

SOUTHERN INYO HEALTHCARE DISTRICT

Notice of a Regular Meeting of the Board of Directors

Date: Tuesday, August 13, 2019

Time: 4:30 p.m.

Location: RCA Church

550 East Post St

Lone Pine, CA 93545

AGENDA

I. CALL TO ORDER

- A. Pledge of Allegiance
- B. Roll Call
- C. Approval of Agenda

II. BUSINESS ITEMS

- A. Discussion regarding future of Southern Inyo Hospital facilities.
(President/Attorney)

B. Consent Agenda: These items are considered routine and non-controversial and will be approved by one motion. If a member of the Board or public wishes to discuss an item, it will removed from Consent and considered separately at the end of Business Items.

1. Approval of Medical Staff Privileges

- a. Kevin Flanigan, MD, Clinic Physician and Hospitalist, Temporary 90 days Medical Staff Privileges
- b. Ronald Smith, MD, ER Physician, Extended Medical Staff Privileges
- c. Michael Dillon, MD, ER Physician, Two Years Medical Staff Privileges
- d. Eric Bradfield, SNF NP, Two Years Medical Staff Privileges
- e. Jasiri Kennedy, MD, ER Physician, Temporary 90 days Medical Staff Privileges.

2. Approval of Contracts

- a. Relias
- b. Ronald Smith, MD, ER Physician Agreement

C. 2020 Annual Financial Budget and Staff Memo

D. UpToDate Renewal Agreement

E. Altaware- Firewall Quote

F. High Desert Pathology Contract

G. Walden University Affiliation Agreement

Board of Directors:

Jaqueline Hickman
President

Charles Carson
Vice President

Carma Roper
Secretary

Vacant
Treasurer

Mark Lacey
Director

III. REPORTS

- A. Financial Report
- B. CEO Report
- C. Medical Staff Report (Quarterly Report)

IV. PUBLIC COMMENTS ON ITEMS NOT ON THE AGENDA

V. BOARD OF DIRECTORS COMMENTS ON ITEMS NOT ON THE AGENDA

VI. CLOSED SESSION

- A. Existing Litigation (Govt Code 54956.9): Chapter 9 Bankruptcy
- B. Potential Litigation: Medefis

VII. CLOSED SESSION REPORT

VIII. ADJOURNMENT

<u>NOTICE TO THE PUBLIC</u>
<u>PUBLIC COMMENT PERIOD FOR REGULAR MEETINGS</u> Members of the public may comment on any item on the agenda before the Board takes action on it. The public may also comment on items of interest to the public that are within the subject matter jurisdiction of the Board; provided, however, the Board may not take action on any item not appearing on the agenda unless the action is otherwise authorized by law. Any person addressing the Board will be limited to a maximum of three (3) minutes so that all interested parties have an opportunity to speak.
<u>COPIES OF PUBLIC RECORDS</u> All writings, materials, and information provided to the Board for their consideration relating to any open session agenda item of the meeting are available for public inspection and copying during regular business hours at the Administration Office of the District at 501 E. Locust Street, Lone Pine, California.
<u>COMPLIANCE WITH ADA</u> This agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (Cal. Gov't Cod. § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact the Administrative Office during regular business hours by phone at (760) 876-5501, or in person at the District's Administrative Office at 501 E. Locust St., Lone Pine, California.

Board of Directors:

Jaqueline Hickman
President

Charles Carson
Vice President

Carma Roper
Secretary

Vacant
Treasurer

Mark Lacey
Director



Southern Inyo Hospital

501 E. LOCUST ST. • P.O. BOX 1009
LONE PINE, CALIFORNIA 93545

Telephone (760) 876-5501
Fax (760) 876-4388
Admin Fax (760) 876-2268

August 13, 2019

Board of Directors
Southern Inyo Hospital
P.O. Box 1009
Lone Pine, CA 93545

It is requested that temporary Medical Staff privileges be granted to Kevin Flanigan, MD, Clinic Physician and Hospitalist for a period of 90-days to facilitate the Medical Staff credentialing process.

Respectfully,

A handwritten signature in cursive script that reads 'Vickie Torix'.

Vickie Torix
Medical Staff Secretary

Approved: _____
Peter Spiers, CEO Date

Approved: _____
Jaque Hickman, Board President Date

Approved: _____
Todd Farrer, MD, COS Date



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August 13, 2019

Board of Directors
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Active Medical Staff Privileges are extended to Ronald Smith, MD, Emergency Department Physician for a period of two years, from August 13, 2019 to August 13, 2021 by the Board of Directors of Southern Inyo Healthcare District, in accordance with the Medical Staff Bylaws of Southern Inyo Healthcare District.

Respectfully,

A handwritten signature in black ink that reads 'Vickie Torix'. The signature is written in a cursive, flowing style.

Vickie Torix
Medical Staff Secretary

Ronald Ostrom, DO, Medical Director of ER

Date

Peter Spiers, CEO

Date

Jaque Hickman, Board President

Date



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August 13, 2019

Board of Directors
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P.O. Box 1009
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Active Medical Staff Privileges are extended to Michael Dillon, MD, Emergency Department Physician for a period of two years, from August 13, 2019 to August 13, 2021 by the Board of Directors of Southern Inyo Healthcare District, in accordance with the Medical Staff Bylaws of Southern Inyo Healthcare District.

Respectfully,

A handwritten signature in cursive script that reads 'Vickie Torix'.

Vickie Torix
Medical Staff Secretary

Ronald Ostrom, DO, Medical Director of ER

Date

Peter Spiers, CEO

Date

Jaque Hickman, Board President

Date



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August 13, 2019

Board of Directors
Southern Inyo Hospital
P.O. Box 1009
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Active Medical Staff Privileges are extended to Eric Bradfield, SNF NP, for a period of two years, from August 13, 2019 to August 13, 2021 by the Board of Directors of Southern Inyo Healthcare District, in accordance with the Medical Staff Bylaws of Southern Inyo Healthcare District.

Respectfully,

A handwritten signature in cursive script that reads 'Vickie Torix'.

Vickie Torix
Medical Staff Secretary

Todd Farrer, COS

Date

Peter Spiers, CEO

Date

Jaque Hickman, Board President

Date



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August 13, 2019

Board of Directors
Southern Inyo Hospital
P.O. Box 1009
Lone Pine, CA 93545

It is requested that extended temporary Medical Staff privileges be granted to Jasiri Kennedy, MD, Emergency Room Physician for a period of 90-days to facilitate the Medical Staff credentialing process.

Respectfully,

A handwritten signature in cursive script that reads 'Vickie Torix'.

Vickie Torix
Medical Staff Secretary

Approved: _____
Peter Spiers, CEO Date

Approved: _____
Jaque Hickman, Board President Date

Approved: _____
Ronald Ostrom, Medical Director of ER Date



Proposal to Southern Inyo Healthcare District

Prepared by:
Daniel Spector
Relias LLC
1010 Sync Street, Suite 100
Morrisville, NC 27560

Submitted:
8/7/2019



Ordering Document

Southern Inyo Healthcare District
501 E. Locust St.
Lone Pine, CA 93545-1009

The term of this agreement is: 72 Months Method of Payment: Check

Billing Frequency: Monthly

The Subscription Start Date is: 8/19/2019

Subscription Services Name	Subscription Metric	Subscription Quantity
Relias Assessments - Acute Relias Assessments & Onboarding Temporary Full Access	Per User	15
Acute - Enhanced Package	Per User	105

List Price USD 8,685.00

Discount - USD 4,192.44

Year 1 Annual Subscription Total USD 4,492.56

Professional Services Name	Metric	Quantity
Assessments + Onboarding Set-Up Fee - CAH - Basic	Flat Rate	1
Learning Set-up Fee - Enhanced	Flat Fee	1

Discount - USD 1,300.00

Professional Services Total USD 5,000.00

Due Upon Receipt of Invoice USD 5,374.38

PRICING EXPIRES IF NOT EXECUTED BY 8/18/2019

This Ordering Document, together with the Master Services Agreement and the Schedules linked below, form the entire Agreement between the parties.

Contract Document	Link to Contract Document
MSA	https://www.relias.com/msa-2017
MSA Schedule A	https://www.relias.com/msa-2017-schedule-a
MSA Schedule B	https://www.relias.com/msa-2017-schedule-b



CUSTOMER SIGNATURE PAGE

This Agreement (as hereinafter defined) is entered into between Relias LLC ("Company") and the customer identified in the signature block below ("Customer"), effective as of 8/19/2019 ("Effective Date"). This Agreement establishes the general terms and conditions to which the parties have agreed in order to facilitate the provision of certain services as more fully described herein and in each Ordering Document.

By signing below, the Customer acknowledges that they have read and understood the Agreement and agree to be bound by all the terms and conditions contained therein.

Southern Inyo Healthcare District

Relias LLC

Signature: _____
Print Name: _____
Job Title: _____
Date: _____

Signature: _____
Print Name: _____
Job Title: _____
Date: _____

Address for Notices:
Southern Inyo Healthcare District
501 E. Locust St.
Lone Pine, CA93545-1009

Address for Notices:
Relias LLC
1010 Sync Street, Suite 100
Morrisville, NC 27560

Liaison Contact :

Billing Contact :

Name: _____
Job Title: _____
Email: _____
Phone: _____

Name: _____
Job Title: _____
Email: _____
Phone: _____

Address: _____

Address: _____



Contract Amendment ("Amendment")

Relias LLC ("Company") and Southern Inyo Healthcare District ("Client") are parties to a Master Services Agreement with a Subscription Start Date of 8/19/2019 (the "Agreement").

Effective as of 8/19/2019 ("Amendment Effective Date"), the parties amend the Agreement as follows:

- 1 All confidentiality obligations under the Agreement are subject to the public records laws of the state of CA.
- 2 Following the end of the initial term, Subscription Services shall automatically terminate unless Client gives written notice to Company at least sixty (60) days prior to the end of the initial term, or any renewal term, of its intention to renew any of the Subscription Services.
- 3 Section 10.13 is deleted in its entirety and replaced with the following language:
"The Agreement shall be governed by and construed in accordance with the laws of the State of CA, without giving effect to its principles of conflict of laws."
- 4 Client agrees to pay the one-time Professional Services Site Setup fee in two (2) equal semi-annual payments of \$2,500.00.
- 5 As of the Amendment Effective Date, Client shall receive full access to Company's promotional assessments library (the "Promo Library"), consisting of 243 assessments through December 31, 2019, for no additional fee (the "Promotional Period").
- 6 Client acknowledges that following the end of the Promotional Period, and at any time after, Company will have the right to remove the Promo Library from Client's Site.
- 7 Following the Promotional Period, Client will continue to receive access only to those products and libraries that are included in Client's Subscription Metrics (as referenced in the Ordering Document)
- 8 Client shall have the option to continue receiving access to Assessments from the Promo Library that are not currently within its Subscription Services package by purchasing additional Subscription Metrics at Company's then-current fees.
- 9. Effective August 19, 2020, Client's billing frequency shall be changed from Monthly to Quarterly. Future invoices shall be adjusted accordingly.

Any inconsistencies between this Amendment and the Agreement shall be governed by this Amendment. Any terms used but not defined in this Amendment will have the meanings ascribed in the Agreement.

SIGNED AND AGREED:

Southern Inyo Healthcare District

Relias LLC

Signature: _____

Print Name: _____

Job Title: _____

Date: _____

Signature: _____

Print Name: _____

Job Title: _____

Date: _____

EMERGENCY DEPARTMENT PHYSICIAN AGREEMENT

This Emergency Department Physician Agreement (“Agreement”) is made by Southern Inyo Healthcare District (“District”) and Ronald Smith, M.D. (“PHYSICIAN”), as of 06/11/2019.

RECITALS

A. District owns and operates Southern Inyo Hospital (“Hospital”) located in Lone Pine, California, a Critical Access Hospital, and desires to retain Physician to provide emergency medicine services in Hospital’s Emergency Department (“ED”).

A. Physician is a physician duly licensed in California with a background and experience in providing emergency medicine services, and desires to be retained by District.

NOW, THEREFORE, the parties agree as follows:

TERMS

1. SCOPE OF SERVICES

District retains Physician, and Physician agrees, to provide those services identified in Exhibit A, attached hereto and incorporated by reference (the “Services”).

2. PHYSICIAN’S REPRESENTATIONS AND WARRANTIES

Physician represents and warrants at the time of signing this Agreement, and at all times during the term of this Agreement, that:

2.1 Physician is duly licensed, registered and in good standing, or will become duly licensed, registered and in good standing under the laws of the State of California, to engage in the practice of medicine, and that said license and registration have not been suspended, revoked, or restricted in any manner.

2.2 Physician is qualified for and has applied for, or will apply for within a reasonable time after the signing of this Agreement, and has obtained, or will obtain within a reasonable time after the signing of this Agreement, membership (including appropriate clinical privileges) in good standing with the Medical Staff of District.

2.3 Physician has disclosed and will at all times during the term of this Agreement promptly disclose to the District: (a) the existence and basis of any legal, regulatory, professional or other proceeding against Physician instituted by any person, organization, governmental agency, health care facility, peer review organization, or professional society which involves any allegation of substandard care or professional misconduct raised against Physician and (b) any allegation of substandard care or professional misconduct raised against Physician by any person, organization, governmental agency, health care facility, peer review organization or professional society;

2.4 Physician is board certified or board qualified in emergency medicine, or possesses knowledge and skill in emergency medicine comparable to other physicians practicing emergency medicine in the District's service area.

2.5 Physician shall at all times render the Services in a competent, professional, and ethical manner, in accordance with prevailing standards of medical care and practice, and all applicable statutes, regulations, rules, orders, and directives of all applicable governmental and regulatory bodies having competent jurisdiction.

2.6 In connection with the provision of the Services, Physician shall use the equipment, instruments, electronic medical record documentation system and supplies of the District for the purposes for which they are intended and in a manner consistent with sound medical practice and District policies and procedures.

2.7 Physician shall complete and maintain, in a timely manner, adequate, legible and proper medical records, claims and correspondence with respect to the Services.

2.8 Physician shall participate in Medicare, Medi-Cal and other federal and state reimbursement programs, commercial insurance reimbursement programs, health maintenance organization, preferred provider organizations, self-insured employer reimbursement programs and any other health benefit program with which the District may contract for the provision of professional medical services.

2.9 Physician shall abide by the Medical Staff Bylaws, rules, regulations and policies.

2.10 Physician shall participate in continuing medical education and training programs required to maintain skills comparable with the standards of care in emergency medicine in the District's service area.

2.11 Physician shall satisfy all qualifications of insurability for professional liability policy or policies required, maintained or reimbursed by the District.

2.12 Physician shall deliver to the District promptly upon request copies of all certificates, registrations, certificates of insurance and other evidence of Physician's compliance with the foregoing as reasonably requested by the District.

3. RESPONSIBILITIES OF HOSPITAL

3.1 HOSPITAL shall provide appropriate space and necessary equipment within the ED for the use of Physician in the performance of the Services under this Agreement.

3.2 HOSPITAL shall make all reasonable efforts to make available ancillary services necessary for effective operation of the ER, including laboratory, imaging, pharmacy, etc.

3.3 HOSPITAL shall not involve itself in those aspects of Physician's professional practice of medicine for which a license to practice medicine is required.

4. COVERAGE.

PHYSICIAN will provide emergency physician coverage in the ED as scheduled by HOSPITAL and MEDICAL DIRECTOR. However, PHYSICIAN will cover no less than N/A shifts per month.

5. COMPLIANCE WITH LAWS

PHYSICIAN shall comply with all applicable provisions of law, and other valid rules and regulations of all governmental agencies having jurisdiction over: (i) the operation of the ED; (ii) the licensing of health care practitioners; and (iii) the delivery of services to patients of governmentally regulated third party payers whose members/beneficiaries receive services at HOSPITAL. This shall specifically include, but not by way of limitation (i) compliance with applicable provisions of Title 22, California Administrative Code; and (ii) compliance with Medicare billing, time allocation, record keeping, and record access requirements.

6. PHYSICIAN COMPENSATION.

6.1 District agrees to pay the following fees to Physician:

6.1.1 Patient Visits. District will bill patients and their payors for services provided by PHYSICIAN to those patients. Such charges shall be consistent with prevailing community charges.

6.1.2 Emergency Department Patient Visit Fees. District will pay PHYSICIAN \$ N/A per visit for all patients treated with their charts completed by N/A .

6.1.3 Stand-By Hours. In addition to the compensation in 6.1.2, District will compensate PHYSICIAN at \$100.00 per hour for all hours worked on site covering the Emergency Department.

6.1.6 HOSPITAL is responsible for the payments due to PHYSICIAN. Therefore, physician should only look to the HOSPITAL for amounts due and not to MEDICAL DIRECTOR or HOSPITAL'S patients.

6.2 Timing of Payment. HOSPITAL will pay PHYSICIAN monthly by the 15 day of the next month following that month in which the services are rendered.

6.3 Holiday Minimum. The minimum payment for the following holidays will be Time and a Half : New Year's Day, Easter Sunday, Memorial Day, 4th of July, Labor Day, Thanksgiving Day, and Christmas Day.

6.4 Continuing Medical Education. PHYSICIAN shall be entitled to N/A hours of paid continuing medical education time after each six-month period in which PHYSICIAN has worked at least the minimum shifts in the emergency department as required under article 4.0 of this agreement.

6.5 PHYSICIAN will be entitled to purchase group health insurance through the DISTRICT plan at the then current cost of the health insurance to the District or the COBRA rate.

7. INDEPENDENT CONTRACTOR

7.1 PHYSICIAN is an independent contractor, and is not, by virtue of this Agreement, an employee, partner of, or joint venturer with District.

7.2 Physician may not make any claim against District under this Agreement for social security benefits, worker's compensation benefits, unemployment insurance benefits, health benefits, vacation pay, sick leave, or any other employee benefits of any kind.

7.3 District shall not exercise any direct control over any medical decisions made by Physician while performing the Services at the ED.

8. INSURANCE AND INDEMNIFICATION

8.1. Coverage. PHYSICIAN will be covered by the District's Professional and Liability Insurance through BETA Healthcare Group ("BETA") for a minimum of \$1,000,000 per occurrence, \$3,000,000 aggregate, for the Services rendered under this Agreement. It is understood and agreed that BETA provides Continuous Coverage for departed providers, except the coverage is limited to claims made and reported against the provider for Services provided during the term of this Agreement.

8.2. Indemnification. Each party ("Indemnitor") agrees to defend, indemnify and hold the other party ("Indemnitee") and its representatives, agents, successors and assigns harmless from any and all damages, claims, judgments, losses, costs and expenses, including attorney's fees, which may hereinafter at any time be incurred, suffered, sustained by or imposed upon Indemnitee or its representatives, agents, successors or assigns, which may be due or required to be paid or performed by reason of, arising out of, by virtue of, or incident to the performance or the rendering of any of the obligations of Indemnitor hereunder, including but not limited to, any such damages, claims, judgments, losses, costs or expenses attributable to bodily injury, sickness, disease or death or injury or to destruction of tangible property which is caused in whole or in part by the negligent act or omission of Indemnitor, or anyone directly employed by or acting on behalf of Indemnitor but not as a result of the negligence of Indemnitee, its representatives, servants or agents.

9. NONDISCRIMINATION

Services are to be available to all patients, in accordance with District's nondiscrimination policies, and in accordance with any established policies relating to free or charity care. Physician shall not refuse to provide services to any patient at the Hospital, regardless of ability to pay.

10. TERM AND TERMINATION

10.1 Term. This Agreement shall be effective as of June 11, 2019 and shall terminate on June 12, 2020. Upon mutual agreement, not later than 90 days prior to expiration of the

current term, the District and Physician may extend this Agreement for two additional one-year terms.

10.2 Termination without cause. During the initial 120 days of this Agreement, either party may, without cause, terminate this Agreement with 10-days written notice to the other party. Thereafter, this Agreement may be terminated upon 60-days written notice to the other party. This agreement may be terminated at any time by the mutual consent of both parties.

10.3 Termination for cause. Either party may terminate this Agreement for cause if the other party is in material breach of this Agreement and the default is not cured within seven days of receipt of written notice specifying the material breach.

10.4 Other grounds for termination. This Agreement may be terminated immediately for the following reasons:

10.4.1 Physician's loss or restriction of their license for any reason.

10.4.2 Physician becomes legally incompetent; is convicted of a felony; or uses, possesses, or is found under the influence of alcohol, drugs, or other controlled substances while performing his duties under this Agreement.

10.4.3 Physician fails to maintain a professional standard of conduct in accordance with District policies.

10.4.4 Physician becomes ineligible to participate in the Medi-Cal or Medicare programs for any reason.

10.4.5 A fraud control unit of a state or federal agency determines Medical Director has or may be placing the health and safety of a patient at risk.

10.4.6 Loss or restriction of DISTRICT'S license to operate the Hospital.

10.5 Change in Law. If any federal, state or local law or regulation, or any final, non-appealable interpretation of law or regulations by a court of law or governmental agency, makes or will make substantial performance of this Agreement illegal or renders any provision hereof illegal or unenforceable, the parties shall meet and negotiate and use best efforts to modify the Agreement to resolve the concern. If the parties are unable to resolve the issue within ten (10) days after it arose, either party may elect to terminate this Agreement on ten (10) days prior written notice.

10.6 Rights on Expiration or Termination. Custody of all District records, including patient medical records, equipment, and supplies shall be turned over to District upon termination for any reason. Duplicate copies of records may be retained by PHYSICIAN, at its own expense.

11. GENERAL PROVISIONS

11.1. Other Agreements. No other agreements between the parties exist at this time.

11.2. Assignment. Neither party may assign, delegate or transfer any rights, obligations or duties hereunder without the express written approval of the other party, which approval shall not be unreasonably withheld.

11.3. Notice. All notices required by this Agreement shall be in writing, and shall be deemed effective when personally delivered; when mailed by certified or registered mail, return receipt requested; or when deposited with a comparably reliable postage delivery service (such as Federal Express); addressed to the other party as follows:

IF TO PHYSICIAN:

If TO DISTRICT:

11.4. Records. Until the expiration of four (4) years after the furnishing of any service pursuant to this Agreement, PHYSICIAN shall make available upon written request, to the Secretary of the United States Department of Health and Human Services, or upon written request to the United States Comptroller, or any of their duly authorized representatives, under 42 C.F.R. & 420.300 et seq., or the California Department of Health Services, this Agreement, and such books, documents and records of the Physician that are necessary to certify the nature and extent of the reasonable costs of services.

11.5. No Third-Party Beneficiaries. Nothing contained in this Agreement is intended, nor shall it be construed, to create rights running to the benefit of third parties.

11.6. Attorney's Fees. In the event of a legal action or proceeding between the parties arising from this Agreement, the prevailing party shall be entitled to receive reasonable attorney's fees, costs, and other expenses, including those incurred on appeal and in the enforcement of a judgment, in addition to whatever other relief may be awarded.

11.7. Force Majeure. Neither party shall be liable or deemed in default of this Agreement for any delay or failure to perform caused by acts of God, war, disasters, strikes, or any cause reasonably beyond the control of the non-performing party.

11.8. Severability. In the event any portion of this Agreement is declared invalid or void by a court or arbitrator, such portion shall be severed from this Agreement, and the remaining provisions shall remain in effect, unless the effect of such severance would be to substantially alter the agreement or obligations of the parties, or would place either party in violation of its articles of in District or its bylaws, in which case the Agreement may be immediately terminated.

11.9 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws principles, and is made and to be performed in the County of Inyo, California.

11.10 No Referrals. Nothing in this Agreement is intended to obligate, and shall not obligate, any party to this Agreement to refer patients to any other party.

11.11 Waiver. Any failure of a party to insist upon strict compliance with any term, undertaking or condition of this Agreement shall not be deemed to be a waiver of such term, undertaking or condition. To be effective, a waiver must be in writing, signed and dated by the parties.

11.12 Entire Agreement; Modification. This Agreement contains the entire agreement of the parties relating to this subject matter. The Agreement may only be modified in writing, signed by both parties, effective on the date set forth therein.

11.13 Execution. By their signatures below, each of the following represent that they have authority to execute this Agreement and to bind the party on whose behalf their execution is made.

Southern Inyo Healthcare District

Physician

By _____

EXHIBIT A

SCOPE OF SERVICES

PHYSICIAN shall devote sufficient time and his or her best abilities to the responsibility of treating patients in the normal and customary hours of operation of the ED.

Patient Transfers. Except in circumstances of immediate jeopardy for the life of the patient, PHYSICIAN shall consult with the hospitalist of the Hospital prior to the permanent transfer of patients from the ED to other hospitals or health care providers.

Medical Care Plan System. PHYSICIAN shall participate in the development and review of a system for providing a medical care plan for ED patient covering medications, nursing care, ancillary services, admission, discharge or transfer planning, and other relevant services.

Medical Records. PHYSICIAN shall be responsible for the development and maintenance of an adequate medical record in the ED. This shall include assuring that the appropriate medical record entries are made by PHYSICIAN concerning all medical procedures and other services performed in the ED on the electronic medical record system of HOSPITAL.

Service and Equipment Adequacy. PHYSICIAN shall advise the Medical Director concerning the adequacy of the patient care services and medical equipment.

Responses to Administrative Questions. PHYSICIAN shall be available to respond to administrative questions regarding patients, facility bed availability, intra-facility transfer problems, and patient status.

Responses to Nursing Questions. PHYSICIAN shall be available to assist with nursing questions at the ED, including questions regarding patient transfers and patient clinical status.

Responses to Patient Problems. PHYSICIAN, when on duty, shall be available to respond to patient problems in the ED by means of chart review and patient visits, as appropriate, and respond to all in-house patient emergencies when required.

Medical Staff Commitments. Physician shall serve on such committees of Medical Staff of the District as may be appropriate after consultation with the ED Medical Director and Hospital CEO.

Utilization Review Services. Physician shall, as requested by the District, assist in the ED utilization review program of the District.

