



TAHOE FOREST HOSPITAL DISTRICT

2015-11-18 Board Governance Committee

REVISED PACKET

Nov 18, 2015 at 11:00 AM - 01:00 PM

Eskridge Conference Room

Meeting Book - 2015-11-18 Board Governance Committee

Agenda

11/18/2015 Agenda	Page 4
ITEMS 1 - 4: See Agenda	
5. APPROVAL OF MINUTES	
10/21/2015 DRAFT Governance Committee Minutes	Page 6
6. CLOSED SESSION	
7. ITEMS FOR COMMITTEE DISCUSSION AND / OR RECOMMENDATION	
7.1 Policies	
7.1.1. TFHD Board of Directors Bylaws	Page 10
7.1.2. ABD-03 Board Compensation and Reimbursement Reviewed by General Counsel.	Page 37
7.1.3. ABD-04 Board of Directors Qualifications Reviewed by General Counsel.	Page 39
7.1.4. ABD-05 Bond Fiscal Policy Finance Committee reviewed and recommends approval as is.	Page 44
7.1.5. ABD-07 Conflict of Interest Policy Reviewed by General Counsel.	Page 46
7.1.6. ABD-08 Credit and Collection Policy Reviewed by CFO.	Page 59
7.1.7. ABD-09 Financial Assistance Finance Committee reviewed and recommends approval as is.	Page 65
7.1.8. ABD-11 Fiscal Policy Finance Committee reviewed and recommends approval as is.	Page 79
7.1.9. ABD-12 Guidelines for the Conduct of Business by TFHD Board of Directors Reviewed by General Counsel.	Page 81
7.1.10. ABD-14 Inspection and Copying of Public Records Reviewed by General Counsel.	Page 90
7.1.11. ABD-15 Investment Policy Finance Committee reviewed and recommends approval as is.	Page 101
7.1.12. ABD-16 Malpractice Policy Carl Blumberg & Judy Newland have reviewed and recommend to approve as is.	Page 107
7.1.13. ABD-17 Manner of Governance for TFHD Board of Directors Reviewed by General Counsel.	Page 108
7.1.14. ABD-18 New Programs and Services Finance Committee reviewed and recommends approval as is.	Page 125
7.1.15. ABD-19 Board Orientation and Continuing Education Reviewed by Ted Owens.	Page 127
7.1.16. ABD-22 Trade Secrets Reviewed by General Counsel.	Page 130

7.2 Contracts

7.2.1. TFWC EHR Agreement 2015 Page 132

7.2.2. Incline Medical EHR Agreement 2015 Page 150

7.2.3. NTFC EHR Agreement 2015 Page 166

7.2.4. Foley TFHD Orthopedic Call Coverage Agreement 2015 Page 182

7.3. Board of Directors Retreat

7.4. BoardEffect Web Portal

ITEMS 8 - 10: See Agenda



TAHOE
FOREST
HEALTH
SYSTEM

GOVERNANCE COMMITTEE AGENDA

Wednesday, November 18, 2015 at 11:00 a.m.
Eskridge Conference Room - Tahoe Forest Hospital
10121 Pine Ave, Truckee, CA.

1. **CALL TO ORDER**

2. **ROLL CALL**

Karen Sessler, M.D., Chair; Greg Jellinek, M.D., Board Member

3. **CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA**

4. **INPUT – AUDIENCE**

5. **APPROVAL OF MINUTES OF: 10/21/2015**

6. **CLOSED SESSION**

6.1. **Approval of Closed Session Minutes: 10/21/2015**

7. **ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION**

7.1. **Policies** ATTACHMENT

Committee will review the following policies as part of their Annual Policy Review.

- 7.1.1. TFHD Board of Directors Bylaws
- 7.1.2. ABD-03 Board Compensation and Reimbursement
- 7.1.3. ABD-04 Board of Directors Qualifications
- 7.1.4. ABD-05 Bond Fiscal Policy
- 7.1.5. ABD-07 Conflict of Interest Policy
- 7.1.6. ABD-08 Credit and Collection Policy
- 7.1.7. ABD-09 Financial Assistance
- 7.1.8. ABD-11 Fiscal Policy
- 7.1.9. ABD-12 Guidelines for the Conduct of Business by TFHD Board of Directors
- 7.1.10. ABD-14 Inspection and Copying of Public Records
- 7.1.11. ABD-15 Investment Policy
- 7.1.12. ABD-16 Malpractice Policy
- 7.1.13. ABD-17 Manner of Governance for TFHD Board of Directors
- 7.1.14. ABD-18 New Programs and Services
- 7.1.15. ABD-19 Board Orientation and Continuing Education
- 7.1.16. ABD-22 Trade Secrets

7.2. **Contracts** ATTACHMENT

New, amended, and auto renewed contracts are submitted to the Governance Committee for review

and consideration for recommendation of approval by the Board of Directors.

- 7.2.1. TFWC EHR Agreement 2015
- 7.2.2. Incline Medical EHR Agreement 2015
- 7.2.3. NTFC EHR Agreement 2015
- 7.2.4. Foley TFHD Orthopedic Call Coverage Agreement 2015

7.3. Board of Directors Retreat

Governance Committee will review and consider dates for the Board of Directors Retreat in 2016.

7.4. BoardEffect Web Portal

Governance Committee will discuss organization preferences for the Board of Directors web portal.

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

9. NEXT MEETING DATE

10. ADJOURN

*Denotes material (or a portion thereof) may be distributed later.

Note: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of services, hiring, training and employment practices on the basis of color, national origin, sex, religion, age or disability including AIDS and related conditions.

Equal Opportunity Employer. The meeting location is accessible to people with disabilities. Every reasonable effort will be made to accommodate participation of the disabled in all of the District's public meetings. If particular accommodations for the disabled are needed (i.e., disability-related aids or other services), please contact the Executive Assistant at 582-3481 at least 24 hours in advance of the meeting.



GOVERNANCE COMMITTEE

DRAFT MINUTES

Wednesday, October 21, 2015 at 3:00 p.m.
Human Resources Conference Room - Tahoe Forest Human Resources Building
10024 Pine Ave, Truckee, CA.

1. CALL TO ORDER

Meeting was called to order at 3:00 p.m.

2. ROLL CALL

Board: Karen Sessler, M.D., Chair; Greg Jellinek, M.D., Board Member

Staff: Jake Dorst, Interim CEO; Judy Newland, CNO/COO; Ted Owens, Director of Governance, Government Affairs & Community Development; Martina Rochefort, Clerk of the Board

Other: Jim Hook, The Fox Group; Michael Colantuono, General Counsel (participated via phone)

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA

None.

4. INPUT – AUDIENCE

None.

5. APPROVAL OF MINUTES OF: 09/11/2015

Recommendation was made by Director Sessler to approve the minutes of September 11, 2015 as presented.

Open Session recessed at 3:03 p.m.

6. CLOSED SESSION

Discussion took place on privileged matters.

7. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

Open Session reconvened at 3:35 p.m.

7.1. Q3 Compliance Report

The Fox Group presented the 3rd Quarter Compliance Report.

Discussion took place regarding observation patients. Observation patients are considered outpatients and the 96-hour rule does not apply.

Staff was directed to add Q3 Compliance Report to Board Meeting agenda under Governance Committee.

7.2. Policies

Governance Committee reviewed the following policies as part of the annual review of board policies.

7.2.1. ABD-02 TFHD Chief Executive Compensation

Director Sessler provided historical background on the policy. The policy originated from a Governance Institute white paper in 2006.

Under 3.0, Directors Sessler and Jellinek recommended a simplification of 3.3 to “life insurance benefit.”

CHRO will work on the policy further with the Personnel Committee.

7.2.2. ABD-10 Emergency On Call Policy

The Fox Group presented their edits to ABD-10 Emergency On Call Policy.

Ophthalmology and Gastroenterology were removed.

A question had been previously raised regarding whether activation fee call arrangements were acceptable. Hooper Lundy & Bookman did advise activation fee call arrangements were acceptable.

The policy has to be reviewed on an annual basis for CAH purposes.

Staff was directed to add ABD-10 policy to rolling agenda for review on an annual basis.

Staff was directed to add redline and clean versions to the Board Meeting consent agenda, along with an Executive Summary explaining the changes.

7.2.3. ABD-19 Board Orientation and Continuing Education

A compliance education program will be proposed by The Fox Group for full board and Governance Committee.

Discussion took place about a structured program for board members when they come on board.

Director of Governance recommended a number of changes to the policy and advised the policy should focus on what the law requires.

Governance Committee directed staff to update the policy.

7.3. Contracts

Governance Committee reviewed and considered the following contracts for recommendation of approval by the Board of Directors.

7.3.1. California_Emergency_Physicians_Medical_Group_Emergency_Department_Agreement_2013

Discussion was held on contract.

CEO indicated CEP has approached TFHD about incorporating education stipends into the contract. CEO asked CEP for clarification and whether other hospitals are also participating. CEO is waiting for reply back from CEP.

Contract has not changed from last time it was written.

Recommendation to put on the Full Board agenda under Governance Committee as a discussion item.

7.3.2. North_Tahoe_Anesthesia_Group_Agreement_for_Exclusive_Provision_of_Anesthesia_and_Related_Services_2015

Discussion was held on contract.

Director Sessler requested confirmation that an audit is being done on payments. The Fox Group confirmed Compliance Coordinator was conducting audits.

Contract will come back to Governance Committee.

Recommendation to put on the Full Board agenda under Governance Committee as a discussion item.

7.3.3. Kitts_Amendment_to_Agreement_to_Provide_Coverage_of_Emergency_Department_Professional_Services_2011

Discussion was held on contract.

Recommendation to go to Board on consent calendar for October Regular Board Meeting.

Staff was directed to provide an Executive Summary on the changes and to include the original contract as well as the amendment.

7.3.4. Coll_TFHD_MDA_for_Strategic_Planning_and_Innovation_2016

Discussion was held on contract.

Contract is new because it did not have a cap or log requirement previously and has been updated to include those requirements. Contract was created using an approved template by legal.

Recommendation to go on Board Meeting consent calendar for October Regular Board Meeting.

Jim Hook departed the meeting at 4:41 p.m.

7.4. Open Session and Closed Session Minutes Format

Committee discussed the current open session action minutes format and proposed action minutes for regular meeting closed sessions.

General Counsel recommended at the Board Retreat that closed session minutes be taken in an action minutes format.

Governance Committee recommends the Board move to an action minutes format for Regular Meeting Closed Sessions.

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

None. Discussed as part of previous items.

9. NEXT MEETING DATE

The next Governance Committee will tentatively be held on Wednesday, November 18, 2015 or Thursday, November 19, 2015 depending on General Counsel's availability.

10. ADJOURN

Meeting was adjourned at 4:55 p.m.

BYLAWS OF THE BOARD OF DIRECTORS
TAHOE FOREST HOSPITAL DISTRICT

Table of Contents

ARTICLE I. NAME, AUTHORITY AND PURPOSE	1
Section 1. Name	1
Section 2. Authority	1
Section 3. Purpose and Operating Policies.....	1
ARTICLE II. BOARD OF DIRECTORS.....	2
Section 1. Election.....	2
Section 2. Responsibilities.....	2
A. Philosophy and Objectives	2
B. Programs and Services	2
C. Organization and Staffing.....	3
D Medical Staff	3
E. Finance	3
F. Grounds, Facilities and Equipment.....	4
G. External Relations.....	4
H. Assessment and Continuous Improvement of Quality of Care.....	4
I. Strategic Planning	4
Section 3. Powers.....	4
A. Overall Operations	4
B. Medical Staff	5
C. Auxiliary	5
D. Other Adjuncts	5
E. Delegation of Powers	5
F. Provisions to Prevail.....	5
G. Resolutions and Ordinances.....	5
H. Residual Powers	5
I. Grievance Process	5
Section 4. Vacancies	6
Section 5. Meetings.....	6
A. Regular Meetings	6
B. Special Meetings.....	6
C. Policies and Procedures	7

Section 6. Quorum.....	7
Section 7. Medical Staff Representation	7
Section 8. Director Compensation and Reimbursement of Expenses	7
Section 9. Board Self-Evaluation	8
ARTICLE III. OFFICERS	8
Section 1. Officers	8
Section 2. Election of Officers.....	8
Section 3. Duties of Officers	8
A. President.....	8
B. Vice-President.....	8
C. Secretary	8
D. Treasurer	8
E. Clerk	8
ARTICLE IV. COMMITTEES	9
Section 1. Special Committees.....	9
Section 2. Standing Committees	9
A. Joint Conference Committee.....	9
B. Finance Committee	9
C. Governance Committee	10
D. Personnel Committee.....	11
E. Retirement Plan Committee	11
F. Quality Committee.....	11
G. Community Benefit Committee	12
ARTICLE V. MANAGEMENT	13
Section 1. Chief Executive Officer	13
Section 2. Authority and Responsibility.....	13
ARTICLE VI. HOME HEALTH CARE SERVICE.....	15
Section 1. Establishment.....	15
Section 2. Governing Body/Professional Advisory Committee.....	15
Section 3. Policies, Rules and Regulations	16
ARTICLE VII. HOSPICE	16
Section 1. Establishment.....	16
Section 2. Governing Body/Appointment of Qualified Administrator	16
Section 3. Policies, Rules and Regulations	16

ARTICLE VIII TAHOE FOREST HOSPITAL	16
Section 1. Establishment.....	17
Section 2. Governing Body.....	17
Section 3. Policies, Rules and Regulations	17
ARTICLE IX. INCLINE VILLAGE COMMUNITY HOSPITAL	17
Section 1. Establishment.....	17
Section 2. Governing Body.....	17
Section 3. Policies, Rules and Regulations	18
ARTICLE X. MEDICAL STAFF.....	18
Section 1. Nature of Medical Staff Membership.....	18
Section 2. Qualification for Membership	18
Section 3. Organization and Bylaws	18
Section 4. Appointment to Medical Staff.....	19
Section 5. Staff Meetings: Medical Records	19
Section 6. Medical Quality Assurance	20
Section 7. Hearings and Appeals	20
A. Time for Appeal.....	20
B. Grounds for Appeal	20
C. Time, Place and Notice.....	21
D. Appeal Board	21
E. Appeal Procedure	21
F. Decision	22
G. Right to One Hearing	22
H. Review Initiated By Board of Directors	22
ARTICLE XI. AUXILIARY	22
ARTICLE XII. REVIEW AND AMENDMENT OF BYLAWS	22
ADOPTION OF BYLAWS.....	23
REVISION HISTORY	23

**BYLAWS OF THE BOARD OF DIRECTORS
OF
TAHOE FOREST HOSPITAL DISTRICT**

Pursuant to the provisions of Sections 32104, 32125 and 32128 of the Health and Safety Code of the State of California, the Board of Directors of TAHOE FOREST HOSPITAL DISTRICT adopts these Bylaws for the government of TAHOE FOREST HOSPITAL DISTRICT.

ARTICLE I. NAME, AUTHORITY AND PURPOSE

Section 1. Name.

The name of this District shall be "TAHOE FOREST HOSPITAL DISTRICT".

Section 2. Authority.

A. This District, having been established May 2, 1949, by vote of the residents of said District under the provisions of Division 23 of the Health and Safety Code of the State of California, otherwise known and referred to herein as "The Local Health Care District Law", and ever since that time having been operated there under, these Bylaws are adopted in conformance therewith, and subject to the provisions thereof.

B. In the event of any conflict between these Bylaws and "The Local Health Care District Law", the latter shall prevail.

C. These Bylaws shall be known as the "District Bylaws".

Section 3. Purpose and Operating Policies.

A. Purpose.

Tahoe Forest Hospital District is committed to be the best mountain community health care system in our nation. All members of our team, working together, will ensure that the services we provide are satisfying, effective, efficient and of the highest quality, with access for all. We will strive each day to exceed patient, community, physician and employee expectations.

B. Operating Policies.

In order to accomplish the Mission of the District, the Board of Directors establishes the following Operating Policies:

1. **Non-Discrimination:** It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; genetic information.

2. Through planned development and responsible management, the assets of the District will be used to meet the service needs of the area in an efficient and cost effective manner, after evaluation of available alternatives and other resources available to the District. This may include the development and operation of programs, services and facilities at any location within or without the District for the benefit of the people served by the District.

3. The District shall dedicate itself to the maximum level of quality consistent with sound fiscal management, and community based needs.

4. The Board shall provide a means for effective consumer participation and involvement in planning the future course of the District. Planning shall be accomplished in conjunction with other community resources, and will be coordinated with other service providers, when appropriate.

5. Improvement of the health status of the area will be the primary emphasis of services offered by the District. This will be accomplished through programs of inpatient and outpatient care, as well as outreach services in the areas of health education and prevention.

In addition, the District may elect to provide other programs of human service outside of the traditional realm of health care, where unmet human service needs have been identified through the planning process.

ARTICLE II. BOARD OF DIRECTORS

The Board of Directors:

Section I. Election.

There shall be five members of the Board of Directors who shall be elected for four year terms as provided in "The Local Health Care District Law".

Section 2. Responsibilities.

Provides continuing direction for planning, operation, and evaluation of all District programs, services and related activities consistent with the District Bylaws.

A. Philosophy and Objectives.

Considers the health requirements of the District and the responsibilities that the District should assume in helping to meet them.

B. Programs and Services.

1. Approves long and short range plans for the development of programs and services to be provided by the District. Takes action on recommendations of the Planning Committee and Chief Executive Officer.

2. Provides general direction to the Chief Executive Officer in the implementation of programs and service plans.

3. Approves policies which govern programs and services.

4. Evaluates the results of programs and services on the basis of previously established objectives and requirements. Receives reports from the Chief Executive Officer and directs the Chief Executive Officer to plan and take appropriate actions, where warranted.

C. Organization and Staffing.

1. Adopts the plan of organization of the District, including plans of organization of the Board of Directors, Administration and Medical Staff.

2. Elects officers of the District in accordance with provisions of the Bylaws.

3. Confirms the appointment of both Directors and others to committees of the Board.

4. Selects and appoints the Chief Executive Officer.

5. Evaluates the continuing effectiveness of the organization.

D. Medical Staff.

1. Appoints all Medical Staff members.

2. Ensures that the District Medical Staff is organized to support the objectives of the District.

3. Reviews and takes final action on appeals involving Medical Staff disciplinary action.

4. Approves Medical Staff Bylaws and proposed revisions.

E. Finance.

1. Assumes ultimate responsibility for the financial soundness and success of the District.

2. Assumes ultimate responsibility for the appropriate use of endowment funds and of other gifts to the District. Exercises trusteeship responsibility to see that funds are used for intended purposes.

3. Adopts annual budgets of the District, including both operating and capital expenditure budgets.

4. Receives and reviews periodic financial reports. Considers comments and recommendations of its Finance Committee or management staff.
5. Receives and reviews reports of the District's auditors.
6. Approves policies which govern the financial affairs of the District.
7. Authorizes officers of the District to act for the District in the execution of financial transactions.

F. Grounds, Facilities and Equipment.

1. Approves plans for development, expansion, modernization and replacement of the District's grounds, facilities, major equipment and other tangible assets.
2. Approves the acquisition, sale and lease of real property.

G. External Relations.

Assumes ultimate responsibility for representing the communities served by the District and representing the District to the communities served.

H. Assessment And Continuous Improvement Of Quality Of Care

Ensures that the proper organizational environment and systems exist to continuously improve the quality of care provided. Responsible for a system wide quality assessment and performance improvement program that reflects all departments and services. Reviews Quality Assessment Reports focused on indicators related to improving health outcomes and the prevention and reduction of medical errors. Provides oversight to and annually approves the written Quality Assurance / Process Improvement plan.

I. Strategic Planning.

1. Oversees the strategic planning process.
2. Establishes long range goals and objectives for the District's programs and facilities.

Section 3. Powers.

A. Overall Operations.

The Board of Directors shall determine policies and shall have control of, and be responsible for, the overall operations and affairs of this District and its facilities.

B. Medical Staff.

The Board of Directors shall authorize the formation of a Medical Staff to be known as "The Medical Staff of Tahoe Forest Hospital District". The Board of Directors shall determine membership on the Medical Staff, as well as the Bylaws for the government of said Medical Staff, as provided in ARTICLE IX of these Bylaws.

C. Auxiliary.

The Board of Directors may authorize the formation of service organizations to be known as "The Tahoe Forest Hospital Auxiliary" and "The North Lake Tahoe Community Health Care Auxiliary", the Bylaws of which shall be approved by the Board of Directors.

D. Other Adjuncts.

The Board of Directors may authorize the formation of other adjunct organizations which it may deem necessary to carry out the purposes of the District; the Bylaws of such organizations shall be approved by the Board of Directors.

E. Delegation of Powers.

The Medical Staff, Auxiliary, and any other adjunct organizations shall have those powers set forth in their respective Bylaws. All powers and functions not set forth in their respective Bylaws are to be considered residual powers still vested in the Board of Directors.

F. Provisions to Prevail.

These District Bylaws shall override any provisions to the contrary in the Bylaws, or Rules and Regulations of the Medical Staff, Auxiliary or any of the adjunct organizations. In case of conflict, the provisions of these District Bylaws shall prevail.

G. Resolutions and Ordinances.

From time to time, the Board of Directors may pass resolutions regarding specific policy issues, which resolutions may establish policy for the operations of this District.

H. Residual Powers.

The Board of Directors shall have all of the other powers given to it by "The Local Health Care District Law" and other applicable provisions of law.

I. Grievance Process

The Board of Directors delegates the responsibility to review and resolve grievances to the Grievance Committee.

Section 4. Vacancies.

Any vacancy upon the Board of Directors shall be filled by appointment by the remaining members of the Board of Directors within sixty (60) days of the vacancy. Notice of the vacancy shall be posted in at least three (3) places within the District at least fifteen (15) days before the appointment is made. The District shall notify the elections officials for Nevada and Placer Counties of the vacancy no later than fifteen (15) days following either the date on which the District Board is notified of the vacancy or the effective date of the vacancy, whichever is later, and of the appointment no later than fifteen (15) days after the appointment. In lieu of making an appointment, the remaining members of the Board of Directors may within sixty (60) days of the vacancy call an election to fill the vacancy. If the vacancy is not filled by the Board of Directors or an election called within sixty (60) days, the Board of Supervisors of the County representing the larger portion of the Hospital District area in which an election to fill the vacancy would be held may fill the vacancy, within ninety (90) days of the vacancy, or may order the District to call an election. If the vacancy is not filled or an election called for within ninety (90) days of the vacancy, the District shall call an election to be held on the next available election date. Persons appointed to fill a vacancy shall hold office until the next District general election that is scheduled 130 or more days after the date the District and the elections officials for Nevada and Placer Counties were notified of the vacancy and thereafter until the person elected at such election to fill the vacancy has been qualified, but persons elected to fill a vacancy shall hold office for the unexpired balance of the term of office.

Section 5. Meetings.

A. Regular Meetings.

Unless otherwise specified at the preceding regular or adjourned regular meeting, regular meetings of the Board of Directors shall be held on the ~~last-fourth~~ Thursday of each month at 4:00 PM at a location within the Tahoe Forest Hospital District Boundaries. The Board shall take or arrange for the taking of minutes at each regular meeting.

B. Special Meetings.

Special meetings of the Board of Directors may be held at any time and at a place designated in the notice and lying within the District, except as provided in the Brown Act, upon the call of the President, or by not fewer than three (3) members of the Board of Directors, and upon written notice to each Director specifying the business to be transacted, which notice shall be delivered personally or by mail and shall be received at least twenty-four (24) hours before the time of such meeting, provided that such notice may be waived by written waiver executed by each member of the Board of Directors. Notice shall also be provided within such time period to local newspapers and radio stations which have requested notice of meetings. Such notice must also be posted twenty-four (24) hours before the meeting in a location which is freely accessible to the public. In the event of an emergency situation involving matters upon which

prompt action is necessary due to disruption or threatened disruption of District services (including work stoppage, crippling disaster or other activity which severely impairs public health, safety or both), the Board may hold a special meeting without complying with the foregoing notice requirements, provided at least one (1) hour prior telephone notice shall be given to local newspapers and radio stations which have requested notice of meetings, and such meetings shall otherwise be in compliance with the provisions of Government Code Section 54956.5. The Board shall take or arrange for the taking of minutes at each special meeting.

C. Policies and Procedures.

The Board may from time to time adopt policies and procedures governing the conduct of Board meetings and District business. All sessions of the Board of Directors, whether regular or special, shall be open to the public in accordance with the Brown Act (commencing with Government Code Section 54950), unless a closed session is permitted under the Brown Act or Health and Safety Code Sections 32106 and 32155.

Section 6. Quorum.

The presence of a majority of the Board of Directors shall be necessary to constitute a quorum to transact any business at any regular or special meeting, except to adjourn the meeting to a future date.

Section 7. Medical Staff Representation.

The Chief of the Medical Staff shall be appointed as a special representative thereof to the Board of Directors without voting power, however, and shall attend the meetings of the Board of Directors. In the event the Chief of Staff cannot attend a meeting, the Vice-Chief of the Medical Staff shall attend during the absence of the Chief of Staff.

Section 8. Director Compensation and Reimbursement Of Expenses.

The Board of Directors shall serve without compensation, except that the Board of Directors, by a resolution adopted by a majority vote of the members of the Board, may authorize the payment of not to exceed one hundred dollars (\$100.00) per meeting, not to exceed five (5) meetings a month, as compensation to each member of the Board of Directors.

Each member of the Board of Directors shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of the District as approved by the Board or Chief Executive Officer, per Board policy.

/ /

Section 9. Board Self-Evaluation.

The Board of Directors will monitor and discuss its process and performance at least annually. The self-evaluation process will include comparison of Board activity to its manner of governance policies.

ARTICLE III. OFFICERS

Section I. Officers.

The officers of the Board of Directors shall be President, Vice-President, Secretary and Treasurer who shall be members of the Board, and a Clerk.

Section 2. Election of Officers.

The officers of the Board of Directors shall be chosen every year by the Board of Directors ~~in December of the preceeding~~ ~~at the first meeting of such~~ calendar year and each officer shall hold office for a one (1) year term or until such officer's successor shall be elected and qualified or until such officer is otherwise disqualified to serve. The person holding the office of President of the Board of Directors shall not serve two successive terms. In the event of a vacancy in any office, an election shall be held at the next regular meeting following the effective date of the vacancy to elect the officer to fill such office.

Section 3. Duties of Officers.

A. President. Shall preside over all meetings of the Board of Directors. Shall sign as President, on behalf of the District, all instruments in writing which he/she has been authorized and obliged by the Board to sign and such other duties as set forth in these Bylaws.-

B. Vice-President. The Vice-President shall perform the functions of the President in case of the President's absence or inability to act.

C. Secretary. The Secretary shall be responsible to record minutes of all meetings of the Board of Directors and shall see that all records of the District are kept and preserved.

D. Treasurer. The Controller may be appointed by the Treasurer, and shall be charged with the safekeeping and disbursement of the funds in the treasury of the District, subject to the policies established by the Board of Directors.

Will serve as the chairperson of the Board Finance Committee.

E. Clerk. The Chief Executive Officer or his designee shall be appointed the Clerk of the Board of Directors, and shall perform the functions of the Secretary in case of the Secretary's absence or inability to act.

ARTICLE IV. COMMITTEES

Section I. Special Committees.

Special Committees may be appointed by the President of the Board of Directors from time to time as he/she deems necessary or expedient. Such Committees shall have no power to commit the Board of Directors or the District in any manner, but shall perform such functions as shall be assigned to them by the President, and shall function for the period of time specified by the President at the time of appointment or until determined to be no longer necessary and disbanded by the President of the Board of Directors.. The President shall appoint each Committee chair.

Section 2. Standing Committees.

Standing Committees may from time to time be created by resolution duly adopted by the Board of Directors. The President shall appoint the members of these committees and the Chair thereof. Committee appointments shall be for a period of one (1) year and will be made annually at the January Board meeting, following the election of Board Officers. The initial Standing Committees will consist of the following:

A. Joint Conference Committee.

1. The Joint Conference Committee (JCC) shall consist of the Chief of Staff, the Vice Chief of Staff, the Chief Executive Officer, and the President of the Board of Directors and one other member of the Board appointed by the President. The Chair shall alternate at the beginning of the Medical Staff year between a Medical Staff JCC member selected by the Chief of Staff and a Board of Directors JCC member selected by the President of the Board of Directors.

2. The Committee shall meet as needed.

3. The JCC shall review policy relating to the performance of the Medical Staff and shall serve as a forum for discussion of mutual concerns of the Board of Directors, the Chief Executive Officer and his/her management staff, and the Medical Staff.

4. The JCC shall constitute a forum for the discussion of matters of District and Medical Staff policy, practice and planning, and a forum for interaction between the Board of Directors and the Medical Staff on such matters as may be referred by the Executive Committee or the Board of Directors. The JCC shall exercise other responsibilities set forth in these Bylaws.

B. Finance Committee.

1. The Committee shall comprise two (2) Board Members. The Board Treasurer shall serve as Chairperson of the Committee, and the second Committee

member shall be appointed by the Board President.

2. The Committee shall meet as needed. A report will be made to the Board of Directors quarterly, or otherwise as requested.

3. The Committee shall have the following responsibilities pursuant to the policies of the Board of Directors:

a. Development of District operating, cash and capital budgets for approval by the Board of Directors.

b. Monitoring of District budget performance and financial management.

c. Review of capital purchase recommendations before presentation to the Board of Directors.

d. Review and comment on monthly financial statements and expenditure reports.

e. Oversight of annual independent audit and supervision of any necessary corrective measures.

f. Supervision of the investment of District funds.

g. Special projects, as required in the area of financial management, or as directed by the Board of Directors.

h. Oversight of budget and expenditures for facility projects.

