarding Program policies and appropriate medical practices.

E. **Community Outreach**

1. Maintain relations with community organizations and legislative bodies whose activities relate to trauma care and injury prevention.
 2. Participate in Hospital outreach activities as may be requested by administration.
 3. Develop and participate in community education regarding trauma and injury prevention activities.
 4. Function as a liaison to other hospitals within the region.
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**BOARD OF DIRECTORS
DISTRICT FACILITIES & SERVICE DEVELOPMENT COMMITTEE
VIA TELECONFERENCE**

**Thursday, July 21, 2022
4:00 P.M. – Hybrid Zoom Meeting**

MINUTES

PRESENT: Jeri Hernandez, Board President
Bill Johnson, Board Secretary
Steven Hannah, Chief Executive Officer
Mark Robinson, VP/Chief Financial Officer
Mary Casillas, VP/Chief Operations Officer
Adrian Flores, Plant Operations Director

I. CALL TO ORDER:

The meeting of the District's Facilities & Service Development Committee was called to order by Jeri Hernandez at 4:00p.m. via Hybrid Zoom. The meeting will be recorded for purposes of taking minutes.

II. REVIEW OF MINUTES:

The minutes of the District's Facilities & Service Development Committee of June 16, 2022, were reviewed.

III. MASTER PLAN:

- SPC-4d:
Adrian F. reported that a decision on moving forward on a report for non-structural repairs/upgrades should be decided on by end of year 12/2022 to allow for enough time to complete the report/investigation by 1/2024.
- Maple Street Building:
Adrian F. reported that he met with David and there are six Architects lined up to interview. Mary C. reported that they are looking at putting the Orthopedic Surgeons in that space as well as Physical Therapy, possible meeting space, an elevator and possible diagnostic x-ray services.
- Current Campus Bed Optimization Plan:
Adrian F. nothing new to update.
- Women's Center 3rd Floor Buildout:
Steve H. reported that moving forward, the person that will be reporting on a specific item will be listed on the agenda for that item.
 - 1) Financing Plan – Mark F. reported that once they get a cost from Finance it will take approximately six months.
 - 2) Design and Buildout Timeline – Mary C. reported that they are looking at starting the scope of this project in six months. Steve H. stated that it still hasn't been decided if this is going to be a Foundation Capital Campaign.

IV. UPDATE ON CURRENT PROJECTS:

- Acute Roof Replacement:
Adrian F. reported that the roof will be completed on July 22, 2022.
- Northside SNF Chiller Replacement:
Adrian F. reported that it was replaced but waiting for a control board to complete the installation.

- Northside SNF Generator:
Adrian F. reported that they are working with an electrical Engineer to obtain a feasibility study to see if they will be able to put the entire facility on backup power.
- Office Refresh for General Surgeons:
Adrian F. reported that the asbestos is being removed now and should be completed by the end of next week. Once completed they should get the permit from the City. Once the permit is received, they can start doing demo on the walls. The City did come back stating we need to make some changes to the restroom door. Current completion timeline is the end of October beginning of November.

V. CURRENT PROJECTS ON HOLD:

- CAT Scanner:
Mary C. reported that it is still pending based on what direction they go with Maple Street.

VI. OTHER PROJECTS:

- Grounds Maintenance:
Adrian F. reported that the landscaping on highway 25 is currently being watered twice a week as allowed per the City of Hollister Emergency Water Conservation Regulations. Stand up spray irrigation is being installed and we will continue to follow the Emergency Water Conservation Regulations.
- Parking:
 - a. Reseal Parking Lot;
Mark R. reported that they received one bid for \$105,000 and it was accepted. Steve H. inquired how we will handle employee parking. Adrian F. reported that last time the parking lot was done, employees were asked to park at the Target Parking lot and they were shuttled via rental vans back and forth to the Hospital.
- Acute Patient Room Refresh:
Adrian F. reported that all of the rooms have been completed.
- Front Lobby Registration Doors:
Adrian F. reported that he has received a sample and is waiting for pricing.
- Main Lobby Cafeteria Area:
Adrian F. reported that the wall is a structurally sound wall and we may not be able to go with anything larger than a 10-12' opening. We are working with an Architect to see what our options are.
- Mabie SNF Flooring:
Adrian F. reported that they started replacing the flooring last week. Current ETA for completion should be by the first week of August.

VII. OPEN DISCUSSION:

- Mabie SNF Exit Door:
Jeri H. inquired regarding the exit door located past the nurse's station. It was an issue with patients getting out due to the door being out of site of the Nurses station. Mary C. reported that they currently have signage to detour anyone from using that exit door. Adrian F. will look into what is currently being done and report back to the Committee.

VIII. ADJOURNMENT:

There being no further business, the meeting was adjourned at 4:23PM.