Southern Inyo Healthcare District
 Operational Cash Flow Actual w/Projections
 Budget FY 2020

	Proj	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Proj	FY					
	Jul-19	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	TOTAL	
Ave. Daily Census																										
Acute Care	0.7	0.3	1.4	1.1	1.1	0.7	0.4	0.4	0.3	0.2	0.6	0.70	0.67	2.5	2.1	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.50	0.69
Swing	2.2	2.6	2.4	2.3	2.3	2.6	2.6	2.6	2.3	2.6	2.6	2.6	2.6	2.2	2.6	2.3	2.3	2.6	2.6	2.6	2.3	2.6	2.6	2.6	27.00	25.05
SNF																										
Beginning Balance	403,831	92,132	165,741	125,781	-14,976	-145,154	-145,710	-8,827	-296,752	-256,456	-292,711	-228,011	403,831													
Cash Receipts																										
Medicare	55,305	511,028	161,975	201,526	270,827	380,334	182,702	244,917	346,454	91,878	142,227	151,320	2,740,492	178,834	120,275	186,815	207,235	145,299	166,803	141,402	209,365	188,737	142,852	112,243	1,922,507	1,078,982
Medi-Cal	116,252	78,020	263,633	122,590	70,506	40,380	44,151	62,342	72,049	67,077	47,881	94,121	1,078,982	9,035	9,511	9,835	9,061	89,536	62,089	38,069	38,069	21,077	77,567	14,231	453,282	36,240
Insurance	3,947	10,789	19,884	18,889	14,913	6,597	3,617	8,654	54,587	15,026	29,426	5,121	162,025	18,061	15,216	31,555	16,610	30,842	61,122	55,740	60,796	25,172	29,426	36,240	412,206	75,000
Bad Debt Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Credit Card Payments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Private Pay	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rebates & Refunds/Taxes/IGT	375,887	56,395	850	10,355	73,237	7,466	42,351	51,851	56,114	335,531	1,166,958	75,000	2,351,245	83,201	888	0	0	0	0	0	0	24,873	60,811	31,258	791,448	143,125
Miscellaneous Cash	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Unapplied/Growth	840,522	802,122	674,547	586,265	695,159	724,791	1,300,168	582,116	837,433	769,371	1,667,702	575,115	10,055,310													
Total Cash Received	840,522	802,122	674,547	586,265	695,159	724,791	1,300,168	582,116	837,433	769,371	1,667,702	575,115	10,055,310													
Salaries	409,286	426,589	416,136	479,393	461,000	519,984	434,187	426,627	431,538	410,000	426,400	441,000	5,282,141	88,265	93,939	93,939	102,789	125,512	147,369	128,349	121,657	73,832	72,053	102,031	99,981	1,252,659
Professional Fees	39,676	46,065	49,428	34,143	46,762	43,859	53,897	111,859	38,426	18,696	16,146	54,200	553,156	232,133	167,595	130,476	110,696	192,063	159,899	303,467	253,341	303,467	652,595	36,516	2,462,814	553,156
Other/Purch Serv/Contract Labor	374,235	0	0	0	0	0	386,953	0	0	1,410	142,776	82,000	987,374	0	0	0	0	0	0	0	0	0	0	0	0	24,527
Inyo County Treas Repay/Medsphere	0	0	24,527	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
IGT Matching	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
TOTAL EXPENSE	1,152,220	728,514	714,507	727,022	825,337	725,347	1,163,285	870,042	797,137	805,626	1,353,002	713,697	10,562,681													
Return of Medicare/Cal Overpmt.	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Account (LAIF)*	0	0	0	0	0	0	0	0	0	0	0	0	250,000	0	0	0	0	0	0	0	0	0	0	0	0	250,000
Total Payments	1,152,220	728,514	714,507	727,022	825,337	725,347	1,163,285	870,042	797,137	805,626	1,603,002	713,697	10,812,681													
Cash Over/(Under)	92,132	165,741	125,781	(14,976)	(145,154)	(145,710)	(8,827)	(296,752)	(256,456)	(292,711)	(228,011)	(366,593)	(366,593)													
Operating Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Tax Fund	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613
Med Overpmt./IGT/Grants	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Add or Transfer	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Net Cash Balance	99,745	173,354	133,394	(7,363)	(137,541)	(138,097)	(1,214)	(289,139)	(248,843)	(285,098)	(220,397)	(358,980)	(358,980)													

SOUTHERN INYO HEALTHCARE DISTRICT

**INCOME STATEMENT
BUDGET FY 2020**

APPROVED FINANCE
BOARD

ALL PATIENT DAYS	13,681	12,437	7,963
ED VISITS	1,291	1,173	992
OUTPT & CLINIC VISITS	6,949	6,317	6,627
ADJUSTED PT DAYS	29,369	26,699	16,591
	2020	2019(MAR)	2019
Patient Revenue/Expense	BUDGET	ANNUALIZED	BUDGET
In Patient Revenue	915,919	832,653	339,036
Long Term Care Revenue	4,723,202	4,293,820	3,906,623
Out Patient Revenue	967,166	903,893	992,493
ED Revenue	4,810,900	4,373,545	3,184,420
Clinic Revenue	661,272	601,156	423,721
Total Patient Revenue	12,078,458	11,005,068	8,846,293
Deductions From Revenue			
Contractual	-3,467,491	(3,052,504)	(2,252,267)
Bad Debts	-332,233	(292,472)	(176,925)
Charity	-56,797	(50,000)	(8,847)
Total Deductions From Revenue	-3,856,522	-3,394,976	-2,438,039
% Of Total Deductions to Revenue	-31.93%	-30.85%	-27.56%
Net Patient Revenue	8,221,936	7,610,092	6,408,254
Other Operating Revenue	353,257	341,311	193,574
Net Revenue	8,575,192	7,951,403	6,601,828
Operating Expenses			
1 Salaries & Wages	4,384,926	4,216,275	4,220,675
3 Benefits	1,439,571	1,054,068	1,055,168
4 Contracted Labor	580,531	558,203	287,653
5 Professional Fees	1,151,549	1,107,259	739,285
6 Purchase Service	139,360	134,000	24,941
7 Supplies	393,505	382,044	349,428
10 Utilities	186,808	177,912	114,221
11 Repairs and Maintenance	69,343	66,676	75,688
12 Insurance / Taxes	211,672	203,531	138,049
13 Other Expenses	996,720	965,748	387,344
15 Rents / Leases	114,314	109,917	78,081
16 Depreciation	80,461	77,367	144,352
Short Term Interest	0	0	-
Total Expense	9,748,760	9,052,999	7,614,887
Net Income / Loss From Operations	(1,173,568)	(1,101,596)	(1,013,058)
18 Interest Income/Donations	0	0	0
9160 Taxes	617,881	594,116	252,531
Deferred Income From GO Bond Taxes	0	0	0
17 Interest	-230,659	(230,659)	-146,109
9290/9550 Donations/Foundation	0	0	0
Other	100,372	96,512	62,285
Total Non Operating	487,594	459,969	168,707
Net Profit / Loss	(685,973)	(641,627)	(844,352)
Other Expense Detail			
Legal Fees	84,460	82,000	34,287
Consulting	302,165	293,364	131,000
Other Professional Fees	173,040	168,000	113,787
Minor Equipment	11,605	11,267	13,057

SOUTHERN INYO HEALTHCARE DISTRICT

**INCOME STATEMENT
BUDGET FY 2020**

APPROVED FINANCE
BOARD

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ED VISITS	1,291	1,173	992
OUTPT & CLINIC VISITS	6,949	6,317	6,627
ADJUSTED PT DAYS	29,369	26,699	16,591

Patient Revenue/Expense	2020 BUDGET	2019(MAR) ANNUALIZED	2019 BUDGET
Freight	3,297	3,201	-28
Licenses & Taxes	100,906	97,967	22,028
Dues/Subscriptions	12,039	11,688	9,039
Outside Training	17,853	17,333	8,499
Travel	15,729	15,271	9,953
Recruiting	19,227	18,667	3,903
Other Direct Expenses	5,886	5,715	491
IT Licenses & Software	219,846	211,500	2,804
Advertising /Marketing	1,880	1,825	495
Software Purchase	9,593	9,313	32,779
Security	2,699	2,620	1,415
Postage	16,498	16,017	3,837
Total Other Expenses	<u>996,721</u>	<u>965,748</u>	<u>387,344</u>

Memo

To: All Staff

From: Administration & Payroll

Date: 08/13/2019

Re: Payroll- FY 2020 Parity/Cost of Living Increases

SIHD will be completing the FY 2020 Payroll Parity Increases to employees who are qualified.

The Parity increase includes the modification of the status of those managers qualifying under the existing IRS criteria of EXEMPT from the federal overtime statutes.

This does not include new hires as of 01/01/2019. This also does not include those employees who have received an increase as of 01/01/2019.

All employees who will have a parity increase will receive a letter with the percentage/amount they will be receiving.

The parity increase is tentatively scheduled to begin the first payroll in October 2019.

All employees earning minimal wage will receive their parity increase to accommodate the 2020 minimum wage requirement during this time.

Subject: Renewal of UpToDate License Agreement for Southern Inyo Healthcare District

Dear Brian Cotter,

Your subscription license to UpToDate will soon be at the end of its current term. Pursuant to our Agreement, this letter will serve as notification of your Renewal Subscription Fee for a one (1) year Additional Term, and provide details related to the upcoming billing of your subscription to UpToDate. Please note that this letter is not an invoice, but a notification of the license fees for the upcoming fee term. A renewal invoice will be issued separately prior to your service start date outlined in this letter.

Renewal Term: September 1, 2019 - August 31, 2020.

Subscription Fees: \$5,618.00 USD

When reviewing your renewal:

- Please indicate any changes to your organization's contacts, address, or billing requirements.
- If your organization requires that a purchase order be referenced on the invoice, please provide a copy of the purchase order. Please note that all purchase orders should reference the following:

UpToDate, Inc.
230 Third Avenue
Waltham, MA 02451
Employer ID #: 04-3310941

- If your organization is tax exempt, please provide a current, official certificate or form of exemption status.

Should you not want to continue your subscription, please notify us in writing via certified mail or express courier service of your desire to cancel your subscription license. Unless we hear from you at least thirty (30) days prior to the expiration of your current subscription term, the subscription license will automatically be renewed for a period of one (1) year at the Renewal Subscription Fee stated above. Please do not hesitate to reach out to your account manager, Suzanne Rival, if you have any questions related to your subscription or renewal.

Thank you for your continued support of UpToDate. We value your business and look forward to working with you throughout this next year.

Sincerely,



5/22/2019 5:05 PM
UpToDate, Inc.

Contract No.: 001-00-50354240

June 1, 2018

Brian Cotter
Southern Inyo Healthcare District
501 E Locust St
PO Box 1009
Lone Pine, CA 93545-1009
United States

Dear Brian Cotter,

This letter (the "Letter") and the attached Subscription and License Terms set forth in Exhibit A set out the terms and conditions on which UpToDate, Inc. ("UpToDate") will supply Southern Inyo Healthcare District ("You" or "Your") with a subscription to *On-Site Only*, which consists of the *UpToDate*® online database, software and user documentation (the "Licensed Materials"). This Agreement (as defined below) and Your subscription will be valid for an initial period of one year (the "Initial Term") commencing on September 1, 2018. After the Initial Term, Your subscription will be subject to renewal as set forth in "Term and Termination" below. Capitalized terms may be defined in this Letter or in the attached Exhibit A. This Letter, along with the Exhibit A, are collectively referred to herein as the "Agreement."

Subscription Fees: The annual Subscription Fees for Your *On-Site Only* license is \$5,300.00 USD (plus tax where applicable). The total Subscription Fees must be paid within 30 days of the Start Date of this Agreement. This quote is valid for 60 days from the date of this Letter and is confidential.

License to Use the Licensed Materials: For the above Subscription Fees, UpToDate will grant Your Authorized Users access to use the Licensed Materials on the terms set forth in this Agreement. This *On-Site Only* license allows Your Authorized Users to Access the Licensed Materials only while they are physically on-site at the addresses listed below as "Designated Sites".

On-Site Only Subscription Features

- Multiple simultaneous users have immediate access to *UpToDate* from any web-enabled computer within Your institution's Designated Sites.
- UpToDate, Inc. provides You with access to telephone and email technical support.
- Content updates are performed continuously.

Confirmation of Your Information

The operating statistics on which UpToDate based the Subscription Fees are:

<u>Institution</u>	<u>Inpatient Admissions</u>	<u>Clinicians</u>
Southern Inyo Hospital	272	9
Total	272	9

Designated Sites

Southern Inyo Hospital
501 E Locust St
Lone Pine, CA 93545
United States

IP Addresses

162.252.89.128 - 162.252.89.135
162.252.88.5 - 162.252.88.5

You represent and warrant that: (i) the operating statistics set forth above are accurate and complete figures covering all of the Designated Sites; (ii) You have the technical capability to ensure that Authorized Users may only Access the Licensed Materials when such users are physically within the confines of the Designated Sites; (iii) the IP Addresses or UpToDate provided Security Agent(s) listed above are only accessible by Authorized Users while such users are physically located within the Designated Sites; and (iv) You will actively enforce the prohibition against off-site Access and promptly inform UpToDate of any breaches of such prohibition.

Subscription Confirmation

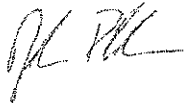
To confirm Your acceptance of the terms in the Agreement, please sign this Letter in the space below and return it to us. Your subscription will be processed promptly and an executed copy will be returned to You.

We look forward to providing You with a subscription to the Licensed Materials. We are confident that Your clinicians will find the *UpToDate* Services to be practical and efficient tools with which to effectively manage clinical issues in practice.

Your account manager, Suzanne Rival, will call you shortly to answer any questions that you might have and to discuss the next steps.

Again, thank you for your interest in *UpToDate*.

Sincerely,



6/1/2018 8:48 AM
Finance – Contract Administration
UpToDate, Inc.

Accepted and Agreed to this 20 day of AUG, 2018 on behalf of Southern Inyo Healthcare District.

By: 

Printed Name: BRIAN COTTER

Title: CEO

Accepted and Agreed to this 22 day of August, 2018 on behalf of UpToDate, Inc.

By: 

Printed Name: Stephen Murphy

Title: Senior Contract Analyst
UpToDate, Inc.

EXHIBIT A

On-Site Only Subscription - UpToDate, Inc. Subscription and License Terms

1. Definitions

"Access": Viewing, searching or displaying any page of the Licensed Materials, whether such pages are viewed by means of connection to a network or from storage in any storage medium.

"Agreement": These Subscription and License Terms and the attached quotation letter.

"Authorized Users": Physician staff, faculty, residents, nurses, librarians and other staff and medical professionals who are employed by Your organization or who provide medical services to patients at Your organization's facilities, any student affiliated with Your organization, and, to the extent that Your organization includes a publicly accessible physical library, individuals otherwise entitled to use Your library facilities, subject to "Authorized Access" below.

"Clinicians": Physicians working within specialties covered by UpToDate and any Nurse Practitioners, Physician Assistants and clinical faculty who will have Access to the Licensed Materials.

2. Grant of License

UpToDate, in consideration of payment of the applicable Subscription Fees (as set forth in the Letter) and subject to the terms and conditions below, grants You a limited, revocable, non-exclusive, non-transferable license for Your Authorized Users to Access the Licensed Materials solely for the purpose of: (i) research and other scholarly activities; or (ii) providing diagnostic treatment or other medical services to patients, subject to the terms and conditions of this Agreement. You shall ensure that the Licensed Materials are Accessed only by Authorized Users affiliated with You for a purpose related to Your business.

In order to Access the Licensed Materials, Authorized Users must agree to the End User License Agreement (EULA). In the event of a conflict or discrepancy between the EULA and this Agreement, this Agreement shall take precedence.

3. Term and Termination

Access to the Licensed Materials will be provided to You for the Term (as defined below), unless earlier terminated in accordance with this Agreement.

Upon expiration of the Initial Term, this Agreement will automatically renew for successive twelve (12) month terms (each an "Additional Term," and together with the Initial Term, the "Term"), unless either party provides written notice of non-renewal at least thirty (30) days prior to expiration of the then-current

Term. If You desire to increase or otherwise modify the Designated Site(s) or IP address(es), or if Your operating statistics increase in a manner that would cause your annual Subscription Fees to increase by 10% or more, You must provide written notice to UpToDate setting forth such modified IP address(es), Designated Site(s), and/or updated operating statistics (collectively, the "Renewal Addresses and Statistics") at least ninety (90) days prior to the expiration of the then-current Term. At least sixty (60) days prior to the expiration of the then-current Term, UpToDate will provide You with a written letter (the "Renewal Letter") setting forth a new Subscription Fee effective for the upcoming one (1) year Additional Term (the "Renewal Subscription Fee"), including any Renewal Addresses and Statistics approved by UpToDate (collectively with the Renewal Subscription Fee, the "Renewal Terms"). If You fail to provide written notice of non-renewal to UpToDate at least thirty (30) days prior to expiration of the then-current Term, You will be deemed to have accepted the terms set forth in the Renewal Letter, including the Renewal Terms, and such terms will supersede and replace the existing Subscription Fee and IP address(es), Designated Site(s), and/or operating statistics (as applicable) set forth in this Agreement and will be applicable for the upcoming one (1) year Additional Term. If You fail to provide written notice to UpToDate of any applicable Renewal Addresses and Statistics in accordance with the timeframe set forth above, UpToDate may, at any time after discovery of such failure by You, provide You with a written letter setting forth an updated Renewal Subscription Fee taking into account the updated Renewal Addresses and Statistics, and such Renewal Subscription Fee will be effective for, and apply retroactively to, any Additional Term(s) for which you failed to disclose such Renewal Addresses and Statistics. In such circumstances, UpToDate may invoice You and You will be responsible for paying any difference between the prior Subscription Fee and the Renewal Subscription Fee.

You have the right to terminate this Agreement if UpToDate materially breaches this Agreement and such breach is not cured within 30 days of UpToDate receiving written notice of such breach from You (the "Cure Period"). The end date of the Cure Period will become the effective date of termination and a pro-rated refund of the Subscription Fees actually paid by You for any remaining months of the subscription, from the effective day of termination to the normal end-date of the subscription period, will be provided to You.

UpToDate may terminate this Agreement if You or Your Authorized Users materially breach this Agreement and such breach is not cured within the Cure Period (15 days in the case of non-payment).

Upon termination or expiration of Your subscription, Your subscription and associated rights shall expire, unless You have renewed Your annual subscription on UpToDate's then-current terms. At the request of UpToDate following termination or expiration of the subscription, You shall promptly return or destroy any Licensed Materials and copies thereof in Your possession.

4. Authorized Access

You acknowledge that the Licensed Materials are for the use of the Authorized Users. Access by Authorized Users is permitted so long as Access occurs by Authorized Users who at the time of such Access are within the physical confines of the Designated Site(s). Use of the Licensed Materials by non-Authorized Users is expressly forbidden. Users of public libraries at the Designated Sites are only Authorized Users while physically present at the library.

5. Verified IP Addresses

You warrant that the IP address(es) provided by You to UpToDate and any UpToDate provided Security Agent(s) herein allow Access to the Licensed Materials by the aforementioned Authorized Users only and that no other users are provided Access through the IP address(es) and/or UpToDate provided Security Agent(s).

6. Audit

You agree that UpToDate may audit Your use of the Licensed Materials for compliance with these terms at any time, upon reasonable notice. In the event that such audit reveals any use of the Licensed Materials by You that is in violation of the terms of the Agreement, You shall reimburse UpToDate for all reasonable expenses related to such audit.

7. Fees and Payments

You will pay the agreed upon Subscription Fees within 30 days of the date of invoice. UpToDate reserves the right to suspend Access due to late payment, without limiting UpToDate's other rights and remedies including the right to terminate this Agreement. Access will remain suspended until such invoice is paid in full. No refund or credit will be issued for loss of Access during the period of suspension due to late payment.

8. Marketing Support

UpToDate will assist You in increasing usage of the Licensed Materials during the subscription period by providing informational materials for Your distribution to Authorized Users, subject to the terms and conditions of this Agreement. You grant the right to UpToDate to include Your name in UpToDate's list of subscribers.

9. Systems Performance

During the Term, the Licensed Materials will be updated by UpToDate. During this time, the online service may be unavailable for up to 2 hours per month, and users Accessing the Licensed Materials at this time will see a notice that UpToDate online is

being updated. UpToDate may, in its sole discretion, provide more frequent updates and enhancements, if applicable, as and when they are released. Nothing in this Agreement obligates UpToDate to furnish more frequent updates or to create enhancements.

For online Access from a desktop (or laptop) computer, the Licensed Materials are validated for use with the current versions of the browsers and the technical specifications UpToDate supports. For a current list of those technical specifications please see: <http://www.uptodate.com/help/manual/sysreq>.

The Licensed Materials are hosted by a Tier 1 service provider which guarantees that the site will be operational at least 99.5% of the time. However, technical failures, routine maintenance and transient Internet conditions may render the site temporarily unavailable.

Neither party shall be liable, or considered in default, under this Agreement for delays or failures of performance caused by circumstances beyond the party's reasonable control, provided each party immediately provides notice to the other and does everything reasonably possible to resume its performance.

10. User Access Restrictions

You may not allow or facilitate any remote or "Off-Site Access", defined as Access by any person who at the time of such Access is outside the physical confines of the Designated Sites. Off-Site Access is prohibited no matter how such Off-Site Access is obtained, including without limitation by use of modem, VPN, proxy server, LAN or web-based technology.

11. Ownership

The Licensed Materials are the sole and exclusive property of UpToDate (or its parents, subsidiaries, affiliates, or designees) or its suppliers. You do not become the owner of the Licensed Materials, but are entitled to use them according to the terms and conditions of this Agreement.

You have purchased the right to Access the Licensed Materials for a specific limited period of time, i.e., the subscription period. At the end of this period, Your license and associated rights, such as technical support, if any, expire automatically, unless You have renewed Your subscription on UpToDate then-current terms. The Agreement and Your license to use the Licensed Materials will also terminate if You fail to comply with any term or condition in this Agreement.

You acknowledge that the Licensed Materials include software which is proprietary and confidential to UpToDate, or its licensors; and all rights, title and interest therein or thereto, including without limitation, all patents, copyrights, trademarks and trade secrets remain in UpToDate or its licensors. You shall not, during the

subscription period or thereafter, disclose, directly or indirectly, or take any other action, which would result in the unauthorized disclosure of any confidential or proprietary data whatsoever, including but not limited to, reproduction of data furnished by UpToDate.

12. Permitted Uses and Prohibitions

Copying, printing, distributing to third parties, or preparing derivative works of the Licensed Materials or any part thereof is strictly prohibited unless specifically authorized herein or in writing from UpToDate. Similarly, the Licensed Materials may not be included in other software or databases, reverse engineered, or modified. No part of the Licensed Materials may be hyperlinked, indexed, or otherwise utilized by automated software means, including: search engines, robots, spiders, crawlers, data mining tools, or any other software that aggregates access to, or the content of, the Licensed Materials. No part of the Licensed Materials may be copied for resale, nor may the Licensed Materials be posted or otherwise made available on Intranets, so-called federated sites, knowledge bases, searchable databases, public bulletin boards, web sites, Internet domains, or online chat rooms. The Licensed Materials may not be combined with other content in knowledge banks or through similar technologies. However, Your Authorized Users may occasionally print out individual articles for personal clinical, educational or research use and/or email individual articles to a colleague, provided that the articles printed and emailed by an individual Authorized User contain in aggregate only insubstantial portions of the Licensed Materials and include a source reference to UpToDate and its copyright notice. Under no circumstances may Authorized Users print or email large numbers of articles from the Licensed Materials. All rights to use the Licensed Materials are expressly stated herein, and UpToDate reserves all other rights. There is no implied right to use the Licensed Materials.

In addition to its rights set forth in Section 3 (Term and Termination), UpToDate reserves the right in its sole discretion to limit or suspend Your Authorized Users' Access to the Licensed Materials, by electronic self-help or other means and without notice, if UpToDate believes in good faith that any Authorized User has committed a breach of security or violated the terms of this Agreement.

13. Restriction against Transfer

You may not sublicense, assign, share, sell, rent, lease, or otherwise transfer this Agreement or the right to use the Licensed Materials.

14. Privacy / HIPAA

UpToDate does not collect any individually identifiable health information from You. UpToDate, Inc. is not a covered entity or business associate under the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-91), as amended.

UpToDate reserves the right to track non-personal information about Authorized Users of UpToDate, including without limitation: the URL that the user has come from (whether this URL is on its Website or not), the URL the user goes to next (whether this URL is on its Website or not), the Internet browser that is being used, the type of operating system used, the Authorized User's location, and the Authorized User's IP address. An Authorized User's IP address may be used for system administration purposes and to track a user's session, in order to give UpToDate an understanding as to which parts of its database Authorized Users are visiting. UpToDate may use such information for purposes including but not limited to improving the content of its database, marketing, advertising, reports to You, or research. UpToDate does not correlate this information with personally identifiable information.

UpToDate reserves the right to release current or past user information, whether or not the information identifies a particular person, internally within UpToDate or to third parties for limited purposes in the event UpToDate believes that the Licensed Materials are being used in violation of this Agreement or to commit unlawful acts, and/or if UpToDate is required to disclose information to comply with applicable laws or regulations, or with a court or administrative order.

Except as stated in the above paragraph, UpToDate will not share with unaffiliated third parties information specific to Authorized Users or share information regarding specific IP addresses. UpToDate is, however, free to disclose aggregate non-personal user information to third parties.

15. Access to Books and Records

To address the requirements of Section 952 of Public Law 96-499 (42 US Code 1395 (x)(V)(i)), UpToDate agrees that it will, until the expiration of four years after the furnishing of the services provided pursuant to this agreement, upon the written request of an appropriate federal official as defined by the statute, make available to the Secretary of Health and Human Services or the Comptroller General or to any of their duly authorized representatives, this Agreement, and those books, documents and records of UpToDate pertaining only to this Agreement as are necessary to verify the nature and extent of the services provided under this agreement and the charges levied, and payments made, for the services set forth in this Agreement. UpToDate will not carry out any services through a subcontract with another organization and the duties under this Agreement may not be assigned or delegated.