C. Governance Committee

1. The Committee shall comprise two (2) Board Members appointed by the Board President.

2. The Committee shall meet as needed.

3. The Committee shall be advisory in nature with the following responsibilities pursuant to the policies of the Board of Directors:

a. Provide oversight of the Compliance program efforts to achieve regulatory compliance by reviewing its activities, quality and effectiveness, and to monitor that management appropriately addresses compliance recommendations;

b. Conduct periodic review of- these Bylaws and Board policies.

c. Submit recommendations to the Board of Directors for changes in these documents as necessary and desirable.

d. Draft new Board policies and procedures as necessary or as directed

by the Board of Directors for recommendation to the Board.

e. Advance best practices in board governance.

f. Conduct the annual board self-assessment and board goal setting process.

D. Personnel Committee

1. The Committee shall comprise two (2) Board Members appointed by the Board President.

2. The Committee shall meet as needed.

3. The Committee shall be advisory in nature with the following responsibilities pursuant to the policies of the Board of Directors:

a. Chief Executive Officer Relations

1. Employment Agreement

2. Performance Evaluation

3. Incentive Compensation Program

b. Chief Executive Officer/Board of Directors Liaison

4. Memorandum of Understanding with District bargaining units

E. Retirement Plan Committee

1. The Committee is a sub-committee of the Personnel Committee.

2. The Committee shall comprise the two (2) Board Members of the Personnel Committee appointed by the Board President, Chief Executive Officer, CFO, and Human Resources Director.

3. The Committee shall meet as needed.

4. The Committee shall have the following responsibilities:

a. Establish and administer the District's Investment Policy Statement.

b. Provide administrative oversight for the Tahoe Forest Hospital District Money Purchase Pension Plan and the Tahoe Forest Hospital District Deferred Compensation Plan.

G. Quality Committee

1. The Committee membership shall be comprised of a minimum of two members of the Board of Directors as appointed by the Board President and two (2) members of the Tahoe Forest Hospital Medical Staff as appointed by the Medical Executive Committee. {Recommend Chief of Staff or designee and Chairperson of the Quality Assessment and Improvement Committee}
2. The Committee shall meet a minimum of four (4) times per calendar year.
3. The Committee is accountable to the Board of Directors for the following:
 - a. Provide oversight for the organization-wide Quality Assessment and Performance Improvement Plan;
 - b. Set expectations of quality care, patient safety, environmental safety, and performance improvement throughout the organization;
 - c. Ensure the provision of organization-wide quality of care, treatment, and service provided and prioritization of performance improvement throughout the organization;
 - d. Monitor the improvement of care, treatment, and services to ensure that it is safe, beneficial, patient-centered, customer-focused, timely, efficient, and equitable;
 - e. Oversee and be accountable for the organization's participation and performance in national quality measurement efforts, accreditation programs, and subsequent quality improvement activities;
 - f. Assure the development and implementation of ongoing education focusing on service excellence, performance improvement, risk-reduction/safety enhancement, and healthcare outcomes.

H. Community Benefit Committee

1. The Committee shall comprise two (2) Board Members.
2. The Committee shall meet at least 4 times a year and additionally as needed.
3. The Committee shall be advisory in nature with the following responsibilities pursuant to the policies of the Board of Directors:
 - a. Ensure Health System strategic planning and stated goals include community and population health initiatives to improve health, decrease costs, and improve the patient experience.
 - b. Provide advice and input in the deployment of the tri-annual Community Health Needs Assessment (CHNA).

- c. Review resulting data from CHNA, - provide input into the Community Health Improvement Plan (CHIP), -and assist in development of long term strategies, aligned with Health System goals, to address key health issues.
- d. Monitor the planning, development, implementation and results of major programs aimed at improving the health of the community.
- e. With collaborative partners, make recommendations for program continuation or termination based on progress toward identified measurable objectives, available resources, level of community ownership, and alignment with criteria for priorities.
- f. Review and provide input on proposed public communications about the organization's community benefit activities.
- g. Engage the community to achieve community health improvement goals through partnerships.

ARTICLE V. MANAGEMENT

Section 1. Chief Executive Officer.

The Board of Directors shall select and employ a Chief Executive Officer who shall act as its executive officer in the management of the District. The Chief Executive Officer shall be given the necessary authority to be held responsible for the administration of the District in all its activities and entities, subject only to the policies as may be adopted from time to time, and orders as may be issued by the Board of Directors or any of its committees to which it has delegated power for such action. The Chief Executive Officer shall act as the duly authorized representative of the Board of Directors.

Section 2. Authority and Responsibility.

The Chief Executive Officer shall have the following duties and responsibilities as follows. Other duties may be assigned.

- A. Assists, counsels, and advises the Board of Directors on the establishment of Hospital policies; acts as agent of the Board in carrying out such policies.
- B. Recommends District policy positions regarding legislation, government, administrative operation and other matters of public policy as required.
- C. Assists the Board of Directors in effectively fulfilling its responsibilities by keeping the Board informed, on a monthly basis, of the operating results of the District; compares monthly operations to Board approved plans and budgets explaining variances that may arise.

D. Assists and advises the Board with respect to the District's authority under the law and changes in state statutory guidelines and requirements.

E. Develops and implements appropriate strategic and annual operating plans that document the long and short-term goals and objectives of the District.

F. Actively pursues and supports the appraisals and development of new programs which could benefit the long-range success and survival of the District.

G. Establishes concise reporting relationships for all positions and departments in the District. Establishes methods which will foster the achievement of District goals and objectives and support the efficiency and effectiveness of all operations through proper communication and coordination.

H. Coordinates all operations with the Medical Staff, its committee structure and its leadership; demonstrates a proactive and positive relationship with the Medical Staff.

I. Ensures a consistency of purpose and mutuality of interest between the operations and bylaws of the Medical Staff and the policies and bylaws of the District.

J. Develops and maintains quality improvement programs designed to enhance quality and customer satisfaction.

K. Establishes operating policies and procedures for all departments, delegating specific responsibility for documentation, monitoring, compliance, and reporting or results to subordinates, as required.

L. Establishes, implements and maintains a comprehensive budgeting program for the District. This program includes an appropriate consideration of operational, financial and statistical information needed to efficiently and effectively control all District operations.

M. Consistently generates sufficient net income to meet established financial goals.

N. Develops strong marketing and public relations programs.

O. Ensures the competitive viability and continuance of the District.

P. Through various techniques, encourages the development of services which promote District growth and expanded potential constituencies.

Q. Ensures the coordination of Auxiliary and Foundation Bylaws and operations with the Bylaws and operations of the District.

R. Establishes a proper, consistent image of the District and its operations.

S. Personally represents the District to a variety of individuals, community groups, and health industry organizations.

T. Maintains active professional contacts through local, state and national associations in order to effectively network, as required.

U. Demonstrates the ability to effectively represent the District at national, state and local meetings, conferences and conventions, as required.

V. Remains current with national and local issues affecting District administration and their potential impact on the District; serves as a well-informed advisor to the Board of Directors.

W. Personally or through delegation, hires, assigns responsibility, counsel, evaluates and (as required) terminates all District employees.

X. Personally or through delegation serves as Clerk of the Board of Directors.

Y. Actively participates in outside programs and community affairs in order to represent the District as appropriate.

Z. Assists, counsels, and advises the Board of Directors on the establishment of personnel policies; acts as agent of the Board in carrying out such policies.

ARTICLE VI: HOME HEALTH CARE SERVICE

Section 1. Establishment

There is hereby established, as a subdivision of this District, Tahoe Forest Home Health Service (TFHHS), which shall be primarily engaged in providing skilled nursing services and other therapeutic services such as physical, speech, occupational, medical social, medical nutritional therapy and home health aide services and infusion therapy to patients in their homes.

Non-Discrimination: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation;; veteran status/military service; or genetic information.

Section 2. Governing Body/Professional Advisory Committee

The governing body of TFHHS shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body). To assist the Governing Body, the Director of TFHHS may appoint a Professional Advisory Committee. The Professional Advisory Committee of TFHHS shall consist of at least the Director of TFHHS, the Medical Director of TFHHS, the Chief Executive Officer, the Director of Quality Management, the

Director of Inpatient Services, a registered nurse, appropriate representation from three (3) other professional disciplines, and at least (1) one member of the community at large. The Professional Advisory Committee shall be subject to the control and direction of the Governing Body. Appointments must be made every 2 (two) years.

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for the TFHHS may be adopted from time to time by the Governing Body, after recommendation of such policies, rules and regulations by the Professional Advisory Committee.

ARTICLE VII. HOSPICE

Section 1. Establishment

There is hereby established, as a subdivision of this District, Tahoe Forest Hospice which shall be engaged primarily in providing interdisciplinary health care that is designed to provide palliative care and alleviate the physical, emotional, social, and spiritual discomforts of an individual who is experiencing the last phases of life due to the existence of a terminal disease. Tahoe Forest Hospice provides services directly or through arrangements with other qualified providers. Core services include the following: skilled nursing services, social services/counseling, medical direction, bereavement services, volunteer services, inpatient care arrangements, and home health aide/homemaker services. Other therapeutic services such as physical, speech, occupational, nutritional therapy, respite care and infusion care will also be provided.

Non-Discrimination: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation;; veteran status/military service; or genetic information..

Section 2. Governing Body/Appointment Of Qualified Administrator

The governing body of Tahoe Forest Hospice shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body). The Governing Body assumes full legal authority and responsibility for the operation of the hospice. The Governing Body oversees the management and fiscal affairs of the hospice. To assist the Governing Body, the Board appoints a qualified administrator. The qualified administrator is responsible for organizing and directing hospice functions and maintaining liaison with the Governing Body and the interdisciplinary team. Under the direction of the Governing Body, the qualified administrator arranges for professional services and designates in writing all services provided by the hospice.

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for Tahoe Forest Hospice may be adopted from time to time by the Governing Body, after recommendation of such policies, rules and

regulations by the Chief Executive Officer, the qualified administrator, and the Interdisciplinary Hospice Team.

ARTICLE VIII. TAHOE FOREST HOSPITAL

Section 1. Establishment

There is hereby established as a subdivision of this District, Tahoe Forest Hospital (TFH), which shall be primarily engaged in providing Emergency Services, Inpatient/Observation Care, Critical Care, Diagnostic Imaging Services, Laboratory Services, Surgical Services, Obstetrical Services and Long Term Care Services.

Non-Discrimination: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information..

Section 2. Governing Body

The governing body of TFH shall be the Board of Directors of Tahoe Forest Hospital District (Governing Body).

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for TFH must be approved by the Governing Body after recommendation of such policies, rules and regulations by the Chief Executive Officer. TFH shall operate under the California Department of Health Services.

ARTICLE IX. INCLINE VILLAGE COMMUNITY HOSPITAL

Section 1. Establishment

There is hereby established, as a subdivision of this District, Incline Village Community Hospital (IVCH), which shall be primarily engaged in providing Emergency Services, Inpatient/Observation Care, Radiological Services including Mammography and Ultrasound, Laboratory Services, Outpatient Surgery and Sleep Disorder Services to patients.

Non-Discrimination: It is the policy of Tahoe Forest Hospital District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information..

Section 2. Governing Body

The governing body of IVCH shall be the Board of Directors of Tahoe Forest

Hospital District (Governing Body).

Section 3. Policies, Rules and Regulations

Policies, rules and regulations for IVCH must be approved by the Governing Body, after recommendation of such policies, rules and regulations by the Chief Executive Officer. IVCH shall operate under the Nevada State Bureau of Licensing.

ARTICLE X. MEDICAL STAFF

Section 1. Nature of Medical Staff Membership.

Membership on the Medical Staff of Tahoe Forest Hospital District is a privilege which shall be extended only to professionally competent practitioners who continuously meet the qualifications, standards and requirements set forth herein and in the Bylaws of the Medical Staff.

Section 2. Qualifications for Membership.

A. Only physicians, dentists or podiatrists who:

1. Demonstrate and document their licensure, experience, education, training, current professional competence, good judgment, ethics, reputation and physical and mental health status so as to establish to the satisfaction of the Medical Staff and the Board of Directors that they are professionally qualified and that patients treated by them at the hospital can reasonably expect to receive high quality medical care;

2. Demonstrate that they adhere to the ethics of their respective professions and that they are able to work cooperatively with others so as not to adversely affect patient care or District operations;

3. Provide verification of medical malpractice insurance coverage;

4. Establish that they are willing to participate in and properly discharge those responsibilities determined according to the Medical Staff Bylaws shall be deemed to possess basic qualifications for membership on the Medical Staff. No practitioner shall be entitled to membership on the Medical Staff or be able to exercise particular clinical privileges in the Hospital solely by virtue of the fact that he/she is duly licensed to practice in this or any other state, or that he/she is a member of any professional organization, or that he/she had in the past, or presently has, such privileges at Tahoe Forest Hospital or another hospital.

Section 3. Organization and Bylaws.

The Medical Staff shall have the authority to organize itself and to adopt Bylaws

not inconsistent with these Bylaws for the government of the Medical Staff.

The Bylaws of the Medical Staff shall set forth the procedure by which eligibility for Medical Staff membership and establishment of clinical privileges shall be determined, including standards for qualification. Such Bylaws shall provide that the Medical Staff, or a committee or committees thereof, shall study the qualifications of all applicants and shall establish and delineate clinical privileges and shall submit to the Board of Directors recommendations thereon and shall provide for reappointment no less frequently than biennially. The Medical Staff shall also adopt Rules and Regulations consistent with its Bylaws for the conduct of the Medical Staff in its practice in the Hospital.

The Bylaws and Rules and Regulations of the Medical Staff shall be subject to approval of the Board of Directors of the District, and amendments thereto shall be effective only upon approval of such amendments by the Board of Directors. Neither the Medical Staff nor the Board of Directors may unilaterally amend the Medical Staff Bylaws or Rules and Regulations.

Section 4. Appointment to Medical Staff

All appointments and reappointments to the Medical Staff shall be made by the Board of Directors as provided by the standards of the Healthcare Facility Accreditation Program. Final responsibility for appointment, rejection or cancellation of any appointment shall rest with the Board of Directors.

Non-Discrimination: It is the policy of the District to not discriminate in admissions, provisions of service, hiring, training and employment practices on the basis of age; ancestry; color; disability; gender, gender identity, or gender expression; marital status; medical condition; national origin; political affiliation; race; religion; sexual orientation; veteran status/military service; or genetic information..

All applications for appointment to the Medical Staff shall be processed by the Medical Staff in such manner as shall be provided by the Bylaws of the Medical Staff and, upon completion of processing by the Medical Staff, the Medical Staff shall make a report and recommendation regarding such application to the Board of Directors. This recommendation will also include the specific clinical privileges requested by the practitioner, and the Medical Staff's recommendation concerning these privileges. No duly licensed physician or surgeon shall be excluded from Medical Staff membership solely because he or she is licensed by the Osteopathic Medical Boards of California and Nevada.

Upon receipt of the report and recommendation of the Medical Staff, the Board of Directors shall take action upon the application by granting or rejecting the same and shall cause notice of its actions to be given to the applicant and to the Medical Staff. Whenever the Board of Directors does not concur in a Medical Staff recommendation relative to clinical privileges, the matter will be referred to the Joint Conference Committee for review before final action is taken by the Board of Directors.

Section 5. Staff Meetings: Medical Records

The Medical Staff shall be self-governing with respect to the professional work performed in the Hospital. The Medical Staff shall meet in accordance with the minimum requirements of the Healthcare Facility Accreditation Program. Accurate, legible and complete medical records shall be prepared and maintained for all patients and shall be the basis for review and analysis.

For purposes of this section, medical records include, but are not limited to, identification data, personal and family history, history of present illness, review of systems, physical examination, special examinations, professional or working diagnosis, treatment, gross and microscopic pathological findings, progress notes, final diagnosis, condition on discharge and other matters as the Medical Staff shall determine.

Section 6. Medical Quality Assurance

The Medical Staff shall, in cooperation with the administration of the District, establish a comprehensive and integrated quality assurance and risk control program for the District which shall assure identification of problems, assessment and prioritization of such problems, implementation of remedial actions and decisions with regard to such problems, monitoring of activities to assure desired results, and documentation of the undertaken activities. The Board of Directors shall require, on a quarterly basis, reports of the Medical Staff's and District's quality assurance activities.

Section 7. Hearings and Appeals

Appellate review of any action, decision or recommendation of the Medical Staff affecting the professional privileges of any member of, or applicant for membership on, the Medical Staff is available before the Board of Directors. This appellate review shall be conducted consistent with the requirements of Business and Professions Code Section 809.4 and in accordance with the procedures set forth in the Medical Staff Bylaws. Nothing in these Bylaws shall abrogate the obligation of the District and the Medical Staff to comply with the requirements of Business and Professions Code Sections 809 through 809.9, inclusive. The rules relating to appeals to the Board of Directors as set forth in the Medical Staff Bylaws are as follows:

A. Time For Appeal Within fifteen (15) days after receipt of the decision of the Judicial Review Committee, either the practitioner or the Executive Committee may request an appellate review. A written request for that review shall be delivered to the Chief of Staff, the Chief Executive Officer and the other party in the hearing. If a request for appellate review is not presented within that period, both parties shall be deemed to have waived their rights to appeal. Thereafter, the Board of Directors shall consider whether to accept the Judicial Review Committee decision as the final decision of the District or to initiate an appellate review by its own action. If the Board of Directors votes to initiate an appellate review, the Board of Directors shall consider the matter as an appeal in accordance with this Article. Its decision following that appeal shall constitute the final action of the District.

B. Grounds For Appeal A written request for an appeal shall include a specification of the grounds for appeal and a concise statement of the arguments in support of the appeal. The grounds for appeal from the hearing shall be: (1) substantial and material failure to comply with the procedures required by these Bylaws or applicable law for the conduct of a hearing; (2) the decision was not supported by substantial evidence in the hearing record.

C. Time, Place and Notice If an appellate review is to be conducted, the appeal board shall, within thirty (30) days after receipt of notice of appeal, decide upon the specific procedures to be followed and endeavor to advise each party. The date for completion of the appellate review shall not be fewer than thirty (30) days nor more than sixty (60) days from the date of such receipt of that notice, provided, however, that when a request for appellate review concerns a member who is under suspension or restriction which is then in effect, the appellate review shall be held as soon as the arrangements may reasonably be made. The time for appellate review may be extended by the Board of Directors or its Chair for good cause.

D. Appeal Board The Board of Directors may sit as the appeal board, or it may appoint an appeal board which shall be composed of not fewer than three (3) members of the Board of Directors. Knowledge of the matter involved shall not preclude any person from serving as member of the appeal board, so long as that person did not take part in a prior hearing on the same matter. The appeal board may select an attorney at law to assist it in the proceeding, but that attorney shall not be entitled to vote with respect to the appeal.

E. Appeal Procedure The proceeding by the appeal board shall be in the nature of an appellate review based upon the record of the hearing before the Judicial Review Committee, provided that the appeal board may accept additional oral or written evidence, subject to a foundational showing that such evidence could not have been made available to the Judicial Review Committee in the exercise of reasonable diligence and subject to the same rights of cross-examination or confrontation provided at the Judicial Review Committee hearing; or the appeal board may remand the matter to the Judicial Review Committee for the taking of further evidence and for decision. Each party shall have the right to present a written statement in support of his/her position on appeal. During the appeal, each party or representative shall have the right to appear personally before the Board of Directors or the appeal board, for the purpose of presenting oral argument and responding to questions in accordance with procedures to be established by the Board of Directors or appeal board. Each party shall have the right to be represented by an attorney or by any other designated representative during that appearance. The Board of Directors or the appeal board shall determine the procedures to be observed during that meeting and shall determine the role of legal counsel. The appeal board may then conduct, at a time convenient to itself, deliberations outside the presence of the appellant and respondent and their representatives. The appeal board shall present to the Board of Directors its written recommendations as to whether the Board of Directors should affirm, modify, or reverse the Judicial Review Committee decision, or remand the matter to the Judicial Review Committee for further review and decision.

F. Decision

1. Except as otherwise provided herein, within thirty (30) days after the conclusion of any appellate meeting, the Board of Directors shall render a decision in writing and shall transmit copies thereof to each side involved in the appeal. The Board's decision shall be final.

2. The Board of Directors may affirm, modify, or reverse the decision of the Judicial Review Committee or remand the matter to the Judicial Review Committee for reconsideration. If the matter is remanded to the Judicial Review Committee for further review and recommendation, that Committee shall promptly conduct its review and issue any appropriate decision and report.

G. Right To One Hearing No member or applicant shall be entitled to more than one evidentiary hearing and one appellate review on any matter which shall have been the subject of adverse action or recommendation.

H. Review Initiated By Board of Directors

1. Notice of Action In the event neither the person who requested the hearing before the Medical Staff Judicial Review Committee nor the body whose decision prompted the hearing requests an appeal according to this Article, the decision of the Judicial Review Committee shall be delivered to the Chief Executive Officer for transmittal to the Board of Directors.

2. Board of Directors Review The Board of Directors may, at any time within fifteen (15) days of such delivery, initiate appellate review. The procedures for such review shall be as set forth in Subsections A through G above, substituting the date of action by the Board of Directors initiating appellate review for the date of Notice of Appeal.

ARTICLE XI. AUXILIARY

The Auxiliary organizations shall be known as the "Tahoe Forest Hospital Auxiliary" and the "North Lake Tahoe Community Health Care Auxiliary." The Bylaws of the Auxiliaries shall be approved by the Board of Directors.

ARTICLE XII. REVIEW AND AMENDMENT OF BYLAWS

Section I At intervals of no more than two (2) years, the Board of Directors shall review these Bylaws in their entirety to ensure that they comply with all provisions of the Local Health Care District Law, that they continue to meet the needs of District Administration and Medical Staff, and that they serve to facilitate the efficient administration of the District.

These Bylaws may from time to time be amended by action of the Board of

Directors. Amendments may be proposed at any Regular meeting of the Board of Directors by any member of the Board. Action on proposed amendments shall be taken at the next Regular meeting of the Board of Directors following the meeting at which such amendments are proposed.

ADOPTION OF BYLAWS

Originally passed and adopted at a meeting of the Board of Directors of the TAHOE FOREST HOSPITAL DISTRICT, duly held on the 9th day of January, 1953 and most recently revised on the 25th day of November 2014.

REVISION HISTORY

1975

Revised - March, 1977

Revised- October, 1978

Revised- April, 1979

Revised- March, 1982

Revised- May, 1983

Revised- February, 1985

Revised- July, 1988

Revised- March, 1990

Revised- November, 1992

Revised- February, 1993

Revised- May, 1994

Revised- April, 1996

Revised- September, 1996

Revised – April, 1998

Revised - - September, 1998

Revised – March, 1999

Revised – July, 2000

Revised – January, 2001

Revised – November, 2002

Revised – May, 2003

Revised – July, 2003

Revised – September, 2004

Revised – March, 2005

Revised – December, 2005

Revised – October, 2006

Revised – March, 2007

Revised – April, 2008



Revised – January, 2009

Revised – September, 2010

Revised – September, 2012

Revised – November, 2014

Revised – November, 2015

		Tahoe Forest Health System			
		Title: Board Compensation and Reimbursement		Policy/Procedure #: ABD-03	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	5/2/2000	1/10; 01/12; 01/14	3/08	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

To provide reimbursement to the Board of Directors, consistent with legislative regulations, for the performance of the duties of their office.



POLICY:

- 1.0 As allowed by [California Health & Safety Code, Section 32103](#), and Local Health Care District Law, and required by the Political Reform Act (as amended by AB 1234, 2005), the payment of One Hundred Dollars (\$100.00) per meeting not to exceed five (5) meetings a month as further defined below, is authorized as compensation to each member of the Board of Directors. Each member of the Board of Directors shall further be allowed his/her actual necessary traveling and incidental expenses incurred in the performance of official business of the District.
- 2.0 For the purpose of compensation, a meeting is defined as:
 - 2.1 Regular and Special Board Meetings;
 - 2.2 Board Committee meetings;
 - 2.3 Hospital District meetings at which the Board member is present as a designated Board representative (e.g., Medical Executive Committee, Bioethics Committee, IVCH Foundation, TFHS Foundation, TIRHR Board)
 - 2.4 Meetings of governmental agencies and community organizations, etc. where the Board member is representing the TFHD (i.e., Rotary, Tahoe City Breakfast Club, Truckee Daybreak Club). [To be compensated, t](#)The Board member must be on the program or speaking to an item on the agenda related to the Hospital District at the request of the Board President or Chief Executive Officer.
 - 2.5 Conferences, seminars and other educational meetings do not qualify for meeting compensation.
- 3.0 Members of the Board of Directors of the Tahoe Forest Hospital District and their eligible dependents shall be eligible to participate in the health, dental, vision and life insurance programs of Tahoe Forest Hospital District in a [comparable](#)-manner, including appropriate discounts, [comparable to that which is](#) offered to the Management Staff of the District.

PROCEDURE:

- 1.0 Board members are responsible for notifying the Executive Assistant in writing of meetings attended in the prior month, noting the day and purpose of each meeting prior to the last business day of each month.
- 2.0 Board members shall also provide brief [oral](#) reports on meetings attended at the expense of TFHD at the next regular Board meeting.
- 3.0 TFHD provides compensation to Board members per meeting and provides reimbursement for actual and necessary expenses incurred by Board members in the performance of official duties; therefore, all agency officials, including Board members shall receive training in ethics [pursuant to AB 1234](#). The ethics training shall last for at least two hours and occur every two years. These ethics courses may be taken at home, in-person, or online.
- 4.0 Board of Directors Travel Allowance
 - 4.1 Meals will be reimbursed up to a daily per diem rate based on the location of the conference subject to IRS per diem guidelines.
 - 4.2 Air Fare for Board Members only.
 - 4.3 Parking and/or taxi fees and other transportation expenses will be reimbursed.
 - 4.4 If driving, mileage will be reimbursed at current IRS [guidelinesrates](#).
 - 4.5 Hotel room will be covered in full for Board Member.
 - 4.5.1 If, however, the lodging is in connection with a conference or organized educational activity that does not qualify as a meeting and is conducted in compliance with California Government Code, Section 54952.2(c), including ethics training required by California Government Code, Section 53234, then lodging costs shall not exceed the maximum group rate published by the conference or activity sponsor as long as the group rate is available to the Board member at the time of booking. If the group rate is not available, then the Board member shall use comparable lodging.
 - 4.6 Tuition fees for Board Members will be paid in full.
 - 4.7 Conference educational materials (books, audio tapes, etc.) not to exceed \$50.
 - 4.8 Receipts are required for all reimbursable expenses.
 - 4.9 Board members shall use government and group rates offered by a provider of transportation or lodging services for travel and lodging when available.
 - 4.10 All expenses that do not fall within the adopted travel reimbursement policy of the IRS reimbursable rates shall be approved by the Board, in a public meeting before the expense is incurred.
- 5.0 Upon election or appointment to a seat on the Board of Directors of the Tahoe Forest Hospital District, the appropriate paperwork which is necessary to complete for enrollment will be given to the Board Member by the Human Resources Department. Coverage will begin on the first of the month following election or appointment to the Board of Directors and completion of the necessary enrollment forms

Related Policies/Forms:
References: California Government Code, §§ 53232.2(d), (e), 53232.3(a), 53235(a), (b) (d). §§54950 - 54963 ; California Health & Safety Code, Section 32103
Policy Owner: Michelle Cook , Clerk of the Board
Approved by: Bob Schapper , Chief Executive Officer

		Tahoe Forest Health System			
		Title: Board of Directors Qualifications		Policy/Procedure #: ABD-04	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Administrative	9/23/08	2/10; 01/12; 1/14	6/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

To provide a written list of qualifications for prospective candidates who would like to run for a seat on the hospital board of directors or for the hospital board of directors to use when, in the event of a vacancy, [they-it](#) must appoint a new board member.

POLICY:

1.0 Must be a registered voter. Health and Safety Code 32100

The elective officers of a local hospital district shall be a board of hospital directors consisting of five members, each of whom shall be a registered voter residing in the district and whose term shall be four years, with the exception of the first board.

2.0 Must reside in the District. Health and Safety Code 32100

The elective officers of a local hospital district shall be a board of hospital directors consisting of five members, each of whom shall be a registered voter residing in the district and whose term shall be four years, with the exception of the first board

3.0 Must not have been convicted of a felony. Government Code 1021

3.1 A person is disqualified from holding any office upon conviction of designated crimes as specified in the Constitution and laws of the State.

3.2 ~~A “conviction” for purpose of exclusion from public office consists of a jury verdict or court finding of guilt followed by a judgment upholding and implementing such verdict or finding. [Helena Rubenstein Intern. v. Younger.](#)~~

~~3.3 Although the meaning of “convicted” is ambiguous as variously construed by courts and defined by legislature, where a civil liability flows as a consequence of the “conviction,” a better rule is to require the entry of judgment, and where legislature has chosen to adopt that meaning for exclusions from public office its interpretation is dispositive.~~

~~3.43.3~~ Within the meaning of [Const. Art. 20, § 11](#), [Govt. Code §§ 1770\(h\), 3000](#) and this section, a conviction consists of a jury verdict or court finding of guilt followed by a judgment upholding and implementing such verdict or finding, and the taking of an appeal would not stay or delay the effects of such a conviction.

~~4.0 Generally, conviction for racketeering, extortion and conspiracy disqualified member of State Board of Equalization from office under constitutional provision~~

~~disqualifying persons convicted of bribery, perjury, forgery, malfeasance in office, and other high crimes, together with implementing legislation. Lubin v. Wilson.~~

5.04.0 May not possess an ownership interest in another hospital serving the same area in the District. Health and Safety Code 32110.

