



Mayers Memorial Hospital District

Chief Executive Officer

Matthew Rees, MBA

Board of Directors

Abe Hathaway, President
 Michael D. Kerns, Vice President
 Allen Albaugh, Treasurer
 Beatriz Vasquez, PhD, Secretary
 Art Whitney, Director

BOARD of DIRECTORS
MEETING AGENDA
 January 28, 2015 1:00 PM
 Board Room (Fall River Mills)

Mission Statement

Mayers Memorial Hospital District serves the Intermountain area providing outstanding patient-centered healthcare to improve quality of life through dedicated, compassionate staff and innovative technology.

1	CALL MEETING TO ORDER – Abe Hathaway, President	
2	CALL FOR REQUEST FROM THE AUDIENCE: PUBLIC COMMENTS OR TO SPEAK TO AGENDA ITEMS: Persons wishing to address the Board are requested to fill out a "Request Form" prior to the beginning of the meeting (forms are available from the Clerk of the Board (M-W), 43563 Highway 299 East, Fall River Mills, or in the Board Room). If you have documents to present for the members of the Board of Directors to review, please provide a minimum of nine copies. When the President announces the public comment period, requestors will be called upon one-at-a time, please stand and give your name and comments. Each speaker is allocated five minutes to speak. Comments should be limited to matters within the jurisdiction of the Board. Pursuant to the Brown Act (Govt. Code section 54950 et seq.) action or Board discussion cannot be taken on open time matters other than to receive the comments and, if deemed necessary, to refer the subject matter to the appropriate department for follow-up and/or to schedule the matter on a subsequent Board Agenda.	
3	APPROVAL OF MINUTES: 3.1 Regular Meetings – December 18, 2014 (ATTACHMENT A)	ACTION ITEM
4	OPERATIONS ► C3 Report (CEO, CNO, CCO) FACILITIES MANAGEMENT, SUPPORT SERVICES, COMPLIANCE(ATTACHMENT B) WRITTEN REPORT PROVIDED – ADDITIONAL COMMENTS AS NEED VERBALLY	Information
5	BOARD COMMITTEES: 5.1 Finance Committee – Chair Allen Albaugh 5.1.1 Committee Meeting Report 5.1.2 December 2014 Financial review and acceptance of financials (<i>dispersed separately</i>) 5.1.3 OB and Surgery update 5.1.4 Ambulance Purchase Update - Budget 5.2 Strategic Planning Committee – Chair Abe Hathaway 5.2.1 Committee Meeting Report 5.2.2 Retreat Update – April 2-3, 2015, Heritage Room, IMF 5.2.3 Board Assessment Presentation 5.3 Quality Committee – Chair Mike Kerns 5.3.1 Committee Meeting Report (no meeting)..... 5.3.2 Policy & Procedure Approval (Attachment C)..... These are all NEW policies, therefore need initial board approval 1. Influenza Religious Accommodation Form MMH446	Information ACTION ITEM Information ACTION ITEM Information Discussion Information ACTION

	<p>2. Anesthesia Awareness 3. Influenza Vaccination Reasonable Accommodation Form MMH448 4. Scheduling, Outpatient Medical 5. Colonoscopy Bowel Prep Instructions MMH440 6. EGD Prep Instructions MMH520 5.3.3 Quarterly P & P Approvals (Attachment D).....</p>	Information
6	<p>NEW BUSINESS 6.1 Clinic Update/Review – Approval of Resolution 2015 -1 (Attachment E)..... 6.2 Resolution 2015 -2 – Support of Partnership Grant for Clinic (Attachment F)..... 6.3 JPIA Agreement (Attachment G)..... 6.4 Policy & Procedure Review Schedule.....</p>	<p>ACTION ITEM ACTION ITEM ACTION ITEM Information</p>
7	<p>7.1 INFORMATION/REPORTS/BOARD EDUCATION/ANNOUNCEMENTS ▶ Board Education – QHR Webinar 2nd Tuesdays 2014, 10 a.m.</p>	Information/ discussion
8	<p>ANNOUNCEMENT OF CLOSED SESSION: 8.1 Government Code Section 54962 Quality Assurance: Quality Improvement Issues, Medical Staff Report (Dr. AJ Weinhold, Chief of Staff), and to consider and approve Medical Staff Credentials: New appointment: ✓ David Panossian, MD - Pulmonary Disease AHP reappointment: ✓ Darla Schmunk - NP Medical Staff reappointments: ✓ Allen Morris, MD - Pathology ✓ Julia Mooney, MD - Pathology ✓ Peter Halt, MD - Radiology 8.2 Government Code Section 54957: Personnel</p>	ACTION ITEM
9	RECONVENE OPEN SESSION: REPORT ACTIONS TAKEN DURING CLOSED SESSION	
10	ADJOURNMENT: Next Regular Meeting February 18 – Burney	

Public records which relate to any of the matters on this agenda (except Closed Session items), and which have been distributed to the members of the Board, are available for public inspection at the office of the Clerk to the Board of Directors, 43563 Highway 299 East, Fall River Mills CA 96028.

This document and other Board of Directors documents are available online at www.mayersmemorial.com.

Posted/Distributed: 01/21/15

Date: December 18, 2014
Time: 2:00 P.M.
Location: Mayers Memorial Hospital
Burney, California

(These minutes are not intended to be a verbatim transcription of the proceedings and discussions associated with the business of the board's agenda; rather, what follows is a summary of the order of business and general nature of testimony, deliberations and action taken.)

1. CALL MEETING TO ORDER: President Allen Albaugh called the regular meeting to order at 1:05 p.m. on the above date with the following present:

Allen Albaugh, President
Brenda Brubaker, Vice President
Mike Kerns, Secretary
Abe Hathaway, Treasurer

Beatriz Vasquez, PhD

Board Members Absent:

Staff Present: Matt Rees, CEO; Valerie Lakey, Board Clerk; Travis Lakey, CFO; Sherry Wilson, CNO; Holly Green, Dr. Weinhold

2. CALL FOR REQUEST FROM AUDIENCE TO SPEAK TO ISSUES OR AGENDA ITEMS: None

3. APPROVAL OF MINUTES – A motion/second (*Kerns/Hathaway*), and carried, the Board of Directors accepted the minutes for the regular and special meetings – November 14, 19, 2014 - Approved All - Whitney Abstain

4. Employee Training/Reimbursement Policy – Table (Brubaker/Kerns)

5. Special Presentation – Installing of new Board Member

- **Brenda Brubaker** was honored for her service to the board of trustees.
- **Mike Kerns** - Oath of Office for term 2014 – 2018
- **Beatriz Vasquez, PhD** – was installed as a new board member as appointed by the MMHD board and approved by the Shasta County Board of Supervisors. Term 2014-2018

Marlene McArthur, CEO, Mayers Intermountain Healthcare Foundation was present to give a report on the foundation's activities. She handed out a flyer for the Chocolate festival which is set for January 25th - \$5000 of the proceeds will go to new ambulance fund.

Recap of 2014:

- Grant overview
- New grant software
- Capital Expenditure List
- Overview of Ambulance funds
- Capital Campaign – in a pause mode – waiting on USDA
- Newsletter going out
- PACS
- Lucky Finds

6. OPERATIONS REPORT:

In addition to the written operations report included in the board packet, the following verbal reports and discussions are summarized below:

► **Matt Rees, CEO:**

- Ambulance – the demo model we were looking at has been sold. Staff wants to see the vehicle before purchasing. We are working on getting something lined up.
- Working on OB, Surgery, Insurance rate negotiation rate, talked to Department of Insurance and it was a positive conversation. We have received some help from CHA and will be moving forward with negotiating better rates for professional fees. This will help in several different revenue departments.
- Brubaker asked about MVHC not having any objections with MMHD opening a

specialty clinic. We are putting together the grant for partnership health for the specialty clinic – there should be a funding decision by Feb 20. There is \$171,000 available in our area. MVHC hesitates about a regular clinic because of the 340B program – With a specialist clinic, the specialists would drive surgery referrals.

- ▶ **Keith Earnest, CCO:** On vacation
- ▶ **Sherry Wilson, CNO:**
 - Staff has been wonderful – There are staff members with CNA licenses that are picking up CNA shifts. Modoc will be having a CNA class in March – we could send 6. We are working with state on getting a waiver for Feather River to host the class, maybe March or April. We can offer that to potential students and we can send overflow to Modoc. We have about 22 people interested (we can accommodate 16 between Feather River and Modoc classes)
 - LTC donation of \$10,000. Wilson said they will meet in January to determine what it will be spent on.
- ▶ **EMR – Louis Ward, Director of Support Services** – at his Graduation at UCSF
- ▶ **Caleb Johnson, Chief Compliance Officer** – On vacation

7. BOARD COMMITTEES:

7.1 Finance Committee

7.1.1 Committee Meeting – See minutes as distributed

7.1.2 November 2014 Financials – **Approved All(Kerns/Whitney)**

7.1.3 USDA Loan Update – No word – budget was approved. Hopefully we will hear something soon

OB department presentation was moved forward on agenda– It was decided that pending insurance negotiations and other factors the decision on the department would be tabled to March 2015

7.2 Strategic Planning Committee – Chair Abe Hathaway

7.2.1 Committee meeting - see minutes as distributed

7.2.2 Bylaws – (Action) (Hathaway/ Kerns) Final draft was approved

7.2.3 Retreat – April 2-3, 2015 are the suggested dates.

7.3 Quality Committee – Chair Brenda Brubaker

7.3.1 Committee Meeting Report - Pulse Oximeter – will be purchased through the Thrift Store

7.3.2 CAH 2014 Annual Evaluation – **(Kerns/Vasquez) – Approved all**

7.3.3 Organizational Chart updated– (Albaugh/Kerns) – Approved all

8. Annual Organizational Meeting

8.1 Election of Officers – President, Abe Hathaway; VP, Michael Kerns; Secretary, Beatriz Vasquez, PhD; Treasurer, Allen Albaugh

8.2 Committees:

Quality – Kerns (Chair), Vasquez

Finance – Albaugh (Chair), Whitney

Strategic Planning – Hathaway (Chair), Kerns

Albaugh/Kerns – will be on the signature card

(Albaugh/ Whitney) – Approved all

8.3 Board 2015 Calendar *(Albaugh/Hathaway) – Approved All*

9. NEW BUSINESS

9.1 Resolution 2014-8 Board Resolution adopting Section 125 Cafeteria Plan
(Whitney/Kerns) – Approved All

9.2 ACHD 2015 Leadership Academy (Kerns/Whitney) approve 2 persons to attend the conference in Sacramento January 22-23, 2015

9.3 Charity Care and Discount Payment Policies – change title on page 4 from Business Office manager to CCO – CFO ***(Kerns/Albaugh) – Approved all***

9.4 OB Department – moved up to Finance

10. INFORMATION/BOARD EDUCATION/ANNOUNCEMENTS

- ▶ Board Education – QHR Webinar 2nd Tuesday each month, 10 a.m. PST
- ▶ Board Assessments –report will be available in December

11. ANNOUNCEMENT OF CLOSED SESSION:

NO CLOSED SESSION

12. ADJOURNMENT: There being no further business, at the hour of 3:29 p.m., President Albaugh declared the meeting adjourned.