16. Use of Professional Judgment

The editors and authors of the Licensed Materials have conscientiously and carefully tried to create the identified diagnosis measures, treatment alternatives and drug dosages in the Licensed Materials that conform to the standards of professional practice that prevailed at the time of publication. However, standards and

practices in medicine change as new data become available and the individual medical professional should consult a variety of sources. For this reason, only the most current release of the Licensed Materials should be consulted when information is sought. New updates are issued periodically; do not rely on older versions. In addition, when prescribing medications, the user is advised to check the product information sheet accompanying each drug to verify conditions of use and identify any changes in dosage schedule or contraindications, particularly if the agent to be administered is new, infrequently used or has a narrow therapeutic range.

The Licensed Materials describe basic principles of diagnosis and therapy. The information provided in the Licensed Materials is no substitute for individual patient assessment based upon the healthcare provider's examination of each patient and consideration of laboratory data and other factors unique to the patient. The Licensed Materials should be used as a tool to help the user reach diagnostic and treatment decisions, bearing in mind that individual and unique circumstances may lead the user to reach decisions not presented in the Licensed Materials. The opinions expressed in the Licensed Materials are those of its authors and editors and may or may not represent the official position of any medical societies cooperating with, endorsing or recommending the Licensed Materials.

17. U.S. Government Limited Rights Notice

Any access to the Licensed Materials provided under contract to the U.S. Government is provided with limited rights. The Licensed Materials consist of data, as defined in 48 CFR 27.401 or 48 CFR 27.404-2(a), as applicable, and restricted computer software as defined in 48 CFR 27.401. The Licensed Materials may be reproduced and used by the U.S. Government, provided that they will not be used for or in connection with manufacturing and will not be disclosed outside of the U.S. Government or to any U.S. Government contractor, without the prior express written permission of UpToDate.

18. Limited Warranty

UpToDate warrants that the Licensed Materials made available to You through the IP addresses listed in the Letter shall be substantially identical to the version of the Licensed Materials provided to other similarly situated customers. If the Licensed Materials are defective, such deficiency shall be rectified without charge promptly after notice to UpToDate from You. This is Your sole and exclusive remedy, and UpToDate's sole liability, for breach of this warranty.

UpToDate agrees to indemnify You against any third party claim that the Licensed Materials infringe a U.S. copyright, patent, or trademark ("IP Claims"), and any damages awarded on such a claim, provided that You provide UpToDate with prompt notice of the claim and sole control of the defense and settlement of the claim.

In the event such a claim is made against You or anticipated by UpToDate, UpToDate shall have the option of terminating this Agreement and refunding a prorated portion of the fees paid by You for the unused portion of the then-current Term and terminating Your right to use the Licensed Materials. The foregoing indemnity and optional termination shall be Your sole remedy and UpToDate's sole obligation and liability in the event of any IP Claim.

NEITHER UPTODATE NOR ANY OTHER PARTY OR MEDICAL SOCIETY MAKES ANY OTHER WARRANTY OR REPRESENTATION, EXPRESSED OR IMPLIED, WITH RESPECT TO THE LICENSED MATERIALS, WHICH ARE LICENSED "AS IS", OR WITH RESPECT TO THIS AGREEMENT. THE WARRANTY AND REMEDY PROVIDED ABOVE ARE EXCLUSIVE AND IN LIEU OF ALL OTHER WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WHICH ARE EXPRESSLY DISCLAIMED, ANY STATEMENTS OR REPRESENTATIONS MADE BY ANY OTHER PERSON OR ENTITY ARE VOID. YOU ASSUME ALL RISK AS TO THE QUALITY, FUNCTION, AND PERFORMANCE OF THE LICENSED MATERIALS.

19. Limitation of Liability

IN NO EVENT WILL UPTODATE OR ANY OTHER PARTY WHO HAS BEEN INVOLVED IN THE CREATION, PRODUCTION, PROMOTION OR MARKETING OF THE LICENSED MATERIALS OR PERFORMANCE OF THIS AGREEMENT BE LIABLE FOR SPECIAL, INDIRECT, INCIDENTAL, RELIANCE OR CONSEQUENTIAL DAMAGES, INCLUDING LOSS OF DATA OR PROFITS OR FOR INABILITY TO USE THE LICENSED MATERIALS, TO ANY PARTY EVEN IF UPTODATE OR SUCH OTHER PARTY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. EXCEPT IN RELATION TO THE INDEMNITY PROVIDED AGAINST THIRD PARTY CLAIMS AS EXPRESSLY PROVIDED ABOVE, IN NO EVENT SHALL UPTODATE OR SUCH OTHER PARTY'S LIABILITY FOR ANY DAMAGES OR LOSS TO YOU OR ANY OTHER PARTY IN CONNECTION WITH THIS AGREEMENT EXCEED THE LICENSE FEE YOU PAID FOR THE LICENSED MATERIALS.

Some states do not allow limitations on how long an implied warranty lasts and some states do not allow the exclusion or limitation of incidental or consequential damages, so the above limitation and exclusion may not apply to You. This warranty gives You specific legal rights, and You may also have other rights that vary from state to state.

20. Confidentiality

"Confidential Information" shall mean any information regarding either party's (the "Disclosing Party") intellectual property rights, product designs and plans, product development plans, release dates, strategies, pricing, and other marketing and technical information and other unpublished information provided to the other party ("Receiving Party"); and all other information which the

Disclosing Party characterizes as confidential at the time of its disclosure either in writing or orally, except for information which the Receiving Party can demonstrate: (a) is previously rightfully known to the Receiving Party without restriction on disclosure; (b) is or becomes, from no act or failure to act on the Receiving Party's part, generally known in the relevant industry or public domain; (c) is disclosed to the Receiving Party by a third party as a matter of right and without restriction on disclosure; or (d) is independently developed by the Receiving Party without access to the Confidential Information. The Receiving Party shall at all times, both during the Term hereof and for a period of at least three years after termination of the Agreement, keep in confidence all such Confidential Information. The Receiving Party shall not disclose, disseminate or otherwise publish or communicate Confidential Information to any person, firm, corporation or other third party without the prior written consent of the Disclosing Party. The Receiving Party shall not use any Confidential Information other than in the course of the activities permitted hereunder. The Receiving Party shall only disclose Confidential Information to another employee or contractor who has a need to know such information and is subject to obligations of confidentiality substantially similar to those set forth herein. The Receiving Party shall notify the Disclosing Party in writing immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of this Agreement, and will cooperate with the Disclosing Party in every reasonable way to regain possession of Confidential Information and prevent any further unauthorized use. If the Receiving Party is legally compelled to disclose any of the Confidential Information, then, prior to such disclosure, the Receiving Party will: (i) immediately notify the Disclosing Party prior to such disclosure to allow the Disclosing Party an opportunity to contest the disclosure; (ii) assert the privileged and confidential nature of the Confidential Information; and (iii) cooperate fully with the Disclosing Party in protecting against any such disclosure and/or obtaining a protective order narrowing the scope of such disclosure and/or use of the Confidential Information. In the event such protection is not

obtained, the Receiving Party shall disclose the Confidential Information only to the extent necessary to comply with the applicable legal requirements.

21. **General**

This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Massachusetts, USA, without regard to its principles of conflicts of law or the United Nations Convention on Contracts for the International Sale of Goods. Each party submits to the exclusive jurisdiction of the federal and state courts located in Boston, Massachusetts.

If any provision of this Agreement is determined to be invalid or unenforceable under any applicable law, it shall be deemed omitted and the remaining provisions shall continue in full force and effect. This Agreement may be modified only in writing executed by authorized representatives of You and UpToDate. Either party's waiver of any right shall not constitute waiver of that right in the future.

This Agreement constitutes the entire understanding between the parties with respect to the subject matter hereof, and all prior agreements, representations, statements, and undertakings, oral or written, are hereby expressly superseded and canceled.

If You use purchase orders in conjunction with this Agreement, then You agree that the following statement is hereby automatically made part of such purchase orders: "The terms and conditions set forth in the UpToDate Contract No.: 001-00-50354240 are made part of this purchase order and are in lieu of, and shall replace, all terms and conditions, express or implied, in this purchase order, including any renewals hereof."

In addition to any other provision of this Agreement that by their terms survive termination of this Agreement, the following provisions of this Agreement will survive expiration or termination of this Agreement: Sections 7, 11, 12, 14-16 and 18-21.



27201 Puerta Real
Suite 300 PMB 237
Mission Viejo, CA 92691-8590
www.altaware.com
sales@altaware.com
P: 866-833-4070

Quote Prepared For:

Chris Marks
Southern Inyo Healthcare District
501 E. Locust Street
Lone Pine, CA 93545

760-876-2201
cmarks@sihd.org

07/22/19 QUOTE # AWHQ9768-02

Terms * Prepay * Terms pending credit approval

Sales Rep Contact Information

Debbie Schmidt debbie@altaware.com 949-502-0308 Ext:

Place orders via Sales Rep, Email or FAX

Email: orders@altaware.com **Fax:** 714-242-1606

Ln #	Qty	MFR	Part Number	Description	List Price	Unit Price	Extended Price	T
1				PA 820 Unit - 1 YR Subs & Support				
2	1	Palo Alto	PAN-PA-820	Palo Alto Networks PA-820	\$4,500.00	\$4,050.00	\$4,050.00	Y
3	1	Palo Alto	PAN-PA-820-TP	Threat prevention subscription year 1, PA-820	\$900.00	\$810.00	\$810.00	N
4	1	Palo Alto	PAN-PA-820-URL4	PANDB URL filtering subscription year 1, PA-820	\$900.00	\$810.00	\$810.00	N
5	1	Palo Alto	PAN-PA-820-GP	GlobalProtect subscription year 1, PA-820	\$900.00	\$810.00	\$810.00	N
6	1	Palo Alto	PAN-SVC-PREM-820	Premium support year 1, PA-820	\$720.00	\$720.00	\$720.00	N
7	4	Palo Alto	PAN-SFP-CG	SFP form factor, 1Gb copper transceiver, 100m over Cat5 RJ-45, IEEE 802.3ab 1000BASE-T compliant	\$1,000.00	\$850.00	\$3,400.00	Y

Notes:

- (1) Professional Services are available at an additional cost.
- (2) Support & Maintenance Contracts are delivered by the manufacturer or vendor.

SubTotal	\$10,600.00
Sales Tax 0.0775 %	\$577.38
Shipping	\$0.00
Total	\$11,177.38

PRICES SUBJECT TO CHANGE - PRICES BASED UPON TOTAL PURCHASE - ALL DELIVERY, TRAINING OR CONSULTING SERVICES TO BE BILLED AT PUBLISHED RATES FOR EACH ACTIVITY INVOLVED - GENERALLY ALL HARDWARE COMPUTER COMPONENTS PROPOSED ABOVE HAVE LIMITED WARRANTIES WITH LIMITED DURATIONS, COVERING PARTS AND LABOR ON A DEPOT BASIS - WE SPECIFICALLY DISCLAIM ANY AND ALL WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO ANY IMPLIED WARRANTIES OR WITH REGARD TO ANY LICENSED PRODUCTS. WE SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, BUSINESS, GOODWILL, DATA, INTERRUPTION OF BUSINESS, NOR FOR INCIDENTAL OR CONSEQUENTIAL MERCHANTABILITY OR FITNESS OF PURPOSE, DAMAGES RELATED TO THIS AGREEMENT. BILLABLE TIME IS NON-REFUNDABLE. ADVANCE PURCHASES OF TIME WILL EXPIRE ONE YEAR FROM DATE OF PURCHASE. QUOTE EXPIRES 30 DAYS FROM DATE OF QUOTE UNLESS OTHERWISE NOTED. FULL TERMS AND CONDITIONS OF SALE CAN BE LOCATED AT WWW.ALTAWARE.COM/TERMS.

July 30, 2019

Provider: High Desert Pathology Medical Group (NPI 1407191356)

To Whom It May Concern:



Please accept this letter as formal verification that Southern Inyo Healthcare District (501 E. Locust Street, Lone Pine, CA 93545) authorizes High Desert Pathology Medical Group (NPI 1407191356) to perform pathology services using our CLIA 05D0588092 and state laboratory license CDF00001392 to bill Medi-Cal.

Any questions, concerns or need of additional information please feel free to contact Yanet Haro Credentialing Specialist with MTBC Health, Inc. at 805-578-3931. Your time and consideration is appreciated.

Sincerely,

Peter Spiers, CEO

Re: High Desert Medical Group - Southern Inyo Healthcare District

RT Reda Tadros <redatadros@yahoo.com>   Reply all |
Yesterday, 5:45 PM
Maritza Perkins; Peter Spiers; Jaque Hickman <jaquehickman@yahoo.com>

Inbox

You replied on 7/31/2019 8:10 AM.

Maritza,

High desert pathology medical group have a contract with SIHD to provide Clinical services (medical directorship) for the laboratory.

High desert pathology medical group is entitled to bill clinical professional component which is allowed by Medi-cal and insurances but not allowed by medi-care.

Medi-cal and insurances pay a nominal professional fee for pathologists/pathology group for overseeing lab operations and providing administrative duties (review and sing PI, QA, calibrations, correlations, singing and reviewing transfusion reaction ect). Any pathology group with bill for clinical professional fee. if a new pathology group/pathologist take over, they will do the same.

Medi-care do not pay this fee as they pay it already to the hospital includes in DRG payments.

Pathology services not included in contract because no OR or specimens generated by hospital otherwise the pathology group with do pathology services as well to clinical services. the other hospitals contracted with our group allow us to bill only professional component.

Mr. Spiers can verify information with Medi-cal if still in doubt.

Please contact me if you have any question

Respectfully

Dr Tadros
6268020181

On Monday, July 29, 2019, 4:03:43 PM PDT, Maritza Perkins <mperkins@sihd.org> wrote:

Hello Dr. Tadros,

Unfortunately, Peter Spiers, CEO is not able to sign the requested letter. SIHD does not have a contract with High Desert/Reda Tadros to provide pathology services.

Maritza "Ritz" Perkins

Administrative Assistant-Payroll

Southern Inyo Healthcare District

760-876-2210

From: reda tadros <redatadros@yahoo.com>

Sent: Friday, July 26, 2019 1:46:11 PM

To: Maritza Perkins <mperkins@sihd.org>

Subject: Fwd: High Desert Medical Group - Southern Inyo Healthcare District

Hi maritza,

Please provide me with current clia licence and please ask Brian to sign attached form and kindly mail it to my address

5675 skyline cir

La Verne CA 91750

Thanks

Dr Tadros

Sent from my iPhone

Begin forwarded message:

From: Yanet Haro <Yanet.Haro@mtbchealth.com>

Date: July 26, 2019 at 12:00:06 PM PDT

To: "redatadros@yahoo.com" <redatadros@yahoo.com>

Cc: Nalena Betancourt <Nalena.Betancourt@mtbchealth.com>, Yanet Haro <Yanet.Haro@mtbchealth.com>

Subject: High Desert Medical Group - Southern Inyo Healthcare District

Hi Dr. Tadros,

Medi-Cal is requesting for a current Lab License for Southern Inyo Healthcare District and for Brian Cotter, CEO of Southern Inyo Healthcare District to sign the attached letter giving High Desert Medical Group permission to use the hospital CLIA and Lab License to bill Medi-Cal.

I need to provide this information back to Medi-Cal as soon as possible or the application to add this location will be closed.

If you have any questions please let me know.

Thank you

Yanet Haro



Credentialing Specialist
MTBC Health, Inc. | *A Subsidiary of MTBC*
1633 Erringer Road | Suite 101 | Simi Valley, CA 93065
Direct: 805-578-3931 | Office: 805-578-8300 Ext. 14214
Fax: 805-578-3911

www.mtbchealth.com | Yanet.Haro@mtbchealth.com

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Getting too much email from Reda Tadros <redatadros@yahoo.com>? You can unsubscribe

MEDICAL DIRECTOR AGREEMENT

This Medical Director Agreement (this "Agreement") is made on _____, 2018 (the "Effective Date"), by Southern Inyo Healthcare District, a California Healthcare District ("District") and Reda Tadros, MD ("Medical Director"). The District and Medical Director may be referred to herein singly as "Party" and collectively as the "Parties."

RECITALS

A. District owns and operates an acute care hospital, skilled nursing facility ("SNF"), and clinic all located in Lone Pine, California, and desires to hire a Medical Director to oversee the management of the services described herein.

B. District desires that Medical Director furnish the services hereunder as an independent contractor and not an employee of the District.

C. Medical Director is willing to furnish to District the professional services to satisfy the needs of the District and the community, and the requirements of accrediting bodies for quality medical direction.

D. Medical Director represents that Medical Director is qualified to provide the services as described herein and is licensed as appropriate and Board Certified or Eligible by the American Board of Pathology (the "Specialty").

NOW, THEREFORE, in consideration of the foregoing recitals (which by this reference are hereby made a part of this Agreement), the mutual covenants, promises, and agreements herein contained, and for other good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the Parties, intending to be legally bound, agree as follows.

TERMS

ARTICLE 1. ENGAGEMENT

1.1 Undertaking of the Parties. District hereby contracts with Medical Director to provide the Medical Director services ("Services") set forth in Section 2.1 below, and Medical Director agrees to provide such Services through the Medical Director on the terms and conditions herein. The Parties believe the services to be provided under this Agreement are reasonable and necessary for the legitimate business purposes of the District.

ARTICLE 2. RESPONSIBILITIES OF DISTRICT AND MEDICAL DIRECTOR

2.1 No Substitute Coverage. The Services in Exhibit 1, attached hereto and incorporated by reference, will be provided exclusively by the Medical Director, and Medical Director understands that the duties and obligations hereunder of Medical Director cannot be delegated to any other person or entity. Notwithstanding the foregoing, if Medical Director becomes temporarily unavailable to provide the Services due to illness, vacation, or is otherwise clinically occupied, Medical Director may designate another qualified physician ("Professional") to provide the Services, subject to the District's prior consent, and who shall be deemed the

"Medical Director" hereunder, and the covenants, terms, and other provisions hereunder applicable to "Medical Director" shall apply to such Professional as well.

2.2 Coordination. Medical Director shall inform the Administrator of the District of any extended periods (greater than one week) during which Medical Director will be unavailable due to vacation, professional meetings, or other personal or professional commitments.

ARTICLE 3. REPRESENTATIONS, WARRANTIES AND COVENANTS OF DISTRICT AND MEDICAL DIRECTOR

To induce the District to enter into this Agreement, Medical Director represents and warrants to and covenants with the District as follows:

3.1 License to Practice. Medical Director is, and during the term of this Agreement shall remain, fully authorized to practice medicine in the State of California, and holds all appropriate licenses from the Medical Board of California. Medical Director shall maintain such license for the full term of this Agreement, and shall promptly report to the District any suspension, restriction, reduction, revocation, or termination thereof. Medical Director represents that no license heretofore granted to Medical Director to practice medicine in any other jurisdiction has been suspended, restricted, reduced, revoked, or terminated.

3.2 Specialty Board. Medical Director is Board Certified/Eligible by the American Board of Pathology. Medical Director shall retain such Board certifications/eligibility during the term of this Agreement.

3.3 Medical Staff Membership. Medical Director shall, throughout the term of this Agreement, maintain Active membership on the Medical Staff of the District with clinical privileges sufficient to perform all duties hereunder. All information contained on Medical Director's applications for Medical Staff membership and privileges is or will be true and correct, and no information necessary for a thorough consideration of Medical Director's qualifications has been or will be omitted from such application.

3.4 Medical Staff Privileges: Reports.

(a) No medical staff or similar privileges granted to Medical Director by any District or similar institution have been denied, suspended, revoked, curtailed, reduced or limited in any manner, nor has Medical Director resigned or voluntarily reduced or limited any such privileges in response to or after any investigation or disciplinary action instituted with respect to his care of patients.

(b) Medical Director shall promptly report to the District any denial, suspension, revocation, curtailment, reduction or limitation imposed at any time during the term of this Agreement upon any medical staff or similar privileges held by Medical Director from any other District or similar institution.

3.5 Claims/Reports.

(a) Except as set forth on Schedule A, no action or claim is presently pending against Medical Director alleging professional negligence (malpractice), nor has any judgment been rendered or settlement paid in such an action or in response to such a claim within the past five years.

(b) Medical Director shall promptly report to the District (i) the receipt of any formal claim or demand alleging professional negligence, (ii) the institution of any litigation against Medical Director alleging professional negligence and (iii) the settlement of any claim alleging professional negligence involving the payment of funds by or on behalf of Medical Director. Medical Director will, from time to time, provide District with information about such claims, demands or suits as the District may request, provided that such reports will not in the opinion of counsel on such matter constitute privileged communication or compromise the defense or settlement of any suit.

3.6 DEA Number. [Deleted]

3.7 Good Standing: Reports.

(a) Medical Director represents and warrants, and Medical Director acknowledges, that District may independently verify, that Medical Director is not nor has been (i) suspended, excluded, barred or sanctioned by Medicare, Medicaid, or any other state or federal health care program (or notified of such action); (ii) convicted of or indicted for any criminal offense related to health care; or (iii) otherwise engaged in conduct for which a person or entity can be so convicted, or indicted. Medical Director shall immediately notify District in the event it becomes aware of any such conviction, indictment, or notification pertaining to Medical Director at any time during the Term or during the three (3) year period following termination or expiration of this Agreement. Upon the receipt of such notice by District or if District otherwise becomes aware of such conviction, indictment, listing, or notification, District shall have the right to terminate this Agreement immediately, if such Agreement is still in effect. Medical Director agrees to indemnify District and hold it harmless from all liabilities, damages, penalties, losses (including those losses or reduction in funding from any federally-funded health care program), claims, and expenses (including, without limitation, reasonable attorney's fees) arising from Medical Director's misrepresentation of the foregoing information or failure to provide notification required under this Section. A breach of this Section 3.7 shall be a material breach of this Agreement and shall constitute grounds for termination of this Agreement by District pursuant to Article 7 hereof.

(b) Medical Director shall promptly report to District (i) the receipt of any subpoena or other inquiry alleging fraud, abuse, or other misconduct under the Medicare, Medicaid, or other state or federal health care program; (ii) the naming of Medical Director as a subject or a target of any federal investigation involving allegations of fraud, abuse, or other misconduct under Medicare, Medicaid, or any other state or federal health care program; or (iii) if Medical Director is suspended, excluded, barred or sanctioned by Medicare, Medicaid, or any other state or federal health care program, or convicted of any criminal offense related to health care.

(c) The provisions of this Section 3.7 shall survive the expiration or termination of this Agreement.

3.8 Continuing Medical Education. Medical Director shall ensure that Medical Director at all times remains in compliance with the Medical Board of California's requirements for continuing medical education.

3.9 Confidentiality.

(a) "Confidential Information" includes any and all policies, procedures, contracts, quality assurance techniques, managed care initiatives, utilization management, patient records, credentialing, financial, statistical, peer review, medical review committee and other information of the District, including, without limitation, information embodied on magnetic tape, computer software or any other medium for the storage of information, together with all notes, analyses, compilations, studies or other documents prepared by the District or others on behalf of the District containing or reflecting such information. Confidential Information does not include information which: (i) was lawfully made available to or known by third persons on a non-confidential basis prior to disclosure by Medical Director; (ii) is or becomes publicly known through no wrongful act of Medical Director; (iii) is received by Medical Director from a third party other than in breach of confidence; or (iv) as required by law.

(b) Medical Director acknowledges that Confidential Information is valuable property of the District and agrees that during the full term of this Agreement, and for a period of two (2) years thereafter, Medical Director shall:

(i) treat the Confidential Information as secret and confidential;

(ii) not disclose (directly or indirectly, in whole or in part) the Confidential Information to any third party except with the prior written consent of District or as required by law;

(iii) not use (or in any way appropriate) the Confidential Information for any purpose other than the performance of the business of the District and otherwise in accordance with the provisions of this Agreement; and

(iv) limit the dissemination of and access to the Confidential Information to such of the Medical Director's agents or representatives as may reasonably require such information for the performance of Services and ensure that any and all such persons observe all the obligations of confidentiality contained in this Section 3.9, provided that any Confidential Information that rises to the level of a "trade secret" as defined under the California Trade Secrets Act, shall be protected by Medical Director for so long after such two (2) year period as such information retains its status as a trade secret under the California Trade Secret Act and, provided further, medical peer review committee information, peer review organization information and patient information shall be protected for so long as allowed by applicable law.

- (i) Confidential Information constituting the proceedings or records of a medical review committee or of a review organization shall be used and disclosed by Medical Director solely for the purposes and use of such medical review committee or review organization, and no materials relating to the proceedings or records of a medical review committee or review organization shall be removed from District by Medical Director.
- (j) Confidential Information consisting of patient medical records and patient information shall be used by Medical Director solely for the purposes of providing Services hereunder and Medical Director shall maintain the confidentiality of such records and information in accordance with this Agreement and applicable laws and regulations, including without limitation, the requirements of the Health Insurance Portability and Accountability Act of 1996 and regulations promulgated and adopted pursuant thereto ("HIPAA"), the Health Information Technology for Clinical and Economic Health Act of 2009 (the "HITECH Act"), this Section 3.9(d) and the obligations contained in a Business agreement to be executed between District and Medical Director.

3.10 Compliance with Regulations. Medical Director shall comply with all material aspects of applicable laws and regulations governing the licensing and conduct of physicians and with the ethical standards of the profession; and with the applicable policies, procedures, rules and regulations of District. Medical Director shall cooperate with District in satisfying all requirements needed to aid District in maintaining its accreditation, licensure and Medicare provider status.

3.11 Diligent Performance. In performance of Services under this Agreement, Medical Director shall: (1) use sound medical judgment and diligent efforts and professional skills and judgment, (2) perform professional services and render care to patients consistent with the applicable standards of the medical profession, (3) perform in a manner consistent with the Principles of Medical Ethics of the American Medical Association, and (4) comply with all provisions of the Bylaws and the applicable Rules and Regulations of the Medical Staff of District. Medical Director shall participate at a reasonable level in Medical Staff and District activities and serve on committees as reasonably requested by District.