5.14.1 Except as provided in subdivision (d) of Section 32110, no person who is a director, policymaking, management employee or medical staff officer of a hospital owned or operated by a district shall do either of the following:

5.1.14.1.1 Possess any ownership interest in any other hospital serving the same area as that served by the district hospital of which the person is a director, policymaking management employee or medical staff officer.

5.1.24.1.2 Be a director, policymaking management employee, or medical staff officer of any hospital serving the same area as the area served by the district hospital.

5.24.2 For purposes of this section, a hospital shall be considered to serve the same area as a district hospital when more than five percent (5%) of the hospital's patient admissions are residents of the district.

5.34.3 For purposes of this section, the possession of an ownership interest, including stocks, bonds, or other securities by the spouse, registered domestic partner, or minor children or any person shall be deemed to be the possession or interest of the person.

5.44.4 No person shall serve concurrently as a director or policymaking management employee of a district and as a director or policymaking management employee of any other hospital serving the same area as the district, unless the boards of directors of the district and the hospital have determined that the situation will further joint planning, efficient delivery of health care services and the best interest of the areas served by their respective hospitals, or unless the district and the hospital are affiliated under common ownership, lease or any combination thereof.

6.05.0 Candidate for Director must disclose on the ballot occupation and place of employment if s/he has stock in or works for a health care facility that does not serve the same area served by the District. Health and Safety Code 32110(e).

6.15.1 Any candidate who elects to run for the office of member of the board of directors of a district, and who owns stock in, or who works for any health care facility that does not serve the same area served by the district in which the office is sought, shall disclose on the ballot his or her occupation and place of employment.

7.06.0 May be a physician and provide services to the District under certain circumstances. Health and Safety Code 32111.

7.16.1 A member of a health care district's medical or allied health professional staff who is an officer of the district shall not be deemed to be "financially interested," for purposes of Section 1090 of the Government Code, in any of the contracts set forth in subdivision (b) made by any district body or board of which the officer is a member if all of the following conditions are satisfied:

7.1.16.1.1 The officer abstains from any participation in the making of the contract.

7.1.26.1.2 The officer's relationship to the contract is disclosed to the body or board and noted in its official records.

7.1.36.1.3 If the requirements of paragraphs (1) and (2) are satisfied, the body or board does both of the following, without any participation by the officer:

7.1.3.16.1.3.1 Finds that the contract is fair to the district and in its best interest.

7.1.3.26.1.3.2 Authorizes the contract in good faith.

7.26.2 Subdivision 6.1 shall apply to the following contracts:

7.2.16.2.1 A contract between the district and the officer for the officer to provide professional services to the district's patients, employees or medical staff members and their respective dependents, provided that similar contracts exist with other staff members and the amounts payable under the contract are no greater than the amounts payable under similar contracts covering the same or similar services.

7.2.26.2.2 A contract to provide services to covered persons between the district and any insurance company, health care service plan, employer or other entity that provides health care coverage, and that also has a contract with the officer to provide professional services to its covered persons.

7.2.36.2.3 A contract in which the district and the officer are both parties, if other members of the district's medical or allied health professional staff are also parties, directly or through their professional corporations or other practice entities, provided the officer is offered terms no more favorable than those offered any other party who is a member of the district's medical or allied health professional staff.

7.36.3 This section does not permit an otherwise prohibited individual to be a member of the board of directors of a district, including, but not limited to, individuals described in Section 32110 of the Health & Safety Code or in Section 53227 of the Government Code. Nothing in this section shall authorize a contract that would otherwise be prohibited by Section 2400 of the Business and Professions Code.

7.46.4 For purposes of this section, a contract entered into by a professional corporation or other practice entity in which the officer has an interest shall be deemed the same as a contract entered into by the officer directly.

8.07.0 May not be an employee of the District. Government Code 53227.

8.17.1 An employee of a local agency may not be sworn into office as an elected or appointed member of the legislative body of that local agency unless he or she resigns as an employee. If the employee does not resign, ~~the his or her~~ employment shall automatically terminate upon his or her being sworn into office.

~~8.2 For any individual who is an employee of a local agency and an elected or appointed member of that local agency's legislative body prior to January 1, 1996, this section shall apply when he or she is reelected or reappointed, on or after January 1, 1996, as a member of the local agency's legislative body.~~

9.08.0 May not be a Director and simultaneously hold another public office. Government Code 1099.

[9.18.1](#) A public officer, including, but not limited to, an appointed or elected member of a governmental board, commission, committee or other body, shall not simultaneously hold two public offices that are incompatible. Offices are incompatible when any of the following circumstances are present, unless simultaneous holding of the particular offices is compelled or expressly authorized by law:

[9.1.18.1.1](#) Either of the offices may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over the other office or body.

[9.1.28.1.2](#) Based on the powers and jurisdiction of the offices, there is a possibility of a significant clash of duties or loyalties between the offices.

[9.1.38.1.3](#) Public policy considerations make it improper for one person to hold both offices.

[9.28.2](#) When two public offices are incompatible, a public officer shall be deemed to have forfeited the first office upon acceding to the second. This provision is enforceable pursuant to Section 803 of the Code of Civil Procedure.

[9.38.3](#) This section does not apply to a position of employment, including a civil service position [that does not constitute a public office](#).

[9.48.4](#) This section shall not apply to a governmental body that has only advisory powers.

[9.58.5](#) For purposes of paragraph (1) of subdivision (a), a member of a multimember body holds an office that may audit, overrule, remove members of, dismiss employees of, or exercise supervisory powers over another office when the body has any of these powers over the other office or over a multimember body that includes that other office.

[9.68.6](#) ~~This section codifies the common law rule prohibiting an individual from holding incompatible public offices.~~

[10.09.0](#) **As a Director, you may not make, participate in making or in any way attempt to use your position as a Director to influence a decision of the District when you know or have a reason to know that you have a financial interest in the decision. Government Code 87100**



[10.19.1](#) No public official at any level of state or local government shall make, participate in making or in any way attempt to use his official position to influence a governmental decision in which he knows or has reason to know he has a [material](#) financial interest [distinguishable from its effect on the public generally](#).

[11.010.0](#) **When you are a director, neither you nor the District may make any contract you are financially interested in. Government Code 1090.**

[11.110.1](#) Members of the Legislature, state, county, district, judicial district, and city officers or employees shall not be financially interested in any contract made by them in their official capacity, or by any body or board of which they are members. Nor shall state, county, district, judicial district, and city officers or employees be purchasers at any sale or vendors at any purchase made by them in their official capacity.

Related Policies/Forms: Conflict of Interest Policy ABD-7
References:
Policy Owner: Clerk of the Board

Approved by: [Bob Schapper, Chief Executive Officer](#)

		Tahoe Forest Health System			
		Title: Bond Fiscal Policy		Policy/Procedure #: ABD-5	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	8/08	3/10; 01/12; 1/14	3/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

The purpose is to communicate the District’s policy as it relates to costs associated with projects within the scope of the Tahoe Forest Hospital District General Obligation Bonds, Election of 2007, herein referred to as the GO Bond.

POLICY:

Our Policy is to ensure that all costs incurred related to projects within the scope of the General Obligation Bonds are properly reviewed, approved, tracked and reimbursed in an appropriate manner. It is the responsibility of the District’s Chief Financial Officer (CFO) to implement policies and procedures consistent with the Bond Fiscal Policy.



PROCEDURE:

- 1.0 During the development of the District’s Annual and Capital Budget, the Chief Facilities Development Officer will work with the construction management team to develop a three year (minimum) Cash Flow Summary detailing by quarter the expected costs to be incurred related to the approved projects identified under the GO Bond. This Cash Flow Summary will be reviewed and approved by the CFO.
- 2.0 The Cash Flow Summary will be submitted as part of the District’s Annual and Capital Budget package presented to the Board of Directors for approval.
- 3.0 As actual costs begin to be incurred, it is the responsibility of the Chief Facilities Development Officer to review and validate all invoices prior to submission to the accounting department for processing. The Review and Validation process shall consist of the following:
 - 3.1 For invoices incurred prior to the construction phase, amounts will be compared to approved contracts and validated for completion by the Chief Facilities Development Officer. Once validated he will sign, date and code the invoice with the appropriate general ledger (GL) account number and submit to the Accounting Department for processing by accounts payable. The GL account number will be established as a Construction in Progress (CIP) account number for each project identified under the GO Bond. These numbers are assigned by the Controller.
 - 3.2 For invoices incurred during construction, invoices will be compiled and summarized by the construction manager. These will then become part of the “Application and Certification for Payment” document. This document is

reviewed and signed by the Contractor, the District's Chief Facilities Development Officer, and the Architect. These expenses will be coded in the same manner as referenced to in a. above.

- 4.0 The Accounting Department, upon receipt of the "Application and Certification for Payment" and/or reviewed, approved and coded invoices, will process for payment based upon the weekly check run cycles for accounts payable. All checks will be issued from the District's primary checking account. All checks to vendors in excess of \$5,000 must be reviewed and signed by the CFO, as well as the associated check register. In the absence of the CFO, the Chief Operating Officer or the Controller may be given signing authority.
- 5.0 At the end of each month, after the month end close of the District's financial books, a GL report will be printed for each CIP account related to the GO Bond projects. Copies of all invoices that had been processed and coded to these CIP accounts will be reviewed one final time for validation of project relation, GL coding and GO Bond fund eligibility by the CFO and Chief Facilities Development Officer.
- 6.0 Once the monthly CIP reports and invoices have received final validation, the invoice copies will be batched with the CIP Reports. A GO Bond Reimbursement Summary will be created. This report will list the GL Account Number, Account Name, and cost incurred for the month that is eligible for reimbursement by GO Bond funds. The costs incurred by GL Account Number will be summed to derive the total reimbursement cost for the month. This GO Bond Reimbursement Summary will be reviewed and approved by the CFO and CEO.
- 7.0 Upon approval of the GO Bond Reimbursement Summary, the Controller will request a funds transfer moving the requested amount of GO Bond Reimbursement from the Tahoe Forest Hospital District General Obligation Bonds, Election of 2007, Project Fund account to the District's primary checking account.
- 8.0 The confirmation document from the funds transfer will be attached to the GO Bond Reimbursement Summary and related invoice copies.
- 9.0 At the monthly Citizen's Oversight Committee meetings, a copy of the GO Bond Reimbursement Summary package will be provided. This allows full disclosure of how the GO Bond funds are being used.

Related Policies/Forms:
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Crystal Betts, Chief Financial Officer

		Tahoe Forest Health System		
		Title: Conflict of Interest		Policy/Procedure #: ABD-7
		Responsible Department: Board of Directors		
Type of policy	Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/> Board of Directors	9/20/08	1/14	04/11; 1/12	
<input type="checkbox"/> Medical Staff				
<input type="checkbox"/> Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital				

PURPOSE:

- 1.0 To protect the interests of Tahoe Forest Hospital District (TFHD) when it is contemplating entering into a transaction or arrangement that has the potential for benefiting the private interests of a member of the Board of Directors (“Director”), committee member or other “Interested Person,” as defined below.
- 2.0 To educate and guide Directors and staff on the statutory Conflict of Interest policy which requires that public officials, whether elected or appointed, should perform their duties in an impartial manner, free from bias caused by their own financial interests or the financial interests of persons who have supported them, (Political Reform Act Cal. Gov. Code §§ 81000-81016 and Cal. Gov. Code §§1090-1098), and to supplement the multiple laws that govern conflicts of interest for public officials.
- 3.0 To guide, assist and protect TFHD in determining whether a conflict exists under these laws and what required steps, if any, must be taken.
- 4.0 To ~~assure~~ ensure that all individuals who, due to their position, can influence decisions affecting the business, operations, ethical, and/or competitive position of TFHD, perform their duties in an impartial manner free from any bias created by personal interests of any kind.
- 5.0 To clarify the duties and obligations of public officials, in the context of potential conflicts of interest and to provide them with a method for disclosing and resolving potential conflicts of interest.
- 6.0 To establish general principles for the management of conflicts of interest in order to protect against situations that could prevent a public official from acting in the best interest of the organization.

DEFINITIONS:

- 1.0 **Conflict of Interest:** An Interested Person has a Conflict of Interest with respect to a contract, transaction, or arrangement in which the District is (or would be, if approved) a party if the person has, directly or indirectly, through a business, investment, family, or other relationship:
 - 1.1 an ownership or investment interest in any entity involved in such contract, transaction, or arrangement.

- 1.2 a compensation arrangement with an individual or entity involved in such contract, transaction, or arrangement.
- 1.3 a potential ownership or investment interest in, or compensation arrangement with, an individual or entity with which the District is negotiating such contract, transaction, or arrangement.
- 1.4 a fiduciary position (e.g., member, officer, Director, committee member) with respect to an entity involved in such contract, transaction, or arrangement.
- 1.5 a non-economic affiliation or relationship, directly (or indirectly, through a third party) with an individual or entity with which the District is negotiating or maintains a contract, transaction, or arrangement such that the affiliation or relationship could render the Director incapable of making a decision with only the best interests of the District in mind.

A conflict of interest may exist when an obligation or situation resulting from an individual's personal activities or financial interest may adversely influence, or [reasonably](#) be perceived as influencing, the individual's judgment in the performance of duties to the District. For purposes of this policy, personal activities or financial interests include, but are not limited to, a business, commercial or financial interest, either of the Director or staff deriving from family or marital relationships, from friends, or from former, existing or prospective business associations.

- 2.0 **Interested Persons:** For purposes of applying this Policy to any contract, transaction, or arrangement involving TFHD, ~~the term~~ "Interested Person" shall mean any person in a position to exercise substantial influence over the District in the five-year period ending on the date the proposed contract, transaction or arrangement is formally presented to the Board for approval. Interested Person includes, but is not limited to, Directors, any executive leader or manager, or members of a committee with board-delegated powers. The Board may also determine, based upon all the facts and circumstances (with the advice of legal counsel, if necessary) that a person other than an Interested Person shall be treated as an Interested Person with respect to a particular contract, transaction or arrangement.

Commented [1]: State law only looks back 12 months

POLICY:

- 1.0 It is the policy of TFHD to comply with all laws, including all conflict of interest rules and regulations.
- 2.0 Each person who is a Director, [Chief](#), or employee of TFHD shall exercise good faith and best efforts in the performance of his or her duties to TFHD and all entities affiliated with TFHD. In all dealings with and on behalf of TFHD or any affiliated entity, each such person shall be held to a strict rule of honest and fair dealing with TFHD and its affiliated entities, and no such person shall use his or her position, or knowledge gained [thereby](#), in such a manner as to create a conflict, or the appearance of a conflict, between the interest of TFHD or any affiliated entity and the interest of such person. The appearance of a conflict of interest is present if [a reasonable person would conclude](#) there is a potential for the personal interests of an individual to clash with his/her fiduciary duties. It is the policy of TFHD to require that any individual subject to this Policy promptly and fully disclose a written description of the material facts of the actual, apparent, or potential Conflict of Interest to the Board of Directors. The disclosure requirement is an ongoing responsibility as conditions change. [An oral statement reflected in the minutes of a meeting constitutes a written disclosure under this policy.](#)

Commented [2]: Is it clear what this means?

- 3.0 TFHD will not engage in any contract, transaction, or arrangement involving a Conflict of Interest unless the disinterested members of the Board of Directors (acting at a duly constituted meeting thereof) (with the advice of legal counsel, if necessary) determine that appropriate safeguards to protect TFHD have been implemented, and the disinterested members approve the contract, transaction, or arrangement by a majority vote of a quorum of the Board or consistently with a rule of necessity provided under the Political Reform Act or other application law.
- 4.0 No person who is a Director, Chief, or employee of TFHD shall accept any ~~(material)~~ compensation, gift, or other favor which could influence or appear to a reasonable person to influence such person's actions affecting TFHD or any affiliated entity.
- 5.0 In compliance with the law, all Interested Persons and individuals occupying designated positions on TFHD's Conflict of Interest Code shall complete and file Statements of Economic Interest (Form 700) annually with TFHD. Disclosure is required as determined by the individual's Disclosure Category, which ~~are~~ is listed in the Conflict of Interest Code.

PROCEDURE:

1.0 Duty to Disclose.

- 1.1 An Interested Person has a continuing obligation to disclose (in the manner provided in this Policy) the existence and nature of any actual, apparent or potential conflict of interest he/she may have.
- 1.2 Whenever an Interested Person has a financial or personal interest, whether or not said matter is an actual, apparent or potential conflict of interest, in any matter coming before the Board of Directors, the affected person shall fully disclose the nature of the interest to the Board of Directors, and such disclosure shall be recorded in the minutes of the meeting, including enough of the material facts to adequately reflect the nature of the actual, apparent, or potential conflict of interest. The Statement of Disclosure may be oral or printed/written.
- 1.2.1 TFHD Board of Director as an Interested Person.** If the Interested Person is a member of the TFHD Board of Directors, the Director:
- 1.2.1.1 Must publicly announce at a duly scheduled TFHD public meeting the specific financial interest that is the source of the disqualification, and
- 1.2.1.2 After announcing the financial interest, ~~may~~ must leave the room during any discussion or deliberations on the matter in question, ~~except to answer questions of the Board as may be necessary,~~ and may not participate in the decision or be counted for purposes of a quorum; as consent calendar items are not the subject of discussion or deliberation, a Director need not leave the room as to such items unless they are pulled from the consent calendar for discussion;
- 1.2.1.3 In the case of a closed session, the Director still must publicly declare his or her conflict in general terms but ~~need not refer to a specific financial interest~~ may do so in a way that does not disclose closed session information;
- 1.2.1.4 A disqualified Director may not attend a closed session or obtain any confidential information from the closed session.

All of these restrictions are separate and apart from the Director's right to appear in the same manner as any other member of the general public before an agency in the course of its prescribed governmental function solely to represent himself or herself on a matter which is related to his or her personal interests provided that such participation is permitted under applicable rules of the Fair Political Practices Commission.

1.2.2 All Other Interested Persons. All other Interested Persons, at the discretion of the Board of Directors, may be required to leave either the room or refrain from discussion during any discussion or deliberations on the matter in question or while the proposed contract, transaction or arrangement is discussed, and may not attend a closed session or obtain any confidential information from the closed session. The Interested Person shall leave the room while the matter is voted on and only disinterested Directors may vote to determine whether to approve the transaction or arrangement. No duty to leave the room shall apply to matters on the consent calendar which are not pulled from that calendar for discussion.

1.3 In determining whether and when to require ~~the an~~ Interested Person to leave the room during discussion of the proposed contract, transaction or arrangement, the disinterested Directors shall balance the need to facilitate the discussion by having such person on hand to provide additional information with the need to preserve the independence of the Board's decision determination process.

2.0 Determining Whether a Conflict Exists.

2.1 Generally, it is the legal responsibility of the Interest Person to comply with conflict of interest laws. However, when it has information that an Interest Person has an actual or potential conflict of interest with respect to one of its decisions, The Board shall examine each transaction under its consideration in light of the relevant laws mandating impartiality and freedom from bias, and conduct an analysis of all the facts to determine if a conflict of interest exists which triggers a disqualification requirement.

2.2 At any time that an actual, apparent, or a potential Conflict of Interest is identified to the Board of Directors, whether through the voluntary submission of a Disclosure Statement, or by a disclosure by a person other than the subject Interested Person, the ~~remaining disinterested~~ Board members shall review the matter and determine by majority vote whether a Conflict of Interest exists. While the Board may not have the power to bar an interested Boardmember from participating in a discussion due to its conclusion he or she has a disqualifying conflict of interest, it can instruct its Clerk not to record the vote of a Director the Board determines on the advice of legal counsel to be disqualified from voting on a matter.

2.3 The Board shall evaluate whether a conflict of interest exists under the multiple laws governing conflicts by first applying ~~an eight~~ the four-step analysis promulgated by the Fair Political Practices Commission.

STEP 1: Is it reasonably foreseeable that the decision will have an effect on a financial interest of the individual a public official?

STEP 2: Is the public official making, participating in making, or influencing a governmental decision? If yes, is that effect material?

~~STEP 3: Does the public official have one of the six qualifying types of economic interest, which creates the potential for a "material financial effect"?~~

~~STEP 4: Is the economic interest directly or indirectly involved in the governmental decision? Is the effect on the public official's financial interest the same as its effect on the interests of the public generally?~~

~~STEP 5: Will the governmental decision have a material financial effect on the public official's economic interests?~~

- 2.4 If disqualification of the Interested Individual is not required as a result of this analysis, the Board shall further evaluate whether a conflict exists or has arisen out of matters other than a financial interest, e.g., friendship, blood relationship, or general sympathy for a particular viewpoint. The potential for a conflict arises when a Board Member (or committee member) has, directly or through a family member, a material personal interest in a proposed contract, transaction, arrangement, or affiliation to which TFHD may be a party.
- 2.5 To the extent that other Federal or State laws may impose more restrictive conflict-of-interest standards (including more extensive disclosures of actual or potential conflicts of interest), the ~~Board of Directors shall modify the substantive and procedural terms of this Policy to assure compliance~~ Board of Directors, the District and any Interested person shall also comply with such additional standards.
- 2.6 The following is a non-exclusive list of the **types of questions** the Board may use as part of ~~their~~ its efforts to determine whether an Interested Person's interest constitutes a conflict of interest:
- 2.6.1 With respect to an **ownership or investment interest**:
- 2.6.1.1 The dollar value of the interest;
 - 2.6.1.2 The dollar value of the interest as a percentage of ownership interest in the entity;
 - 2.6.1.3 The perceived importance of the transaction or arrangement to TFHD and to the entity, respectively;
 - 2.6.1.4 Whether the transaction or arrangement can reasonably be expected to have a materially favorable impact on the value of the ownership or investment interest;
 - 2.6.1.5 The extent to which the ownership or investment interest might reasonably be expected to influence the entity in connection with its performance under the transaction or arrangement; and
 - 2.6.1.6 Other similar factors.
- 2.6.2 With respect to a **compensation arrangement**:
- 2.6.2.1 The dollar value of the arrangement;
 - 2.6.2.2 The nature of the underlying compensation arrangement.
- 2.6.3 With respect to **public office and campaign contributions**:
- 2.6.3.1 Whether a single official holds two public offices simultaneously;

- 2.6.3.2 Whether jurisdiction overlaps;
 - 2.6.3.3 Whether there is a pending issuance of a license, permit or entitlement;
 - 2.6.3.4 Whether there is a receipt of contributions of \$250 or more from any affected person [in the 12 months before the decision](#);
 - 2.6.3.5 There is a receipt of gift(s);
 - 2.6.3.6 The date of contribution(s).
- 2.6.4 For **Vendors**:
- 2.6.4.1 The dollar value of the services;
 - 2.6.4.2 The dollar value of the goods or services relative to the overall volume of goods or services: (i) purchased by TFHD in general; (ii) purchased by TFHD for this particular good or service, i.e., legal services, etc.; or (iii) provided by the Interested Person or Interested Person's affiliated entity in general;
 - 2.6.4.3 The Interested Person's position within the vendor entity, i.e., owner, partner, or employee;
 - 2.6.4.4 The impact the business relationship with TFHD has on the Interested Person's compensation from or career advancement within this entity;
 - 2.6.4.5 Whether the Interested Person provides the services directly, supervises the delivery of services, or has no connection to the delivery of services; and
 - 2.6.4.6 Where in the TFHD organizational hierarchy lays the decision to authorize the goods or services to be purchased from the Interested Person/vendor directly or indirectly.
- 2.6.5 With respect to **non-financial interests**:
- 2.6.5.1 The materiality of the interest;
 - 2.6.5.2 The nature of the interest;
 - 2.6.5.3 The presence of specific factors that may prevent the Interested Person from acting in the best interests of TFHD in connection with the transaction or arrangement;
 - 2.6.5.4 With respect to multiple board memberships, the presence of specific factors indicating a potential whereby the Interested Person may subordinate his/her duty to TFHD to his/her duty to the other entity for which he serves as a board member; and
 - 2.6.5.5 Other similar factors.
- 2.7 Common **examples of financial interests** which could potentially create a conflict of interest, include, but are not limited to the following:
- 2.7.1 An ownership or investment interest in a business involved in a contract, transaction or arrangement with TFHD;

- 2.7.2 A compensation arrangement with an individual or entity involved in a contract, transaction or arrangement with TFHD;
- 2.7.3 A potential ownership or investment in, or compensation arrangement with, an individual or entity with which the non-profit organization is negotiating a contract, transaction, or arrangement for services
- 2.8 Some **examples of non-financial interests** which could potentially create a conflict of interest, include, but are not limited to the following:
 - 2.8.1 Director A serves on the board of a hospital, which is considering an expansion of its community ambulatory surgery centers, while simultaneously serving on the board of a local community college, which plans on establishing medical clinics to serve the needs of students, faculty, employees and those living in the area;
 - 2.8.2 Foundation Director B simultaneously serves on the board of a Museum, both of which are considering the commencement of a capital campaign that will target the same community of potential donors;
 - 2.8.3 The brother of Hospital Director A serves as the uncompensated chairman of the board of physician group, which is considering an affiliation with the hospital.

A finding of conflict of interest is not contingent on willful wrongdoing, or upon whether an individual's judgment has [actually](#) been ~~factually~~ affected. A conflict of interest may exist regardless of whether a monetary advantage has been or may have been given to an individual.

- 2.9 The Board may request additional information from all reasonable sources and may involve General Counsel in its deliberations.
- 2.10 Once all necessary information has been obtained, the Board shall make a finding by majority vote as to whether a conflict of interest indeed exists.

3.0 Addressing the Conflict of Interest.

- 3.1 Once the disinterested members of the Board of Directors have determined that an actual conflict of interest exists with respect to a particular transaction or arrangement:
 - 3.1.1 The disinterested members of the Board of Directors shall exercise due diligence to determine whether TFHD could obtain a more advantageous contract, transaction or arrangement with reasonable efforts under the circumstances and, if appropriate, shall appoint a non-Interested Person or committee to investigate [lawful](#) alternatives to the proposed contract, transaction or arrangement.
 - 3.1.2 In considering whether to enter into the proposed contract, transaction or arrangement, the Board of Directors may approve such a contract, transaction or arrangement by a majority vote only if the disinterested Directors determine that:
 - 3.1.2.1 The proposed contract, transaction or arrangement is in TFHD's best interests and for TFHD's own benefit; and
 - 3.1.2.2 The proposed transaction is fair and reasonable to TFHD, taking into account, among other relevant factors, whether

TFHD could obtain a more advantageous contract, transaction or arrangement with reasonable efforts under the circumstances.

4.0 Violations of the Conflicts of Interest Policy.

- 4.1 If the Board of Directors or committee has reason to believe that an Interested Person has failed to comply with the disclosure obligations of this Policy, the Board of Directors shall inform that person of the basis for its belief and provide that person an opportunity to address the alleged failure to disclose.
- 4.2 After hearing the response of such person and conducting such further investigation as may be warranted under the circumstances, the Board of Directors shall determine whether such person has, in fact, violated the disclosure requirements of this conflicts of interest policy.
- 4.3 If the Board determines that there has been a violation of the conflict of interest policy, the Board shall take appropriate disciplinary and corrective action, which may include removal from a Committee, if the Interested Person is a Board or committee member, or [disciplinary action up to and including](#) termination, if the Interested Person is an employee.
- 4.4 Board of Director violations of the conflict of interest policy may result in various consequences, such as citizen recall or criminal or civil sanctions or penalties imposed by the Fair Political Practices Commission (FPPC) for violations of the Political Reform Act.

5.0 Records of Proceedings.

The minutes of meetings of the Board of Directors and any committee with board delegated powers shall include:

- 5.1 the names of persons who disclosed or were otherwise found to have actual, apparent, or potential interests relevant to any matter under discussion at the meeting, a general statement as to the nature of such interest (e.g., employment arrangement, equity interest or board membership or officer position in another corporation), any action taken to determine whether a conflict of interest existed, and the board or committee's conclusion as to whether a conflict exists; and
- 5.2 the names of the persons ([other than members of the general public](#)) present for the discussions and votes relating to the transaction, or arrangement, a summary of the content of these discussions that contains the type of information regularly reported in board or committee minutes and identifies whether any alternatives were considered, and a record of any vote taken in connection therewith.

6.0 Annual Statements

6.1 Statement of Economic Interests (Form 700):

- 6.1.1 [The Human Resources Director shall notify](#) ~~a~~All designated positions ~~shall be notified~~ of the requirements for completion of the Statement of Economic Interests. For more information, access the form and user instructions at <http://fppc.ca.gov/index.php?id=755>
- 6.1.2 Each individual will complete the form as required and return to Administration or the Human Resources Department as requested;

Commented [3]: Someone in particular should be tasked with doing this. This is just my guess as to who actually does it.

6.1.3 All forms are maintained by Administration and/or the Human Resource Department as required by regulation.

6.2 Form 700 Filing Deadlines

6.2.1 Individuals required to complete and file Statements of Economic Interest (Form 700) must do so:

6.2.1.1 Within thirty (30) days after the effective date of the adoption of the Conflict of Interest Code;

6.2.1.2 Within thirty (30) days after assuming a position requiring filing such Statement;

6.2.1.3 Within thirty (30) days after leaving a position requiring filing of such Statement; and,

6.2.1.4 Annually, no later than April 1st, each year in which the individual occupies a position requiring filing of such Statement.

6.2.2 In the event the Statement of Economic Interest is not filed ~~by April 1st, a fine of ten dollars (\$10.00) per day for every day after the April 1st deadline shall be imposed~~ when due, the FPPC may impose fines or other civil and criminal sanctions for non-compliance.

