TAHOE FOREST HOSPITAL DISTRICT

2017-07-27 Regular Meeting of the Board of Directors

Thursday, July 27, 2017 at 4:00 p.m.

Tahoe Truckee Unified School District (TTUSD)

11603 Donner Pass Road, Truckee, CA 96161

Meeting Book - 2017-07-27 Regular Meeting of the Board of Directors

7/27/17 Agenda

16.1. Board Education

16.1.1. Credentialing and Peer Review Presentation.pdf Page 100

16.1.2. Estes Park Conference discussion
No related materials.

16.2. Board Strategic Goals
No related materials.

17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

18. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

18.1. 2017-07-11 Board Quality Committee_Agenda.pdf Page 120

18.2. 2017-07-24 Board Personnel-Retirement Subcommittee_Agenda.pdf Page 122

18.3. 2017-07-25 Board Finance Committee_Agenda.pdf Page 124

ITEMS 19 - 24: See Agenda

25. ADJOURN

TAHOE FOREST HOSPITAL DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

AGENDA

Thursday, July 27, 2017 at 4:00 p.m.

Tahoe Truckee Unified School District (TTUSD) Office
11603 Donner Pass Rd, Truckee, CA 96161

1. **CALL TO ORDER**

2. **ROLL CALL**

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

4. **INPUT AUDIENCE**
   This is an opportunity for members of the public to comment on any closed session item appearing before the Board on this agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Clerk of the Board 24 hours prior to the meeting to allow for distribution.

5. **CLOSED SESSION**
   - **5.1. Hearing (Health & Safety Code § 32155**)
     Subject Matter: First Quarter 2017 Quality Dashboard Report – Closed Session
     Number of items: One (1)
   - **5.2. Report Involving Trade Secrets (Health & Safety Code § 32106**)
     Proposed New Program: One (1) item
     Estimated date of public disclosure: 10/31/2017
   - **5.3. Public Employee Performance Evaluation (Gov. Code § 54957**)
     Title: Chief Executive Officer
   - **5.4. Approval of Closed Session Minutes**◈
     06/22/2017
   - **5.5. TIMED ITEM – 5:30PM – Hearing (Health & Safety Code § 32155**)◈
     Subject Matter: Medical Staff Credentials

6. **DINNER BREAK**
   APPROXIMATELY 6:00 P.M.

7. **OPEN SESSION – CALL TO ORDER**

8. **REPORT OF ACTIONS TAKEN IN CLOSED SESSION**

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

10. **INPUT – AUDIENCE**

◈ Denotes Action Item

This is an opportunity for members of the public to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Board cannot take action on any item not on the agenda. The Board may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

11. INPUT FROM EMPLOYEE ASSOCIATIONS

This is an opportunity for members of the Employee Associations to address the Board on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes.

12. ACKNOWLEDGMENTS

12.1. July 2017 Employee of the Month .....ATTACHMENT
12.2. Karen Sessler, M.D. receives 2017 Spirit of Giving Award.....ATTACHMENT
12.3. TFHD named on Becker's Top 62 Critical Access Hospitals to Know list .....ATTACHMENT

13. MEDICAL STAFF EXECUTIVE COMMITTEE ◈

13.1. Medical Executive Committee (MEC) Meeting Consent Agenda .....ATTACHMENT
MEC recommends the following for approval by the Board of Directors: Revised ENT Privilege Form (to include privileges at IVCH) and Revised RN Anticoagulation Protocol (outpatient clinics).

14. CONSENT CALENDAR ◈

These items are expected to be routine and non-controversial. They will be acted upon by the Board without discussion. Any Board Member, staff member or interested party may request an item to be removed from the Consent Calendar for discussion prior to voting on the Consent Calendar.

14.1. Approval of Minutes of Meetings
4/27/2017, 6/20/2017, 6/22/2017, 6/28/2017 .....ATTACHMENT
14.2. Financial Report
14.2.1. Financial Report- June 2017.....ATTACHMENT
14.3. Staff Reports (Information Only)
14.3.1. CEO Board Report .....ATTACHMENT
14.3.2. COO Board Report.....ATTACHMENT
14.3.3. CNO Board Report.....ATTACHMENT
14.3.4. CIO Board Report .....ATTACHMENT
14.3.5. CMO Board Report.....ATTACHMENT

15. ITEMS FOR BOARD ACTION ◈

15.1. Mammography Replacement Project Bid .....ATTACHMENT
The Board of Directors will review and consider for approval a bid for the replacement of mammography equipment.
15.2. Cannabis Land Use Considerations.....ATTACHMENT
The Board of Directors will discuss and consider input to the Town of Truckee's cannabis land use dialogue.
15.3. Resolution 2017-04 General Obligation Bond Property Tax Rate Calculation.....ATTACHMENT
The Board of Directors will review and consider for approval a resolution regarding the General Obligation (GO) Bond Property Tax Rate Calculation.
15.4. Approval of TFHD Rate Increase Proposal.....ATTACHMENT
The Board of Director will consider a rate increase for approval.

◈ Denotes Action Item

16. ITEMS FOR BOARD DISCUSSION

16.1. Board Education

16.1.1. Credentialing Peer Review Process ..... ATTACHMENT

Director of Medical Staff Services will give a presentation on physician credentialing and peer review processes.

16.1.2. Estes Park Conference

Executive Director of Governance will review opportunities for board education.

16.2. Board Strategic Goals

The Board of Directors will discuss its long term strategic goals.

17. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY

18. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

18.1. Quality Committee Meeting – 07/11/2017 ..... ATTACHMENT
18.2. Personnel – Retirement Subcommittee Meeting – 07/24/2017 ..... ATTACHMENT
18.3. Finance Committee Meeting – 07/25/2017 ..... ATTACHMENT
18.4. Governance Committee Meeting – No meeting held in June.
18.5. Community Benefit Committee Meeting – No meeting held in June.

19. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

20. ITEMS FOR NEXT MEETING

- Tahoe City location for August meeting

21. BOARD MEMBERS REPORTS/CLOSING REMARKS

22. CLOSED SESSION CONTINUED, IF NECESSARY

23. OPEN SESSION

24. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

25. ADJOURN

The next regularly scheduled meeting of the Board of Directors of Tahoe Forest Hospital District is August 24, 2017 at 221 Fairway Drive, Tahoe City, CA 96145. A copy of the Board meeting agenda is posted on the District's web site (www.tfhd.com) at least 72 hours prior to the meeting or 24 hours prior to a Special Board Meeting.

*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.

Employee of the Month, July 2017
Dean Rinde, CLS- Lab

We are honored to announce Dean Rinde, CLS, Lab as our July Employee of the Month.

Dean is an amazing professional and a stellar individual. He serves both Tahoe Forest Hospital District and Incline Village Community Hospital. Dean's ability and enthusiasm to keep up-to-date and improving processes at both labs is impressive. He always takes extra steps to communicate and answer questions about patient specimens, patient care, and instrument problems- so nothing is left unanswered.

Dean is a trusted and integral part of the team and has all the characteristics that define excellence. In any particular situation he listens carefully to the request, seeks to understand what is needed and then acts quickly to get the job done, no matter what time it is. He shows teamwork in always being available to provide an extra pair of hands, participating and sharing his knowledge, experience and expertise in an emergency. Dean is an ultimate CLS that all his coworkers can depend on to be upbeat, pleasant, approachable, friendly, and constantly treating all members with dignity and respect.

Dean meets and exceeds the definition of the TFHS mission and values but most of all has been an asset to our hospital by being efficient, dependable, knowledgeable, and skilled.

Please join us in congratulating all of our Terrific Nominees!

Jose Chavez- Tech Support- IT
Brad Wade- Staff Nurse- ER

FOR IMMEDIATE RELEASE
July 5, 2017

Contact: Paige Nebeker Thomason
Tahoe Forest Health System
Director of Marketing/Communications
530.582.6290
pthomason@tfhd.com

KAREN SESSLER, MD IS RECIPIENT OF TAHOE FOREST HEALTH SYSTEM'S TOM AND PAM HOBDAY SPIRIT OF GIVING AWARD

www.tfhd.com

(Tahoe/Truckee. Calif.) – Karen Sessler, MD, was presented with the 2017 *Spirit of Giving* award at a ceremony on Tuesday, June 27, 2017. The event was hosted by the Tahoe Forest Health System Foundation and was held at Martis Camp in Truckee, Califonia.

The *Spirit of Giving* award is given to an individual, family or organization that has made a positive difference and has demonstrated extraordinary dedication to the health of the community.

The *Spirit of Giving* award is the namesake of local residents Tom & Pam Hobday, who were honored with the inaugural award in 2007.

Previous *Spirit of Giving* recipients include:
Tom and Pam Hobday - 2007
Randy Hill - 2009
Patti and Gary Boxeth, 2010
Billy McCullough - 2013

"Karen Sessler's years of service to Tahoe Forest Health System has made a positive impact on our community and we are proud to honor her contributions," said Martha Simon, Executive Director for Tahoe Forest Health System Foundation.

Karen joined the Tahoe Forest Hospital District Board of Directors in 2000 and served for 16 years.

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About Tahoe Forest Health System

Tahoe Forest Health System, with locations in Truckee, CA, and Incline Village, NV, offers 24-hour emergency care, a total joint orthopedic program including direct anterior hip replacement surgery, physician multi-specialty clinics, OB department, and CoC-accredited cancer center. With a strong focus on high quality patient care, community collaboration, clinical excellence and innovation, Tahoe Forest Health System is a UC Davis Rural Center of Excellence. For a complete list of physician specialties and services, visit www.tfhd.com.

High res photo attached - Spirit of Giving.jpg - Karen Sessler with past Spirit of Giving Award recipients – L to R: Billy McCullough, Randy Hill, Karen Sessler, MD, Pam Hobday, Patti Boxeth, Gary Boxeth

EMBARGOED UNTIL
7/10/2017 10 a.m. CT
Contact: Laura Dyrda
Email: ldyrda@beckershealthcare.com

BECKER'S HOSPITAL REVIEW

Becker's Hospital Review Names 62 Critical Access Hospitals to Know

CHICAGO (July 10, 10 a.m. CDT) — *Becker's Hospital Review* is pleased to release the 2017 edition of its list of 62 Critical Access Hospitals to Know.

The critical access hospitals featured on this list have a reputation for superior service and care. All hospitals featured on this list have 25 or fewer inpatient beds and an annual average length of stay no more than 96 hours for acute care. These institutions also offer emergency care and are located at least 35 miles away from any other hospital.

To develop this list, the Becker's Healthcare editorial team examined the rakings and awards from organizations such as iVantage Health Analytics, Healthgrades, the National Rural Health Association, Truven Health Analytics, Women's Choice Award and Leapfrog Group. The team also considered the hospital's community impact and reputation for innovation.

The full list features individual profiles of all hospitals on the list.

The full list can be read here: http://bit.ly/2rRdhyl

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athenahealth connects care across a national network of 87,000 providers and 91.7 million patients. Our network provides clients better insight across their own organization as well as the ability to learn from the experience of every other provider on the network. Throughout the network, we infuse the knowledge clients need to thrive in a changing industry directly into their workflow, from clinical guidelines to payer rules. We take on back-office work at scale so providers can focus on patients, not paperwork, and get paid more, faster.

EMBARGOED UNTIL
7/10/2017 10 a.m. CT
Contact: Laura Dyrda
Email: ldyrda@beckershealthcare.com

BECKER'S HOSPITAL REVIEW

Note: This list is not an endorsement of included hospitals, health systems or associated healthcare providers, and organizations cannot pay for inclusion on this list. Organizations are presented in alphabetical order.

About *Becker's Hospital Review*

Becker's Hospital Review is a monthly publication offering up-to-date business and legal news and analysis relating to hospitals and health systems. Articles are geared toward high-level hospital leaders, and we work to provide valuable information, including hospital and health system news, best practices and legal guidance specifically for these decision-makers. Each issue of *Becker's Hospital Review* reaches more than 18,000 people, primarily acute care hospital CEOs, CFOs and CIOs.

###

MEDICAL EXECUTIVE COMMITTEE
RECOMMENDATIONS TO THE BOARD OF DIRECTORS
Thursday, July 27, 2017

REFERRED BY:	AGENDA ITEMS	RECOMMEND
MEDICAL STAFF	**During the July 20, 2017 meeting of the Medical Executive Committee, a motion was made, seconded, and carried to recommend approval of the following to the Board of Directors:**	
1. Department of Surgery and Anesthesia Committee	• Revised ENT Privilege Form (to include privileges at IVCH) • Revised RN Anticoagulation Protocol (outpatient clinics)	Recommend approval

TAHOE FOREST HOSPITAL DISTRICT

SPECIAL MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Thursday, April 27, 2017 at 1:30 p.m.
Tahoe Conference Room - Tahoe Forest Hospital
10054 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER
Meeting called to order at 1:40 p.m.

2. ROLL CALL
Board: Charles Zipkin, M.D., Board President; Gregory Jellinek, M.D., Vice President; Dale Chamblin, Treasurer; Alyce Wong, R.N., Board Member

Other: David Ruderman, Assistant General Counsel

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
No changes were made to the agenda.

4. ITEMS FOR BOARD DISCUSSION
4.1. Board Training
General Counsel provided AB1234 ethics training to the Board of Directors.

5. ADJOURN
Meeting adjourned at 3:45 p.m.

TAHOE FOREST HOSPITAL DISTRICT

SPECIAL MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Tuesday, June 20, 2017 at 9:00 a.m.
Eskridge Conference Room – Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER
Meeting was called to order at 9:00 a.m.

2. ROLL CALL
Board: Charles Zipkin, M.D., Board President; Dale Chamblin, Treasurer; Randy Hill, Secretary; Alyce Wong, R.N., Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Judy Newland, Chief Operating Officer; Crystal Betts, Chief Financial Officer; Jake Dorst, Chief Information & Innovation Officer; Martha Simon, Director of Tahoe Forest Health System Foundation; Paige Thomason, Director of Marketing and Communications; Martina Rochefort, Clerk of the Board

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
No changes were made to the agenda.

4. BOARD MEMBER CANDIDATE INTERVIEWS
Sarah Wolfe joined the meeting at 9:00 a.m.

Board conducted interview with candidate Sarah Wolfe.
Discussion was held.

Ms. Wolfe departed the meeting at 9:15 a.m.
Marc Pado joined the meeting at 9:17 a.m.

Board conducted interview with candidate Marc Pado.
Discussion was held.

Mr. Pado departed the meeting at 9:30 a.m.
Katherine Miller joined the meeting at 9:36 a.m.

Board conducted interview with candidate Katherine Miller.
Discussion was held.

Ms. Miller departed the meeting at 9:57 a.m.
Meeting recessed at 9:57 a.m.
Meeting reconvened at 10:08 a.m.
Art King joined the meeting at 10:08 a.m.

Board conducted interview with candidate Art King.
Discussion was held.

Mr. King departed the meeting at 10:23 a.m.
Sandra Golze joined the meeting at 10:24 a.m.

Board conducted interview with candidate Sandra Golze.
Discussion was held.

Ms. Golze departed the meeting at 10:38 a.m.
Stacy De La Rosa joined the meeting at 10:45 a.m.

Board conducted interview with candidate Stacy De La Rosa.
Discussion was held.

Ms. De La Rosa departed the meeting at 10:54 a.m.
Mary Brown joined the meeting at 10:59 a.m.

Board conducted interview with candidate Mary Brown.
Discussion was held.

Ms. Brown departed the meeting at 11:09 a.m.

No public comment was received.

Meeting recessed at 11:10 a.m.
Meeting reconvened at 11:24 a.m.
Sarah Jackson joined the meeting at 11:24 a.m. to take minutes for Clerk of the Board.

Board deliberated on candidates.

Clerk of the Board returned to the meeting at 11:37 a.m.

5. ITEMS FOR BOARD ACTION

5.1. Board Vacancy Appointment

Discussion was held.

ACTION: **Motion made by Director Wong, seconded by Director Hill, to appoint Mary Brown to the vacant board seat.**
AYES: Directors Wong, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

6. ADJOURN

Meeting adjourned at 11:40 a.m.

TAHOE FOREST HOSPITAL DISTRICT

REGULAR MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Thursday, June 22, 2017 at 4:00 p.m.
Tahoe Truckee Unified School District (TTUSD) Office
11603 Donner Pass Rd, Truckee, CA 96161

1. CALL TO ORDER
Meeting was called to order at 4:00 p.m.

2. ROLL CALL
Board: Charles Zipkin, M.D., Board President; Dale Chamblin, Treasurer; Randy Hill, Secretary; Alyce Wong, R.N., Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Judy Newland, Chief Nursing Officer; Matt Mushet, In-House Counsel; Martina Rochefort, Clerk of the Board

Other: David Ruderman, Assistant General Counsel

3. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
Board President noted an additional item under Item 6.3. would be discussed.

4. INPUT AUDIENCE
No public comment was received.

5. BOARD MEMBER APPOINTMENT
An oath of office was administered to newly appointed board member, Mary Brown.

6. CLOSED SESSION

6.1. Hearing (Health & Safety Code § 32155)
Subject Matter: Corporate Compliance Report – Closed Session
Number of items: One (1)
Discussion was held on a privileged item.

6.2. Liability Claims (Gov. Code § 54956.95)
Claimant: Deb Baldwin
Discussion was held on a privileged item.

6.3. Conference with Labor Negotiator (Gov. Code § 54957.6)
Name of Negotiator to Attend Closed Session: Charles Zipkin, M.D.
Unrepresented Employee: Chief Executive Officer
Discussion was held on a privileged item.

6.4. Approval of Closed Session Minutes
05/25/2017

Discussion was held on a privileged item.

6.5. TIMED ITEM – 5:30PM – Hearing (Health & Safety Code § 32155)
Subject Matter: Medical Staff Credentials
Discussion was held on a privileged item.

7. DINNER BREAK

8. OPEN SESSION – CALL TO ORDER
Meeting reconvened at 6:00 p.m.

9. REPORT OF ACTIONS TAKEN IN CLOSED SESSION
General Counsel stated there were no reportable actions on items 6.1. and 6.3. On item 6.2., the Board of Directors voted 5-0 to reject the personal injury claim of Deb Baldwin. Items 6.4. and 6.5. were unanimously approved by the board.

10. CLEAR THE AGENDA/ITEMS NOT ON THE POSTED AGENDA
Board President removed item 16.3. from the agenda.

11. INPUT – AUDIENCE
Public comment was received from Susie Ternay and Lisa Holden.

12. INPUT FROM EMPLOYEE ASSOCIATIONS
Public comment was received from the new Employee Association of Professionals President, Juan Abarca-Sanchez.

13. ACKNOWLEDGMENTS
13.1. Christine Smigel was named Employee of the Month for June 2017.

14. MEDICAL STAFF EXECUTIVE COMMITTEE
14.1. Medical Executive Committee (MEC) Meeting Consent Agenda
MEC recommends the following for approval by the Board of Directors: proposed amendments to Medical Staff Bylaws, Annual Clinical Policy and Procedure Approvals for Diagnostic Imaging/Radiation Safety Policies and Procedures and 2017 Emergency Operations plan.
Discussion was held.
No public comment received.

ACTION: **Motion made by Director Wong seconded by Director Chamblin, to approve the proposed amendments to Medical Staff Bylaws as presented. Roll call vote taken.**
Wong – AYE
Brown – AYE
Hill – AYE
Chamblin – AYE
Zipkin – AYE

ACTION: **Motion made by Director Brown, seconded by Director Hill, to approve the Annual Clinical Policy and Procedure Approvals for Diagnostic Imaging/Radiation Safety Policies and Procedures and 2017 Emergency Operations plan as presented.**
AYES: Directors Brown, Wong, Chamblin, Hill and Zipkin
NAYS: None
Abstention: None

15. CONSENT CALENDAR

15.1. Approval of Minutes of Meetings
5/25/2017

15.2. Financial Report
15.2.1. Financial Report- May 2017

15.3. Contracts
15.3.1. John Hortareas, D.O. – Hospitalist Services Agreement
15.3.2. Gerald Schaffer, M.D. – Professional Services Agreement – Multi-Specialty Clinic
15.3.3. Chelsea Wicks, M.D. – Professional Services Agreement – Multi-Specialty Clinic
15.3.4. Sierra Nevada Oncology – Professional Services Agreement
15.3.5. Kevin Cahill – Call Coverage Agreement
15.3.6. Joseph Logan Norris – Independent Contractor Agreement

15.4. Staff Reports (Information Only)
15.4.1. CEO Board Report
15.4.2. COO Board Report
15.4.3. CNO Board Report
15.4.4. CIO Board Report
15.4.5. CMO Board Report

Director Chamblin pulled item 15.2.1. Financial Report – May 2017 from the consent calendar.

ACTION: **Motion made by Director Zipkin, seconded by Director Chamblin, to approve the consent calendar as presented without Item 15.2.1. Financial Report.**
AYES: Directors Wong, Brown, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

16. ITEMS FOR BOARD ACTION

16.1. Election of Board Vice President
Discussion was held.

ACTION: **Motion made by Director Chamblin, seconded by Director Hill, to appoint Randy Hill as Vice President and Alyce Wong as Secretary.**
AYES: Directors Wong, Brown, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

16.2. Tahoe Forest Healthcare Services Board Member Appointment

Discussion was held.

ACTION: **Motion made by Director Chamblin, seconded by Director Brown, to approve the appointment of Dr. Jeff Fountain to the Tahoe Forest Healthcare Services board.**
AYES: Directors Wong, Brown, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

16.3. Chief Executive Officer Employment Agreement
Item was removed from the agenda.

16.4. Policy Review
16.4.1. ABD-21 Physician and Professional Service Agreements
Discussion was held.

Public comment was received by Danny Buchanan.

ACTION: **Motion made by Director Hill, seconded by Director Wong, to approve the ABD-21 Physician and Professional Service Agreements policy as presented.**
AYES: Directors Wong, Brown, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

17. ITEMS FOR BOARD DISCUSSION
17.1. Master Planning
Discussion was held.

Public comment was received from Dr. Larry Heifetz.

17.2. Board Education
17.2.1. Legislative Update
Discussion was held.

17.3. CEO Incentive Compensation
Discussion was held.

Public comment received from Dr. Shawni Coll.

Board would like to continue agenda item. Motion will be made at the close of meeting to adjourn to a date and time certain.

18. DISCUSSION OF CONSENT CALENDAR ITEMS PULLED, IF NECESSARY
Discussion was held on item 15.2.1.

Director Chamblin asked that the minutes reflected the following items:

- The cash investment detail on page 147 of the packet was reported in error and should be approximately $81,600,000.
- Budget will be delayed, most likely until August.
- The District did a follow up to its fire risk assessment evaluation.

ACTION: **Motion made by Director Brown, seconded by Director Zipkin, to approve item 15.2.1. Financial Report – May 2017 with correction presented.**
AYES: Directors Wong, Brown, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

19. BOARD COMMITTEE REPORTS/RECOMMENDATIONS FOR DISCUSSION AND/OR ACTION

19.1. Governance Committee Meeting – 06/14/2017

Director Hill provided an update from the recent Governance Committee meeting.
Staff directed to begin working on bylaws revisions.

19.2. Finance Committee Meeting – 06/20/2017

None.

19.3. Personnel Committee Meeting – No meeting held in June.

19.4. Quality Committee Meeting – No meeting held in June.

19.5. Community Benefit Committee Meeting – No meeting held in June.

20. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

None.

21. ITEMS FOR NEXT MEETING

None.

22. BOARD MEMBERS REPORTS/CLOSING REMARKS

None.

23. CLOSED SESSION CONTINUED, IF NECESSARY

Not applicable.

24. OPEN SESSION

25. REPORT OF ACTIONS TAKEN IN CLOSED SESSION, IF NECESSARY

Not applicable.

26. ADJOURN

ACTION: **Motion made by Director Chamblin, seconded by Director Wong, to continue this meeting to Wednesday, June 28, 2017 at 9:00 a.m. in the Eskridge Conference Room.**
AYES: Directors Wong, Brown, Hill, Chamblin and Zipkin
NAYS: None
Abstention: None

TAHOE FOREST HOSPITAL DISTRICT

ADJOURNED REGULAR MEETING OF THE BOARD OF DIRECTORS

DRAFT MINUTES

Wednesday, June 28, 2017 at 9:00 a.m.

Eskridge Conference Room – Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

Meeting was called to order at 9:00 a.m.

2. ROLL CALL

Board: Charles Zipkin, M.D., Board President; Randy Hill, Vice President; Dale Chamblin, Treasurer; Alyce Wong, R.N., Secretary; Mary Brown, Board Member

Staff in attendance: Harry Weis, Chief Executive Officer; Crystal Betts, Chief Financial Officer; Judy Newland, Chief Operations Officer; Alex MacLennan, Chief Human Resources Officer; Ted Owens, Executive Director of Governance and Business Development; Martina Rochefort, Clerk of the Board

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

No changes were made to the agenda.

4. INPUT – AUDIENCE

No public comment was received.

5. ITEMS FOR BOARD DISCUSSION

5.1. CEO Incentive Compensation Criteria

Discussion was held.

6. AGENDA INPUT FOR UPCOMING COMMITTEE MEETINGS

The board would like metrics to be developed for core measures at the next Quality Committee and employee engagement survey at the next Personnel Committee.

7. ITEMS FOR NEXT MEETING

None.

8. BOARD MEMBERS REPORTS/CLOSING REMARKS

None.

9. ADJOURN

Meeting was adjourned at 10:55 a.m.

TAHOE FOREST HOSPITAL DISTRICT
JUNE 2017 FINANCIAL REPORT - PRELIMINARY
INDEX

Board of Directors

Of Tahoe Forest Hospital District

JUNE 2017 FINANCIAL NARRATIVE - PRELIMINARY

The following is the financial narrative analyzing financial and statistical trends for the twelve months ended June 30, 2017.

Activity Statistics

- TFH acute patient days were 390 for the current month compared to budget of 363. This equates to an average daily census of 13.00 compared to budget of 12.10.
- TFH Outpatient volumes were above budget in the following departments by at least 5%: Emergency Department visits, Surgical cases, Laboratory tests, Mammography, Radiation Oncology procedures, Nuclear Medicine, MRI exams, Ultrasounds, Cat Scans, PET CT, Pharmacy units, Oncology Pharmacy units, Respiratory Therapy, Physical Therapy, Speech Therapy, and Occupational Therapy.
- TFH Outpatient volumes were below budget in the following departments by at least 5%: Home Health visits.

Financial Indicators

- Net Patient Revenue as a percentage of Gross Patient Revenue was 49.3% in the current month compared to budget of 54.0% and to last month's 55.0%. Current year's Net Patient Revenue as a percentage of Gross Patient Revenue is 55.0%, compared to budget of 54.1% and prior year's 59.2%.
- EBIDA was $942,363 (4.3%) for the current month compared to budget of $871,910 (4.5%), or $70,453 (-.2%) above budget. Year-to-date EBIDA was $17,395,662 (6.9%) compared to budget of $8,357,292 (3.5%), or $9,038,370 (3.4%) above budget.
- Cash Collections for the current month were $10,181,822 which is 88% of targeted Net Patient Revenue.
- Gross Days in Accounts Receivable were 55.0, compared to the prior month of 52.6. Gross Accounts Receivables are $33,802,923 compared to the prior month of $31,985,922. The percent of Gross Accounts Receivable over 120 days old is 17.7%, compared to the prior month of 17.9%.

Balance Sheet

- Working Capital Days Cash on Hand is 37.8 days. S&P Days Cash on Hand is 207.0. Working Capital cash decreased $4,495,000. Accounts Payable increased $853,000, Accrued Payroll & Related Costs decreased $1,377,000, cash collections fell short of target by 12%, and the District transferred $5,000,000 to its Cash Reserve Fund held at LAIF.
- Net Patients Accounts Receivable decreased approximately $250,000. Cash collections were at 88% of target and days in accounts receivable were 55.0 days, a 2.4 days increase.
- Other Receivables decreased $517,000. The District received payment from the IVCH Foundation for capital campaign commitments and funds from TIRHR for repayment of expenses advanced on the mTBI project.
- The District booked its 51% share of losses in TSC, LLC through April.
- Accounts Payable increased $853,000 due to the timing of the final check run in June.
- Accrued Payroll & Related Costs decreased $1,377,000 due to due to fewer accrued payroll days at the close of June.
- Estimated Settlements, Medi-Cal and Medicare increased $734,000 after booking an amount due to the Medicare program based on interim rate reviews.

Operating Revenue

- Current month's Total Gross Revenue was $22,125,329, compared to budget of $19,484,435 or $2,640,895 above budget.
- Current month's Gross Inpatient Revenue was $6,040,523, compared to budget of $5,630,024 or $410,499 above budget.
- Current month's Gross Outpatient Revenue was $16,084,807 compared to budget of $13,854,411 or $2,230,396 above budget. Volumes were up in some departments and down in others. See TFH Outpatient Activity Statistics above.
- Current month's Gross Revenue Mix was 38.4% Medicare, 19.2% Medi-Cal, .0% County, 2.6% Other, and 39.8% Insurance compared to budget of 36.3% Medicare, 18.8% Medi-Cal, .0% County, 3.8% Other, and 41.1% Insurance. Last month's mix was 33.3% Medicare, 19.0% Medi-Cal, .0% County, 5.5% Other, and 42.2% Insurance.
- Current month's Deductions from Revenue were $11,230,527 compared to budget of $8,958,117 or $2,272,410 above budget. Variance is attributed to the following reasons: 1) Payor mix varied from budget with a 2.06% increase in Medicare, a .49% increase to Medi-Cal, a .02% decrease in County, a 1.15% decrease in Other, and Commercial was below budget 1.37%, 2) Revenues exceeded budget by 13.6% and 3) the District recorded an amount due to the Medicare program based on interim rate reviews.