Mayers Memorial Hospital

Operations Report December 2014

Statistics	December YTD FY15 <i>(current)</i>	December YTD FY14 <i>(prior)</i>	December Budget YTD FY15
Surgeries <i>(including C-sections)</i>	55	33	40
➤ Inpatient	19	13	10
➤ Outpatient	36	20	30
Procedures <i>(surgery suite)</i>	94	23	45
Inpatient <i>(Acute/OB/Swing) Days</i>	961	930	977
Emergency Room	1996	1846	1850
Skilled Nursing Days	13646	13187	13092
OP Visits <i>(OP/Lab/X-ray)</i>	7670	7771	8280
Hospice Patient Days	556	1584	590
PT	6206	4882	5076
Ambulance Runs	201	202	204

Operations District-Wide

Prepared by: **Matthew Rees, Chief Executive Officer**

Administration/CEO activities during the past month:

I hope everyone had a pleasant holiday season. I was able to spend time with family and friends.

- Contract was signed for the \$11,000 per OB deliver from Partnership. This is great news and they are going to retro that back to December 1st, so over the holidays the staff and I have been working on plans to market OB and bring our births number up.
- The IGT amounts have been released. We will need to pay \$177,586 and we will be getting \$339,189 in return, netting \$161,603. This is about \$20,000 more than we were expecting.
- Staff is working on streamlining our registration and pre-op processes in order to give value and ease to the patients. As well as we are working on the marketing for screening colonoscopies.
- Dr. Syverson, Louis and I went down to Susanville to market our surgery services. We are looking at Dr. Syverson going down there twice a month to see patients that will then receive their services here. We visited several of the private offices there and then the FQHC in Susanville. Dr. Syverson was well accepted and the doctors seemed glad to hear that Dr. Syverson would be able to see some of their patients. The FQHC in Susanville is willing to give out our information to all the practitioners in there clinic. The hospital in that area is now competing with the primary care offered at the FQHC.
- I was elected as Chairman of CCAHN (California Critical Access Hospital Network). This is a group of all the CAH hospitals in the state, 34. CCAHN is the organization working on population health and our

employee self funded health insurance program. They also have other contracts with suppliers and other organizations that give us discounts for services, because we are part of this group.

- We obtained the Waiver for the CNA Program, we are looking at dates to start classes on February 19th
- We finally received a letter stating we have increased our Swing Beds to 10 and there will be no need for an onsite survey
- We have developed letters to go out to insurance companies letting them know of our intent to cancel the contract with them if we are unable to renegotiate an acceptable rate for professional fees.
- We are putting together a budget and grant application for a specialty clinic. By the board meeting we will hopefully have received support from SHARC for the Partnership Grant for the clinic.
- Last of all December was a great month for Revenue and Collections and we have received notice that the \$630,000 from the Medicare Cost Report will be here within the next week or so. Our financial picture is looking up.

Chief Clinical Officer Report

Prepared by Keith Earnest, Pharm.D.--Chief Clinical Officer

Physical Therapy

- As of 1/15/15 31 patients were waiting to be evaluated by physical therapy. Additional staff is desperately needed. A Physical Therapy Assistant has been retained on a 13 week contract and will start the last week in January. An additional physical therapist is still needed to accommodate new referrals and maintain a full inpatient load.

Cardiac Rehab

- The new Holter monitors are here. Trudi Burns, RN, manager has trained with Dr Khan to use them and will train additional staff by the end of the month.
- Dr Dahle has asked to help Trudi pursue a physician to perform cardiac stress treadmills. He has some ideas and we are anxious to use the equipment.

Laboratory

- Chris Hall, CLS, manager, is researching performing alcohol breath testing on site. This test has been requested by our DOT contracts and law enforcement.
- A review and revision of Mayers antibiogram that will also include pricing of antibiotics has started and should be helpful to guide physicians in prescribing.

Pharmacy

- The pharmacy department is feeling the impact of a nationwide vancomycin shortage. New medications to treat MRSA have been added to formulary and a priority established for vancomycin use.

Imaging

- Doreen Parker, Manager, is working with IT staff to make Paragon® updates less disruptive to the department.
- The process of integrating PACS with Mountain Valleys' system is behind schedule due to resources not being available from Mountain Valleys' software company.
- Doreen is in the process of recruiting a technologist to resume cardiac echos and a physician to perform diagnostic interpretations.

Hospice

- The Hospice census has been up.
- Hospice staff has been oriented to fire safety at the Riverview House after a recent computer melt down.
- An in-service for employees and volunteers addressing safe patient mechanics is scheduled for February.

Critical Access Hospital
Prepared by: Sherry Wilson CNO/Acute

Acute/Swing Nursing Unit

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*Obstetrics*

- The OB department has seen an increase in deliveries with 8 in November and 5 in December. I am completely caught up with 2013 and 2014 chart audits for OB.
  - We will begin implementing infant pulse oximetry screening as soon as we receive the unit and the P&P finishes the process through committee. I am hoping by the end of January/beginning of February to have this up and in place. January 8th I am meeting with Val Lakey to be putting our plans into action and we will be implementing our Childbirth Prep classes (the first one is scheduled for February 21, 2015), online newborn nursery and photos, and community networking to assist in increasing our numbers. Also, I am attending a class on January 9th to become certified in AWHONNs intermediate fetal heart rate monitoring which will then allow us to hold certification classes here onsite to not only our employees in need of EFM training, but to any RN whom in is need of the training from surrounding areas. Lastly, I have discussed the need for a new committee regarding ongoing employee competencies with Sherry Wilson, and we will be initiating this committee with department heads commencing this month as schedules permit. That's what is happening in the Obstetrical department at this time. – Holly Green OB Manager



*Emergency Department - January 2015-Ambulance Department Update*

**December Ambulance Calls:**

|                           |    |
|---------------------------|----|
| Ambulance Calls total:    | 43 |
| Inter facility transfers: | 8  |
| Big Valley Area           | 7  |

**2014 Year End:**

|                        |                                |
|------------------------|--------------------------------|
| Ambulance Calls total: | 407 (up from 2013's 365 calls) |
| Big Valley Area:       | 76                             |

- Spoke with Denise Sexton from EmCare about ED doctors poor attitudes and increased patient wait times. Denise is reporting to her supervisor Dr. Shlepin and will report back soon.
- Spoke with Chris Hall regarding proper lab labeling, she reports everyone is doing a great job with only a few specimens received without correct labeling.
- Bob May, Ambulance Manager has proven to be a great asset to our team. He and Kathy are working closely together to bring the ED team on board with hospital expectations. They will be holding an ED/EMS Department strategic planning meeting January 20, 2015 to discuss our mission, goals, responsibilities, expectations, etc. They will also be implementing monthly one-on-one meetings with each staff member in hopes to improve communication, trust and productivity.
- Bob has been hard at work getting information on the new ambulance. The Hospital Foundation has received an anonymous donation of \$30,000 toward the purchase of the new ambulance. That brings the total to approximately \$143,000. The demo ambulance we were trying to see and determine if it met our needs has been sold. It now appears we will be ordering the unit with an approximate build time of 6 months. We looked into other vendors but no other demo units are available.
- Runs reviews and skills sessions will resume February 17, 2015 providing EMS education to our own staff and outlying agencies.
- We participated in the Statewide Ebola Drill November 20, 2014. Shelly Lee and Kathy Broadway demonstrated proper donning and doffing of personal protective equipment (PPE) via video filmed by Holly Green (copy available for viewing upon request). Jeanette Rodriguez wrote an after action report available upon request.
- A few safety issues have been addressed. Combination key pads have been placed on the Ambulance garage doors to reduce public access. The double doors going outside near the ED have had issues with sticking for some time and our maintenance crew was unable to fix them. This creates a security risk at night because the doors do not close properly allowing the latch to engage, leaving the door that was thought to be locked open to the public. Scott's Glass was asked to come out and look at them and have made several adjustments they are working better but if they fail again Scott has suggested replacing a few parts.

- The form for MD peer review audits has been updated and the number of charts being flagged is increased for review. Also ED RN peer review has been initiated again, hoping for 100% chart reviews. Bob is going thru and doing CQI on all EMS charts. – Kathy Broadway, ED Manager

*Surgery*

- I'm very excited about the December surgery stats compared to the budgeted December surgery stats. We are WELL ABOVE the projections!
  - Surgery scheduling continues to be streamlined and improvement has been noticed with receiving MVHC referrals.
  - The pneumatic tourniquet (used in almost all Dr. Guthrie cases) was repaired and is back in service. This is a piece of equipment that no longer has parts made for it and a quote for a new one is over \$ 9000. Very happy to have this one repaired!
  - Surgery continues to closely monitor surgery charges, clean patient billing, and monies received.
  - Staff continues to go home early when cases don't fill up a day.
- Lisa Akin, Surgery Manager

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Operations Report

Prepared by: Louis Ward, Director of Support Services

Facilities:

- **Ambulance Garage** – Replaced panels on the fold up door
 - After an accident it was necessary to replace two panels of the ambulance garage door, this project was completed in a timely manner with the use of an outside vendor.
- **Outpatient Surgery** – Refreshing the rooms
 - Maintenance is re-painting & texturing all of the OP rooms as the patient schedule allows.
 - Currently 2 rooms have been fully completed: new paint, new chair rails, RFP on the lower 36" of the walls to prevent wall damage due to equipment movement, blinds, and re-hanging televisions.
 - We are working with OPM Manager, Kay Shannon and Dr. Zittel to meet the needs of the Burney area regarding wound care services.
 - Working to establish an appropriate space for wound care services.
 - Considering using the urgent care environment with some small retrofits and equipment purchases.
- **Burney and Fall River Clinic – 1206(b)**
 - Meeting with contractors to determine a capital budget for renovations in both clinic spaces.
 - Working with Margaret Truan, Grant Coordinator to establish a budget for Partnership Health grant to be submitted Jan. 31.
 - Grants will be awarded February 20th. Funds to follow.