Commented [4]: I am not sure we want to be in the business of imposing fines when the FPPC does not.

6.3 Conflict-of-Interest Disclosure Questionnaire and Policy Acknowledgement:

Each person who is a Director or Chief of TFHD, and those additional TFHD staff as the Board may determine, shall review this Conflict of Interest Policy. Each of those individuals shall annually acknowledge that he/she:

6.3.1 has received a copy of this Policy;

6.3.2 has read and understands the Policy;

6.3.3 agrees to comply with the Policy;

6.3.4 understands that the Policy applies to [members of](#) committees and subcommittees;

6.3.5 agrees to report to the Board any change to matters disclosed on the Form 700.

The Conflict-of-Interest Disclosure Questionnaire and Policy Acknowledgement (attached) shall be submitted annually with the Form 700 Statement of Economic Interests, or as otherwise directed by the TFHD Department of Human Resources.

6.4 Monitoring and Auditing

The Corporate Compliance Officer shall conduct or oversee periodic auditing and monitoring of:

6.4.1 Timely filing of Form 700s and Conflict-of-Interest Policy Disclosure Questionnaires; and

6.4.2 Submitted Statements of Economic Interests to determine if disclosures of actual, potential, or perceived conflicts of interest have been brought to the attention of the Board of Directors, and have been addressed, resolved, or removed.

Related Policies/Forms: Conflict of Interest Code ; Statement of Economic Interests (Form 700) ; Conflict-of-Interest Disclosure Questionnaire
References: Political Reform Act (Cal Gov. Code, §§ 87100 et seq.) The Brown Act (Cal Gov. Code, §§ 54950 et seq.) The Bagley Keene Open Meeting Act (Cal Gov. Code §§ 11120 et seq.) Public Reporting of Financial Interests Political Reform Act (Cal Gov. Code, §§ 87200-87313) Financial Interests in Contracts (Cal Gov. Code, §§ 1090 et seq.) Conflict of Interest Resulting from Campaign Contributions (Cal Gov. Code, § 84308) Prohibitions Applicable to Specified Officers (Cal Gov. Code §§ 1090-1099) Receipt of Direct Monetary Gain or Loss (Cal Gov. Code, § 8920) Transportation, Gifts or Discounts Cal. Const., art. XII, § 7 Incompatible Activities (Cal Gov. Code, §§ 1125 et seq.) (local officials); (Cal Gov. Code, § 19990) (state officials) Former State Officials and Their Former Agencies Political Reform Act (Cal Gov. Code, §§ 87400-87405) The Governance Institute
Policy Owner: Carl Blumberg , Corporate Compliance Officer
Approved by: Robert Schapper , Chief Executive Officer



Conflict-of-Interest Disclosure Questionnaire and Policy Acknowledgement

Name _____

Position _____

The Conflict of Interest Policy adopted by the Tahoe Forest Hospital District (TFHD) Board of Directors requires disclosure of certain interests. To carry out the purpose of this Policy, you are required to disclose if you or your family members have affiliations, interests or relationships, and/or have taken part in transactions that, when considered in conjunction with your position with or relationship to TFHD (including any subsidiary or affiliate of TFHD), might possibly constitute or give rise to an actual, apparent, or potential conflict of interest as defined under the Policy.

Those individuals considered to be “family members” for purposes of this Policy include: your spouse ([including a registered domestic partner](#)), brothers or sisters (by whole or half blood), spouses of brothers or sisters, ancestors, children, grandchildren, great-grandchildren, and spouses of children, grandchildren, and great-grandchildren.

The following serves as a guideline for you to examine and explain any possible conflicts of interest, including all material facts. All actual, apparent, or potential conflicts of interest that existed or that exist since the filing of your last Form 700 (or since the beginning of your Board of Director tenure, employment, independent contractor, or agency relationship if no prior Form 700 was filed) should be reported on this disclosure. In addition, you must report to the TFHD Board of Directors any further financial interest, situation, activity, interest, or conduct that may develop before completion of the next annual Form 700.

I. OUTSIDE INTERESTS

- A. Do you or any of your family members hold, or within the past five (5) years have you or any of your family members held, directly or indirectly, (i) a position or (ii) a material financial non-publicly traded interest in any outside entity with which you or your family member have reason to believe TFHD (a) does business, including obtaining goods or services, or (b) provides services competitive with TFHD?

A “material” financial interest is one which involves or has a fair market value of more than One Thousand Dollars (\$1,000.00) or which represents more than 5% of the total ownership interest in the outside entity.

No Yes—Explain below...

- 1) Are you or any of your family members currently engaged, or within the past five (5) years have you or any of your family members been engaged, in any for-profit business outside of your duties with TFHD that in any way does business with or competes with activities with TFHD?

No Yes—Explain below...

- 2) Are you or any of your family members, or within the past five (5) years have you or any of your family members been, an officer or director of any company or organization (for-profit or not-for-profit) other than TFHD that does business with or competes with TFHD?

No Yes—Explain below...

- 3) Do you or any of your family members have, or within the past five (5) years have you or any of your family members had, any personal loans, advances, or borrowings from any customer or supplier who also does business with TFHD? (You may exclude charge cards)



Conflict-of-Interest Disclosure Questionnaire and Policy Acknowledgement

and personal or mortgage loans at market rates at financial institutions such as banks, finance companies, insurance companies, and savings and loan associations.)

No Yes—Explain below...

B. Do you or any of your family members compete, directly or indirectly, with TFHD in the purchase or sale of property rights, interests, or provision of ambulatory or ancillary medical services?

No Yes—Explain below...

C. Do you or any of your family members render, or within the past five (5) years have you or any of your family members rendered, directive, managerial, consultative or other services to or on behalf of any outside entity that does business with or competes with the services of TFHD?

No Yes—Explain below...

D. Do you or any of your family members employ or otherwise retain, or within the past five (5) years have you or any of your family members employed or otherwise retained, personnel of TFHD for work on non-corporate business done outside of TFHD?

No Yes—Explain below...

E. Have you or any of your family members used property of TFHD to conduct business, which is not TFHD business, without prior approval of the TFHD Board of Directors?

No Yes—Explain below...

F. Do you or any of your family members serve any other organization (public, private, or charitable) as a director, trustee, officer, or in a similar capacity?

No Yes—Explain below...

G. Have you during the past five years been a party to any action, suit, or proceeding that might be deemed material to evaluating your ability or integrity?

No Yes—Explain below...

H. Do you know of any recent or pending actions, suits, or proceedings in which you have an interest adverse to the interests of, or are a party adverse to TFHD?

No Yes—Explain below...

II. INSIDE ACTIVITIES

A. Do you employ or otherwise retain any of your family members or other individuals with whom you have a business or personal relationship in your area of direct responsibility within TFHD? Have you or any of your family members attempted to influence TFHD concerning the employment or retention of any family member or other individual with whom you have a business or personal relationship?

No Yes—Explain below...

B. Have you disclosed or used privileged information of TFHD for any personal profit or advantage, or the profit or advantage of any of your family members or individuals with whom you have a personal relationship?

No Yes—Explain below...



**Conflict-of-Interest Disclosure Questionnaire
and Policy Acknowledgement**

III. GIFTS, GRATUITIES, AND ENTERTAINMENT

A. Have you or any of your family members accepted gifts, entertainment, benefits, discounts, or other favors from any outside entity that does or is seeking to do business with, or is a competitor of, TFHD, under circumstances from which it might be inferred that such action was intended to influence or possibly would influence you in the performance of your duties? This does not cover or prohibit the acceptance of reasonable entertainment by suppliers or prospective suppliers, or items of nominal value that are clearly tokens of respect or friendship and not related to any particular transaction or activity, when the value of such entertainment or items does not exceed One Hundred Dollars (\$100.00). Note that gifts of more than \$50 in a calendar year must be reported on the annual Form 700 for those officers and employees of the District required to file that form.

- No Yes—Explain below...

B. Have you or any of your family members accepted any gifts, honoraria, perquisites, favors, or benefits valued in excess of One Hundred Dollars (\$100.00) from customers, suppliers, or agents of TFHD?

- No Yes—Explain below...

In the space below, disclose any other interests, activities, investments, or involvement of or concerning you or your family members that you believe might be considered relevant for purposes of disclosure of all actual, apparent, or possible conflicts of interest (Use additional pages as necessary.)

ACKNOWLEDGMENT



I hereby state each of the following:

- (1) I have received a copy of the Conflicts of Interest Policy;
- (2) I have read and understand the Policy;
- (3) I agree to comply with the Policy;
- (4) I understand that the Corporation is a not-for-profit public benefit organization and that to maintain its federal tax-exempt status it must engage primarily in activities which accomplish its tax-exempt purposes;
- (5) I agree to report promptly to the Governance Committee of the Board of Directors of Tahoe Forest Hospital District any change in the responses to each of the foregoing questions which may result from changes in circumstances or any further financial interest, situation, activity, interest, or conduct that may develop before completion of my next annual questionnaire; and
- (6) The information contained herein is true and accurate to the best of my knowledge and belief as of this ____ day of _____, 20__.

Commented [5]: This is not appropriate for the District, but it might be appropriate for some of its affiliates.

Signed: _____

Print Name: _____

		Tahoe Forest Health System			
		Title: Credit and Collection Policy		Policy/Procedure #: ABD-8	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board		1/11; 2/12; 1/14		
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

Tahoe Forest Hospital District (hereinafter known as “TFHD”) provides high quality care to patients when they are in need of hospital services. All patients or their guarantor have a financial responsibility related to services received at TFHD and must make arrangements for payment to TFHD either before or after services are rendered. Such arrangements may include payment by an insurance plan, including coverage programs offered through the federal and state government. Payment arrangements may also be made directly with the patient, subject to the payment terms and conditions of TFHD.

Emergency patients will always receive all medically necessary care within the scope resources available at TFHD, to assure that their medical condition is stabilized prior to consideration of any financial arrangements.

The Credit and Collection Policy establishes the guidelines, policies and procedures for use by hospital personnel in evaluating and determining patient payment arrangements. This policy is intended to establish fair and effective means for collection of patient accounts owed to the hospital. In addition, other TFHD policies such as the Financial Assistance Policy which contains provisions for full charity care and discount partial charity care will be considered by TFHD personnel when establishing payment arrangements for each specific patient or their guarantor.

SCOPE

The Credit and Collection Policy will apply to all patients who receive services at TFHD. This policy defines the requirements and processes used by the hospital Patient Financial Services department when making payment arrangements with individual patients or their account guarantors. The Credit and Collection Policy also specifies the standards and practices used by the hospital for the collection of debts arising from the provision of services to patients at TFHD. The Credit and Collection Policy acknowledges that some patients may have special payment arrangements as defined by an insurance contract to which TFHD is a party, or in accordance with hospital conditions of participation in state and federal programs. TFHD endeavors to treat every patient or their guarantor with fair consideration and respect when making payment arrangements.

All requests for payment arrangements from patients, patient families, patient financial guarantors, physicians, hospital staff, or others shall be addressed in accordance with this policy.

POLICY:

All patients who receive care at TFHD must make arrangements for payment of any or all amounts owed for hospital services rendered in good faith by TFHD. TFHD reserves the right and retains sole authority for establishing the terms and conditions of payment by individual patients and/or their guarantor, subject to requirements established under state and federal law or regulation.

GENERAL PRACTICES

- 1.0 TFHD and the patient share responsibility for timely and accurate resolution of all patient accounts. Patient cooperation and communication is essential to this process. TFHD will make reasonable, cost-effective efforts to assist patients with fulfillment of their financial responsibility.
- 2.0 Hospital care at TFHD is available to all those who may be in need of necessary services. To facilitate financial arrangements for persons who may be of low or moderate income, both those who are uninsured or underinsured, TFHD provides the following special assistance to patients as part of the routine billing process:
 - 2.1 For uninsured patients, a written statement of charges for services rendered by the hospital is provided in a revenue code summary format which shows the patient a synopsis of all charges by the department in which the charges arose. Upon patient request, a complete itemized statement of charges will be provided;
 - 2.2 Patients who have third party insurance will be provided a revenue code summary statement which identifies the charges related to hospital services. Insured patients will receive a balance due from patient statement once the hospital has received payment from the insurance payer. Upon patient request, a complete itemized statement of charges will be provided;
 - 2.3 A written request that the patient inform TFHD if the patient has any health insurance coverage, Medicare, Healthy Families, Medi-Cal or other form of insurance coverage;
 - 2.4 A written statement informing the patient or guarantor that they may be eligible for Medicare, Healthy Families, Medi-Cal, California Children's Services Program, or the TFHD Financial Assistance Program;
 - 2.5 A written statement indicating how the patient may obtain an application for the Medi-Cal, Healthy Families Program or other appropriate government coverage program;
 - 2.6 If a patient is uninsured, an application to the Medi-Cal, Healthy Families Program or other appropriate government assistance program will be provided prior to discharge from the hospital;
 - 2.7 A TFHD representative is available at no cost to the patient to assist with application to relevant government assistance programs;
 - 2.8 A written statement regarding eligibility criteria and qualification procedures for full charity care and/or discount partial charity care under the TFHD Financial Assistance Program. This statement shall include the name and telephone

number of hospital personnel who can assist the patient or guarantor with information about and an application for the TFHD Financial Assistance Program.

- 3.0 The TFHD Patient Financial Services department is primarily responsible for the timely and accurate collection of all patient accounts. Patient Financial Services personnel work cooperatively with other hospital departments, members of the Medical Staff, patients, insurance companies, collection agencies and others to assure that timely and accurate processing of patient accounts can occur.
- 4.0 Accurate information provides the basis for TFHD to correctly bill patients or their insurer. Patient billing information should be obtained in advance of hospital services whenever possible so that verification, prior authorization or other approvals may be completed prior to the provision of services. When information cannot be obtained prior to the time of service, hospital personnel will work with each patient or their guarantor to assure that all necessary billing information is received by TFHD prior to the completion of services.

PROCEDURE:

- 1.0 Each patient account will be assigned to an appropriate Patient Financial Services representative based upon the type of account payer and current individual staff workloads. The Patient Financial Services ~~Manager~~Director will periodically review staff workloads and may change or adjust the process or specific assignment of patient accounts to assure timely, accurate and cost-effective collection of such accounts.
- 2.0 Once a patient account is assigned to a Patient Financial Services representative, the account details will be reviewed to assure accuracy and completeness of information necessary for the account to be billed.
- 3.0 If the account is payable by the patient's insurer, the initial bill will be forwarded directly to the designated insurer. TFHD Patient Financial Services personnel will work with the patient's insurer to obtain any or all amounts owed on the account by the insurer. This will include calculation of contracted rates or other special arrangements that may apply. Once payment by the insurer has been determined by TFHD, any residual patient liability balance, for example a patient co-payment or deductible amount, will be billed directly to the patient. Any or all patient balances are due and payable within 30 days from the date of this first patient billing.
- 4.0 If the account is payable only by the patient, it will be classified as a private pay account. Private pay accounts may potentially qualify for a prompt payment discount, government coverage programs, or financial aid under the TFHD Financial Assistance Policy. Patients with accounts in private pay status should contact a Patient Financial Services representative to obtain assistance with qualifying for one or more of these options.
- 5.0 In the event that a patient or patient's guarantor has made a deposit payment, or other partial payment for services and subsequently is determined to qualify for full charity care or discount partial charity care, all amounts paid which exceed the payment obligation, if any, as determined through the Financial Assistance Program process, shall be refunded to the patient with interest. Any overpayment due to the patient under this obligation may not be applied to other open balance accounts or debt owed to the hospital by the patient or family representative. Any or all amounts owed shall be reimbursed to the patient or family representative within a reasonable time period. Such interest shall begin to accrue on the first day that the patient or guarantor's payment obligation is determined through the Financial Assistance Program process. Interest payments shall be accrued at Two Percent (2%) per annum.

- 6.0 All private pay accounts may be subject to a credit history review. Any private pay patient who has applied for the TFHD Financial Assistance Program will not have a credit history review performed as an element of Financial Assistance Program qualification. TFHD will use a reputable, nationally-based credit reporting system for the purposes of obtaining the patient or guarantor's historical credit experience.
- 7.0 TFHD offers patients a payment plan option when they are not able to settle the account in one lump sum payment. Payment plans are established on a case-by-case basis through consideration of the total amount owed by the patient to TFHD and the patient's or patient family representative's financial circumstances. Payment plans generally require a minimum monthly payment of an amount such that the term of the payment plan shall not exceed twelve (12) months. This minimum monthly payment amount shall be determined by dividing the total outstanding patient liability balance by 12. Payment plans are free of any interest charges or set-up fees. Some situations, such as patients qualified for partial financial assistance, may necessitate special payment plan arrangements based on negotiation between the hospital and patient or their representative. Such payment plans may be arranged by contacting a TFHD Patient Financial Services representative. Once a payment plan has been approved, any failure to pay in accordance with the plan terms will constitute a plan default. It is the patient or guarantor's responsibility to contact the TFHD Patient Financial Services department if circumstances change and payment plan terms cannot be met.
- 8.0 Patient account balances in private pay status will be considered past due after 30 days from the date of initial billing. Accounts may be advanced to collection status according to the following schedule:
- 9.0 Any or all private pay account balances where it is determined by TFHD that the patient or guarantor provided fraudulent, misleading or purposely inaccurate demographic or billing information may be considered as advanced for collection immediately upon such a determination by TFHD. Any such account will be reviewed and approved for advancement by the [Revenue Cycle Patient Financial Services](#) Director or her/his designee;
- 10.0 Any or all private pay account balances where no payment has been received, and the patient has not communicated with TFHD within 60 days of initial billing and a minimum of one bill showing details at the revenue code summary level and two cycle statements have been sent to the patient or guarantor. Any such account will be reviewed and approved for advancement by the [Revenue Cycle Patient Financial Services](#) Director or her/his designee;
- 11.0 Any or all other patient accounts, including those where there has been no payment within the past 60 days, may be forwarded to collection status when:
- 12.0 Notice is provided to the patient or guarantor that payments have not been made in a timely manner and the account will be subject to collection 30 days from the notice date;
- 13.0 The patient or guarantor refuses to communicate or cooperate with TFHD Patient Financial Services representatives; and
- 14.0 The [Revenue Cycle Patient Financial Services](#) Director or her/his management designee has reviewed the account prior to forwarding it to collection status.
- 15.0 Patient accounts will not be forwarded to collection status when the patient or guarantor makes reasonable efforts to communicate with TFHD Patient Financial Services representatives and makes good faith efforts to resolve the outstanding account. The



TFHD ~~Revenue Cycle~~~~Patient Financial Services~~ Director or her/his designee will determine if the patient or guarantor are continuing to make good faith efforts to resolve the patient account and may use indicators such as: application for Medi-Cal, Healthy Families or other government programs; application for the TFHD Financial Assistance Program; regular partial payments of a reasonable amount; negotiation of a payment plan with TFHD and other such indicators that demonstrate the patient's effort to fulfill their payment obligation.

- 16.0 After 30 days or anytime when an account otherwise becomes past due and subject to internal or external collection, TFHD will provide every patient with written notice in the following form:
- 16.1 "State and federal law require debt collectors to treat you fairly and prohibit debt collectors from making false statements or threats of violence, using obscene or profane language, and making improper communications with third parties, including your employer. Except under unusual circumstances, debt collectors may not contact you before 8:00 a.m. or after 9:00 p.m. In general, a debt collector may not give information about your debt to another person, other than your attorney or spouse. A debt collector may contact another person to confirm your location or to enforce a judgment. For more information about debt collection activities, you may contact the Federal Trade Commission by telephone at 1-877-FTC-HELP (382-4357) or online at www.ftc.gov."
- 16.2 Non-profit credit counseling services may be available in the area. Please contact the TFHD Patient Financial Services if you need more information or assistance in contacting a credit counseling service.
- 17.0 For all patient accounts where there is no 3rd party insurer *and/or* whenever a patient provides information that he or she may have high medical costs, the Patient Financial Services representative will assure that the patient has been provided all elements of information as listed above in number 2, parts (a) through (h). This will be accomplished by sending a written billing supplement with the first patient bill. The Patient Financial Services representative will document that the billing supplement was sent by placing an affirmative statement in the "notes" section of the patient's account.
- 18.0 For all patient accounts where there is no 3rd party insurer *and/or* whenever a patient provides information that he or she may have high medical costs, TFHD will not report adverse information to a credit reporting agency or commence any civil action prior to 150 days after initial billing of the account. Furthermore, TFHD will not send an unpaid bill for such patients to an external collection agency unless the collection agency has agreed to comply with this requirement.
- 19.0 If a patient or guarantor has filed an appeal for coverage of services in accordance with Health & Safety Code Section 127426, TFHD will extend the 150 day limit on reporting of adverse information to a credit reporting agency *and/or* will not commence any civil action until a final determination of the pending appeal has been made.
- 20.0 TFHD will only utilize external collection agencies with which it has established written contractual agreements. Every collection agency performing services on behalf of TFHD must agree to comply with the terms and conditions of such contracts as specified by TFHD. All collection agencies contracted to provide services for or on behalf of TFHD shall agree to comply with the standards and practices defined in the collection agency agreement; including this Credit and Collection Policy, the TFHD Financial Assistance

Policy and all legal requirements including those specified in Health & Safety Code Section 127420 et seq.

- 21.0 TFHD and/or its external collection agencies will not use wage garnishments or liens on a primary residence without an order of the court. Any or all legal action to collect an outstanding patient account by TFHD and/or its collection agencies must be authorized and approved in advance, in writing by the TFHD [Revenue Cycle](#) Director ~~of Patient Financial Services~~. Any such legal action must conform to the requirements of Health & Safety Code Section 127420 et seq.
- 22.0 TFHD, its collection agencies, or any assignee may use any or all legal means to pursue reimbursement, debt collection and any enforcement remedy from third-party liability settlements, tortfeasors, or other legally responsible parties. Such actions shall be conducted only with the prior written approval of the hospital director of patient financial services.

Related Policies/Forms:
References: California Health and Safety Code §§127400 - 127446
Policy Owner: Michelle Cook , Clerk of the Board
Approved by: Robert Schapper , Chief Executive Officer

	Tahoe Forest Health System				
	Title: Financial Assistance Program Full Charity Care and Discount Partial Charity Care Policies		Policy/Procedure #: ABD-9		
	Responsible Department: Administration				
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	10/24/07	2/10; 1/12; 1/14	1/09; 5/11; 2/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE

Tahoe Forest Hospital District (hereinafter referred to as “TFHD”) provides hospital and related medical services to residents and visitors within district boundaries and the surrounding region. As a regional hospital provider, TFHD is dedicated to providing high quality, customer oriented and financially strong healthcare services that meet the needs of its patients. Providing patients with opportunities for financial assistance coverage for healthcare services is also an essential element of fulfilling the TFHD mission. This policy defines the TFHD Financial Assistance Program; its criteria, systems, and methods.

California acute care hospitals must comply with the “Hospital Fair Pricing Policies” law at Health & Safety Code Section 127400 et seq. (the “Fair Pricing Law”), including requirements for written policies providing discounts and charity care to financially qualified patients. Under the Fair Pricing Law, uninsured patients or patients with high medical costs who are at or below 350 percent of the federal poverty level shall be eligible to apply for participation under a hospital’s charity care policy or discount payment policy. This policy is intended to fully comply with all such legal obligations by providing for both charity care and discounts to patients who qualify under the terms and conditions of the TFHD Financial Assistance Program. Additionally, although the Fair Pricing Law requires hospitals to provide financial assistance to certain qualifying patients for services they have received, it does not require hospitals to provide future services. Nevertheless, TFHD has allowed individuals to apply for financial assistance for future services under this policy. However, any individuals who qualify for such assistance will still be subject to admission and other criteria for receiving services and becoming patients, and will have to demonstrate their ability to meet any applicable financial obligation which is not covered by any discount or other financial assistance granted.

The finance department has responsibility for general accounting policy and procedure. Included within this purpose is a duty to ensure the consistent timing, recording and accounting treatment of transactions at TFHD. This includes the handling of patient accounting transactions in a manner that supports the mission and operational goals of TFHD.

Patients are hereby notified that a physician employed or contracted to provide services in the emergency department of TFHD’s hospital in Truckee, California is also required by law to provide discounts to uninsured patients or patients with high medical costs who are at or below 350 percent of the federal poverty level.

DEFINITIONS

- 1.0 “Discount Partial Charity Care” means an amount charged for services to a patient who qualifies for financial assistance under the TFHD Financial Assistance Program which is discounted to the amount Medicare would pay for the same services or less. Discount Partial Charity Care, when granted to a patient, will in no case excuse a third party, or the patient, from their respective obligations to pay for services provided to such patient.
- 2.0 “Elective Services” means any services which are not medically necessary services.
- 3.0 “Emergency Services” means services required to stabilize a patient’s medical condition initially provided in the TFHD emergency department or otherwise classified as “emergency services” under the federal EMTALA Law or Section 1317.1 et.seq. of the California Health & Safety Code, and continuing until the patient is medically stable and discharged, transferred, or otherwise released from treatment.
- 4.0 “Federal Poverty Level” or “FPL” means the current poverty guidelines updated periodically in the Federal Register by the United States Department of Health and Human Services under authority of subsection (2) of Section 9902 of Title 42 of the United States Code.
- 5.0 “Financial Assistance Program” means the TFHD Financial Assistance Program established by this policy for providing Full Charity Care or Partial Discount Charity Care (each, as defined below) to qualified patients.
- 6.0 “Full Charity Care” means medically necessary services provided by TFHD to a patient who qualifies under the TFHD Financial Assistance Program which are not covered by a third party, and for which the patient is otherwise responsible for paying, for which the patient will not be charged. Full Charity Care, when granted to a patient, in no case will excuse a third party from its obligation to pay for services provided to such patient.
- 7.0 “Medically Necessary Services” means hospital-based medical services determined, based upon a medical evaluation, to be necessary to preserve a patient’s life or health.
- 8.0 “Monetary Assets” means all monetary assets of the patient’s family excluding retirement or deferred compensation plans (both qualified and non-qualified under the Internal Revenue Code), not counting the first \$10,000 of such assets, nor fifty percent (50%) of the amount of such assets over the first \$10,000.
- 9.0 “Non-emergency Services” means medically necessary services that are not Emergency Services.
- 10.0 “Patient” means an individual who has received Emergency Services or Non-emergency Services at a facility operated by TFHD who is requesting financial assistance with respect to such services.
- 11.0 “The amount Medicare would have paid” means the amount Medicare would pay for the services provided, or, in the event there is no specific amount that can be determined that Medicare would pay for such services, the highest amount payable for such services by any other state-funded program designed to provide health coverage.
- 12.0 “Third Party Insurance” means health benefits coverage by a public or private program, insurer, health plan, employer, multiple employer trust, or any other third party obligated to provide health benefits coverage to a patient.

SCOPE

This policy applies to all TFHD patients. This policy does not require TFHD to accept as a patient and provide services to any person who does not qualify for treatment or admission under any of TFHD's applicable policies, practices, and procedures, and does not prohibit TFHD from discharging, or otherwise limiting the scope of services provided to, any person in accordance with its normal policies, practices and procedures. This policy does not require TFHD to provide patients with any services that are not medically necessary or to provide access to non-emergency services or to elective services.

The acute care hospital operated by TFHD provides many specialized inpatient and outpatient services. In addition to services provided at the main hospital location, Tahoe Forest Hospital operates primary care and multi-specialty clinics, and therapy service programs at sites in the same community but not located on the main hospital campus. Tahoe Forest Hospital also operates a distinct part skilled nursing facility. Only medically necessary services provided at facilities listed on the Tahoe Forest Hospital acute care license are included within the scope of this Financial Assistance Policy.

This policy pertains to financial assistance provided by TFHD. All requests for financial assistance from patients shall be addressed in accordance with this policy.

Hospital Inpatient, Outpatient and Emergency Service Programs

Introduction

This policy sets forth a program to assist patients who are uninsured or underinsured in obtaining financial assistance in paying their hospital bill. Such financial assistance may include government sponsored coverage programs, Full Charity Care, and Discount Partial Charity Care.

Full Charity Care and Discount Partial Charity Care Reporting

TFHD will report actual Charity Care (including both Full Charity Care and Discount Partial Charity Care) provided in accordance with regulatory requirements of the Office of Statewide Health Planning and Development (OSHPD) as contained in the Accounting and Reporting Manual for Hospitals, Second Edition. The hospital will maintain written documentation regarding its Charity Care criteria and, for individual patients, written documentation regarding all Charity Care determinations. As required by OSHPD, Charity Care provided to patients will be recorded on the basis of actual charges for services rendered.

TFHD will provide OSHPD with a copy of this Financial Assistance Policy which includes the Full Charity Care and Discount Partial Charity Care policies within a single document. The Financial Assistance Policy also contains: 1) all eligibility and patient qualification procedures; 2) the unified application for full charity care and discount partial charity care; and 3) the review process for both full charity care and discount partial charity care. Forms of these documents shall be supplied to OSHPD every two years or whenever a substantial change is made.

Full and Discount Charity Care Eligibility: General Process and Responsibilities

Any patient whose family¹ income is less than 350% of the FPL, if not covered by third party insurance or if covered by third party insurance and unable to pay the patient liability amount

¹ A patient's family is defined as: 1) For persons 18 years of age and older, spouse, domestic partner and dependent children under 21 years of age, whether living at home or not; and 2) For persons under 18 years of age, parent, caretaker relatives and other children under 21 years of age of the parent or caretaker relative.

owed after insurance has paid its portion of the account, is eligible to apply for financial assistance under the TFHD Financial Assistance Program.