Operating Expenses

DESCRIPTION	June 2017 Actual	June 2017 Budget	Variance	BRIEF COMMENTS
Salaries & Wages	3,912,289	3,779,115	(133,174)	
Employee Benefits	1,424,445	1,170,951	(253,494)	Employee vacation requests created a negative variance in PL/SL.
Benefits – Workers Compensation	61,740	57,011	(4,729)	
Benefits – Medical Insurance	(127,661)	694,217	821,878	The District received reimbursement of reserve funds from its former TPA after all outstanding claims were satisfied, creating a positive variance in Benefits – Medical Insurance.
Professional Fees	2,054,758	1,953,318	(101,440)	We saw negative variances in Hospitalist and Emergency Department physician fees, Chief Medical Officer physician fees, service line analysis consulting, Outpatient PT, ST, and OT therapist fees, Project Management and HIS Advisory fees in Information Technology, and MIPS Quality Measure fees in the MSC Clinics.
Supplies	1,574,579	1,650,510	75,931	Positive variance in Supplies related to the year-end adjustment to Patient Chargeable/Surgery/Anesthesia inventories.
Purchased Services	1,087,316	863,499	(223,818)	Services provided to laundry & linen, Home Health, and Community Health, Patient Accounting collection fees, Pharmacy IP year-end inventory services and testing & certification of the clean room and EMR & PM user fees for the MSC Clinics created a negative variance in Purchased Services.
Other Expenses	581,820	553,045	(28,775)	Unbudgeted rental expense at the Pioneer Commerce Center and for the new Truckee Thrift Store location along with outside travel for MSC IM/Peds, Surgery, Pharmacy IP, Information Systems Conversion, & Patient Financial Services and cost overruns in electricity, water & sewer, and communications created a negative variance in Other Expenses.
Total Expenses	10,569,287	10,721,666	152,379	

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
JUNE 2017 - PRELIMINARY

	Jun-17	May-17	Jun-16	
ASSETS				
CURRENT ASSETS				
* CASH	$ 13,686,959	$ 18,181,969	$ 12,743,818	1
PATIENT ACCOUNTS RECEIVABLE - NET	17,398,199	17,647,971	16,049,428	2
OTHER RECEIVABLES	2,861,279	3,378,764	4,207,845	3
GO BOND RECEIVABLES	(605,671)	(996,187)	(590,919)	
ASSETS LIMITED OR RESTRICTED	5,837,348	5,838,143	5,569,379	
INVENTORIES	2,821,364	2,729,601	2,671,610	
PREPAID EXPENSES & DEPOSITS	1,383,166	1,636,274	1,334,694	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	605,036	721,221	4,947,552	
TOTAL CURRENT ASSETS	43,987,681	49,137,756	46,933,406	
NON CURRENT ASSETS				
ASSETS LIMITED OR RESTRICTED:				
* CASH RESERVE FUND	61,244,140	56,244,140	55,888,997	1
BANC OF AMERICA MUNICIPAL LEASE	246,537	246,537	980,286	
TOTAL BOND TRUSTEE 2002	3	3	3	
TOTAL BOND TRUSTEE 2015	1,708,017	1,572,285	1,246,296	
GO BOND PROJECT FUND	1	231,734	1,476,004	
GO BOND TAX REVENUE FUND	3,976,560	3,975,142	3,410,006	
DIAGNOSTIC IMAGING FUND	3,179	3,179	3,159	
DONOR RESTRICTED FUND	1,146,114	1,146,114	1,139,843	
WORKERS COMPENSATION FUND	7,237	6,076	16,467	
TOTAL	68,331,786	63,425,210	64,161,062	
LESS CURRENT PORTION	(5,837,348)	(5,838,143)	(5,569,379)	
TOTAL ASSETS LIMITED OR RESTRICTED - NET	62,494,439	57,587,067	58,591,683	
NONCURRENT ASSETS AND INVESTMENTS:				
INVESTMENT IN TSC, LLC	(250,102)	(140,146)	43,372	4
PROPERTY HELD FOR FUTURE EXPANSION	836,353	836,353	836,353	
PROPERTY & EQUIPMENT NET	130,441,164	129,821,675	128,707,593	
GO BOND CIP, PROPERTY & EQUIPMENT NET	33,424,522	33,192,847	29,068,598	
TOTAL ASSETS	270,934,057	270,435,552	264,181,004	
DEFERRED OUTFLOW OF RESOURCES:				
DEFERRED LOSS ON DEFEASANCE	504,250	507,483	543,039	
ACCUMULATED DECREASE IN FAIR VALUE OF HEDGING DERIVATIVE	1,548,299	1,469,762	2,281,527	
DEFERRED OUTFLOW OF RESOURCES ON REFUNDING	6,267,544	6,291,248	6,552,000	
GO BOND DEFERRED FINANCING COSTS	491,302	493,237	514,517	
DEFERRED FINANCING COSTS	199,733	200,774	212,217	
TOTAL DEFERRED OUTFLOW OF RESOURCES	$ 9,011,128	$ 8,962,503	$ 10,103,299	
LIABILITIES				
CURRENT LIABILITIES				
ACCOUNTS PAYABLE	$ 5,446,310	$ 4,593,207	$ 6,891,935	5
ACCRUED PAYROLL & RELATED COSTS	7,844,588	9,221,460	10,051,222	6
INTEREST PAYABLE	806,549	891,881	587,012	
INTEREST PAYABLE GO BOND	1,553,417	1,290,818	1,158,587	
ESTIMATED SETTLEMENTS, M-CAL & M-CARE	938,964	205,097	1,102,323	7
HEALTH INSURANCE PLAN	1,307,731	1,307,731	1,307,731	
WORKERS COMPENSATION PLAN	1,120,980	1,120,980	1,120,980	
COMPREHENSIVE LIABILITY INSURANCE PLAN	751,298	751,298	751,298	
CURRENT MATURITIES OF GO BOND DEBT	1,260,000	1,260,000	815,000	
CURRENT MATURITIES OF OTHER LONG TERM DEBT	1,953,186	1,953,186	2,341,301	
TOTAL CURRENT LIABILITIES	22,983,021	22,595,656	26,127,388	
NONCURRENT LIABILITIES				
OTHER LONG TERM DEBT NET OF CURRENT MATURITIES	27,249,586	27,715,330	29,586,877	
GO BOND DEBT NET OF CURRENT MATURITIES	103,342,185	103,355,606	104,763,233	
DERIVATIVE INSTRUMENT LIABILITY	1,548,299	1,469,762	2,281,527	
TOTAL LIABILITIES	155,123,090	155,136,354	162,759,025	
NET ASSETS				
NET INVESTMENT IN CAPITAL ASSETS	123,675,981	123,115,588	110,385,435	
RESTRICTED	1,146,114	1,146,114	1,139,843	
TOTAL NET POSITION	$ 124,822,094	$ 124,261,701	$ 111,525,278	

* Amounts included for Days Cash on Hand calculation

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF NET POSITION
JUNE 2017 - PRELIMINARY

1. Working Capital is at 37.8 days (policy is 30 days). Days Cash on Hand (S&P calculation) is 207.1 days. Working Capital cash decreased a net $4,495,000. Accounts Payable increased $853,000 (See Note 5), Accrued Payroll & Related Costs decreased $1,377,000 (See Note 6), cash collections fell short of budget by 12%, and the District transferred $5,000,000 to its Cash Reserve Fund held at LAIF.

2. Net Patient Accounts Receivable decreased approximately $250,000. Cash collections were 88% of target. Days in Accounts Receivable are at 55.0 days compared to prior months 52.6 days, a 2.40 days increase.

3. Other Receivables decreased a net $517,000. The District received payment from the Incline Village Community Hospital Foundation for capital campaign commitments made at the close of FY16 and funds from TIRHR for repayment of expenses advanced on the mTBI project.

4. The District booked its 51% share of losses in the Truckee Surgery Center through April, decreasing the investment held in TSC, LLC.

5. Accounts Payable increased $853,000 due to the timing of the final check run in the month.

6. Accrued Payroll & Related Costs decreased $1,377,000 as a result of six accrued payroll days at the close of June.

7. Estimated Settlements, Medi-Cal and Medicare increased a net $734,000 after booking an amount due to Medicare for Tahoe Forest Hospital and Incline Village Community Hospital based on interim rate reviews.

Tahoe Forest Hospital District
Cash Investment
June 2017

WORKING CAPITAL				
US Bank	$ 12,513,700			
US Bank/Kings Beach Thrift Store	21,091			
US Bank/Truckee Thrift Store	49,066			
US Bank/Payroll Clearing	102,378			
Umpqua Bank	1,000,723			
Total			$	13,686,959
BOARD DESIGNATED FUNDS				
US Bank Savings	$ -	0.03%		
Capital Equipment Fund	-			
Total			$	-
Building Fund	$ -			
Cash Reserve Fund	61,244,140	0.98%		
Local Agency Investment Fund			$	61,244,140
Banc of America Muni Lease			$	246,537
Bonds Cash 2002				
Bonds Cash 2002			$	3
Bonds Cash 2015			$	1,708,017
Bonds Cash 2008			$	3,976,561
DX Imaging Education	$ 3,179	0.00%		
Workers Comp Fund - B of A	7,237			
Insurance				
Health Insurance LAIF	-	0.00%		
Comprehensive Liability Insurance LAIF	-	0.00%		
Total			$	10,416
TOTAL FUNDS			$	80,872,632
RESTRICTED FUNDS				
Gift Fund				
US Bank Money Market	$ 8,363	0.03%		
Foundation Restricted Donations	$ 98,331			
Local Agency Investment Fund	1,039,420	0.00%		
TOTAL RESTRICTED FUNDS			$	1,146,114
TOTAL ALL FUNDS			$	82,018,746

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF NET POSITION
KEY FINANCIAL INDICATORS
JUNE 2017 - PRELIMINARY

	Current Status	Desired Position	Target	Bond Covenants	FY 2017 Jul 16 to June 2017	FY 2016 Jul 15 to June 16	FY 2015 Jul 14 to June 15	FY 2014 Jul 13 to June 14	FY 2013 Jul 12 to June 13	FY 2012 Jul 11 to June 12	FY 2011 Jul 10 to June 11
Return On Equity: Increase (Decrease) in Net Position Net Position			3.7% (1)		10.7%	10.9%	2.19%	.001%	-4.0%	8.7%	6.3%
Days in Accounts Receivable (excludes SNF & MSC) Gross Accounts Receivable 90 Days Gross Accounts Receivable 365 Days	 		FYE 63 Days		55 55	57 55	60 62	75 75	97 93	64 64	59 59
Days Cash on Hand Excludes Restricted: Cash + Short-Term Investments (Total Expenses - Depreciation Expense)/ by 365	 		Budget FYE 170 Days Budget 4th Qtr 169 Days Preliminary 4th Qtr 207 Days	60 Days A- 203 Days BBB- 142 Days	207	201	156	164	148	203	209
Accounts Receivable over 120 days (excludes payment plan, legal and charitable balances)			13%		17%	19%	18%	22%	29%	15%	11%
Accounts Receivable over 120 days (includes payment plan, legal and charitable balances)			18%		18%	24%	23%	25%	34%	19%	16%
Cash Receipts Per Day (based on 60 day lag on Patient Net Revenue) excludes managed care reserve	 		FYE Budget $348,699 End 4th Qtr Budget $348,699 End 4th Qtr Actual $358,210		$348,962	$313,153	$290,776	$286,394	$255,901	$254,806	$240,383
Debt Service Coverage: Excess Revenue over Exp + Interest Exp + Depreciation Debt Principal Payments + Interest Expense			Without GO Bond 4.20 With GO Bond 2.04	1.95	6.65 2.94	6.19 2.77	3.28 1.59	2.18 1.29	.66 .89	4.83 2.70	4.35 2.45

Footnotes:

(1) Target Return on Equity was established during the FY17 budgeting process. Fiscal year 2016 ended with a higher net income than projected. Based upon the actual fiscal year end net asset number, our Target Return on Equity was 3.6%.

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
JUNE 2017 - PRELIMINARY

CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	CURRENT MONTH VAR$	CURRENT MONTH VAR%	Note		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VAR$	YEAR TO DATE VAR%	Note	PRIOR YTD JUNE 2016
					OPERATING REVENUE						
$ 22,125,329	$ 19,484,435	$ 2,640,895	13.6%		Total Gross Revenue	$ 251,999,179	$ 235,659,988	$ 16,339,190	6.9%	1	$ 220,367,068
					Gross Revenues - Inpatient						
$ 1,954,458	$ 1,823,550	$ 130,908	7.2%		Daily Hospital Service	$ 23,458,129	$ 21,615,887	$ 1,842,242	8.5%		$ 20,585,535
4,086,065	3,806,474	279,591	7.3%		Ancillary Service - Inpatient	48,242,736	46,150,915	2,091,821	4.5%		43,065,440
6,040,523	5,630,024	410,499	7.3%		Total Gross Revenue - Inpatient	71,700,865	67,766,802	3,934,063	5.8%	1	63,650,975
16,084,807	13,854,411	2,230,396	16.1%		Gross Revenue - Outpatient	180,298,314	167,893,187	12,405,127	7.4%		156,716,093
16,084,807	13,854,411	2,230,396	16.1%		Total Gross Revenue - Outpatient	180,298,314	167,893,187	12,405,127	7.4%	1	156,716,093
					Deductions from Revenue:						
10,271,087	7,984,589	(2,286,498)	-28.6%		Contractual Allowances	108,095,712	96,487,668	(11,608,044)	-12.0%	2	88,901,556
688,521	682,380	(6,141)	-0.9%		Charity Care	7,615,675	8,252,436	636,760	7.7%	2	6,877,334
4,591	-	(4,591)	0.0%		Charity Care - Catastrophic Events	287,548	-	(287,548)	0.0%	2	619,863
246,720	291,148	44,428	15.3%		Bad Debt	(1,498,819)	3,525,732	5,024,551	142.5%	2	(515,633)
19,607	-	(19,607)	0.0%		Prior Period Settlements	(1,068,935)	-	1,068,935	0.0%	2	(5,911,179)
11,230,527	8,958,117	(2,272,410)	-25.4%		Total Deductions from Revenue	113,431,181	108,265,836	(5,165,346)	-4.8%		89,971,941
59,096	64,029	(4,933)	-7.7%		Property Tax Revenue- Wellness Neighborhood	745,897	787,150	(41,254)	-5.2%		723,104
557,752	1,003,230	(445,478)	-44.4%		Other Operating Revenue	8,758,627	8,786,589	(27,963)	-0.3%	3	8,393,899
11,511,650	11,593,576	(81,926)	-0.7%		TOTAL OPERATING REVENUE	148,072,521	136,967,892	11,104,629	8.1%		139,512,130
					OPERATING EXPENSES						
3,912,289	3,779,115	(133,174)	-3.5%		Salaries and Wages	46,770,007	45,887,144	(882,863)	-1.9%	4	44,145,544
1,424,445	1,170,951	(253,494)	-21.6%		Benefits	15,474,206	14,587,307	(886,899)	-6.1%	4	15,678,600
61,740	57,011	(4,729)	-8.3%		Benefits Workers Compensation	661,712	684,134	22,422	3.3%	4	1,300,888
(127,661)	694,217	821,878	118.4%		Benefits Medical Insurance	6,816,527	8,330,603	1,514,076	18.2%	4	7,653,015
2,054,758	1,953,318	(101,440)	-5.2%		Professional Fees	22,142,907	21,417,662	(725,245)	-3.4%	5	19,689,991
1,574,579	1,650,510	75,931	4.6%		Supplies	19,441,826	20,040,926	599,100	3.0%	6	17,853,896
1,087,316	863,499	(223,818)	-25.9%		Purchased Services	12,302,971	10,662,156	(1,640,815)	-15.4%	7	11,038,956
581,820	553,045	(28,775)	-5.2%		Other	7,066,703	7,000,668	(66,035)	-0.9%	8	6,022,154
10,569,287	10,721,666	152,379	1.4%		TOTAL OPERATING EXPENSE	130,676,859	128,610,600	(2,066,259)	-1.6%		123,383,043
942,363	**871,910**	**70,453**	**8.1%**		**NET OPERATING REVENUE (EXPENSE) EBIDA**	**17,395,662**	**8,357,292**	**9,038,370**	**108.1%**		**16,129,087**
					NON-OPERATING REVENUE/(EXPENSE)						
459,218	442,471	16,747	3.8%		District and County Taxes	5,372,286	5,290,850	81,436	1.5%	9	4,738,556
391,933	391,933	-	0.0%		District and County Taxes - GO Bond	4,703,200	4,703,200	-	0.0%		4,714,688
62,497	41,739	20,757	49.7%		Interest Income	616,959	436,067	180,892	41.5%	10	381,037
3	-	3	0.0%		Interest Income-GO Bond	363	(0)	363	0.0%		18,168
214,966	597,917	(382,951)	-64.0%		Donations	603,614	1,026,000	(422,386)	-41.2%	11	1,083,943
(109,956)	(31,250)	(78,706)	-251.9%		Gain/ (Loss) on Joint Investment	(293,473)	(125,000)	(168,473)	-134.8%	12	(280,874)
-	-	-	0.0%		Loss on Impairment of Asset		-	-	0.0%	12	-
-	-	-	0.0%		Gain/ (Loss) on Sale of Equipment		-	-	0.0%	13	10,000
-	-	-	0.0%		Impairment Loss		-	-	0.0%	14	-
(967,356)	(966,316)	(1,040)	-0.1%		Depreciation	(11,135,341)	(11,595,793)	460,453	4.0%	15	(10,605,075)
(122,840)	(97,505)	(25,335)	-26.0%		Interest Expense	(1,246,843)	(1,185,369)	(61,475)	-5.2%	16	(1,407,442)
(312,145)	(315,492)	3,347	1.1%		Interest Expense-GO Bond	(2,719,610)	(2,827,227)	107,616	3.8%		(2,653,074)
(383,679)	63,498	(447,177)	-704.2%		TOTAL NON-OPERATING REVENUE/(EXPENSE)	(4,098,846)	(4,277,272)	178,426	4.2%		(4,000,074)
$ 558,684	**$ 935,408**	**$ (376,724)**	**-40.3%**		**INCREASE (DECREASE) IN NET POSITION**	**$ 13,296,816**	**$ 4,080,021**	**$ 9,216,796**	**225.9%**		**$ 12,129,013**
					NET POSITION - BEGINNING OF YEAR	**111,525,278**					
					NET POSITION - AS OF JUNE 30, 2017	**$ 124,822,094**					
4.3%	**4.5%**	**-0.2%**			**RETURN ON GROSS REVENUE EBIDA**	**6.9%**	**3.5%**	**3.4%**			**7.3%**

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
JUNE 2017 - PRELIMINARY

		Variance from Budget Fav / <Unfav> JUNE 2017	Variance from Budget Fav / <Unfav> YTD 2017
1) Gross Revenues			
Acute Patient Days were above budget 7.44% or 27 days. Swing Bed days were over budget 80% or 20 days. Inpatient Ancillary revenues exceeded budget by 7.3% due to the increase in Acute and Swing Bed patient days.	Gross Revenue -- Inpatient	$ 410,499	$ 3,934,063
	Gross Revenue -- Outpatient	2,230,396	12,405,127
	Gross Revenue -- Total	$ 2,640,895	$ 16,339,190
Outpatient volumes were above budget in the following departments: Emergency Department visits, Surgical cases, Laboratory tests, Diagnostic Imaging, Mammography, Medical & Radiation Oncology procedures, Nuclear Medicine, MRI exams, Ultrasounds, Cat Scans, PET CT, Pharmacy units, Oncology Pharmacy units, Respiratory Therapy, Physical Therapy, Speech Therapy, and Occupational Therapy.			
2) Total Deductions from Revenue			
The payor mix for June shows a 2.08% increase to Medicare, a .49% increase to Medi-Cal, 1.15% decrease to Other, County under budget by.02%, and a 1.37% decrease to Commercial when compared to budget. Contractual Allowances were over budget due to revenues exceeding budget by 13.6%, a shift in Payor Mix from Commercial to Medicare, and the District booked an amount due to the Medicare program in the amount of $646,000 based on an interim rate review.	Contractual Allowances	$ (2,286,498)	$ (11,608,044)
	Charity Care	(6,141)	636,760
	Charity Care - Catastrophic	(4,591)	(287,548)
	Bad Debt	44,428	5,024,551
	Prior Period Settlements	(19,607)	1,068,935
	Total	$ (2,272,410)	$ (5,165,346)
Negative variance in Prior Period Settlements due to an amount paid to Medicare for prior period claim adjustments.			
3) Other Operating Revenue			
Retail Pharmacy revenues fell short of budget by 19.18%.	Retail Pharmacy	$ (45,822)	$ (232,586)
	Hospice Thrift Stores	(139)	(93,469)
	The Center (non-therapy)	(9,735)	(13,178)
Funds expected from the Medi-Cal PRIME program fell short of budget, creating a negative variance in Miscellaneous.	IVCH ER Physician Guarantee	11,546	59,644
	Children's Center	4,432	34,299
	Miscellaneous	(380,759)	238,327
	Oncology Drug Replacement	-	-
	Grants	(25,000)	(21,000)
	Total	$ (445,478)	$ (27,963)
4) Salaries and Wages	Total	$ (133,174)	$ (882,863)
Employee Benefits			
Employee vacation requests for the month of June created a negative variance in PL/SL.	PL/SL	$ (267,030)	$ (528,758)
	Nonproductive	(11,814)	(274,187)
	Pension/Deferred Comp	3,578	78
	Standby	14,953	206,863
	Other	6,818	(290,895)
	Total	$ (253,494)	$ (886,899)
Employee Benefits - Workers Compensation	Total	$ (4,729)	$ 22,422
Employee Benefits - Medical Insurance	Total	$ 821,878	$ 1,514,076
The District received reimbursement from our prior TPA for a reserve fund that remained after all claims were settled, creating a positive variance in Employee Benefits - Medical Insurance.			
5) Professional Fees			
Negative variance in TFH Locums related to Hospitalist and Emergency Department coverage.	TFH Locums	$ (63,374)	$ (626,938)
	The Center (includes OP Therapy)	(64,130)	(392,352)
	Miscellaneous	(17,671)	(338,467)
	Administration	(11,705)	(321,317)
Physical, Speech, and Occupational Therapy volumes exceeded budget by 16.93%, creating a negative variance in The Center (includes OP Therapy).	Information Technology	(30,002)	(220,343)
	Multi-Specialty Clinics Administratio	(21,963)	(79,371)
	Oncology	16,991	(33,055)
Chief Medical Officer fees and services provided for service line analyses created a negative variance in Administration.	Human Resources	12,070	(18,082)
	IVCH ER Physicians	(250)	(10,869)
	Medical Staff Services	(1,200)	(2,444)
Negative variance in Information Technology related to project management fees and H.I.S. Advisory fees.	Home Health/Hospice	14	(1,240)
	Patient Accounting/Admitting	-	-
	Business Performance	-	-
MIPS Quality Measure fees required by CMS created a negative variance in Multi-Specialty Clinics Administration.	Respiratory Therapy	14,340	14,338
	Sleep Clinic	6,596	24,193
	Marketing	(275)	25,850
A true-up of Audit Fees payable at year-end created a positive variance in Financial Administration.	Managed Care	341	29,880
	TFH/IVCH Therapy Services	(7,926)	56,110
	Financial Administration	36,016	87,213
Legal fees budgeted for Corporate Compliance fell short of budget, creating a positive variance in this category.	Corporate Compliance	31,772	365,671
	Multi-Specialty Clinics	(1,084)	715,977
	Total	$ (101,440)	$ (725,245)

TAHOE FOREST HOSPITAL DISTRICT
NOTES TO STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
JUNE 2017 - PRELIMINARY

		Variance from Budget Fav / <Unfav>	
		JUNE 2017	YTD 2017
6) Supplies	Minor Equipment	$ (10,727)	$ (88,201)
Small Equipment purchases for Skilled Nursing, MSC ENT, Surgery, Dietary, Laboratory, Housekeeping, Information Systems, and the Truckee Thrift Store created a negative variance in Minor Equipment.	Other Non-Medical Supplies	(8,135)	(66,130)
	Food	(7,709)	(14,777)
	Imaging Film	51	4,958
	Office Supplies	6,970	73,149
An adjustment was made to the year-end inventory for Patient Chargeable/Surgery/ Anesthesia supplies on hand based on the final inventory count performed by a third party vendor. This created a positive variance in Patient & Other Medical Supplies.	Patient & Other Medical Supplies	99,991	222,424
	Pharmacy Supplies	(4,510)	467,677
	Total	$ 75,931	$ 599,100
7) Purchased Services	Miscellaneous	$ (45,337)	$ (1,096,196)
Services provided to Laundry & Linen, Home Health, and Community Health created a negative variance in Miscellaneous.	Patient Accounting	(78,460)	(195,924)
	Department Repairs	(53,520)	(195,081)
	Hospice	(10,608)	(125,242)
Negative variance in Patient Accounting related to collection agency fees.	Pharmacy IP	(16,357)	(78,796)
	Multi-Specialty Clinics	(13,794)	(17,547)
Negative variance in Hospice related to billing and collection fees.	Laboratory	3,543	(35,984)
	Diagnostic Imaging Services - All	3,200	(21,440)
Services provided for the year-end inventory count and testing & certification of the clean room created a negative variance in Pharmacy IP.	The Center	(3,543)	(6,542)
	Information Technology	2,826	10,927
	Medical Records	(9,268)	14,637
EMR and PM user fees exceeded budget, creating a negative variance in Multi-Specialty Clinics.	Community Development	2,700	19,894
	Human Resources	(5,200)	86,477
	Total	$ (223,818)	$ (1,640,815)
8) Other Expenses	Other Building Rent	$ (46,323)	$ (210,576)
Unbudgeted rental expense on the Pioneer Commerce Center building and the new Truckee Thrift Store created a negative variance in Other Building rent.	Human Resources Recruitment	(2,169)	(196,563)
	Outside Training & Travel	(18,587)	(67,063)
	Utilities	(9,184)	(30,848)
Outside Travel for MSC IM/Peds, Surgery, Pharmacy IP, Information Systems Conversion, and Patient Financial Services created a negative variance in Outside Training & Travel.	Equipment Rent	15,916	(21,272)
	Insurance	(1,378)	(1,149)
	Physician Services	(34)	(504)
	Multi-Specialty Clinics Equip Rent	1,123	7,992
Electricity, Water & Sewer, and Communication costs exceeded budget, creating a negative variance in Utilities.	Dues and Subscriptions	(4,088)	60,493
	Multi-Specialty Clinics Bldg Rent	14,547	88,186
	Marketing	20,157	90,843
	Miscellaneous	1,247	214,425
	Total	$ (28,775)	$ (66,035)
9) District and County Taxes	Total	$ 16,747	$ 81,436
10) Interest Income	Total	$ 20,757	$ 180,892
11) Donations	IVCH	$ (368,869)	$ (344,601)
Capital Campaign donations fell short of budget estimations, creating a negative variance in IVCH donations.	Operational	(14,082)	(77,785)
	Capital Campaign		
	Total	$ (382,951)	$ (422,386)
12) Gain/(Loss) on Joint Investment	Total	$ (78,706)	$ (168,473)
The District recorded its 51% of losses in TSC, LLC for the months of January through April.			
13) Gain/(Loss) on Sale	Total	$ -	$ -
15) Depreciation Expense	Total	$ (1,040)	$ 460,453
16) Interest Expense	Total	$ (25,335)	$ (61,475)

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
KEY FINANCIAL INDICATORS
JUNE 2017 - PRELIMINARY

	Current Status	Desired Position	Target	FY 2017 Jul 16 to June 17	FY 2016 Jul 15 to June 16	FY 2015 Jul 14 to June 15	FY 2014 Jul 13 to June 14	FY 2013 Jul 12 to June 13	FY 2012 Jul 11 to June 12	FY 2011 Jul 10 to June 11
Total Margin: Increase (Decrease) In Net Position / Total Gross Revenue		⇧	FYE 1.7% 4th Qtr 1.7%	5.3%	5.5%	1.0%	.01%	-2.2%	5.3%	3.6%
Charity Care: Charity Care Expense / Gross Patient Revenue		⇩	FYE 3.5% 4th Qtr 3.5%	3.1%	3.4%	3.1%	3.2%	3.2%	2.6%	3.0%
Bad Debt Expense: Bad Debt Expense / Gross Patient Revenue		⇩	FYE 1.5% 4th Qtr 1.5%	-.0%	-.2%	1.6%	1.6%	4.6%	4.3%	3.8%
Incline Village Community Hospital: EBIDA: Earnings before interest, Depreciation, amortization / Net Operating Revenue <Expense> Gross Revenue		⇧	FYE 9.6% 4th Qtr 9.6%	9.0%	11.3%	9.1%	4.9%	11.5%	10.8%	12.3%
Operating Expense Variance to Budget (Under<Over>)		⇧	-0-	$(2,066,259)	$(7,548,217)	$(6,371,653)	$2,129,279	$(1,498,683)	$790,439	$15,188
EBIDA: Earnings before interest, Depreciation, amortization / Net Operating Revenue <Expense> Gross Revenue		⇧	FYE 3.5% 4th Qtr 3.5%	6.9%	7.3%	3.5%	2.0%	.9%	5.6%	5.1%

INCLINE VILLAGE COMMUNITY HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
JUNE 2017 - PRELIMINARY

CURRENT MONTH ACTUAL	CURRENT MONTH BUDGET	CURRENT MONTH VAR$	CURRENT MONTH VAR%	Note		YEAR TO DATE ACTUAL	YEAR TO DATE BUDGET	YEAR TO DATE VAR$	YEAR TO DATE VAR%	Note	PRIOR YTD JUNE 2016
					OPERATING REVENUE						
$ 1,348,994	$ 1,474,600	$ (125,606)	-8.5%		Total Gross Revenue	$ 18,290,649	$ 18,088,828	$ 201,822	1.1%	1	$ 17,295,773
					Gross Revenues - Inpatient						
$ -	$ -	$ -	0.0%		Daily Hospital Service	$ 32,328	$ 29,141	$ 3,188	10.9%		$ 45,711
-	2,251	(2,251)	-100.0%		Ancillary Service - Inpatient	44,416	39,429	4,987	12.6%		60,334
-	2,251	(2,251)	-100.0%		Total Gross Revenue - Inpatient	76,744	68,570	8,174	11.9%	1	106,045
1,348,994	1,472,350	(123,355)	-8.4%		Gross Revenue - Outpatient	18,213,905	18,020,258	193,647	1.1%		17,189,727
1,348,994	1,472,350	(123,355)	-8.4%		Total Gross Revenue - Outpatient	18,213,905	18,020,258	193,647	1.1%	1	17,189,727
					Deductions from Revenue:						
519,253	480,530	(38,723)	-8.1%		Contractual Allowances	6,559,603	5,876,313	(683,290)	-11.6%	2	5,695,586
45,680	55,638	9,958	17.9%		Charity Care	618,066	680,959	62,894	9.2%	2	575,449
4,591	-	(4,591)	0.0%		Charity Care - Catastrophic Events	49,786	-	(49,786)	0.0%	2	70,529
155,326	53,418	(101,908)	-190.8%		Bad Debt	724,344	653,793	(70,551)	-10.8%	2	643,402
	-	-	0.0%		Prior Period Settlements	(22,833)	-	22,833	0.0%	2	(199,758)
724,850	589,586	(135,264)	-22.9%		Total Deductions from Revenue	7,928,966	7,211,065	(717,900)	-10.0%	2	6,785,207
85,786	98,280	(12,493)	-12.7%		Other Operating Revenue	940,954	908,106	32,847	3.6%	3	978,564
709,930	983,294	(273,363)	-27.8%		TOTAL OPERATING REVENUE	11,302,637	11,785,869	(483,231)	-4.1%		11,489,130
					OPERATING EXPENSES						
283,159	260,485	(22,674)	-8.7%		Salaries and Wages	3,183,168	3,319,193	136,025	4.1%	4	3,047,267
97,095	87,636	(9,459)	-10.8%		Benefits	1,187,039	1,161,947	(25,092)	-2.2%	4	1,065,712
1,965	1,417	(548)	-38.7%		Benefits Workers Compensation	23,991	17,001	(6,990)	-41.1%	4	26,172
(8,321)	44,618	52,939	118.6%		Benefits Medical Insurance	435,106	535,421	100,315	18.7%	4	489,814
223,077	240,198	17,121	7.1%		Professional Fees	2,846,083	2,851,393	5,310	0.2%	5	2,791,298
38,771	87,999	49,228	55.9%		Supplies	747,938	990,401	242,464	24.5%	6	921,388
69,198	44,378	(24,820)	-55.9%		Purchased Services	585,471	527,609	(57,862)	-11.0%	7	509,480
54,094	53,229	(865)	-1.6%		Other	646,409	650,346	3,936	0.6%	8	681,616
759,037	819,959	60,921	7.4%		TOTAL OPERATING EXPENSE	9,655,204	10,053,311	398,107	4.0%		9,532,747
(49,107)	**163,335**	**(212,442)**	**-130.1%**		**NET OPERATING REV(EXP) EBIDA**	**1,647,433**	**1,732,558**	**(85,125)**	**-4.9%**		**1,956,383**
					NON-OPERATING REVENUE/(EXPENSE)						
190,131	559,000	(368,869)	-66.0%		Donations-IVCH	214,399	559,000	(344,601)	-61.6%	9	599,902
-	-	-	0.0%		Gain/ (Loss) on Sale		-	-	0.0%	10	-
(64,277)	(64,277)	(0)	0.0%		Depreciation	(716,710)	(771,319)	54,609	7.1%	11	(653,210)
125,855	494,723	(368,869)	-74.6%		TOTAL NON-OPERATING REVENUE/(EXP)	(502,311)	(212,319)	(289,993)	-136.6%		(53,309)
$ 76,748	**$ 658,059**	**$ (581,311)**	**-88.3%**		**EXCESS REVENUE(EXPENSE)**	**$ 1,145,122**	**$ 1,520,239**	**$ (375,117)**	**-24.7%**		**$ 1,903,074**
-3.6%	**11.1%**	**-14.7%**			**RETURN ON GROSS REVENUE EBIDA**	**9.0%**	**9.6%**	**-0.6%**			**11.3%**

INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
JUNE 2017 - PRELIMINARY

		Variance from Budget Fav<Unfav> JUNE 2017	YTD 2017
1) Gross Revenues			
Acute Patient Days were at budget at 0 and Observation Days were below budget by 1 at 1.	Gross Revenue -- Inpatient	$ (2,251)	$ 8,174
	Gross Revenue -- Outpatient	(123,355)	193,647
		$ (125,606)	$ 201,822
Outpatient volumes fell short of budget in Surgical cases, Diagnostic Imaging, Pharmacy units, and Physical Therapy.			
2) Total Deductions from Revenue			
We saw a shift in our payor mix with a 1.83% decrease in Commercial Insurance, a 2.89% increase in Medicare, a .58% decrease in Medicaid, a 1.63% decrease in Other, and County was at budget. We saw a negative variance in Contractual Allowances due to the shift in Payor Mix from Commercial to Medicare and the District booked an amount due to the Medicare program in the amount of $108,000 based on an interim rate review.	Contractual Allowances	$ (38,723)	$ (683,290)
	Charity Care	9,958	62,894
	Charity Care-Catastrophic Event	(4,591)	(49,786)
	Bad Debt	(101,908)	(70,551)
	Prior Period Settlement	-	22,833
	Total	$ (135,264)	$ (717,900)
3) Other Operating Revenue			
	IVCH ER Physician Guarantee	$ 11,546	$ 59,644
	Miscellaneous	(24,039)	(26,796)
	Total	$ (12,493)	$ 32,847
4) Salaries and Wages	Total	$ (22,674)	$ 136,025
Nursing registry in the IVCH MSC IM/Peds clinic created a negative variance in Salaries and Wages.			
Employee Benefits	PL/SL	$ (17,083)	$ (4,396)
	Standby	3,540	16,356
	Other	3,988	(181)
	Nonproductive	(100)	(40,328)
	Pension/Deferred Comp	196	3,458
	Total	$ (9,459)	$ (25,092)
Employee Benefits - Workers Compensation	Total	$ (548)	$ (6,990)
Employee Benefits - Medical Insurance	Total	$ 52,939	$ 100,315
The District received reimbursement from our prior TPA for a reserve fund that remained after all claims were settled, creating a positive variance in Employee Benefits - Medical Insurance.			
5) Professional Fees	Miscellaneous	$ 5,435	$ (15,954)
Sleep Clinic physician fees are tied to collections which fell short of budget in June.	Administration	2,600	(15,489)
	IVCH ER Physicians	(250)	(10,869)
	Foundation	1,550	(2,364)
	Multi-Specialty Clinics	2,406	2,372
	Therapy Services	(1,215)	23,421
	Sleep Clinic	6,596	24,193
	Total	$ 17,121	$ 5,310
6) Supplies	Food	$ (481)	$ (15,078)
An adjustment was made to the year-end inventory for Patient Chargeable/ Surgery/Anesthesia supplies on hand based on the final count performed by a third party vendor. This created a positive variance in Patient & Other Medical Supplies.	Office Supplies	573	(5,546)
	Non-Medical Supplies	3,093	(1,390)
	Minor Equipment	4,345	(371)
	Imaging Film	(495)	1,014
	Pharmacy Supplies	9,214	109,396
	Patient & Other Medical Supplies	32,977	154,438
	Total	$ 49,228	$ 242,464

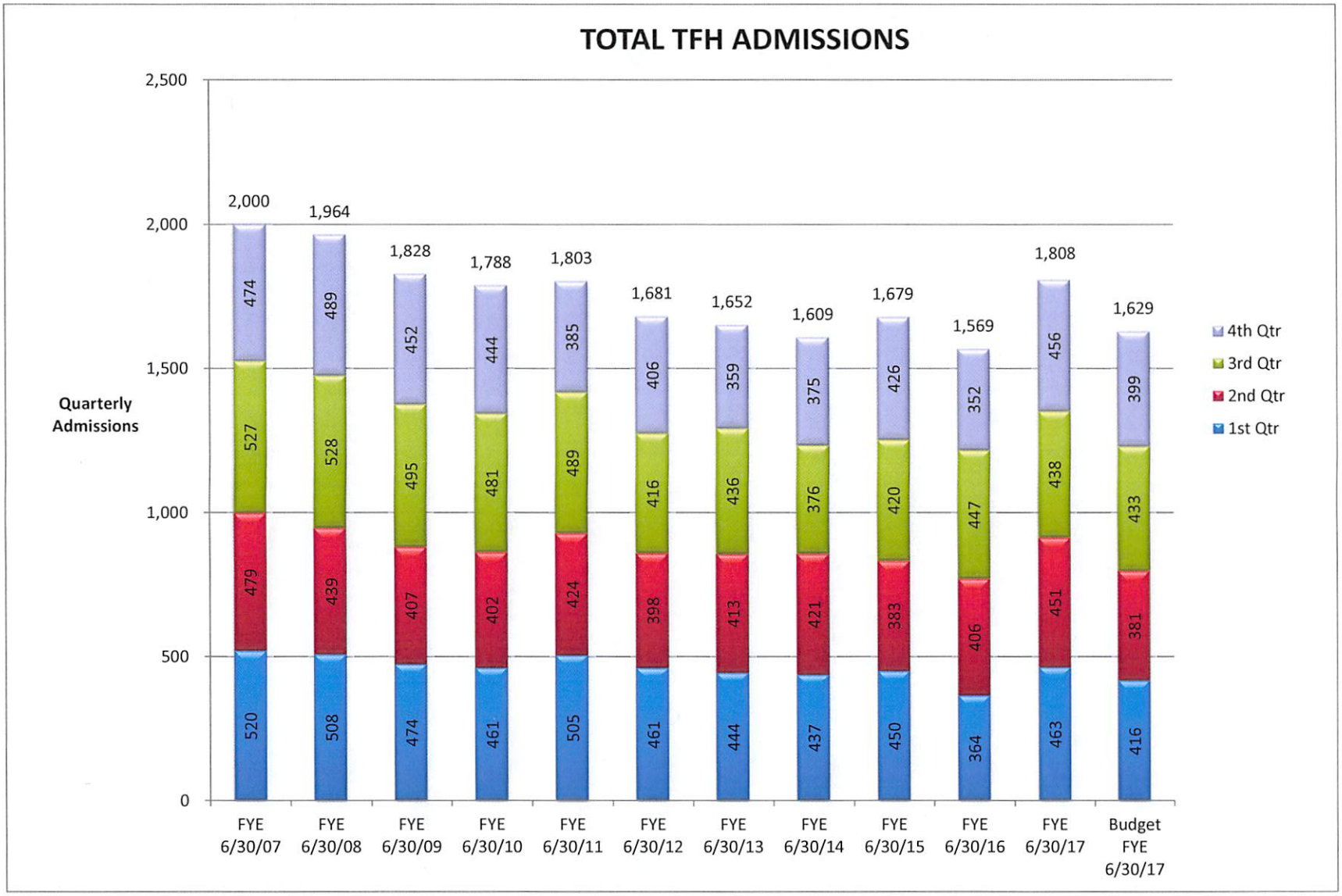
INCLINE VILLAGE COMMUNITY HOSPITAL
NOTES TO STATEMENT OF REVENUE AND EXPENSE
JUNE 2017 - PRELIMINARY

		Variance from Budget Fav<Unfav>	
		JUNE 2017	YTD 2017
7) Purchased Services	Engineering/Plant/Communications	$ (7,869)	$ (38,927)
Negative variance in Engineering/Plant/Communications related to life/fire safety maintenance, elevator maintenance, and property maintenance.	EVS/Laundry	(2,533)	(33,337)
	Department Repairs	(12,732)	(26,565)
	Diagnostic Imaging Services - All	869	(1,316)
	Multi-Specialty Clinics	23	(904)
Fire system repairs, building maintenance, surgery and physcial therapy equiment maintenance created a negative variance in Department Repairs.	Foundation	(2,343)	(694)
	Surgical Services	-	-
	Pharmacy	307	1,782
	Miscellaneous	346	16,453
	Laboratory	(888)	25,646
	Total	$ (24,820)	$ (57,862)
8) Other Expenses	Insurance	$ (1,872)	$ (22,489)
Late submission of invoices from the Nevada Rural Hospital Association for the first and second quarters of 2017 created a negative variance in Dues and Subscriptions.	Dues and Subscriptions	(3,722)	(13,547)
	Marketing	1,328	(8,944)
	Equipment Rent	2,539	(3,135)
	Other Building Rent	(532)	(243)
	Physician Services	-	-
	Multi-Specialty Clinics Equip Rent	-	-
	Multi-Specialty Clinics Bldg Rent	-	-
	Outside Training & Travel	785	1,865
	Utilities	(534)	19,528
	Miscellaneous	1,142	30,902
	Total	$ (865)	$ 3,936
9) Donations	Total	$ (368,869)	$ (344,601)
Capital Campaign donations fell short of budget estimations, creating a negative variance in Donations.			
10) Gain/(Loss) on Sale	Total	$ -	$ -
11) Depreciation Expense	Total	$ -	$ 54,609

TAHOE FOREST HOSPITAL DISTRICT
STATEMENT OF CASH FLOWS - PRELIMINARY

	AUDITED FYE 2016		BUDGET FYE 2017		PRELIMINARY FYE 2017	ACTUAL JUNE 2017	BUDGET JUNE 2017	DIFFERENCE	ACTUAL 1ST QTR	ACTUAL 2ND QTR	ACTUAL 3RD QTR	PRELIMINARY 4TH QTR
Net Operating Rev/(Exp) - EBIDA	$ 16,129,087		$ 8,354,249		$ 17,122,921	**$ 942,363**	**$ 871,910**	**$ 70,453**	$ 4,905,089	$ 4,482,756	$ 4,632,586	$ 3,102,490
Interest Income	163,091		249,285		361,479	**-**	**-**	**-**	70,617	85,905	96,447	108,511
Property Tax Revenue	6,120,208		5,682,000		6,497,384	**6,181**	**-**	**6,181**	345,312	94,001	3,510,190	2,547,881
Donations	668,318		1,023,000		1,537,778	**1,002,966**	**268,767**	**734,199**	211,916	53,794	205,600	1,066,468
Debt Service Payments	(3,441,272)		(3,568,341)		(3,553,754)	**(272,820)**	**(241,694)**	**(31,126)**	(1,217,943)	(720,763)	(861,343)	(753,706)
Bank of America - 2012 Muni Lease	(1,243,650)		(1,243,644)		(1,243,406)	**(103,394)**	**(103,637)**	**243**	(310,912)	(310,912)	(310,912)	(310,669)
Copier	(8,758)		(11,520)		(11,295)	**(730)**	**(960)**	**230**	(2,885)	(2,656)	(2,878)	(2,878)
2002 Revenue Bond	(483,555)		(668,008)		(677,214)	**(39,904)**	**-**	**(39,904)**	(496,951)	-	(140,358)	(39,904)
2015 Revenue Bond	(1,705,309)		(1,645,169)		(1,621,839)	**(128,793)**	**(137,097)**	**8,305**	(407,195)	(407,195)	(407,195)	(400,256)
Physician Recruitment	(263,769)		(120,000)		-	**-**	**-**	**-**	-	-	-	-
Investment in Capital												-
Equipment	(1,495,214)		(1,262,750)		(1,388,213)	**(70,784)**	**(250,000)**	**179,216**	(452,617)	(419,544)	(186,887)	(329,164)
Municipal Lease Reimbursement	1,319,139		979,000		735,082	**-**	**-**	**-**	-	-	-	735,082
GO Bond Project Personal Property	(432,135)		(279,000)		(1,175,083)	**(687)**	**-**	**(687)**	(532,573)	(364,495)	(174,438)	(103,577)
IT	(888,802)		(297,578)		(176,532)	**(1,354)**	**(122,400)**	**121,046**	(90,239)	(48,320)	17,785	(55,757)
Building Projects	(2,095,500)		(4,315,500)		(3,456,337)	**(216,890)**	**(695,016)**	**478,126**	(1,630,513)	(678,916)	(535,903)	(611,005)
Health Information/Business System	(92,807)		(7,000,000)		(4,431,960)	**(1,297,564)**	**(1,300,000)**	**2,436**	-	(2,051,447)	(553,064)	(1,827,449)
Capital Investments												
Properties	-		(2,794,000)		(2,373,193)	**-**	**(429,000)**	**429,000**	(40,000)	(2,333,193)	-	-
Measure C Scope Modifications	-		(2,476,716)		(1,709,383)	**(230,226)**	**(200,000)**	**(30,226)**	(558,626)	(261,384)	(69,361)	(820,012)
Change in Accounts Receivable	(1,194,734)		(2,183,288)	N1	(1,348,784)	**249,772**	**(1,010,652)**	**1,260,424**	(2,178,112)	(931,014)	106,152	1,654,190
Change in Settlement Accounts	1,387,101		1,175,000	N2	4,910,558	**850,052**	**(651,000)**	**1,501,052**	1,126,982	(205,102)	4,439,516	(450,838)
Change in Other Assets	(3,180,399)		(890,622)	N3	(1,971,777)	**153,082**	**560,000**	**(406,918)**	(687,607)	(1,034,847)	(372,202)	122,879
Change in Other Liabilities	3,702,607		(320,000)	N4	(3,281,902)	**(609,101)**	**900,000**	**(1,509,101)**	(2,392,808)	2,093	(1,370,595)	479,408
Change in Cash Balance	16,404,918		(8,045,261)		6,298,285	**504,990**	**(2,299,085)**	**2,804,074**	(3,121,122)	(4,330,475)	8,884,481	4,865,401
Beginning Unrestricted Cash	52,227,897		68,632,815		68,632,815	**74,426,109**	**74,426,109**	**-**	68,632,815	65,511,692	61,181,218	70,065,699
Ending Unrestricted Cash	68,632,815		60,778,463		74,931,099	**74,931,099**	**72,127,024**	**2,804,074**	65,511,692	61,181,218	70,065,699	74,931,099
Expense Per Day	340,958		355,605		361,779	**361,779**	**355,605**	**6,174**	352,658	353,874	359,049	361,779
Days Cash On Hand	201		171		207	**207**	**203**	**4**	186	173	195	207

Footnotes:
N1 - Change in Accounts Receivable reflects the 30 day delay in collections.
N2 - Change in Settlement Accounts reflect cash flows in and out related to prior year and current year Medicare and Medi-Cal settlement accounts.
N3 - Change in Other Assets reflect fluctuations in asset accounts on the Balance Sheet that effect cash. For example, an increase in prepaid expense immediately effects cash but not EBIDA.
N4 - Change in Other Liabilities reflect fluctuations in liability accounts on the Balance Sheet that effect cash. For example, an increase in accounts payable effects EBIDA but not cash.


TOTAL TFH ADMISSIONS
Quarterly Admissions
2,500
2,000
1,500
1,000
500
0
2,000
1,964
1,828
1,788
1,803
1,681
1,652
1,609
1,679
1,569
1,808
1,629
474
489
452
444
385
406
359
375
426
352
456
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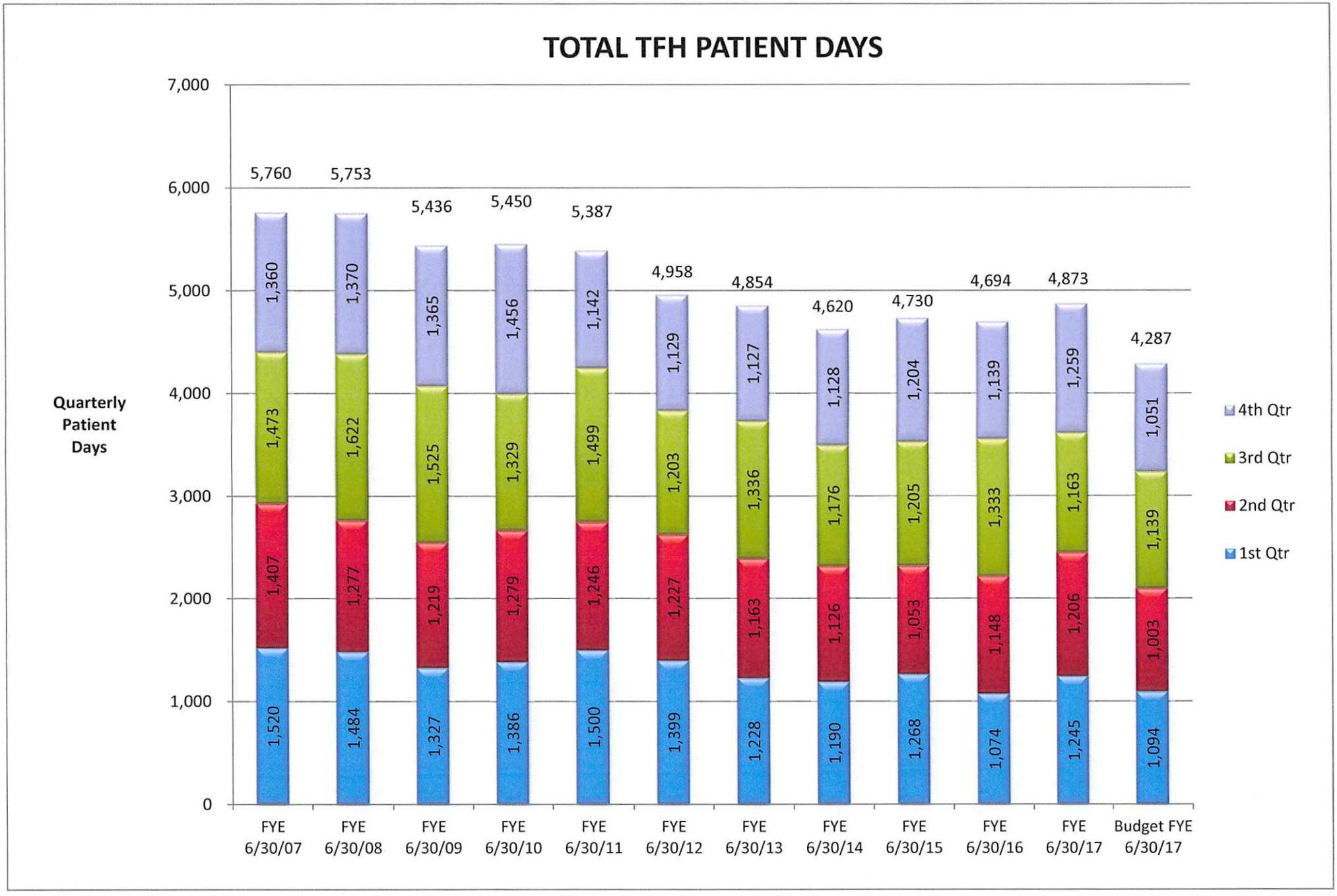
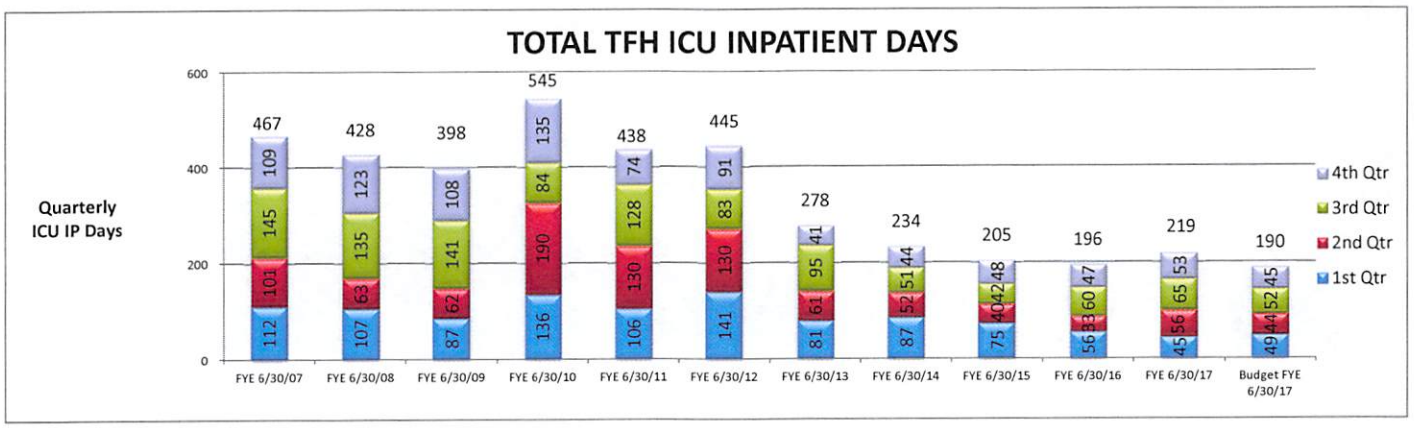
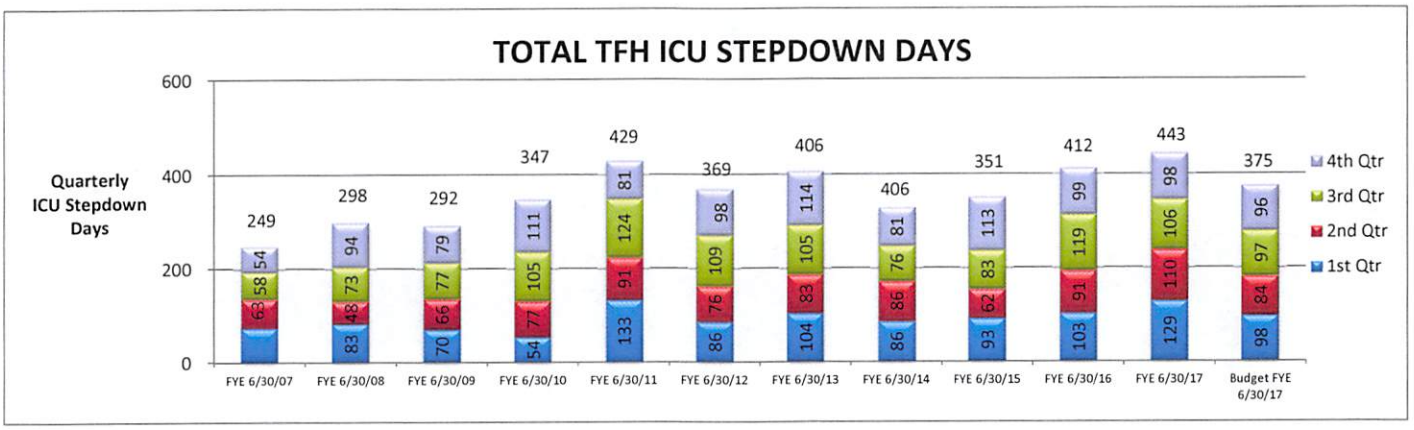
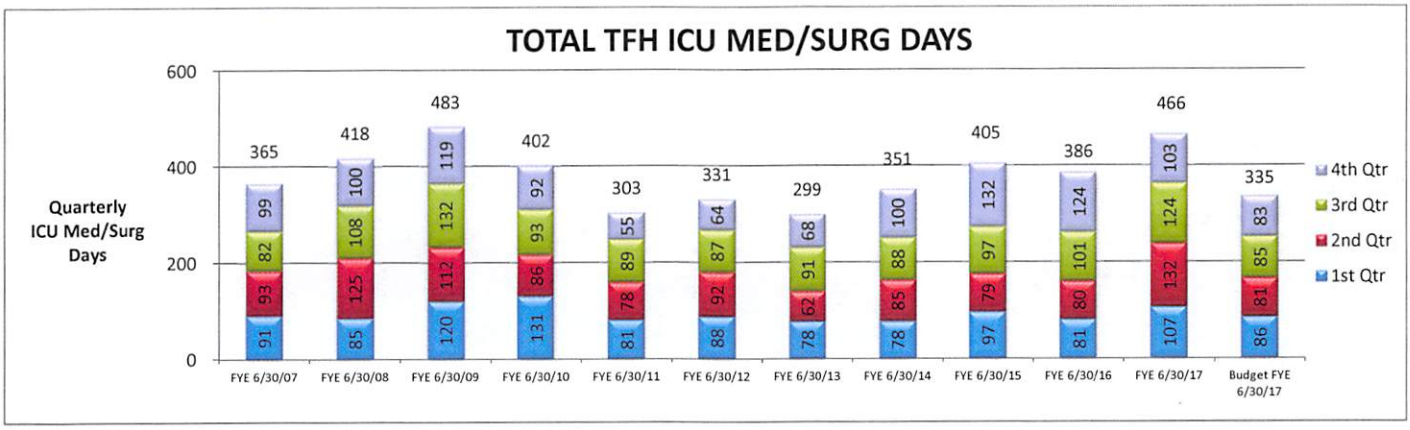
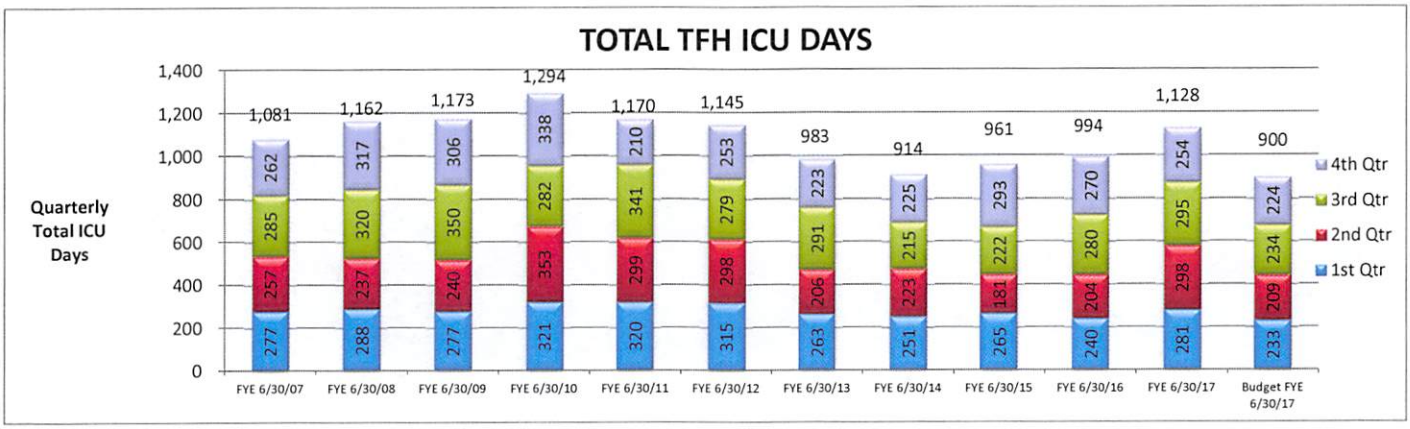
421
383
406
451
381
520
508
474
461
505
461
444
437
450
364
463
416
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

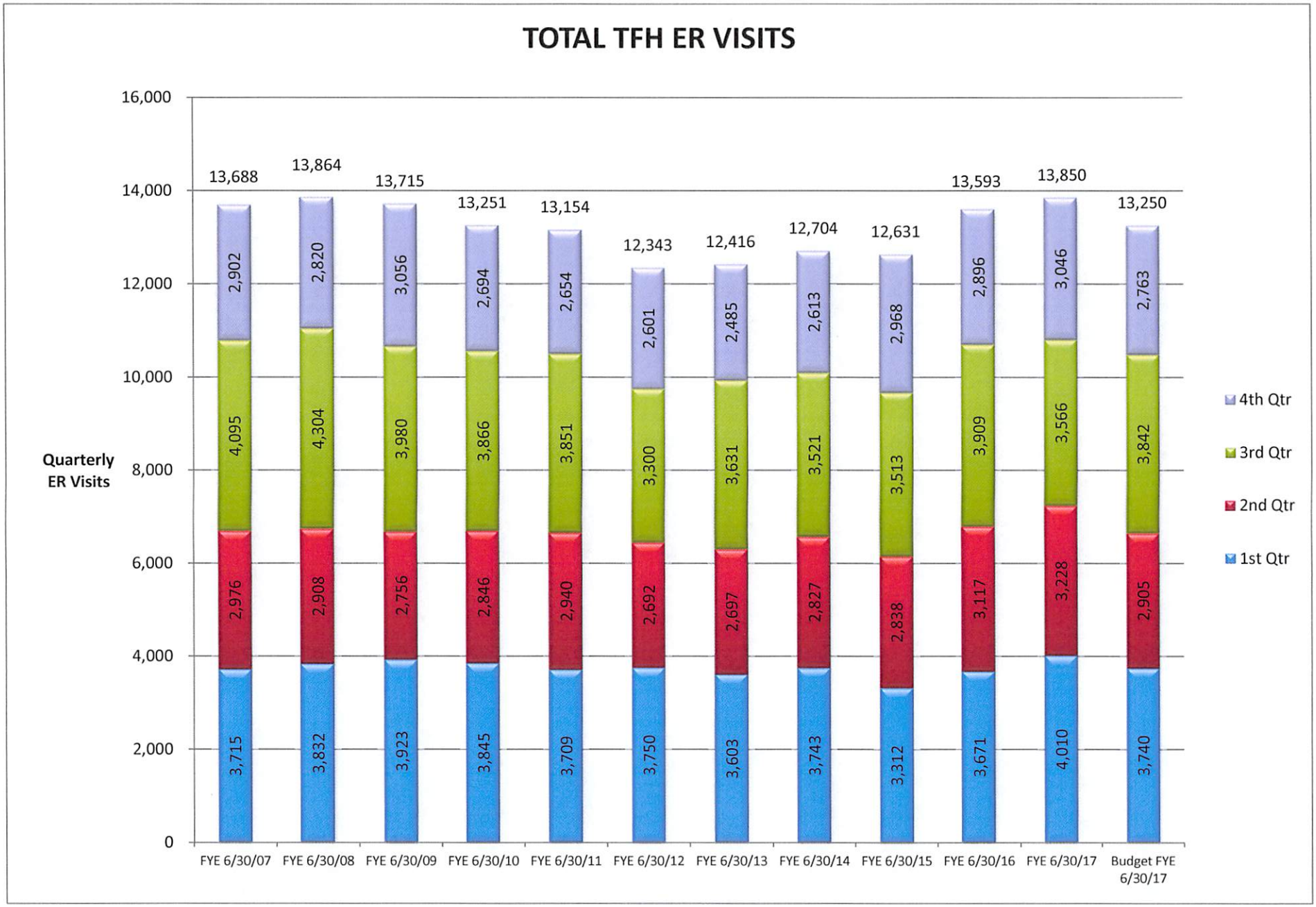

TOTAL TFH PATIENT DAYS
Quarterly Patient Days
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
5,760
5,753
5,436
5,450
5,387
4,958
4,854
4,620
4,730
4,694
4,873
4,287
1,360
1,370
1,365
1,456
1,142
1,129
1,127
1,128
1,204
1,139
1,259
1,051
1,473
1,622
1,525
1,329
1,499
1,203
1,336
1,176
1,205
1,333
1,163
1,139
1,407
1,277
1,219
1,279
1,246
1,227
1,163
1,126
1,053
1,148
1,206
1,003
1,520
1,484
1,327
1,386
1,500
1,399
1,228
1,190
1,268
1,074
1,245
1,094
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH ICU INPATIENT DAYS
Quarterly ICU IP Days
FYE 6/30/07: 467 (112, 101, 145, 109)
FYE 6/30/08: 428 (107, 63, 135, 123)
FYE 6/30/09: 398 (87, 62, 141, 108)
FYE 6/30/10: 545 (136, 190, 84, 135)
FYE 6/30/11: 438 (106, 130, 128, 74)
FYE 6/30/12: 445 (141, 130, 83, 91)
FYE 6/30/13: 278 (81, 61, 95, 41)
FYE 6/30/14: 234 (87, 52, 51, 44)
FYE 6/30/15: 205 (75, 40, 42, 48)
FYE 6/30/16: 196 (56, 33, 60, 47)
FYE 6/30/17: 219 (45, 56, 65, 53)
Budget FYE 6/30/17: 190 (49, 44, 52, 45)
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