3.12 Litigation Cooperation. Medical Director shall, and shall cause Medical Director to, cooperate with District and its representatives in the prevention, investigation, management and defense of malpractice claims or other claims and actions against District, without regard to whether Medical Director is a party to such claim or action. Such covenant of cooperation shall not, however, preclude a claim by Medical Director against District or require Medical Director to take action that reasonably would compromise a claim against Medical Director arising from the same incident.

3.13 Quality Improvement. Medical Director shall ensure that Medical Director participates, and Medical Director shall participate, as requested in Medical Staff and District

utilization review, quality improvement, peer review and similar programs and committees. Medical Director shall address practice or professional quality issues identified by any such program or committee in an appropriate and timely manner. Whether such issues have been addressed in an appropriate and timely manner shall be determined by the District in its sole discretion.

3.14 Insurance. The District shall provide general and professional liability insurance covering Medical Director in an amount of not less than One Million Dollars (\$1,000,000) for each occurrence and three Million Dollars (\$3,000,000) annual aggregate, or such other amount as may be required. In addition, District shall provide "tail" coverage in the same amounts. District shall not terminate this insurance coverage while this Agreement is in effect and for a period of time covering the "tail" coverage.

3.15 Financial Relationships; Conflicts of Interest. Medical Director shall disclose to District in writing any financial or other relationship with the manufacturer, distributor, vendor or supplier of any equipment, supplies or services recommended by Medical Director and/or to be purchased or obtained by District in connection with this Agreement or otherwise. Further, Medical Director represents and warrants that as of the Effective Date, they have disclosed to District any and all arrangements, financial or otherwise, that Medical Director (or employer, any affiliated entity or any family member of Medical Director (including a spouse, child, parent or sibling, stepparent, stepchild or stepsibling, parent-in-law, child-in-law or sibling-in-law; or grandparent, grandchild, or spouse of such person)) has with any vendor, supplier, distributor, or manufacturer of, or other entity or provider providing, services, equipment, supplies or materials to District. Medical Director further represents and warrants that as of the Effective Date, and covenants that throughout the term of this Agreement, neither Medical Director nor any affiliated entity nor any family member of Medical Director, as identified above, has or will have any conflicts or other obligations or arrangements that may interfere with the duties and obligations of Medical Director hereunder, the performance by Medical Director of the Services or the exercise of Medical Director's independent professional judgment in connection with the duties and obligations hereunder. Medical Director shall promptly notify District of any changes or updates in any such arrangements or obligations. Further, Medical Director shall comply with any and all District policies and procedures regarding or relating to conflicts of interest. Medical Director is and at all times shall be a participating physician in the Medicare and Medi-Cal programs.

3.16 Compliance. Medical Director will meet with District's Compliance Officer and other District designees at reasonable times and places to assess compliance with District's compliance obligations, and to provide additional information regarding same, in writing, if District so requests. Medical Director shall provide full and complete responses, in connection with such an assessment or request for information. Upon request, Medical Director shall attend compliance and other training programs requested by District from time to time with respect to the services provided hereunder.

3.17 Code of Conduct. By Medical Director's signature on this Agreement, Medical Director acknowledges receipt and has reviewed or will review District's Compliance Policies

and Procedures, including the Code of Conduct and the Physician Referral, Stark Law and Anti-kickback policies and procedures. Medical Director shall read, and abide the Code of Conduct and Policies and Procedures provided by District, as such may be revised from time-to-time. If requested, Medical Director will acknowledge receipt of any such revision.

3.18 Non-Discrimination/Other Law. In the performance of this Agreement, Medical Director will not unlawfully discriminate against individuals under the applicable Federal or state laws. The parties will comply with the Civil Rights Act of 1964 as amended and all other applicable antidiscrimination laws, regulations, and policies. As a recipient of Federal financial assistance, District does not exclude, deny benefits to, or otherwise unlawfully discriminate against any person on the ground of race, color, or national origin, or on the basis of disability or age in admission to, participation in, or receipt of the services and benefits under any of its programs and activities, whether carried out by District directly or through Medical Director or any other entity with which Medical Director arranges to carry out her obligations, program and activities. Medical Director agrees to abide by District's nondiscrimination policies and the rules, procedures and regulations District may adopt to effect such policies and will cooperate in any investigation District may have related to a complaint implicated by District's nondiscrimination policy. Medical Director agrees to comply with applicable law, including without limitation, laws and regulations applicable to patient confidentiality, access, and patient care.

3.19 No Conflicts. Medical Director is not bound by any agreement or arrangement which would preclude Medical Director from entering into, or from fully performing the services required under, this Agreement.

ARTICLE 4. RESPONSIBILITIES OF DISTRICT

4.1 Equipment. District shall provide, maintain and make available the equipment reasonably necessary, as determined by the District, for the provision at District of the Services provided. However, Medical Director acknowledges that District's inspection of any equipment does not relieve Medical Director or any other person or entity from their applicable obligation of pre-procedure inspections prior to operating the equipment. Medical Director shall promptly notify District of any defect in, malfunction of or other deficiency in such equipment of which he is aware. New equipment may be recommended by Medical Director through District's standard capital equipment budgetary process as a part of the Department's budget. District shall also provide all supplies necessary to provide the Services. Medical Director shall make reasonable efforts to advise District concerning the supplies needed. Medical Director shall disclose to District in writing any financial or other relationship with the manufacturer, distributor or vendor or any equipment or supplies recommended to District by Medical Director, which disclosure must be given to District (1) with respect to the initial recommendation, prior to or at the time of any such recommendation by Medical Director, or (2) with respect to previous recommendations, at any time during the term of this Agreement that Medical Director enter into any financial or other relationship with the manufacturer, distributor or vendor of any equipment or supplies previously recommended by Medical Director. District equipment and supplies shall be used only in connection with performance of the duties hereunder involving District operations and District patients.

4.2 Personnel. District shall provide personnel to give technical assistance and support to Medical Director in the performance of the Services hereunder. Any District personnel providing assistance to Medical Director hereunder shall be and remain employees of District, and may be disciplined, transferred or discharged only by District. District shall provide Medical Director with opportunities to provide input about the performance of such personnel to appropriate departmental directors. District personnel shall be used only in connection with performance of the duties hereunder involving District operations and District patients.

4.3 Facilities. District facilities shall be used only in connection with performance of the duties hereunder involving District operations and District patients.

4.4 Clinical Management. Subject to the other provisions of this Article 4, District delegates to Medical Director the management responsibility for clinical operations of delivery of the Services. Consistent with the provisions of Article 6 of this Agreement, District will not exercise control over Medical Director's clinical methods and procedures. Pursuant to and to the extent required by 22 C.C.R. § 70713 and without diminishing Medical Director's liabilities and obligations hereunder, District retains professional and administrative responsibility for the services rendered by Medical Director hereunder. Medical Director, when acting as a consultant, shall apprise the District's administrator of recommendations, plans for implementation and continuing assessment through dated and signed reports which shall be retained by the District's administrator, as required by 22 C.C.R. §70713, for follow-up action and evaluation of performance.

Medical Director shall develop and recommend to District clinical policies relevant to provision of the Services. Medical Director shall assist District personnel in maintaining adequate service statistics and reports, and providing such administrative departmental reports, as requested by District. Regarding clinical issues, Medical Director shall report to the Medical Chief of Staff and Administrator. Regarding administrative issues, Medical Director shall report to the District's Administrator.

ARTICLE 5. COMPENSATION

5.1 Compensation for Medical Director Services. Subject to Section 5.2 below, for all Services to be provided by Medical Director under this Agreement, District shall pay Medical Director Two Thousand Dollars per month for the Services actually provided and documented by Medical Director. Such compensation shall be paid as set forth in Section 5.2 below and shall be payable in arrears monthly for Services rendered during the immediately preceding month during the term of this Agreement.

5.2 Required Documentation.

(a) Prior to and as a condition for receipt by Medical Director of any payment hereunder, Medical Director shall furnish reasonably contemporaneous written time records, signed and certified as accurate by Medical Director, that document, for each day worked during the immediately preceding month, the hours worked by Medical Director and the Services provided by Medical Director for each day in the month, all in a

form approved by District (a sample of which is attached as Exhibit 2 to this Agreement and made a part hereof), and such other documentary evidence as may be requested by the District. All such time records shall be submitted prior to the fifteenth (15th) of the month for Services rendered during the immediately preceding calendar month. Subject to District receipt, review and approval of all such time records, District shall pay to Medical Director the applicable monthly compensation set forth in Section 5.1 above within forty-five (45) days after District's approval of such time records and upon termination of this Agreement the term of this Agreement shall be deemed to have extended to the date of such payment so that District can make any final payment to Medical Director. Such payment may be reviewed from time to time as considered appropriate by Medical Director and District. Failure to comply with this Section 5.2 shall be considered a material breach of this Agreement and shall be grounds for termination under Section 7.2 below.

(b) As one of District's remedies, but not by way of limitation, District may delay or cease payment, if District does not have Medical Director's cooperation and compliance with meeting, consulting, certifying and reporting requirements of this Agreement or if in good faith District believes ceasing a payment or practice hereunder would assist in the settlement of matters that may arise between District and the Federal government, its agencies, or contractors under any Federally funded or Federally required health care program or between the State, its agencies or contractors under any State funded or State required health care programs. In the event Medical Director does not cooperate or comply with District's written request concerning the foregoing within 10 days of such request, District shall be relieved of any obligation to pay sums then due, in addition to any other remedy it may have. If District shall notify Medical Director not to refer a patient to District for any in- or out-patient District service by reason of its good faith belief that the referrals under Stark Law may not be billed or paid, Medical Director shall cooperate with such notice and refer such patients other than in an emergency, to a facility other than District. No additional damages, including, without limitation, interest charges on a delayed or withheld payment, can be sought against District if it deposits or places such delayed or unpaid funds in a segregated account to be distributed according to a declaratory or other judgment of a court or arbitrator.

(c) Notwithstanding the foregoing, no compensation shall be payable to Medical Director in the event documentation as reasonably required by District, including, without limitation, the IRS Form W-9 "Request for Taxpayer Identification Number and Certification" is not submitted. Medical Director further expressly acknowledges and agrees that, with respect to any period during the Term in which Medical Director shall be suspended from the medical staff for delinquent medical records, compensation owed hereunder by District to Medical Director shall continue to accrue in accordance with the provisions of this Agreement but shall not be payable by District until such time as Medical Director is no longer suspended for delinquent medical records.

5.3 Billings. [Deleted]

5.4 Regulatory Compliance. Medical Director and District agree as follows:

(a) There is no requirement that the Medical Director make any referrals to or be in a position to make or influence referrals to, or otherwise generate business for, District as a condition for entering into and performing under this Agreement. There is no requirement that District make any referrals to, or be in a position to make or influence referrals to, or otherwise generate business for, Medical Director as a condition for entering into and performing under this Agreement.

(b) Medical Director is not restricted from establishing or maintaining staff privileges at any other entity.

(c) The amount or value of the compensation and benefits provided to Medical Director hereunder shall not vary based on the value or volume of any referrals among the Medical Director and District, or based on any business otherwise generated by Medical Director for District.

5.5 Fair Market Value. Payments hereunder reflect fair market value for the aggregate services rendered by Medical Director, and all amounts paid under this Agreement, and any and all amounts paid under all other agreements between Medical Director and District, shall not exceed fair market value for services rendered. Notwithstanding the foregoing, if any amount should be determined in good faith to be in excess of fair market value or in violation of any health care fraud and abuse law, such amount shall not be required to be paid hereunder and, shall be subject to recoupment, as provided in Section 5.6.

5.6 Offset. In the event District determines in writing, in good faith, that Medical Director owes a repayment to District pursuant to this Agreement or otherwise (a "Repayment Amount"), District shall have the right to offset, in whole or in part, any Repayment Amount against any payment due Medical Director under this Agreement until the Repayment Amount is paid in full. District shall provide to Medical Director an accounting of the handling of the Repayment Amount. In the event the payment due to Medical Director hereunder is not sufficient to offset fully the applicable Repayment Amount, District shall roll forward the remaining portion of the Repayment Amount against any compensation due hereunder until such Repayment Amount is paid in full.

5.7 Audit by District. District shall have the right, at its cost and expense, to audit the timesheets and other documentation provided by Medical Director pursuant to Section 5.2, including any backup documentation and records maintained by Medical Director in connection therewith, and such audit may be undertaken by District, its employees or agents, including an independent consultant engaged by District.

ARTICLE 6. INDEPENDENT CONTRACTOR RELATIONSHIP

6.1 No Control. Any provision hereof to the contrary notwithstanding, nothing herein shall be construed as giving District control over the professional judgment of Medical Director, or over the time, manner, method or means in which Medical Director performs professional services. The Parties stipulate and agree that Medical Director and District are independent contractors with respect to all duties hereunder and the practice of medicine at District; this

Agreement describes and identifies the work to be performed by Medical Director, but does not reserve to District control in the time, manner, method or means in which such services are to be performed; District shall not exercise and shall have no right to exercise control over Medical Director's practice of medicine or the provision of services hereunder. This Agreement sets forth results to be achieved by Medical Director and standards to be satisfied by Medical Director, but does not create the relationship of an employer and employee.

6.2 No Benefits. Because Medical Director is not an employee of District, Medical Director will not be eligible to participate in any pension plan or other benefit plan for employees or be entitled to any fringe benefits of District employees. Moreover, District will not deduct from the payments made to Medical Director hereunder state or federal income taxes, FICA or other amounts normally withheld from compensation due employees. Medical Director shall make and be responsible for all tax filings, withholdings and payments required by law, owed in connection with any monies received by Medical Director hereunder or as a result of the Services provided by Medical Director under this Agreement, including but not limited to federal, state and local income taxes, Social Security, unemployment, disability and all other taxes, assessments and benefits. Medical Director shall indemnify, defend and hold harmless District and its officers, directors, employees, agents, representatives, affiliates and assigns from any loss, liability, damage, action, cause or action, cost or expense (including but not limited to reasonable attorneys' fees and costs, court costs, and costs of settlement) incurred as a result of Medical Director's failure or refusal to comply with the terms and provisions of this Section 6.3. The provisions in this Section 6.2 shall survive the expiration or termination of this Agreement.

ARTICLE 7. TERM; TERMINATION

7.1 Term. The initial term of this Agreement shall be for a one (1) year term beginning on the Effective Date, and shall expire on the first anniversary thereof unless earlier terminated as provided herein. At the end of the initial term and any renewal term, this Agreement will automatically renew for successive additional one-year terms unless either Party gives the other Party 30 days written notice of its intention to cancel this Agreement. The provisions of this Section 7.1 shall not be construed to modify or limit any provision in Sections 7.2 through 7.6 of this Agreement and other provisions of this Agreement regarding termination, which shall be applicable at all times.

7.2 Termination by District. District shall have the right to terminate this Agreement immediately:

- (a) If any of the representations and warranties contained in Article 3 of this Agreement shall have been false in any material respect; or
- (b) Upon material breach of or default under this Agreement, which is not cured within thirty (30) days after written notice thereof is given to Medical Director, provided that (i) such breach or default is reasonably curable within such thirty (30) days period and (ii) Medical Director pursues cure of the breach or default with reasonable diligence; or

- (c) Upon the substantial inability or failure of Medical Director to fulfill the provisions of this Agreement; or
- (d) Upon the death of Medical Director; or
- (e) Upon the suspension, exclusion or debarment of Medical Director from the Medicare, Medicaid, or any other governmental health care programs; or
- (f) Upon any intentional or grossly negligent act or omission by Medical Director that materially injures or may injure the reputation or interests of District; or
- (g) Upon an act of fraud or theft by Medical Director, or the conviction of Medical Director of any felony or any crime involving moral turpitude or any crime relating to health care; or
- (h) Upon any failure of Medical Director to comply with Section 3.9 of this Agreement; or
- (i) Upon the revocation, suspension, resignation or substantial curtailment or limitation of the medical staff privileges at the District or any other health care facility or a license to practice medicine in any state of Medical Director; or
- (j) Upon the failure of Medical Director to adhere to the Rules and Regulations and Bylaws of the Medical Staff of District; or
- (k) In the event Medical Director cannot perform the Services for more than thirty (30) continuous days; or
- (l) Upon thirty (30) days' notice to Medical Director in the event of any attempted assignment of this Agreement by Medical Director without the prior consent of District; or
- (m) The termination, revocation, restriction or relinquishment of Medical Director's Drug Enforcement Agency number; or
- (n) The failure of Medical Director to make a timely disclosure in accordance with Section 3.16 hereof; or
- (o) Any conduct by Medical Director which, in the sole discretion of District, could affect the quality of professional care provided to District patients or the performance of duties required hereunder, or be prejudicial or adverse to the best interest and welfare of the District or its patients; or
- (p) The failure by Medical Director to maintain the insurance required under this Agreement; or

The provisions of this Section 7.2 shall not be construed to modify or limit any provision in Sections 7.1 through 7.4 of this Agreement and other provisions of this Agreement regarding termination, which shall be applicable at all times.

7.3 Changes in Applicable Law. Subject to Sections 5.4 and 5.5 above, the Parties hereto agree that in the event there is a material change in any laws, rules, regulations, or interpretations thereof which would (in the opinion of counsel of either Party) (i) require the

Parties hereto to restructure this service arrangement or any provision of this Agreement, (ii) so materially affect any of the Parties hereto that continued performance under this Agreement shall become impossible, intolerable, or a violation of any law or regulation, or (iii) jeopardize District's tax-exempt status or comparable provisions of state law, or any of its bonded indebtedness, then, in any such instance, the Parties shall cooperate and renegotiate this Agreement in good faith and in such a manner that the essence of this Agreement is maintained to the greatest extent possible. Renegotiation of the terms of this Agreement shall commence promptly after either Party gives written notice to the other Party of such change. Immediately upon the giving of such notice, the Parties shall suspend performance of all noncomplying (in the opinion of the Party giving such notice) obligations hereunder, including but not limited to the payment of any amounts payable hereunder, pending renegotiation of this Agreement. If the Parties are unable to renegotiate this Agreement within thirty (30) days after the date of such notice, then Medical Director or District may, by written notice to the other Party, immediately terminate this Agreement.

7.4 Effect on Medical Staff Membership: No Interference. The termination of this Agreement by either Party shall not terminate or otherwise affect Medical Director's medical staff membership at District. Termination of this Agreement shall not, however, afford Medical Director any right to a hearing or access to any other due process or similar procedure set forth in the Rules and Regulations and Bylaws of the Medical Staff of District or otherwise available.

7.5 Cross Termination. If a cause for termination arises under this Agreement, District may also terminate any other agreements between District and Medical Director for cause. A termination of one, any or all such agreements shall not limit available rights and remedies of District.

7.6 Financial Arrangements Following Termination. Upon any termination of this Agreement, District, Medical Director shall not enter into any compensation or other financial arrangement for the Services covered by this Agreement for the period of time that would have remained in the initial term or renewal term, as the case may be, had notice of termination not been given unless such arrangement is in compliance with the terms of 42 U.S.C. § 1395m et seq. and regulations adopted pursuant thereto, and 42 U.S.C. § 1320a 7b and regulations adopted pursuant thereto.

7.7 Survival. No termination of this Agreement shall affect (a) any rights or liabilities that arose or accrued prior to the date of termination or (b) any obligations that by their terms or nature must extend beyond the date of termination to be effective.

ARTICLE 8. MISCELLANEOUS

8.1 Rights in Property; Use of Premises. All title to supplies, fiscal records (except Medical Director's personal records), charts, medical records, equipment and furnishings shall remain the sole property of District. District recognizes that Medical Director may see private patients at District and that normal medical records (including copies of District patient records normally provided physicians and research files) of Medical Director may be removed upon any termination of this Agreement. Medical Director shall not use, or knowingly permit any other

person who is under its or his direction to use, any part of District's premises for any purpose other than the performance of Services for District and its patients.

8.2 Amendments. This Agreement may not be modified or amended except by written agreement executed by the Parties, and may not be amended orally. This provision is material and is intended to prevent the alteration of the terms and conditions of this Agreement and the acceptance of partial performance in violation of applicable Federal regulation and District policy. A waiver by either party of a breach or failure to perform hereunder shall not constitute a waiver of any subsequent breach or failure.

8.3 Severability. The provisions of this Agreement are severable, and if any term or provision of this Agreement or the application thereof to any person or circumstance is breached or shall, to any extent, be held invalid or unenforceable by a court of competent jurisdiction, the remainder of this Agreement or the application of any such term or provision to persons or circumstances other than those as to which it is held invalid or unenforceable shall not be affected thereby, and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. If any of the provisions contained in this Agreement shall for any reason be held to be excessively broad as to duration, scope, activity or subject, it shall be construed by limiting and reducing it, so as to be valid and enforceable to the extent compatible with the applicable law or the determination by a court of competent jurisdiction. No breach of this Agreement shall in any way affect the enforceability of Section 3.9.

8.4 No Assignment: Successors. Medical Director may not assign this Agreement or any rights hereunder without the prior written consent of the District, and no such attempted assignment shall be effective or binding. This Agreement shall be binding upon and shall inure to the benefit of the Parties, and any permitted successors and assigns.

8.5 No Third-Party Beneficiaries. All the conditions, representations, and obligations imposed hereunder are imposed or made solely and exclusively for the benefit of the Parties to this Agreement and their permitted successors and assigns. No other persons shall have standing to require the satisfaction of any condition, representation, or covenant made herein in accordance with its terms, or be entitled to assume the existence or absence of strict compliance with all of the terms and conditions hereof. No other person shall, under any circumstances, be deemed a beneficiary of this Agreement.

8.6 Headings. The headings of the various paragraphs of this Agreement are for purposes of reference only, and shall not expand, limit or otherwise affect any of the terms or provisions hereof.

8.7 Notice. Any notices required or permitted hereunder shall be effective on the day on which personally delivered to any Party and, if sent by registered or certified mail, return receipt requested, such notice shall be deemed to have been delivered to the Party to whom such notice was addressed on the third business day after the day on which mailed to such Party at the following address:

- (a) District:
Southern Inyo Healthcare District

501 East Locust Street | PO BOX 1009
Lone Pine, CA 93545
Attention: Brian Cotter, CEO

(b) Medical Director.

8.8 Bylaws Control; Other Arrangements. In the event of any conflict between the provisions of this Agreement and the Bylaws of the Medical Staff of the District, the provisions of the Bylaws of the Medical Staff of the District shall, with respect to Medical Director, control. This Agreement supersedes and replaces any prior agreement between the Parties regarding Medical Director services in connection with the hospital, SNF, and clinic. This Agreement is intended to include all services provided by or compensation paid to each Party by the other Party, except for those other arrangements or agreements set forth in Schedule D, attached hereto and made a part hereof, which are in effect on the Effective Date, together with any other agreements as may be reflected on a master listing of contracts maintained by the District.

8.9 Governing Law. This Agreement and the rights and obligations of the Parties hereunder shall be governed by, and construed and interpreted in accordance with, the laws of the State of California.

8.10 Access Clause. If this Agreement is subject to Section 952 of the Omnibus Reconciliation Act of 180, 42 U.S.C. § 1395x(v)(1)(I) (the "Statute") and the regulations promulgated thereunder, 42 C.F.R. Part 420, Subpart D (the "Regulations"), Medical Director shall, until the expiration of four (4) years after furnishing of services pursuant to this Agreement, make available, upon proper request, to the Secretary of Health and Human Services (the "Secretary") and to the Comptroller General of the United States (the "Comptroller General"), or any of their duly authorized representatives, this Agreement and any other documents of Medical Director that are necessary to certify the nature and extent of the cost of services furnished pursuant to this Agreement for which payment may be made to District under the Medicare program.

If this Agreement is subject to the Statute and Regulations and Medical Director carries out any of the duties of this Agreement through a subcontract (to the extent permitted herein), with a value or cost of \$10,000 or more over a twelve month period, with a related organization, that subcontract shall contain a clause to the effect that until the expiration of four (4) years after the furnishing of services pursuant to such subcontract, the related organization shall make available, upon proper request, to the Secretary and the Comptroller General, or any of their duly authorized representatives, the subcontract and the books, documents and records of such related organization that are necessary to verify the nature and extent of such costs.

8.11 Attorney Fees. Notwithstanding any other provision of this Agreement, should a Party hereto institute any action or proceeding against the other Party to enforce any provisions of this Agreement or for damages by reason of any alleged breach of any provision hereof or for declaration of such Parties' rights or obligations hereunder, or for any other judicial or

administrative remedy with respect to this Agreement, the prevailing Party shall be entitled to receive from the other Party reasonable attorneys' fees actually incurred by the prevailing Party.

8.12 Counterparts This Agreement may be executed in more than one counterpart (any one of which may be by facsimile, electronic scan or .pdf), each of which shall be deemed an original and all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by its respective duly authorized representatives and its corporate seal affixed on the date specified by each Parties' signature below, to be effective as of the Effective Date.