Information Technology:

- **EMR Stage 2 attestation began October 1, 2014**
 - 1 year reporting period
- On Sept. 16, 2014 Reps. Renee Ellmers (R-NC) and Jim Matheson (D-UT) introduced the Flexibility in Health IT Reporting (Flex-IT) Act (H.R. 5481). This legislation would give hospitals and eligible

professionals more flexibility in meeting meaningful use (MU) requirements for electronic health records in fiscal year 2015.

- This Act would reduce the Attestation reporting period for Stage 2 to 90 days.
- Referred to House Subcommittee on Health 09/19/2014
- Last update: Reps. Ellmers (R-NC) "There is a tremendous need for our healthcare providers to have flexibility in meeting HHS' stiff deadlines, and this is precisely why I am reintroducing the Flex-IT Act," Ellmers said. "The time constraints imposed on doctors and hospitals are inflexible and simply unmanageable--and this is evident by the dreadful Stage 2 Meaningful Use attestation numbers released by CMS late last year. It's hard to comprehend how HHS can move forward to full-year reporting when the numbers for 90-day reporting are so low--particularly when noting that half of the physicians in our country are now facing costly fines."
- **Developed a I.T Disaster backup solution**
 - Developed an internal schedule to backup and remove tape drives with patient information from server room at regular intervals.
 - We will store copies of the drives in the IT office, a separated building from main hospital.
 - We are doing a daily, weekly, monthly, and annual backup.
 - This will give us 3 backups for our most critical information.
 - We are still working on a more permanent plan which would incorporate an automated process.
- **Completed Clinical Data Interface (CDI) project.**
 - New software functionality now allows Vitals taken at our Mindray Vital Sign Monitors to seamlessly migrate to our Paragon EHR.
 - We are the first hospital in the country to have successfully completed the project with the two disparate vendors.

Dietary:

- **Dietary access to electronic notes pertaining to diet plans and diet orders.**
 - Built assessments to meet the requirements of a nutritional risk assessment and likes/dislikes needed on all acute patients within a 48 hour window per policy. With new plan we will be able to get vital diet information within the first 8 hours.
 - A Registered Nurse R.N, is now performing the Admission Assessment collecting necessary information such as: This brings into compliance with new ADA standards.
 - Priority Level
 - Food allergies
 - Past medical history
- **Working with Lani Martin, RD to determine the best approach of which patients she will see, and which will be seen by Dietary Staff.**
 - After discussions Lani is considering providing an additional day to see outpatient dietary consults. This will assist in our overall population health initiatives.
 - Developing an understanding of inputting electronic dietary care plans.

Purchasing:

- Re-configured the purchasing storeroom to allow for additional space. With this additional space we decided to move in all bulk routine supplies from the outdoor shed.
 - This was in an effort to provide convenience to staff as well as a safety concern I have had every winter.
- Ambulance Manager, Bob May and I have been working on procuring a new Type 1 4X4 ambulance. This process is a cumbersome process as it takes up to 6 months to take delivery of the unit.
 - I am confident that with Bob's expertise we will obtain not only a necessary vehicle but a quality ambulance that will last many years.
- Purchasing will be procuring all new ADA toilets for the Acute environment over the next few weeks.
 - Funds are coming from Intermountain Healthcare Foundation

Environmental Services:

- Continued to monitor the linen inventory levels and pricing to ensure it aligns with expected expenses.
- Setup an EVS office in Burney to allow for more space in both facilities.
- After the development of a suitable schedule for the out-buildings (Finance, River View, Long Street) many seem pleased with the frequency of EVS visits to those locations.

Respectfully Submitted by,

Louis Ward, MHA
Chief Operating Officer.

Compliance Report

Prepared By: Caleb Johnson, Chief Compliance Officer

Revenue Cycle

- Revenue Cycle Health Report. (Attached) Noteworthy:
 1. Total Charges reached a 5-year high in December, at \$3,222,920.15, fueled largely by increased Acute and Swing Bed censuses. Total Payments in December were over \$300,000 above the month average, and was the highest cash collection month since March 2013. We can expect another above-average cash collection month in January due to the record-setting revenue posted in December; and
 2. Percent Over 120 Days continued its steady decline in December, dropping four percentage points to 25.1%. The current metric is well below the historic average of 34.1% (since July 2010), but remains above the record low of 17.7% achieved in August 2012. Continued cleanup of old Medi-Cal and Private Pay accounts will lower the percentage further in the coming months.
- Business Office Update. After a thorough analysis of AR behavior and business office processes, we have taken apart and addressed two highest-priority issues, untimely adjustments and errant statements:
 1. **Untimely Adjustments.** Billers are now fully utilizing the "tickler" functionality embedded in the Receivables Administrator and Patient Management modules of McKesson Paragon, which

will, in large part, plug the holes that were leading to untimely adjustments. By standardizing this process that drives work in the office, we will be able to monitor its effectiveness and make changes as necessary in the coming months.

2. **Errant Statements.** The Cash Poster is now following up on every account that receives a payment or adjustment code to determine the appropriate status of that account, prior to releasing it to self pay. This, in addition to a tickler that prompts a double check by the Financial Counselor, should virtually stop any statements that should not go to the patient.

In addition, we have moved desks and printers around in the office to promote privacy and lean processes and to discourage wasteful, non-value added activities.

	Current	Prior	Benchmark
Total Charges	3,222,920.15	2,663,281.90	2,700,000.00
Total Payments	1,599,552.78	1,383,979.94	1,500,000.00
Total Adjustments	1,609,779.37	1,387,057.33	1,200,000.00

Average Daily Revenue	103,965.17	88,776.06	87,096.77
Average Daily Payments	51,598.48	46,132.66	48,387.10
Average Daily Adjustments	51,928.37	46,235.24	38,709.68

Total AR	6,491,857.00	6,444,435.32	5,724,193.55
Total Credit Balance	(416,322.08)	(401,432.44)	(285,755.71)
Total Bad Debt	1,196,220.92	1,095,299.01	1,144,838.71

Adjustment Analysis

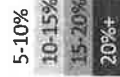
Contractual	1,141,708.75	1,036,112.96	960,000.00
Non-Covered	26,368.20	19,653.44	60,000.00
Untimely	165,938.90	290,185.55	60,000.00
Special Programs	140,176.89	43,435.08	60,000.00
To Bad Debt	135,586.63	(2,329.70)	60,000.00

Key Indicators	Current	Prior	Benchmark
Gross AR Days	68.88	71.54	65.00
Percent Over 120 Days	25.1%	29.9%	15.0%
DNFB	11.86	10.69	10.00
Number of Denied Claims	199	182	130
Clean Claim Rate	43%	41%	50%
Adjusted Collection Rate	87.4%	87.4%	97.0%

ATB Payor Mix

BLUE CROSS	8.8%	7.9%
COMMERCIAL	12.3%	10.7%
MEDICAID	32.9%	34.8%
MEDICARE	26.0%	23.4%
MEDICARE ADVANTAGE	3.8%	4.1%
PRIVATE PAY	9.1%	11.4%
SELF PAY AFTER INSURANCE	5.1%	5.4%
UNKNOWN	0.0%	0.0%
WORKMANS COMP	2.1%	2.3%

Payor Class	Unbilled	0 - 30 Days	31 - 60 Days	61 - 90 Days	91 - 120 Days	121 - 180 Days	181 - 365 Days	366 + Days	Total Amount
BLUE CROSS	98,067.77	126,151.09	63,629.78	79,507.89	84,482.72	38,017.05	56,805.50	22,464.93	569,126.73
COMMERCIAL	185,808.42	81,337.72	186,811.17	40,423.38	56,087.88	65,107.04	122,048.04	59,867.08	797,490.73
MEDICAID	166,553.05	829,518.48	348,683.94	205,538.72	92,514.64	123,666.74	221,048.06	151,169.02	2,138,692.65
MEDICARE	515,460.74	818,467.03	102,206.53	91,754.13	33,919.56	31,578.09	44,161.31	47,736.43	1,685,283.82
MEDICARE ADVANTAGE	7,132.12	26,513.86	14,353.00	1,384.00	3,399.80	16,419.78	153,267.13	23,492.56	245,962.25
PRIVATE PAY	134,098.95	165,304.87	42,105.77	22,578.22	67,549.20	27,945.50	108,321.00	22,791.21	590,694.72
SELF PAY AFTER INSURANCE	679.00	14,349.60	36,024.88	35,835.42	40,453.07	65,934.25	85,303.69	49,405.81	327,986.72
UNKNOWN	-	-	-	-	-	-	-	-	-
WORKMANS COMP	9,739.90	21,928.15	4,475.60	5,352.70	2,863.28	28,493.47	46,277.37	17,488.91	136,619.38
Totals	1,117,539.95	2,083,570.80	798,290.67	482,374.46	381,270.15	397,161.92	837,232.10	394,416.95	6,491,857.00



MAYERS MEMORIAL HOSPITAL DISTRICT**Request for Exemption from Influenza Vaccination for Religious Reasons**

Mayers Memorial Hospital District (MMHD) is committed to diversity and inclusiveness of all our employees. MMHD has mandated that all personnel be vaccinated against influenza (The Flu.) If you have declined to receive the flu vaccine for religious reasons, please provide the following information:

Name: _____

Department: _____

“Because the mandatory vaccination conflicts with my sincerely held religious beliefs and practices or membership in a church or religious body, I decline the influenza vaccination at this time.”