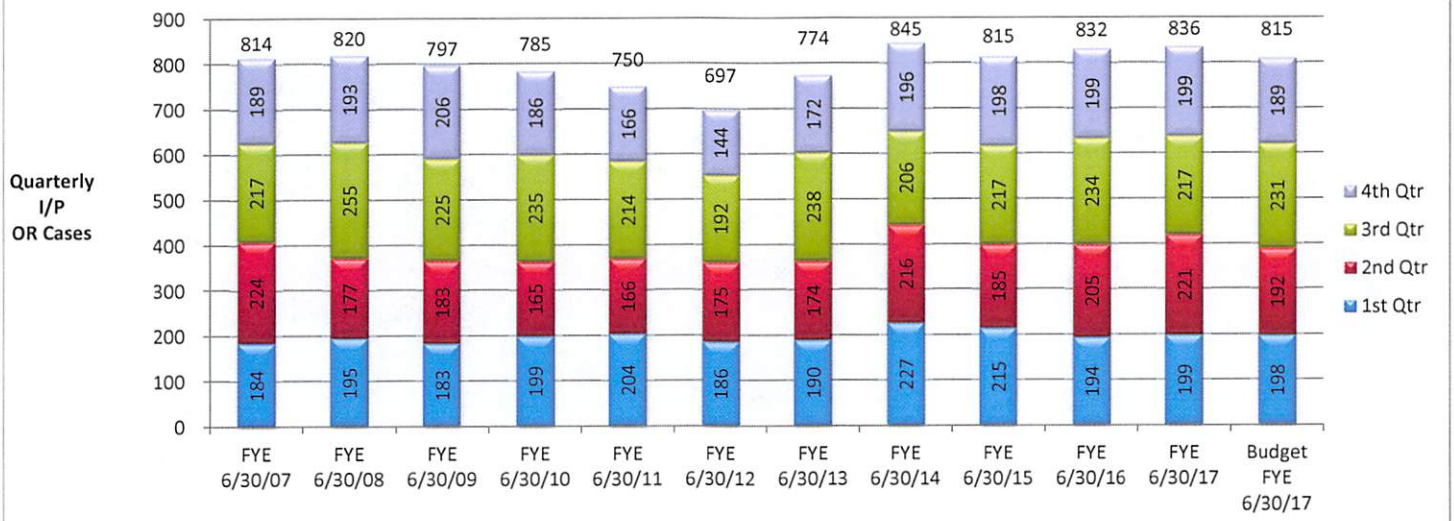

TOTAL TFH ICU STEPDOWN DAYS
Quarterly ICU Stepdown Days
FYE 6/30/07: 249 (63, 58, 54, 54)
FYE 6/30/08: 298 (83, 48, 73, 94)
FYE 6/30/09: 292 (70, 66, 77, 79)
FYE 6/30/10: 347 (54, 77, 105, 111)
FYE 6/30/11: 429 (133, 91, 124, 81)
FYE 6/30/12: 369 (86, 76, 109, 98)
FYE 6/30/13: 406 (104, 83, 105, 114)
FYE 6/30/14: 406 (86, 86, 76, 81)
FYE 6/30/15: 351 (93, 62, 83, 113)
FYE 6/30/16: 412 (103, 91, 119, 99)
FYE 6/30/17: 443 (129, 110, 106, 98)
Budget FYE 6/30/17: 375 (98, 84, 97, 96)
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH ICU MED/SURG DAYS
Quarterly ICU Med/Surg Days
FYE 6/30/07: 365 (91, 93, 82, 99)
FYE 6/30/08: 418 (85, 125, 108, 100)
FYE 6/30/09: 483 (120, 112, 132, 119)
FYE 6/30/10: 402 (131, 86, 93, 92)
FYE 6/30/11: 303 (81, 78, 89, 55)
FYE 6/30/12: 331 (88, 92, 87, 64)
FYE 6/30/13: 299 (78, 62, 91, 68)
FYE 6/30/14: 351 (78, 85, 88, 100)
FYE 6/30/15: 405 (97, 79, 97, 132)
FYE 6/30/16: 386 (81, 80, 101, 124)
FYE 6/30/17: 466 (107, 132, 124, 103)
Budget FYE 6/30/17: 335 (86, 81, 85, 83)
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

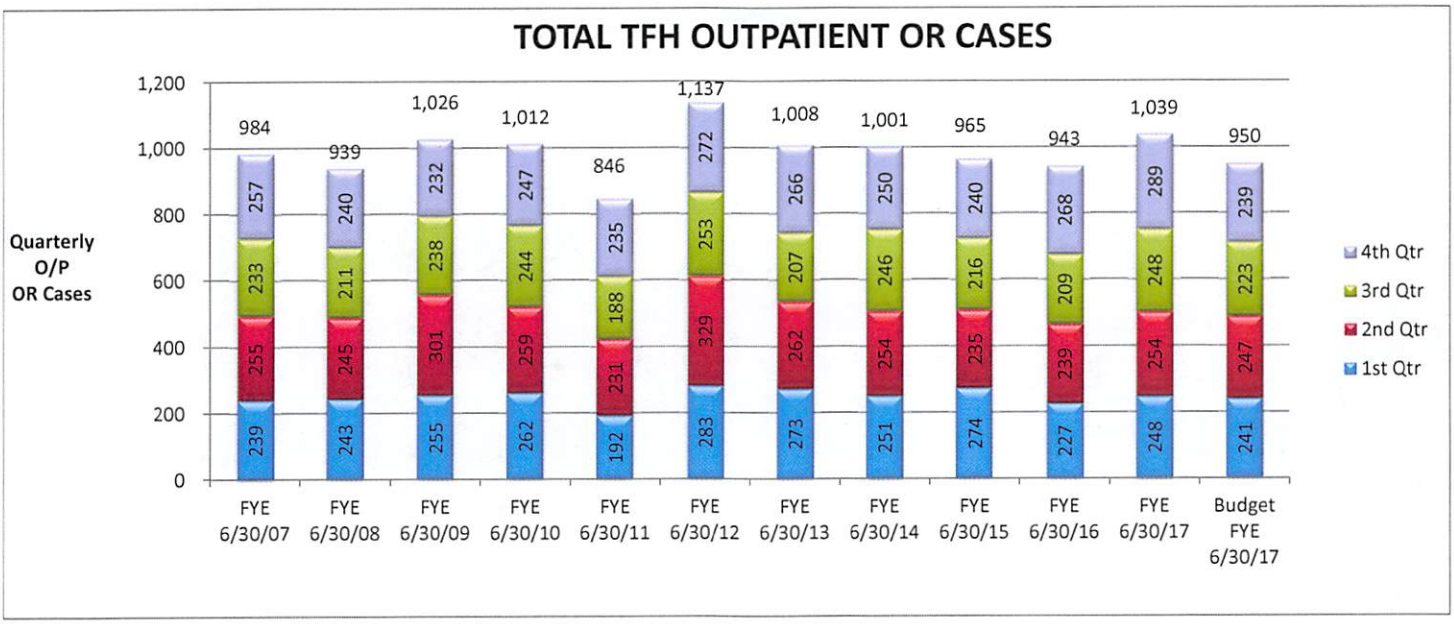

TOTAL TFH ICU DAYS
Quarterly Total ICU Days
FYE 6/30/07: 1,081 (277, 257, 285, 262)
FYE 6/30/08: 1,162 (288, 237, 320, 317)
FYE 6/30/09: 1,173 (277, 240, 350, 306)
FYE 6/30/10: 1,294 (321, 353, 282, 338)
FYE 6/30/11: 1,170 (320, 299, 341, 210)
FYE 6/30/12: 1,145 (315, 298, 279, 253)
FYE 6/30/13: 983 (263, 206, 291, 223)
FYE 6/30/14: 914 (251, 223, 215, 225)
FYE 6/30/15: 961 (265, 181, 222, 293)
FYE 6/30/16: 994 (240, 204, 280, 270)
FYE 6/30/17: 1,128 (281, 298, 295, 254)
Budget FYE 6/30/17: 900 (233, 209, 234, 224)
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH ER VISITS
Quarterly ER Visits
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
13,688
13,864
13,715
13,251
13,154
12,343
12,416
12,704
12,631
13,593
13,850
13,250
2,902
2,820
3,056
2,694
2,654
2,601
2,485
2,613
2,968
2,896
3,046
2,763
4,095
4,304
3,980
3,866
3,851
3,300
3,631
3,521
3,513
3,909
3,566
3,842
2,976
2,908
2,756
2,846
2,940
2,692
2,697
2,827
2,838
3,117
3,228
2,905
3,715
3,832
3,923
3,845
3,709
3,750
3,603
3,743
3,312
3,671
4,010
3,740
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

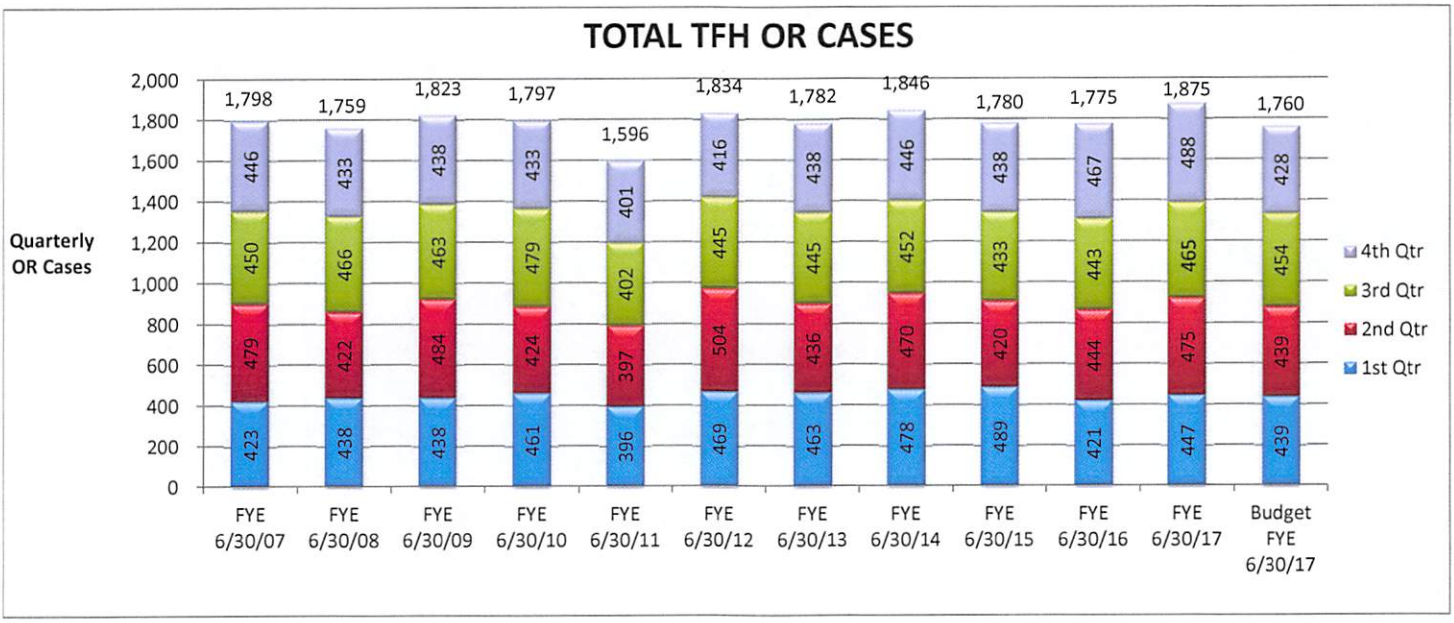
TOTAL TFH INPATIENT OR CASES

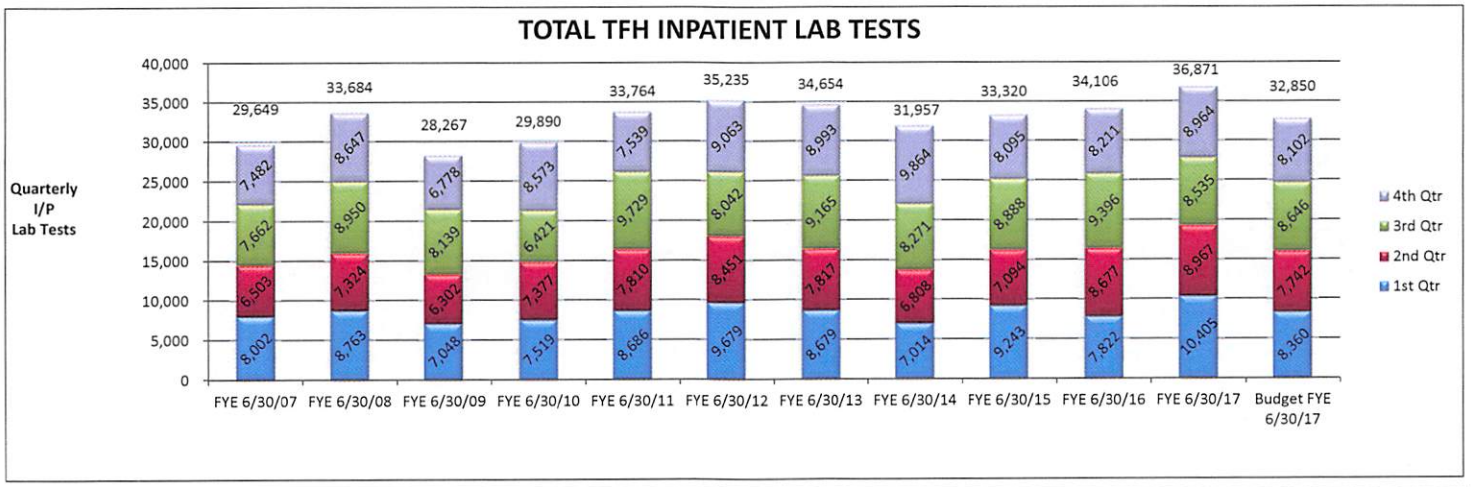


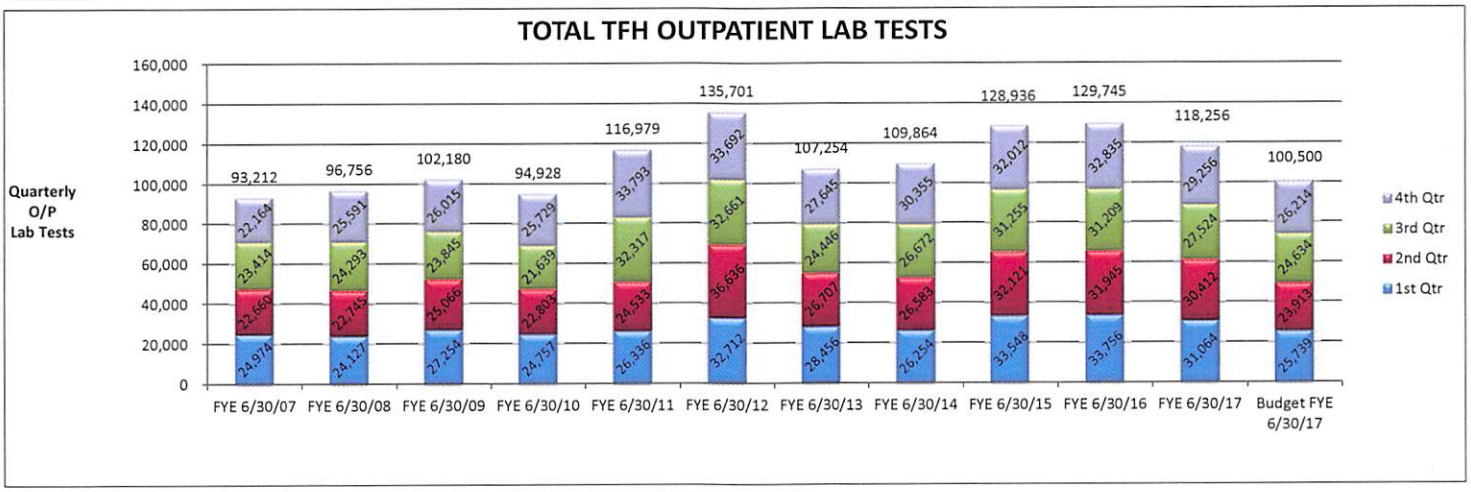
TOTAL TFH OUTPATIENT OR CASES

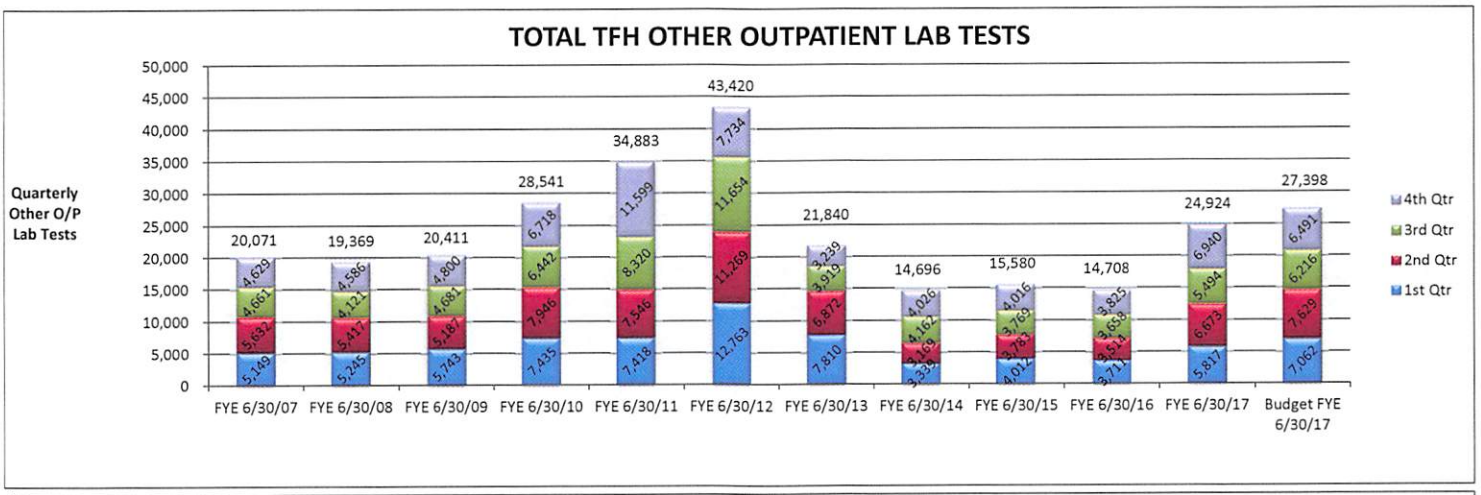


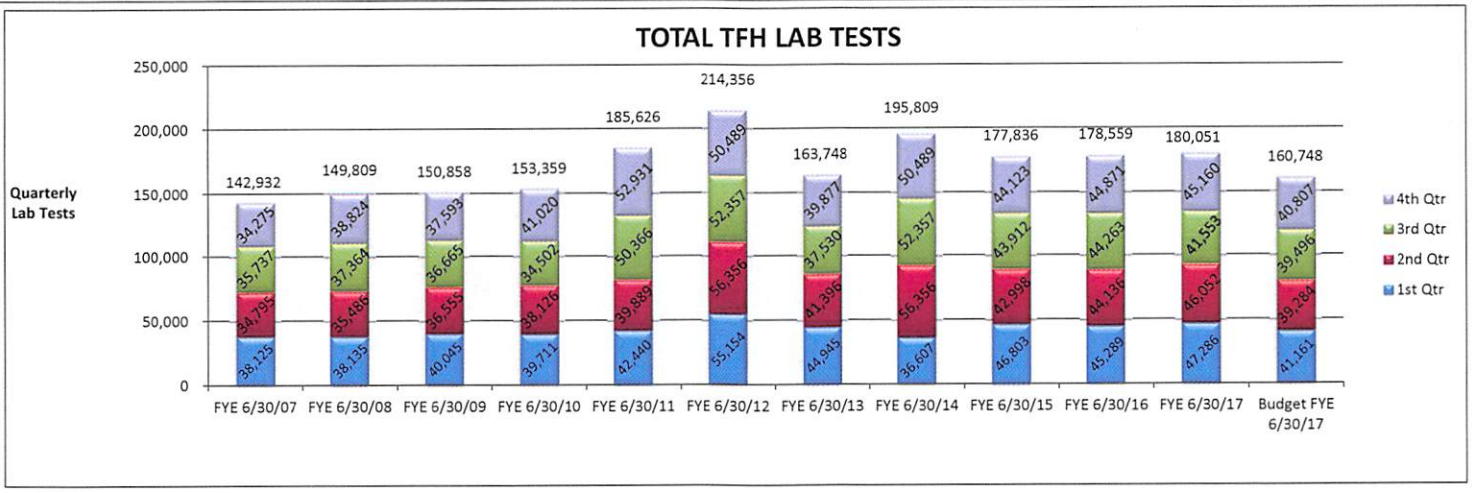
TOTAL TFH OR CASES



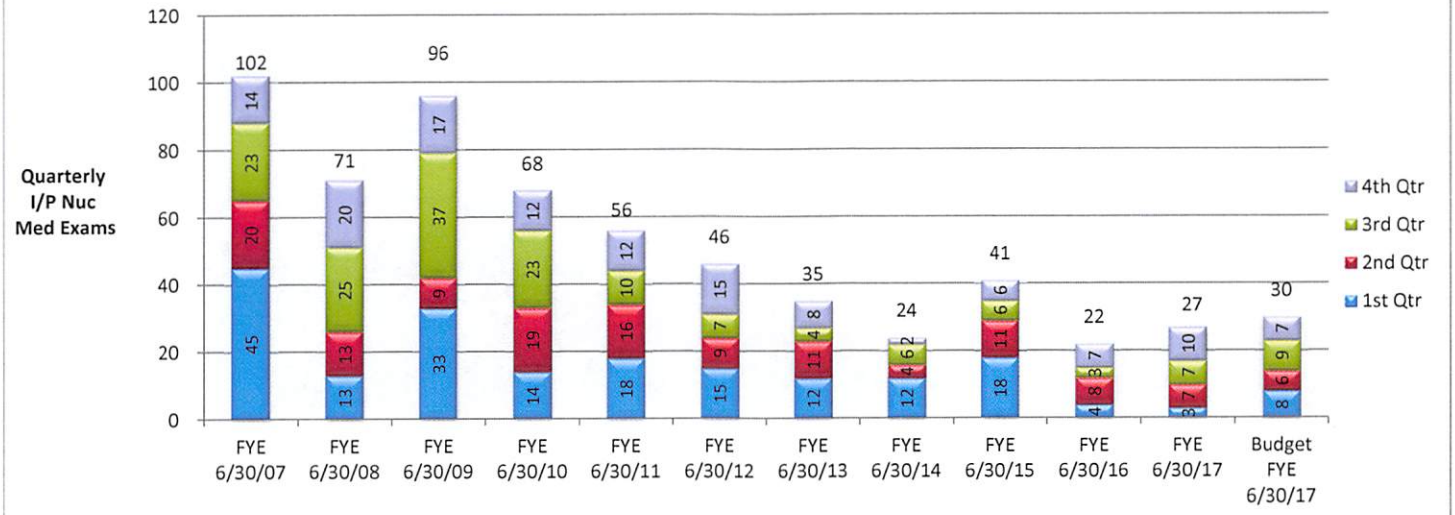

TOTAL TFH INPATIENT LAB TESTS
Quarterly I/P Lab Tests
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
29,649
33,684
28,267
29,890
33,764
35,235
34,654
31,957
33,320
34,106
36,871
32,850
7,482
7,662
6,503
8,002
8,647
8,950
7,324
8,763
6,778
8,139
6,302
7,048
8,573
6,421
7,377
7,519
7,539
9,729
7,810
8,686
9,063
8,042
8,451
9,679
8,993
9,165
7,817
8,679
9,864
8,271
6,808
7,014
8,095
8,888
7,094
9,243
8,211
9,396
8,671
7,822
8,964
8,535
8,967
10,405
8,102
8,646
7,742
8,360
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH OUTPATIENT LAB TESTS
Quarterly O/P Lab Tests
160,000
140,000
120,000
100,000
80,000
60,000
40,000
20,000
0
93,212
96,756
102,180
94,928
116,979
135,701
107,254
109,864
128,936
129,745
118,256
100,500
22,164
23,414
22,660
24,974
25,591
24,293
22,745
24,127
26,015
23,845
25,066
27,254
25,729
21,639
22,803
24,757
33,793
32,317
24,533
26,336
33,692
32,661
36,636
32,712
27,645
24,446
26,707
28,456
30,355
26,672
26,583
26,254
32,012
31,255
32,121
33,648
32,835
31,209
31,945
33,756
29,256
27,524
30,412
31,064
26,214
24,634
23,913
25,739
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

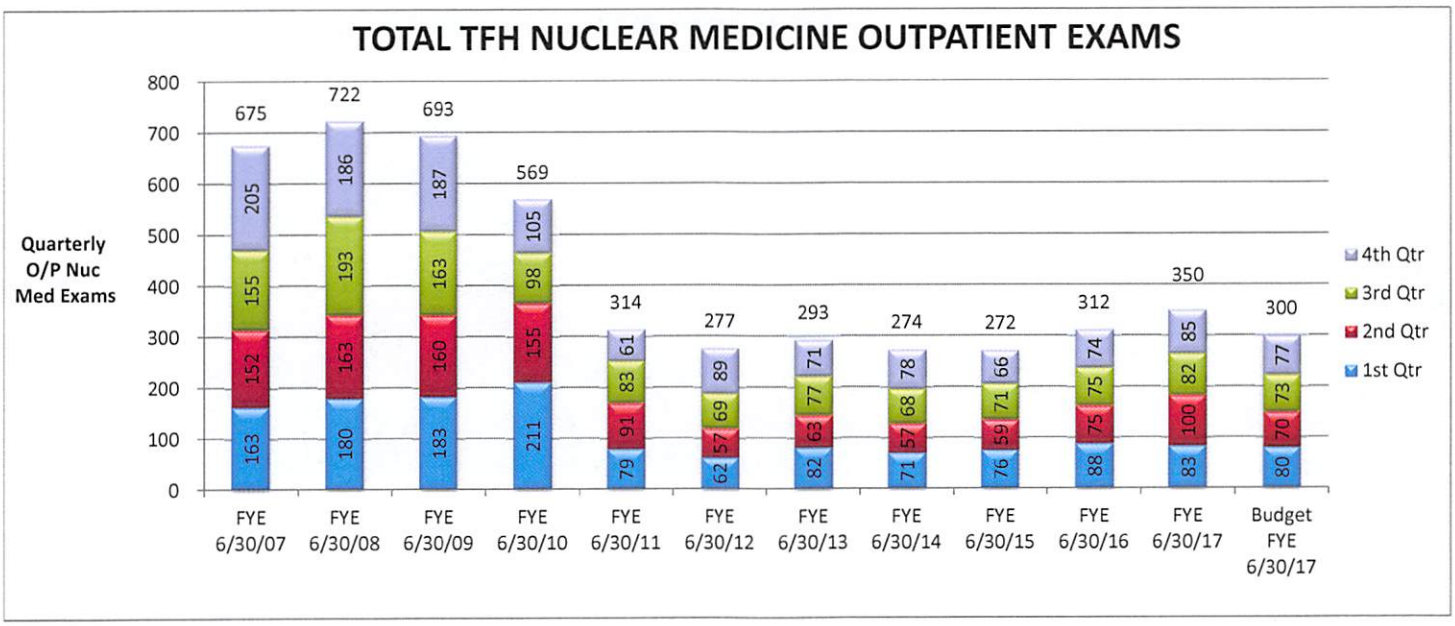

TOTAL TFH OTHER OUTPATIENT LAB TESTS
Quarterly Other O/P Lab Tests
50,000
45,000
40,000
35,000
30,000
25,000
20,000
15,000
10,000
5,000
0
20,071
19,369
20,411
28,541
34,883
43,420
21,840
14,696
15,580
14,708
24,924
27,398
4,629
4,661
3,682
5,149
4,586
4,121
3,417
5,245
4,800
4,681
3,187
5,743
6,718
6,442
7,946
7,435
11,599
8,320
7,546
7,418
7,734
11,654
11,269
12,763
3,239
3,919
6,872
7,810
4,026
4,162
3,169
3,338
4,016
3,769
3,783
4,012
3,825
3,658
3,514
3,711
6,940
5,494
6,673
5,817
6,491
6,216
7,639
7,062
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH LAB TESTS
Quarterly Lab Tests
250,000
200,000
150,000
100,000
50,000
0
142,932
149,809
150,858
153,359
185,626
214,356
163,748
195,809
177,836
178,559
180,051
160,748
34,275
35,737
34,795
38,125
38,824
37,364
35,486
38,135
37,593
36,665
36,555
40,045
41,020
34,502
38,126
39,711
52,931
50,366
39,889
42,440
50,489
52,357
56,356
55,154
39,877
37,530
41,396
44,945
50,489
52,357
56,356
36,607
44,123
43,912
42,998
46,803
44,871
44,263
44,136
45,289
45,160
41,553
46,052
47,286
40,807
39,496
39,284
41,161
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

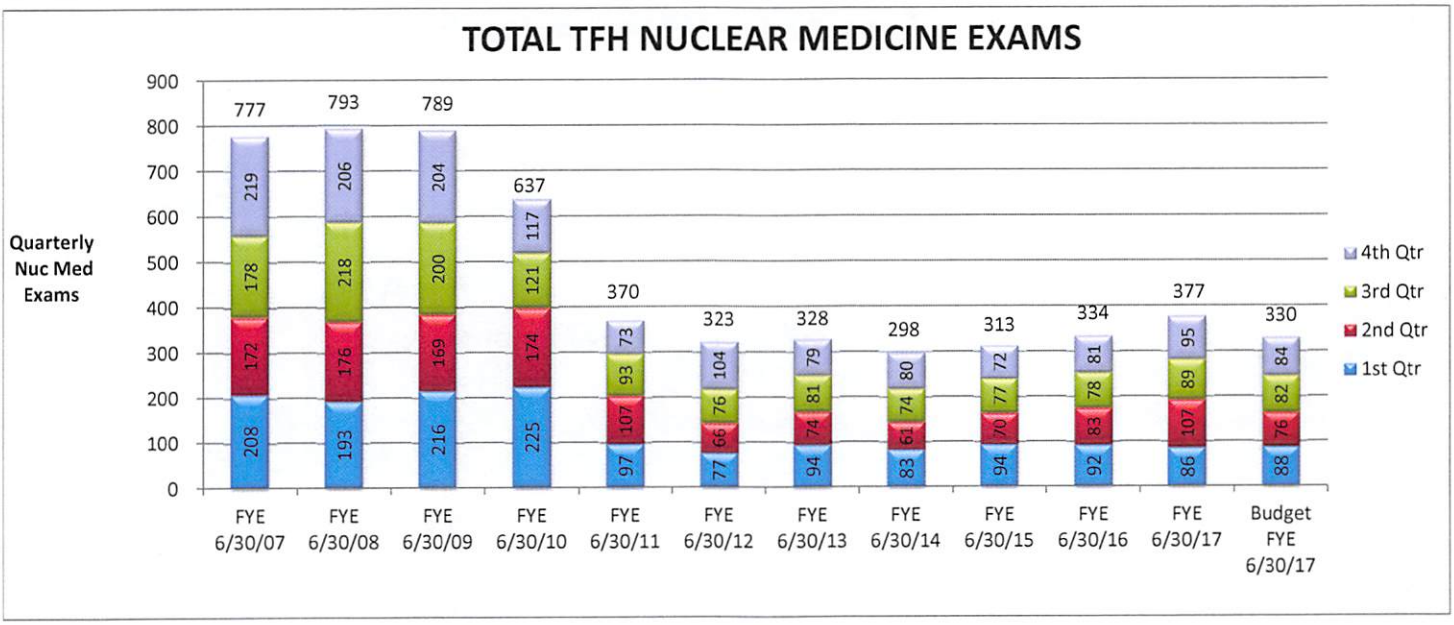
TOTAL TFH NUCLEAR MEDICINE INPATIENT EXAMS