Date: _____

SOUTHERN INYO HEALTHCARE DISTRICT

By _____
Brian Cotter, Chief Executive Officer

Date: _____

REDA TADROS, MD

EXHIBIT 1

RESPONSIBILITIES OF MEDICAL DIRECTOR

In performing the general responsibilities described in Section 2.1, the Medical Director shall:

1. Scope of Services. The Medical Director shall serve as Medical Director of the Districts' Pathology Department. The Medical Director shall participate in the formulation, review and/or revision of the scope of services provided in the Facilities.
2. Operational. Medical Director shall:
 - a. Consult with the CEO of hospital or designee regarding the operation of the department
 - b. Assisting the Service's compliance with accrediting bodies and conditions of participation in the Medi-Care program
 - c. Advise Hospital regarding technical developments and capital expenditures
 - d. Provide education and in-service instruction programs for the Facility's Lab and Nursing personnel in the operation of the Service.
 - e. Make recommendations to the Facility's administration regarding the use of facility personnel, the necessary equipment, and general quality standards of patient care in connection with the Service.
 - f. Develop medical education programs for the Facility's medical staff in the appropriate role of the Service.
 - g. Be a liaison to appropriate medical staff committees relevant to the Service. In no event shall duties pursuant to this Agreement include attendance at meetings that the Director is required to attend as a result of Director's licensure or medical staff membership including mandatory medical staff meetings or Governing Board Meetings.
 - h. Maintain communication with attending physicians or clients regarding test results performed by the Service.
 - i. At least annually, review and make recommendations as necessary to revise the Service's policies and procedures.
 - j. Assist the medical staff committee in reviewing and revising medical staff rules and regulations which pertain to the Service.
 - k. Review patient records ad reports, Quality Control reports, Proficiency reports, correlation studies in the Service to promote quality of patient care.
 - l. At Hospital's request, accompany the CEO or his/her designed to meetings in which Hospital and Director discuss issues relating to Director's duties under this Agreement.
 - m. Oversight and review of Transfusion medicine.
3. Quality input. Medical Director shall participate in programs and provide input in collaboration with administrative and clinical staff to:

- a. Improve quality indicators, develop, and monitor goals and performance objectives for the Facilities.
 - b. Develop and design protocols relevant to the Facilities patient population that will result in positive patient outcomes.
 - c. Review records and reports of patient service in the Service to promote quality of patient care and for data analysis and presentation and develop plans to reduce the number and severity of medical errors and adverse events.
 - d. Assist with the collection of data on use and appropriateness of cases performed in the Facilities.
 - e. Assist in initiating best practices and analyzing clinical outcomes that are required to be reported externally.
 - f. Present clinical outcomes to the appropriate forum.
 - g. Participate on appropriate District wide medical staff committees and serve as a Service liaison. Provided, however, in no event shall duties pursuant to this Agreement include attendance at meetings that Medical Director is required to attend as a result of Medical Director's licensure or medical staff membership including mandatory medical staff meetings or governing board meetings.
 - h. Assist the appropriate medical staff committee in reviewing and revising medical staff rules and regulations, which pertain to the Service.
 - i. Lead quality initiatives in collaboration with District leadership that will positively impact patient care.
 - j. Coordinate educational needs for unit-based, as well as general District personnel and the public.
 - k. Provide education and in-service instruction programs for the District's nursing and ancillary personnel in the operation of the Service.
 - l. Meet monthly with the District to discuss quality improvement and/or other service issues; consult with medical and departmental directors as needed should either party require such consultation.
 - m. Annually review and make written recommendations regarding policy and procedure manuals.
4. Expertise. The Medical Director shall serve as a consultant and resource for the District in the development and implementation of programs for its services, and on an ongoing basis following implementation of such program.
 5. Medical Staff Liaison. The Medical Director shall serve as a liaison for the Medical Staff and the District staff.
 6. Policies and Procedures. The Medical Director shall participate in the recommendation, development and review of policies and procedures affecting the Facilities.

7. Regulatory Compliance. The Medical Director shall be responsible for assisting with regulatory compliance, including compliance with accreditation standards, including but not limited to those utilized by OSHA, the Joint Commission, state and local health departments, and the CDC; and assisting District in maintaining appropriate certifications/accreditations by certifying or accrediting bodies.
8. Ethics. The Medical Director will assist in addressing ethical issues involving patient care in the Facilities and will participate in ethics consultations as appropriate.
9. Other Duties. Additional duties on behalf of the District with respect to the Facilities as requested by District, including but not limited to participation in or attendance at CME programs or marketing events as specifically requested in writing by the District.

SCHEDULE A

CLAIMS AND LIABILITIES

Medical Director warrants that there are no claims or suits pending against Medical Director at this time except as follows: (if none, state "none")

EXHIBIT 2

Name: _____ Calendar Month of Service: _____, 20____
 Unit: _____

MEDICAL DIRECTOR TIME SHEET

DATE	DESCRIPTION OF SPECIFIC SERVICES PROVIDED (Services must be described in detail) Administrative Services Only - No Clinical or Medical Staff Services	Total Time Spent On Task (Time In .25 Increments)
	Provide administrative supervision of Service including managing the Service coverage and call arrangements.	
	Assist in the development or selection of clinical practice guidelines and standard order sets.	
	Maintain communication with attending physicians admitting patients to the Service	
	Review the clinical functions of the physicians and technicians caring for patients in the Facilities.	
	Review admissions to and discharges from the Facilities in collaboration with referring physicians and management.	
	Maintain communications with all disciplines within the Facilities, with other departments, and physicians involved in patient care in the Facilities.	
	Collaborate with department leadership to assure and maintain current technology and equipment.	
	Provide input and active participation in the marketing of the Facilities to the medical staff.	
	Make recommendations to the District's administration regarding the use of District personnel, the necessary equipment, and general quality standards of patient care in connection with the Service.	
	Assist District in the development of a budget for the Facilities and the services to be provided therein.	
	Participate in the interview process of candidates for management positions with respect to services at District.	

	Ensure that a credentialed physician (i.e. member of the Medical Staff of District who has been approved by District for clinical privileges is available.	
	Improve quality indicators.	
	Develop and design protocols relevant to the patient population that will result in positive patient outcomes.	
	Review records and reports of patient service in the Service to promote quality of patient care and for data analysis and presentation.	
	Assist with collection of data on use and appropriateness of cases performed in the Facilities.	
	Assist the Facilities in initiating best practices and analyzing clinical outcomes.	
	Present clinical outcomes to the appropriate forum.	
	Participate on appropriate District wide medical staff committees and serve as a Service liaison.	
	Assist the appropriate medical staff committee.	
	Lead quality initiatives in collaboration with Facilities leadership.	
	Coordinate and provide education and in-service instructions programs for the District's staff.	
	Meet with the District to discuss quality improvement and/or other service issues; consult with medical and departmental directors.	
	Review and make written recommendations regarding Facilities policy and procedure manuals.	
	Other (Describe):	

TOTAL HOURS

ATTESTATION

By signing this document, I affirm and attest that the services described herein and the number of hours recorded for such services were performed by me.

_____, MD Date: _____

By signing this document the Compliance Officer and CEO/ Administrator affirm and attest that they have confirmed that the services rendered and number of hours recorded for such services satisfy the duties set forth in the Agreement, and that the number of calendar months remaining in the Agreement term as stated on pages I and 2 are accurate.

REVIEWED AND APPROVED BY:

_____ CEO Date: _____

_____ Compliance Officer Date: _____

REVIEWED AND APPROVED BY CEO:

_____, CEO/ADMINISTRATOR Date: _____

<p>ACCOUNTING USE ONLY: Calendar Month of Service: _____, 201__</p> <p># OF HOURS _____ X Rate per hour \$ _____ = Total \$ _____</p> <p>The above hours, rate and total compensation has been verified by: _____ CEO</p> <p>The above hours, rate and total compensation has been verified by: _____ CCO</p>

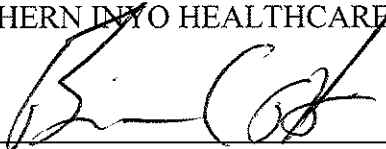
administrative remedy with respect to this Agreement, the prevailing Party shall be entitled to receive from the other Party reasonable attorneys' fees actually incurred by the prevailing Party.

8.12 Counterparts This Agreement may be executed in more than one counterpart (any one of which may be by facsimile, electronic scan or .pdf), each of which shall be deemed an original and all of which when taken together shall constitute one and the same agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by its respective duly authorized representatives and its corporate seal affixed on the date specified by each Parties' signature below, to be effective as of the Effective Date.

Date: 6-27-18

SOUTHERN INYO HEALTHCARE DISTRICT

By 
Brian Cotter, Chief Executive Officer

Date: 06/18/2018

HIGH DESERT PATHOLOGY MEDICAL GROUP

By 
Reda Michal Tadros, President

WALDEN UNIVERSITY

The following *Field Site Affiliation Agreement* is a legal contract between Walden University and a field site that addresses the responsibilities of each party with regard to field experience placements. A current *Field Site Affiliation Agreement* must be on file for any student to begin a field experience.

The *Field Site Affiliation Agreement* only needs to be signed and submitted once per site. Once a student submits their Field Education application, our coordinators will review if an agreement is on file between Walden University and the Field Site. If determined there is not, our coordinators will reach out to the site directly with this *Field Site Affiliation Agreement* for review.

The *Field Site Affiliation Agreement* must be signed by the appropriate signatory as determined by the field site (for example, the site supervisor or agency director). A fully-signed agreement will be returned to the site supervisor once the agreement has been signed on Walden's end.

Any revisions to this standard template need to be approved by Walden's legal counsel through the Office of Applied Learning Agreements. If revisions are made to the contract, or if a field site requests to use an alternative contract, this must be reviewed and approved by the Office of Applied Learning Agreements. A copy of either the edited Walden agreement or the field site's alternative contract should be provided to the Walden coordinator who sent this document to the field site. **An editable word version of this template can be provided by the Field office, or the Office of Applied Learning Agreements upon request.**

Digital Signature: Please click the Field Site Signature field to complete a valid digital signature, and return the signed agreement to the Field Office.

WALDEN UNIVERSITY

U.S. FIELD SITE AFFILIATION AGREEMENT

THIS AGREEMENT (the "Agreement") is made and entered into as of the date of the final signature below by and between WALDEN UNIVERSITY, LLC, located at 100 Washington Avenue South, Suite 900, Minneapolis, MN 55401 ("Walden") and
located at _____ ("Field Site").

RECITALS

WHEREAS, Walden offers undergraduate, graduate, and post-graduate programs in the fields of nursing, social work, counseling, psychology, health sciences, and interdisciplinary studies (the "Programs") and seeks to partner with field sites for educational field experiences for Walden students (the "Students");

WHEREAS, field experiences shall include the Field Site's student education program conducted at the Field Site ("Field Experience Program");

WHEREAS, the Field Site is willing to make available its educational and professional resources to such Students; and

WHEREAS, Walden and the Field Site mutually desire to contribute to the education and professional growth of Walden Students.

NOW, THEREFORE, in consideration of the mutual promises and covenants hereinafter set forth it is understood and agreed upon by the parties hereto, as follows:

I. TERM AND TERMINATION

This Agreement shall commence on _____ (the "Effective Date") and shall continue for a period of five (5) years (the "Initial Term"). ~~Upon expiration of the Initial Term of this Agreement, this Agreement and the Term shall renew for successive one (1) year periods (each a "Renewal Term"). Notwithstanding the foregoing,~~ either party may terminate this Agreement for any reason or no reason, upon thirty (30) calendar days' prior written notice to the other party. In the event of termination or expiration of this Agreement before any participating Student(s) has completed the then-current term, such Student(s) shall be permitted to complete the then-current term subject to the applicable terms of this Agreement, which shall survive until the date of such completion.

II. WALDEN RESPONSIBILITIES

A. Walden shall be responsible for the assignment of Students to the Field Site. Walden agrees to refer to the Field Site only those Students who have completed the prerequisite course of study as determined by Walden.

WALDEN UNIVERSITY

B. Walden shall provide a field education coordinator (the "Walden Coordinator") who will act as a liaison between Walden and the Field Site and coordinate the Field Experience Program with the Field Site. The Walden Coordinator will be responsible for maintaining communication with the Field Site including, but not limited to:

(1) Confirming any contact information for Students to the Field Site Coordinator, as defined below, prior to the Student assignment; and

(2) Supplying the Field Site with information regarding each Student's current level of academic preparation as may be required by the Field Site.

C. Walden shall provide an instructor (the "Walden Supervisor") who will serve as the academic course instructor and field experience instructor for the educational experience. The Walden Supervisor will have responsibilities including, but not limited to:

(1) Communicating with the Field Site Supervisor relating to each Student's educational experience at the Field Site;

(2) Evaluating student academic and Field Site work relating to the educational experience at the Field Site.

Notwithstanding the foregoing, the parties understand that Walden is an online institution; therefore, there will be no on-site faculty presence from Walden on Field Site premises.

D. Walden shall provide the Field Site with information regarding the particular requirements relating to Field Experience Programs including required hours and supervision requirements.

E. Walden maintains professional liability insurance with a single limit of no less than Two Million Dollars (\$2,000,000) per claim and Four Million Dollars (\$4,000,000) annual aggregate and general liability insurance with a single limit of no less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) annual aggregate, with umbrella liability coverage in amounts no less than One Million Dollars (\$1,000,000). Such insurance policies shall provide additional coverage to Walden's Students. Walden shall provide the Field Site with proof of coverage upon request.

III. FIELD SITE RESPONSIBILITIES

A. When available, the Field Site shall assign a staff member to serve as the coordinator for the Field Experience Program at the Field Site (the "Field Site Coordinator"). The Field Site Coordinator shall be responsible for:

(1) Planning and coordinating the education arrangements between the Field Site, the Students and Walden;

(2) Serving as a liaison between the Field Site and Walden; and

WALDEN UNIVERSITY

(3) Developing and administering an orientation program for Student which will familiarize the Students with the Field Site and all applicable policies and procedures.

B. The Field Site shall assign a qualified staff member having the appropriate and required credentials to serve as the preceptor or supervisor (the "Field Site Supervisor") for each Student. The Field Site shall provide planned and regularly scheduled opportunities for educational supervision and consultation by the Field Site Supervisor. The Program requires supervision specifically by the Field Site Supervisor, and such supervision may not be delegated. Field Site Supervisors are responsible for providing, as applicable to the Program, role modeling, direct patient or client supervision, and professional interactions, and sharing expertise and experience. Field Site Supervisors are expected to voice concerns when student behaviors are in question or patient safety is of issue. Field Site Supervisors shall provide instruction and services in accordance with applicable laws and shall educate Students as to the requirements of the applicable laws. The Field Site Supervisor shall work with the Walden Supervisor to review and evaluate the Students in the field experience program.

C. The Field Site shall provide learning experiences for the Students that are planned, organized and administered by qualified staff in accordance with mutually agreed upon educational objectives and guidelines.

D. Where applicable, the Field Site shall provide the Students with an orientation familiarizing students with all applicable State and Federal laws and regulations as they pertain to practice at the Field Site, which may include those pertaining to Standards for Privacy of Individually Identifiable Health Information (the "Privacy Rule") issued under the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which govern the use and/or disclosure of individually identifiable health information.

E. The Field Site shall ensure that the Students practice within the guidelines of any applicable professional ethics codes. The Field Site shall provide resources to Students for exploring and resolving any ethical conflicts that may arise during field training.

F. The Field Site Supervisor shall complete, with the Walden Supervisor and Student, all written evaluations of the Students' performance according to the timeline established by Walden. Evaluations will be submitted to the Walden Coordinator.

G. The Field Site reserves the right to dismiss at any time any Student whose health condition, conduct or performance is a detriment to the Student's ability to successfully complete the Field Experience Program at the Field Site or jeopardizes the health, safety or well-being of any patients, clients or employees of the Field Site. The Field Site Coordinator or assigned Field Site Supervisor shall promptly notify the Walden Coordinator and/or Walden Supervisor of any problem or difficulty arising with a Student and a discussion shall be held either by telephone or in person to determine the appropriate course of action. The Field Site will, however, have final responsibility and authority to dismiss any Student from the Field Experience Program.

WALDEN UNIVERSITY

H. If available at the Field Site, the Field Site agrees to provide emergency health care services for Students for illnesses or injury on the same basis as that which is provided to Field Site employees. With the exception of emergency care, the Students are responsible for providing for their own medical care needs. In the event that Field Site does not have the resources to provide such emergency care, Field Site will refer such Students to the nearest emergency facility.

I. The Field Site shall ensure adequate workspace for the Students and shall permit the use of instructional resources such as the library, procedure manuals, and client records as required by the Field Experience Program. Field Site shall provide Students with training on Field Site safety protocols, as applicable, and provide prompt notice to Walden of any situation involving threatened hazards or harm that may adversely impact the health or safety of Students.

J. The Field Site maintains general and professional liability insurance (or comparable coverage under a program of self-insurance) for itself and its employees with a single limit of no less than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate. The Field Site shall provide Walden with proof of coverage upon request.

To the extent that the Field Site is an entity governed by and/or operated through any state or federal agency or is provided liability coverage through statutory or tort law, then the foregoing paragraph shall not apply.

IV. STUDENT RESPONSIBILITIES

A. Students shall provide their own transportation to and from the Field Site as well as any meals or lodging required during the field experience.

B. Students shall agree to abide by the rules, regulations, policies and procedures of the Field Site as provided to the Students by the Field Site during their orientation at the Field Site and shall abide by the requirements of all applicable laws.

C. Students shall agree to comply with the Standards for Privacy of Individually Identifiable Health Information (the "Privacy Rule") issued under the federal Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), which govern the use and/or disclosure of individually identifiable health information.

D. Students shall arrange for and provide to Field Site any required information including, but not limited to, criminal background checks, health information, verification of certification and/or licensure, insurance information and information relating to participation in federally funded insurance programs.

E. Students shall be instructed that they are required to purchase and maintain a policy of professional liability insurance with a single limit of no less than One Million Dollars (\$1,000,000) per occurrence and Three Million Dollars (\$3,000,000) annual aggregate. Students shall provide the Field Site with proof of coverage upon request.

WALDEN UNIVERSITY

V. MUTUAL RESPONSIBILITIES

A. FERPA. For purposes of this Agreement, pursuant to the Family Educational Rights and Privacy Act of 1974 (“FERPA”), the parties acknowledge and agree that the Field Site has an educational interest in the educational records of the Student participating in the Program to the extent that access to those records is required by the Field Site in order to carry out the Field Experience Program. Field Site and Walden shall only disclose such educational records in compliance with FERPA.

B. HIPAA. The parties agree that, if the Field Site is a covered entity under HIPAA:

(1) to the extent that a Student is participating in the Field Experience Program:

(a) Student shall be considered part of the Field Site’s workforce for HIPAA compliance purposes in accordance with 45 CFR §160.103, but shall not otherwise be construed to be employees of the Field Site;

(b) Student shall receive training by the Field Site on, and subject to compliance with, all of Field Site’s privacy policies adopted pursuant to HIPAA; and

(c) Student shall not disclose any Protected Health Information, as that term is defined by 45 CFR §160.103, to which a Student has access through Program participation that has not first been de-identified as provided in 45 CFR §164.514(a);

(2) Walden will never access or request to access any Protected Health Information held or collected by or on behalf of the Field Site that has not first been de-identified as provided in 45 CFR §164.514(a); and

(3) No services are being provided to the Field Site by Walden pursuant to this Agreement and therefore this Agreement does not create a “business associate” relationship as that term is defined in 45 CFR §160.103.

C. The Field Site and Walden will promote a coordinated effort by evaluating the Program annually, planning for its continuous improvement, making such changes as are deemed advisable and discussing problems as they arise concerning this affiliation.

D. The parties agree that Students participating in the Field Experience Program are at all times acting as independent contractors and that Students are not and will not be considered employees of the Field Site or any of its subsidiaries or affiliates by virtue of a Student’s participation in the Field Experience Program and shall not as a result of Student’s participation in the Field Experience Program, be entitled to compensation, remuneration or benefits of any kind.

E. The Field Site and Walden agree that Students will have equal access to their respective programs and facilities without regard for gender identity, race, color, sex, age, religion or creed, marital status, disability, national or ethnic origin, socioeconomic status, veteran status, sexual

WALDEN UNIVERSITY

orientation or other legally protected status. Field Site and Walden will comply with all applicable non-discrimination laws in providing services hereunder.

F. Field Site represents that it has policies in place that are consistent with applicable laws to prevent and report instances of sexual harassment, sexual discrimination, and sexual misconduct and it will comply with these policies during its participation in the Field Experience Program. In the event that Field Site does not have such policies in place, it shall abide by Walden's Code of Conduct located at <https://www.waldenu.edu/-/media/Walden/files/legal/title-ix-policyfor-codeof-conduct-waldenfinal10915.pdf?la=en> with regard to Walden's Students.

G. The terms and conditions of this Agreement may be amended by written instrument executed by both parties.

H. This Agreement is nonexclusive. The Field Site and Walden reserve the right to enter into similar agreements with other institutions.

I. This Agreement shall be governed by the laws of the State of ~~Minnesota~~ California.

J. Any notice required hereunder shall be sent by certified or registered mail, return receipt requested and shall be deemed given upon deposit thereof in the U.S. mail (postage prepaid). Notices to Walden shall be sent to the Walden Coordinator at Walden University, LLC; 100 Washington Avenue South, Suite 900; Minneapolis, MN 55401; with a copy to: Walden University, LLC; Attention: Assistant Divisional Counsel; 650 South Exeter Street; Baltimore, MD 21202. Notices to Field Site shall be sent to

K. Each party agrees to indemnify, defend, and hold harmless the other from all losses or liabilities resulting from the negligence or willful misconduct of the indemnifying party and/or its employees or agents arising under this Agreement, except to the extent such losses or liabilities are caused by the indemnified party's negligence or willful misconduct.

L. This Agreement sets forth the entire understanding of the parties hereto and supersedes any and all prior agreements, arrangements and understandings, oral or written, of any nature whatsoever, between the parties with respect to the subject matter hereof. This Agreement and any amendments hereto may be executed in counterparts and all such counterparts taken together shall be deemed to constitute one and the same instrument. The parties agree that delivery of an executed counterpart signature hereof by facsimile transmission, or in "portable document format" (".pdf") form, or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing the original signature.

M. Each person signing this Agreement on behalf of a party represents to the other party that the execution and performance of this Agreement is duly authorized to sign this Agreement on behalf of the party and that this Agreement constitutes a valid and binding agreement of such party, enforceable according to its terms.

WALDEN UNIVERSITY

N. This Agreement may not be assigned by either party without the prior written consent of the other party.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement, effective the date first above written:

WALDEN UNIVERSITY, LLC

FIELD SITE

By: _____
(signature)

By: _____
(signature)

Name: _____
(Print name)

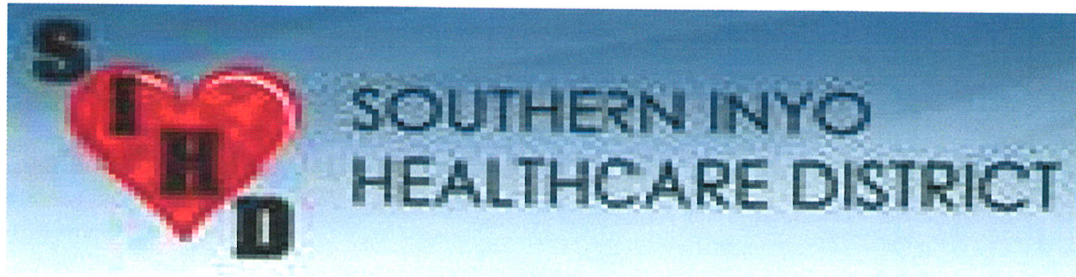
Name: _____
(Print name)

Title: _____

Title: _____

Date: _____

Date: _____



Unaudited Financial Statements

for

Eleven Months Ended May 31, 2019

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Certified by:

Chester Beedle
Chief Financial Officer

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SOUTHERN INYO HEALTHCARE DISTRICT
LONE PINE, CALIFORNIA
Eleven Months Ended May 31, 2019

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SOUTHERN INYO HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

Eleven Months Ended May 31, 2019

BALANCE SHEET

	5/31/2019	6/30/2018
ASSETS		
Current Assets	\$4,614,403	\$2,540,681
Assets Whose Use is Limited	8,724	8,613
Property, Plant and Equipment (Net)	1,061,248	1,189,917
Other Assets	0	0
Total Unrestricted Assets	5,684,375	3,739,211
Restricted Assets	0	0
Total Assets	\$5,684,375	\$3,739,211
LIABILITIES AND NET ASSETS		
Current Liabilities	\$5,316,163	\$8,354,180
Long-Term Debt	13,725	0
Other Long-Term Liabilities	600,622	0
Total Liabilities	5,930,510	8,354,180
Net Assets	(250,494)	(4,614,969)
Total Liabilities and Net Assets	\$5,680,016	\$3,739,211

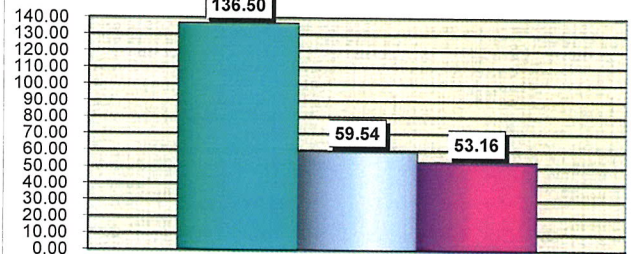
STATEMENT OF REVENUE AND EXPENSES - YTD

	ACTUAL	BUDGET
Revenue:		
Gross Patient Revenues	\$11,234,055	\$8,156,842
Deductions From Revenue	(3,492,610)	(2,248,026)
Net Patient Revenues	7,741,445	5,908,816
Other Operating Revenue	275,445	345,350
Total Operating Revenues	8,016,889	6,254,166
Expenses:		
Salaries, Benefits & Contract Labor	6,323,456	6,183,786
Purchased Services & Physician Fees	1,330,616	710,878
Supply Expenses	398,554	341,287
Other Operating Expenses	1,472,649	740,147
Bad Debt Expense	0	0
Depreciation & Interest Expense	58,862	148,863
Total Expenses	9,584,136	8,124,962
NET OPERATING SURPLUS	(1,567,247)	(1,870,796)
Non-Operating Revenue/(Expenses)	472,459	87,906
TOTAL NET SURPLUS	(\$1,094,788)	(\$1,782,890)

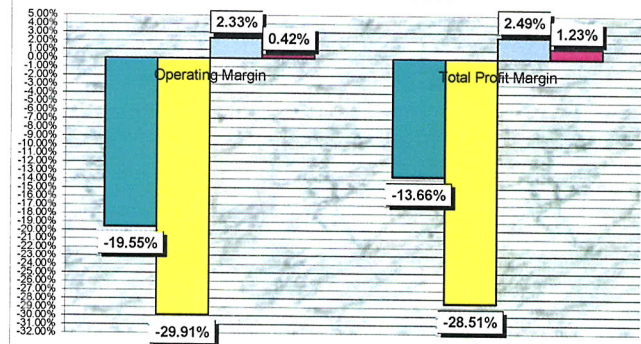
KEY STATISTICS AND RATIOS - YTD

	ACTUAL	BUDGET
Total Acute Patient Days	150	64
Average Acute Length of Stay	3.1	2.1
Total Emergency Room Visits	1,365	1,564
Outpatient Visits	3,559	2,650
Total Surgeries	0	0
Total Worked FTE's	95.72	97.20
Total Paid FTE's	104.68	106.20
Productivity Index	1.0155	1.0000
EBITDA - YTD	-200.00%	-31.28%
Current Ratio	0.87	
Days Expense in Accounts Payable	256.10	