The TFHD Financial Assistance Program utilizes a single, unified patient application for both Full Charity Care and Discount Partial Charity Care. The process is designed to give each applicant an opportunity to apply for the maximum financial assistance benefit for which he or she may qualify. The financial assistance application provides patient information necessary for determining patient qualification by the hospital and such information will be used to determine the maximum coverage under the TFHD Financial Assistance Program for which the patient or patient's family may qualify.

Eligible patients may apply for financial assistance under the TFHD Financial Assistance Program by completing an application consistent with application instructions, together with documentation and health benefits coverage information sufficient to determine the patient's eligibility for coverage under the program. Eligibility alone is not an entitlement to financial assistance under the TFHD Financial Assistance Program. TFHD must complete a process of applicant evaluation and determine, in accordance with this policy, whether financial assistance will be granted.

The TFHD Financial Assistance Program relies upon the cooperation of individual patients to determine who may be eligible for full or partial assistance. To facilitate receipt of accurate and timely patient financial information, TFHD will use a financial assistance application. All patients without adequate financial coverage by Third Party Insurance will be offered an opportunity to complete the financial assistance application. Uninsured patients will also be offered information, assistance and referral to government sponsored programs for which they may be eligible. Insured patients who are unable to pay patient liabilities after their insurance has paid, or those who experience high medical costs may also be eligible for financial assistance. Any patient who requests financial assistance will be asked to complete a financial assistance application.

The financial assistance application should be made as soon as there is an indication by the patient or the patient's representative that he/she may be in need of and requests financial assistance. The application form may be completed at any time prior to or within one year after discharge, or within one year after the patient became eligible, whichever comes first.

To the extent it deems necessary, in its sole and reasonable discretion, TFHD may require an applicant for financial assistance to provide supplemental information in addition to a complete financial assistance application to provide:

- Confirmation of the patient's income and health benefits coverage;
- Complete documentation of the patient's monetary assets;
- Other documentation as needed to confirm the applicant's qualification for financial assistance; and
- Documentation confirming the hospital's decision to provide financial assistance, if financial assistance is provided.

However, a completed financial assistance application may not be required if TFHD determines, in its sole discretion, that it has sufficient patient information from which to make a financial assistance qualification decision.

PROCEDURES

1.0 Qualification: Full Charity Care and Discount Partial Charity Care

- 1.1 Eligibility for financial assistance shall be determined based on the patient's and/or patient's family's ability to pay and on the other factors set forth in this policy. Eligibility for financial assistance shall not be based in any way on age, gender, sexual orientation, ethnicity, national origin, veteran status, disability or religion.
- 1.2 The patient and/or the patient's family representative who requests assistance in meeting their financial obligation to the hospital shall make every reasonable effort to provide information necessary for the hospital to make a financial assistance qualification determination. The hospital will provide guidance and assistance to patients or their family representative as reasonably needed to facilitate completion of program applications. Completion of the financial assistance application and submission of any or all required supplemental information may be required for establishing qualification for the Financial Assistance Program.
- 1.3 Whether financial assistance will be granted is determined after the patient and/or patient family representative establishes eligibility according to criteria contained in this policy, as it may be amended from time to time. While financial assistance shall not be provided on a discriminatory or arbitrary basis, the hospital retains full discretion, consistent with this policy, laws and regulations, to determine when a patient has provided sufficient evidence to establish eligibility for financial assistance, and what level of financial assistance an eligible patient is will receive.
- 1.4 Except as otherwise approved by TFHD, patients or their family representative must complete an application for the Financial Assistance Program in order to qualify for eligibility. The application and required supplemental documents are submitted to the Patient Financial Services department at TFHD. This office shall be clearly identified on the application instructions.
- 1.5 TFHD will provide personnel who have been trained to review financial assistance applications for completeness and accuracy. Application reviews will be completed as quickly as possible considering the patient's need for a timely response.
- 1.6 Approval of an application for financial assistance to eligible patients will be made only by approved hospital personnel according to the following levels of authority:
 - 1.6.1 Clinic Manager: Accounts less than \$500
 - 1.6.2 Financial Counselor: Accounts less than \$2,500
 - 1.6.3 Director of Patient Financial Services: Accounts less than \$10,000
 - 1.6.4 Chief Financial Officer: Accounts less than \$50,000
 - 1.6.5 Chief Executive Officer: Accounts greater than \$50,000
- 1.7 Factors considered when determining whether to grant an individual financial assistance pursuant to this policy may include (but are not limited to):

- Extent of Third Party Insurance;
 - Family income based upon tax returns or recent pay stubs;
 - Monetary assets, if the patient requests any level of financial assistance greater than the Basic Discount (as defined below);
 - The nature and scope of services for which the patient seeks financial assistance;
 - Family size and circumstances;
 - Hospital budget for financial assistance;
 - Other criteria set forth in this policy.
- 1.8 Financial assistance will be granted based upon consideration of each individual application for financial assistance in accordance with the Financial Assistance Program set forth in this policy.
- 1.9 Financial assistance may be granted for Full Charity Care or Discount Partial Charity Care, based upon this Financial Assistance Program policy.
- 1.10 Once granted, financial assistance will apply only to the specific services and service dates for which the application has been approved by TFHD. In cases of care relating to a patient diagnosis which requires continuous, on-going related services, the hospital, at its sole discretion, may treat such continuing care as a single case for which qualification applies to all related on-going services provided by the hospital. Other pre-existing patient account balances outstanding at the time of qualification determination by the hospital will not be included unless applied for and approved by TFHD pursuant to this policy.
- 1.11 Patient obligations for Medi-Cal/Medicaid share of cost payments will not be waived under any circumstance. However, after collection of the patient share of cost portion, any other unpaid balance relating to a Medi-Cal/ patient (such as a provided service where coverage is denied) may be considered for financial assistance.

2.0 Full and Discount Partial Charity Care Qualification Criteria

2.1 Cap On Patient Liability For Services Rendered to Patients Eligible for Financial Assistance:

Following completion of the application process for financial assistance, if it is established that the patient's family income is at or below 350% of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the entire patient liability portion of the bill for services rendered will be no greater than the amount Medicare would have paid for the services, net of any Third Party Insurance ("the Basic Discount"). This shall apply to all medically necessary hospital inpatient, outpatient and emergency services provided by TFHD.

2.2 Financial Assistance For Emergency Services

If an individual receives Emergency Services and applies for financial assistance under the Financial Assistance Program, the following will apply:

- 2.2.1 If the patient's family income is at or below 200% or less of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the patient will be granted Full Charity Care for Emergency Services provided.
- 2.2.2 If the patient's family income is between 201% and 350% of the current FPL, and the patient meets all other Financial Assistance Program qualification requirements, the patient will be granted Partial Discount Charity Care for Emergency Services provided in accordance with the following:
- 2.2.2.1 Patient's care is not covered by Third Party Insurance. If the services are not covered by Third Party Insurance, the patient's payment obligation will be a percentage of the gross amount the Medicare program would have paid for the service if the patient were a Medicare beneficiary. The actual percentage paid by any individual patient shall be based on the sliding scale shown in Table 1 below:

TABLE 1
Sliding Scale Payment Schedule

Family Percentage of FPL	Percentage of Medicare Amount Payable (subject to an additional discount if TFHD determines, in its sole discretion, that unusual circumstances warrant an additional discount).
201 – 215%	10%
216 – 230%	20%
231 – 245%	30%
246 – 260%	40%
261 – 275%	50%
276 – 290%	60%
291 - 305%	70%
306 - 320%	80%
321 – 335%	90%
336 – 350%	100

- 2.2.2.2 Patient's care is covered by Third Party Insurance. If the services are covered by Third Party Insurance, but such coverage or liability is insufficient to pay TFHD's billed charges, leaving the patient responsible for a portion of the billed charges (including, without limitation, any applicable deductible or co-payment), the patient's payment obligation will be an amount equal to the difference between the gross amount paid by Third Party Insurance and the gross amount that Medicare would have paid for the service if the patient were a Medicare beneficiary. If the amount paid by Third Party Insurance exceeds what Medicare would have paid, the patient will have no further payment obligation. In no event shall the patient's obligation to pay a percentage of the unpaid amount be greater than the percentages of the amounts

Medicare would pay for the same services set forth in Table 1, above.

- 2.2.3 If a patient who meets all other Financial Assistance Program requirements whose family income is either greater than 350% the current FPL, or has family income of less than 350% of the FPL and the seeks a discount for emergency services greater than the discount set forth above, then TFHD may decide, in its sole discretion, whether to provide such financial assistance, and the extent to which it will be provided, if at all. In making its decision, TFHD may consider the following factors, without limitation:
 - 2.2.3.1 The patient's need for financial assistance.
 - 2.2.3.2 The extent of TFHD's limited charitable resources, and whether they are best spent providing these services at an additional discount or whether there are other patients with greater immediate need for TFHD's charitable assistance.
 - 2.2.3.3 Any other facts (such as the patient's monetary assets) that, in TFHD's sole discretion, are appropriate to take into account in considering the patient's request for charity care.

2.3 **Financial Assistance For Non-Emergency Services:**

If a patient requests financial assistance for Non-emergency Services (with the exception of primary care clinic, multi-specialty care clinic, or skilled nursing services, which are covered as described below), the following will apply:

If the patient's family income is 350% or less of FPL and meets all other Financial Assistance Program qualification requirements, the patient will be granted the Basic Discount. TFHD may decide, in its sole discretion, whether and to what extent additional financial assistance will be provided, such as whether to provide the level of assistance the patient would receive if he/she had received Emergency Services.

- 2.3.1 In addition to the information required by the financial assistance application, TFHD may require the individual to provide additional information regarding the individual's family monetary assets, as it deems appropriate in its sole discretion.
- 2.3.2 TFHD will decide, in its sole discretion, whether and to what extent to grant financial assistance in addition to the Basic Discount. Only medically necessary services will be considered. In making its determination, TFHD may, in addition to any other criteria set forth in this policy and without limitation, consider the following factors :
 - 2.3.2.1 The degree of urgency that the services be performed promptly.
 - 2.3.2.2 Whether the services must be performed at TFHD, or whether there are other providers in the patient's geographic area that could provide the services in question.

- 2.3.2.3 Whether the services can most efficiently be performed at TFHD, or whether there are other providers that could perform the services more efficiently.
- 2.3.2.4 The extent, if any, that TFHD's limited charitable resources are best spent providing the requested service and whether there are others with greater immediate need for TFHD's charitable assistance.
- 2.3.2.5 The patient's need for financial assistance.
- 2.3.2.6 Any other facts that, in TFHD's sole discretion, are appropriate to take into account in considering the patient's request for financial assistance.

3.0 **Refunds**

In the event that a patient is determined to be eligible for financial assistance for services for which he/she or his/her guarantor has made a deposit or partial payment, and it is determined that the patient is due a refund because the payments already made exceed the patient's liability under this policy, any refund due shall be processed under TFHD's Credit and Collection Policy, which provides, in pertinent part, as follows:

"In the event that a patient or patient's guarantor has made a deposit payment, or other partial payment for services for which the patient has requested financial assistance, and subsequently is granted financial assistance through the Financial Assistance Program, any amounts paid at a time when the patient was eligible for financial assistance which exceed the patient's payment obligation, if any, shall be refunded to the patient, with interest. Any refund due to the patient under this paragraph may not be applied to other open balance accounts or debt owed to the hospital by the patient or his/her family, representative, or guarantor. Any refunds due shall be reimbursed to the patient or his/her representative within a reasonable time. Such interest shall accrue from the first day that TFHD received payment of the amount to be refunded, at the rate set forth in Section 685.010 of the California Code of Civil Procedure."

4.0 **Flow Chart**

Following is a flow chart describing the process for determining financial assistance for applicants for Emergency Services, Non-emergency Services, and Prior Services:

4.1 **Hospital-Based Primary Care and Multi-Specialty Clinics**

TFHD operates certain outpatient services of the hospital as clinics which are located apart from the main campus of the hospital. These include a multi-specialty clinic, and a primary care clinic, both of which provide mainly primary care services. Because of the lower cost of primary care procedures performed on an outpatient basis, the following shall apply to hospital services rendered in these outpatient clinics:

- 4.1.1 Clinic patients are patients of the hospital, and will complete the same basic financial assistance application form
- 4.1.2 The patient's family income will primarily be determined using pay stubs
- 4.1.3 Tax returns will not be required as proof of income unless clinic personnel determine it is reasonable and necessary due to unusual circumstances

- 4.1.4 A patient attestation letter may be used on a limited basis when appropriate to an individual patient's circumstance
- 4.1.5 Subject to consideration of the factors set forth in paragraph 3 above for non-emergency services, to be determined by TFHD in its sole discretion, patients will pay a reduced fee based on the sliding scale below. If the Patient is covered by a third party obligation, the Patient's obligation will be to pay the difference between the amount paid by the third party and the amounts of the sliding scale, if any.

Clinic Sliding Scale

<i>Patient/Family FPL Qualification</i>	<i>Amount of Payment Due for Clinic Visit</i>
<i>Incomes less than or equal to 200%</i>	\$25 flat fee, not to exceed what Medicare would pay for the clinic visit
<i>Incomes between 201% and 350%</i>	Actual Medicare Fee Schedule

4.2 Distinct Part Skilled Nursing Services

4.2.1 Skilled nursing services are also quite different in nature than acute care inpatient, outpatient and emergency services. Patients at the distinct part skilled nursing facility are often residents at the hospital and require special programs designed to meet their long-term care needs.

4.2.2 Given the unique nature of providing care to skilled nursing facility patients, the following financial assistance requirements shall apply:

- 4.2.2.1 All skilled nursing patients and/or their family representatives shall complete the TFHD financial assistance application and provide supporting documents as required by the standard application
- 4.2.2.2 Patients will pay a reduced fee based on the following sliding scale

Distinct Part Skilled Nursing Sliding Scale

<i>Patient/Family FPL Qualification</i>	<i>Amount of Payment Due for Distinct Part Skilled Nursing Facility Services</i>
<i>Incomes less than or equal to 200%</i>	50% of the Medi-Cal Payment Rate
<i>Incomes between 201% and 350%</i>	100% of the Medi-Cal Payment Rate

5.0 Payment Plans

- 5.1 When a determination to grant Discount Partial Charity Care has been made by the hospital, the patient may be given the option to pay any or all outstanding amount due through a scheduled term payment plan, as an alternative to a single lump sum payment.
- 5.2 The hospital will discuss payment plan options with each patient that requests to make arrangements for term payments. Individual payment plans will be arranged based upon the patient's ability to effectively meet the payment terms. As a general guideline, payment plans will be structured to last no longer than 12 months. The hospital shall negotiate in good faith with the patient; however there is no obligation to accept the payment terms offered by the patient. No interest

will be charged to qualified patient accounts for the duration of any payment plan arranged under the provisions of the Financial Assistance Policy.

6.0 **Special Circumstances**

- 6.1 Any application for financial assistance by or on behalf of patients covered by the Medicare Program must be made prior to service completion by TFHD.
- 6.2 If a patient is determined to be homeless he/she may be deemed eligible for charity care, in the sole discretion of TFHD.
- 6.3 Deceased patients who do not have any third party coverage, an identifiable estate, or for whom no probate hearing is to occur, may be deemed eligible for charity care, in the sole discretion of TFHD.
- 6.4 Charges for patients who receive Emergency Services for whom the hospital is unable to issue a billing statement may be written off as Full Charity Care. All such circumstances shall be identified on the patient's account notes as an essential part of the documentation process.

7.0 **Other Eligible Circumstances**

- 7.1 TFHD deems those patients that are eligible for government sponsored low-income assistance program (e.g. Medi-Cal/Medicaid, Healthy Families, California Children's Services and any other applicable state or local low-income program) to be eligible under the Financial Assistance Policy when services are provided which are not covered by the governmental program. For example, services to patients who qualify for Medi-Cal/Medicaid as well as other programs serving the needs of low-income patients (e.g. CHDP, Healthy Families, and CCS) which the government program does not cover, are eligible for Financial Assistance Program coverage. Under the hospital's Financial Assistance Policy, these resulting non-reimbursed patient account balances are eligible for full write-off as Full Charity Care. Specifically included as Charity Care are charges related to denied stays, denied days of care, and non-covered services. All Treatment Authorization Request (TAR) denials and any lack of payment for non-covered services provided to Medi-Cal/Medicaid and other patients covered by qualifying low-income programs, and other denials (e.g. restricted coverage) are to be classified as Charity Care if, at the time that the services were provided TFHD believed that the services rendered were medically necessary.
- 7.2 The portion of Medicare patient accounts (a) for which the patient is financially responsible (coinsurance and deductible amounts), (b) which is not covered by insurance or any other payor including Medi-Cal/Medicaid, and (c) which is not reimbursed by Medicare as a bad debt, may be classified as charity care if:
 - 7.2.1 The patient is a beneficiary under Medi-Cal/Medicaid or another program serving the health care needs of low-income patients; or
 - 7.2.2 The patient otherwise qualifies for financial assistance under this policy and then only to the extent of the write-off provided for under this policy.

8.0 **Catastrophic Care Consideration**

Patients who do not qualify for charity care or discount partial charity care may nevertheless be eligible for financial assistance in the event of an illness or condition qualifying as a catastrophic event. Determination of a catastrophic event shall be made on a case-by-case basis. The determination of a catastrophic event shall be based upon

the amount of the patient's liability at billed charges, and consideration of the individual's family income and assets as reported at the time of occurrence. Management may use its reasonable discretion on a case-by-case basis to determine whether and to what extent an individual or family is eligible for financial assistance based upon a catastrophic event. Financial assistance will be in the form of a percentage discount of some or all of the applicable monthly charges. The Catastrophic Event Eligibility Table will be used as a guideline by management to determine eligibility and the level of any financial assistance. The Catastrophic Event Eligibility Table does not guarantee that any individual will receive financial assistance, or the level of any assistance given.

9.0 **Criteria for Re-Assignment from Bad Debt to Charity Care**

- 9.1 Any account returned to the hospital from a collection agency that has determined the patient or family representative does not have the resources to pay his or her bill, may be deemed eligible for Charity Care. Documentation of the patient or family representative's inability to pay for services will be maintained in the Charity Care documentation file.
- 9.2 All outside collection agencies contracted with TFHD to perform account follow-up and/or bad debt collection will utilize the following criteria to identify a status change from bad debt to charity care:
 - 9.2.1 Patient accounts must have no applicable insurance (including governmental coverage programs or other third party payers); and
 - 9.2.2 The patient or family representative must have a credit score rating within the lowest 25th percentile of credit scores for any credit evaluation method used; and
 - 9.2.3 The patient or family representative has not made a payment within 150 days of assignment to the collection agency;
 - 9.2.4 The collection agency has determined that the patient/family representative is unable to pay; and/or
 - 9.2.5 The patient or family representative does not have a valid Social Security Number and/or an accurately stated residence address in order to determine a credit score
- 9.3 All accounts returned from a collection agency for re-assignment from Bad Debt to Charity Care will be evaluated by hospital personnel prior to any re-classification within the hospital accounting system and records.

10.0 **Notification**

Once a determination of eligibility is made, a letter indicating the determination status will be sent to the patient or family representative. The determination status letter will indicate one of the following:

- 10.1 Approval: The letter will indicate that financial assistance has been approved, the level of assistance, and any outstanding or prospective liability by the patient.
- 10.2 Denial: If the patient is not eligible for financial assistance due to his/her income and/or monetary assets, the reasons for denial of eligibility will be explained to the patient. Any outstanding amount owed by the patient will also be identified.

- 10.3 Pending: The applicant will be informed as to why the financial assistance application is incomplete. All outstanding information will be identified and requested to be supplied to the Hospital by the patient or family representative.

11.0 **Reconsideration of Eligibility Denial**

- 11.1 In the event that a patient disputes the hospital's determination of eligibility, the patient may file a written request for reconsideration with the Hospital within 60 days of receiving notification of eligibility. The written request should contain a complete explanation of the patient's dispute and rationale for reconsideration. Any additional relevant documentation to support the patient's claim should be attached to the written appeal.
- 11.2 Any or all appeals will be reviewed by the hospital chief financial officer. The chief financial officer or his/her designee shall consider all written statements of dispute and any attached documentation. After completing a review of the patient's claims, the chief financial officer shall provide the patient with a written explanation of the results of the reconsideration of the patient's eligibility. All determinations by the chief financial officer shall be final. There are no further appeals.
- 11.3 All discretionary decisions by the hospital shall not be subject to further review or reconsideration.

12.0 **Public Notice**

- 12.1 TFHD shall post notices informing the public of the Financial Assistance Program. Such notices shall be posted in high volume inpatient, and outpatient service areas of the hospital, including but not limited to the emergency department, billing office, inpatient admission and outpatient registration areas or other common patient waiting areas of the hospital. Notices shall also be posted at any location where a patient may pay his/her bill. Notices will include contact information on how a patient may obtain more information on financial assistance as well as where to apply for such assistance.
- 12.2 These notices shall be posted in English and Spanish and any other languages that are representative of the primary language of 5% or greater of residents in the hospital's service area.
- 12.3 A copy of this Financial Assistance Policy will be made available to the public on a reasonable basis.

13.0 **Confidentiality**



It is recognized that the need for financial assistance is a sensitive and deeply personal issue for recipients. Confidentiality of requests, information and funding will be maintained for all that seek or receive financial assistance. The orientation of staff and selection of personnel who will implement this policy should be guided by these values.

14.0 **Good Faith Requirements**

- 14.1 TFHD makes arrangements for financial assistance for qualified patients in good faith and relies on the fact that information presented by the patient or family representative is complete and accurate.
- 14.2 Provision of financial assistance does not eliminate the right to bill, either retrospectively or at the time of service, for all Full Charity Care or Partial

Discount Charity Care services when information has been intentionally withheld or inaccurate information has been intentionally provided by the patient or family representative to the extent such inaccurate or withheld information affects the eligibility of the patient for financial assistance, or any financial assistance provided at the hospital's discretion. In addition, TFHD reserves the right to seek all remedies, including but not limited to civil and criminal remedies from those patients or family representatives who have intentionally withheld or provided inaccurate information in order qualify for the TFHD Financial Assistance Program.

Related Policies/Forms:
References: See TFHD BOD Meeting Minutes, May 24, 2011 The Patient Protection and Affordable Care Act, Public Law 111-148 (124 Stat. 119) (2010) Section 9007; Health and Safety Code Sections 127360-127360; Health and Safety Code Sections 127400-127440
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		Tahoe Forest Health System			
		Title: Fiscal Policy		Policy/Procedure #: ABD-11	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	8/85	2/10; 01/12; 1/14	11/05; 2/06; 6/07	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

The purpose of this policy is to communicate the fiscal policy of the District as it relates to the operations of Tahoe Forest Hospital District and the various other services, programs and ventures which the District is or shall consider providing consistent with its Mission Statement and operating policies. It is the intention of the Board of Directors that this Fiscal Policy be disseminated to the hospital administrative and management team, as well as Medical Staff leadership, in order to achieve a broad based understanding of the fiscal goal of Tahoe Forest Hospital District. For the purposes of this policy statement, the term "services" shall apply to all hospital operations as well as other District services, programs or ventures.

POLICY:

1.0 **RATIONALE**

In view of the ever-changing reimbursement environment in which health care providers exist, the Board of Directors recognizes the importance of financial stability. A sound Fiscal Policy is necessary to assure the continuation of needed services, and as appropriate, expansion into new health related facilities and services. To assure access to capital markets, it is in the best interest of the District to maintain strong financial reserves. This philosophy is based upon, and consistent with, the Mission Statement and operating policies of the District.

2.0 **POLICY STATEMENT**

Our Fiscal Policy is to ensure the availability of capital to meet the future costs of carrying out the hospital's mission and serves as a prudent reserve to offset unexpected external forces. It will be the responsibility of the District's Chief Executive Officer (CEO) to implement policies and procedures consistent with the Fiscal Policy of the Board of Directors.

PROCEDURE:

1.0 **FUND BALANCES AND TRANSFER PROCEDURES**

The Chief Executive Officer has the authority to move funds that are consistent with Board of Directors Fiscal Policy. Days Cash On Hand (the number of days of average cash expenses) to maintain the Standard & Poors BBB- rating threshold, and sustain sufficient fund for capital equipment needs. At least quarterly, a report of fund balances will be presented to the Board of Directors.

2.0 **Maintenance and Operations Fund:**

All receipts and revenues of any kind from the operation of the hospital shall be paid daily into the treasury of the District and placed in the Maintenance and Operations Fund. Moneys in the maintenance and Operation Fund may be expended for any of the purposes of the District.

3.0 The Chief Executive Officer will allocate monies in excess of 30 days forecasted cash to Board designated funds or transfer sufficient monies from Board designated funds into Maintenance and Operations Fund so that a minimum of 30 days working capital is maintained for the upcoming quarter. Fund transfers into Maintenance and Operations Fund from other funds to cover the minimum 30 days working capital will be in the following priority:

3.1 Cash Reserve Fund

3.2 Projects Fund

4.0 **Board Designated Funds:**

Available funds will be funded in the priority order as listed. Bond Funds are held by the Bond Trustee until the fund reimburses the District for project expenditures. The reimbursed bond project expenditures will be deposited in the Maintenance and Operations Fund. Debt service is included in the Maintenance and Operations Fund.

4.1 **Other Entity Funds:**

Funds held for other entities such as Medical Staff and Auxiliary. Interest income accrues to the specific fund.

4.2 **Projects Fund:**

Board of Directors approved and designated projects. Fund to include, among others Building Funds and Capital Equipment Funds. Interest income will accrue to the Maintenance and Operations Fund.

5.0 **Cash Reserve Fund:**

Board of Directors approved funding to increase and provide sufficient reserves to sustain operational integrity; continued services at current levels; emergency purposes (safety net); credit worthiness; anticipated capital replacement needs. Interest income will accrue to the Maintenance and Operations Fund.



6.0 **Restricted Funds:**

Funds restricted to purchase assets or to fund program costs. These funds become unrestricted when the restriction is satisfied. Interest income accrues to the specific fund.

7.0 **Donations:**

Donated funds will be placed in the appropriate fund to be designated by the donor.

Related Policies/Forms:
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		Tahoe Forest Health System			
		Title: Guidelines For The Conduct Of Business By The Tahoe Forest Hospital District Board of Directors		Policy/Procedure #: ABD-12	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	8/90	3/08: 1/12; 1/14	1/10, 6/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

To explain the guidelines for the Board of Directors in conducting business for the District.
 To clarify the requirements of state law for public meetings while conducting business and meetings on behalf of the District.

POLICY:

In an effort to make known to any interested party the general guidelines for the conduct of business by the Board of Directors of the Tahoe Forest Hospital District, the following compendium of provisions from the Tahoe Forest Hospital District Bylaws and the Ralph M. Brown Act, hereinafter referred to as Brown Act, is hereby established.

PROCEDURE:

1.0 Officers Of The Board of Directors

- 1.1 The officers of the Board of Directors are: President, Vice President, Secretary and Treasurer.
- 1.2 The officers shall be chosen every year by the Board of Directors at the first meeting of such calendar year and each officer shall hold office for a one-year term or until such officer's successor shall be elected and qualified or until such officer is otherwise disqualified to serve. The person holding the office of President of the Board of Directors shall not serve two successive terms. The office of President, Vice President, Secretary and Treasurer shall be filled by members of the Board of Directors. The office of Clerk shall be filled by the Chief Executive Officer.

2.0 Meetings Of The Board of Directors

- 2.1 Regular Meetings: Regular meetings of the Board of Directors shall be held the ~~last Tuesday~~ fourth Thursday of each month at 6:00 PM at a location within the Hospital District Boundaries. The regular meeting shall begin with Open Session business in accordance with California Open Meeting Laws. Regular meetings will adjourn by 10:00 PM unless extended by a majority vote of Board Members

present. The notice for meetings of the Board of Directors and Board Committees shall be posted per the requirements of the Ralph M. Brown Act.

- 2.2 It is the duty, obligation, and responsibility of the Board President and Board Committee chairpersons to call for Board of Directors and Board Committee meetings and meeting locations. This authority is vested within the office of the Board President or the Board Committee chair and is expected to be used with the best interests of the District, Directors, staff and communities we serve.
- 2.3 Special Meetings: Special meetings of the Board of Directors may be held from time to time as specified in the District Bylaws and with the required 24 hours notice as stated in the Brown Act.
 - 2.3.1 ~~If there is a determination by the President of the Board, or by two-thirds of the Board three directors, that there is a need to take immediate action upon an item(s) requiring Board approval, and the need for action comes prior to a regular meeting, then may call~~ a special meeting ~~shall be called and conducted~~ in accordance with the notice and posting provisions of the Brown Act ~~in order to obtain Board approval.~~
 - 2.3.2 Special meetings shall be called by delivering written notice to each Board member and to the public in compliance with the Brown Act (to each local newspaper of general circulation and radio or television station requesting notice in writing), including providing a description of the business to be transacted. Board members may dispense with the written notice provision if a written waiver of notice has been filed with the Clerk ~~prior to the time before~~ a meeting convenes.
 - 2.3.3 No business other than the purpose for which the special meeting was called shall be considered, discussed, or transacted at the meeting.
- 2.4 Emergency Meetings: Emergency meetings may be called in the event of an emergency situation, defined as a crippling disaster, work stoppage or other activity which severely impairs public health, safety or both, as determined by a majority of the Board, or in the event of a dire emergency, defined as a crippling disaster, mass destruction, terrorist act, or threatened terrorist activity so immediate and significant that requiring one hour notice before holding an emergency meeting may endanger the public health, safety, or both as determined by a majority of the board.
 - 2.4.1 In the case of an emergency situation involving matters upon which prompt action is necessary due to the disruption or threatened disruption of public facilities, then a one (1) hour notice provision as prescribed by the Brown Act is required. In the event telephone services are not working, notice must be given as soon as possible after the meeting.
 - 2.4.2 No business other than the purpose for which the emergency meeting was called shall be considered, discussed, or transacted at the meeting.
- 2.5 Closed Session Meetings: Closed Session meetings of the Board of Directors and Board committees may be held as deemed necessary by members of the Board of Directors or the Chief Executive Officer pursuant to the required notice and the restriction of subject matter as defined in Government Code Section 54950 ~~et seq.~~ (Brown Act). Under no circumstances shall the Board of Directors order a closed session meeting for the purposes of discussing or deliberating, or to

permit the discussion or deliberation in any closed meeting of any proposals regarding:

2.5.1 The sale, conversion, contract for management, or leasing of any District health care facility or the assets thereof, to any for-profit or nonprofit entity, agency, association, organization, governmental body, person, partnership, corporation, or other district.