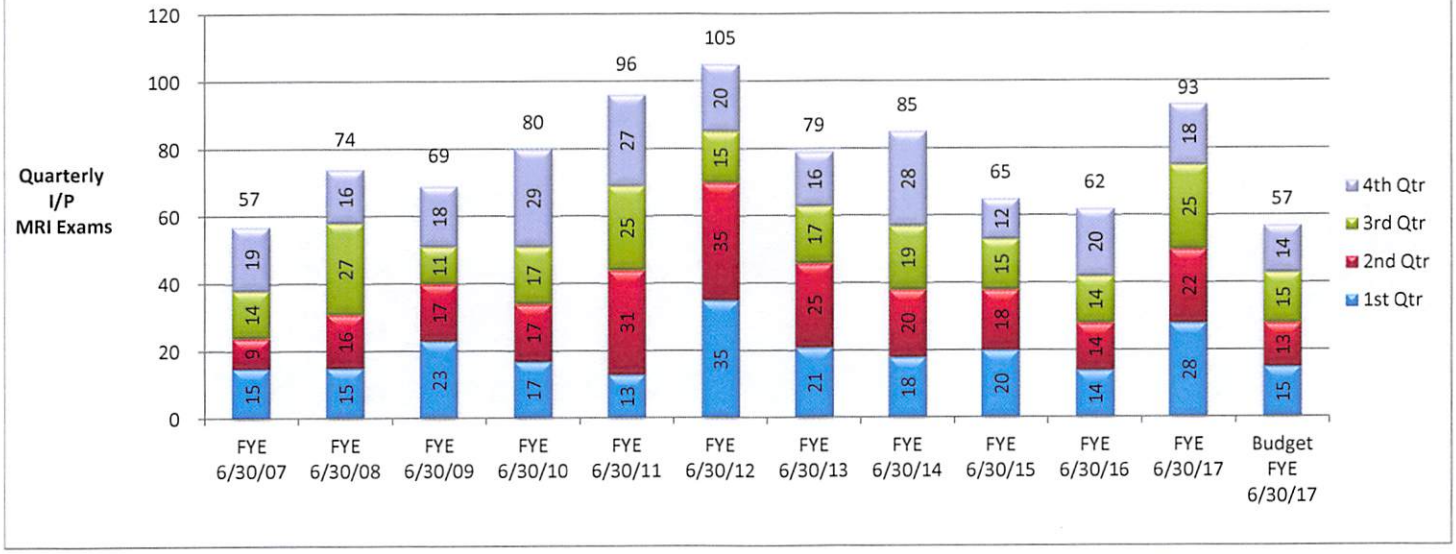
TOTAL TFH NUCLEAR MEDICINE OUTPATIENT EXAMS



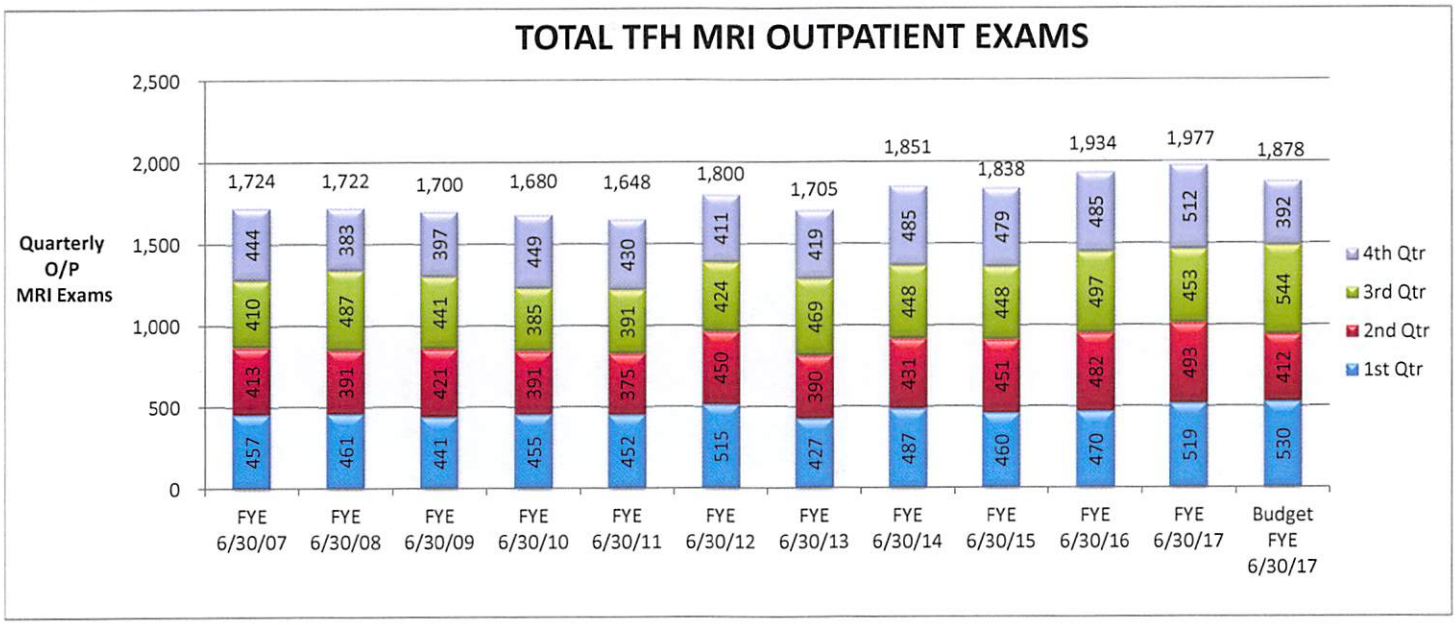
TOTAL TFH NUCLEAR MEDICINE EXAMS



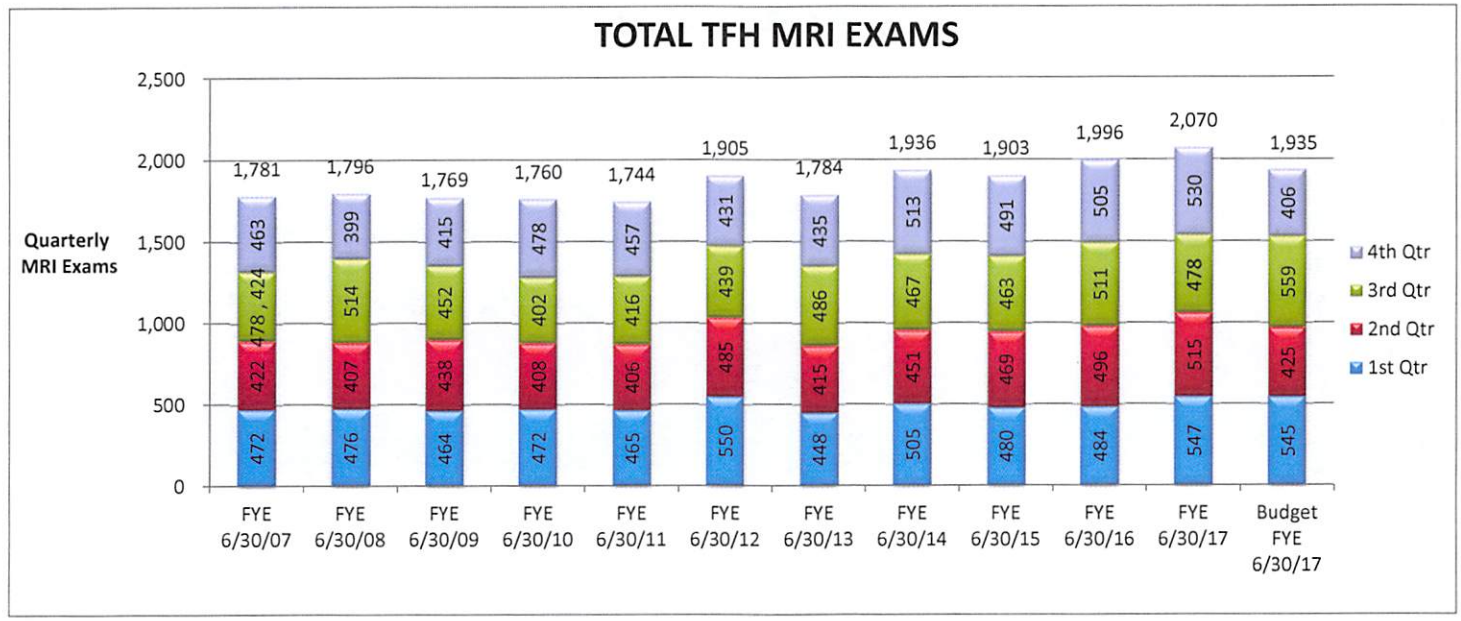
TOTAL TFH MRI INPATIENT EXAMS



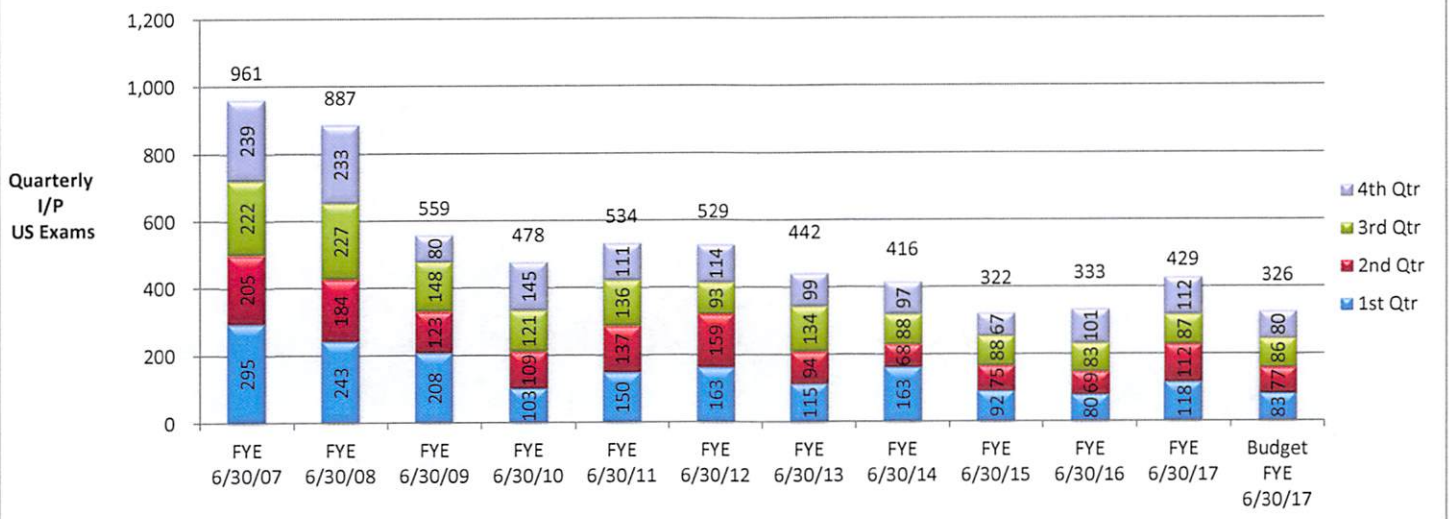
TOTAL TFH MRI OUTPATIENT EXAMS



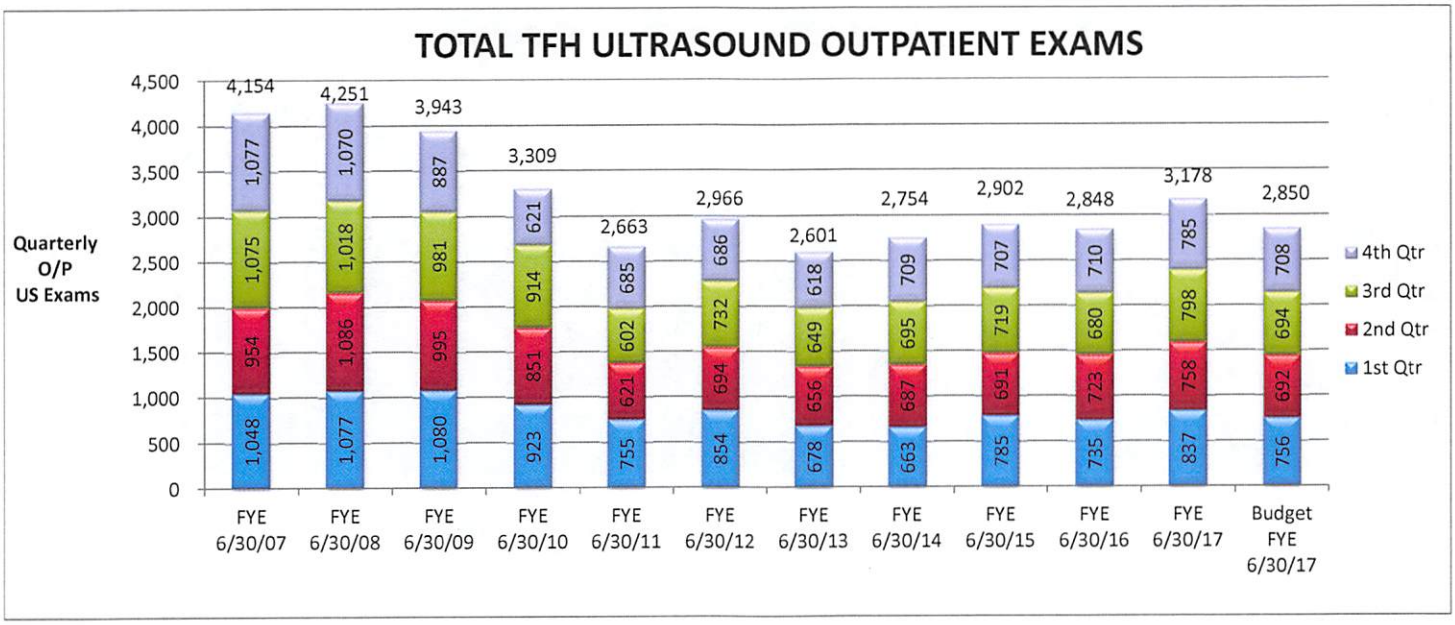
TOTAL TFH MRI EXAMS



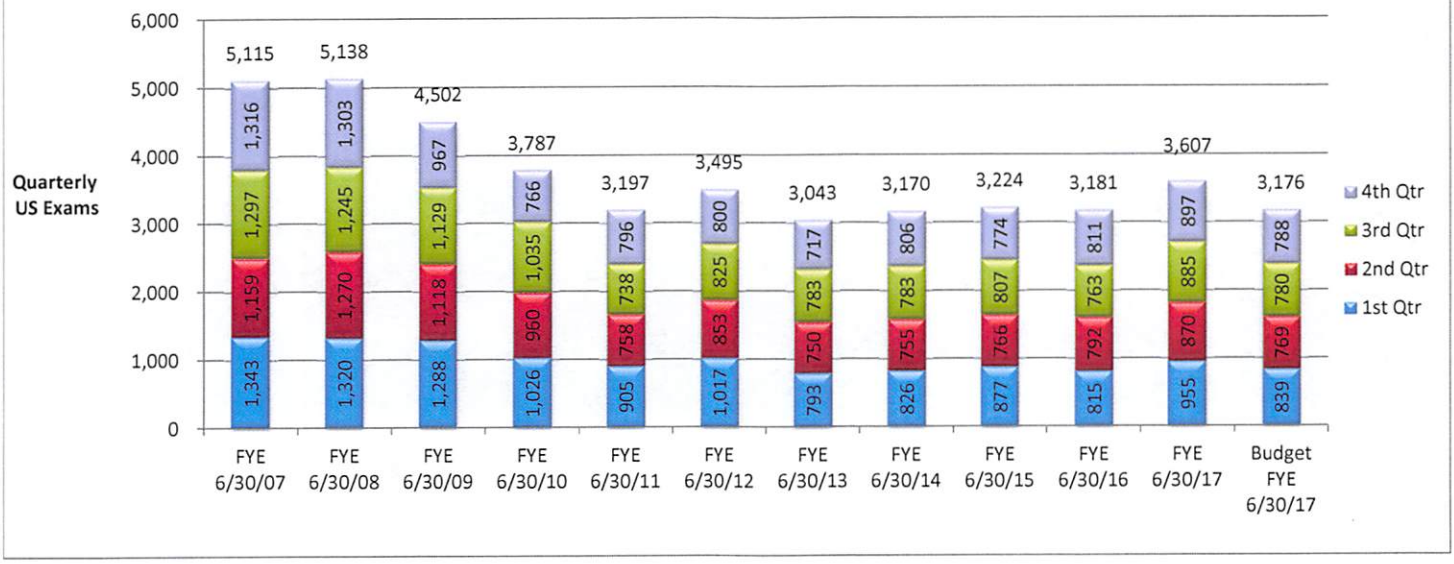
TOTAL TFH ULTRASOUND INPATIENT EXAMS

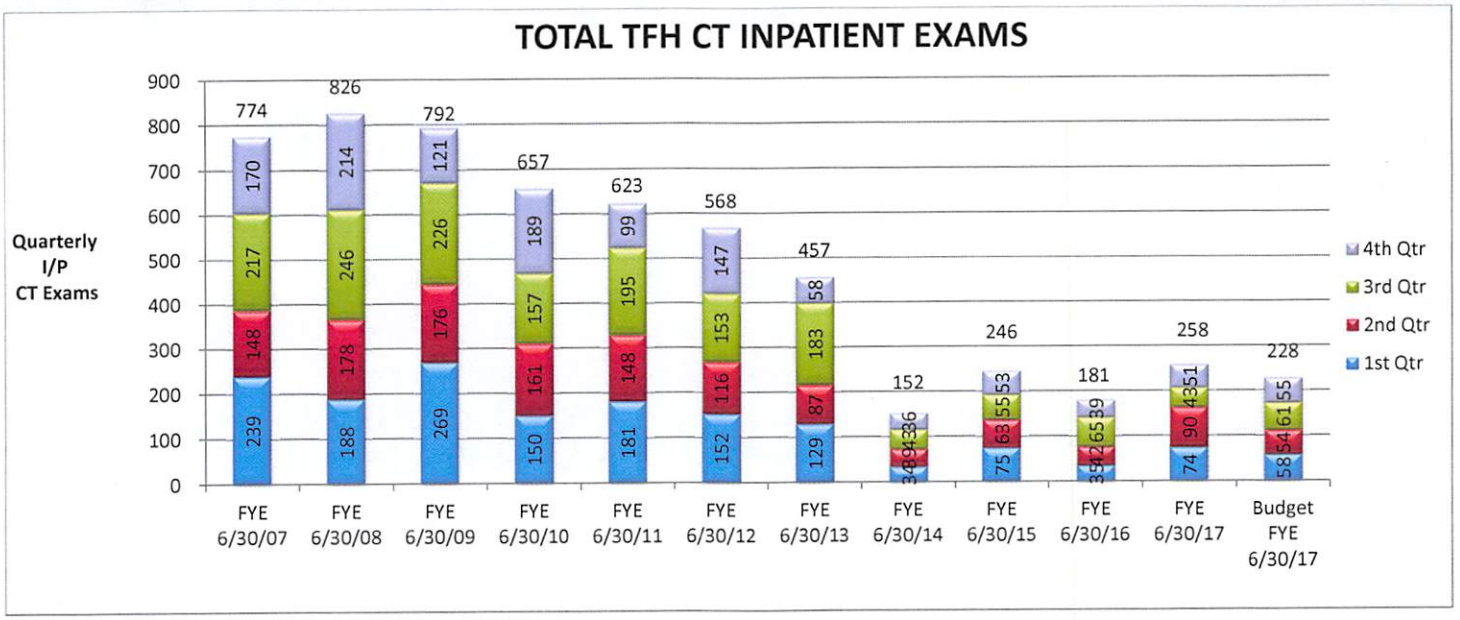


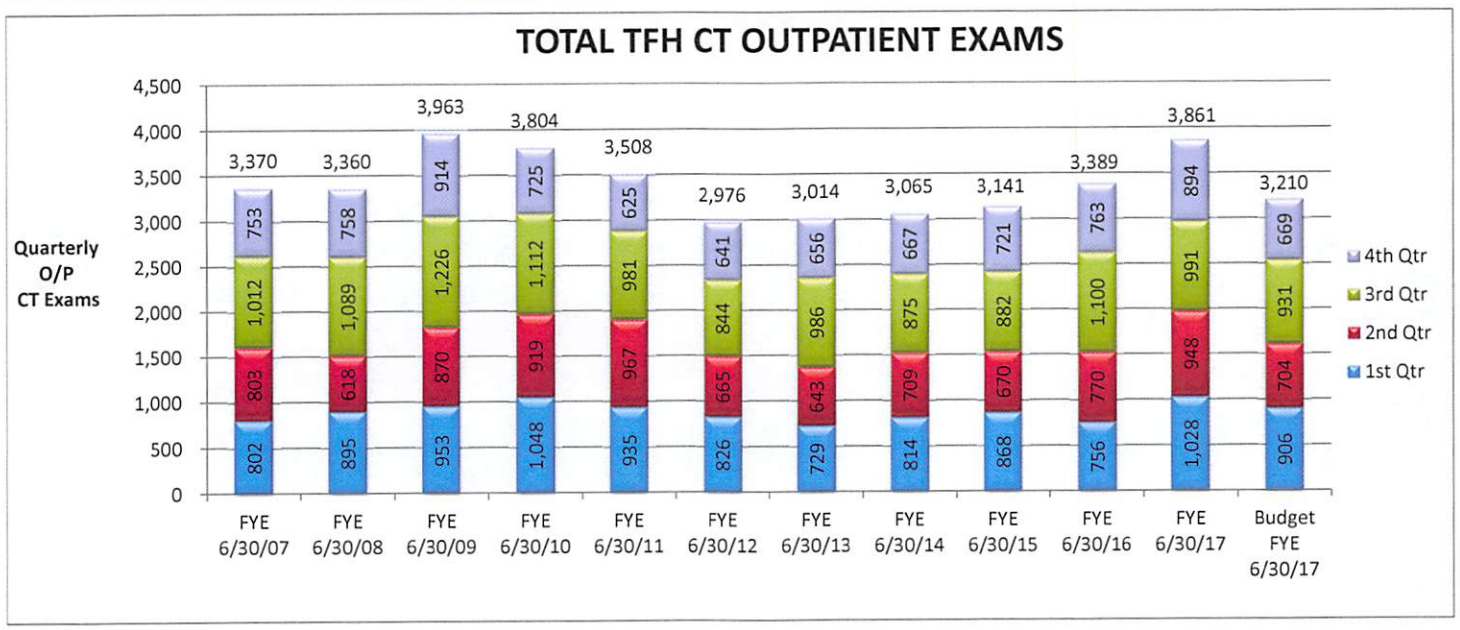
TOTAL TFH ULTRASOUND OUTPATIENT EXAMS

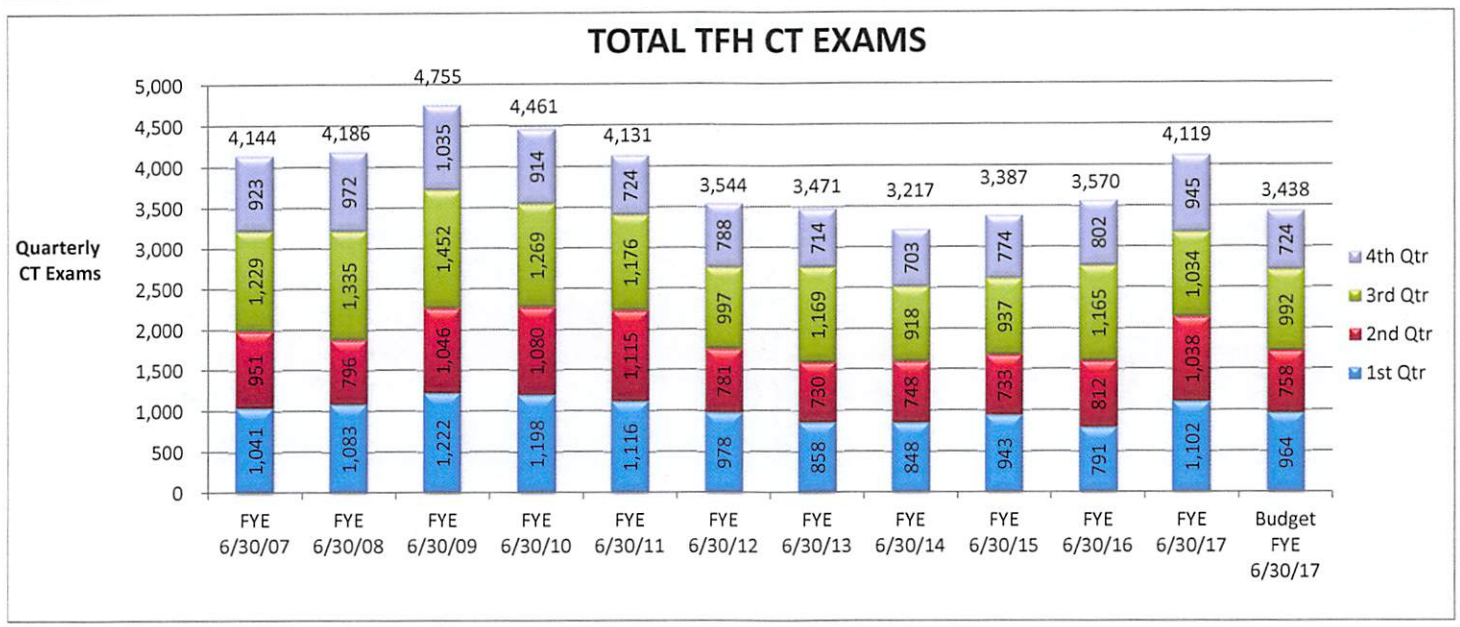


TOTAL TFH ULTRASOUND EXAMS

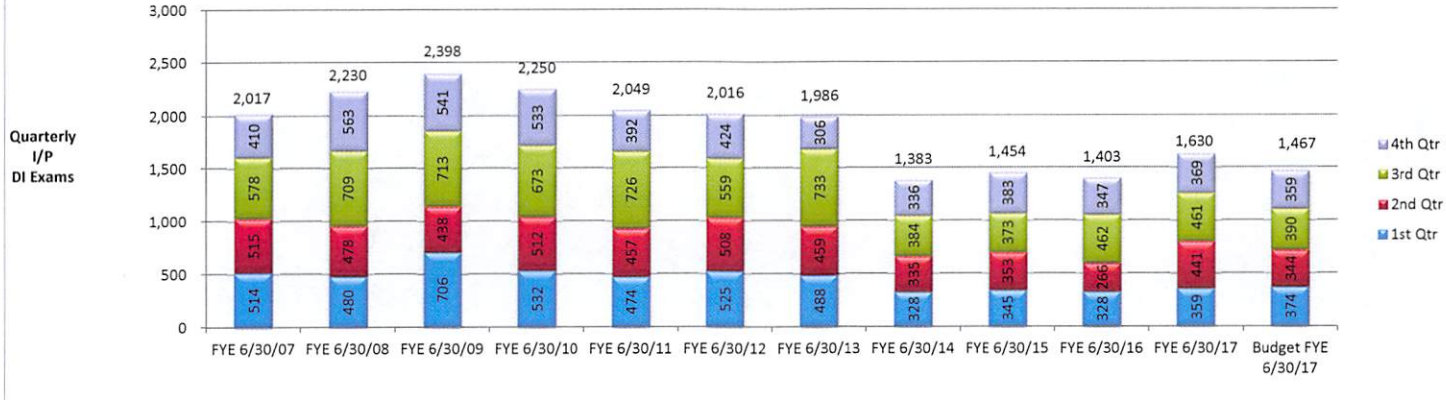



TOTAL TFH CT INPATIENT EXAMS
Quarterly I/P CT Exams
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

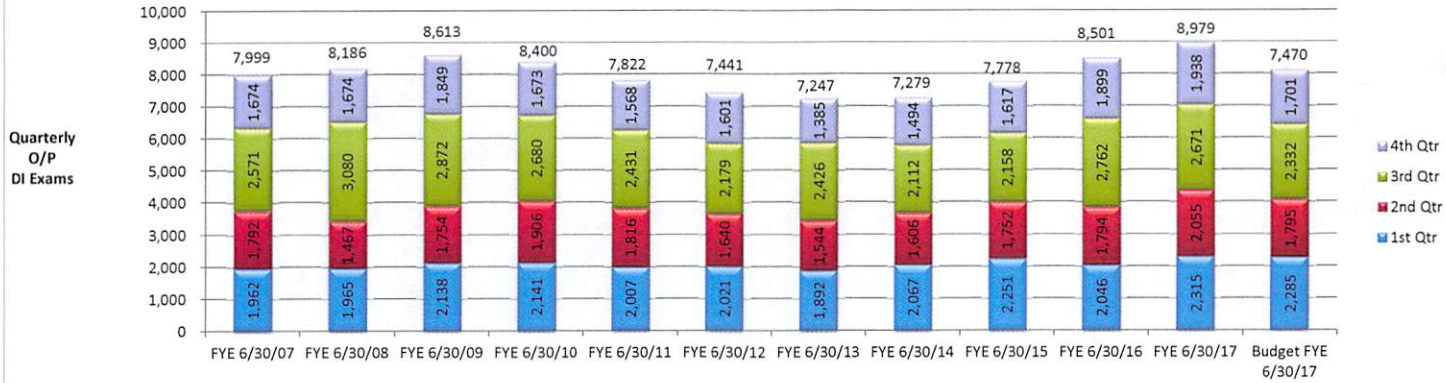

TOTAL TFH CT OUTPATIENT EXAMS
Quarterly O/P CT Exams
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH CT EXAMS
Quarterly CT Exams
FYE 6/30/07
FYE 6/30/08
FYE 6/30/09
FYE 6/30/10
FYE 6/30/11
FYE 6/30/12
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

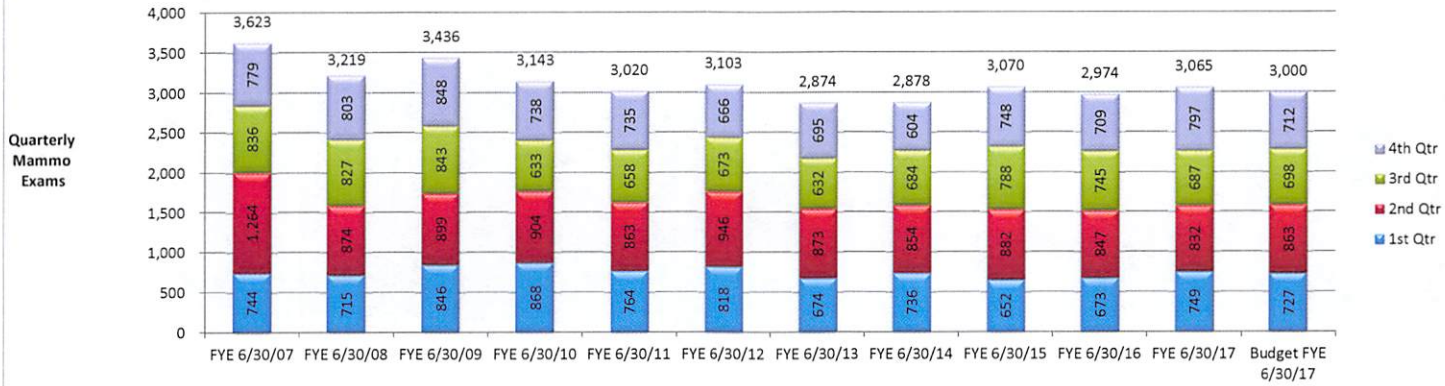
TOTAL TFH INPATIENT DIAGNOSTIC IMAGING EXAMS