Name of Religious Belief, Church or Religious Body: _____

Contact Name: _____ **Phone Number:** _____

Religion Tenet(s) Documentation

MMHD will need to obtain documentation or other authority regarding your religious practice or belief. Please attach a letter from your religion's spiritual leader documenting the religious belief that prevents you from receiving the Influenza vaccine. Documentation must be on your religious organization's letterhead. We may need to discuss the nature of your religious belief(s), practice(s) and accommodation with your religion's spiritual leader (if applicable) or religious scholars to address your request for an exemption.

Verification and Accuracy

I verify that the above information is complete and accurate to the best of my knowledge and I understand that any intentional misrepresentation contained in this request may result in disciplinary action.

I also understand that my request for an exemption may not be granted if it is not reasonable or if it creates an undue hardship on my employer.

Sig
nature: _____

Date: _____

Summary of Next Steps

1. This request will be reviewed with you and acknowledged by Personnel and Employee Health.
2. You will be notified of the decision regarding your requested exemption.
3. If you disagree with the decision regarding your request, please contact MMHD Personnel office in writing, within 5 days of receipt of decision.

MAYERS MEMORIAL HOSPITAL DISTRICT

POLICY AND PROCEDURE

ANESTHESIA AWARENESS

Page 1 of 2

DEFINITION:

For all intents and purposes, the word “patient(s)” refers to all customers receiving health care services in our facilities, including inpatients, outpatients, residents and clients. This policy provides guidelines for the prevention, recognition, and management of interoperative awareness during general anesthesia.

POLICY

Anesthesia awareness, also called unintended intraoperative awareness, occurs under general anesthesia when a patient becomes cognizant of some or all events during surgery, and has direct recall of the events. The frequency ranges from 0.1 to 0.2 percent of all patients under general anesthesia. Patients experiencing awareness report auditory recollection, feeling of inability to breathe, or pain. The anesthesia provider must balance the psychological risk factors with that of giving excessive anesthesia. All providers must also be aware of the possibility of awareness, understand signs of awareness and be able to deal with patients who experience awareness.

PROCEDURE:

PRE-OP

1. Those patient categories that have a higher incidence of awareness during general anesthesia are identified
 - Acute trauma patients with hypovolemia.
 - Cesarean section patients under general anesthesia
 - Patients undergoing emergency surgery.
 - ASA status 4 and 5
 - Patients with impaired cardiac status
 - Patients with anticipated difficult intubation.
 - Patients with a history of awareness
 - Patients with a history of chronic use of benzodiazepines or opioids. These patients will be informed of the potential for awareness during the informed consent discussion
2. A complete check of all anesthesia equipment, machines, monitors, and medications will be conducted prior to commencing an anesthetic to insure proper functioning.

INTRAOPERATIVELY

1. Reducing the risk of awareness by the use of intraoperative techniques and medications which use of is determined by clinical judgement based on each patient's unique circumstances.
 - a. Anesthesia provider will consider premedicating with an agent that may reduce the incidence of awareness, such as a benzodiazepine.
 - b. If endotracheal intubation is difficult, consideration will be given to the administration of additional dosages of induction or amnesic agents.
2. Close monitoring of clinical indicators of potential awareness by anesthetist should take place on all procedures.
 - a. Realizing that certain medications such as beta blockers, calcium channel blockers and neuromuscular blocking agents can mask the hemodynamic and physiologic responses to inadequate anesthetic.
 - b. Common physiologic signs include: elevated blood pressure, rapid heart rate, hemodynamic changes and patient movement.

POSTOPERATIVELY

Anesthesia department personnel will interview all patients who exhibit any signs or express concern about possible awareness under anesthesia. This referral can come from the surgeon, post anesthetic nursing staff, other anesthesia providers or self referral.

1. Anesthesia department personnel who interview the patient should document the patient's account of his/her experience. This information becomes part of the medical record.
2. The interviewing provider
 - Apologizes for the experience of awareness.
 - Assures the patient of the credibility of his/her account and sympathizes with the patient's suffering.
 - Explains the reasons for it happening, if known, i.e., the necessity to administer light anesthesia in the presence of significant cardiovascular instability.
 - Offers the patient psychological or psychiatric support, including referral of the patient to a psychologist or psychiatrist.
 - Notifies all significant personnel: Department Chief, Director of Risk and Quality.

REFERENCES:

1. AANA (2012). Professional Practice Manual for the Certification Registered Nurse Anesthetist. AANA Standards & Guidelines.
2. Joint Commission Sentinel Event Alert Issue 32 October 6, 2004
3. Anesthesiology, V104, No 4 April 1, 2006. "Practice Advisory for Intraoperative Awareness and Brain Function Monitoring: A report by the American Society of Anesthesiologists Task Force on Intraoperative Awareness"

MAYERS MEMORIAL HOSPITAL DISTRICT

I understand that Mayers Memorial Hospital District requires all health care workers (HCW) including physician employees/credentialed physicians, providers, employees, volunteers, students and contract workers to be vaccinated against influenza on an annual basis or after being granted a reasonable accommodation to follow hospital infection control policy for working while unvaccinated for influenza.

I acknowledge that I have read and understand the following facts:

- ❖ Influenza is a serious respiratory disease that kills an average of 36,000 persons and hospitalizes more than 200,000 persons in the United States each year.
- ❖ Influenza vaccination is recommended for me and all other health care workers to protect our patients from influenza disease, its complications and death.
- ❖ I am likely to be exposed to the influenza virus through the community and bring the illness into the hospital setting.
- ❖ If I contract influenza, I will shed the virus for 24-48 hours before influenza symptoms appear. My shedding the virus can spread the influenza disease to patients in this facility, to my colleagues and family.
- ❖ If I become infected with influenza, even when my symptoms are mild or non-existent, I can spread severe illness to others.
- ❖ I understand that the strains of virus that cause influenza infection change almost every year, which is why a different influenza vaccine is recommended each year.
- ❖ I understand that I cannot get influenza from the influenza vaccine.
- ❖ The consequences of my not being vaccinated could have life-threatening consequences to my health and the health of those with whom I have contact, including:
 - My patients
 - Other patients in this health care setting
 - My co-workers
 - my family
 - my community
- ❖ I understand that the reasonable accommodation for not being vaccinated is to wear respiratory protection at all times during the flu season from November 1 through March 31.

Masking requirements for unvaccinated HCW's during the Flu Season:

All HCW who have **NOT** been vaccinated against influenza will be required to wear respiratory protection, in the form of a mask, for the duration of the flu season. The mask needs to be worn at all times, with the exception of breaks and meals.

- Masks may be removed during meal and break times to allow the staff person to eat and drink without hindrance. Meals and breaks must be taken in areas appropriately designated for those purposes.
- To be fully functional, the mask must fit snugly, cover the nose and mouth and be secured to the face with ties or elastic. The metal nasal piece should be molded securely to the nose.
- The mask should be discarded, at a minimum, at the end of the shift and immediately replaced if it becomes soiled or moist. It is recommended that the mask be changed approximately every 2 hours or more frequently if need. Minimal time is required to change the mask. A damp mask may contribute to facial irritation.
- **Employees in clinical areas need to continue to follow appropriate Infection Control guidelines for isolation practices depending on the type of patient they are caring for.**

Please notify your physician if you develop signs and symptoms of influenza or experience mask problems.

Despite these facts, I am requesting a reasonable accommodation for the following reasons and will attach requested documentation to this form.

Disability: _____

Religious belief or creed: _____

I have read and fully understand the information on this declination form.

Signature: _____ Date: _____

Name (print): _____ Department: _____

MAYERS MEMORIAL HOSPITAL DISTRICT
POLICY AND PROCEDURE
SCHEDULING, OUTPATIENT MEDICAL

Page 1 of 2, with attachment
Request to be Cleared for Scheduling MMH493

DEFINITION:

For all intents and purposes, the word “patient(s)” refers to all customers receiving health care services in our facilities, including inpatients, outpatients, residents and clients.

POLICY:

Scheduling for Mayers Memorial Hospital District Outpatient Medical Services will be done according the following guidelines:

- All patients will receive treatment as ordered by physician’s with priveleges here at MMHD.
- No treatment will be administered without a physician order.
- All patients must be cleared through the Scheduling Coordinator before being scheduled for treatment.

No patient will be scheduled or receive treatment until authorization is obtained from the Scheduling Coordinator.

PROCEDURE:

New physician’s orders received by fax, telephone, verbal, written, or otherwise must be cleared by the Scheduling Coordinator prior to being scheduled. All new orders should be accompanied by a patient demographic, and a history and physical.

Make a copy of received order and attach it to the yellow “Request To Be Cleared For Scheduling” MMH form# 493 and give to the Scheduling Coordinator. If treatment ordered is urgent, (non emergency but same day request), notify the Scheduling Coordinator so they can expedite authorization.

Outpatient medical staff will keep original order with a copy of “request to be cleared for scheduling” together and place in the pending referral folder.

When patient is cleared by the Scheduling Coordinator, the yellow “request to be cleared for scheduling” marked “cleared”, is returned to outpatient staff for scheduling.

Outpatient Medical Scheduling

Page 2 of 2

Outpatient staff will schedule the patient in the appointment book, include the ordering physician's name. Notify patient of appointment time.

Outpatient staff will give copy of the order to pharmacy, and notify pharmacy staff of scheduled appointment.

SPECIAL CONSIDERATIONS:

The following appointment parameters are suggested as guidelines when scheduling outpatient procedures

Appointment Parameters for New Patients

- | | |
|-----------------------------|------------------------------|
| 1. Wound Care Patients | 1 hour |
| 2. Ostomy Patients | 1 hour |
| 3. Catheter Patients | 1 hour |
| 4. Wound VAC® Patients | 1 hour (or more) |
| 5. Injections | 45 minutes |
| 6. Therapeutic Phlebotomies | 45 minutes |
| 7. Blood Transfusions | 2 hour minimum |
| 8. IV Therapy | Per pharmacy/dosing protocol |
| 9. Suture Removals | 30 minutes |

Appointment parameters are subject to change according to individual patient's need.