2.5.2 The conversion of any District health care facility to any other form of ownership by the District.

2.5.3 The dissolution of the District.

2.6 Teleconferencing: Any regular, special, or emergency meeting at which teleconferencing is utilized shall be conducted in compliance with the provisions of the Brown Act. These include:

2.6.1 Teleconferences must comply with the rest of the Brown Act

2.6.2 All votes taken by teleconference must be taken by roll call

2.6.3 Agendas must be posted at all teleconference locations

2.6.4 Each teleconference location must be identified in the agenda

2.6.5 Each teleconference location must be accessible to the public

2.6.6 At least a quorum of the Board must participate from locations within the District boundaries ~~(a Board member outside the geographical location of the District may be counted toward the quorum if fifty percent (50%) of the number of members that would establish the quorum is present within the geographical boundaries)~~

2.6.7 The agenda must provide for public comment at each teleconference location.

2.7 All meetings of the Board of Directors shall be chaired by members of the Board of Directors in the following order: President, Vice President ~~or~~ Secretary or another director selected by the Board to do so at the meeting in questiony.

3.0 Activities/Meetings of Board Committees

3.1 Board committees will undertake the activities of the committee as outlined in the Tahoe Forest Hospital District Bylaws. In addition, each standing committee will annually establish committee goals, and such goals will be presented to the Board of Directors for approval.

3.2 In order that Board standing committees function in the most efficient manner, the length of committee meetings will be kept to a reasonable length. Further, the most critical topics will be placed at the beginning of committee agendas to ensure their review in a timely manner.

4.0 Meetings Open to the Public

All meetings of the Board of Directors and Board standing committees are open to the public with the exception of the Closed Session portion of such meetings.

5.0 Notices of Meetings of the Board of Directors and Board Standing Committees Supplied to the Public

Notices of any Regular or Special meeting of the Board of Directors and Board standing committees shall be mailed to any interested party who has filed a written request for such notice. The request must be renewed annually in writing.

6.0 Board and Board Standing Committee Agenda Packets for Members of the Public

6.1 Board and Board standing committee agendas and agenda materials are available for review by any interested party at the administrative offices or at the Board or Board standing committee meeting itself.

6.2 Any requests from the public for Board and Board standing committee agenda packets shall be filled within a reasonable amount of time. Any member of the public requesting a Board or Board standing committee agenda packet with all attachments shall be charged \$.10 per page for such material. The charge is only intended to capture direct costs associated with complying with public requests for documents. In no way do we attempt to profit from this activity; but only seek to remain fiscally prudent and provide equity of service while maintaining easy access. Additionally, any members of the public being able to demonstrate true indigence shall be exempted from the fee per page charges. An agenda packet with all attachments shall be made available for use by any interested party at all Regular and Special meetings of the Board of Directors and Board standing committee meetings. [Agenda packets are also posted to the District's website.](#)

7.0 Public Input at Meetings of the Board of Directors and Board Standing Committee Meetings

On each agenda of Regular and Special meetings of the Board of Directors and Board standing committee meetings there shall be a provision made for input from the audience. The Board of Directors or Board standing committee may impose a time limit for such public input. Pursuant to the Brown Act, items which have not previously been posted on the meeting agenda may not be discussed or acted upon at that meeting by the Board of Directors with the following exceptions:

7.1 If a majority of the Board of Directors determines that an emergency situation exists as defined under the "Emergency Meetings" section of this policy, or

7.2 If two-thirds of the Board of Directors' full membership is present and agree an item needs to be placed on the agenda for [prompt action](#) [and that fact came to the attention of the District](#) after the agenda was posted, or

7.3 If the item was previously posted in connection with a meeting which occurred no more than 5 days prior to the date on which the proposed action will be taken.

8.0 Preparation Of The Agenda For Board or Board Standing Committee Meetings

8.1 Placing of Items On The Agenda By Members Of The Public:

8.1.1 As provided for in Government Code Sections 54950-54962 (Brown Act) pertaining to public input, the District will provide an opportunity for members of the public to address the Board on any matter within their subject matter jurisdiction [at monthly, regularly scheduled meetings](#). It is the desire of the Board of Directors to adhere to legislative requirements and conduct the business of the District in a manner so as to address the needs and concerns of members of the public.

Commented [MC1]: We do not have to allow off-agenda comment at special meetings.

8.1.2 Members of the public are directed to contact the President of the Board of Directors, a Director of the Board or the Chief Executive Officer at least two weeks prior to the meeting of the Board of Directors at which they wish to have an items placed on the agenda for discussion/action. Requests to Directors of the Board will be referred to the Chief Executive Officer for follow up. While the District values public input, the Board and District staff control meeting agendas and the District has no obligation to agendize a matter requested by a member of the public. If a matter is not agendized, the person seeking to discuss it may raise it in the public comment portion of a meeting.

8.2 The Chief Executive Officer and Executive Assistant, with input from members of the Board, shall prepare the agendas for the meetings of the Board of Directors or Board standing committees. Items to be placed on the Board agenda should be submitted to the Chief Executive Officer or the Executive Assistant no later than 10 days prior to the Board meeting. The power of Directors to place matters on an agenda is noted in section 12.9 of this Policy.

8.3 The format for agendas of meetings of the Board of Directors will be as follows:

8.3.1 6:00 PM Call to Order

8.3.2 Roll Call

8.3.3 Clear the Agenda/ Items Not on the Posted Agenda

8.3.4 Input – Audience

8.3.5 Medical Staff Report

8.3.6 **Consent Calendar**

8.3.7 Chief Executive Officer's Report

8.3.8 Additional Administrative Reports

8.3.9 Presentations/ Staff Reports

8.3.10 Board Committee Reports/Recommendations

8.3.11 Items for Board Discussion And/Or Action

8.3.12 Agenda Input For Upcoming Committee Meetings

8.3.13 Items for Next Meeting

8.3.14 Board Members Reports/Closing Remarks

8.3.15 Closed Session if necessary. (The Board may conducted closed session at 4:00 PM or at other times.)

8.4 The Board of Directors wishes to facilitate input from members of the Medical Staff. When possible, items of concern to the members of the Medical Staff will be placed as early in the agenda as appropriate within the format as detailed above to minimize the demands on the time of the Medical Staff members.

8.5 The Board President and the Chief Executive Officer will create a "Consent Calendar" for those items on the agenda which are reasonably expected to be routine and non-controversial. The Board of Directors shall consider all of the items on the agenda marked Consent Calendar at one time by vote after a motion has been duly made and seconded. If any member of the Board of Directors,

2615428 ABD-12 GuidelinesFortheConductofBusinessByTFHDBoardofDirectorsABD-42
Guidelines for the Conduct of Business by TFHD Board of Directors

Page 5 of 9

Commented [MC2]: Consider moving this to the end of the agenda.

hospital staff or any interested person in the audience requests that a consent item be removed from the list of consent items prior to the vote on the Consent Calendar, such item shall be taken up for separate consideration and disposition ~~following action on the remaining items on the Consent Calendar.~~

Commented [MC3]: Do you want to empower the public in this way? I recommend the power to pull things from the agenda be limited to directors and staff. Usually, a boardmember will accommodate a member of the public, but we can screen out obstructionists if the five board members all agree someone is being an obstructionist.

8.6 If available, minutes of Board standing committee meetings will be included in Board agenda packets. If not available, the agenda for the committee meeting will be included. Recommendations from the Board standing committee to the Board of Directors will be highlighted at the beginning of the minutes for ease of presentation.

Commented [MC4]: I think you should allow freedom to take matters up at the end of the night or some other convenient time

8.7 The President of the Board of Directors will approve the ~~finalized~~ agenda ~~prior to~~ before its distribution.

9.0 Notification by Board Member of Anticipated Absences

In the event a Board Member will be out of the area or unable to participate in a meeting, the Board Member is requested to provide notification to the Executive Assistant with information including the dates of absence, best method of contact, applicable telephone and fax numbers, and, if possible, a mailing address. If you do not wish to be contacted in the event of an emergency, you must ~~waive your right to be contacted in writing~~ acknowledge that written notices will be provided to your permanent address.

10.0 Minutes Of Meetings Of The Board Of Directors And Board Standing Committees

Minutes of meetings of the Board of Directors and Board standing committees shall be taken by the Executive Assistant. The minutes shall be transcribed by the Executive Assistant and reviewed by the Chief Executive Officer prior to submittal to the Board of Directors or Board committees for review and approval at their next regularly scheduled meeting.

11.0 Special Rules/Robert's Rules Of Order

Introduction: The Board of Directors has adopted Robert's Rules Of Order, Revised as the framework to guide discussion and actions within the Board of Directors' meetings and its subsidiary committee structure. With acknowledgement that the Tahoe Forest Hospital Board of Directors is somewhat different in form, membership and objective than is captured in Robert's Rules, the placement of "Special Rules" is appropriate to facilitate superior deliberation and decision making. With Robert's Rules providing the basis for debate and action, the following procedures and/or expectations shall take precedence over Robert's Rules of Order, Revised:

12.0 Discussion/Debate

12.1 As is practical, staff oral summaries shall precede motions.

12.2 Invited outside presenters, such as our auditors, accountants, legal counsel shall offer their comments and documentation prior to a motion being introduced by one of the Board Members.

12.3 *Brief* questions to fill in knowledge gaps or to provide clarification should be posed prior to motion language being introduced. This is not an opportunity for Boardmembers to state their views on the substance of a matter.

12.4 Any Board committee input or recommendations should be presented prior to a motion. Again, *brief* questioning for clarification may be engaged in prior to

motions: this is not an opportunity for Boardmembers to state their views on the substance of a matter.

- 12.5 Public input/comments regarding items not on the agenda will be sought at the beginning of Board/Board standing committee meetings. Public input/comments regarding agendized items will be sought during the consideration of these items, before action is taken, at Board/Board standing committee meetings. It is noted that presentations from outside organizations may be referred to a Board Committee by the Board President for the formulation of a recommendation to the Board of Directors.
- 12.6 At any point during a Board of Directors meeting any member may request, by motion that the Board go into "Committee of the Whole" to discuss any item on the agenda. Structurally, a motion is made to "go into Committee of the Whole to discuss item "x", a second is received, and a vote is taken. Simple majority rules on the matter. Such discussions are intended to act as an opportunity to present opinions and a fact, and/or receive input from other Board members in the absence of an "action" motion directly under consideration. To leave "Committee of the Whole" discussions and return to the agenda, or to present a motion for action, the Chair can pose that we have exhausted the topic, and by consent adjourn the Committee of the Whole and return to the Board agenda.
- 12.7 Or, if any member wishes to close the Committee of the Whole discussion, he/she can ask for such action, by motion, and receiving a second the request to move on will be voted upon. Again, simple majority rules on the matter.
- 12.8 A separate and distinct area of the agenda shall be devoted to discussion items. This section is intended to serve the function of allowing the Directorship an opportunity to engage in free flowing information and opinion exchanges without the necessity of relating one's thoughts to a pending action item or motion. When the Chair calls for this section of the meeting, we are in de-facto "Committee Of The Whole" discussion. Topics such as emerging trends, long range plans, events and the like are most appropriately considered within this format. On each Board agenda there will be, under this section, an "agendized" item asking for member input for future topics.
- 12.9 A member can ask that a topic be placed on next month's agenda for discussion. The item will be placed on next month's agenda unless another Board Member objects, in which case the simple majority rules.

13.0 Voting/Motions

- 13.1 Any member of the Board of Directors may introduce or second a motion, including the Board President or other currently presiding officer. All members, including the Board President, are obliged-encouraged to vote on all motions presented while in attendance unless required to abstain by a conflict of interest or other law. If a Director's vote is not discernible, it shall be recorded as in favor of the motion.
- 13.2 Recording of the vote shall be first done by voice vote, with exception going to resolutions that require a roll call vote as a matter of law. Any member may request a roll call vote on any motion; such requests will not require a second and shall be performed at once.

Commented [MC5]: You cannot compel people to vote.

- 13.3 "Secret ballots" or any other means of casting anonymous or confidential votes are strictly prohibited per law. All votes shall be recorded and be available for public review.
- 13.4 Unless otherwise noted, all Board related business, whether in committee or Board session (open or closed) shall be conducted in a fashion ~~conversant-compliant~~ with Robert's Rules of Order, Revised as modified by this Policy. The Board formally adopts this method of conducting business to ensure that all Board affairs are conducted in an equitable, orderly and timely fashion. Parliamentary procedures are seen as a valuable tool for proper conduct in meetings, and should provide a degree of standardization in regards to other governmental interests, facilitating the public's understanding (and other governmental bodies' understanding) our actions.

14.0 Urgent Decisions

In the event that an urgent or emergent decision or action is required by the Board prior to a regularly scheduled meeting, the President of the Board, or a majority of the Board members, may call a special board meeting or an emergency meeting to take action.

15.0 Contingent Approval

15.1 In the event the Board approves an item at a Board meeting in which all of the terms, conditions, restrictions, commitments, etc. are clearly defined, but which such provisions have not been formalized in contracts or other appropriate documentation, the Board may give preliminary approval to the Chief Executive Officer to execute the contract or other appropriate documentation, contingent upon the following:

15.1.1 the terms are not substantively altered from those previously approved,



15.1.2 all involved parties to the transaction or agreement are notified in writing of the contingent approval of the terms pending ratification by the Board, and

15.1.3 the final terms and documentation are approved or rejected by the Board at ~~its next regularly scheduled~~ a subsequent Board meeting.

15.2 If the terms of the supporting documentation are substantively different than those previously approved at the public meeting, then approval must be obtained at ~~the a next regular~~ subsequent board meeting, ~~or a special meeting may be called.~~

Commented [MC6]: I think a little more flexibility is in order here.

Related Policies/Forms: Inspection And Copying of Public Records ABD-14
References: Ralph M. Brown Act (CA Govt Code §54950), Governance Institute
Policy Owner: Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		Tahoe Forest Health System			
		Title: Inspection and Copying of Public Records		Policy/Procedure #: ABD-14	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	4/97	1/10; 1/12; 1/14	9/04; 2/05; 2/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

RESOLUTION NO. 95-07

RESOLUTION ESTABLISHING PROCEDURES CONCERNING INSPECTION AND COPYING OF THE PUBLIC RECORDS OF THE TAHOE FOREST HOSPITAL DISTRICT AND FOR THE SETTING OF GUIDELINES FOR THE ACCESSIBILITY OF SUCH RECORDS

WHEREAS the Legislature of the State of California has enacted Chapter 3.5 of Division 7 (Section 6250 et seq.) of the Government Code of the State of California Public Records Act; and

WHEREAS said Act applies to the Tahoe Forest Hospital District, which is bound to comply with its mandatory provisions; and

WHEREAS Government Code Section 6253 as amended, provides that every agency (which includes Tahoe Forest Hospital District) may adopt regulations stating the procedures to be followed when making its records available in accordance with said Section; and

WHEREAS the Board of Directors of this District believes that access to information concerning the conduct of the people's business, including the business of the District, is a fundamental and necessary right of every person; and

WHEREAS the Board of Directors of this District is aware of the right of individuals to privacy, and in particular is aware that the disclosure of personnel, medical or similar information relative to individuals (except where required by law) would constitute an unwarranted invasion of such personal privacy; and

WHEREAS the Board of Directors of this District is aware of its obligation under the law and its duty to individuals concerned with District records to determine whether the public interest served by not making the records in question public, clearly outweighs the public interest served by disclosure of the records; and

WHEREAS the Board of Directors of this District desires to comply with Health and Safety Code Sections 443, et seq., known as the Health Data and Advisory Council Consolidation Act and to make timely and confidential submissions to the Office of Statewide Health Planning and Development; and

WHEREAS the Board of Directors of this District desires to set guidelines for the accessibility of its records and procedures for inspection and copying of such records which are determined to be accessible to the public;

NOW, THEREFORE, BE IT RESOLVED that the following procedures and guidelines are hereby enacted by the Board of Directors of the Tahoe Forest Hospital District:

Procedures Concerning Inspection and Copying of the Public Records of the Tahoe Forest Hospital District as set forth in Exhibit "A" attached hereto and by this reference incorporated herein.

Guidelines for the Accessibility of the Public Records of the Tahoe Forest Hospital District as set forth in Exhibit "B" attached hereto and by this reference incorporated herein.

Passed and adopted at a meeting of the Board of Directors of the Tahoe Forest Hospital District duly held on the 19th day of December 1995.

AYES: Shaheen, Boone, Nahser Martin, Falk, Eskridge

NOES: None

ABSENT: None

/s/ Laurie N. Martin

Secretary

APPROVED:

/s/ Rob Eskridge

President

/s/ Larry Long, CEO

PROCEDURE (EXHIBIT A of RESOLUTION):

A. The following Procedures govern the inspection and copying of all of the public records of the Tahoe Forest Hospital District. These Procedures have been set by the Board of Directors of the District and are administered by the Administrator of the District under the Guidelines adopted by the Board of Directors.

B. Definitions

B.1 "Person" includes any natural person, corporation, partnership, limited liability company, firm or association.

B.2 "Public records" includes any writing containing information relating to the conduct of the business of the Tahoe Forest Hospital District prepared, owned, used or retained by the District regardless of physical form or characteristics.

C. Time of Inspection

The public records of the District subject to inspection and copying pursuant to the Guides For Accessibility Of The Public Records Of The Tahoe Forest Hospital District may be inspected at all times during the regular office hours of the administrative office of the District, i.e., on Monday through Friday (holidays excepted) during the hours of 9:00 AM until 5:00 PM.

D. Place of Inspection

The public records of the District may be inspected at the office of the administrator of the Tahoe Forest Hospital, Truckee, California.

E. Application For Inspection

Every person desiring to inspect the public records will be requested to fill out an Application For Inspection Or Copying Of Records form, which may be obtained at the place of inspection, and which form shall state:

- E.1 The name of the applicant. (The application may also ask applicant for the purpose of the request, but response to such question is optional. The purpose is not required, but would make it easier to weigh the public interest in disclosure versus nondisclosure cases [and to contact the applicant to discuss and clarify the request.](#))
- E.2 Date of the application.
- E.3 The address of the applicant [and, if the applicant desires, an email address.](#)
- E.4 The telephone number of the applicant.
- E.5 The date that inspection is requested.
- E.6 An exact as possible description of the records which the applicant desires to inspect.
- E.7 Whether the applicant desires a copy of such records, with the disclosure of costs to be borne by the applicant given.
- E.8 Whether the applicant has specific authorization to inspect the records (when such authorization is required pursuant to District Guidelines).

When specific written authorization is required to inspect the subject records, a copy of such authorization must accompany the application and shall be permanently affixed thereto.

F. District's Response to Application For Inspection

- F.1 Upon receipt of an Application for Inspection or Copying of Records [in the Administrative Office of the District](#), the District shall record the date that it receives the application and determine within ten (10) days after the receipt of such application whether [it has disclosable public records responsive to ~~comply with~~](#) the request. The District shall immediately thereafter notify the person making the application of the District's determination and the reasons therefore.
- F.2 In case of unusual circumstances, the ten (10) day time limit may be extended by written notice from the District Chief Executive Officer, or his designee, to the person making the application. Such notice shall set forth the reasons for the extension and the date on which a determination is expected to be made. Any such extension shall not exceed fourteen (14) days. As used in this paragraph, "unusual circumstances" means:
 - F.2.1 The need to search for and collect the requested records from field facilities;
 - F.2.2 The need to search for, collect and appropriately examine a voluminous amount of separate and distinct records demanded in a single request;

F.2.3 The need for consultation, which shall be conducted with practicable speed, with another agency having a substantial interest in the determination of the application or among two or more components of the District which have substantial interest in matters covered by the application.

F.2.4 The need to determine no violation of the Health Insurance Portability and Accountability Act (HIPAA) of 1996 [and other laws requiring confidentiality of District records](#).

G. Fee for Copying and Certifying Records

G.1 When the applicant desires a copy of an identifiable public record or information produced therefrom, the writing shall be copied (if it can be done so with equipment then available at the place of inspection) by the District for a charge of 10 cents (\$.10) per page, which shall be deposited prior to such copying. If such copying cannot be done by the District, ~~for technical reasons~~, an estimate of the cost of copying the same shall be obtained by the District from any available source and the applicant shall deposit the amount of such estimate with the District prior to such copying.

G.2 The copying of such records shall be accomplished by the District as soon as possible after the request therefore without disruption of the normal business of the District. The applicant shall be informed of the time necessary to accomplish such copying.

G.3 When the applicant desires a certification of such copy(ies) of such records, a fee of \$1.75 shall be paid for such certification.

H. Records Not to Be Removed

No records of any kind may be removed by an inspecting party from the place of inspection for any purpose whatsoever without an order of a court of competent jurisdiction.

I. Guidelines Available

A copy of the District's Guidelines for the Accessibility of the Public Records of the Tahoe Forest Hospital District is available upon request.

Commented [1]:

Commented [2R1]: Might be time to see if this fee covers our copying costs.

Commented [3]: Ditto.

Commented [4]: Do we want to discuss fees for electronic records? Upside is that we can get our hard and soft costs to make electronic records. Downside is that we might encourage such requests and we can recover our costs under the statute whether the policy mentions this or not.

SPECIAL INSTRUCTIONS/DEFINITIONS ((EXHIBIT B of RESOLUTION):

GUIDELINES FOR THE ACCESSIBILITY OF THE PUBLIC RECORDS OF THE TAHOE FOREST HOSPITAL DISTRICT

The following Guidelines shall govern the accessibility for inspection and copying of all of the public records of the Tahoe Forest Hospital District. These Guidelines have been set by the Board of Directors of the District and are to be administered by the Chief Executive Officer of the District.

A. Purpose of Guidelines

The purpose of these Guidelines is to serve as general rules to be followed by those persons charged with administration of the Procedures Concerning Inspection and Copying of the Public Records of the Tahoe Forest Hospital District heretofore adopted by the Board of Directors. Certain requirements of the law must be observed relating to

the disclosure of records and to the protection of the confidentiality of records. These Guidelines set forth the general rules contained in such laws.

B. Definitions

- B.1 "Person" and "public records" are defined in the Procedures Concerning Inspection, etc., of the District and such definitions apply herein.
- B.2 "Writing" means handwriting, typewriting, printing, photostating, photographing, and every other means of recording upon any form of communication or representation, including letters, words, pictures, sounds, or symbols, or combination thereof, and all papers, maps, magnetic or paper tapes, photographic films and prints, magnetic or punched cards, discs, drums, and other documents.
- B.3 "~~Computer~~Electronic Records." "Public records" stored or maintained ~~on-in an electronic format computer~~ are subject to disclosure as otherwise required or exempted by these guidelines and the Public Records Act. However, computer software, including computer mapping systems, computer programs and computer graphics systems, developed by Tahoe Forest Hospital District, are not "public records," and are not subject to disclosure. The Hospital District may sell, lease, or license such software for commercial or noncommercial use but otherwise treats its proprietary software as a trade secret to retain its value for the benefit of the District and its taxpayers.

Commented [5]: There's a case involving County GIS records that disallows charging a fee for access to proprietary software. It may be better to just declare it a trade secret and not release it at all.

C. Questions of Interpretation

- C.1 In case of any question as to the accessibility of the records of the District under these Guidelines, records should not be made accessible to the public until the Chief Executive Officer has rendered a decision. Such decision may be reviewed by the Board of Directors upon its own initiative, or the applicant may petition the Board for review in a writing submitted to the Executive Secretary of the Board within seven days of the Chief Executive Officer's decision, which petition the Board may grant or reject. If no appeal is initiated or granted by the Board, the Chief Executive Officer's decision shall be final as to the District but subject to judicial review as provided in the Public Records Act, until such question has been determined by the Chief Executive Officer of the District. The decision of the Chief Executive Officer is final. However, prior to the applicant being timely notified of the decision, the Board of Directors may, at its option, review decisions of the Chief Executive Officer. In such case, the decision of the Board of Directors will be the final decision.
- C.2 The District shall justify the withholding of any record by demonstrating that the record requested and withheld is exempt under Paragraph E of these Guidelines, or that on the facts of the particular case, the public interest served by not making the record public outweighs the public interest served by the disclosure of such record or withholding the record is otherwise required or authorized by law.
- C.3 In the case of any denial of an Application for Inspection or Copying of Records, the District shall, within the period allowed under Section E of Procedures Concerning Inspection, notify the applicant of the decision to deny the application for records and shall set forth the names and positions of each person responsible for the denial of the request.

D. Following Procedures for Inspection and Copying

The Procedures referred to hereinabove shall be followed in all of their specifics at all times. Records of inspections shall be accurately maintained.

E. Records Subject to Inspection

All public records of the District are subject to inspection pursuant to these Guidelines except as follows:

- E.1 Records set forth hereinafter as records subject to inspection only with authorization;
- E.2 Records NOT SUBJECT to inspection (unless by Court Order); or
- E.3 Records which may be withheld by exercise of judgment, pursuant to "I" below.

F. Records Subject to Inspection Only with Authorization

In accordance with the Health Insurance Portability and Accountability Act (HIPAA), any records relating to patients of the Tahoe Forest Hospital District (including but not limited to the patient's records of admission and discharge, medical treatment, diagnosis and other care and services) shall only be made available for inspection and/or copying under the following conditions:

- F.1 Upon presentation of a written authorization therefore signed by an adult patient, by the guardian or conservator of his person or estate, or, in the case of a minor, by a parent or guardian of such minor, or by the personal representative or an heir of a deceased patient, and then only upon the presentation of the same by such person above named or an attorney at law representing such person.
- F.2 Where records relating to a minor patient are sought by a representative, and the minor is authorized by law to consent to medical treatment, or the District determines that access to the information would have a detrimental effect on the patient-provider relationship or the minor's physical or psychological well-being, the District shall not permit inspection of such records, absent a court order.
- F.3 The following information must be provided:
 - F.3.1 The name of the patient whose records are requested.
 - F.3.2 The name and signature of the requestor.
 - F.3.3 A statement of the relationship to the patient, if the requestor is a patient representative.
 - F.3.4 Identification of the portion of the patient record to be inspected or copied.
 - F.3.5 The date of the request.
- F.4 Except when requested by a licensed physician, surgeon, or psychologist designated by request of the patient, the District may decline to permit inspection of mental health records sought by a patient or representative, if the District determines that access to records by the patient poses a substantial risk of significant adverse or detrimental consequences to the patient. The District must place a written record of the reason for refusal within the mental health records requested, including a description of the specific adverse or detrimental consequences, and a statement that refusal was made pursuant to Health and Safety Code Section 123115(b).
- F.5 Upon presentation of a written order therefore issued by a Court of the State of California or of the United States of America (see reference to Subpoena Duces

Tecum hereinafter) which specifically commands the District to disclose specified records.

F.6 Upon subpoena, when permitted under Paragraph J below.

G. Records Not Subject to Inspection (Unless by Court Order)

The following records of the District are not subject to inspection by any person without a written order therefore issued by a Court of the State of California or of the United States of America (see reference to Subpoena Duces Tecum hereinafter):

- G.1 Records of the proceedings or other records of an organized committee of medical or medical-dental staffs in the Tahoe Forest Hospital District having the responsibility of evaluation and improvement of the quality of care rendered in the Hospital.
- G.2 Records pertaining to pending litigation to which the District is a party, or to claims made pursuant to Division 3.6 (commencing with Section 810) of Title 1 of the Government Code of California, until such litigation or claim has been finally adjudicated or otherwise settled.
- G.3 Personnel, medical or similar files of non-patients, the disclosure of which would constitute an unwarranted invasion of personal privacy of the individual or individuals concerned.
- G.4 Records of complaints to or investigations conducted by, or investigatory or security files compiled by the District for correctional, law enforcement or licensing purposes.
- G.5 Test questions, scoring keys, and other examination data used to administer a licensing examination, examination for employment or academic examination.
- G.6 The contents of real estate appraisals, engineering or feasibility estimates and evaluations made for or by the District relative to the acquisition of property, or to prospective public supply and construction contracts, until such time as all of the property has been acquired or all of the contract agreement obtained.
- G.7 Records the disclosure of which is exempted or prohibited pursuant to provisions of federal or state law, including, but not limited to, provisions of the Evidence Code of California relating to privilege. (Privileges are conditionally provided for all communications between lawyer and client, physician and patient, and psychotherapist and patient, [among other things](#)).
- G.8 Library circulation records kept for the purpose of identifying the borrower of items available in any District libraries.
- G.9 Preliminary drafts, notes, or interdistrict, intradistrict or other memoranda, between districts, departments of the District, and/or other agencies, which are not retained by the District in the ordinary course of business, and provided that the public interest in withholding such records outweighs the public interest in disclosure.
- G.10 Records in the custody of or maintained by legal counsel to the District.