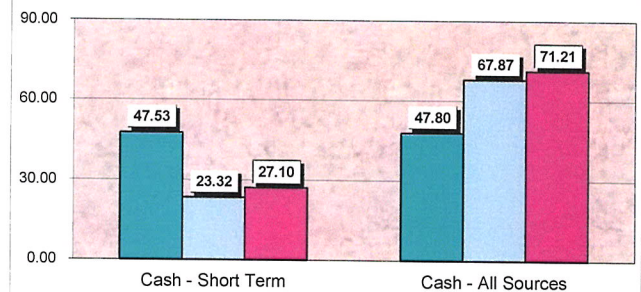
NET DAYS IN ACCOUNTS RECEIVABLE



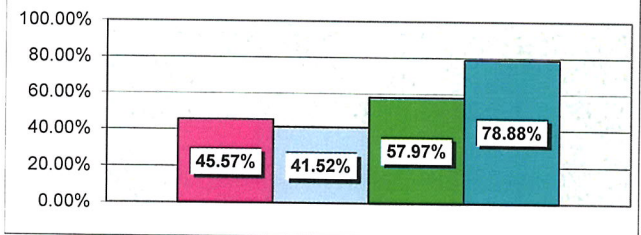
HOSPITAL MARGINS



DAYS CASH ON HAND



SALARY AND BENEFIT EXPENSE AS A PERCENTAGE OF NET REVENUE



SOUTHERN INYO HEALTHCARE DISTRICT	
Budget	05/31/19
California	Hospitals
CAH Hospitals	Rural
Prior Fiscal Year End	06/30/18

FINANCIAL STRENGTH INDEX - (3.88)

Excellent - Greater than 3.0 Good - 3.0 to 0.0

Fair - 0.0 to (2.0) Poor - Less than (2.0)

Balance Sheet - Assets

SOUTHERN INYO HEALTHCARE DISTRICT LONE PINE, CALIFORNIA Eleven Months Ended May 31, 2019

PAGE 3

	Current Month 5/31/2019	Prior Month 4/30/2019	ASSETS Positive/ (Negative) Variance	Percentage Variance	Prior Year End 6/30/2018
Current Assets					
Cash and Cash Equivalents	\$1,351,419	\$603,599	\$747,820	123.89%	\$346,635
Gross Patient Accounts Receivable	5,530,554	6,813,422	(1,282,868)	-18.83%	6,944,937
Less: Bad Debt and Allowance Reserves	(2,378,138)	(2,929,771)	551,633	18.83%	(5,744,764)
Net Patient Accounts Receivable	3,152,416	3,883,651	(731,235)	-18.83%	1,200,173
Interest Receivable	0	0	0	0.00%	0
Other Receivables	0	84	(84)	-100.00%	688,912
Inventories	103,068	103,886	(818)	-0.79%	64,198
Prepaid Expenses	7,500	7,500	0	0.00%	88,409
Due From Third Party Payers	0	0	0	0.00%	152,354
Due From Affiliates/Related Organizations	0	0	0	0.00%	0
Other Current Assets	0	0	0	0.00%	0
Total Current Assets	4,614,403	4,598,720	15,683	0.34%	2,540,681
Assets Whose Use is Limited					
Cash	7,613	8,281	(668)	-8.06%	8,613
Investments	0	0	0	0.00%	0
Bond Reserve/Debt Retirement Fund	0	0	0	0.00%	0
Trustee Held Funds	0	0	0	0.00%	0
Funded Depreciation	0	0	0	0.00%	0
Board Designated Funds	0	0	0	0.00%	0
Other Limited Use Assets	1,111	1,185	(74)	-6.26%	0
Total Limited Use Assets	8,724	9,466	(742)	-7.84%	8,613
Property, Plant, and Equipment					
Land and Land Improvements	693,510	693,510	0	0.00%	693,510
Building and Building Improvements	2,587,666	2,587,666	0	0.00%	2,587,666
Equipment	3,041,639	3,041,639	0	0.00%	2,966,485
Construction In Progress	0	0	0	0.00%	0
Capitalized Interest	0	0	0	0.00%	0
Gross Property, Plant, and Equipment	6,322,815	6,322,815	0	0.00%	6,247,661
Less: Accumulated Depreciation	(5,261,567)	(5,261,288)	(279)	-0.01%	(5,057,744)
Net Property, Plant, and Equipment	1,061,248	1,061,527	(279)	-0.03%	1,189,917
Other Assets					
Unamortized Loan Costs	0	0	0	0.00%	0
Assets Held for Future Use	0	0	0	0.00%	0
Investments in Subsidiary/Affiliated Org.	0	0	0	0.00%	0
Other	0	0	0	0.00%	0
Total Other Assets	0	0	0	0.00%	0
TOTAL UNRESTRICTED ASSETS	5,684,375	5,669,713	14,662	0.26%	3,739,211
Restricted Assets	0	0	0	0.00%	0
TOTAL ASSETS	\$5,684,375	\$5,669,713	\$14,662	0.26%	\$3,739,211

Balance Sheet - Liabilities and Net Assets
SOUTHERN INYO HEALTHCARE DISTRICT
LONE PINE, CALIFORNIA
Eleven Months Ended May 31, 2019

	LIABILITIES AND FUND BALANCE				Prior Year End 6/30/2018
	Current Month 5/31/2019	Prior Month 4/30/2019	Positive/ (Negative) Variance	Percentage Variance	
Current Liabilities					
Accounts Payable	\$4,762,716	\$4,514,569	(\$248,147)	-5.50%	\$8,163,834
Notes and Loans Payable	3,607	25,870	22,263	86.06%	0
Accrued Payroll	107,767	104,291	(3,476)	-3.33%	190,346
Accrued Payroll Taxes	38,404	47,516	9,112	19.18%	0
Accrued Benefits	12,932	34,105	21,173	62.08%	0
Accrued Pension Expense (Current Portion)	0	0	0	0.00%	0
Other Accrued Expenses	0	2,997	2,997	100.00%	0
Patient Refunds Payable	0	2,287	2,287	100.00%	0
Property Tax Payable	0	0	0	0.00%	0
Due to Third Party Payers	156,975	154,029	(2,946)	-1.91%	0
Advances From Third Party Payers	0	0	0	0.00%	0
Current Portion of LTD (Bonds/Mortgages)	0	0	0	0.00%	0
Current Portion of LTD (Leases)	3,607	3,640	33	0.91%	0
Other Current Liabilities	230,155	202,292	(27,863)	-13.77%	0
Total Current Liabilities	5,316,163	5,091,596	(224,568)	-4.41%	8,354,180
Long Term Debt					
Bonds/Mortgages Payable	0	0	0	0.00%	0
Leases/Notes Payable	17,332	17,815	483	2.71%	0
Less: Current Portion Of Long Term Debt	3,607	3,640	33	0.91%	0
Total Long Term Debt (Net of Current)	13,725	14,175	450	3.17%	0
Other Long Term Liabilities					
Deferred Revenue	0	0	0	0.00%	0
Accrued Pension Expense (Net of Current)	0	0	0	0.00%	0
Other	600,622	600,622	0	0.00%	0
Total Other Long Term Liabilities	600,622	600,622	0	0.00%	0
TOTAL LIABILITIES	5,930,510	5,706,393	(224,118)	-3.93%	8,354,180
Net Assets:					
Unrestricted Fund Balance	844,294	1,860,331	1,016,037	54.62%	(4,311,834)
Inter-Departmental Transfer (DSH)	0	0	0	0.00%	0
Restricted Fund Balance	0	0	0	0.00%	0
Net Revenue/(Expenses)	(1,094,788)	(1,782,890)	(688,102)	38.59%	(303,135)
TOTAL NET ASSETS	(250,494)	77,441	327,935	423.46%	(4,614,969)
TOTAL LIABILITIES AND NET ASSETS	\$5,680,016	\$5,783,834	\$103,818	1.79%	\$3,739,211

Statement of Revenue and Expense
SOUTHERN INYO HEALTHCARE DISTRICT
LONE PINE, CALIFORNIA
Eleven Months Ended May 31, 2019

	CURRENT MONTH				
	Actual 05/31/19	Budget 05/31/19	Positive (Negative) Variance	Percentage Variance	Prior Year 05/31/18
Gross Patient Revenue					
Inpatient Revenue	\$53,970	\$17,971	\$36,000	200.32%	\$16,795
Clinic Revenue	78,809	20,387	58,422	286.57%	19,053
Outpatient Revenue	492,290	217,334	274,956	126.51%	203,116
Long Term Care Revenue	339,093	202,714	136,378	67.28%	189,452
Other	0	648	(648)	-100.00%	605
Total Gross Patient Revenue	<u>964,162</u>	<u>459,053</u>	<u>505,109</u>	<u>110.03%</u>	<u>429,022</u>
Deductions From Revenue					
Discounts and Allowances	(269,965)	(116,875)	(153,090)	-130.99%	(109,184)
Bad Debt Expense (Governmental Providers Only)	(28,925)	(9,181)	(19,744)	-215.05%	(12,871)
Charity Care	0	0	0	0.00%	0
Total Deductions From Revenue	<u>(306,390)</u>	<u>(126,515)</u>	<u>(179,875)</u>	<u>-1533.80%</u>	<u>(4,290)</u>
Net Patient Revenue	<u>657,772</u>	<u>332,538</u>	<u>325,234</u>	<u>97.80%</u>	<u>302,677</u>
Deduction % of Gross Revenue	-31.8%	-27.6%			-29.4%
Other Operating Revenue	6,487	31,187	(24,700)	-79.20%	24,742
Total Operating Revenue	<u>664,259</u>	<u>363,725</u>	<u>300,534</u>	<u>82.63%</u>	<u>327,419</u>
Operating Expenses				Exp %/Net Rev	
Salaries and Wages	492,355	553,279	(60,924)	152.1%	531,999
Fringe Benefits	123,089	138,320	(15,231)	38.0%	133,000
Contract Labor	47,023	10,468	36,555	2.9%	10,065
Physicians Fees	137,582	40,753	96,829	11.2%	39,185
Purchased Services	8,471	646	7,825	0.2%	621
Supply Expense	54,774	23,815	30,960	6.5%	23,121
Utilities	7,555	7,642	(86)	2.1%	7,278
Repairs and Maintenance	6,421	3,765	2,656	1.0%	3,620
Insurance Expense	23,758	8,488	15,270	2.3%	8,084
All Other Operating Expenses	58,896	19,920	38,976	5.5%	19,247
Bad Debt Expense (Non-Governmental Providers)	0	0	-	0.0%	0
Leases and Rentals	4,167	3,809	358	1.0%	3,809
Depreciation and Amortization	279	13,533	(13,254)	3.7%	13,533
Interest Expense (Non-Governmental Providers)	0	0	-	0.0%	0
Total Operating Expenses	<u>964,371</u>	<u>824,438</u>	<u>139,933</u>	<u>226.7%</u>	<u>793,563</u>
Net Operating Surplus/(Loss)	(300,112)	(460,713)	160,601	-34.86%	(466,144)
Non-Operating Revenue:					
Contributions	0	0	0	0.00%	0
Investment Income	0	0	0	0.00%	0
Income Derived from Property Taxes	55,070	24,320	30,750	126.44%	23,863
Interest Expense (Governmental Providers Only)	(21,624)	(43,381)	(21,757)	50.15%	(5,007)
Other Non-Operating Revenue/(Expenses)	9,048	5,607	3,441	61.36%	10,303
Total Non Operating Revenue/(Expense)	<u>42,494</u>	<u>(13,454)</u>	<u>55,947</u>	<u>-415.86%</u>	<u>29,159</u>
Total Net Surplus/(Loss)	(\$257,618)	(\$474,166)	\$216,548	-45.67%	(\$436,985)
Operating Margin	-45.18%	-126.66%			-142.37%
Total Profit Margin	-38.78%	-130.36%			-133.46%
EBITDA	-48.39%	-134.87%			-139.77%
Cash Flow Margin	-35.49%	-114.72%			-127.80%

Statement of Revenue and Expense
SOUTHERN INYO HEALTHCARE DISTRICT
LONE PINE, CALIFORNIA
Eleven Months Ended May 31, 2019

	YEAR-TO-DATE				Prior Year 05/31/18
	Actual 05/31/19	Budget 05/31/19	Positive (Negative) Variance	Percentage Variance	
Gross Patient Revenue					
Inpatient Revenue	\$758,229	\$313,865	\$444,365	141.58%	\$430,179
Clinic Revenue	665,255	360,522	304,733	84.53%	341,167
Outpatient Revenue	5,553,219	3,853,318	1,699,901	44.12%	3,634,551
Long Term Care Revenue	4,251,271	3,602,124	649,148	18.02%	3,395,202
Other	6,081	27,014	(20,933)	-77.49%	22,201
Total Gross Patient Revenue	11,234,055	8,156,842	3,077,213	37.73%	7,823,301
Deductions From Revenue					
Discounts and Allowances	(3,123,848)	(2,076,732)	(1,047,117)	-50.42%	(1,991,404)
Bad Debt Expense (Governmental Providers Only)	(308,761)	(163,137)	(145,625)	-89.27%	(206,859)
	0	0	0	0.00%	0
Charity Care	(60,000)	(8,157)	(51,843)	-635.58%	(68,953)
Total Deductions From Revenue	(3,492,610)	(2,248,026)	(1,244,584)	-55.36%	(2,267,215)
Deductions as % of Gross Revenue	-31.1%	-27.6%			-29.0%
Net Patient Revenue	7,741,445	5,908,816	1,832,629	31.02%	5,556,085
Other Operating Revenue	275,445	345,350	(69,905)	-20.24%	296,634
Total Operating Revenue	8,016,889	6,254,166	1,762,724	28.18%	5,852,720
Operating Expenses				Exp %/Net Rev	
Salaries and Wages	4,639,072	4,746,580	107,509	75.9%	4,564,020
Fringe Benefits	1,159,768	1,186,645	26,877	19.0%	1,141,005
Contract Labor	524,616	250,560	(274,056)	4.0%	240,923
Physicians Fees	1,196,897	690,022	(506,875)	11.0%	663,483
Purchased Services	133,719	20,856	(112,863)	0.3%	20,054
Supply Expense	398,554	341,287	(57,267)	5.5%	331,347
Utilities	168,828	111,085	(57,743)	1.8%	105,795
Repairs and Maintenance	69,827	69,289	(538)	1.1%	66,624
Insurance Expense	193,723	131,771	(61,952)	2.1%	125,497
All Other Operating Expenses	944,466	356,770	(587,697)	5.7%	344,705
Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.0%	0
Leases and Rentals	95,805	71,232	(24,572)	1.1%	71,232
Depreciation and Amortization	58,862	148,863	90,002	2.4%	148,863
Interest Expense (Non-Governmental Providers)	0	0	0	0.0%	0
Total Operating Expenses	9,584,136	8,124,962	(1,459,174)	129.9%	7,823,548
Net Operating Surplus/(Loss)	(1,567,247)	(1,870,796)	303,549	-16.23%	(1,970,828)
Non-Operating Revenue:					
Contributions	0	0	0	0.00%	0
Investment Income	0	0	0	0.00%	0
Income Derived from Property Taxes	610,797	259,221	351,576	135.63%	262,490
Interest Expense (Governmental Providers Only)	(237,866)	(234,128)	(3,739)	1.60%	(55,827)
Other Non-Operating Revenue/(Expenses)	99,528	62,812	36,716	58.45%	109,757
Total Non Operating Revenue/(Expense)	472,459	87,906	384,553	437.46%	316,420
Total Net Surplus/(Loss)	(\$1,094,788)	(\$1,782,890)	\$688,102	-38.59%	(\$1,654,408)
Operating Margin	-19.55%	-29.91%			-33.67%
Total Profit Margin	-13.66%	-28.51%			-28.27%
EBITDA	-21.78%	-31.28%			-32.08%
Cash Flow Margin	-9.95%	-22.38%			-24.77%

Statement of Revenue and Expense - 13 Month Trend

SOUTHERN INYO HEALTHCARE DISTRICT LONE PINE, CALIFORNIA

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	Actual 6/30/2018	Actual 7/31/2018	Actual 8/31/2018	Actual 9/30/2018	Actual 10/31/2018
Gross Patient Revenue					
Inpatient Revenue	\$155,738	\$144,006	\$126,525	\$56,063	\$58,832
Clinic Revenue	59,053	38,668	41,384	69,875	107,871
Outpatient Revenue	547,017	489,492	502,826	473,329	401,154
Long Term Care Revenue	408,805	331,035	418,027	361,149	458,729
Other	0	6,081	0	0	0
Total Gross Patient Revenue	1,170,613	1,009,282	1,088,762	960,416	1,026,586
Deductions From Revenue					
Discounts and Allowances	(327,772)	(260,912)	(304,854)	(268,916)	(287,444)
Bad Debt Expense (Governmental Providers Only)	(39,185)	(2,019)	(32,663)	(28,812)	(30,798)
Prior Year Settlements	0	0	0	0	0
Charity Care	(14,427)	24,851	(10,088)	(9,604)	(7,500)
Total Deductions From Revenue	(381,384)	(238,080)	(347,605)	(307,333)	(325,742)
Net Patient Revenue	789,229	771,202	741,157	653,083	700,844
Other Operating Revenue	0	192,504	25,000	850	0
Total Operating Revenue	789,229	963,706	766,157	653,933	700,844
Operating Expenses					
Salaries and Wages	247,247	362,000	326,589	382,500	395,250
Fringe Benefits	55,573	90,500	81,647	95,625	98,813
Contract Labor	31,728	33,097	2,253	24,767	45,502
Physicians Fees	116,425	103,963	107,799	78,567	110,089
Purchased Services	19,703	18,169	24,891	17,734	19,290
Supply Expense	16,131	8,329	14,092	57,110	63,047
Utilities	20,856	4,305	14,183	22,639	15,226
Repairs and Maintenance	5,636	7,262	1,132	3,745	17,610
Insurance Expense	12,507	18,257	18,167	9,097	17,316
All Other Operating Expenses	185,242	311,507	161,149	60,245	20,990
Bad Debt Expense (Non-Governmental Providers)	0	0	0	0	0
Leases and Rentals	4,650	8,333	17,175	9,922	19,837
Depreciation and Amortization	53,401	27,673	27,673	781	781
Interest Expense (Non-Governmental Providers)	0	0	0	0	0
Total Operating Expenses	769,099	993,395	796,750	762,732	823,751
Net Operating Surplus/(Loss)	20,131	(29,689)	(30,593)	(108,799)	(122,907)
Non-Operating Revenue:					
Contributions	\$0	0	0	0	0
Investment Income	0	0	0	0	0
Income Derived from Property Taxes	56,327	56,327	56,327	56,327	56,327
Interest Expense (Governmental Providers Only)	(5,382)	(5,382)	(5,382)	(5,382)	(5,382)
Other Non-Operating Revenue/(Expenses)	0	9,049	9,048	9,048	9,048
Total Non Operating Revenue/(Expense)	\$50,945	\$59,994	\$59,993	\$59,993	\$59,993
Total Net Surplus/(Loss)	\$71,076	\$30,305	\$29,400	(\$48,806)	(\$62,914)
Operating Margin	2.55%	-3.08%	-3.99%	-16.64%	-17.54%
Total Profit Margin	9.01%	3.14%	3.84%	-7.46%	-8.98%
EBITDA	8.63%	-0.77%	-1.08%	-17.34%	-18.19%
Cash Flow Margin	16.45%	6.57%	8.15%	-6.52%	-8.10%

Actual 11/30/2018	Actual 12/31/2018	Actual 1/31/2019	Actual 2/28/2019	Actual 3/31/2019	Actual 4/30/2019	Actual 5/31/2019	Actual 6/30/2019
\$59,417	\$81,121	\$37,974	\$60,551	\$42,830	\$36,939	\$53,970	\$924,063
\$50,528	50,867	50,599	41,075	65,373	70,205	78,809	1,222,595
486,424	473,457	585,705	539,612	497,101	611,829	492,290	4,096,937
\$335,371	510,328	424,064	381,661	328,580	363,234	339,093	1,909,800
0	0	0	0	0	0	0	121,680
931,740	1,115,773	1,098,342	1,022,899	933,884	1,082,207	964,162	8,275,075
(\$260,887)	(312,417)	(307,535)	(286,412)	(261,488)	(303,018)	(269,965)	(5,880,457)
(\$27,952)	(33,473)	(32,950)	(30,687)	(28,017)	(32,466)	(28,925)	(124,021)
\$0	0	0	0	0	0	0	0
(\$7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	(7,500)	0
(296,339)	(353,390)	(347,985)	(324,599)	(297,005)	(342,984)	(306,390)	(6,004,478)
635,401	762,383	750,357	698,300	636,879	739,223	657,772	2,270,597
\$18,167	6,487	6,487	6,487	6,487	6,487	6,487	34,285
653,568	768,870	756,844	704,787	643,366	745,710	664,259	2,304,882
\$379,286	442,857	451,714	422,010	467,225	517,285	492,355	993,620
\$94,821	110,714	112,929	105,503	116,806	129,321	123,089	299,007
\$153,788	83,541	45,222	30,484	28,066	30,875	47,023	104,719
\$70,690	119,712	165,877	73,748	85,280	143,591	137,582	291,164
\$6,510	6,461	3,548	3,896	18,366	6,382	8,471	127,814
\$39,060	29,518	35,977	39,400	33,510	23,737	54,774	252,909
\$21,417	22,852	21,810	11,002	11,212	16,626	7,555	51,659
\$6,048	4,051	7,742	2,418	10,335	3,064	6,421	9,990
\$32,754	19,923	17,317	19,816	0	17,316	23,758	47,753
\$16,397	11,245	65,113	77,664	103,966	57,293	58,896	171,809
\$0	0	0	0	0	0	0	0
\$9,269	4,167	10,987	2,750	4,600	4,600	4,167	17,785
\$279	279	279	279	279	279	279	42,731
\$0	0	0	0	0	0	0	0
830,318	855,320	938,515	788,970	879,645	950,369	964,370	2,410,959
(176,750)	(86,450)	(181,671)	(84,183)	(236,279)	(204,659)	(300,111)	(106,077)
0	\$0	\$0	0	\$0	0	0	\$0
\$0	0	0	0	0	0	0	17,726
\$55,070	55,070	55,070	55,070	55,070	55,070	55,070	9,331
(\$5,382)	(5,382)	(5,382)	(21,624)	(21,624)	(21,624)	(21,624)	(45,935)
\$9,048	9,048	9,048	9,048	9,048	9,048	9,048	1,224
58,736	58,736	58,736	42,494	42,494	42,494	42,494	(\$17,654)
(\$118,015)	(\$27,714)	(\$122,935)	(\$41,689)	(\$193,785)	(\$162,165)	(\$257,617)	(\$123,731)
-27.04%	-11.24%	-24.00%	-11.94%	-36.73%	-27.44%	-45.18%	-4.60%
-18.06%	-3.60%	-16.24%	-5.92%	-30.12%	-21.75%	-38.78%	-5.37%
-27.82%	-11.91%	-24.68%	-14.97%	-40.04%	-30.31%	-48.39%	-4.74%
-17.19%	-2.87%	-15.50%	-2.81%	-26.72%	-18.81%	-35.49%	-1.52%

Patient Statistics

SOUTHERN INYO HEALTHCARE DISTRICT
 LONE PINE, CALIFORNIA
 Eleven Months Ended May 31, 2019

Current Month				Year-To-Date				
Actual 05/31/19	Budget 05/31/19	Positive/ (Negative) Variance	Prior Year 05/31/18	STATISTICS	Actual 05/31/19	Budget 05/31/19	Positive/ (Negative) Variance	Prior Year 05/31/18
Discharges								
0	3	(3)	2	Acute	48	31	17	16
0	0	0	0	Swing Beds	8	4	4	2
0	0	0	0	Psychiatric/Rehab	0	0	0	0
0	0	0	0	Respite	0	0	0	0
0	3	(3)	2	Total Adult Discharges	56	35	21	18
0	0	0	0	Newborn	0	0	0	0
0	3	(3)	2	Total Discharges	56	35	21	18
Patient Days:								
19	8	11	6	Acute	150	64	86	52
0	0	0	0	Swing Beds	12	0	12	0
0	0	0	0	Psychiatric/Rehab	0	0	0	0
0	0	0	0	Respite	0	0	0	0
19	8	11	6	Total Adult Patient Days	162	64	98	52
0	0	0	0	Newborn	0	0	0	0
19	8	11	6	Total Patient Days	162	64	98	52
Average Length of Stay (ALOS)								
N/A	2.7	N/A	3.0	Acute	3.1	2.1	(1.1)	3.3
N/A	N/A	N/A	N/A	Swing Bed	1.5	0.0	(1.5)	0.0
N/A	N/A	N/A	N/A	Psychiatric/Rehab	N/A	N/A	N/A	N/A
N/A	2.7	#VALUE!	3.0	Total Adult ALOS	2.9	1.8	(1.1)	2.9
N/A	N/A	N/A	N/A	Newborn ALOS	N/A	N/A	N/A	N/A
Average Daily Census (ADC)								
0.6	0.3	0.4	0.2	Acute	0.4	0.2	0.3	0.2
0.0	0.0	0.0	0.0	Swing Beds	0.0	0.0	0.0	0.0
0.0	0.0	0.0	0.0	All Other Adult	0.0	0.0	0.0	0.0
0.6	0.3	0.4	0.2	Total Adult ADC	0.5	0.2	0.3	0.2
0.0	0.0	0.0	0.0	Newborn	0.0	0.0	0.0	0.0
Long Term Care:								
887	744	143	775	SNF/ECF Resident Days	7,803	7,539	264	7,750
0	2	(2)	2	SNF/ECF Resident Discharges	30	32	(2)	26
0	0	0	0	CBRF/Assisted Living Days	0	0	0	0
28.6	24.0	4.6	25.0	Average Daily Census	23.3	22.5	0.8	23.1
Emergency Room Statistics								
1	1	0	0	ER Visits - Admitted	11	8	3	0
123	145	(22)	140	ER Visits - Discharged	1,225	1,456	(231)	1,480
15	10	5	8	ER - Urgent Care Visits	129	100	29	80
139	156	(17)	148	Total ER Visits	1,365	1,564	(199)	1,560
0.72%	0.64%		0.00%	% of ER Visits Admitted	0.81%	0.51%		0.00%
100.00%	33.33%		0.00%	ER Admissions as a % of Total	21.15%	25.81%		0.00%
Outpatient Statistics:								
292	355	(63)	350	Total Outpatients Visits	3,559	2,650	909	2,394
1	0	1	0	Observation Bed Days	11	0	11	0
275	375	(100)	371	Clinic Visits - Primary Care	2,264	3,305	(1,041)	3,275
71	0	71	0	Clinic Visits - Specialty Clinics	142	0	142	0
0	0	0	0	IP Surgeries	0	0	0	0
0	0	0	0	OP Surgeries	0	0	0	0
0	0	0	0	Outpatient Scopes	0	0	0	0
0	0	0	0	Retail Pharmacy Scripts	0	0	0	0
0	0	0	0		0	0	0	0
Productivity Statistics:								
93.95	97.20	3.25	97.84	FTE's - Worked	95.72	97.20	1.48	92.41
104.17	98.60	(5.57)	104.68	FTE's - Paid	104.68	106.20	1.52	103.27
0.9160	0.9610	0.04	0.9610	Case Mix Index -Medicare	0.9456	0.9878	0.04	0.9878
0.8990	0.9820	0.08	0.9820	Case Mix Index - All payers	0.8990	0.9925	0.09	0.9925