TOTAL TFH OUTPATIENT DIAGNOSTIC IMAGING EXAMS



TOTAL TFH MAMMOGRAPHY EXAMS



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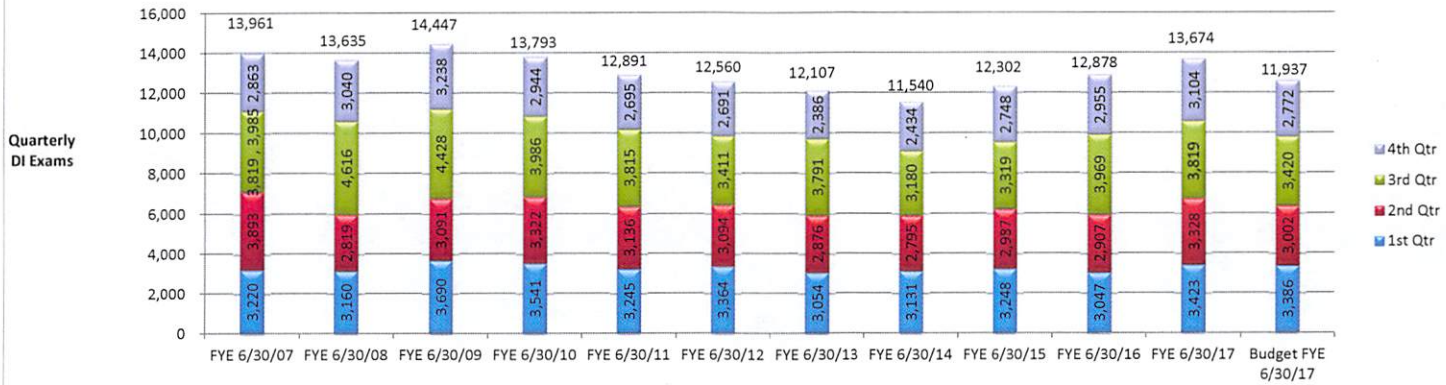

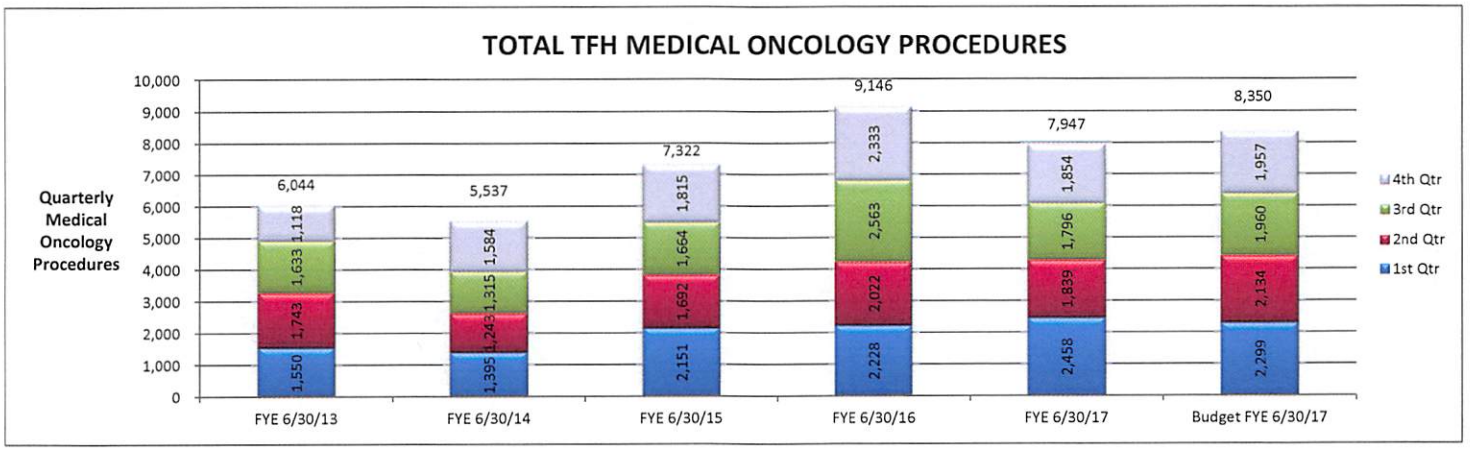
TOTAL TFH MEDICAL ONCOLOGY PROCEDURES
Quarterly Medical Oncology Procedures
10,000
9,000
8,000
7,000
6,000
5,000
4,000
3,000
2,000
1,000
0
6,044
1,550
1,743
1,633
1,118
5,537
1,395
1,243
1,315
1,584
7,322
2,151
1,692
1,664
1,815
9,146
2,228
2,022
2,563
2,333
7,947
2,458
1,839
1,796
1,854
8,350
2,299
2,134
1,960
1,957
FYE 6/30/13
FYE 6/30/14
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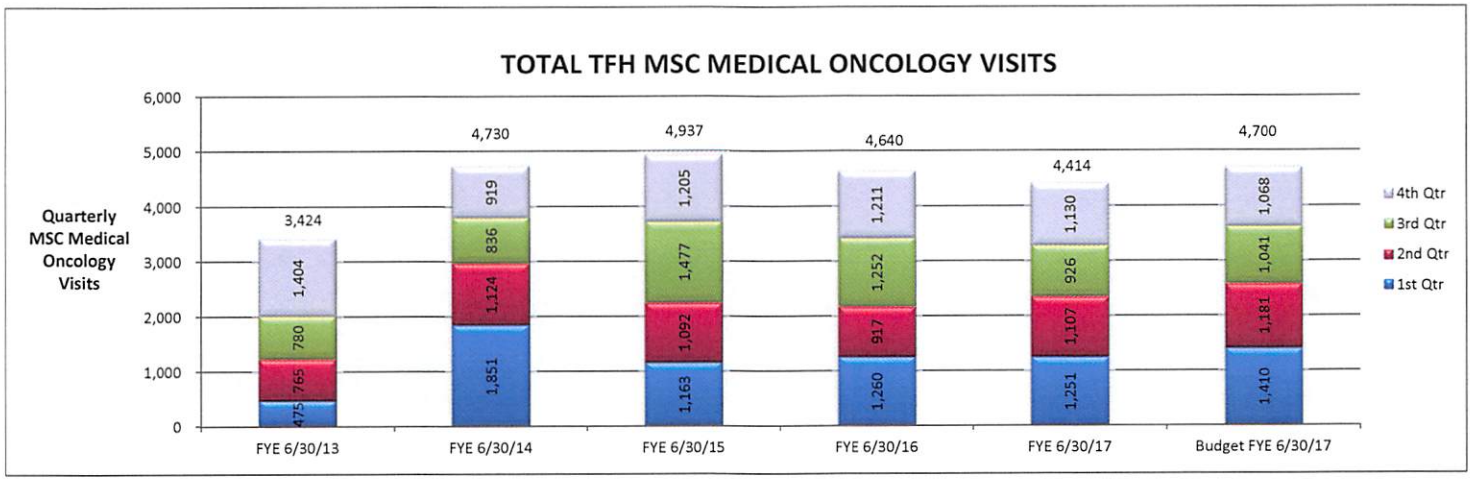
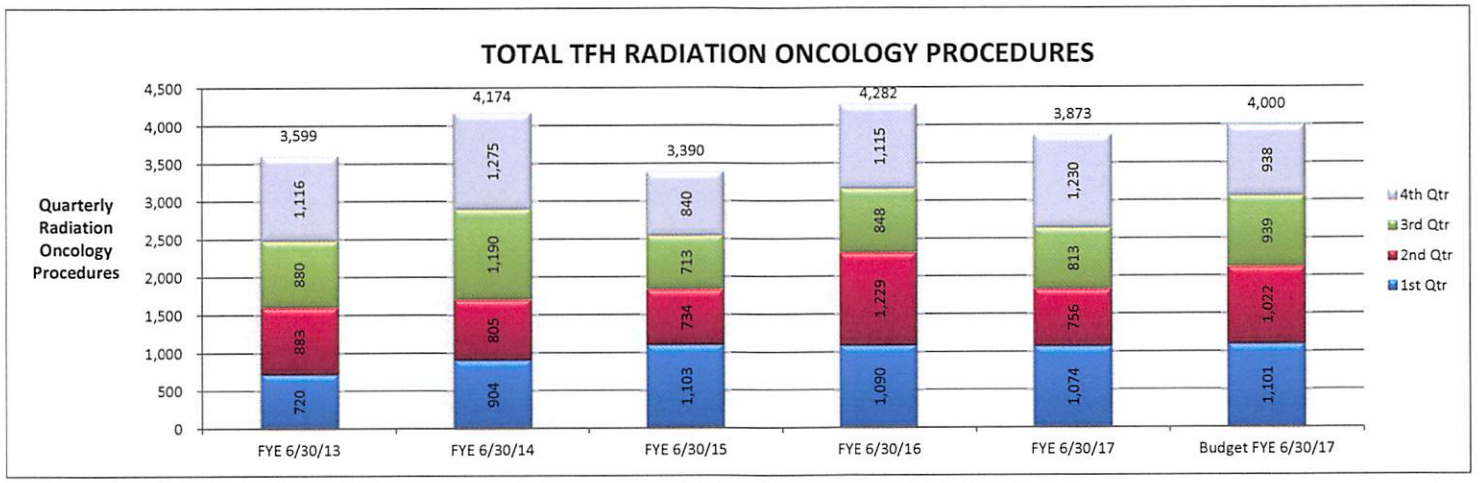
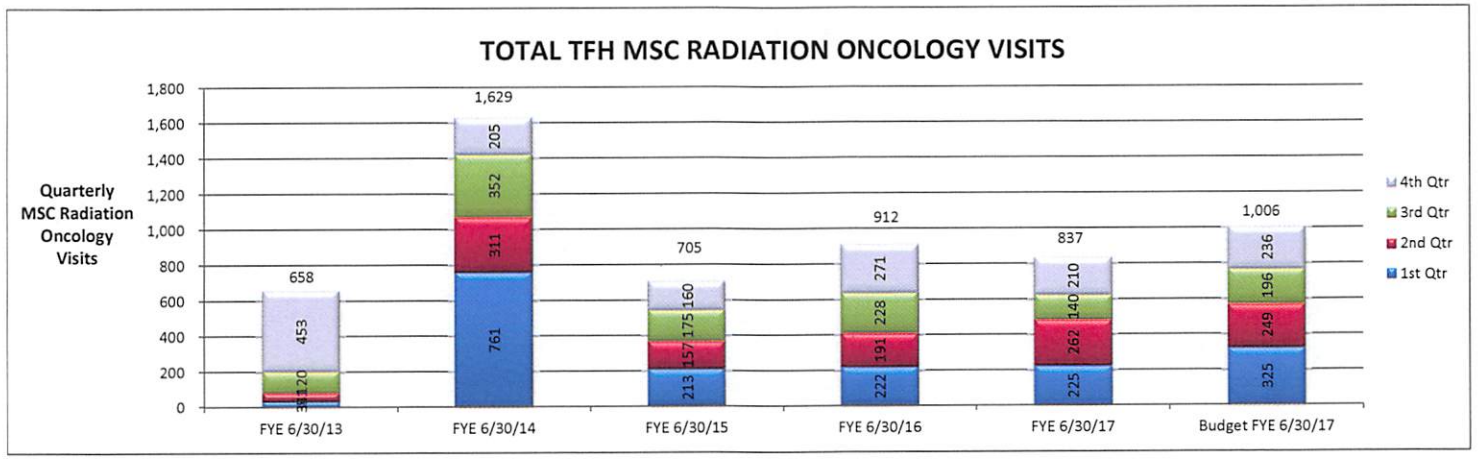
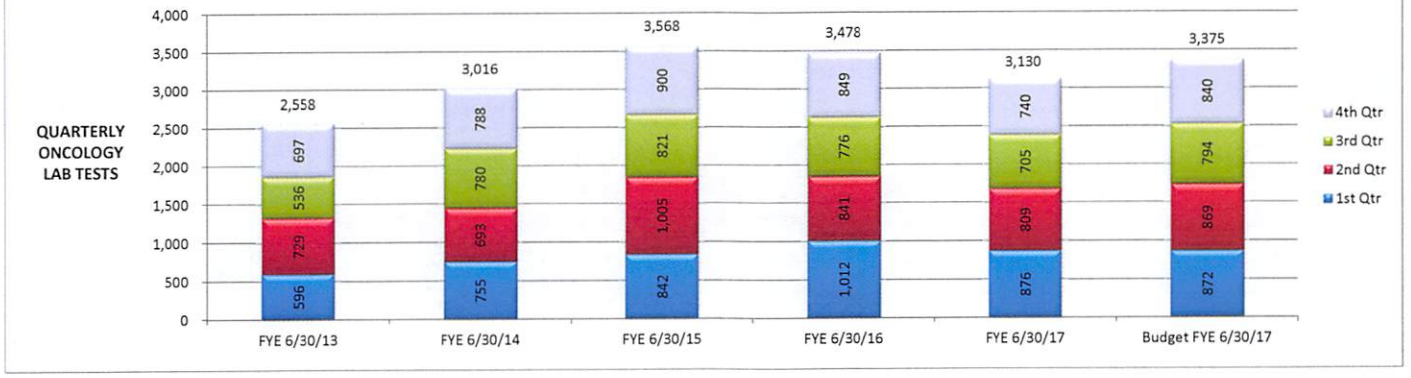
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH MSC MEDICAL ONCOLOGY VISITS
Quarterly MSC Medical Oncology Visits
6,000
5,000
4,000
3,000
2,000
1,000
0
3,424
475
765
780
1,404
4,730
1,851
1,124
836
919
4,937
1,163
1,092
1,477
1,205
4,640
1,260
917
1,252
1,211
4,414
1,251
1,107
926
1,130
4,700
1,410
1,181
1,041
1,068
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

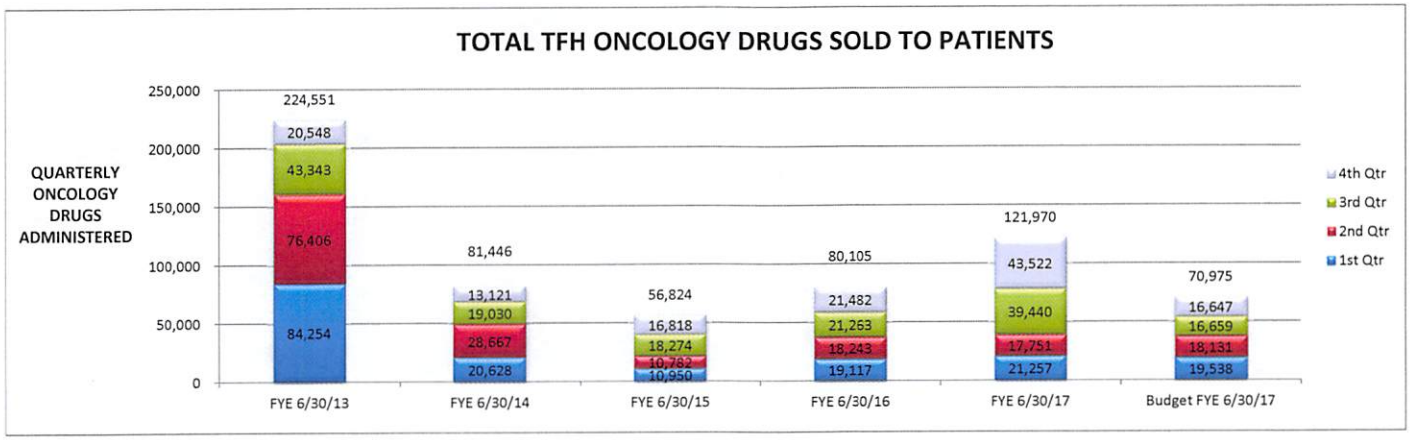

TOTAL TFH RADIATION ONCOLOGY PROCEDURES
Quarterly Radiation Oncology Procedures
4,500
4,000
3,500
3,000
2,500
2,000
1,500
1,000
500
0
3,599
720
883
880
1,116
4,174
904
805
1,190
1,275
3,390
1,103
734
713
840
4,282
1,090
1,229
848
1,115
3,873
1,074
756
813
1,230
4,000
1,101
1,022
939
938
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr


TOTAL TFH MSC RADIATION ONCOLOGY VISITS
Quarterly MSC Radiation Oncology Visits
1,800
1,600
1,400
1,200
1,000
800
600
400
200
0
658
31
120
453
1,629
761
311
352
205
705
213
157
175
160
912
222
191
228
271
837
225
262
140
210
1,006
325
249
196
236
FYE 6/30/13
FYE 6/30/14
FYE 6/30/15
FYE 6/30/16
FYE 6/30/17
Budget FYE 6/30/17
4th Qtr
3rd Qtr
2nd Qtr
1st Qtr

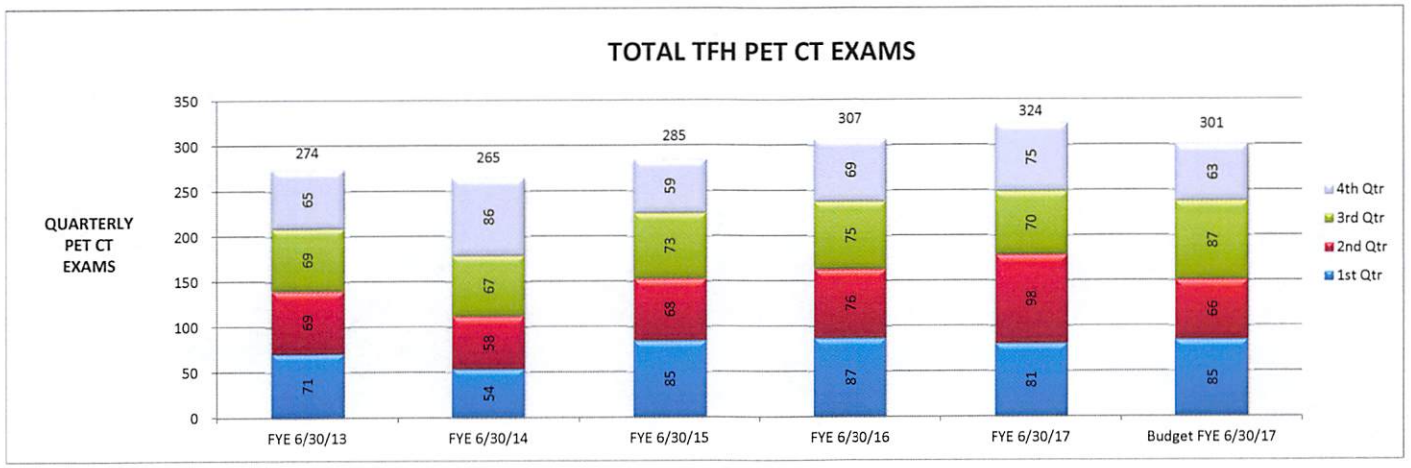
TOTAL TFH ONCOLOGY LABORATORY TESTS



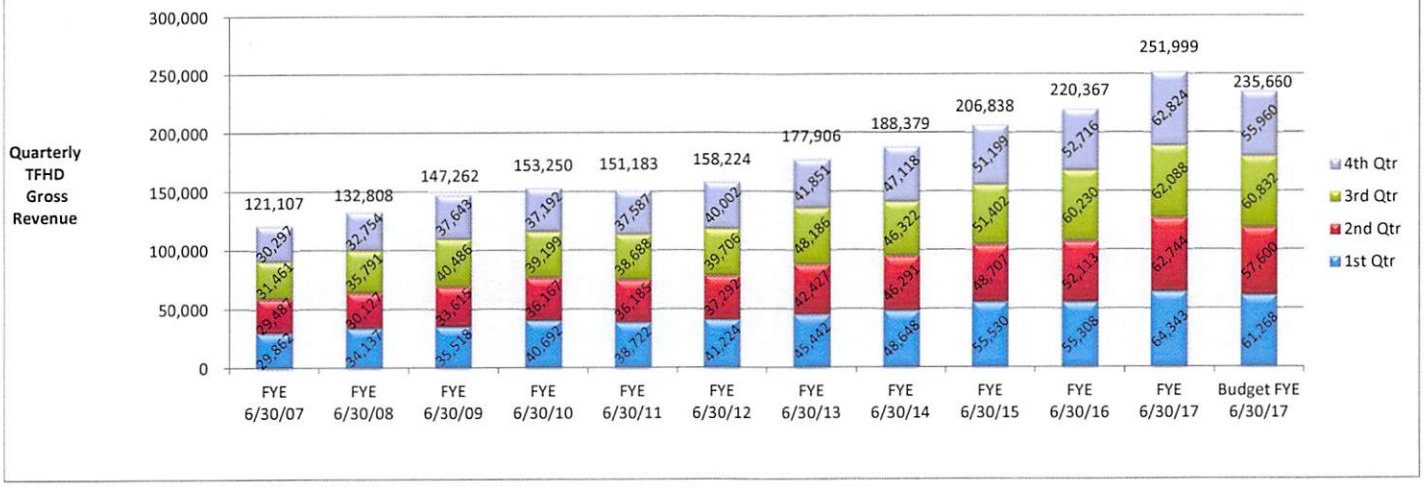
TOTAL TFH ONCOLOGY DRUGS SOLD TO PATIENTS



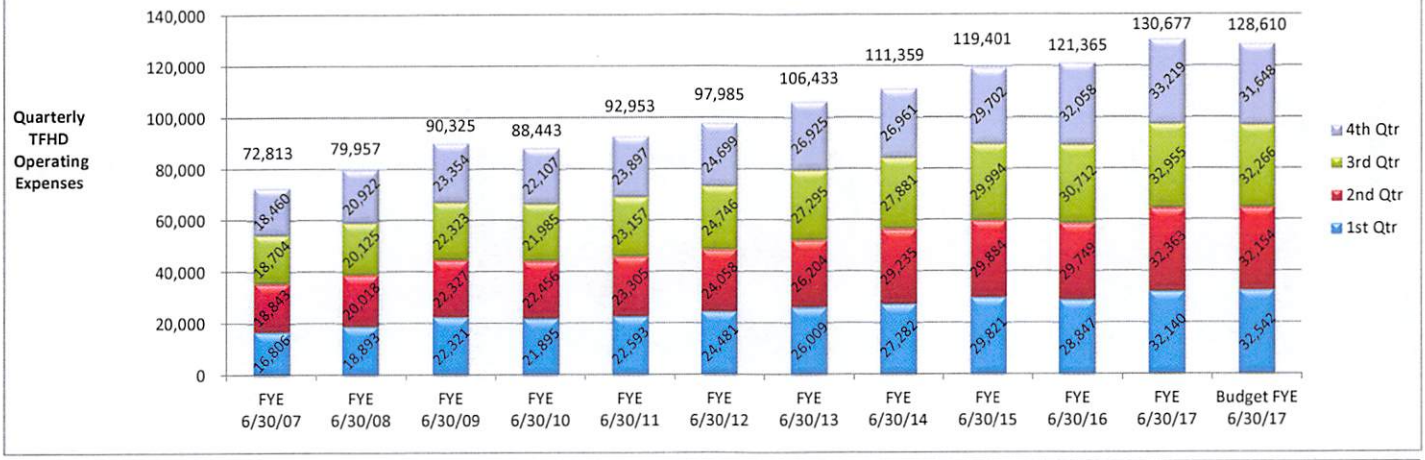
TOTAL TFH PET CT EXAMS



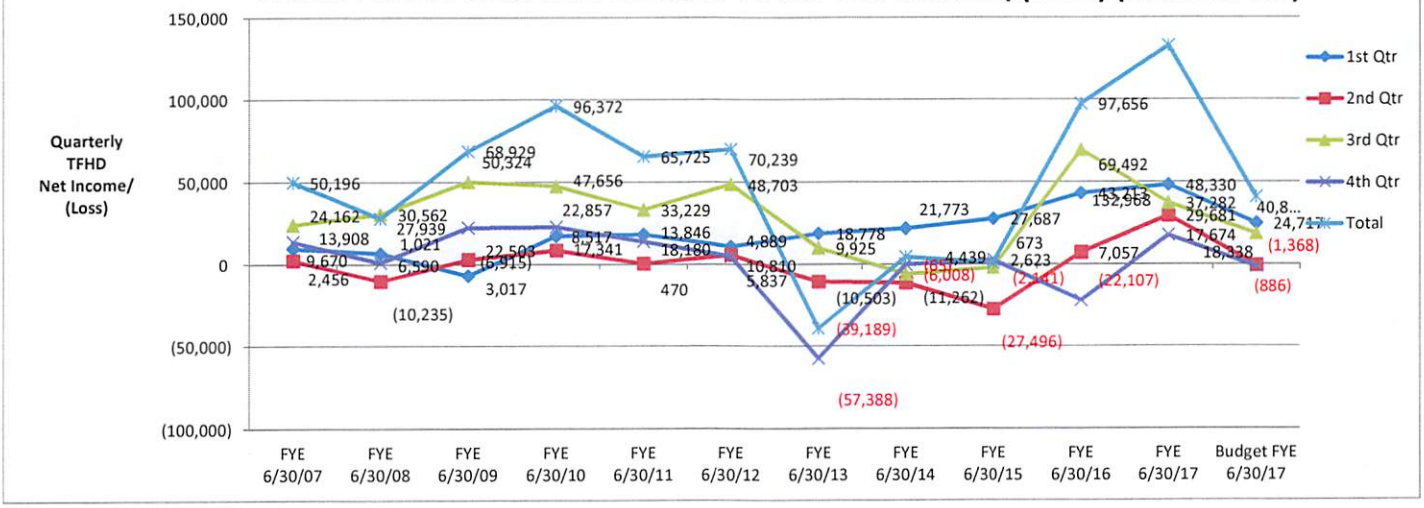
TAHOE FOREST HOSPITAL DISTRICT TOTAL GROSS REVENUE (In Thousands)



TAHOE FOREST HOSPITAL DISTRICT TOTAL OPERATING EXPENSES (In Thousands)



TAHOE FOREST HOSPITAL DISTRICT TOTAL NET INCOME/(LOSS) (In Hundreds)



Incline Village Community Hospital
Operating Indicators
Month & YTD June 2017
June 30, 2017

	YTD Actual	YTD Budget	YTD Variance	YTD % Variance
Admissions	5	10	(5)	-50.00%
Registrations	9,210	9,700	(490)	-5.05%
I/P Days	6	10	(4)	-40.00%
Observation Days	21	25	(4)	-16.00%
Total Days	27	35	(8)	-22.86%
Emergency Visits	4,086	3,800	286	7.53%
Surgical Services:				
Cases - Inpatient	0	0	0	0.00%
Cases - Outpatient	97	100	(3)	-3.00%
Total Cases	97	100	(3)	-3.00%
Minutes	29,898	30,920	(1022)	-3.31%
Laboratory Tests (inc EKG's)	29,276	25,761	3515	13.64%
Radiology - I / P Exams	2	3	(1)	-33.33%
Radiology - O / P Exams	772	775	(3)	-0.39%
Radiology - ER Exams	1,889	1,748	141	8.07%
Radiology (inc mammos) Totals	2,663	2,526	137	5.42%
CT - I / P Exams	1	1	0	0.00%
CT - O / P Exams (Inc. U/S)	159	140	19	13.57%
CT - ER Exams	716	646	70	10.84%
Total Cat Scan Exams	876	787	89	11.31%
Pharmacy - I/P units	324	125	199	159.20%
Pharmacy - O/P units	14,522	8,854	5668	64.02%
Pharmacy Totals	14,846	8,979	5867	65.34%
IV's - Inpatient	14	3	11	366.67%
IV's - Outpatient	460	266	194	72.93%
Total IV's	474	269	205	76.21%
RT - I/P Procedures	46	0	46	0.00%
RT - O/P Procedures	1,378	0	1378	0.00%
R/T Totals	1,424	0	1424	0.00%
Sleep Clinic Visits	150	160	(10)	-6.25%
Perioperative Services Minutes				
OR - Inpatients	0	0	0	0.00%
OR - Outpatients	8,270	8,710	(440)	-5.05%
OR - Total	8,270	8,710	(440)	-5.05%
Total ASD	19,239	19,650	(411)	-2.09%
I/P Recovery	0	0	0	0.00%
O/P Recovery	2,389	2,560	(171)	-6.68%
Total Recovery	2,389	2,560	(171)	-6.68%
Pain Clinic	0	0	0	0.00%
Procedure Room	0	0	0	0.00%
Total Surgicenter Minutes	29,898	30,920	(1022)	-3.31%
Anesthesia - Minutes				
Inpatient	0	0	0	0.00%
Out Patient	8,261	9,050	(789)	-8.72%
Elsewhere	0	0	0	0.00%
Total Anesthesia - Minutes	8,261	9,050	(789)	-8.72%
Dietary				
Patient Meals	684	861	(177)	-20.56%
Pantries	4,071	2,250	1821	80.93%
Non-patient Meals	0	0	0	0.00%
Total Meals	4,755	3,111	1644	52.84%
Flu Shots	132	400	(268)	-67.00%
P/T - 42 076	27,855	30,000	(2145)	-7.15%
OT - 42 080	1,245	1,150	95	8.26%
Diamond Peak - Patients Seen	203	290	(87)	-30.00%
Incline Village Health Clinic	2,557	1,600	957	59.81%

TAHOE FOREST HOSPITAL DISTRICT

Board Informational Report

By: Harry Weis
CEO

DATE: 7/17/17

We are happy to report that we have been in the new beautiful Joseph Family Center for Women and Newborn Care for a few weeks now. Our kitchen expansion has officially opened as well with the approval to use the new Joseph Family Center. We have some outside sidewalk and landscaping work to finish during August for completion of that area of the campus.

We had a Centers for Medicare and Medicaid Services (CMS) validation survey where they perform their own review of the accreditation work performed by the Healthcare Facilities Accreditation Program (HFAP) organization about two months ago regarding Incline Village Community Hospital and that validation survey went really well.

We recently completed the annual Gene Upshaw Memorial Golf event which was a great success.

Also it was great to attend the Incline Village Community Hospital Auxiliary Group Lobster feed. It was sold out and it was great to see many local friends come together to support Incline Village Community Hospital.

Our entire team is feeling the growing pressure with a very positive spirit to successfully complete the EPIC electronic health record conversion and related business software. This is a major challenge for our team in every way and I'm confident they will do well.

Our other five critical strategies continue to be a strong focus for the team as well. I congratulate our team for its spirit and commitment to make these critical, transformational changes; this allows us to be on point and focus on delivering a more sustainable healthcare system for the future.

As reported in earlier months, our journey to affiliate with our local OB/GYN group continues with a focus on completion this calendar year.

We are continuing to have discussions with our local primary care group as we look for win/win solutions to improve access to primary care in our region.

I believe we are making great progress in finding a new Urologist and a new GI specialist. Our CMO will have more to say on that in her report. We continue to recruit for Primary Care, finalize General Surgery, look for Neurology, and add an OB physician as well. We have several new physicians coming later this calendar year which we are excited about!

Our senior leadership team has a growing concern about the volume and quality of legislation that is being constructed in Sacramento and in Washington. We remain very vigilant and active at both the state and federal level as there is clearly unprecedented lack of knowledge with elected officials on the topics they are writing bills on and the harmful impacts of their proposed legislation. This comment is neither a Republican nor Democrat comment as it applies to both.

We are strong proponents of innovation in America and believe that small regional studies could be conducted on different models of care holding all providers harmless during the trial period so any positive or negative impacts are known before something goes national.

We do believe there are huge (intended or unintended) consequences to all of the healthcare reform legislation we have seen to date which will be exponentially expensive to correct the harm caused.