- G.11 Statements of personal worth or personal financial data required by any licensing agency and filed by an applicant with the licensing agency to establish his or her personal qualification for the license, certificate or permit applied for.
- G.12 Records relating to any contract or amendment thereof, for inpatient services governed by Articles 2.6, 2.8 and 2.91 of Chapter 7 of Division 9 of the Welfare and Institutions Code, pertaining to Medi-Cal provider contracting. However, except for the portion of the contract containing rates of payment, the record shall be open to inspection within one year after the contract is fully executed. Rate of payment portions shall be open to inspection within three years after the contract is fully executed. Records relating to contracts for inpatient services shall be disclosed to the Joint Legislative Audit Committee upon request.
- G.13 Records relating to any contract with insurers or nonprofit hospital services plans for inpatient or outpatient services for alternative rates pursuant to Sections 10133 or 11512 of the Insurance Code. However, the record shall be open to inspection within one year after the contract is fully executed.
- G.14 Records relating to any contract, or amendment thereof, with the Major Risk Medical Insurance Program for health coverage pursuant to Division 2, Parts 6.3 and 6.5, and Part 2, Chapter 14, of the Insurance Code. However, except for the portion of the contract containing rates of payment, the record shall be open to inspection within one year after the contract is fully executed. Rate of payment portions shall be open to inspection within three years after the contract is fully executed. Records relating to contracts for inpatient services shall be disclosed to the Joint Legislative Audit Committee upon request.
- G.15 "Trade secrets," including but not limited to any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data, or compilation of information which is not patented, which is known only to certain individuals within the Hospital District who are using it to fabricate, produce, or compound an article or service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it.
- G.16 Records of state agencies related to activities governed by Articles 2.6, 2.8, and 2.91 of Chapter 7 of Part 3 of Division 9 of the Welfare and Institutions Code, pertaining to Medi-Cal provider contracting, which reveal the special negotiator's deliberative processes, discussions, communications, or any other portion of the negotiations with providers of healthcare services, impressions, opinions, recommendations, meeting minutes, research, work product, theories, or strategy, or which provide instruction, advice or training to employees.
- G.17 A final accreditation report of the American Osteopathic Association which has been transmitted to the State Department of Health Services pursuant to Subdivision (b) of Section 1282 of the Health and Safety Code.

G.17G.18 [Any other record that the law requires or permits the District to withhold from public inspection.](#)

H. Records Submitted to Agencies Which Are Exempted From Disclosure By District Hospitals

In addition to the limitations upon disclosure of public records otherwise set forth in these Guidelines, the District is not required to disclose public records, or permit the inspection of public records pertaining to financial or utilization data, other than such financial and

utilization data as is filed with the California Health Facilities Commission and/or the Office of Statewide Health Planning and Development. It is sufficient compliance with the law to permit inspection of financial and utilization information reported to the Office of Statewide Health Planning and Development pursuant to Division 1, Part 1.8 of the California Health and Safety Code. In case of doubt, consult the District legal counsel.

I. Discretionary Withholding of Records

In addition to the limitations upon disclosure of records set forth in these Guidelines, the District may, in its judgment, withhold inspection of any record or writing when the District determines that on the facts of the particular case the public interest served by not making the record public clearly outweighs the public interest served by disclosure of the record. Such judgment shall be exercised by the District by and through the Chief Executive Officer whose decision shall be final unless overruled by the Board of Directors [on a written request filed with the Executive Secretary of the Board within seven days of the Executive Director's decision.](#)

J. Compliance with Subpoena Duces Tecum

While a Subpoena Duces Tecum (a notice to appear and to bring records, or to produce records without appearance) is issued by a court, it is not an order of the court declaring that the particular records are subject to disclosure. Such records may still be subject to protection against disclosure by reason of the existence of a privilege or other legal excuse. Therefore, receipt of such a subpoena does not permit disclosure of records in and of itself and the following rules should be followed:

J.1 Subpoena in action where District is a party:

Immediately consult with legal counsel representing the District as to the proper response.

J.2 Subpoena in other actions:

J.2.1 If the records sought to be discovered (which are ordered to be produced) fall within one of the categories in Paragraphs F, G, or H above, consult with the District's counsel prior to responding to the subpoena.

J.2.2 If the records sought to be discovered are those which can be inspected, it is sufficient compliance with the subpoena (if it seeks only records and does not specify that "testimony" or "examination upon such records" will be required) to deliver a copy by mail or otherwise, following the procedure set forth in Exhibit "1" attached hereto.

J.3 If only a portion of the records may be disclosed or inspected:

If only portions of any requested records may be disclosed or inspected, any reasonably segregable portions shall be provided to the applicant after deletion of portions which are exempt and the segregated nondisclosable portions should be withheld unless and until a court orders their production.

HOW TO COMPLY WITH SUBPOENA DUCES TECUM

- A. Except as provided in Paragraph E hereafter, when a Subpoena Duces Tecum is served upon the custodian of records or other qualified witness of the District in an action in which the District is neither a party, nor the place where any cause of action is alleged to have arisen, and such subpoena requires the production of all or any part of the records of the District, it is sufficient compliance if the custodian or other qualified witness, within five days after the receipt of such subpoena, delivers by mail or otherwise, a true,



legible, and durable copy of all the records described in such subpoena to the clerk of the court, or to the judge if there is no clerk, or to the deposition officer set forth in said subpoena, together with the affidavit described in Paragraph C hereinafter.

- B. The copy of the records shall be separately enclosed in an inner envelope or wrapper, sealed, with the title and number of the action, name of witness, and date of subpoena clearly inscribed thereon; the sealed envelope or wrapper shall then be enclosed in an outer envelope or wrapper, sealed and directed as follows:
- a. If the subpoena directs attendance in court, to the clerk of such court or to the judge thereof if there is no clerk.
 - b. If the subpoena directs attendance at a deposition, to the officer before who the deposition is to be taken at the place designated in the subpoena for the taking of the deposition or at this place of business.
 - c. In other cases, to the officer, body or tribunal conducting the hearing, at a like address.
- C. The records shall be accompanied by the affidavit of the custodian or other qualified witness, stating in substance each of the following:
- a. The affiant is the duly authorized custodian of the records or other qualified witness and has authority to certify the records.
 - b. The copy is a true copy of all the records described in the subpoena.
 - c. The records were prepared by the personnel of the District in the ordinary course of business at or near the time of the act, condition, or event.
- D. If the District has none of the records described, or only part thereof, the custodian or other qualified witness shall so state in the affidavit, and deliver the affidavit and such records as are available in the manner provided in Paragraph B above.
- E. Notwithstanding the procedure for sending records described above, the personal attendance of the custodian or other qualified witness and the production of the original records is required at the time and place designated if the Subpoena Duces Tecum contains a clause which reads:
- “The personal attendance of the custodian or other qualified witness and the production of the original records is required by this subpoena. The procedure authorized pursuant to subdivision (b) of Section 1560, and Sections 1561 and 1562, of the Evidence Code will not be deemed sufficient compliance with this subpoena.”
- F. In addition to copying costs, if any, pursuant to Section F of Procedure Concerning Inspection, where the business records described in a subpoena are patient records of a hospital, or of a physician and surgeon, osteopath, or dentist licensed to practice in this State, or a group of such practitioners, and the personal attendance of the custodian of such records or other qualified witness is not required, the fee for complying with such subpoena is –0- dollars (\$0).
- G. Where the attorney or deposition officer, including, a licensed copyist, performs copying at the District’s facilities with their own copy equipment, the sole fee for complying with the subpoena is –0- dollars (\$0).
- H. In addition to copying costs, if any, pursuant to Section F of Procedures Concerning Inspection, when the personal attendance of the custodian of a record or other qualified

witness is required, he shall be entitled to reimbursement at the current IRS rate for mileage actually traveled, round trip, and to thirty-five dollars (\$35.00) for each day of actual attendance.

See also [Subpoenas AGOV-36](#).

Related Policies/Forms: Subpoenas AGOV-36 ; Release of Protected Health Information DHIM-3 ; TFHD Application Inspection and Copying of Records
References: TFHD BOD Resolution 12/19/1995
Policy Owner: Michelle Cook , Clerk of the Board
Approved by: Robert Schapper , Chief Executive Officer

		Tahoe Forest Health System			
		Title: Investment Policy		Policy/Procedure #: ABD-15	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	1/90	3/10; 01/12; 1/14	7/06	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

The purpose of this policy is to establish Tahoe Forest Hospital District cash investment objectives, authority and responsibility, approval, instrument limitations (Appendix A, California Health & Safety Code Section 32127), concentrations, terms, reporting, judgment and care, and District Treasurer’s, Chief Executive Officer and CFO liability for all of its funds.

POLICY:

1.0 **OBJECTIVE**

The District’s investment objective is to maximize the return on invested cash while minimizing risk of capital loss and adhering to the investment policy as allowed for herein.

2.0 **AUTHORITY AND RESPONSIBILITY**

The District Treasurer shall have the authority and responsibility to purchase and invest prudently. The Chief Executive Officer is delegated the authority and responsibility by the District Treasurer to purchase and invest within the limitations defined below.

3.0 **APPROVAL**

The CFO will investigate and recommend investments within the guidelines of this policy but must have approval from the District Treasurer or Chief Executive Officer to implement investments.

LIMITATIONS ON INSTRUMENTS

The District shall adopt and use California Health & Safety Code Section 32127 as the limitation on instruments of investment. Refer to Appendix A.

PROCEDURE:

1.0 **CONCENTRATION OF INVESTMENTS**

- 1.1 Unlimited investments in the State Of California Local Agency Investment Fund.
- 1.2 Unlimited investment in the U.S. Government guaranteed investments.
- 1.3 Sufficient principal funds in any single bank or savings should comply with the regulatory collateralization requirements.

No more than \$100,000 principal in any single bank or savings and loan association with insurance through FDIC or FSLIC, when FDIC or FSLIC is applicable.

1.4 Banks or savings and loan associations must also have consistently profitable operations, and must have net worth ratios which exceed their regulatory requirements.

1.5 No more than \$1,000,000 in any one corporation or diversified management company.

2.0 **TERMS OF INVESTMENTS**

2.1 Limited to the terms specified in Government Code Section 53601 or if not specified:

2.2 Maximum terms of any investment to be one and one half (1 1/2) years.

2.3 Board of Directors' approval required for terms in excess of 1 and 2 above.

2.4 Investments must be redeemable prior to maturity, even if with a penalty, or salable in an established secondary market.

3.0 **REPORTING**

The District Treasurer or CFO shall report periodically to the Board of Directors of the District showing the type of investment, institution, date purchased, date of maturity, amount of deposit and rate of interest.

4.0 **JUDGEMENT AND CARE**

All persons authorized to make investment decisions on behalf of the District (investing public funds) are trustees and therefore fiduciaries subject to the prudent investor standard. When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing funds, the trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency. Within the limitations of this section and considering individual investments as part of an overall strategy, investments may be acquired as authorized by law.

5.0 **DISTRICT TREASURER LIABILITY**

When the District funds are invested in accordance with this Statement Of Investment Policy, the District Treasurer shall not be liable for any loss resulting from the default or insolvency of an authorized depository in the absence of negligence, malfeasance, misfeasance or nonfeasance on the part of the Treasurer.

6.0 **CFO AND CHIEF EXECUTIVE OFFICER PERFORMANCE**

As experts in the field of finance, healthcare and hospital operations, the CFO and Chief Executive Officer are expected to guide, recommend and provide oversight to the Treasurer, Board Finance Committee and Directorship in all matters related to investment activities. It is incumbent upon these above mentioned employees to ensure that all investments suggested and/or executed are in compliance with all applicable California State law, code, regulation and procedure, all federal laws and District policy.

Any and all deviation from law or policy shall be brought to the immediate attention of the Treasurer, the Board Finance Committee and brought through the Board of Directors.

TAHOE FOREST HOSPITAL DISTRICT

INVESTMENT POLICY

LIMITATION ON INSTRUMENTS

APPENDIX A

The District shall adopt and use the following as the limitation on instruments of investment.

California Health & Safety Code Section 32127, which outlines the duties of the Treasurer of the District, provides generally that any monies in the treasury of the District may be deposited in accordance with the provisions of the general laws of the State of California governing the deposit of public monies of cities or counties. That provision is supplemented by the provisions of Government Code Section 53600, et seq. which deals with investment of funds by local agencies.



Government Code Section 53601 provides that the legislative body of a local agency having money in a sinking fund or surplus money in its treasury not required for immediate necessities of the local agency may invest in the following categories based on Government Code Section 53601 beginning in 1992 with 1995, 1996 and 2002 Amendments.

- 6.1 Bonds issued by the District;
- 6.2 U.S. Treasury Notes, bonds or certificates of indebtedness;
- 6.3 Warrants, treasury notes or bonds issued by the State of California or by any department, board, agency or authority of the state;
- 6.4 Bonds, notes, warrants or other evidences of indebtedness of any local agency in California;
- 6.5 Obligations, participation or other instruments of, or issued by, a federal agency including Federal Home Loan Bank Board (FHLBB) and Federal National Mortgage Association (FNMA).
- 6.6 Bankers' acceptances provided that such documents may not exceed 180 days maturity and no more than 30 percent of surplus funds may be invested in the bankers' acceptances of any one commercial bank and 40 percent of the surplus funds total in such investments;
- 6.7 Commercial paper of prime quality or the highest rating by Moody's or Standard and Poor's, ("A" or higher) provided that issuing corporations must have total assets in excess of \$500,000,000. Purchases of eligible commercial paper may not exceed 270 days maturity or represent more than 10 percent of the outstanding paper of any issuing corporation, and purchases of commercial paper may not exceed 25 percent of the agency's surplus money.
- 6.8 Negotiable certificates of deposit issued by nationally or state chartered banks or savings and loan associations or state license branches of a foreign bank, provided that purchases of negotiable certificates of deposit may not exceed 30 percent of the agency's surplus money (and certificates of deposit may not exceed the shareholder's equity of any depository bank or the total net worth of any depository savings and loan association);

- 6.9 Repurchase agreements or reverse repurchase agreements of any securities authorized by Section 53601, provided the term of repurchase agreements shall be one year or less.
- 6.10 Medium-term notes of a maximum of five years maturity issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States. Notes eligible for investment under this subdivision shall be rated in a rating category of "A" or its equivalent or better by a nationally recognized rating service. Purchases of medium-term notes may not exceed 30 percent of the agency's surplus money which may be invested pursuant to this section.
- 6.11 Shares of beneficial interest issued by diversified management companies, investing in the securities and obligations as authorized by subdivisions (a) to (j) inclusive, or subdivision (m) or (n) of this section and which comply with the investment restriction of this article and Article 2 (commencing with Section 53630). To be eligible for investment pursuant to this subdivision, these companies shall either: (1) Attain the highest ranking or the highest letter and numerical rating provided by not less than two of the three largest nationally recognized rating services, or (2) Have an investment advisor registered with the Securities and Exchange Commission with not less than five years' experience investing in the securities and obligations as authorized by subdivisions (a) to (j), inclusive or subdivisions (m) or (n), of this section and with asset under management in excess of \$500,000,000. The purchase price of shares of beneficial interest purchased pursuant to this subdivision shall not include any commission that these companies may charge and shall not exceed 20 percent of the agency's surplus money which may be invested pursuant to this section. However no more than 10 percent of the surplus funds may be invested in shares of beneficial interest of any one mutual fund pursuant to this paragraph.
- 6.12 Notwithstanding anything to the contrary contained in this section, Section 53635 or any other provision of law, monies held by a trustee or fiscal agent and pledged to the payment or security of bonds or other indebtedness, or obligations under a lease, installment sale or other agreement of a local agency, or certificates of participation in those bonds, indebtedness or lease installment sale, or other agreements may be invested in accordance with statutory provisions governing the issuance of those bonds, indebtedness or lease installment sale, or other agreement, or to the extent not inconsistent therewith or if there are no specific statutory provisions, in accordance with the ordinance, resolution, indenture or agreement of the local agency providing for the issuance.
- 6.13 Notes, bonds or other obligations which are at all times secured by a valid first priority security interest in securities of the types listed by Section 53651 as eligible securities for the purpose of securing local agency deposits having a market value at least equal to that required by Section 53652 for the purpose of securing local agency deposits. The securities serving as collateral shall be placed by delivery or book entry into the custody of a trust company or the trust department of a bank which is not affiliated with the issuer of the secured obligation, and the security interest shall be perfected in accordance with the requirement of the Uniform Commercial Code or federal regulations applicable to the types of securities in which the security interest is granted.

- 6.14 Any mortgage passthrough security, collateralized mortgage obligation, mortgage-backed or other pay-through bond, equipment lease-backed certificate, consumer receivable passthrough certificate or consumer receivable-backed bond of a maximum of five years' maturity. Securities eligible for investment under this subdivision shall be issued by an issuer having an "A" or higher rating for the issuer's debt as provided by a nationally recognized rating service and rated in a rating category of "AA" or its equivalent or better by a nationally recognized rating service. Purchase of securities authorized by this subdivision may not exceed 20 percent of the District's surplus money that may be invested pursuant to this section.
- 6.15 Prohibited from borrowing short-term and using these funds to invest in long-term securities.
- 6.16 The District shall not invest in inverse floaters, range notes, interest-only strips that are derived from a pool of mortgages, or any security that could result in zero interest accrual if held to maturity.
- 6.17 The District shall not invest any funds in any security that could result in zero interest accrual if held to maturity. However, a local agency may hold prohibited instruments until their maturity dates. The limitation shall not apply to the District investments in shares of beneficial interest issued by diversified management companies registered under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1, and following) that are authorized for investment pursuant to subdivision (k) of Section 53601.



Related Policies/Forms:
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		Tahoe Forest Health System			
		Title: Malpractice Policy		Policy/Procedure #: ABD-16	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	7/21/86	1/10; 1/12; 1/14	8/04	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PROCEDURE:

It is a mandate of the Tahoe Forest Hospital District Board Of Directors that all Medical Staff members carry malpractice insurance in the minimum amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate.

Related Policies/Forms:
References:
Policy Owner: Michelle Cook , Clerk of the Board
Approved by: Robert Schapper , Chief Executive Officer

		Tahoe Forest Health System			
		Title: Manner of Governance For The Tahoe Forest Hospital District Board of Directors		Policy/Procedure #: ABD-17	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	11/94	1/12; 1/14	3/08; 1/10; 6/14	
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

Formatted: Centered

PURPOSE:

To provide the framework within which the members of the Board of Directors of Tahoe Forest Hospital District will be guided in the execution of their fiduciary duties on behalf of the District.

To help assure awareness by the members of the Board of Directors of their basic fiduciary duties under state law, and that the actions, decisions and conduct of the members of the Board of Directors of the District are at all times consistent with their duties and obligations.

To assist the Board of Directors in the Board’s exercise of oversight, by establishing confidentiality obligations of Board Members to protect and preserve the confidentiality of District information.

To create an environment of open and honest communication, mutual respect and clearly defined responsibilities among Board Members, administration, all employees, physicians, affiliates, customers and the community we serve.

To incorporate into the governance process the tenets of the Tahoe Forest Hospital District’s Mission Statement:

Devoted to Excellence
Your Health
Your Life
Our Passion

To incorporate into the governance process the tenets of the Tahoe Forest Hospital District’s Vision Statement:

To be the Best Mountain
Community Health System
in the Nation

POLICY:

Members of the Board ~~shall are expected to-~~ act in accordance with the highest standards of personal integrity, avoiding any conflict of interest, all the while maintaining the letter, as well as the spirit, of California's Open Meeting Law, with due deference to information of a privileged or confidential nature.

PROCEDURE:

1.0 General Principals of Governance:

1.1 The Directors' Role. The Directors are those persons responsible for the ~~operation-policy-making and oversight~~ of the District; all District authority and affairs are to be managed by or under the direction of the Board of Directors. The Directors do not manage the day-to-day affairs of the District, but must exercise reasonable and prudent oversight with respect to District Chiefs, agents, and employees. In the performance of its duties, members of the Board of Directors may act in reliance on information and reports received from senior management as well as professional advisors and consultants whom the Board of Directors regard as reliable and competent with respect to the subject matter at issue.

1.2 Governance Commitment. The Board of Directors, on behalf of the beneficiaries of the mission of the District, will govern the District with a strategic perspective through a continuously improving commitment to the vision and values set forth in that mission.

1.3 Core Fiduciary Duties. The Board of Directors will effect its prescribed role and commitment in a manner consistent with all relevant law, and with the following core fiduciary duties:

1.3.1 Duty of Care. Each Director is obligated to exercise the proper level of care in the decision-making process, by acting (a) in "good faith" (i.e., in the absence of any personal benefit or self-dealing); (b) with that level of care that an ordinary prudent person would exercise in like circumstances (e.g., the obligations to be informed and to exercise reasonable inquiry); and (c) in a manner the Director reasonably believes is in the best interests of the District.

1.3.2 Duty of Loyalty. Each Director is obligated to exercise his/her obligations and powers in the best interests of the District and its mission, not in his/her own interest or in the interest of another entity or person. Each Director is obligated to affirmatively protect the interests of the District committed to his/her charge, and to refrain from doing anything that would work injury to the District, or to deprive it of profit or advantage which the Director's skill or ability might bring to it, or enable it to make in the reasonable and lawful exercise of its powers. Each Director is obligated to exercise an undivided and unselfish loyalty to the District and in doing so not to allow any conflict between duty and self-interest.

1.3.3 Duty of Obedience. Each Director is charged with the obligation to further the mission of the District as set forth in its Bylaws, to be faithful to its articulated purposes and goals, and to act in conformity with all laws affecting the District.

2.0 Governing Style, Focus. The Board will govern with an emphasis on outward vision rather than internal preoccupation; encouragement to express diversity in viewpoints;

and a proactive style. The Board will exercise its governance obligations in a manner that emphasizes candor; transparency; fairness; good citizenship; a commitment to compliance; and dedication to the mission of the District. In so doing, the Board of Directors shall foster a governance culture stressing constructive scrutiny and an active, independent oversight role.

2.1 The Board, with educated leadership, shall direct and inspire the organization through careful establishment of broadly written policies. The Board's major policy focus will be on the intended long-term impacts of policy decisions on the organization, not on the administrative functions. Policies will be statements of organizational values incorporating the Five Foundations of Excellence:

Quality – Provide excellence in clinical outcomes

Service – Best place to be cared for

People – Best place to work and practice

Finance – Provide superior financial performance

Growth – Meet the needs of the community

2.2 The Board will enforce upon itself whatever discipline is needed to govern with excellence. Self-discipline will apply to matters such as attendance, preparation for meetings, respect of individual and organizational roles, and ensuring continuance of governance capability. Any hospital employee, physician, affiliate, customer or community member may approach the Chief Executive Officer or President of the Board to express concerns related to an individual Board Member's conduct as it relates to this policy without fear of reprisal.

3.0 Board of Directors' Duties. In addition to the core duties set forth above, and in accordance with standards of California State law applicable to the Directors of a public agency, including districts, the Directors collectively shall perform and fulfill the following acts and duties in view of the manner in which persons of ordinary prudence, diligence, discretion, and judgment would act in the management of their own affairs. The Directors shall:

3.1 Oversee the implementation of the District's policies and procedures and take all steps necessary to ensure that the District is being managed in a manner consistent with its mission, that its assets are being managed prudently and only for the District's stated purpose, and that those policies are administered so as to provide quality health care in a safe environment.

3.2 Establish, review, and monitor the implementation of substantive strategic policies affecting the administration of the District such as its healthcare and financial objectives and other major plans and actions.

3.3 Oversee and monitor the management of the District's finances as described in the Bylaws, periodically reviewing financial projections, establishing and implementing fiscal controls, and evaluating the performance of the District and the degree of achievement of Board-approved objectives and plans. Particular oversight shall be made with respect to the integrity and clarity of the District's financial statements and financial reporting.

3.4 Acting as prudent fiduciaries of an institution requiring a professional and managerial expertise, exercise reasonable care, skill, and caution in selecting the CEO; and in accordance with the Bylaws, establishing, the scope and terms of

CEO's duties; periodically reviewing CEO's actions in order to monitor his/her performance and compliance with Board directives, and fix the compensation of, and where appropriate, hire or replace the CEO.

- 3.5 Review and approve significant District actions.
- 3.6 Advise management on significant financial, operational, and mission-based issues facing the District.
- 3.7 Set limits on the means with which the CEO and District staff operate by establishing principles of prudence and ethics, forming the parameters for all management and staff practices, activities, circumstances, and methods.
- 3.8 Monitor Board directives to the CEO and professional consultants retained by the Board to ensure implementation in accordance with such directives.
- 3.9 Hold the CEO and senior leadership team accountable for ensuring compliance with applicable federal and state laws and regulations and court orders regarding the administration of the District, and for minimizing exposure to legal action.
- 3.10 Uphold and act in accordance with the provisions of the California Health and Safety Code §§32000 et seq, (the "Local Health Care District Law), ~~upon~~under which the District was established, with Government Code §§54950 et seq. (the "Ralph M. Brown Act") regarding open meetings, and with any and all other laws and regulations relating thereto.
- 3.11 The Directors will do not have day-to-day responsibility for the management of the District and shall not interfere with the CEO's management of the District. Directors shall not give direction to District employees and shall limit interactions with them to obtaining information. Individual boardmembers may take no action on behalf of the District unless authorized by the Board, in writing, to do so. Rather, Directors exercise authority only as a Board meeting as a body consistently with the Ralph M. Brown Act.
- 3.12 **Chairperson's Role.** The Chairperson will be selected by the Board of Directors by majority vote. The Chairperson's primary role is the integrity management of the Board's ~~process-meetings~~ and, secondarily, occasional representation of the Board to outside parties. The Chairperson is generally the Director authorized to speak for the Board (beyond simply reporting Board decisions). The job of the Chairperson is to ensure the Board behaves consistently with its own policies and rules.

4.0 Board Composition, Commitment.

- 4.1 **Structure.** The size, election, term and vacancy guidelines for the Board of Directors is defined in the Bylaws, and as prescribed by The Local Health Care District Law (CA Health & Safety Code Section 32100) and Vacancies of Public Officers (CA Govt Code Section 1780).
- 4.2 **Officers.** The officers of the District are members of the Board and are chosen as defined in the Bylaws, although the Secretary may be the CEO. An officer may resign at any time or be removed by the majority vote ~~of the other Directors then in office~~ at any regular or special meeting of the Board of Directors. Reason for action shall be given to the Board members ten (10) days prior to that action.
- 4.3 **Director Removal.**

Commented [A1]: Is this a Board function or the CEO's job? Who reports to the Board beside the CEO?

- 4.3.1 A Board member may be removed by recall vote as set forth in CA Elections Code Section 2700, or as provided in The Local Health Care District Law (CA Health & Safety Code Section 32100.2) regarding meeting absences (See Section 4.4.2 below).
- 4.3.2 In accordance with CA Govt Code Sections 3000-3001, a Director forfeits his/her office upon conviction of designated crimes as specified in the Constitution and laws of the State. ~~Additionally, a Director intoxicated while discharging the duties of his/her office, or by reason of intoxication is disqualified from discharging or neglects his/her duties, is guilty of a misdemeanor. On conviction of such misdemeanor the Director forfeits his/her office, and the vacancy shall be filled in the same manner as if the Director had filed a resignation.~~
- 4.3.3 An accusation in writing against a Director for willful or corrupt misconduct in office, may be presented by the grand jury of the county in which the accused Director is selected or appointed. Prior to removal, the Director shall be entitled to due process in accordance with the provisions of CA Govt Sections 3060-3075. Removal shall occur only upon a conviction and court pronounced judgment. ~~A Director may be removed from office for willful or corrupt misconduct in office occurring at any time within the six years immediately preceding the presentation of an accusation by the grand jury.~~

Commented [A2]: I do not believe the District has the power to define crimes.

4.4 Expectations of Commitment.

- 4.4.1 Directors of the District shall be expected to expend such amounts of time and energy in support of the oversight of the District's affairs as may be necessary for them to fully satisfy their fiduciary obligations as set forth above. Directors shall be entitled to maintain outside business and volunteer activities in a manner consistent with the District's policies on conflicts of interest and outside business opportunities.
- 4.4.2 Directors shall adhere to board and/or committee meeting attendance requirements. In accordance with The Local Health Care District Law, the term of any Director shall expire if he or she is absent from three consecutive regular meetings, or from three of any five consecutive meetings of the Board *and* the Board by resolution declares that a vacancy exists on the Board.
- 4.4.3 In the event a Board Member will be out of the area or unable to participate in a meeting, the Board Member is requested to provide notification to the Executive Assistant as described in the [Guidelines For the Conduct of Business By the TFHD Board of Directors](#).

4.5 Director Orientation and Continuing Education. Refer to [Orientation and Continuing Education](#) .

4.6 Self-Evaluation. Refer to [Board, Chief Executive Officer, & Employee Performance Evaluation](#).

4.7 Compensation. Refer to [Board Compensation and Reimbursement Policy](#).

5.0 Committee Principles. Notwithstanding the basic obligations of the Directors as set forth in this Policy, it is an appropriate exercise of the Board's fiduciary duty to delegate responsibility for certain matters to committees designated by the Board of Directors for

such purposes.