Key Financial Ratios

SOUTHERN INYO HEALTHCARE DISTRICT LONE PINE, CALIFORNIA Eleven Months Ended May 31, 2019

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	Year to Date 5/31/2019	Prior Year to Date 7/31/2017	Prior Fiscal Year End 6/30/2018	Peer California Hospitals (See Note 1)	National Rural CAH Hospitals (See Note 2)
Profitability:					
Operating Margin	-19.55%	3.42%	2.66%	2.33%	0.42%
Total Profit Margin	-13.66%	3.75%	2.37%	2.49%	1.23%
Cash Flow Margin	-12.92%	5.13%	3.91%	8.40%	5.91%
Contractual Allowance %	28.34%	48.00%	48.00%	50.62%	39.92%
Inpatient Gross Revenue as a % of Total	47.07%	36.41%	36.74%	38.85%	28.48%
Outpatient Gross Revenue as % of Total	52.93%	63.59%	63.26%	64.83%	74.43%
Average Daily Census Acute Care	0.61	0.00	0.00	5.57	3.22
Average Daily Census Swing Bed	0.00	0.00	0.00	0.37	1.52
Liquidity:					
Days of Cash on Hand, Short Term	47.53	3.64	3.20	23.32	27.10
Days Cash, All Sources	47.80	4.70	3.50	67.87	71.21
Net Days in Accounts Receivable	136.50	85.78	97.15	59.54	53.16
Average Payment Period	167.20	163.13	231.47	56.65	53.00
Current Ratio	0.87	0.69	0.66	2.31	1.12
Medicare Cost to charge ratio	59.08%	52.20%	53.20%	38.00%	47.00%
Capital Structure:					
Average Age of Plant (Annualized)	13.88	13.76	13.87	11.13	11.45
Capital Costs as a % of Total Expenses	3.02%	3.63%	3.58%	7.51%	5.30%
Long Term Debt to Equity	-5.5%	-190.6%	-202.7%	53.99%	60.32%
Long Term Debt to Capitalization	-5.8%	210.4%	197.3%	20.13%	29.00%
Debt Service Coverage Ratio	(3.31)	1.54	0.92	2.27	3.16
Medicare IN Patient Payer mix	34.67%	37.84%	40.22%	57.90%	73.01%
Medicare Out Patient Payer mix	34.55%	29.68%	33.46%	38.89%	37.90%
Productivity and Efficiency:					
Paid FTE's per Adjusted Occupied Bed	14.61	9.91	9.42	10.34	5.86
Total Net Revenue per FTE	\$83,443	\$37,092	\$27,279	\$117,848	\$77,243
Salary Expense per Paid FTE	\$52,977	\$54,697	\$50,287	\$59,647	\$50,845
Salary and Benefits as a % of Net Revenue	78.88%	58.21%	57.97%	41.52%	45.57%
Employee Benefits %	25.00%	24.57%	24.02%	41.29%	25.20%
Supply Expense Per Adj. Discharge - CMI Adj	\$534.32	\$499.95	\$791.51	\$2,476.27	\$1,050.00
FTE's Per Occupied Bed	8.63	4.33	4.97	5.31	5.80
YTD - Actual YTD - Actual YTD - Actual YTD - Budget					
	5/31/2019	7/31/2017	6/30/2018	5/31/2019	
Other Ratios:					
Gross Days in Accounts Receivable	165.22	671.65	679.07	60.00	
Net Revenue per Adjusted Discharge	\$9,662	\$9,042	\$9,886	\$6,876	
Operating Expenses per Adj. Discharge	\$11,551	\$14,668	\$16,703	\$8,933	

Note 1 - CHA Financial Indicators Report 2016 (U. of North Carolina)

Note 2 - Per CAH Financial Indicators Report 2016 (U. of North Carolina)

Southern Inyo Healthcare District
Operational Cash Flow Actual w/Projections
Actual FY 2020

	Actual	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	Proj	FY
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19	Dec-19	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	TOTAL					
Ave. Daily Census																		
Acute Care	0.6	0.3	1.4	1.1	1.1	0.7	0.4	0.4	0.3	0.2	0.6	0.70	0.66					
Swing	0.0	2.1	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	2.50	0.49					
SNF	28.0	26	24	23.3	23.3	26.5	26.3	26.3	23.3	24.6	28.0	27.00	25.55					
Beginning Balance	527,701	353,586	427,195	387,235	246,478	116,300	115,744	252,627	-35,298	4,998	-31,257	33,443	527,701					
Cash Receipts																		
Medicare	56,215	511,028	161,975	201,526	270,827	380,334	182,702	244,917	346,454	91,878	142,227	151,320	2,741,402					
Medi-Cal	214,777	120,275	186,815	207,235	145,299	166,803	122,646	141,402	209,365	188,737	142,852	112,243	1,968,450					
Insurance	168,229	78,020	263,633	122,590	70,506	40,380	44,151	62,342	72,049	67,077	47,861	94,121	1,130,959					
Bad Debt Recovery	2,249	9,511	9,835	9,061	89,536	62,089	75,203	38,069	38,069	21,077	77,567	14,231	446,496					
Credit Card Payments	9,283	10,789	19,884	18,889	14,913	6,597	3,617	8,654	54,587	15,026	29,426	5,121	167,360					
Private Pay	28,226	15,216	31,555	16,610	30,842	61,122	55,740	31,427	60,796	25,172	29,426	36,240	422,371					
Rebates & Refunds/Taxes/GT	0	0	0	0	0	0	773,756	0	0	335,531	1,166,958	75,000	2,351,245					
Miscellaneous Cash	16,049	56,395	850	10,355	73,237	7,466	42,351	51,851	56,114	24,873	60,811	31,258	431,609					
Unapplied/W/holds	-67,668	888	0	0	0	0	0	3,456	0	0	0	55,581	(7,744)					
Total Cash Received	427,360	802,122	674,547	586,265	695,159	724,791	1,300,168	582,116	837,433	769,371	1,667,702	575,115	9,642,148					
Expenses																		
Salaries	402,690	426,589	416,136	479,393	461,000	519,984	434,187	426,627	431,538	410,000	426,400	441,000	5,275,545					
Professional Fees	176,911	88,265	93,939	102,789	125,512	147,369	128,349	121,657	73,832	72,053	102,031	99,981	1,332,650					
Supplies	21,873	46,065	49,428	34,143	46,762	43,859	53,897	111,859	38,426	18,696	16,146	54,200	535,354					
Other/Purch Serv/Contract Labor	0	167,595	130,476	110,696	192,063	14,135	159,899	209,899	253,341	303,467	662,595	36,516	2,230,681					
Inyo County Treas Repay/Medsphere	0	0	0	0	0	0	386,953	0	0	1,410	142,776	82,000	613,139					
IGT Matching	0	0	24,527	0	0	0	0	0	0	0	0	0	24,527					
TOTAL EXPENSE	601,474	728,514	714,507	727,022	825,337	725,347	1,163,285	870,042	797,137	805,626	1,353,002	713,697	10,011,935					
Return of Medicare/Cal Overpmt.	0	0	0	0	0	0	0	0	0	0	0	0	0					
Investment Account (LAIF)*	0	0	0	0	0	0	0	0	0	0	250,000	0	250,000					
Total Payments	601,474	728,514	714,507	727,022	825,337	725,347	1,163,285	870,042	797,137	805,626	1,603,002	713,697	10,261,935					
Cash Over/(Under)	353,586	427,195	387,235	246,478	116,300	115,744	252,627	(35,298)	4,998	(31,257)	33,443	(105,139)	(105,139)					
Operating Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0					
Property Tax Fund	7,724	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613					
Med Overpmt./IGT/Grants	0	0	0	0	0	0	0	0	0	0	0	0	0					
Reserve Add or Transfer	0	0	0	0	0	0	0	0	0	0	0	0	-					
Net Cash Balance	361,310	434,808	394,848	254,091	123,913	123,357	260,240	(27,685)	12,611	(23,644)	41,057	(97,526)	(97,526)					

Southern Inyo Healthcare District
Operational Cash Flow Actual w/Projections
Budget FY 2020

	Proj Jul-19	Proj Aug-19	Proj Sep-19	Proj Oct-19	Proj Nov-19	Proj Dec-19	Proj Jan-20	Proj Feb-20	Proj Mar-20	Proj Apr-20	Proj May-20	Proj Jun-20	FY TOTAL
Ave. Daily Census													
Acute Care	0.7	0.3	1.4	1.1	1.1	0.7	0.4	0.4	0.3	0.2	0.6	0.70	0.67
Swing	2.5	2.1	0.4	0.4	0.4	0.0	0.0	0.0	0.0	0.0	0.0	2.50	0.69
SNF	22	26	24	23.3	23.3	26.5	26.3	26.3	23.3	24.6	28.0	27.00	26.05
Beginning Balance	403,831	92,132	165,741	125,781	-14,976	-145,154	-145,710	-8,827	-296,752	-256,456	-292,711	-228,011	403,831
Cash Receipts													
Medicare	55,305	511,028	161,975	201,526	270,827	380,334	182,702	244,917	346,454	91,878	142,227	151,320	2,740,492
Medi-Cal	178,834	120,275	186,815	207,235	145,299	166,803	122,648	141,402	209,366	188,737	142,852	112,243	1,922,507
Insurance	116,252	78,020	263,633	122,590	70,506	40,380	44,151	62,342	72,049	67,077	47,861	94,121	1,078,982
Bad Debt Recovery	9,035	9,511	9,835	9,061	89,536	62,089	75,203	38,069	38,069	21,077	77,567	14,231	453,282
Credit Card Payments	3,947	10,789	19,884	18,889	14,913	6,597	3,617	8,654	54,587	15,026	0	5,121	182,025
Private Pay	18,061	15,216	31,555	16,610	30,842	61,122	55,740	31,427	60,796	25,172	29,426	36,240	412,206
Rebates & Refunds/Taxes/GT	0	0	0	0	0	0	773,756	0	0	335,531	1,166,988	75,000	2,351,245
Miscellaneous Cash	375,887	56,395	850	10,355	73,237	7,466	42,351	51,851	56,114	24,873	60,811	31,258	791,448
Unapplied/Growth	83,201	888	0	0	0	0	0	3,456	0	0	0	55,581	143,125
Total Cash Received	840,522	802,122	674,547	586,265	695,159	724,791	1,300,168	582,116	837,433	769,371	1,667,702	575,115	10,055,310
Salaries	409,286	426,589	416,136	478,393	461,000	519,984	434,187	426,627	431,538	410,000	426,400	441,000	5,282,141
Professional Fees	96,891	88,265	93,939	102,789	125,512	147,369	128,349	121,657	73,832	72,053	102,031	98,981	1,252,669
Supplies	39,676	46,065	49,428	34,143	46,762	43,859	53,897	111,859	38,426	18,696	16,146	54,200	553,156
Other/Purch Serv/Contract Labor	232,133	167,595	130,476	110,696	192,063	14,135	159,899	209,899	253,341	303,467	652,595	36,516	2,462,814
Inyo County Treas Repay/Medsphere	374,235	0	0	0	0	0	386,953	0	0	1,410	142,776	82,000	987,374
IGT Matching	0	0	24,527	0	0	0	0	0	0	0	0	0	24,527
TOTAL EXPENSE	1,152,220	728,514	714,507	727,022	825,337	725,347	1,163,285	870,042	797,137	805,626	1,353,002	713,697	10,562,681
Return of Medicare/Cal Overpmt.	0	0	0	0	0	0	0	0	0	0	0	0	0
Investment Account (LAIF)*	0	0	0	0	0	0	0	0	0	0	250,000	0	250,000
Total Payments	1,152,220	728,514	714,507	727,022	825,337	725,347	1,163,285	870,042	797,137	805,626	1,603,002	713,697	10,812,681
Cash Over/(Under)	92,132	166,741	125,781	(14,976)	(145,154)	(145,710)	(8,827)	(296,752)	(256,456)	(292,711)	(228,011)	(366,593)	(366,593)
Operating Reserve	0	0	0	0	0	0	0	0	0	0	0	0	0
Property Tax Fund	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613	7,613
Med Ovrpmt./IGT/Grants	0	0	0	0	0	0	0	0	0	0	0	0	0
Reserve Add or Transfer	0	0	0	0	0	0	0	0	0	0	0	0	-
Net Cash Balance	99,745	173,354	133,394	(7,363)	(137,541)	(138,097)	(1,214)	(289,139)	(248,843)	(285,098)	(220,397)	(358,980)	(358,980)

CEO Report

1

- I. Recap of Key Activities 2 weeks In!
- II. SIHD Monthly Metrics Presentation

I. Hospital Wide Operational Assessment and Restructure

I. **Current Status;**

1. Reviewed all 18 current departments
2. Every area reviewed had structural/operational gaps
3. Silos/communication/ IT gaps across the organization
4. Operating culture fragmented/morale low

4 Initial Areas of Focus

1. Organizational Integration/Culture
2. Growth
3. Revenue/Expense Performance
4. Capital Acquisition

Operational Restructure / Teams

I. Vertical/Horizontal Integration

- Administrative Leadership Team (A-Team)
- SIHD Management Team
- Pharmacy Services Development Team
- RHC Development Team - PT Growth Team
- Salvation Foundation Campaign Planning Team
- Financial Services Re-structure Team
- Capital Acquisition Task Force
- Physical Plant Upgrade Team
- Public Relations/Marketing Team
- HR Station Control Team
- Employee Activity Planning Team

4 Key Areas of Priority Focus

I. Financial Services:

1. Present Status: Ineffective Team Configuration, Poor Integration, IT Infrastructure and Development of Key Performance Indicators (KPI's)

New Integrated Team Components:

1. AR
2. AP
3. Coding
4. Medical Records
5. Interface with Clinical Services and SIHD OP Rural Clinic
6. IT

2. Rural Clinic

1. SIHD Rural Clinic Regional Patient Referral Volume

Jan.-June 2019 (6 Mo. Sample)

Total RHC Referrals: 276 patient, Total Distinct Diagnostic Types; 18

Top 4 for Referral Categories: (87 /276 - 31.5%)

CV Patients; 28

Orthopedics; 22

Urology; 20

GI; 17

Total Other Referrals: (189 - 69.4%)

2. Strategy:

1.Create affiliations with regional hospitals to create mutual value play: Key targets include Ridgecrest Regional Medical Center, NIHD

2.Establish RHC expanded services menu to include C , Urology, GI Services OP. Develop General Surgery Practice

3. Physical Therapy

EOM	
Q3 Total \$:	46,372.00
Q2 Total \$:	137,555.73
Q1 Total \$:	232,311.26
YTD	416,238.99
Q3 Total visits:	202
Q2 Total visits:	615
Q1 Total visits:	984
YTD	1801

Key Volume Outcomes;

Q1 vs. Q2 (-367 TX's) 31.55% reduction

Q1 VS. Q2 (-94K in operating revenue)

Q3 Trending at 616 TX's (July/Aug.MTD)

Current Ave. TX's per mo. = 257 vs. Target 297 (+40/mo. or +2/tx /per day through FY2019)

Target Revenue 986k vs. Current projected 832k 2019

2020 1 million plus

4. Capital Acquisition

1. Federal Grants (Merchant-McIntyre)
2. State Grants (DHSC Flex Grant)
3. Vested Public Entities

BOARD OF DIRECTORS MEETING

August 13, 2019

Southern Inyo Healthcare District



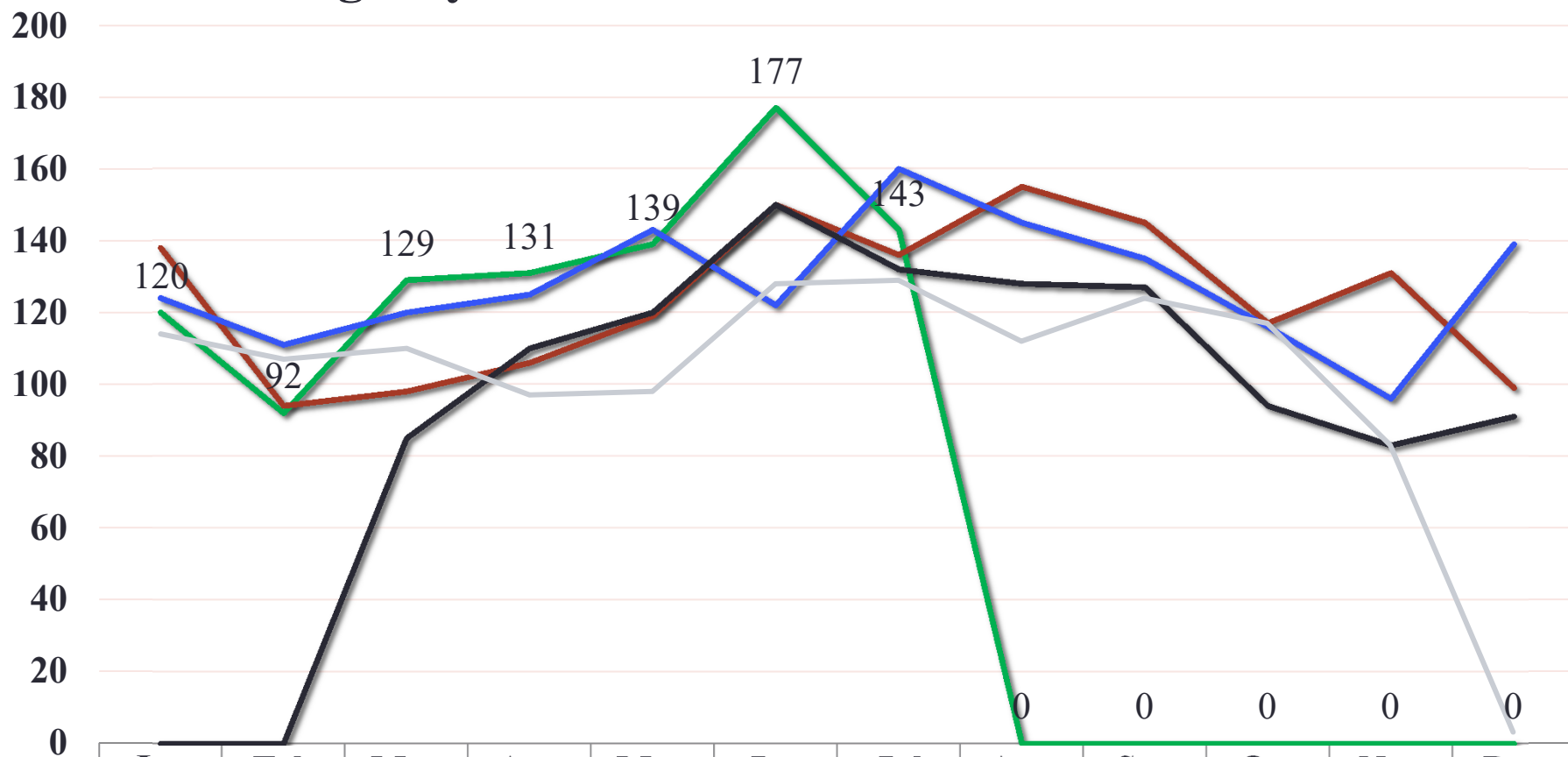
Emergency Room Volume

Average Visits Per Day

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	3.87	3.28	4.16	4.36	4.48	5.9	4.61					
2018	4.46	3.36	3.17	3.54	3.84	5	4.39	5	4.83	3.78	4.37	4
2017	4.4	3.9	3.8	4.2	4.6	4.1	5.2	4.7	4.5	3.7	3.2	4.49
2016	-	-	2.7	3.7	3.9	5.0	4.3	4.1	4.1	3.0	2.8	2.9
2015	3.7	3.8	3.5	3.2	3.2	4.3	4.2	3.6	4.1	3.8	2.8	0.1
2014	2.7	2.4	2.1	2.6	2.7	3.1	5.1	4.2	3.2	3.5	2.8	2.9
2013	2.9	2.4	2.5	2.2	2.8	3.3	3.4	3.0	3.3	2.0	2.3	2.1
2012	2.7	2.9	2.7	3.5	3.2	4.2	3.8	3.9	3.2	3.0	2.7	2.9



Emergency Room Volume – Visits Per Month

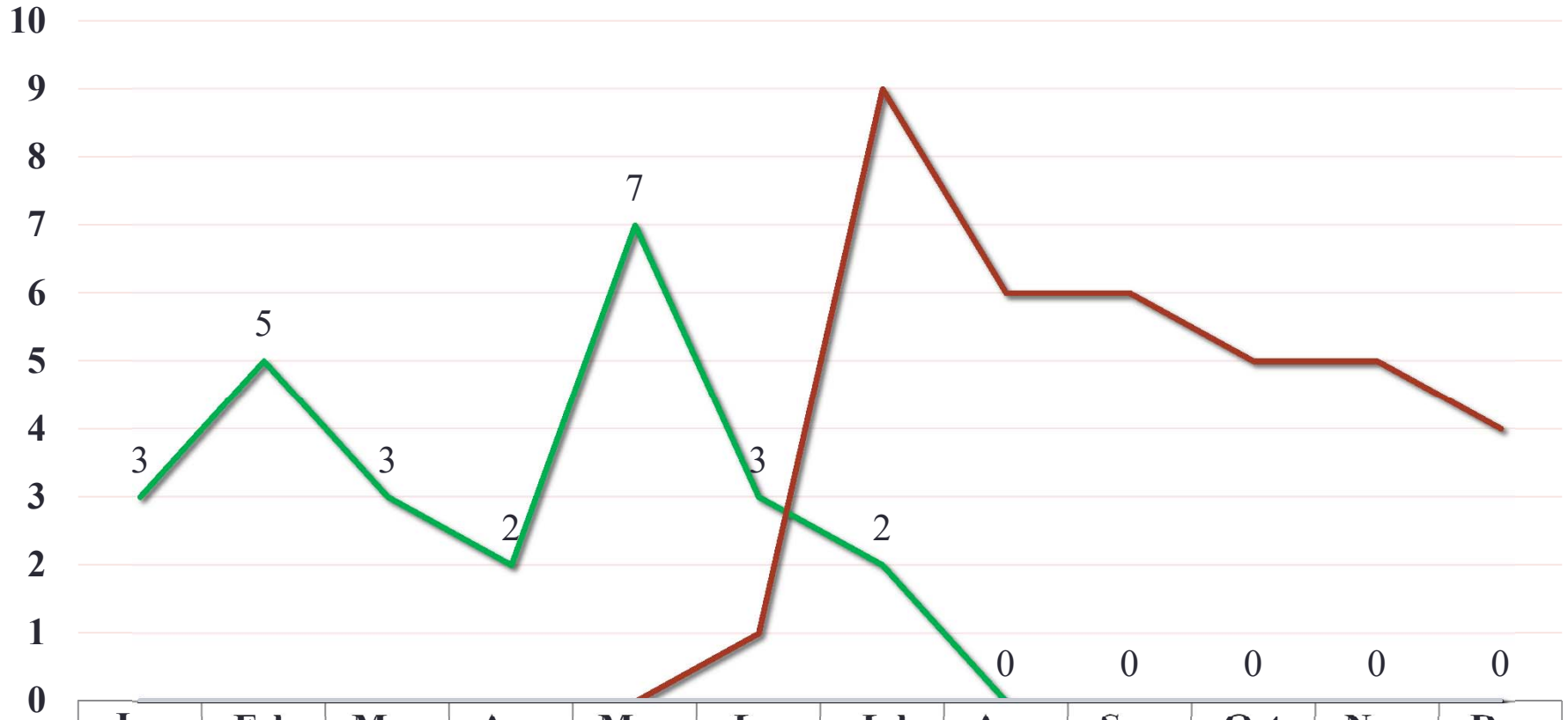


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
—2019	120	92	129	131	139	177	143	0	0	0	0	0
—2018	138	94	98	106	119	150	136	155	145	117	131	99
—2017	124	111	120	125	143	122	160	145	135	116	96	139
—2016	-	-	85	110	120	150	132	128	127	94	83	91
—2015	114	107	110	97	98	128	129	112	124	117	83	13