Follow up appointments are made on the recurring Outpatient account according to Physicians Orders.

MAYERS MEMORIAL HOSPITAL DISTRICT

COLONOSCOPY BOWEL PREPERATION INSTRUCTIONS

Discontinue blood thinning medications such as: Aspirin, Ibuprofen, Plavix®, Aggrenox®, Pradaaxa® and Xarelto® and Coumadin products 5 to 6 days prior to procedure (**AFTER CONSULTING WITH PRIMARY PHYSICIAN**).

DAY BEFORE EXAM: _____

- Drink only clear liquids for breakfast, lunch and dinner. Clear liquids include: strained fruit juices without pulp (apple, white grape, lemonade), water, clear broth, coffee or tea (without milk or nondairy creamer), Gatorade, carbonated and non-carbonated soft drinks, Kool-Aid (or other fruit flavored drinks), plain Jell-O (without added fruit or toppings). Clear liquids that are colored **RED or PURPLE are not allowed. Solid foods, milk, or milk products are also not allowed.** Diabetics, substitute a low calorie drink such as Crystal Light.
- At 2 pm, take 4 Bisacodyl 5mg laxative tablets.
- Mix one bottle of Peg 3350 powder in 2 quarts of Gatorade or any other clear liquid listed above, and shake to dissolve. Chill in the refrigerator.
- At 4 pm, start drinking the Peg 3350 mixture, about 8 oz every 15 to 20 minutes. Try to finish the entire mixture in 2 hours.
- Have nothing by mouth after midnight and nothing in the morning.

DAY OF EXAM: _____

- Do not eat or drink **ANYTHING** after midnight.
- Take only the medications you discussed with your anesthesia provider.
- Arrive at Mayers Memorial Hospital District Surgical Department at _____.
- You must have a legal driver to take you home.
- Leave all jewelry and valuables at home.
- Do not smoke or chew tobacco.
- Do not wear perfume/cologne.

Please arrive on time. You will receive IV fluids, see your surgeon, and your anesthesia provider. You may be monitored for 30 to 60 minutes after your procedure. The process may take 2- 3 hours. Occasionally, there are unforeseen circumstances that may cause your procedure to be ahead of, or behind schedule.

MAYERS MEMORIAL HOSPITAL DISTRICT

ESOPHAGOGASTRODUODENOSCOPY (EGD) INSTRUCTIONS

Discontinue blood thinning medications such as Aspirin, Ibuprofen, Plavix®, Aggrenox®, Pradaxa®, Xarelto® and Coumadin products 5 to 6 days prior to procedure (**AFTER CONSULTING WITH PRIMARY PHYSICIAN**).

DAY BEFORE EXAM: _____

DO NOT eat or drink anything starting at midnight the night before your exam, and continue to NOT eat or drink anything until directed to after your exam.

DAY OF EXAM: _____

- Do not eat or drink **ANYTHING** after midnight.
- Take only the medications you discussed with your anesthesia provider.
- Arrive at Mayers Memorial Hospital District Surgical Department at _____.
- You must have a legal driver to take you home.
- Leave all jewelry and valuables at home.
- Do not smoke or chew tobacco.
- Do not wear perfume/cologne.

Please arrive on time. You will receive IV fluids, see your surgeon, and your anesthesia provider. You may be monitored for 30 to 60 minutes after your procedure. The process may take 2-3 hours. Occasionally, there are unforeseen circumstances that may cause your procedure to be ahead of, or behind schedule.

Policies and Procedures Achieving Final Approval
October 1, 2014 - December 31, 2014

Department	Document Name/Policy	Approved On
Activities	ACTIVITIES CARE PLAN	12/12/2014
Skilled Nursing	Admission Guidelines M-SNF & SNF	12/30/2014
Anesthesia	Anesthesia Awareness	12/30/2014
Infection Control	Annual Employee Influenza Vaccination MMH444	10/16/2014
Medical Staff	Application for Medical Staff Appointment	10/01/2014
Medical Staff	Application Process to the Medical Staff - Telemedicine	10/01/2014
Pharmacy	Automatic Stop Orders - Skilled Nursing	11/03/2014
Infection Control	Blood Administration Monitoring Worksheet MMH368	11/03/2014
Lab	Blood Component Administration	11/03/2014
Board of Directors	Board Member Vacancy (Appointment) Process	10/01/2014
Board of Directors	Board of Directors' Job Description - Responsibilities - Duties	10/01/2014
Board of Directors	BOD Individual Job Description Adopted 7.28.10	10/01/2014
Acute - Med Surg	Catheterization Male/Female Indwelling (Foley) with Closed Drainage System	11/03/2014
Board of Directors	CEO Job Desc BOD Approved 2.24.10	10/01/2014
Physical Therapy	Clinical Practice Standards - PT	12/30/2014
Surgery	Colonoscopy Bowel Prep Instructions MMH440	11/03/2014
Obstetrics	Critical Congenital Heart Disease (CCHD) Newborn Screening	10/02/2014
Outpatient Medical	Debridement-Wound Care	11/03/2014
Physical Therapy	Delivering Patient Treatments PT	12/31/2014
CAH	Dental Services - Swing Bed	12/31/2014
Physical Therapy	Department Equipment Maintenance Physical Therapy	12/31/2014
Physical Therapy	Discharge Planning Physical Therapy	12/31/2014
Surgery	EGD Prep Instructions MMH520	11/03/2014
Physical Therapy	Equipment and Special Procedures Operation PT	12/31/2014
Infection Control	Hepatitis B Vaccine Declination FORM MMH68	11/03/2014
Infection Control	Influenza Religious Accommodation Form MMH446	11/03/2014
Infection Control	Influenza Vaccination Reasonable Accommodation Form MMH448	11/03/2014
Infection Control	Informed Consent-Blood Transfusion Form MMH263	11/03/2014
Obstetrics	Newborn Hearing Screen Consent-Waiver MMH390	12/31/2014
Acute - Med Surg	Newborn Hearing Screen Not Done MMH276	12/31/2014
Obstetrics	Newborn Hearing Screening Policy	12/31/2014
Imaging	Optic Foramen Radiograph	11/03/2014
Physical Therapy	Out Patient Referrals PT	12/31/2014
IV-Med	Physician Orders - Blood Product-Transfusion Order Sheet MMH373	11/03/2014
Preprinted Orders	Physician Orders - Wound Care MMH291	11/03/2014

Policies and Procedures Achieving Final Approval
October 1, 2014 - December 31, 2014

Department	Document Name/Policy	Approved On
Skilled Nursing	Psychosocial Assessment MMH142	12/05/2014
Obstetrics	Pulse Oximetry Screening Algorithm MMH533	10/02/2014
Infection Control	Refusal to Permit Blood Product Transfusion MMH367	11/03/2014
	Registry Personnel Orientation Checkoff List -	
Skilled Nursing	SNF MMH183	12/31/2014
Skilled Nursing	Release of Liability MMH116	12/31/2014
Physical Therapy	Response to Inappropriate Patient Behavior PT	12/31/2014
Skilled Nursing	Restorative Flow Sheet	11/11/2014
Outpatient Medical	Scheduling, Outpatient Medical	11/05/2014
Ambulance	Scope of Service, Ambulance	12/31/2014
Emergency Department	Sedation Flow Sheet - ER MMH164	11/06/2014
CAH	Status and Location - CAH	12/31/2014
CAH	Surgical Services	11/06/2014
Environmental Services	Training Program, Housekeeping	12/31/2014
Acute - Med Surg	Vascular Access Devices VAD Implanted - Accessing and N	11/06/2014
Disaster	Water Supply, Emergency	11/06/2014
Outpatient Medical	Wound Measurements	11/06/2014

**MAYERS MEMORIAL HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Resolution 2015-1 to approve the creation of an operating and business plan to encompass the FY 15 and FY 16 1206(b) program.

RESOLUTION 2015-1

WHEREAS, the Board, within its power, makes decisions Mayers Memorial Hospital District, the board authorizes management of MMHD to create an operating and business plan to encompass FY15 and FY16 for a potential 1206 B Clinic

NOW, THEREFORE, the undersigned certifies and attests that the above resolution was approved at a regular meeting of the Board of Directors, Fall River Mills, California, the 28th day of January 2015.

PASSED AND ADOPTED on January 28, 2015, by the following vote:

Motion – Second –

AYES:

NOES:

ABSENT:

ABSTAIN:

Date: _____

Signed _____

Abe Hathaway, President
Board of Directors
Mayers Memorial Hospital District

Date: _____

Attest _____

Valerie Lakey
Clerk of the Board
Mayers Memorial Hospital District

**MAYERS MEMORIAL HOSPITAL DISTRICT
BOARD OF DIRECTORS**

Resolution 2015-2 to support the submission of a grant for the 1206(b) clinic program.

RESOLUTION 2015-2

WHEREAS, the Board, within its power, makes decisions Mayers Memorial Hospital District, the board supports the submission of a grant request submitted to Partnership Health for a funding source for a 1206 B Clinic.

NOW, THEREFORE, the undersigned certifies and attests that the above resolution was approved at a regular meeting of the Board of Directors, Fall River Mills, California, the 28th day of January 2015.

PASSED AND ADOPTED on January 28, 2015, by the following vote:

Motion –

Second –

AYES:

NOES:

ABSENT:

ABSTAIN:

Date: _____

Signed _____

Abe Hathaway, President
Board of Directors
Mayers Memorial Hospital District

Date: _____

Attest _____

Valerie Lakey
Clerk of the Board
Mayers Memorial Hospital District

**Joint Powers/Intergovernmental Agreement
Among and By:**

**Lake Health District,
dba Lake District Hospital**

**Last Frontier Healthcare District,
dba Modoc Medical Center**

**Mayers Memorial Hospital District
dba Mayers Memorial Hospital**

**Surprise Valley Health Care District,
dba Surprise Valley Hospital**

Effective Date: _____, 2015

AGREEMENT:

This Agreement is entered into on the Effective Date by and among: **Lake Health District**, an Oregon special district; **Surprise Valley Health Care District**, a California health district; and **Last Frontier Healthcare District**, a California health district, and **Mayers Memorial Hospital District**, a California health district, to exercise their common powers through a joint powers agreement, also known as an intergovernmental agreement.