We believe strongly in individual and group education regarding all views on healthcare reform. We believe a thoroughly education population can see where the real true gold is relative to what is the correct or incorrect policy changes for the future and in that context I have shared comments as attachments here from:

Warrant Buffett's thoughts on healthcare for America.
The Congressional Budget Office evaluation of the Senate Healthcare bill of a few weeks ago.
A link to a video from a website: http://fixithealthcare.com
A letter from Scripps Healthcare System in San Diego from Chris Van Gorder
A letter from Kaiser CEO Bernard Tyson
And a letter from Cleveland Clinic CEO Dr. Toby Cosgrove

Newsmax

Buffett: Single-Payer Healthcare 'Best System' for America

Monday, June 26, 2017 09:41 PM

By: Solange Reyner

A single-payer healthcare program is "probably the best system" for America, investment tycoon Warren Buffett said Monday during an **interview with PBS NewsHour.**

The CEO of Berkshire Hathaway said the U.S. could afford to provide all Americans with government healthcare as its "gobbling up well over $3 trillion a year."

A single-payer system, also known as "Medicare for all," is universal healthcare where all residents receive core coverage regardless of preexisting conditions, income, and occupation.

"It's just about the same as federal, the federal budget, I mean it's getting up there," Buffett told Judy Woodruff.

When Woodruff asked whether the country needed to "think about some sort of single-payer system," Buffett said it would be the more effective way to bring down costs.

"With my limited knowledge, I think that probably is the best system. Because it is a system, we are such a rich country, in a sense we can afford to do it. But in almost every field of American business, it pays to bring down costs," he said. "There's an awful lot of people involved in the medical – the whole just the way the ecosystem worked, there was no incentive to bring down costs."

Related Stories:

- **Democrats: CBO Reveals 5 Bad Things in GOP Healthcare Plan**
- **White House Criticizes CBO for GOP Healthcare Score**

CBO scores Senate healthcare bill: 6 key takeaways

Written by Emily Rappleye (Twitter | Google+) | June 27, 2017 | Print | Email

The Congressional Budget Office scored the financial impact of the Senate's Better Care Reconciliation Act, finding minor improvements in health insurance coverage and significant improvements in federal savings compared to the House's ACA replacement, the American Health Care Act.

Here are six key takeaways from the CBO score of the BCRA.

1. The CBO estimates 22 million more people would be uninsured by 2026 under the BCRA, compared to current law. This means roughly 49 million Americans would be without insurance in 10 years under the BCRA, compared to 28 million if the ACA is not repealed. This is a small improvement over the House ACA repeal and replacement plan, which would have increased the number of uninsured by 23 million over the next decade.

2. Average premiums on the individual market would initially increase and begin decreasing in 2020, the CBO projects. The estimates suggest premiums will grow until 2020, so that the average premium for a benchmark plan — a plan where insurers cover 70 percent of total costs, also known as a silver plan on the ACA exchanges — would increase by 20 percent in 2018 and 10 percent in 2019 over current projections. By 2020, however, the average premium for a benchmark plan would be 30 percent lower than projections under current law. The CBO believes premiums will fall under the BCRA over time because the greater age rating ratio will allow young people to buy insurance with lower premiums; and because increased federal funding meant to reduce premiums will affect pricing.

3. Despite declining premiums, out-of-pocket costs are expected to increase under the BCRA. The legislation sets the actuarial value for benchmark plans at 58 percent rather than 70 percent — meaning payers must cover 58 percent of the total cost of benefits. This means benchmark plans will have higher deductibles, the CBO notes, and out-of-pocket costs will go up. "As a result, despite being eligible for premium tax credits, few low-income people would purchase any plan, CBO and JCT estimate," the report reads.

The bill also allows states to file for Section 1332 waivers and reduce the required essential health benefits every health plan must cover. Once services are no longer considered EHBs, they are also no longer protected by the ACA's ban on lifetime and annual coverage limits. The CBO estimates about half of Americans would be affected by Section 1332 waivers. This means about half of Americans are at risk for paying more out of pocket if they frequently use services no longer considered EHBs in their states. Depending on what states decide to cut, this could include emergency services, hospitalization, maternity care, prescription drugs, laboratory services and wellness services, among others.

4. The BCRA would reduce the federal deficit by $321 billion — a 170 percent improvement over the House's AHCA, according to the CBO. If implemented, the bill would reduce federal direct spending by more than $1 trillion, due largely to Medicaid cuts. The CBO estimates federal spending on Medicaid would be cut by more than a quarter by 2026 under the BCRA. These savings would be partially offset by a $701 billion reduction in revenues, stemming from the repeal of ACA taxes and increased spending to offset growth in premium costs.

5. The individual markets would be largely stable. The CBO believes several aspects of the bill would ensure stability in the individual marketplaces: subsidies to buy insurance, cost-sharing reduction payments and additional federal funding to lower premiums for high-cost enrollees until 2021. The CBO expects premium tax credits will help insulate the market after 2021. However, some rural areas will likely have no insurance options on the exchanges or EHBs could be so narrow that services are unaffordable, the CBO notes.

6. The CBO score includes the newly added continuous-coverage provision, according to *Politico*. This provision, which would go into effect in 2019, requires people to maintain continuous coverage or be locked out of purchasing health insurance for six months. The addition is intended to stabilize markets by deterring people from waiting to buy coverage until they are sick, according to *Business Insider*'s coverage of the last-minute addition. The CBO estimates this provision would only slightly increase the number of people with insurance.

More articles on leadership and management:

New HFMA Board Chair Carol Friesen assumes role: 4 notes
Price: Senate healthcare bill provides 'relief from Obamacare'
Kellyanne Conway suggests those affected by proposed Medicaid cuts should get a job

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For an additional point of view please visit the below website for a 3 minute trailer or the 58 minute full length video.

http://fixithealthcare.com

Respectfully, Harry Weis

Scripps CEO Chris Van Gorder: Senate healthcare bill would hurt hospitals, patients

Written by Chris Van Gorder, President and CEO, Scripps Health | June 23, 2017 | Print | Email

Republican leaders in the U.S. Senate on June 22 unveiled their much anticipated bill to revamp the ACA, which included many of the elements contained in the health bill passed last month by the House of Representatives.

The new legislation would eliminate many of the taxes enacted under the ACA to fund the expansion of health insurance coverage. Also, the bill would roll back current mandates on individuals to secure insurance coverage and on some businesses to provide insurance coverage for employees.

These moves clearly would increase the number of people without insurance and, in turn, raise the cost of insurance for everyone else.

The bill would remove government subsidies to help purchase insurance for some people by lowering the income threshold to qualify for that benefit from 400 percent of the federal poverty level to 350 percent. Subsidies to insurance companies that reduce out-of-pocket costs for low-income beneficiaries who purchase coverage on through the government-sponsored insurance exchanges would also be eliminated by 2020.

As a result, insurance deductibles for millions of Americans will rise. Experience has shown us that those added costs to patients frequently get passed on to hospitals as bad debt or charity care for unpaid hospital bills.

Under other provisions of the Senate bill, federal funding for the expansion of state Medicaid programs (called MediCal here in California) will drop from 90 percent to 57 percent over the next seven years, adding a huge financial burden on states that have expanded Medicaid coverage under the ACA. To make up the difference, states will be forced to either increase their own taxes to fill in the funding gap, reduce the number of people eligible for Medicaid coverage, reduce Medicaid reimbursements to hospitals and other healthcare providers, or adopt a combination of all of these options.

While the ACA certainly has its flaws and shortfalls, there is no question that this new proposal is a worse alternative.

If this bill is passed by Congress and signed into law by the president, we will see a rise in the number of uninsured Americans either by choice or due to the reductions of direct subsidies to individuals and reimbursements to states. Just here in California, millions of people could lose their coverage.

Federal taxes might be lowered for some, but we're likely to see taxes rise in states that choose to maintain insurance coverage at current levels.

Of course, the future remains uncertain. We don't yet know if Republican leaders in the Senate can muster enough votes from their members to overcome the solid voting opposition that is guaranteed to come from Senate Democrats. Pressure from all sides of the debate will enormous over the coming days if the Senate leaders stick to their schedule of holding a final vote on the measure next week.

Partisan attempts to pass national healthcare policy will always fail in the end because it will never be supported by the opposing party. American healthcare should not get caught up in a ping-pong match between political parties.

I once again ask that the leadership of Congress from both parties come together to forge true bipartisan supported healthcare legislation for the good of our entire country.

'Going backward is not an option' — Kaiser Permanente CEO Bernard Tyson responds to Senate healthcare bill

Written by Tamara Rosin (Twitter | Google+) | June 23, 2017 | Print | Email

Bernard J. Tyson, chairman and CEO of Oakland, Calif.-based Kaiser Permanente, said that although the ACA is an imperfect legislation, future healthcare reform must build on its progress, not undo it.

Mr. Tyson's June 22 LinkedIn post was published the same day Senate Republicans unveiled their long-awaited healthcare reform bill. Though more moderate than the House-approved American Health Care Act, the Senate's Better Care for Reconciliation Act of 2017 would repeal Medicaid expansion, rescind the individual mandate, invoke tax cuts and enable states to opt out of coverage for essential health benefits, among other measures.

"We need to pause and ask policymakers to answer the most fundamental question: What does progress on healthcare look like for the people in America?" Mr. Tyson wrote. "Three simple, yet important, measures exist — and any change will be judged by history by its impact on access, affordability and outcomes."

Here are three key thoughts from Mr. Tyson on future healthcare policy, according to his LinkedIn post.

1. "We need to cover more people, not fewer people." The ACA enabled 20 million previously uninsured people to gain healthcare coverage, largely through the expansion of Medicaid and the provision of subsidies for those with low incomes. "Reasonable people can debate how we progress to a zero number of uninsured people, how generous the most basic coverage needs to be, and how we pay for it," Mr. Tyson wrote. "Let's be clear: This isn't a partisan goal." Any bill that increases the number of Americans without insurance is unacceptable, he added.

2. "Without question, we must make health care more affordable." This means the government, businesses and families alike will have to "foot the bill," he wrote. Mr. Tyson also pointed out "rising deductibles and premiums reflect the increasing costs of care delivery — not just adjusting rules around health coverage."

3. "We must do everything in our power to make sure a country as great as ours boasts the best health outcomes — the quality of care — in the world." The U.S. has among the poorest health outcomes compared to the other developed nations. The healthcare industry can improve quality if "we commit to moving from a predominantly 'sick care,' episodic, fee-for-service model to a predominantly preventive model with incentives for value, integrated care and, most important, keeping people healthy," Mr. Tyson wrote. Early detection and preventative services must be affordable to all, especially the most vulnerable to illness, to achieve this, he added.

"We can achieve better health for all if we deliver on the three-part test for access, affordability and outcomes. It will take time, and our country must reflect that we, as individuals and communities, must do better," he concluded.

Click here to read the article in full.

More articles on leadership:
Obama: Senate BCRA bill 'is not a healthcare bill'
Scripps CEO Chris Van Gorder: Senate healthcare bill would hurt hospitals, patients
10 organizations react to Senate GOP healthcare bill

Cleveland Clinic CEO Dr. Toby Cosgrove: BCRA will put hospitals in 'very deep financial trouble'

Written by Tamara Rosin (Twitter | Google+) | June 28, 2017 | Print | Email

Senate Republicans' proposal to repeal and replace the ACA with the Better Care Reconciliation Act is expected to cause millions of Americans to lose healthcare coverage. Hospitals that already operate on tight margins will find themselves picking up the "burden" of providing more uncompensated care to patients who lack insurance, Cleveland Clinic CEO Toby Cosgrove, MD, said on CNBC's "Squawk Box."

According to estimates from the Congressional Budget Office, the BCRA is expected to increase the number of uninsured Americans by 15 million next year and 22 million by 2026.

"If you have more patients coming in that are not [covered], you're going to have hospitals that are in very deep financial trouble," Dr. Cosgrove said. "And this is particularly true of rural hospitals and safety net hospitals, which are very dependent on Medicare and Medicaid for their returns."

Dr. Cosgrove said congressional Republicans' focus on payment reform instead of healthcare reform is misguided. Instead, they should be trying to identify the "root cause" of the rising costs of healthcare, he told CNBC.

"I think if we came together and deal with the root cause there'd be plenty of money to go around to look after people," Dr. Cosgrove said. "But if we don't deal with it now, we're going to have the same problem going 10 years from now."

More articles on leadership:
Memorial Hermann to cut additional 350 jobs
Johnson & Johnson CEO says healthcare policy redesign should take decades, not days
Mount Sinai Health System CEO: Senate bill doesn't address systemic flaws in US healthcare system

TAHOE FOREST HOSPITAL DISTRICT

Board COO Report

By: Judith B. Newland DATE: July 2017

Just Do It" – Demonstrate measurable improvements annually in both Quality and Patient Satisfaction.

Incline Village Community Hospital had a successful unannounced two day CMS Validation Survey in June. The purpose of the survey is for CMS to monitor the survey work of deemed authority agencies such as Healthcare Facilities Accreditation Program (HFAP). Both TFH and IVCH had their successful three year unannounced deemed accreditation survey in April of this year. The surveyors commented positively on the hospital's staff commitment to services and requested if they could direct other small hospitals to contact IVCH regarding their quality monitoring processes and documentation.

For the third year in a row Tahoe Forest Hospital was named in Becker's Hospital Review's list of "62 Critical Access Hospitals to Know" in the United States on July 10, 2016. There are more than 1,332 critical access hospitals in the United States and 34 are in California. Tahoe Forest Hospital is the only critical access hospital in California to receive this prestigious designation. This designation demonstrates the high excellence in care and service we provide to our community and visitors. Our focus is to provide compassionate and high quality care and this designation demonstrates how staff and physicians go the extra mile for our patients. Thank you to the staff for their dedication and commitment to serve those patients and families who walk through our doors.

Tahoe Forest Health System continues their commitment to providing the Perfect Care Experience for all individuals who receive services throughout the organization. For the month of July the service tip is to: *LIVE OUR VALUES, EVERYDAY, EVERY ENCOUNTER.* Every employee has an opportunity to be proactive and work together to improve our patient satisfaction scores.

Develop solid connections and relationships within the communities we serve.

The Incline Village Community Hospital Foundation (IVCHF) had a successful Donor Appreciation Event on June 28, 2017. The event was held at the Kern Schumacher estate In Incline Village. There were approximately 120 guests in attendance.

Creating and implementing a New Master Plan

Construction Update:

- The new Joseph Family Women and Newborn Care Center opened and began seeing patients on Monday, June 26th.
- Hospice Threat Store opened for business Monday, July 10th at their new location, 1038 River Park Place.
- Old Interim OB space maintenance work (painting, TV replacement, nurse call system replacement, etc.) is in process of being completed for move in by Medical/Surgical unit
- Surgeon's Lounge maintenance (new paint, flooring, etc) completed.
- South Entrance will be closed beginning Monday, August 7th for 3 weeks to complete Measure C project of fire exit improvements and patio replacement.
- A parking survey has begun to obtain information on the use of parking by patients, visitors and staff. The survey will assist in determining current and future parking space needs.

TAHOE FOREST HOSPITAL DISTRICT

Board CNO Report

By: Karen Baffone, RN, MS **DATE: July 2017**
Chief Nursing Officer

Strategy Two: Choosing and implementing the correct new Electronic Health Record for our system that spans all physician, OP and IP services. Plus acquiring any other critical companion business operations software.

Clinical Operational Readiness (CORe) readiness teams and the Access and Revenue Cycle Readiness have begun to integrate the gaps in any areas of the organization as it relates to the implementation of EPIC. This process requires a high level of cooperation between the finances and operations of our hospital system. Education of the certified trainers began in July and we continue to be on track for November 1, 2017 implementation. Temporary staff related to clinical operations is onboarding.

Strategy Four: Developing and implementing a comprehensive Care Coordination Plan coupled with Patient Navigation for all patients that touch our healthcare system.

Care Coordination and Navigation: There were a total of 35 referrals from primary care physicians to our Wellness Programs. This comes after education of our physicians and the MSC staff. The majority of the patients have been referred to 2 or more services offered through the Medically Managed Health Programs.

CHNA: The Community Health Needs Assessment will be completed in the month of September. Results of that survey should be completed by the end of the calendar year 2017.

Strategy Five: "Just Do It" Continue to show measureable annual improvements in Quality, and Patient Satisfaction.

- The nursing leadership team will be collaborating on information that was collected during the last 90 days of Administrative Safety Rounds.
- The team will add ancillary staff to this already established meeting for daily updates in preparation of the go-live process. This meeting will continue after the implementation of EPIC to address any obstacles/gaps in our implementation process
- Case Management structure and function in being evaluates to improve status changes as well as the integration of Case Management and Care Coordination.
- A Policy Oversight Committee will be implemented after the go-live of EPIC. The goal of this committee will be to provide a standardized process for the development and adherence to our policies

TAHOE FOREST HOSPITAL DISTRICT

Board Informational Report

By: Jake Dorst **DATE: 7-17-2017**

CIIO

IT Clinical/Interfaces Team Update

Mercy Epic

- Order Sets: Review by specialty groups has begun. All build of new order sets needed is completed by Mercy and we are reviewing those now. Working on a process with Mercy for updates/changes post go live with timely notification for our P&T committee review. We have requested this of Mercy. Feedback from doctors so far is that these are good just different and will take some getting used to.
- TFH resources for Physician support and trainers: We do not have any staff currently going through training to become physician trainers. This will be handled by Mercy for go live and we will train three people post go live.
- Additional support for physicians post go live to get through the first month and all of the hospitalists is being defined. We do not have any physician super users or on site physician support.
- Mercy will be here for two weeks then we need two to three more weeks of coverage to assure we have supported all hospitalists through their rotation and all inpatient docs. This is all for inpatient/orders.
- Ambulatory, ED and Optime are able to be covered by our staff.
- Large effort for Interface testing and build. Progress is being made.
- Credentialed trainers training began this week.
- Working on Hardware, contracts, data requirements and project management of different aspects of this Enterprise project. The team is all committed to many hours on this project.

Project Updates

- IT is settling in to the new office space at the Pioneer Building. Good reviews about the training classroom set up from Mercy team.
- New Citrix Desktop is being rolled out to more departments
- Infrastructure Uplift in progress in preparation of the Epic Go-Live in November; the IT team is working diligently on a major initiative to ensure all of the foundation of the infrastructure is sound

TAHOE FOREST HOSPITAL DISTRICT

Board Informational Report

By: Shawni L. Coll D.O., FACOG
Chief Medical Officer

DATE: July 17, 2017

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1. **GOAL: A complete makeover of our Physician service line**
   We plan to have four Ob/Gyn's joining the multispecialty group this November (2 as full time physicians and 2 will share a position). We have a signed Letter of Intent with a new urologist, Dr. Mark Wainstein (hoping he will start late this Fall) and an offer went out to a new gastroenterologist candidate. We continue to make primary care a priority and are still in discussions with the TTMG physicians. Two of our newest physicians will start in August; Dr. Cathy Colpitts, family medicine, and Dr. Paul Haeder, orthopedic surgeon.

2. **GOAL: Electronic Health Record**
   We are actively scheduling Epic training for all physicians along with specialized workshops to customize the physician's workflow. As we get closer to implementation, the specialty champion physicians are reviewing/approving order sets and process changes.

3. **GOAL: New Master Space Plan**
   We have been working closely with our architect to develop interior footprint designs for the second floor of the cancer center. These options will be vetted with the financials to decide the most functional and cost efficient space.

4. **GOAL: Just Do It**
   Key physician leaders along with all the departments are involved in revamping the peer review forms, tracking, and therefore improving the Ongoing Physician Practice Evaluation, which occurs every 6 months. This will help to improve re-credentialing along with improve education to physicians and overall quality of our clinical care.

GENEY/GASSIOT, INC.
CONSTRUCTION

Tahoe Forest Hospital District
Mammography Equipment Replacement **July 19, 2017**

Bids Received: **July 13, 2017**

RECOMMENDATION FOR AWARD

Mammography Equipment Replacement

Construction		$	203,965
Owner Furnished Equipment		$	474,844
Professional Fees		$	125,808
Administrative Costs		$	17,870
Contingency/Escalation	10%	$	20,397
Total		***$***	***842,883***

TOTAL DEVELOPMENT COSTS	**$**	**842,883**

GENEY/GASSIOT, INC.
CONSTRUCTION

Tahoe Forest Hospital District
Mammography Equipment Replacement **July 19, 2017**

Bids Received: June 13,2017

COST SUMMARY BREAKDOWN

Element		Cost / SF		Total	Recommended Contractors
1	**General Requirements**		**$**	**76,444**	GGI
2	**Sitework/Existing Conditions**		**$**	**4,390**	GGI
6	**Wood & Plastics**		**$**	**6,424**	GGI
9	**Finishes**		**$**	**24,047**	Contract Flooring/ BT Mancini
21	**Fire Suppression**		**$**	**200**	GGI
22	**Plumbing**		**$**	**5,665**	Intech Mechanical
23	**Mechanical**		**$**	**44,795**	Intch Mechanical/Raglen T&B
26	**Electrical**		**$**	**42,000**	Sac Valley
	Subtotal Construction Hard Costs		**$**	**203,965**	
	Contingency/Escalation	10%	**$**	**20,397**	
	Owner Furnished Equipment		**$**	**474,844**	
	Professional Fees		**$**	**125,808**	
	Administrative Costs		**$**	**17,870**	
	Total Estimated Construction Cost		**$**	**842,883**	
	TOTAL DEVELOPMENT COST		**$**	**842,883**	

GENEY/GASSIOT, INC.
CONSTRUCTION

Tahoe Forest Hospital District
Mammography Equipment Replacement
Recommendation for Award Estimate

	Description	Quantity	UOM	Unit Cost	UOM	Total	Notes
	CONSTRUCTION HARD COSTS						
01-01000	***GENERAL REQUIREMENTS***						
01-01300	**Administration Requirements**						
1301	Drawing and Reproduction	1.50	MO	50	MO	75	
1302	Shipping/Postage	1.50	MO	20	MO	30	
1310	Project Management- Principal (1/4 Time)	1.50	MO	8,600	MO	12,900	
1311	Project Management (1/4 Time)	1.50	MO	5,375	MO	8,063	
1311	Project Superintendency (Full Time)	1.50	MO	21,500	MO	32,250	
1313	Project Engineer (1/4 Time)	1.50	MO	3,225	MO	4,838	
1313	Project Administrator (1/4 Time)	2.00	MO	1,935	MO	3,870	
1321	Photographic Documentation	1	LS	50	LS	50	
1351	Safety/First/Aid/OSHA	1	LS	25	LS	25	
	Administration Requirements					**62,100**	
01-01500	**Temporary Facilities**						
1522	Temp Toilets	1.50	MO	216	MO	324	
1516	Cellular Charges	1.50	MO	200	MO	300	
1523	Office Supplies/Equipment	1.50	MO	75	MO	113	
1532	Miscellaneous Rental	1.50	LS	0	LS	-	
1551	Vehicle Fuel/Maintenance	1.50	MO	650	MO	975	
	Temporary Facilities					**1,712**	
01-01700	**Execution Requirements**						
1741	Progress Cleaning	1.00	LS	2,000	LS	2,000	
1743	Disposal/Off-Haul	1.50	EA	500	EA	750	
1744	Final Cleaning	450	SF	1.50	SF	675	
1761	Protection of Finishes	1.50	MO	150	MO	225	
1761	General Labor-Daily Cleaning (1/4 Time)	1.50	MO	3,655	MO	5,483	
1761	Closeout Procedures	1	LS	1,000	LS	1,000	
1742	Infection Control/Maintenance	1	LS	2,500	LS	2,500	
	Execution Requirements					**12,633**	
	GENERAL REQUIREMENTS					***76,444***	
02-00000	***EXISTING CONDITIONS***						
02-40000	**Existing Conditions**						
02 14 16.13	Temp Partitions/Zip Walls	2	EA	200.00	LS	400	**GGI**
02 14 16.13	Grind Anchor Bolts	2	MN/HR	95.00	LF	190	**GGI**
02 14 16.13	Horizontal Raceway Remove and Relocate	0	MN/HR	95.00	LF	-	**Sac Valley**
02 14 16.13	Existing Workstation base remove and relocate	0	MN/HR	95.00	LF	-	**By Owner**
02 14 16.13	Demo Remove Existing Sink	0	MN/HR	95.00	LF	-	**Intech Mechanical**
02 14 16.13	Remove Dispose Solid Counter Top	8	MN/HR	95.00	LF	760	**GGI**
02 14 16.13	Remove (E) Floor Covering	0	SQFT	10.00	EA	-	**BT Mancini**
02 14 16.13	Remove Scale	0	MN/HR	95.00	LF	-	**By Owner**
02 14 16.13	Remove Dexa Table	0	MN/HR	95.00	LF	-	**By Owner**
02 14 16.13	Remove workstation	0	MN/HR	95.00	LF	-	**By Owner**
02 14 16.13	Hard Lid Demo	32	MN/HR	95.00	LF	3,040	**GGI**
02 14 16.13	Remove Plumbing Fixtures	0	MN/HR	95.00	LF	-	**Intech Mechanical**
	Existing Conditions					**4,390**	
	EXISTING CONDITIONS					***4,390***	
06 00 00	***WOODS AND PLASTICS***						
06 41 16	**P-L Clad Cabinets**						
06 40 00	Base Cabinet w/ Drawers	8	LF	500	LF	4,000	**GGI**
06 40 00	Solid Surface Tops	8	LF	250	LF	2,000	**GGI**
06 40 00	Plywood Sub Tops	8	LF	24	LF	192	**GGI**
06 40 00	Backing for Cabinets & Tops	8	LF	29	LF	232	**GGI**
06 41 16	**P-L Clad Cabinets**					**6,424**	
	WOODS AND PLASTICS					***6,424***	

09 00 00	***FINISHES***						
09 21 16	**Gypsum Board Assemblies**						
09 22 16	**Walls/Ceiling**						
09 21 16	Patch/Touch Up- 5/8" Type X/Finish	1	LS	10,729.00	LS	10,729	**Coffey Building**
09 21 16	**Gypsum Board Assemblies**					**10,729**	
09 65 00	**Resilient Flooring**						
09 65 16	Sheet Vinyl, Welded Seams w/ Integral Base	1	LS	8,600	LS	8,600	**BT Mancini**
09 65 00	**Resilient Flooring**					**8,600**	
09 90 00	**Painting & Coating**						
09 91 13	Interior Painting - Walls/Ceiling	1	LS	4,718.00	LS	4,718	**Contract Flooring**
09 90 00	**Painting & Coating**					**4,718**	
09 00 00	***FINISHES***					***24,047***	
21-00000	***FIRE SUPPRESSION***						
	Fire Suppression						
	Fire Sprinklers/Safe Protect in Place/Relocate if Necessary	1	LS	200.00	LS	200	**GGI**
	Fire Suppression					**200**	
21-00000	***FIRE SUPPRESSION***					***200***	
22-00000	***PLUMBING***						
22 00 00	**Plumbing**						
	Demolition / Safe-Off of Existing Fixture/ Add New	1	LS	5,665	LS	5,665	**Intech Mechanical**
22-00000	***Plumbing***					**5,665**	
22-00000	***PLUMBING***					***5,665***	
23-00000	***HEATING VENTILATING AND AIR CONDITIONING***						
23-00000	**Heating, Ventilating, and Air Conditioning**						
	Mechanical Demolition/Cut and Cap/Air Distribution/ReHeat Coil	1	LS	24,335	LS	24,335	**Intech Mechanical**
	HVAC Controls	1	LS	0.00	LS	Inc.	**Intech Mechanical**
	Test & Balance	1	LS	20,460.00	LS	20,460	**Raglen**
23-00000	**Heating, Ventilating, and Air Conditioning**					**44,795**	
	HEATING VENTILATING AND AIR CONDITIONING					***44,795***	
26-00000	***ELECTRICAL***						
26-00000	**Electrical**						
	Temp Shunt Trip Install	1	LS	42,000.00	LS	42,000	**Sac Valley**
	Relocate Horz Raceway	0	EA	1,500.00	EA	-	**Sac Valley**
	New Temp Breaker/Disconnect	0	EA	2,500.00	EA	-	**Sac Valley**
	Re-Connect/Relocated Gantry	0	EA	1,500.00	EA	-	**Sac Valley**
	Install New Raceway	0	EA	2,500.00	EA	-	**Sac Valley**
	New Shunt Trip	0	EA	750.00	EA	-	**Sac Valley**
	Connect/ New Workstation	0	EA	1,500.00	EA	-	**Sac Valley**
	New Raceway	0	EA	2,500.00	EA	-	**Sac Valley**
	Install old raceway	0	EA	2,000.00	EA	-	**Sac Valley**
	Install EPO Switch	0	EA	1,500.00	EA	-	**Sac Valley**
	Relocate Receptical	0	EA	500.00	EA	-	**Sac Valley**
	Breaker Disconnect	0	EA	500.00	EA	-	**Sac Valley**
	Faucet Sensor and Power	0	EA	500.00	EA	-	**Sac Valley**
26-00000	**Electrical**					**42,000**	**Sac Valley**
	ELECTRICAL					***42,000***	
	SUBTOTAL CONSTRUCTION HARD COSTS					***203,965***	
17-17000	***PROJECT CONTINGENCY***						
17-17000	**Project Contingency**						
1100	Construction Contingency/Escalation	10.00%	PC	Const Cost	PC	20,397	
	Project Contingency					**20,397**	
	PROJECT CONTINGENCY					***20,397***	
	TOTAL CONSTRUCTION COSTS					***224,362***	
	Total SF	***450***			***Total Construction Costs per SF***	***498.58***	

	SOFT COSTS						
18-18000	***EQUIPMENT, FURNITURE, SIGNAGE***						
018-0000	**Equipment, Furniture, Signage**						
1100	Medical Equipment & Furniture	1	LS	463,262.00	LS	463,262	**KAP**
	Equipment, Furniture, Signage					**463,262**	
18-17000	**Equipment, Furniture, Signage Contingency**						
1700	Contingency/Escalation	3%	PC	463,262.00	PC	11,582	
	Equipment, Furniture, Signage Contingency					**11,582**	
	EQUIPMENT, FURNITURE, SIGNAGE					***474,844***	
19-19000	***PROFESSIONAL FEES***						
019-0000	**Professional Fees**						
19000	Cost Estimating/Preconstruction Services	1	MOS	10,000.00	MOS	10,000	**GGI**
19000	Public Bid Process	1	LS	30,000.00	LS	30,000	**GGI**
19000	Construction Management	10%	PC	Const Cost/Const Con	PC	22,436	**GGI**
20103	Architectural Design - KAP Architects/ CA/ Design	1	LS	26,140.00	LS	26,140	**KAP**
20103	KAP Design - Reimbursables/Mileage	1	LS	3,000.00	LS	3,000	**KAP**
20103	Structural Design	1	LS	6,412.00	LS	6,412	**KAP**
20103	Mechanical/Plumbing Design	1	LS	8,600.00	LS	8,600	**KAP**
20103	Electrical Design	1	LS	7,400.00	LS	7,400	**KAP**
2500	X Ray	1	LS	570.00	LS	570	**Nason Scanning**
2500	I.O.R. Testing	2	MOS	7,500.00	MOS	11,250	**Steve Billings**
019-0000	**Professional Fees**					**125,808**	
	PROFESSIONAL FEES					***125,808***	
20-20000	***ADMINISTRATIVE COST***						
020-0000	**Administrative Cost**						
1300	State Review (OSHPD)	2.00%	PC	Const/Equip Cost	PC	13,984	
1400	General Liability Insurance	0.80%	PC	Gen Req/CM	PC	791	
1500	Performance/Payment Bonding	1.25%	PC	Const Cost/Cont/CM	PC	3,095	
1700	Course of Construction Insurance	0.00%	PC	Const Cost	PC	-	
020-0000	**Administrative Cost**					**17,870**	
20-20000	***ADMINISTRATIVE COST***					***17,870***	
	TOTAL SOFT COSTS					***618,522***	
	TOTAL CONSTRUCTION COSTS					***224,362***	
	TOTAL SOFT COSTS					***618,522***	
	SUBTOTAL DEVELOPMENT COST					***842,883***	
	ESTIMATED TOTAL DEVELOPMENT COST					***842,883***	

Total SF ***450*** ***Price per SF*** ***1,873.07***

TAHOE FOREST HOSPITAL DISTRICT

Board Executive Summary

By: Ted Owens
Executive Director Governance & Business Development

DATE: July 27, 2017

ISSUE:
The Town of Truckee is seeking input on potential land use decisions regarding the cultivation, processing and sales of marijuana within the incorporated Town boundaries.