- 5.1 The Bylaws define and establish the Standing Committees, including composition, appointment term, and purpose, as well as the procedure for establishing Special Committees, formed to perform a specific or limited function.
- 5.2 A committee is a Board committee only if its existence and charge come from the Board, regardless of whether Directors sit on the committee. The only Board committees are those which are set forth in the bylaws of the District or as appointed by the President of the Board.
- 5.3 Board committees are to assist the Board of Directors in the performance of its duties, not to help the staff perform its duties. Committees ordinarily will assist the Board by preparing policy alternatives and implications for Board deliberation. Board committees are not to be created by the Board to advise staff.
- 5.4 Board committees may not speak or act for the Board except when formally given such authority [by the Board in writing](#) for specific and time-limited purposes. Expectations and authority will be carefully stated in order not to conflict with authority delegated to the CEO.
- 5.5 Board committees cannot exercise authority over staff. Because the CEO works for the full Board, he or she will not be required to obtain approval of a Board committee before taking an executive action. In keeping with the Board's broader focus, Board committees will not normally have direct dealings with current staff operations, although Board committees may include staff members.

6.0 Board Operations.

- 6.1 Refer to [Guidelines for the Conduct of Business by the TFHD Board of Directors](#).
- 6.2 **Agenda for Board Meetings.** It shall be the responsibility of the Chairman of the Board of Directors to set forth and distribute (and, to the extent practical, in advance) the agenda established for each meeting of the Board of Directors. The agenda shall set forth with sufficient clarity the topics and issues to be addressed at the meeting, those non-board members who will be in attendance, and specific action which may be requested to be taken by the Board of Directors.
- 6.3 **Board Materials.** It shall be the responsibility of senior executive management of the District to [assure-ensure](#) distribution of all materials, information, and data relevant for consideration by the Board of Directors at its next meeting, with sufficient advance notice and with a degree of clarity as to enable each Director to be informed with respect to all items scheduled to come before the Board. In the event that a meeting of the Board of Directors is called in exigent circumstances (e.g., a special meeting), such as to preclude advance distribution, the President of the Board of Directors shall allot such time as necessary during the course of the meeting to the review and discuss all materials, information, and data.
- 6.4 **Disclose Matters.** Members of the Board of Directors shall recognize and fulfill an obligation to disclose to the Board of Directors information and analysis of which they become aware which relates to the decision-making and oversight functions of the Board. Similarly, members of the senior executive management of the District shall also recognize and fulfill an obligation to disclose, to a supervising officer, the general counsel or to the Board of Directors or Committee

thereof, information and analysis relevant to the decision making and oversight functions of the Board.

6.5 Media. Board Members ~~will~~ are expected to maintain positive media and public relations through professional responses with all contacts, the following procedure will be followed in Board Member communications with the public and media:

6.5.1 When a member of the Board of Directors is addressing any audience, either through community involvement or media contact, it is essential that the Board Member clarify whether they are speaking as an individual or a spokesperson for the entire Board of Directors and shall not speak for the Board unless the Board has specifically authorized them to do so in a meeting of the Board conducted consistently with the Ralph M. Brown Act.

6.5.2 Any media/community interaction addressed to the Board of Directors as a whole should be directed to the President of the Board of Directors or Chief Executive Officer and Director of Marketing/Media Relations.

6.5.3 If a member of the media approaches an individual member of the Board of Directors ~~they he or she is~~ are free to interact with the media, but the media contact also should be referred to the President of the Board of Directors or Chief Executive Officer and Director of Marketing/Media Relations. The Chief Executive Officer or their designee can address the media in reference to standing policies of the Board of Directors.

6.5.4 As a courtesy, the Chief Executive Officer or their designee in the Chief Executive Officer's absence, should be informed by Board Members of contact from, or discussion with, the media or members of the community on District issues.

6.5.5 All proactive media contact should be reviewed with the Chief Executive Officer and Director of Marketing/Media Relations prior to contact with the media.

6.6 Complaints Addressed to the Board. Written comments or complaints addressed to any or all members of the Board that are received by Board members or any Health System staff member must be forwarded *immediately* to the Clerk of the Board. The Clerk of the Board will deliver copies of complaints to the Health System Patient Advocate, the Risk Manager and each member of the Board of ~~Directors~~ Directors in a timely manner. The Clerk of the Board will coordinate with the Chair of the Board an ~~appropriate~~ appropriate response. Complaints shall be addressed in accordance with the Health System Patient and Family Complaints/Grievances policy and procedure by either the Patient Advocate or the Risk Manager, as appropriate. Each member of the Board must be copied on complaint resolution correspondence to the complaining party.

7.0 Board Powers and Authority. The powers and authority of the Board are as defined in the Bylaws and the Local Health Care District Law (CA Health and Safety Code Sections 32121-32137)

8.0 Delegation To The Chief Executive Officer:

8.1 The Board delegates professional and administrative responsibility to the Chief Executive Officer for overall management of the organization, its licensed

facilities, and its personnel. The Board will instruct the Chief Executive Officer through written policies which prescribe the organizational goals to be achieved, and describe organizational situations and actions to be avoided, allowing the Chief Executive Officer to use any reasonable interpretation of these policies.

8.1.1 The Board will develop policies instructing the Chief Executive Officer to achieve certain results. These policies will be developed systematically from the broadest, most general level, to more defined levels.

8.1.2 As long as the Chief Executive Officer uses a reasonable interpretation of the Board's policies, the Chief Executive Officer is authorized to establish organizational policies, make decisions, take actions, establish practices and develop activities. The Chief Executive Officer has responsibility for oversight of the established policies and procedures.

8.1.3 The Chief Executive Officer shall be the principal or administrator responsible to fulfill State licensing and certification disclosure and reporting obligations for changes in dissolution and ownership, management, and medical staff leadership. (See Appendix A)

8.1.4 The Board may review and change the boundary between Board and Chief Executive Officer domains; and by doing so the Board changes the latitude of choice given to the Chief Executive Officer. But, as long as a particular delegation is in place, the Board will respect and support the Chief Executive Officer's choices.

8.2 To ensure that the Board's vision and goals are being carried out, and to identify discrepancies between policy and implementation, the Board will be provided all appropriate information by staff to ~~assure~~ensure adequate implementation of Board policies and strategic plans. Such information can be utilized to promote the distinction between Board and staff roles. Simply, the Board expects full information, from which it develops policies, and based upon which staff will carry out the goals and policies of the Board.

9.0 Indemnification. To the fullest extent permissible under California law, the District shall indemnify and provide a defense to its current and former Board members with respect to any civil action or proceeding brought against him or her on account of an act or omission in the scope of employment or other duties with the District, provided that the District need not provide a defense when it determines that the member ~~acted~~ or failed to act because of actual fraud or corruption.

10.0 Confidentiality. District information includes, but is not limited to, protected health information, proprietary, trade secret, personal, privileged, closed session or otherwise sensitive data and information (collectively "Confidential Information").

10.1 Board Members shall be given access to Confidential Information for District purposes only and may not use or disclose Confidential Information for any purpose other than to conduct the business of the District in a manner consistent with its mission and corporate compliance plan.

10.2 Board Members shall be responsible for maintaining privacy of health information as specified in the privacy provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and any subsequent statutes, regulations, and amendments thereto.

10.3 Board Members shall not disclose, share, copy, or transmit Confidential

Information to those not authorized to receive it.

- 10.4** At all times, Board Members shall protect the integrity, security, and confidentiality of Confidential Information which they may have access to or come into contact with which could be used in any reasonable way to negatively impact the District, its reputation, strategic position, or operations.
- 10.5** Information shall not be considered Confidential Information if it:
 - 10.5.1** is publicly known other than through acts or omissions attributable to the disclosing party;
 - 10.5.2** as demonstrated by prior written records, is already known to the disclosing party at the time of the disclosure;
 - 10.5.3** is disclosed in good faith to a recipient party by a third party other than a Director having a lawful right to do so;
 - 10.5.4** is subject of written consent to the District authorizing disclosure; or
 - 10.5.5** was independently developed by the disclosing party without reference to the District's Confidential Information.
- 10.6** Any action by a Board Member in violation of this policy may subject such individual to criminal and civil liability.
- 10.7** Board Members should be referred to Legal Counsel of the District for any questions they may have with respect to the application of this Policy in general or whether a particular item is Confidential Information.
- 10.8** Each Board Member shall sign a Pledge of Confidentiality (Appendix B) as acknowledgement and confirmation of the obligations contained herein.

Related Policies/Forms: [Guidelines For the Conduct of Business By the TFHD Board of Directors ABD-12](#); [Board, Chief Executive Officer, & Employee Performance Evaluation ABD-01](#); [Board Compensation and Reimbursement ABD-03](#); [Orientation and Continuing Education ABD-19](#)

References: Governance Institute;
[42 CFR 485.627 - Condition of Participation: Organizational Structure](#)
Local Health Care District Law (CA Health and Safety Code §§32121-32137); Ralph M. Brown Act (CA Govt Code §§54950 et seq); Resignations and Vacancies (CA Govt Code §§1750-1782); Removal From Office (CA Government §§3000-3075); Uniform District Election Law (CA Elections Code §§10500-10556); Recall of Local Officers (CA Elections Code §§11200-11227); Liability of Public Employees (CA Govt Code §§820-825.6)
[Cal. Code. Regs. Title 22 Division 5](#) §70125; §70127; NRS 449.001 [Nevada Administrative Code \(NAC\) Chapter 449.0114](#)

Policy Owner: Clerk of the Board

Approved by: ~~Robert Schapper, Chief Executive Officer~~

Commented [A3]:

Commented [A4R3]: Reviewing Appendix A for legal currency will take some time. Let me know if you want me to task someone with doing that.

APPENDIX A

	Type of Change	CALIFORNIA: Required Notifications/Disclosures submitted to the California Department of Public Health (CDPH) Licensing and Certification local office	NEVADA: Required Notifications/Disclosures submitted to the Nevada Division of Public Health Bureau of Health Care Quality and Compliance.
DEFINITIONS :		<p>“Governing body” means the person, persons, board of trustees, directors or other body in whom the final authority and responsibility is vested for conduct of the hospital. (22 CA ADC § 70035)</p> <p>“Principal officer” means the officer designated by an organization who has legal authority and responsibility to act for and in behalf of that organization. (22 CA ADC § 70057)</p> <p><i>Skilled Nursing Facility:</i> “Administrator” means a person licensed as a nursing home administrator by the California Board of Examiners of Nursing Home Administrators or a person who has a state civil service classification or a state career executive appointment to perform that function in a state facility (Cal. Admin. Code tit. 22, § 72007).</p> <p><i>Home Health Agency:</i> “Administrator” means a person who is appointed in writing by the governing body of the home health agency to organize and direct the services and functions of the home health agency (Cal. Admin. Code tit. 22, § 74613).</p> <p>Primary Care Clinic: No “administrator” definition provided, but content of original application must contain name of the administrator and a description of the administrator’s experience and background and, where the same person is the administrator of more than one licensed clinic, the name of, and the number of hours spent in, each licensed clinic per week, and such other necessary information as may be required by CDPH. (Cal. Admin. Code tit. 22, § 75022)</p>	<p>“Administrator” means the person responsible for the day-to-day management of a facility. (NAC 449.0022)</p> <p><i>Hospice:</i> “Governing body” means the person or group of persons responsible for carrying out and monitoring the administration of a program of hospice care or for the operation of a facility for hospice care. (NAC 449.0173)</p>

APPENDIX A

	Type of Change	CALIFORNIA: Required Notifications/Disclosures submitted to the California Department of Public Health (CDPH) Licensing and Certification local office	NEVADA: Required Notifications/Disclosures submitted to the Nevada Division of Public Health Bureau of Health Care Quality and Compliance.
GENERAL ACUTE CARE HOSPITAL (CAH)	Change in Ownership, Services, and Location	Notify CDPH in writing 30 days prior to change of ownership any time a <i>dissolution or transfer of ownership</i> occurs. (Cal Code of Reg §70125) Notify CDPH in writing any time a change of stockholder owning ten percent or more of the non-public corporate stock occurs. Such notice shall include the name and principal mailing address of the new stockholder. The notice must include the name and principal mailing address of a new owner. (Cal Code of Reg §70127) Notify CDPH in writing within ten (10) days prior to any change of the mailing address. (Cal Code of Reg §70127)	Notify the Health Division immediately of any change in the ownership of, the location of, or the services provided at, the facility. (NAC 449.0114(5))
	Change in Administrative Leadership	Notify CDPH in writing within ten (10) days of any change in the <i>principal officer</i> . Include the name and principal business address. (Cal Code of Reg §70127)	Notify the Bureau in writing within ten (10) days a change of administrator occurs. (NAC 449.0114(4)) (The notification must provide evidence that the new administrator is currently licensed pursuant to chapter 654 of NRS and the related regulations. For failure to notify the Health Division and submit an application for a new license within 10 days after the change, must pay to the Health Division a fee in an amount equal to 150 percent of the fee required for a new application.)
SKILLED NURSING FACILITY	Change in Administrative Leadership	<i>Report of Changes:</i> (a) Notify CDPH in writing of any changes in the information provided pursuant to Sections 1265 and 1267.5, Health and Safety Code, within 10 days of such changes. This notification shall include information and documentation regarding such changes. (b) When a change of <i>administrator</i> occurs, notify CDPH in writing within 10 days. Include the name and license number of the new administrator.	N/A

{00447167.DOC 2 }MannerOfGovernanceForTFHDBoardofDirectors draft 2

Page 2 of 6

APPENDIX A

	Type of Change	CALIFORNIA: Required Notifications/Disclosures submitted to the California Department of Public Health (CDPH) Licensing and Certification local office	NEVADA: Required Notifications/Disclosures submitted to the Nevada Division of Public Health Bureau of Health Care Quality and Compliance.
		<p>(c) Notify CDPH within 10 days in writing of any change of the <i>mailing address</i>. Include the new mailing.</p> <p>(d) Notify CDPH in writing within ten (10) days when a <i>change in the principal officer</i> of a corporate licensee (chairman, president or general manager) occurs. Include the name and business address of such officer.</p> <p>(e) Notify CDPH in writing of any <i>decrease in licensed bed capacity</i> of the facility (result: in the issuance of a corrected license).</p> <p>(22 CA Cal Code of Reg § 72211)</p>	
HOME HEALTH	Change in Ownership and/or Administrative Leadership: Disclosure and Report of Changes	<p><i>Disclosure:</i> Disclose the following information to CDPH at the time of the home health agency's initial request for licensure, <i>at the time of each survey, and at the time of any change in ownership or management:</i></p> <p>(a) The name and address of each person with an ownership or control interest of five percent or greater in the home health agency.</p> <p>(b) The name and address of each person who is an officer, a director, an agent, or a managing employee of the home health agency.</p> <p>(c) The name and address of the person, corporation, association, or other company that is responsible for the management of the home health agency, and the name and address of the chief executive officer and the chairman of the board of directors of the corporation, association or other company responsible for the management of the home health agency.</p>	Same as for Hospital

APPENDIX A

	Type of Change	CALIFORNIA: Required Notifications/Disclosures submitted to the California Department of Public Health (CDPH) Licensing and Certification local office	NEVADA: Required Notifications/Disclosures submitted to the Nevada Division of Public Health Bureau of Health Care Quality and Compliance.
		<p>(d) If any person described in (a), (b), or (c) has served as or currently serves as an administrator, general partner, trustee or trust applicant, sole proprietor or any applicant or licensee who is a sole proprietorship, executor, or corporate officer or director of, or has held a beneficial ownership interest of 5 percent or more in any other home health agency, health facility, clinic, hospice, Pediatric Day Health and Respite Care Facility, Adult Day Health Care Center, or any facility licensed by the Department of Social Services, the applicant shall disclose the relationship to the Department, including the name and current or last address of the facility and the date such relationship commenced and, if applicable, the date it was terminated. (22 CA Cal Code of Reg § 74665)</p> <p><i>Report of Changes:</i></p> <p>(a) Changes Requiring New Application. An application shall be submitted to the Department within 10 working days whenever a <i>change of ownership</i> occurs. A change of ownership shall be deemed to have occurred where, among other things, when compared with the information contained in the last approved license application of the licensee, there has occurred a transfer of 50 percent or more of the issued stock of a corporate licensee, a transfer of 50 percent or more of the assets of the licensee, a change in partners or partnership interests of 50 percent or greater in terms of capital or share of profits, or a relinquishment by the licensee of the management of the agency.</p>	

APPENDIX A

	Type of Change	CALIFORNIA: Required Notifications/Disclosures submitted to the California Department of Public Health (CDPH) Licensing and Certification local office	NEVADA: Required Notifications/Disclosures submitted to the Nevada Division of Public Health Bureau of Health Care Quality and Compliance.
		<p>(b) Changes Requiring Written Notice. The licensee shall, within 10 days, notify the Department in writing of the following:</p> <ul style="list-style-type: none"> (1) Change of name of home health agency. (2) Change of location and/or address of home health agency. (3) Change in the licensing information required by subsection (a) of Section 74661. (4) Change of the mailing address of the licensee. (5) Change in the principal officer (chairman, president, general manager) of the governing board. Such written notice shall include the name and principal business address of each new principal officer. (6) Change of the administrator including the name and mailing address of the administrator, the date the administrator assumed office and a brief description of qualifications and background of the administrator. (7) Change of Director of Patient Care Services including the name and mailing address of the Director of Patient Care Services, the date the Director of Patient Care Services assumed office and a brief description of qualifications and background of the Director of Patient Care Services. (8) Addition or deletion of services. <p>(22 CA Cal Code of Reg § 74667)</p>	
HOSPICE	Change in Ownership/ Administrative	Same as for Home Health	Immediately advise/notify the Health Division of any change in the ownership of the program and the

APPENDIX A

	Type of Change	CALIFORNIA: Required Notifications/Disclosures submitted to the California Department of Public Health (CDPH) Licensing and Certification local office	NEVADA: Required Notifications/Disclosures submitted to the Nevada Division of Public Health Bureau of Health Care Quality and Compliance.
	Leadership: Disclose/Changes		address of the principal office of the program. NAC 449.0183
PRIMARY CARE CLINICS	Change in Administrative Leadership	<p><i>Report of Changes:</i></p> <p>(a) Any <i>change in the principal officer</i> such as chairperson, president, or general manager of the governing board shall be reported to CDPH in writing immediately, but in no case later than 10 days following such change. The notice shall include the name and principal business address of each new principal officer.</p> <p>(b) When a <i>change of administrator</i> occurs, notify CDPH in writing immediately, but in no case later than five (5) days following such change. The notification shall include the name of the new administrator, the mailing address, the date of assuming office and a brief description of his or her background and qualifications.</p> <p>(Cal. Admin. Code tit. 22, § 75025)</p>	Same as for Hospital
MEDICAL STAFF	Change in Med Staff Leadership	N/A	N/A

APPENDIX B

Tahoe Forest Hospital District Board of Directors Pledge of Confidentiality

In my role as a Member of the Board of Directors of Tahoe Forest Hospital District, I acknowledge that I am given access to Confidential Information.

“Confidential Information” means any non-public information related to the operations of the District, which is identified as confidential, or that by the nature of the information or the circumstances surrounding the disclosure of information, ought reasonably to be treated as confidential. Without limiting the generality of the foregoing, Confidential Information will be deemed to include, without limitation, information about the District’s business, healthcare operations, protected health information, services, employees, finances, costs, expenses, financial or competitive condition, trade secrets, policies practices, and other privileged, [information discussed in lawful closed sessions of the Board](#), or otherwise sensitive data and information.

I agree to treat all such confidential and proprietary information as strictly confidential, and shall use the utmost care to prevent disclosure of such.

I acknowledge that I am given access to this Confidential Information for District purposes only and may not use or disclose Confidential Information for any purpose other than to conduct the business of the District in a manner consistent with its mission and corporate compliance plan.

I agree to protect the integrity, security, and confidentiality of Confidential Information which I have, or may have access to or come into contact with, and I shall not disclose, share, copy, or transmit Confidential Information to those not authorized to receive it.

I recognize that I may obtain access to patient protected health information provided under an assurance of confidentiality. I understand that I am prohibited from disclosing or otherwise releasing any personally identifying information, either directly or indirectly, about any individual or the individual’s health record. I acknowledge and understand that Tahoe Forest Hospital District has established written policies and procedures containing provisions for the security of personal health information and that I am bound by these policies and procedures. I acknowledge that I have reviewed the Tahoe Forest Hospital District privacy requirements

I acknowledge that I am responsible for maintaining privacy of health information as specified in the privacy provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), and any subsequent statutes, regulations, and amendments thereto.

I have been informed that I may direct any questions I have about my obligations under this Pledge of Confidentiality to the to Legal Counsel of the District with respect to the application of this Policy in general or whether a particular item is Confidential Information.

Should I be responsible for any breach of confidentiality, I understand that civil and/or criminal penalties may be brought against me. I acknowledge that my responsibility to maintain and protect Confidential Information and to ensure the privacy of protected health information contained in any electronic records, paper documents, or verbal communications to which I may gain access shall not expire, even after my term or affiliation with the District has terminated.



By my signature, I acknowledge that I have read, understand, and agree to comply with the terms, conditions, and obligations of this Confidentiality Agreement.

APPENDIX B

Printed Name Board of Director

Signature

Date

		Tahoe Forest Health System			
		Title: New Programs And Services		Policy/Procedure #: ABD-18	
		Responsible Department: Board of Directors			
Type of policy		Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/>	Board	5/09	3/10; 03/12; 1/14		
<input type="checkbox"/>	Medical Staff				
<input type="checkbox"/>	Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital					

PURPOSE:

To assist the Board of Directors in the Board’s exercise of oversight with respect to duty of care in evaluating the impact of new programs and/or services of the organization. The duty of care requires Board members to have knowledge of all reasonably available and pertinent information before taking action. The Board member must act in good faith, with the care of an ordinarily prudent businessperson in similar circumstances, and in a manner he or she reasonably believes to be in the best interest of the organization.



To assist the Board of Directors in the Board’s responsibility to set the organization’s strategic direction in a manner consistent with the organization’s mission, vision, and values.

POLICY:

- 1.0 The Board [or relevant Board committee] will consider the following when evaluating new programs and services:
 - 1.1 Congruence with mission, vision, and values
 - 1.2 Financial feasibility
 - 1.3 Impact on quality and safety with a requirement to meet quality related performance criteria
 - 1.4 Market potential
 - 1.5 Redundancy
 - 1.6 Impact on other organizational units [e.g., employed physician groups, independent physicians on the medical staff, the medical staff as a whole, etc.]
- 2.0 Management will present to the Board [committee] a written analysis of proposed new programs and services that addresses, at a minimum, the components listed above.
- 3.0 The Board [committee] will first consider the information presented in the analysis during a Board [committee] meeting; discussion will take place and additional information/input from others may be required. The Board [committee] will ensure that management provides the additional information/input as requested.
- 4.0 In general, Board [committee] decisions on whether to move forward with a new program or service will **not** be taken during the meeting at which the proposed new program or

service is initiated. The final decision will be made at a subsequent Board [committee] meeting in order to allow Board [committee] members to have additional time for discussion/consideration and to assess all information before voting.

Related Policies/Forms:
References:
Policy Owner: Michelle Cook, Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

		Tahoe Forest Health System		
		Title: Orientation And Continuing Education		Policy/Procedure #: ABD-19
		Responsible Department: Administration		
Type of policy	Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/> Board	8/90	3/08; 01/12; 1/14	1/10	
<input type="checkbox"/> Medical Staff				
<input type="checkbox"/> Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital				

POLICY:

It is the policy of the Board of Directors of Tahoe Forest Hospital District to provide for the continuing education of all Board Members. It is also the policy to ensure that all new Board Members are appropriately oriented concerning the hospital's mission, organization, scope of services, long range plans, legal responsibilities, quality assurance program and the governing board and medical staff bylaws of the hospital.

PROCEDURE:

- 1.0 In carrying out the above policy concerning orientation of new Board Members, the following materials and information will be provided: An orientation to the physical plant of Districts' facilities. This will be conducted by the Chief Executive Officer or designees.
 - 1.1 Orientation materials will include a copy of the Mission Statement, Organizational Chart, Business Goals and Objectives/Strategic Plan, QA Plan, Guidelines for the Conduct of Business Policy, and other information pertinent to the role and responsibilities of the new Board Member. An overview of these documents discussing their importance, legal implications and relevance will be provided as well by the Chief Executive Officer. An additional manual will be made which will contain the Tahoe Forest Hospital District, Medical Staff and Auxiliary Bylaws, and the policies of the Board of Directors.
 - 1.2 A copy of the District's operating and capital expenditure plan for the current fiscal year for review with the Chief Executive Officer.
 - 1.3 Scheduling for attendance at a qualified AB1234 ethics training event.
 - 1.4 A copy of the current Quality Improvement Program of the District.
 - 1.5 The District has implemented a [Board Portal](#) to help board members organize and streamline the governance process, and to support best practices. The Portal contains:
 - 1.5.1 Board Meeting Books and the Board Manual;
 - 1.5.2 Committee Workrooms

- 1.5.3 Calendar
- 1.5.4 Directory; and
- 1.5.5 A Resource Library (including, but not limited to, relevant journals, texts and conference materials).

~~Access to the Portal is maintained by the Executive Assistant who assigns access permissions.~~

~~4.81.7~~ A meeting with the District's legal counsel. The purpose of this meeting will be to review in greater detail various aspects of hospital law that impact upon governing board members, including The Brown Act.

~~4.91.8~~ The standard agenda format for governing board meetings.

~~4.401.9~~ The District's most recently completed financial audit, as well as the current financial report on District's operations.

~~4.441.10~~ The system facility master plan.

~~4.421.11~~ The District's Foundations' Mission Statements.

2.0 **Documentation Updates**

2.1 Orientation/Board Reference Manual binders will be periodically updated and maintained.

3.0 **Procedure For Providing Continuing Education**

3.1 In carrying out the Board of Director's policy concerning continuing education, the following procedures will be offered:

3.2 Board Members are expected to expand their knowledge of District governance and key healthcare issues. Attendance at a relevant program at least annually will be encouraged. To ensure financial resources are spent in alignment with the Mission, Vision and Strategic Plan of the District, the Chief Executive Officer will apprise Board Members of educational opportunities as they arise.

3.3 As necessary, relevant in-service educational programs will be conducted in conjunction with the Board meeting scheduled for that month. The subjects that will be covered during this in-service will relate to various medico-administrative issues, new technology, quality assurance, Board Member responsibilities, etc.

3.4 All reasonable expenses arising out of the continuing education and orientation activities required by this policy will be reimbursed using the procedures as outlined in the Board of Directors policy entitled [Board of Directors Compensation and Reimbursement](#) ABD-3.

Commented [RM1]: Ted Owens: Is this necessary in a policy?

4.0 **Documentation Procedure**

4.1 In carrying out the governing board's policy concerning orientation and continuing education, the following documents will be maintained:



4.1.1 A checklist documenting adherence to the governing board's policy on orientation will be maintained for each Board Member.

4.1.2 A file documenting formal continuing education attendance at the governing board level will also be maintained.

4.1.3 Upon completion of a Board Member's attendance at a seminar/course/workshop, the Board Member shall deliver an oral or written report to the Board as a whole so as to allow others to gain from the attendee's experience.

Commented [RM2]: Ted Owens: Is this necessary in a policy?

Related Policies/Forms:
References:
Policy Owner: Michelle Cook , Clerk of the Board
Approved by: Robert Schapper , Chief Executive Officer

		Tahoe Forest Health System		
		Title: Trade Secrets		Policy/Procedure #: ABD-22
		Responsible Department: Board of Directors		
Type of policy	Original Date:	Reviewed Dates:	Revision Dates:	
<input checked="" type="checkbox"/> Board	6/00	1/10; 01/12; 1/14	2/05	
<input type="checkbox"/> Medical Staff				
<input type="checkbox"/> Departmental				
Applies to: <input checked="" type="checkbox"/> System <input type="checkbox"/> Tahoe Forest Hospital <input type="checkbox"/> Incline Village Community Hospital				

POLICY:

- 1.0 For the District to achieve its mission and strategic objectives, it will protect its Trade Secrets from disclosure to competitors and others who can obtain economic value from their disclosure or use.
- 2.0 "Trade Secrets" as defined in the Uniform Trade Secrets Act, California Civil Code Section 3426 and following and further defined as information, including a formula, pattern, compilation, program, device, method, technique, or process, such as statistical and financial information, that: (1) derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by, other persons who can obtain economic value from its disclosure or use, and (2) is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
- 3.0 When the District competes with other entities in the hospital service area, it will take steps to protect its Trade Secrets related to these competitive operations.

PROCEDURE:

- 1.0 Access to Trade Secrets is limited to only those employees and persons/entities with whom the District does business and who have a "need to know."
- 2.0 Prior to being provided access to Trade Secrets, employees and persons/entities shall sign a non-disclosure agreement and agree to return all Trade Secrets at the end of their employment or contract.
- 3.0 Use computer security measures, such as passwords, to protect Trade Secrets in electronic format.
- 4.0 Use reasonable efforts to clearly identify the District's Trade Secrets.
- 5.0 Physically ~~lock-secure~~ areas where Trade Secrets ~~reside~~are held.
- 6.0 Requests from the public for information pertaining to District operations will follow a prescribed sequence as outlined in the Board policy titled [Inspection And Copying Of Public Records ABD-14](#). When Trade Secrets are requested, the information will be protected as Trade Secrets as allowed by law.

- 6.1 Examples of operations services and programs that may have Trade Secrets which will be protected under the Trade Secrets Policy are:
 - 6.1.1 Physical Therapy and Rehab Services
 - 6.1.2 Retail Pharmacy
 - 6.1.3 Occupational Health & Wellness
 - 6.1.4 Childcare Services

Related Policies/Forms: Inspection And Copying Of Public Records ABD-14
References:
Policy Owner: Michelle Cook , Clerk of the Board
Approved by: Robert Schapper, Chief Executive Officer

Formatted Table

7.2 Contracts

Contracts redacted.

Available for public viewing via a Public Records request.