1. **Definitions.** Capitalized terms shall have the definitions assigned to them in Exhibit A.

1.1. Affected Participating District is a Participating District that the JPIA Governing Board is considering for Termination as a Participating District in the JPIA.

1.2. Agreement means this Joint Powers/Intergovernmental Agreement.

1.3. Assessment means the cash, property, or in-kind services to be contributed by a Participating District to be held, managed and distributed by the Fiscal Agent or Winding Up District exclusively for the purposes of accomplishing the work undertaken pursuant to this Agreement.

1.3.1. General Assessment means an Assessment for the general operations of the JPIA. General assessments must be uniform among Participating Districts, either in dollar amount or by some other objective measure that distinguishes among Participating Districts, which measure must be approved by a Super-Majority of the JPIA Governing Board.

1.3.2. Work Plan Assessment means an Assessment for the accomplishment of a Work Plan.

1.3.3. Special Assessment means an Assessment that is not a General Assessment or a Work Plan Assessment.

1.4. Board Member means an individual who is a Designated Director or an Elected Director on the JPIA Governing Board.

1.5. Cause means (a) a refusal by a Participating District to contribute an Assessment after demand has been made; (b) any other material breach of this Agreement; or (c) the taking of action by a Participating District that materially undermines the collaborative efforts of the Participating Districts under this Agreement, including but not limited to three consecutive disapprovals of one or more Work Plans and Budgets recommended by the JPIA Governing Board to the Participating Districts.

1.6. Chief Operating Officer ("COO") means the member of the Operating Team that it appoints as its leader.

1.7. Day means a day other than a weekend day or holiday under the laws of the State of California.

1.8. Designated Director means a Board Member who is appointed by a Participating District.

1.9. Effective Date means the date on which the last of the Participating Districts listed in introductory paragraph ratifies this Agreement.

1.10. Elected Director means a Board Member who is not appointed by a Participating District.

1.11. Federally Qualified Health Centers (FGHC) is a reimbursement designation from the Bureau of Primary Health Care and the Centers for Medicare and Medicaid Services of the United States Department of Health and Human Services.

1.12. Fiscal Agent means the Participating District elected by the JPIA Governing Board from time to time to handle the financial, legal and similar affairs of the Participating Districts for their collaborative activities undertaken pursuant to this Agreement. The Fiscal Agent shall be deemed the agent of the Participating Districts for purposes of carrying out the purposes of this Agreement.

1.13. JPIA Governing Board means the governing body of the JPIA, as described in Section 4.2 of this Agreement.

1.14. Majority Vote means the vote of more than 50% of those entitled to vote.

1.15. Membership means all the rights, powers and duties of a Participating District pursuant to this Agreement.

1.16. Notice means a written notice delivered to a Participating District in accordance with this Agreement.

1.17. Operating Team means the chief executive officers of the Participating Districts.

1.18. Participating District means a health or hospital district or other public entity (as defined under State Law) that has executed the JPIA and (a) which has not Withdrawn; and (b) the Membership of which has not been terminated.

1.19. Policies and Procedures means guidelines adopted from time to time by the JPIA Governing Board or the Operating Team to guide their operations.

1.20. State means a state under the law of which a Participating District is organized, or both or all such states, as the context requires.

1.21. State Law means the laws of a State, including without limitation the Ralph M. Brown Act, the Bagley-Keene Open Meeting Act of 2004 and the Oregon Public Meetings Law. In the event the State Laws of two states applicable to the same matter are inconsistent, the more restrictive State Law shall apply for purposes of this Agreement. For example, if Oregon law allows a public meeting to be held upon five days' notice, but California law requires ten days' notice, the California law, which requires the longer notice, shall be applied.

1.22. Super-Majority Vote means the vote of not less than 75% of those entitled to vote on a particular matter, rounding to the nearest whole number.

1.23. Winding Up District is the last serving Fiscal Agent (whether or not that Participating District has Withdrawn) that is responsible for the winding up of all collaborative activities authorized pursuant to the Agreement, upon termination of this Agreement.

1.24. Withdrawal means a Participating District's Notice to the JPIA Governing Board that it intends to terminate its participation in the JPIA. To "Withdraw" means to take action to effectuate a Withdrawal.

1.25. Withdrawing District means a Participating District that has given a notice of Withdrawal.

1.26. Work Plan and Budget means the written description of the collaborative efforts of the Participating Districts and the expected revenues and expenses of such efforts, along with a Work Plan Assessment, as proposed and adopted as described in Section 5 of this Agreement.

2. Purpose

The Participating Districts intend to exercise their common powers to enter into this Agreement to facilitate collaboration among themselves and, as appropriate, with other organizations, to increase the quality, efficiency, and efficacy of health care in the region.

3. Delegation of Common Powers

3.1. JPIA Governing Board. Each Participating District hereby delegates to the JPIA Governing Board the authority to approve (a) Work Plans and Budgets and (b) Assessments, and to take other actions described in Section 4.2 in accordance with this Agreement.

3.2. Fiscal Matters. Each Participating District hereby delegates to the Fiscal Agent all authority to act for the Participating District in terms of collection, management and expenditures of Assessment funds, and earnings thereon, legal and compliance matters, execution of agreements, and all other authority reasonable and appropriate to carry out the purposes of the JPIA, within approved Work Plans and Budgets and in accordance with this Agreement.

4. Governance.

4.1. Participating Districts.

4.1.1. Duties of Participating Districts. Each Participating District shall:

4.1.1.1. Appoint its initial Designated Director and appoint a Designated Director to fill any vacancy in that position;

- 4.1.1.2. Work closely with its Designated Director to keep the staff and Board of Directors of the Participating District informed of the progress of work undertaken through the JPIA;
- 4.1.1.3. Provide such information as reasonably requested by the JPIA Governing Board or Operating Team to identify suitable candidates for Elected Directors, and to develop and implement Work Plans and Budgets;
- 4.1.1.4. Confer with its Designated Director as to Work Plans and Budgets for the work undertaken pursuant to the JPIA and provide input to the Designated Director on such Plans and Budgets;
- 4.1.1.5. Upon request of the JPIA Governing Board, promptly consider and vote upon Work Plans and Budgets and Assessments;
- 4.1.1.6. Align its activities that are connected to a Work Plan with the tasks described in the Work Plan, and refrain from taking actions that are inconsistent with, or which would undermine, the activities undertaken in connection with a Work Plan;
- 4.1.1.7. Contribute Assessments that are approved in accordance with this Agreement; and
- 4.1.1.8. Otherwise act in accordance with this Agreement.

4.1.2. Meetings of Participating Districts.

- 4.1.2.1. Regular Meeting. A meeting of the Participating Districts shall be held not less often than once every year, at which the JPIA Governing Board and COO shall report on the achievement of the purposes of the JPIA.
- 4.1.2.2. Special Meeting. The Chair of the JPIA Governing Board may call a meeting of the Participating Districts at such time and place as the Chair determines is appropriate.
- 4.1.2.3. Notice Required. Notice of not less than 10 days or more than 30 days shall be required for any meeting of the Participating Districts.
- 4.1.2.4. Action by Participating Districts.
 - 4.1.2.4.1. No action shall be taken at a meeting of the Participating Districts that would violate State Law relating to the manner of public entity decision-making.

4.1.2.4.2. If the JPIA Governing Board gives Notice to the Participating Districts requesting that the Participating Districts take action, each Participating District shall promptly take such request under consideration in accordance with State Law and shall promptly report the results of such consideration to the JPIA Governing Board.

4.2. JPIA Governing Board. The JPIA Governing Board shall exercise oversight over the work undertaken pursuant to the JPIA in the manner specified in this Section 4.2.

4.2.1. Duties and Responsibilities of JPIA Governing Board. The JPIA Governing Board shall:

- 4.2.1.1. Explore, and establish priorities regarding, areas of potential collaboration among the Participating Districts to achieve the purposes of the JPIA, in consultation with the Operating Team;
- 4.2.1.2. Elect, and replace as necessary, the Fiscal Agent;
- 4.2.1.3. Convene the Operating Team and delegate to it the authority necessary to explore areas of collaboration, develop Work Plans and Budgets, and otherwise implement the purposes of the JPIA;
- 4.2.1.4. Not less often than annually, consider and adopt a Work Plan and Budget for accomplishing the work to be undertaken pursuant to the JPIA for a stated period, and submit such Work Plan and Budget to the Participating Districts with a written request to promptly consider and vote upon such Work Plan and Budget;
- 4.2.1.5. As necessary from time to time, consider and adopt an amended Work Plan and Budget for accomplishing the work to be undertaken pursuant to the JPIA for a period for which a Work Plan and Budget have been adopted, and submit such amended Work Plan and Budget to the Participating Districts with a written request to promptly consider and vote upon such amended Work Plan and Budget;
- 4.2.1.6. Determine the amount of, and approve, General Assessments and Special Assessments as required for the work of the JPIA, and submit such proposed Assessments to the Participating Districts with a written request to promptly consider and vote upon such Assessment;

- 4.2.1.7. Not less often than annually, conduct a self-assessment of the work of the JPIA Governing Board and the projects facilitated through this Agreement;
- 4.2.1.8. Communicate with Participating Districts, other public and private entities, the media, the public and others about the potential for, benefits of, and collaborative activities associated with the work of the JPIA;
- 4.2.1.9. Invite new entities to become Participating Districts, having established from time to time the terms and conditions on which a new entity may be admitted;
- 4.2.1.10. Approve and execute long-term or significant collaborative agreements with entities other than Participating Districts, upon the recommendation of the COO; and
- 4.2.1.11. Ensure that the Participating Districts operate in accordance with this Agreement.