—2019 —2018 —2017 —2016 —2015



Acute & Swing Room – Patients Per Month

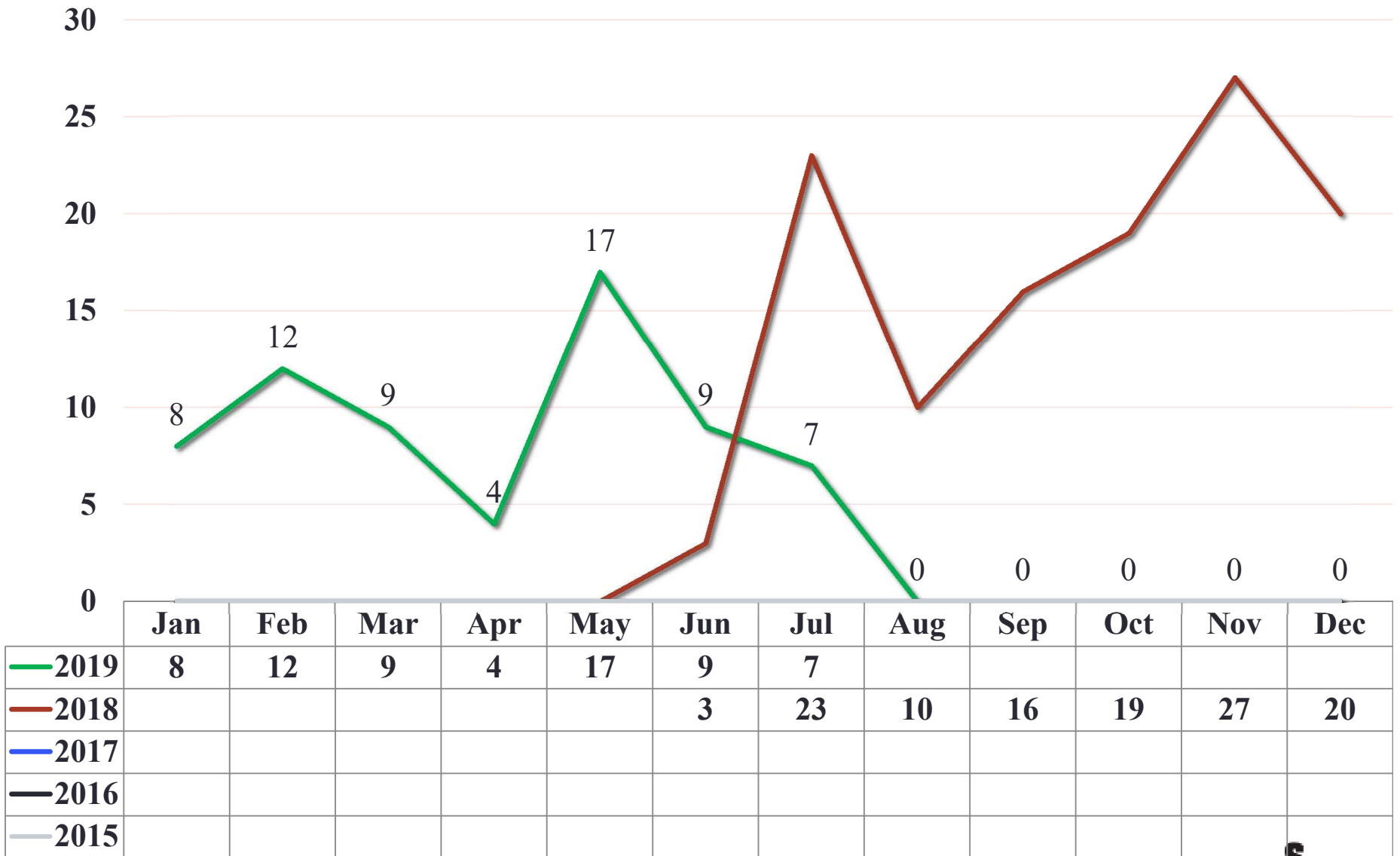


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2019	3	5	3	2	7	3	2					
2018						1	9	6	6	5	5	4
2017												
2016												
2015												

— 2019
 — 2018
 — 2017
 — 2016
 — 2015



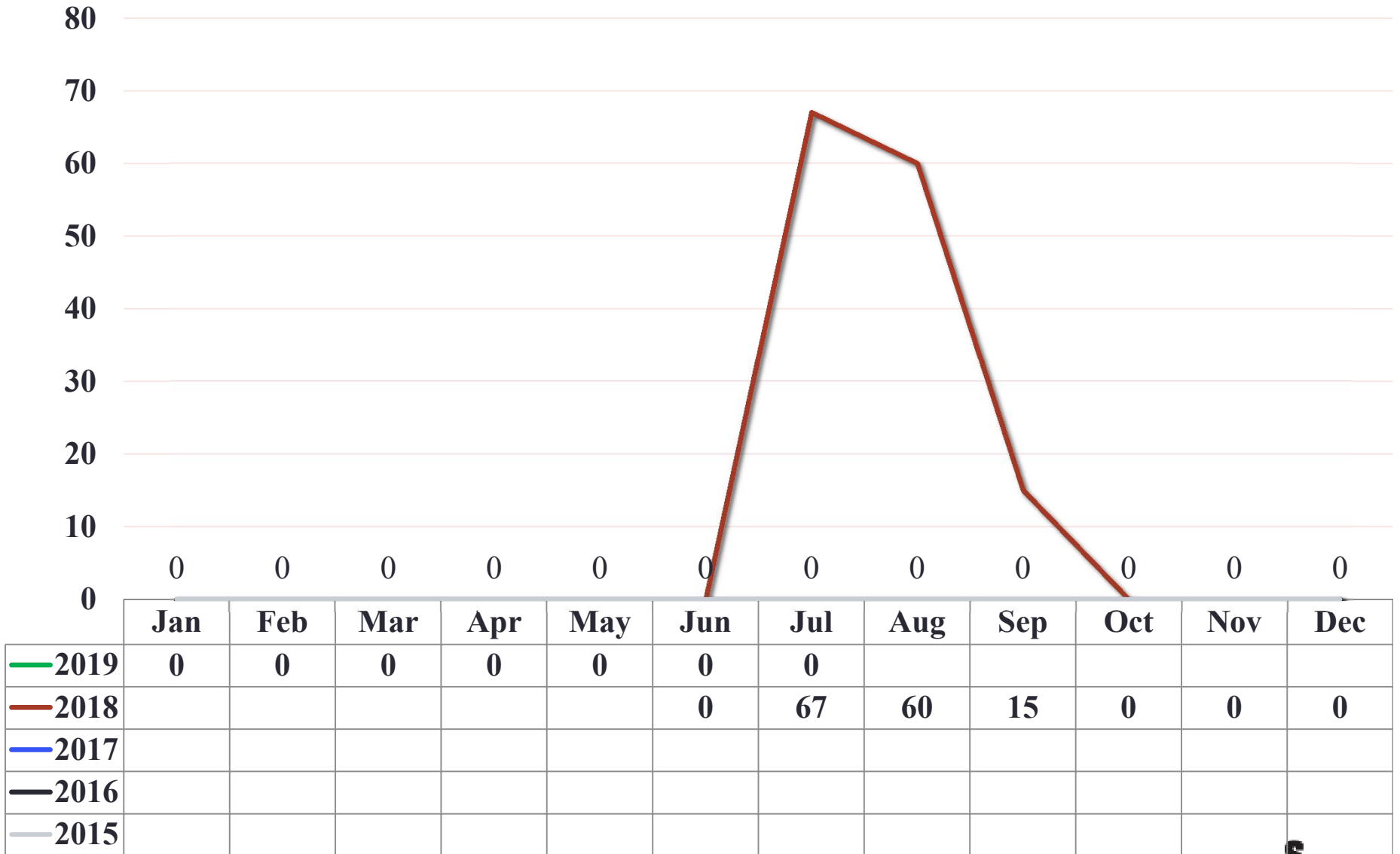
Acute Room – Total Days in Acute



— 2019
 — 2018
 — 2017
 — 2016
 — 2015



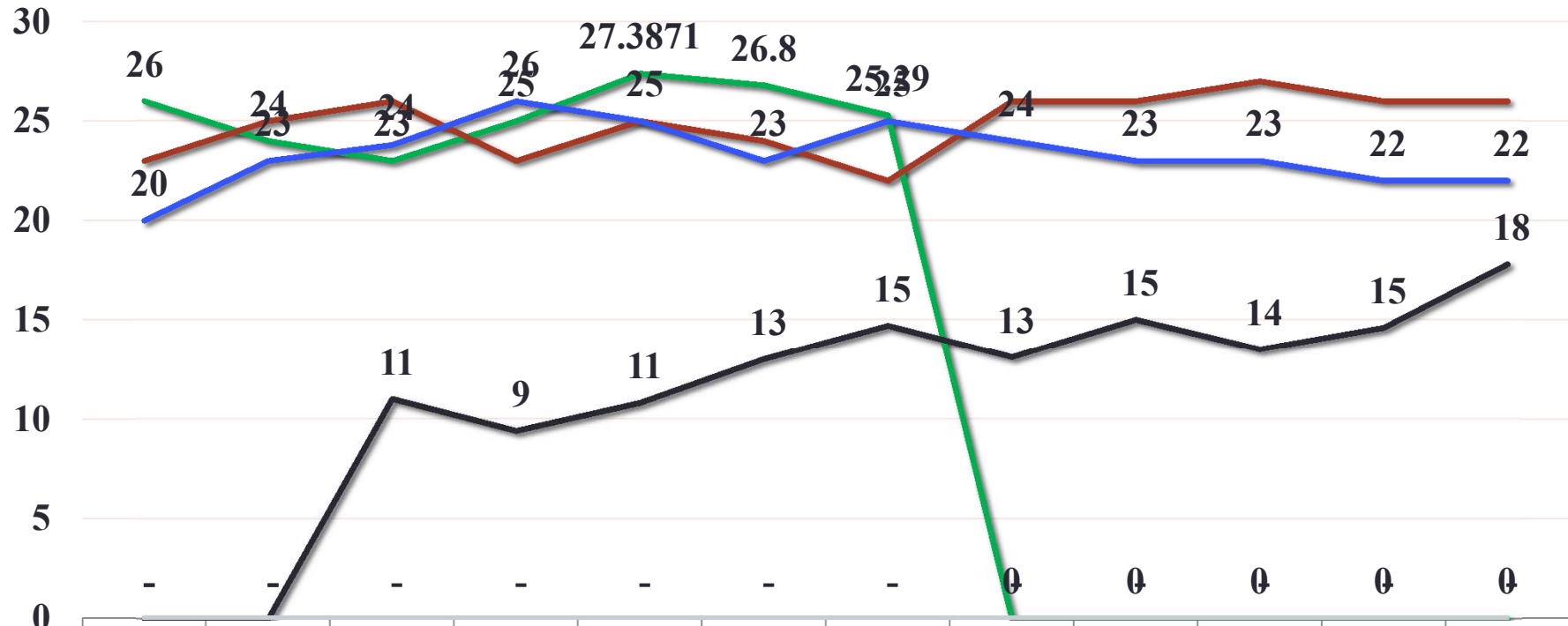
Swing Bed Room – Total Days in Swing Bed



— 2019
 — 2018
 — 2017
 — 2016
 — 2015



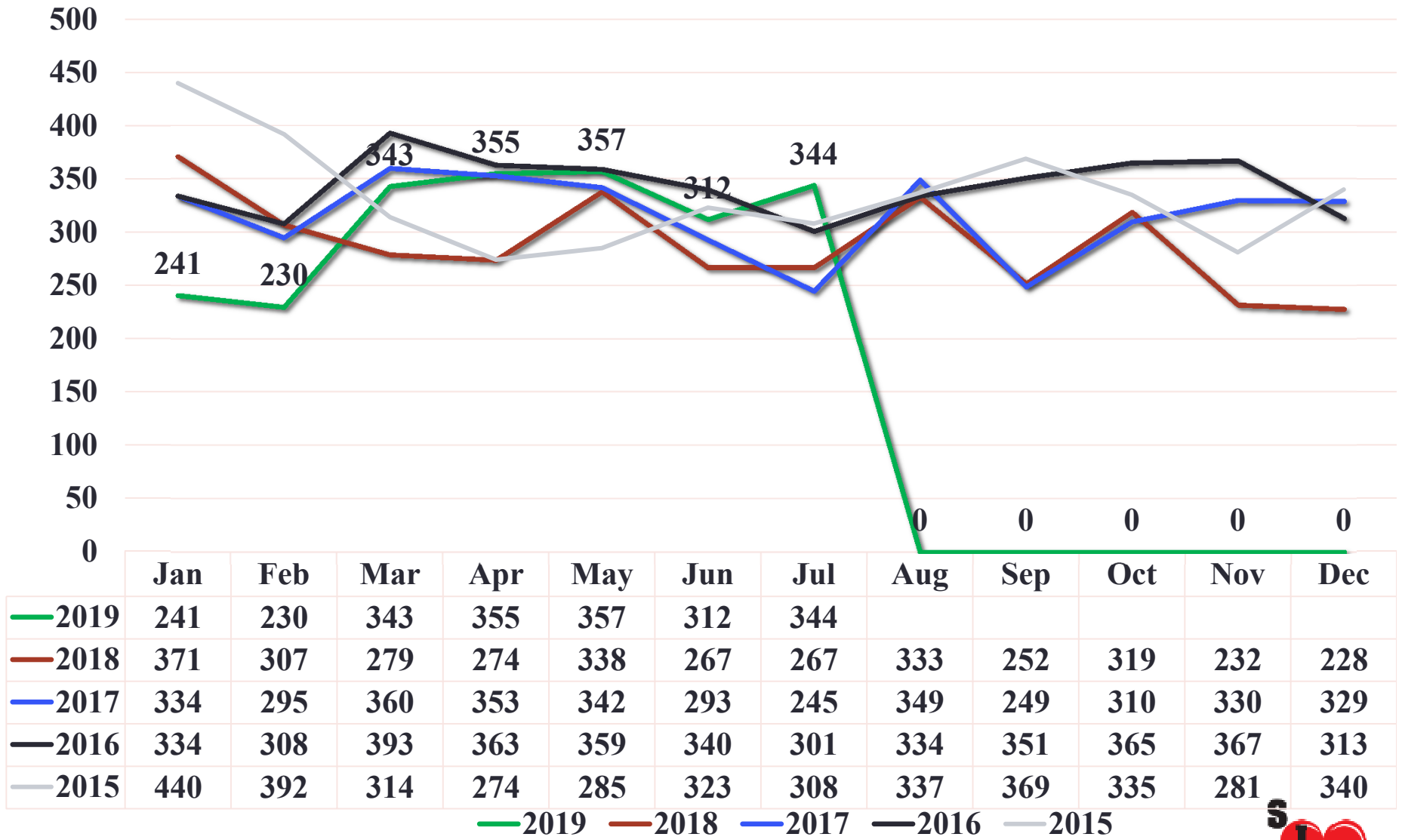
Skilled Nursing Facility Volumes – Monthly Census



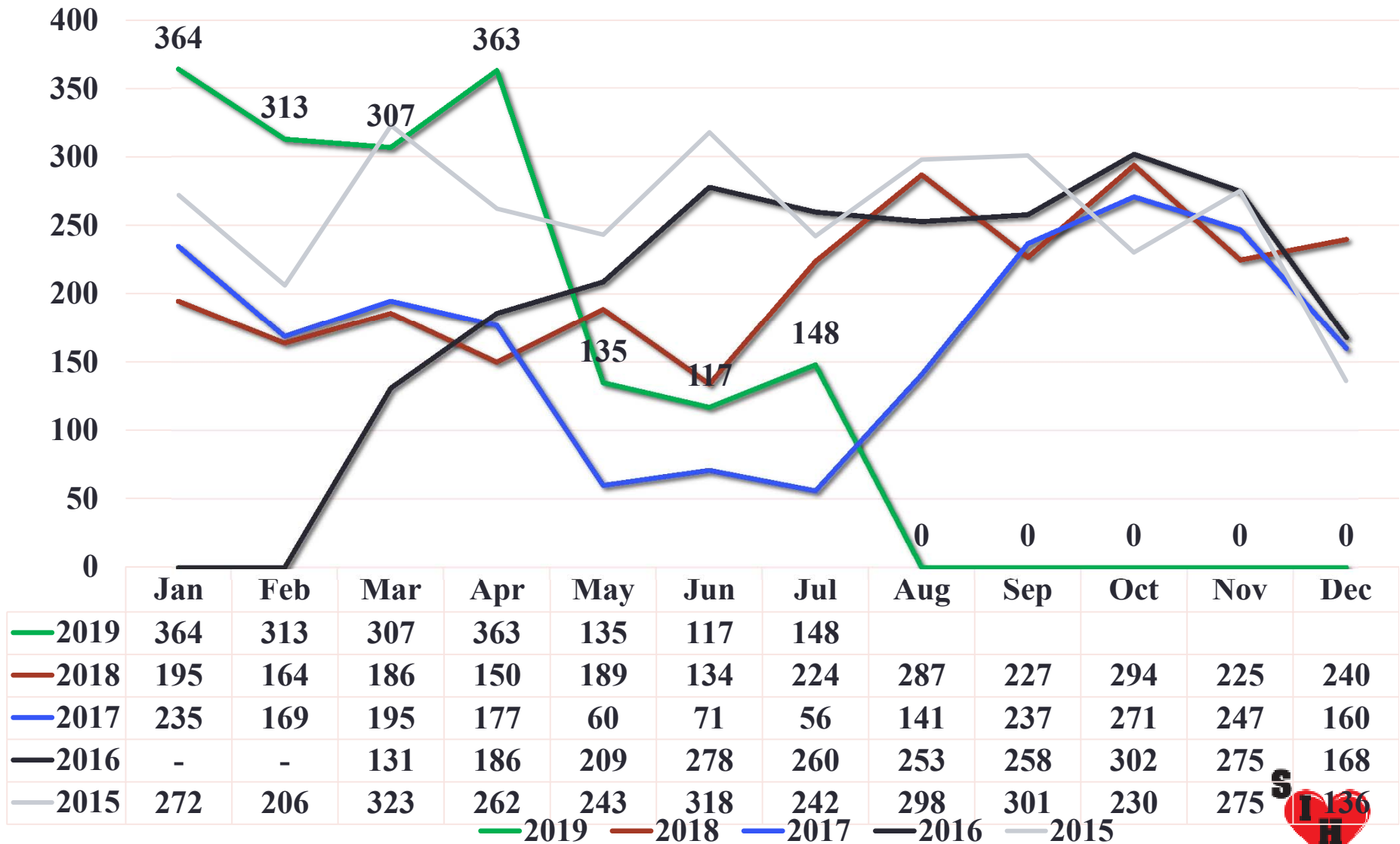
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
— 2019	26	24	23	25	27.387	26.8	25.29					
— 2018	23	25	26	23	25	24	22	26	26	27	26	26
— 2017	20	23	24	26	25	23	25	24	23	23	22	22
— 2016	-	-	11	9	11	13	15	13	15	14	15	18
— 2015	-	-	-	-	-	-	-	-	-	-	-	-



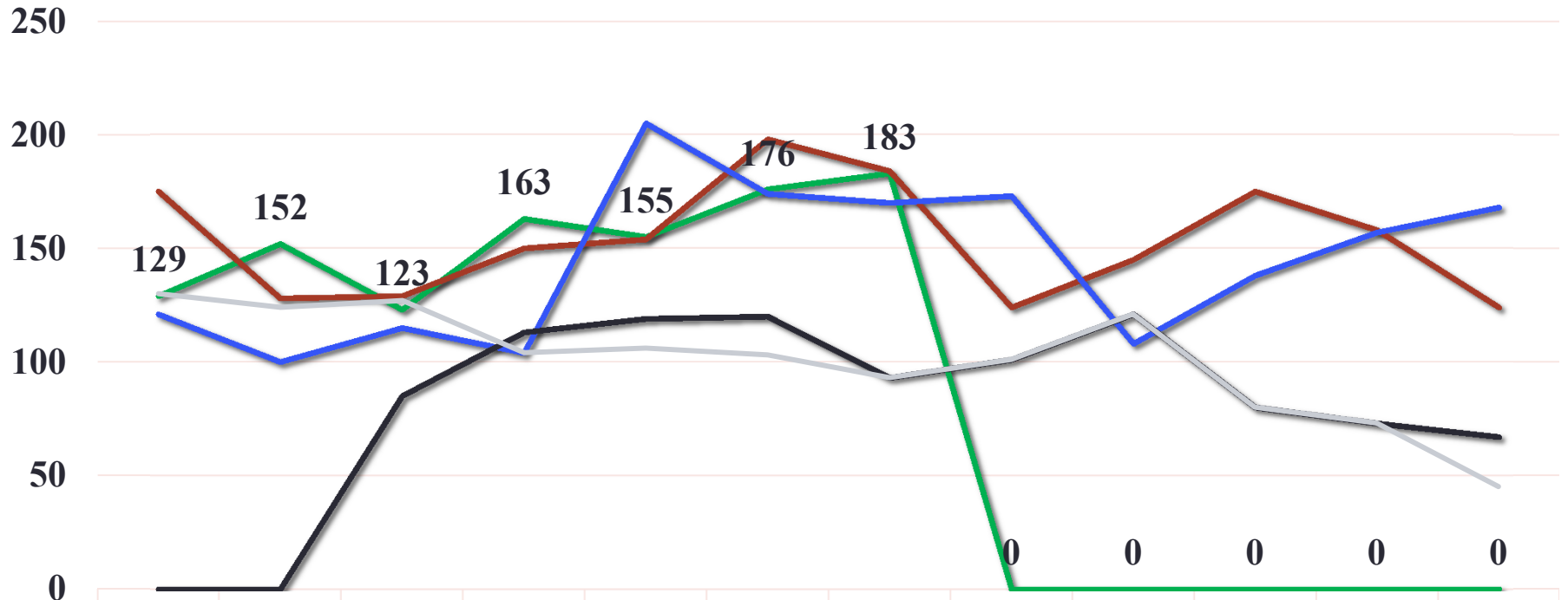
SIHD Rural Clinic Volumes – Visits Per Month



Physical Therapy Volumes



X Ray Volumes – Visits-Exams Per Month

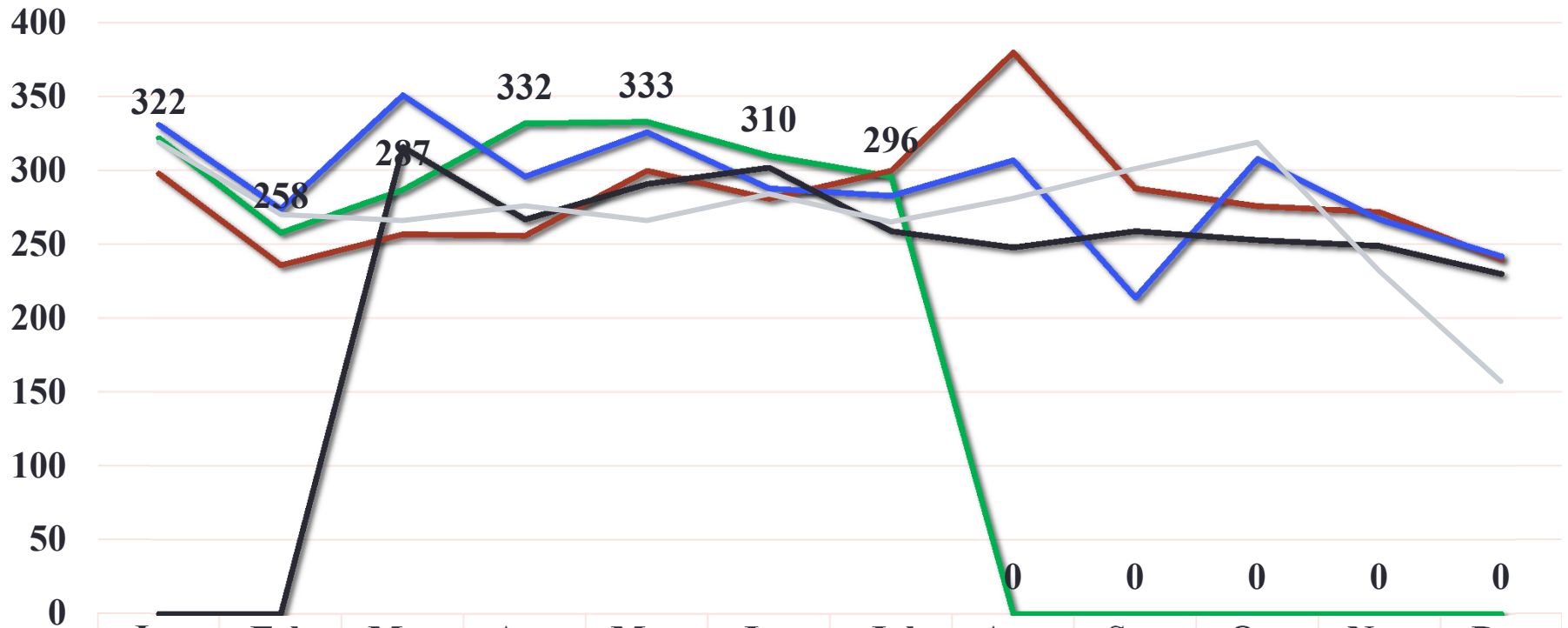


	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
—2019	129	152	123	163	155	176	183	0	0	0	0	0
—2018	175	128	129	150	154	198	184	124	145	175	158	124
—2017	121	100	115	104	205	174	170	173	108	138	157	168
—2016	-	-	85	113	119	120	93	101	121	80	73	67
—2015	130	124	127	104	106	103	93	101	121	80	73	45

—2019
 —2018
 —2017
 —2016
 —2015



Laboratory Volumes



	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
—2019	322	258	287	332	333	310	296	0	0	0	0	0
—2018	298	236	257	256	300	281	300	380	288	276	272	240
—2017	331	274	351	296	326	288	283	307	214	308	267	242
—2016	-	-	316	267	291	302	259	248	259	253	249	230
—2015	319	270	266	276	266	284	265	281	301	319	232	157

—2019 —2018 —2017 —2016 —2015