4.3. Composition of JPIA Governing Board.

4.3.1. Number of Board Positions. The JPIA Governing Board shall be comprised of Directors equal in number to the number of Participating Districts plus the minimum number needed to ensure that the total JPIA Governing Board positions equal the smallest odd number that is greater than the number of Participating Districts. For example, if there were three Participating Districts, the number of JPIA Governing Board Director positions would be five, one for each Participating District and two additional positions to reach the smallest odd number greater than three, which is five.

4.3.2. Changes to Number of Directors. The Participating Districts may, by unanimous vote, change the number of JPIA Governing Board positions, and the methods by which Directors will be appointed or elected, by amendment of this Agreement.

4.3.3. Types of Directors. Directors will be either Designated Directors or Elected Directors.

4.3.4. Designated Directors. Each Participating District shall designate, by delivery in writing to every other Participating District and the Chair of the Board of Directors of the JPIA Governing Board, an individual to serve as that Participating District's Designated Director. The Participating Districts and the Board of Directors may rely upon a Participating District's designation until they received Notice of a new Designated Director. Appointment of a new Designated Director shall automatically terminate the appointment of the previous Designated Director.

- 4.3.4.1. A Designated Director must be a sitting elected member of the Board of Directors (or other governing body) of the designating

Participating District, or a person who has served in that capacity within the five years immediately prior to appointment.

4.3.4.2. A Designated Director shall serve until he or she (a) resigns, (b) dies, (c) no longer meets the qualifications for being a Designated Director, or (d) is replaced by the designation of a new Designated Director by the Participating District who appointed him or her. Upon a vacancy in a Designated Director position, the designating Participating District shall promptly appoint a new Designated Director.

4.3.5. Elected Directors. The Designated Directors shall vote to appoint an Elected Director to any vacancy in a position of Elected Directors.

4.3.5.1. Elected Directors may not be a member of the Board of Directors or staff of any Participating District, and may not have held any such position within the three-year period beginning on the date of appointment. At least one Elected Director must be affiliated with a FQHC, FQHC look-alike, or other rural health care provider having a facility within the jurisdiction of at least one Participating District.

4.3.5.2. Each Elected Director shall serve a three-year term, and may serve any number of consecutive terms. An Elected Director may be removed from office for any or no reason by a unanimous vote of the Designated Directors then serving.

4.3.6. Meetings of the JPIA Governing Board.

4.3.6.1. The JPIA Governing Board shall establish a time and place to hold regular meetings, which shall be held not less often than quarterly.

4.3.6.2. Special Meetings of the JPIA Governing Board may be called by the Board Chair or any two Designated Directors upon not less than 10 Days' Notice to all JPIA Governing Board Members.

4.3.6.3. Meetings shall be conducted in accordance with Policies and Procedures adopted from time to time by the JPIA Governing Board, except that the following shall be required:

4.3.6.3.1. Meetings shall be held in the county of each Participating District at least once in every year, unless a Participating District waives the right to have a meeting in its jurisdiction;

- 4.3.6.3.2. Meetings shall be conducted in a way that allows participation in person or by conference call and allows all participants to access any written materials presented at the meeting; and
- 4.3.6.3.3. Meetings shall be held in accordance with applicable State Law, including all notice provisions.
- 4.3.6.4. The JPIA Governing Board, through its Secretary, shall cause the minutes of all meetings to be kept and available to Participating Districts and others in accordance with State Law.
- 4.3.6.5. Meetings of the JPIA Governing Board may only be held if there is a quorum, which shall be the attendance, in person and not by proxy, of (a) a majority of all Director positions; and (b) a Majority of Designated Director positions.
- 4.3.6.6. Unless otherwise specifically required by law or this Agreement, an action of the JPIA Governing Board may be taken by the affirmative vote of a Majority of the total Directors, without regard to the number of Directors in attendance at a meeting. Voting by proxy, by email or by written consent is not allowed.
- 4.3.6.7. State Law Applicable to Public/Open Meetings. Meetings of the JPIA Governing Board shall be treated as public entity meetings for purposes of State Law.
- 4.3.7. Officers. The JPIA Governing Board shall elect a Chair, a Vice-Chair and a Secretary.
 - 4.3.7.1. The Chair shall preside over all meetings of the Participating Districts and the JPIA Governing Board, shall convene all regularly scheduled and special meetings of the Board, and shall represent the Board in all external matters, except as delegated in accordance with this Agreement.
 - 4.3.7.2. The Vice Chair shall undertake any duties assigned by the Chair, shall preside over meetings in the absence of the Chair, and shall be responsible for oversight of all financial matters relating to the JPIA. The Vice Chair shall carry out such other duties as are assigned by the Chair.
 - 4.3.7.3. The Secretary shall be responsible for oversight of all matters relating to voting, minutes, and documents of the JPIA, and ensuring that the activities of the Participating Districts are consistent with State Law. The Secretary shall carry out such other duties as are assigned by the Chair.

4.4. Fiscal Agent. The Fiscal Agent shall serve until replaced by vote of the JPIA Governing Board or until the Fiscal Agent resigns. The Fiscal Agent shall hold, manage and expend Assessments for the exclusive purpose of the collaborative activities undertaken pursuant to this Agreement and shall provide an accounting of the funds to the JPIA Governing Board not less often than annually. The Fiscal Agent shall conduct its activities in accordance with State Law applicable to joint powers agreements and intergovernmental agreements, as those terms are defined in State Law, and in accordance with Policies and Procedures adopted from time to time by the JPIA Governing Board upon recommendation by the COO.

4.5. Operating Team.

4.5.1. The Operating Team shall consist of the chief executive officers of each Participating District.

4.5.2. The Operating Team shall elect a Chief Operating Officer ("COO"). The Operating Team shall from time to time adopt such Policies and Procedures as are required for conduct of its business. The Chief Operating Officer shall keep the Chair reasonably informed of the work of the Operating Team. The Chair shall be entitled, upon the Chair's request, to receive notice of meetings of the Operating Team and attend such meetings as a non-voting observer.

5. Work Plan and Budget and Work Plan Assessment.

5.1. Work Plan and Budget. Not less often than annually, the JPIA Governing Board shall approve a Work Plan and Budget, which shall include a Work Plan Assessment.

5.1.1. Not less often than annually, the Operating Team shall develop a Work Plan and Budget for consideration by the JPIA Governing Board. The Work Plan and Budget shall effectuate the collaborative strategies that have been established by the JPIA Governing Board from time to time to accomplish the purposes of the JPIA.

5.1.2. The Work Plan shall include in reasonable detail the collaborative activities to be conducted among the Participating Districts in the ensuing period and a Budget for achieving the Work Plan.

5.1.3. The Budget shall include a recommended Work Plan Assessment for each Participating District, which shall allocate equitably among Participating Districts the various costs and other expenditures enumerated in the Budget, taking into consideration the benefits to be derived by Participating Districts from the Work Plan, their respective abilities to contribute, and other relevant factors. Each Work Plan and Budget will include a line item for contingencies for possible unforeseen costs or cost increases.

5.2. Schedule and Requirements for Approval. The COO shall publish a schedule for development of the Work Plan and Budget for each period, presentation of a draft Work Plan and Budget and final approval of the Work Plan and Budget.

5.2.1. The COO shall present a draft Work Plan and Budget to the JPIA Governing Board for discussion and input.

5.2.2. The JPIA Governing Board may request that the COO incorporate changes to the Work Plan and Budget, or both, before final approval.

5.2.3. Once the JPIA Governing Board has approved the Work Plan and Budget and proposed Work Plan Assessment (allocated among Participating Districts) for a stated period, it shall submit these to each Participating District with a written request to promptly consider and vote on the Work Plan and Budget.

5.2.4. Each Participating District shall promptly consider and vote on the Work Plan and Budget (including the proposed Work Plan Assessment) submitted by the JPIA Governing Board. A Participating District may not alter, amend or change the Work Plan and Budget or the proposed Assessment submitted by the JPIA Governing Board; the vote is either to approve or not approve.

5.2.5. The proposed Work Plan and Budget and Work Plan Assessment shall be deemed adopted and approved when all Participating Districts have voted in favor of the Work Plan and Budget and Work Plan Assessment. If a Participating District does not vote upon the matter within 60 Days of the date of the request by the JPIA Governing Board to consider and vote on the Work Plan and Budget, the Work Plan and Budget (along with any Work Plan Assessment) shall be deemed approved by that Participating District.

5.3. Assessments; Authority to Implement Work Plan. Once a Work Plan and Budget is approved, all Participating Districts shall pay their respective Work Plan and Budget to the Fiscal Agent on the schedule described in the approved Work Plan and Budget. The Operating Team shall have the authority to expend such funds as described in the Budget to achieve the approved Work Plan without further approval from the JPIA Governing Board of any Participating District. The Operating Team may not deviate from the Work Plan or exceed the Budget in any material manner without first obtaining an amended Work Plan and Budget. Expenditures that cause, or are reasonably likely to cause, the amounts to be expended in any category of the Budget to exceed 10% of the amount projected in the Budget on an annual basis shall be a material deviation, unless such standard is waived by all Participating Districts.

5.4. Amended Work Plan and Budget. At any time, the COO may seek the JPIA Governing Board's approval of an amendment of a Work Plan and Budget then in effect, which proposal must include the Operating Team's recommendation for a supplemental Work Plan Assessment if additional funds are required. Upon such request, the JPIA Governing Board shall follow the procedures described in Section 5.2 for approval of the amended Work Plan and Budget and proposed supplemental Work Plan Assessment.

6. Assessments.

6.1. Work Plan Assessments. Work Plan Assessments shall be approved using the procedures described in Section 5.

6.2. General and Special Assessments.

6.2.1. General and Special Assessments must be recommended by the COO, which recommendation shall include the amount of such Assessments, the basis on which such Assessments are to be calculated and allocated among Participating Districts, and the terms and conditions of Participating Districts' contribution of such Assessments.

6.2.2. The JPIA Governing Board shall consider the recommendation of the COO for General and Special Assessments, and shall make such revisions as it deems appropriate. General and Special Assessments must be approved by a Super-Majority of the Directors. Upon such approval, the JPIA Governing Board shall submit its recommendation to the Participating Districts, with a written request to promptly consider and vote on the proposed Assessment.

6.2.3. Each Participating District shall promptly consider and vote on the proposed Assessment submitted by the JPIA Governing Board. A Participating District may not alter, amend or change the proposed Assessment; the vote is either to approve or not approve the proposed Assessment.

6.2.4. The proposed Assessment shall be deemed adopted and approved when all Participating Districts have voted in favor of the Assessment. If a Participating District does not vote upon the matter within 60 Days of the date of the request by the JPIA Governing Board to consider and vote on an Assessment, the Assessment shall be deemed approved by that Participating District.

7. Term, Withdrawal and Termination.

7.1. Term. This Agreement shall continue until terminated by:

7.1.1. The 20th anniversary of the Effective Date of this Agreement;

7.1.2. The agreement among all of the Participating Districts to terminate the JPIA;

7.1.3. The Withdrawal of the last Participating District from the JPIA; or

7.1.4. Termination of the Agreement by court order or operation of law.

7.2. Withdrawal Procedure. A Participating District may Withdraw from the JPIA by giving Notice to the Chair, Vice Chair or Secretary of the JPIA Governing Board. Such Withdrawal will be effective six months from the date of receipt of the Notice or at such earlier time approved by the JPIA Governing Board. Pending the effective date:

7.2.1. The Designated Director of the Withdrawing District shall be deemed to have resigned as an officer and Director and shall be a non-voting observer at JPIA Governing Board meetings as of the date of the Notice.

7.2.2. The Withdrawing District shall not replace its Designated Director. The former Designated Director of the Withdrawing District shall not be counted for quorum

or voting purposes. Pending completion of Withdrawal, no adjustment to the number of Elected Directors will be required.

7.2.3. The Operating Team member associated with the Withdrawing District shall be removed from the Operating Team effective on the date of the Notice of Withdrawal.

7.2.4. No new financial or other obligations shall be placed on the Withdrawing District for activities of the JPIA after the date of Notice of Withdrawal, but the Withdrawing District shall remain liable for all obligations undertaken prior to the date of the Notice of Withdrawal, unless otherwise approved by the JPIA Governing Board.

7.2.5. The Withdrawing District shall confer with the COO to establish equitable procedures, terms and conditions of Withdrawal, taking into consideration existing obligations for collaborative activities, the benefits bestowed on Participating Districts and the continuing costs of these activities, the detriment to other Participating Districts of Withdrawal by the Withdrawing District, methods of for mitigating damage to the Participating Districts in their collaborative activities and other factors that the Operating Team and Chair deem relevant.

7.2.6. A Proposed Withdrawal Agreement shall be submitted for approval by the JPIA Governing Board.

7.2.7. If the Withdrawing District and the Operating Team cannot reach an agreement on a Withdrawal Agreement, the parties will use the dispute resolution provisions of Section 8.5 to determine the terms and conditions of Withdrawal.

7.3. Termination. The JPIA Governing Board may terminate the Membership of a Participating District (the "Affected Participating District") for Cause upon the vote of not less than a Super-Majority of the Directors of the JPIA Governing Board at a meeting at which the termination issue was included on the published agenda. Prior to that vote, the following must occur:

7.3.1. A Notice signed by two of the three officers of the JPIA Governing Board must be given to the Affected Participating District that termination for Cause will be recommended to the JPIA Governing Board, which Notice must specify in reasonable detail the facts constituting Cause.

7.3.2. The Affected Participating District and the COO shall confer to develop, if possible, a plan for the Affected Participating District's continued participation, which plan must be approved by the JPIA Governing Board. The COO shall report to the JPIA Governing Board regarding progress toward the plan.

7.3.3. The Affected Participating District shall have the opportunity to respond to the termination Notice at a JPIA Governing Board meeting held prior to the meeting at which the termination vote is taken. After that meeting, if the Notice of termination is not withdrawn, the Affected Participating District shall be treated as having given a Withdrawal Notice pending resolution of the termination.

7.4. Winding Up. Upon termination of this Agreement, the last serving Fiscal Agent (whether or not that Participating District has Withdrawn) will be responsible for the winding up of all collaborative activities authorized pursuant to this Agreement. That Participating District (or former Participating District) will be called the Winding Up District. The Winding Up District will present a Termination Plan to the entities which were Participating Districts during the twelve months prior to termination of this Agreement, which Plan will be deemed approved unless one or more former Participating Districts object within 30 days of the Winding Up Participating District's presentment of the Termination Plan. If the Participating Districts cannot agree on a Termination Plan, they will refer the matter to the dispute resolution processes described in Section 8.5. The Winding Up District will be entitled to reasonable compensation for winding up of the collaborative activities authorized pursuant to this Agreement, and each former Participating District will contribute its proportionate share of such compensation.

8. Other Matters.

8.1. Amendment. This Agreement may be amended by a writing signed by all Participating Districts.

8.2. Entire Agreement of the Participating Districts. This Agreement supersedes any and all prior agreements, either written or oral, between the Participating Districts with respect to the subject matter of collaborative activities among them. Each party to this Agreement acknowledges that no representation, inducements, promises, or agreements, oral or otherwise, have been made by either party, or anyone acting on behalf of either party, or anyone acting on behalf of either party, which are not embodied herein, and that no other agreement, statement, or promise not contained in this Agreement shall be valid or binding.

8.3. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, the remaining provisions will nevertheless continue in full force and effect to the extent necessary to accomplish the purposes of the JPIA.

8.4. Survival. The provisions of Sections 4.1.1.7 (but only with respect to Assessments approved prior to the notice of Withdrawal or termination of the Membership of a Participating District) 7.4, 8.2, 8.4 and 8.5, and all relating definitions, shall survive termination of this Agreement or termination of the Membership of a Participating District, except as specifically provided in a Withdrawal or other agreement.

8.5. Dispute Resolution

8.5.1. Informal Dispute Resolution. The Participating Districts will seek to resolve all disputes between them at the lowest level whenever possible. Any dispute among Participating Districts shall be referred to the respective Board Chairs of all of the Participating Districts for resolution.

8.5.2. Mandatory Mediation. If a dispute is not resolved pursuant to Section 8.5.1, it must be submitted to the Arbitration Services of Portland ("ASP"), or its successor, for mediation. Any Participating District may commence mediation by providing ASP and the other Participating Districts with a written request for mediation, setting forth the subject of the dispute and the relief requested. The Participating

Districts shall cooperate with ASP and with one another in selecting a mediator from the ASP panel of neutrals and in scheduling the mediation proceedings. They agree that they will participate in the mediation in good faith and that they will share equally in the costs of the mediation. All of the offers, promises and conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or any ASP employees, are confidential and privileged and inadmissible for any purpose, including impeachment, in any arbitration or other proceeding involving the parties, providing that evidence that is otherwise admissible and discoverable will not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Mediation will be held in Klamath Falls, Oregon, unless the parties otherwise agree.

8.5.3. Mandatory Arbitration. If a dispute is not resolved pursuant to Section 8.5.1 or 8.5.2, it shall be submitted to ASP, or its successor, for final and binding arbitration pursuant to the rules of commercial arbitration for ASP. Any Participating District may initiate the arbitration with respect to the matter submitted to mediation by filing a written demand for arbitration at any time following the initial mediation session or at any time following 45 days from the date of filing the written request for mediation, whichever occurs first ("Earliest Initiation Date"). The mediation may continue after the commencement of arbitration if the Participating Districts agree. At no time prior to the Earliest Initiation Date will any Participating District initiate an arbitration or litigation related to this Agreement, except as provided by the rules of commercial arbitration for ASP or by agreement of the Participating Districts. All applicable statutes of limitations and defenses based upon the passage of time shall be tolled until 15 days after the Earliest Initiation Date. The Participating Districts will take such action, if any is required, to effectuate such tolling. The dispute will be settled by a single arbitrator. The Participating Districts will cooperate with ASP and with one another in selecting an arbitrator and in scheduling arbitration proceedings. Arbitration will occur in Klamath Falls, Oregon unless the parties otherwise agree. The Participating Districts will be entitled to conduct discovery in accordance with the Federal Rules of Civil Procedure, subject to limitation by the arbitrator to secure the just and efficient resolution of the dispute. If the amount in controversy exceeds \$100,000, the arbitrator's decision shall include a statement specifying in reasonable detail the basis for and computation of the amount of the award, if any. In any arbitration arising out of or related to this Agreement, the arbitrator may not award any incidental, indirect or consequential damages, including damages for lost profits. The decision of the arbitrator will be final and binding. A Participating District prevailing in the arbitration will also be entitled to recover any amount for its costs and attorney fees incurred in connection with the arbitration as determined by the arbitrator. Judgment upon the arbitration award may be entered in any court having jurisdiction.

8.6. Status of Fiscal Agent, COO and Operating Team. At all times relevant and pursuant to the terms and conditions of this Agreement, each employee of a Participating District shall be considered an employee only of that Participating District, and shall not be treated as an employee of any other Participating District.

8.7. No Partnership or other Entity Intended. This Agreement shall not be construed as creating a partnership among the Participating Districts, or creating a Joint Powers Authority or intergovernmental entity as those terms are defined under California and Oregon law, respectively.

8.8. Waiver. The waiver of any provision, or of the breach of any provision, of this Agreement must be set forth specifically in writing and signed by the waiving party. Any such waiver shall not operate or be deemed to be a waiver of any prior or future breach of such provision.

8.9. Headings. The subject headings of the Sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of its provisions.

8.10. No Third Party Beneficiary. Nothing in this Agreement is intended or shall be construed to confer upon any person, public entity firm or corporation other than the parties hereto and their respective successors or assigns, any remedy or claim under or by reason of this Agreement or any term, covenant or condition hereof, as third party beneficiaries or otherwise, and all of the terms, covenants and conditions hereof shall be for the sole and exclusive benefit of the parties hereto and their successors and assigns.

**Lake Health District, dba Lake District
Hospital**

Name: _____
Title: _____

**Last Frontier Healthcare District, dba
Modoc Medical Center**

Name: _____
Title: _____

**Mayers Memorial Hospital District, dba
Mayers Memorial Hospital**

Name: _____
Title: _____

**Surprise Valley Health Care District, dba
Surprise Valley Hospital**

Name: _____
Title: _____

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