BACKGROUND:
California Proposition 64 – The Control, Regulate and Tax Adult Use of Marijuana Act was passed by the voters in November 2016.

Prop. 64 changes California law to legalize the possession, cultivation and sale of marijuana. The act creates an excise tax, industry standards and regulatory oversight.

Land Use regulation is reserved for the cities and counties. This would include whether or not the cultivation, processing or distribution would be allowed uses and if so, under what conditions, regulation and location might these activities be conducted.

Placer County: Banned Dispensaries and limits cultivation

Sierra County: Banned Dispensaries and limits cultivation

Federal Law prohibits the sale, use or possession of all forms of cannabis.

POTENTIAL ACTION:

1) Take no action.
2) Make recommendations

Recommended Motion: To Approve the following statement:

"The cultivation, distribution or use of marijuana is not congruent with our mission to promote and protect the health and safety of our community.

Our preferred recommendation is to deny dispensaries, commercial operations, residential or industrial cultivation located in the incorporated town of Truckee. However, should the Town approve these activities, the Board of Directors of Tahoe Forest Hospital District

request they not be located within 1,500 feet of any Public Health Facility, clinic or the Tahoe Forest Hospital Campus and daycare facility."

Staff seeks board direction and provision of input for the Town's future land use considerations regarding three issues:

1) Should the Town allow cultivation, processing or dispensaries within the incorporated Town of Truckee?
2) If so, where should they be located or not located? (Example: near schools, school bus stops, churches, hospitals... etc.)
3) Should any or all of these activities be prohibited within a particular distance to the Tahoe Forest Hospital campus, clinics or other healthcare facilities? (Example: 500', 1,000' or 1,500')

Attachments:

a) Letter: Dr. Christopher Arth, TFHD Chief of Staff
b) Letter: Dr. Robert Leri, Chief Learning Officer, Truckee Tahoe Unified School District
c) Town of Truckee "Cannabis Dialogue" workshops/information
d) Op Ed: Dr. Caroline Ford – "Who will speak for the children about impact of marijuana?"
e) Op Ed: Chris Arth – "Children, marijuana a bad combination"

July 16, 2017

MEMBERS OF THE TOWN COUNCIL OF TRUCKEE

I understand that you will soon undertake policy decisions regarding marijuana in the town of Truckee. I urge caution and forward thinking in that decision. Although the California State initiative approved use for individuals over 21 years of age, there is latitude for local control on cultivation and commercial dispensaries. As the Chief of the Medical Staff at Tahoe Forest Hospital, I join Dr. Robert Leri, Superintendent Chief Learning Officer of our schools, and "urge the prohibition of all commercial cultivation, production, and commercial dispensaries in the town limits of Truckee".

Our medical community is dedicated to the health, wellness, and safety of the entire community. As a pediatrician who has practiced in this community for 38 years, I can assure you our youth is our primary focus here. Dr. Leri and Caroline Ford have provided you excellent references on many of the concerns. I hope to highlight those as well as add some from my own viewpoint. I hope to convince you of the importance to our children. For example, the use of marijuana has surpassed tobacco use at the 12th grade level, and the addition of vaping, without the telltale smell, not to mention edibles, will no doubt continue the trend.

Persistent cannabis use under the age of 25 has been associated with a decline in brain development and psychological harm. Attached is an excellent review with references from the County of Ventura Health Officer's effort to grapple with this issue. Teen and young adult users suffer up to an 8 point drop in IQ. Degradation in attention, memory, concentration, processing/reaction speed and comprehension occurs and is not recoverable. Not surprisingly, less finish high school or have self-fulfilling careers, which leads to an increase in unemployment rates. Perhaps more alarming, are a rise in suicide rate and psychiatric crises incidents with marijuana use (sometimes with first experimentation). In addition, a number of other health risks exist, including the smoke contains more cancer containing chemicals than cigarettes and second-hand smoke affects are still under study.

To be clear, the marijuana of old has been bred to quadruple strength and more. It often carries the label of herb and lends itself to natural "treatment". Take nausea during pregnancy, for example. Given the known issues for the young and developing brain, recent studies suggest that up to 60% of pregnant women are using pot during pregnancy is truly alarming. We know the drug taken by the mother is shared with the fetus, and negative effects at birth are already documented. It comes in many forms attractive to the young, and, much like tobacco, fears are well founded that the industry will target youth given their propensity for addiction (cannabis addicted adults in one seminal study ALL started before age 25, and often in their teens).

What we do locally influences perception even to the middle school age (perception and use track together, per 2015 *"Monitoring the Future"* study, and negative perception is declining).

I urge you to study the Ventura opinion and push for county recognition of 25 years of age as the target for sales. I would urge requirements posting warnings for youth and the pregnant. Common sense suggests, with the state law allowing use at 21, consumption will trickle down to the youth per experience with alcohol. Still, evidence supports we can modify the impact, such as using age 25, making it harder for the still immature early 20's to buy for themselves and younger friends. Education and our

own information stream will be very important. Parents need to be targets as well. If pot is in the house, it will be used by the young.

The American Academy of Pediatrics, virtually all American medical societies, and the vast majority of our medical staff, administration and our board (unofficially as public rules dictate) join me.

Please vote no to commercialization in our town, and urge the counties to adopt the age 25 year rule with adequate warning labels. In summary, I urge the council to "Just Say No" to storefronts and commercial growing within the town of Truckee's city limits. If you take this stand, the youth, their parents, and the health care community will thank you if you do

Sincerely

Christopher Arth MD
Chief of Staff
Tahoe Forest Hospital District Medical Staff

Revised Draft of Letter to Members of the Town Council of Truckee, June 27, 2017

I am writing today on behalf of the children and youth of the Town of Truckee and the entire Tahoe Truckee Unified School District. As the top-ranking public education official in our community, I feel it is essential that I share my position regarding possible cannabis regulations in the Town of Truckee: I urge the Council to prohibit all commercial marijuana cultivation, production, and commercial dispensaries in the town limits of Truckee.

While I am aware that marijuana use is prevalent in our community, I am concerned that any ordinances or regulations that make marijuana more accessible and normalized may increase the risk factors for local youth use and with resulting negative consequences. According to the Colorado Department of Education there have been significant documented increases in on-campus discipline incidents including possession and being under the influence since legalization and commercial access in Colorado. The Colorado Department of Education draws correlations between legalization and commercial access with a significant increase of disruptive behaviors on school grounds. Colorado has also seen increases of health-related issues related to marijuana including overdose-like and acute psychotic episodes, in addition to anxiety disorders.

We know right here in our own community we have been battling youth alcohol and drug abuse for years. Thanks to collaborative programming and services by the schools, the town, counties, and other community organizations, we have seen significant decreases in all grades in alcohol use and an increase of perceived harm of alcohol use among high school youth (California Healthy Kids Survey 2012-2016). At the same time marijuana use has only slightly decreased for younger grades but actually increased for our 11th grade students. For the first time since we have been tracking our California Healthy Kids Survey data, our ninth graders prefer marijuana over alcohol as their number one drug of choice (17% vs. 11%) This is already a significant concern which will be exacerbated by allowing commercial marijuana activities, advertising, and events in our community.

In a Wednesday, June 21, 2017 *Sierra Sun* guest column, Caroline Ford wrote clearly and succinctly about my very concerns related to marijuana in our community. I have attached a copy of that column and urge each of you to read it closely. We know there are significant effects on the developing brain associated with marijuana use. According to the National Institute on Drug Abuse, when marijuana users begin using as teenagers, the drug may reduce thinking, memory, and learning functions and affect how the brain builds connections between the areas necessary for these functions.

According to the National Institute on Drug Abuse, long-term marijuana use causes increased anxiety when users try to quit. We know that anxiety disorders affect one in eight children, and research shows that untreated children with anxiety disorders are at a higher risk to perform poorly in school, miss out on important social experiences, and engage in substance abuse (Anxiety and Depression Association of America).

Another concern about increased and legal access to marijuana is simply that the pot of today is nearly twice as potent as that of past decades. The level of THC in the marijuana in the 1970s was typically well below 10% while today's average THC level is 18.7%, and some retail

cannabis flowers can contain 30% THC or more, according to research in Colorado. Long-term research on the impacts of this level of THC is just beginning to emerge and lasting effects to both adults and youth could be significant.

As a school district, we are also very concerned about the increased availability of edible forms of marijuana. In many instances these edibles are marketed specifically to a younger audience including adolescents. The packaging and design of these edibles can be especially enticing. The level of THC is often exceptionally high in these products as well. Distinguishing between regular candies and edible marijuana products will be especially difficult at schools. Am I supposed to ban all lollipops?

Our schools and community have had traumatic events due to overconsumption, impaired driving, and abuse of alcohol and drugs for too long. Given our history, is it wise to be a pioneer in the commercialization and expansion of cannabis, another intoxicating substance, for promotion and sale? My recommendation is an outright ban that is in aligned with the other parts of our school district in Placer County. Absent that, I urge you to at least implement a moratorium and delay a decision to learn more from other communities in California, Nevada, and other states.

Sincerely,

Dr. Robert J. Leri,
Superintendent Chief Learning Officer

DELIVERY SERVICES

Should We Allow Delivery Services?

Based on the results of the survey and workshop, it appears the community also supports delivery services. There are a number of delivery services currently operating within the Truckee-Tahoe region and the Town has typically considered these separate from land use regulation. However, with the possibility of dispensaries and processing facilities being located within Truckee, the ability to establish a delivery service could now be tied to a land use. Accordingly, the Council may wish to discuss and establish regulations for delivery services which may be occurring out of residential zone districts and commercial/manufacturing zone districts.

If So, What Should Be Required?

There were a variety of opinions voiced about the need to regulate delivery services. Many felt there should be no additional regulations or the same as would apply to the "pizza delivery guy". Most respondents stated that the Town should adopt some kind of framework to ensure deliveries are safe and not creating impacts within residential neighborhoods. The Council may wish to discuss the following:

Operational Requirements: This could include security precautions, insurance requirements, delivery procedures (i.e. checking age and identification), background checks for operators or standards for delivery vehicles.

Locational Requirements: This could include limitations on zone districts where a delivery service can operate.

10183 Truckee Airport Road, Truckee, CA 96161-3306
www.townoftruckee.com
Cannabis page: www.townoftruckee.com/cannabis
Email: cannabis@townoftruckee.com
Administration: 530-582-7700 / Fax: 530-582-7710
Community Development: 530-582-7820 / Fax: 530-582-7889

WORKSHOP NO. 2

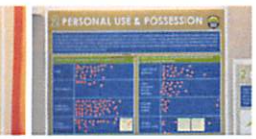
MARCH 9, 2017

RECAP OF WORKSHOP #1

The Truckee Town Council hosted the Cannabis Dialogue kick-off workshop on Thursday, February 9th. The purpose of this workshop was to provide background on each of the issues associated with legalization of cannabis and to gather community feedback. Approximately 105 people participated and provided answers to a range of questions related to cannabis usage in the town of Truckee.

WORKSHOP RESULTS

Below is a summary of the majority of questions answered during the February workshop, broken down by topic. In general, the workshop participants were strongly supportive of allowing cannabis-related uses in the town and were generally opposed to regulations and taxation that the Town could impose on cannabis businesses.



DISPENSARIES

- **Allow dispensaries?:** Strong yes
- **Regulate location?:** Strong yes
- **Limit the number?:** Strong no
- **Require special permit?:** Strong yes
- **Allow in following zone districts?:** Strong yes to Commercial, Manufacturing and Downtown Mixed Use. Less support in Residential and Public Facility

PERSONAL USE AND POSSESSION

- **Allow smoking in certain businesses?:** Yes
- **Prohibit in Town-owned buildings?:** Strong no
- **Types of businesses that could allow consumption:** Bars, dispensaries, "smoke shops"

TAXATION

- **Impose a tax?:** Strong no
- **Same tax for medical and non-medical marijuana?:** Strong no
- **Tax cultivation?:** Strong no

PROCESSING FACILITIES

- **Limit to manufacturing zone districts?:** Strong no
- **Require special permit?:** Strong no

CULTIVATION

- **Is it agriculture?:** Strong yes
- **Regulate personal indoor cultivation?:** Strong no
- **Regulate personal outdoor cultivation?:** Strong no
- **Regulate commercial indoor cultivation?:** Strong yes
- **Regulate commercial outdoor cultivation?:** Strong yes
- **Require permits for personal indoor cultivation?:** Strong no
- **Concerned about odors?:** Strong no
- **Allow in Residential, Manufacturing, Commercial and Public Facility zone districts—but only for indoor cultivation for the most part**

DELIVERY SERVICES

- **Allow delivery services?:** Strong yes
- **Require permits?:** Strong yes

SURVEY

Prior to the workshop, the Town released an online survey asking the same questions as presented in the first workshop. A total of 1,071 surveys were received! In order to understand where the surveys came from, the Town asked for participants' zip codes within the survey. Here's the breakdown:

- Total surveys: 1,071
- Truckee zip codes: 841
- Nevada county area: ~20
- Soda Springs/Cisco Grove/Kingvale: ~10
- Tahoe Basin (Olympic Valley, Alpine Meadows, Tahoma, Tahoe City, Kings Beach, etc.):53
- Elsewhere: 51
- Decline to answer: 106

SURVEY RESULTS

Survey results can also be viewed on our Town of Truckee website, here: http://www.townoftruckee.com/government/community-development/cannabis-regulations

PROCESSING FACILITIES

Should We Allow Processing Facilities?

Based on the survey results, it appears that the Truckee community is generally supportive of allowing processing facilities, though there was strong interest in restricting them to specific zone districts. Many comments focused on locating these uses "away from town" or "out by the airport", both of which suggest a sentiment that these uses are not appropriate in the Town's core or near residential neighborhoods. Many respondents only supported this use in areas zoned for light industrial and manufacturing uses. There was very limited support for allowing these facilities in commercial areas and a number of respondents stated that allowing them in residential areas is inappropriate. Similar to dispensaries, there were a large number of respondents who strongly oppose allowing processing facilities in Truckee.

If So, Where Should They Go?

ZONING

As noted above, many respondents supported locating these facilities within light industrial/manufacturing zones. If the Council supports allowing processing facilities in the town, the aforementioned manufacturing/light industrial districts could be appropriate, including:

M zone (Manufacturing)

DM zone (Downtown Manufacturing)

CS (Service Commercial)

DEVELOPMENT STANDARDS

Due to the uses proposed within the cannabis processing facilities, it will be important to ensure the facilities comply with standards related to public health and safety. The majority of these issues are related to building and fire codes; however, certain topics relate to The following standards have been identified as areas of concern:

Safety concerns: These include ventilation systems, residual food wastes, chemical storage, handling and transport, and occupancy classifications.

Size limitations: This could include a limit on the overall size of certain types of facilities and/or limitations on hazardous materials storage areas.

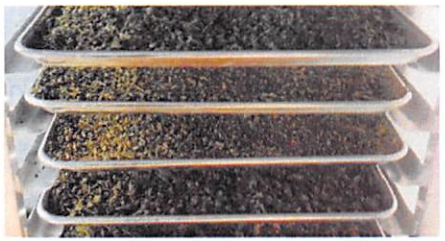
Building retrofits: Standards may be necessary to address either aesthetic or structural changes made to buildings with new processing facilities.

SEPARATION STANDARDS

Due to California Building Code and fire code requirements, it may be necessary to require separation standards for certain types of processing facilities. This could include the following:

Setback standards: This could include a setback standard from other processing facilities. Or a fire wall separation standard, pursuant to the building and fire codes.

Distance required from schools, day care centers and residential areas: Common ranges include up to 1,000 feet.



PERMITTING

There was a high level of interest in ensuring that processing facilities have permits to operate within the town. As a new land use, the Council will ultimately determine what type of land use permit is required for this use. The Council may wish to consider the following aspects of permitting:

Type of permit: This could include ministerial (Zoning Clearance) and discretionary permits (Minor Use or Use Permits). The Council has the discretion to decide which type of permit is required based on the applicable zone district.

Building permit: Depending on what is proposed within a particular facility, a building permit may be required to ensure all construction complies with the California Building Code and fire codes.

Tiered Permits: The Council may wish to establish a tiered permit process for different types of facilities (i.e. harvesting, processing, manufacturing, distribution, etc.) or for varying sizes of facilities.

SEPARATION STANDARDS

By far, one of the most common concerns voiced within the surveys was proximity of the dispensaries to areas where children are common. To address these concerns, the Council may wish to consider separation standards for dispensaries between certain uses or from one another. This could include the following options:

- **Distance required from a public or private school or community service agency:** Common ranges include 500-1,500 feet
- **Distance required from a public park, recreation center or library:** Common ranges include 500-1,500 feet
- **Distance required from a child care center:** Common ranges include 500-1,500 feet
- **Distance required from a church:** Common ranges include 500-1,500 feet
- **Distance between dispensaries:** Range generally varies from 1,000 feet to several miles depending jurisdiction size.

If the Council wishes to pursue certain separation standards, staff will return with maps which depict the chosen separation standards. To assist the Council's understanding of this requirement and its effects, these maps would provide a graphic interpretation of the separation areas and how these would translate "on the ground".

OPERATIONAL STANDARDS

A number of community suggestions were aimed at operational standards of dispensaries. In general, the purpose of these standards would be to ensure the dispensaries complement the surrounding commercial uses and are not creating an unsafe environment. These could include the following:

- **Hours of operation:** This could include a limit on hours of operation. Many jurisdictions require dispensaries to close as early as 7 pm or no later than 9 pm.
- **Entry requirements:** This could include requirements to check patrons' ID cards or limits on number of patrons within the dispensary at one time.
- **Use of background checks:** This process could be used to determine if owners and/or employees have certain types of criminal convictions which may be a conflict.
- **Standards for secure storage areas:** This could include a size limit and/or procedures required for secure storage areas.

PERMITTING

There was a high level of interest in ensuring that dispensary operators have permits to operate their business within the town. As a new land use, the Council will ultimately determine what type of land use permit is required for this use. The Council may wish to consider the following aspects of permitting:

- **Type of permit:** This could include ministerial (Zoning Clearance) and discretionary permits (Minor Use or Use Permits). The Council has the discretion to decide which type of permit is required based on the applicable zone district.
- **Building permit:** Depending on what is proposed within a dispensary, a building permit may be required to ensure all construction complies with the California Building Code.
- **Tiered Permits:** The Council may wish to establish a tiered permit process for different types of dispensaries (i.e. medical vs. nonmedical) or for varying sizes of dispensaries.

These results are solely a summary of the input received from the public and workshop attendees. They do not reflect any sort of Town Direction at this time.

POLICY FRAMEWORK

Much of the focus for the second workshop will be on forming preliminary policy frameworks for several of the cannabis topics. In particular, the focus will be on land use topics, including retail dispensaries, processing facilities and delivery businesses. Within each topic, staff has outlined a variety of land use regulations which could be considered as a future package of regulations. The purpose of this outline is to provide a framework for the Town Council in terms of proposed zoning districts, development standards and permitting requirements for each of the land use topics. These options are by no means inclusive of all topics associated with each land use issue, but rather are intended to serve as a spring board to start the dialogue. Once the Town Council and the community weigh in on each topic and provide direction, staff will return with a final set of draft regulations for the Council's consideration.

In forming the below preliminary policy framework, staff (1) relied on feedback from both the workshop and online surveys, (2) reviewed existing regulations from similar communities who have already tackled these issues and (3) included topics we believe could be appropriate for Truckee. At this time, staff is presenting these solely as discussion topics and not as recommendations.

RETAIL DISPENSARIES

Should We Allow Dispensaries?

Based on the results of Proposition 64, our online survey, recent workshop and other public input, it appears that the Truckee community is generally supportive of allowing dispensaries. That being said, those same results show a strong interest in appropriately locating the dispensaries with a reasonable separation from places where children are common. There was limited interest in capping the number of dispensaries allowed. There was a fair amount of concern voiced over allowing dispensaries within the historic Downtown—with some concerned about the impact on tourism and others believing they simply should not be allowed in a historic district. While in the minority, there was a substantial amount of "heart burn" over allowing ANY dispensaries ANYWHERE in the town. Many cited impacts to children and their potential ability to have greater access to cannabis products or stated their belief that it is incompatible with Truckee's family-friendly character.

If So, Where Should They Go?

ZONING

A strong majority of respondents who favor allowing dispensaries were in favor of locating them within certain zone districts. While there was no consensus on all zone districts, there was overall support for commercial zones and less support for manufacturing zones.

If the Town Council wishes to consider allowing dispensaries, the following zone districts could be appropriate:

General Commercial (CG)—The CG zone district is applied to areas appropriate for a wide range of commercial uses including retail trade and service uses such as restaurant, office and personal service uses.

Where are CG properties located? (Partial list, for illustrative purposes only)

Neighborhood Commercial (CN)—The CN zone district is applied to areas appropriate for retails sales, offices and services serving the daily needs of nearby residents.

Where are CN properties located? (Partial list, for illustrative purposes only)

Highway Commercial (CH)—This zone district is applied to locations along highways and is intended to provide highway and tourist related services.

Service Commercial (CS)—The CS zone district is applied to areas appropriate for more intensive commercial activities than are allowed in other commercial zone districts.


Downtown Mixed Use (DMU)—The DMU zone district is applied to areas in the Downtown Study Area appropriate for a combination of retail sales, offices, services, lodging and residential land uses.

Downtown Commercial (DC)—The DC zone district is applied to areas in the Downtown Study Area appropriate for a wide range of commercial uses in or near the Downtown Core, including retail sales, restaurants and offices.

Manufacturing (M)—The M zone district is applied to areas appropriate for manufacturing/industrial uses including processing, distribution and storage.

Downtown Manufacturing (DM)—The DM zone district is applied to areas in the Downtown Study area appropriate for manufacturing/industrial uses.

DEVELOPMENT STANDARDS

In addition to appropriately locating retail dispensaries, there was community interest in crafting development standards which are intended to ensure the impacts from retail dispensaries are minimized and that the dispensaries complement other nearby commercial uses. There are a number of potential standards the Town could employ to achieve these objectives, including the following:

Signage standards: This could include specific standards for retail dispensaries such as age restrictions, limitations on window signage, or consumer notices.

Building façade standards: This could include specific standards for window treatments/security measures (i.e. prohibiting bars on windows), prohibitions on drive-through, walk-up windows, or outdoor seating and requirements to be located within a permanent building versus a trailer or motor vehicle.

Limitations on size of dispensary: This could include a limit on the maximum floor area of a dispensary.

Who will speak for the children about impact of marijuana?

Caroline FordGuest Column

June 21, 2017

I am compelled to write to the community after attending the town of Truckee Marijuana Workshops to hear comments regarding the potential for allowing dispensaries, cultivation, processing, and delivery services to exist within our town boundaries.

While there is no turning back to recreational use of marijuana; there is opportunity to gauge whether this community should allow access to the product that layers risk to our children and youth.

THE FACTS

Marijuana is classified as a Schedule I controlled substance, and under federal law, this classification has a high potential for abuse.

Marijuana stimulates the pleasure centers of the brain; it is addictive in 9 percent of all users, in 17 percent of teen users, and in 25-50 percent of daily users.

Compared to persons who began marijuana use in adulthood, those who began in adolescence are two to four times more likely to have symptoms of marijuana dependence within two years after their first use.

Adults who became regular daily users in their teens and continuing into adulthood, were shown to have an average of an eight-point drop in intelligence by the time they were 38 years old; have two times the risk of being diagnosed with a severe mental illness; shown to have decreases in brain areas controlling learning, memory and emotional regulation; and, less likely to graduate from high school or earn a college degree.

In 2016, over 38 percent of current California marijuana users, 18 to 64 years old, reported driving a vehicle within three hours of using marijuana.

Marijuana use increased the risk of becoming involved in a car accident at any level of severity by about 25 to 50 percent.

According to the National Survey on Drug Use and Health, when marijuana was legalized in Colorado, youth ages 12-17, past month marijuana use increased 20 percent comparing the two-year average prior to legalization.

In a 2015 survey of Colorado school resource officers, when asked where students were getting marijuana, students responded 18 percent from the black market and 81 percent cited from friends who got it legally, from parents or from marijuana businesses.

THC concentration levels determine the psychoactive impact of marijuana and have been genetically modified over time. In the early 1990s, the THC concentration increased from 3 percent in 1980 to an average of 16 percent in 2015. Higher concentrations may intensify and increase unfavorable effects, such as anxiety, panic attacks, and paranoia.

Marijuana acts as a chemical imposter that binds in the place of the brain's natural chemicals, flooding the system, and disrupting its balance. Regular marijuana use in adolescence is associated with changes to areas of the brain involved in brain development, as well as memory, attention, learning, retention, and impulse control.

FRAMING OUR COMMUNITY

Substance use and abuse behaviors are not benign issues in our community among adolescents or adults.

In Truckee, from 2015-2016, 17 percent of ninth-graders and 27 percent of 11th-graders reported using marijuana in the past 30 days, and in each of these grades, exceeded the California State rates by comparison data to previous years.

Drug Overdose Mortality in Nevada County, and the surrounding counties of El Dorado, Plumas and Sierra, all have death rates of greater than 20 per 100,000 population, which exceed the California rate of 11.1.

Alcohol abuse within the region was demonstrated in the last TFHS Community Health Needs Assessment in 2014 to far exceed the California State and federal rates for binge drinking among adults.

The Mental Health Needs Assessment in the Tahoe/Truckee region, performed by the TFHS as part of the Community Health Needs Assessment in 2014, documented the use of alcohol and marijuana as primary issues of concern as substance abuse disorders in the region.

Living in a small place magnifies certain issues in highly visible ways. This is where density matters. There are not many places to conceal cannabis operations, and the perception that dispensing, cultivating and/or processing cannabis becomes more normalized to children is worrisome. Attracting drug tourism and promoting cannabis consumption, without impact studies, may have unforeseen harms.

Infusing the cannabis business into Truckee appears inconsistent with our outdoor, healthy lifestyle achievements that local businesses, and regional and Olympic athletes have worked tirelessly to brand.

The marijuana workshops have been eerily quiet of community members speaking or submitting comments on behalf of children and youth impacted by drugs. The voice that protects our children and future generations appears disengaged in the debate of the business aspects of cannabis when it is the most critical time to be heard.

Will you speak for the children?

Caroline Ford is Chairwoman of Tahoe Truckee Future Without Drug Dependence. She is also Assistant Dean Emeritus Frontier and Rural Health, University of Nevada School of Medicine.

Letter to the editor: Children, marijuana a bad combination

July 11, 2017

Thanks to Caroline Ford for her excellent opinion piece about dangers of marijuana to the youth in our community.

I have been active as well in the effort to limit the impact of marijuana legalization on our youth. I submitted opinions to the cannabis site at the town of Truckee webpage, and I do plan to go to the town council meeting on June 27, which emphasizes health risks.

I echo the need for all of us, regardless of stand on the new laws, to help prevent our youth from suffering the damaging effects that pot use can bring. The research is young, but there is no doubt significant risks exist to the growing brain.

I add the concern that pregnant mothers use has increased, and we already know there are effects on the newborn. It may be years before we know the full impact, but that is no reason not to protect our kids. I agree the Colorado experience is telling. Medically, emergency room visits for kids related to marijuana have quadrupled in Colorado since legalization. The addition of stronger THC content, synthetics, and attractive edibles all are very concerning.

This drug is very available. We are not in need of highly visible and attractive dispensaries.

Chris Arth

Truckee

MEMORANDUM

TO: Board and Board Finance Committee

FROM: Crystal Betts, Chief Financial Officer

SUBJECT: General Obligation Bond Tax Rate for FY 2017/2018

DATE: July 20, 2017

BACKGROUND:

In November 2006 a presentation was provided to the Board of Directors in regards to public financing, a.k.a. general obligation bonds (GO Bonds). Gary Hicks, our financial advisor, had provided some estimated calculations of what the tax rate per $100,000 of assessed value would look like for the taxpayers in order to raise $98.5 million. These calculations were based upon historical trends of property assessed values including the evaluation of historical growth patterns that had ranged 9%-16%. Based upon assessed values that incorporated an average 8% growth trend, the maximum rate per $100,000 of assessed value was approximated at $18.76.

Since the timing of the above noted analysis and passage of the GO Bonds by our community, our nation went through a housing market crisis and a significant economic downturn (see 2010-11 & 2011-12), which we continue to recover from. This has impacted our communities property assessed values. The following is a list of Placer and Nevada counties property assessed value growth percentages or declination percentages over previous years:

2008-09: 8.46% growth over 2007-08
2009-10: 4.27% growth over 2008-09
2010-11: 4.64% *decline* over 2009-10
2011-12: 1.92% *decline* over 2010-11
2012-13: 0.67% growth over 2011-12
2013-14: 2.88% growth over 2012-13
2014-15: 4.89% growth over 2013-14
2015-16: 10.61% growth over 2014-15
2016-17: 4.71% growth over 2015-16
2017-18: 5.80% growth over 2016-17

The District issued the 3rd and final series of the 2007 GO Bonds on August 1, 2012. In addition, the District refunded/refinanced the first series, Series A, in May 2015 and the second series, Series B, in May 2016. The debt service requirement for the 2017/2018 fiscal year will be $4,845,875.02. Based upon the property assessed values provided to us by Placer and Nevada counties, the rate per $100,000 would need to be $24.00 to cover the 2017/2018 debt service requirement. This is $5.24 per $100,000 higher than

estimated back in 2006, and is a decline in rate compared to last year by $0.66 per $100,000.

However, due to the receipt of more tax revenues than originally estimated, and after the August 1, 2017 debt payment, the District will still have $1,137,460 in cash reserves restricted for use for the GO Bond debt service. This reserve can be used in whole, in part, or not at all to reduce the amount collected, or the rate per $100,000, in the 2017/18 year, and/or future years. Rates per $100,000 could vary from $18.37 per $100,000 up to the full $24.00 per $100,000 depending on the level of use of the reserve. See attached analysis.

Also, please note, in fiscal years 2011 and 2012, the Board of Directors had decided to supplement the GO Bond debt service payment in order to minimize the impact on the community due to the decline in assessed values and the increase necessary to the tax rate per $100,000. In FY 2012 the supplemental payment on behalf of the District was approximately $445,000, and in FY 2011 $540,000, both of which were paid from cash generated by operations. In FY 2013-2016, the Board set the rate at the full amount necessary to cover the debt service payment, with no supplemental payment by the District. However in FY 2017 the Board elected to use a portion of the cash reserves restricted for use for the GO Bond debt service ($225,000), reducing the rate from the full rate required.

RECOMMENDATION:

Based on my analysis, it is my recommendation that the Board elect to set the GO Bond tax rate per $100,000 at $18.93 and utilize approximate 90% of the reserve ($1,023,713.70) to fully cover the debt service requirement. The remaining reserves of $113,745.97 will roll to future years to be utilized to further reduce the rate per $100,000 in those future years. The $18.93 rate per $100,000 is $4.55 lower than last year's rate, and is $0.17 higher than the estimate back in 2006.

TAHOE FOREST HOSPITAL DISTRICT
GO BOND TAX RATE CALCULATION SUMMARY
FOR FISCAL YEAR 2017/2018

FOR FISCAL YEAR 2017/2018	90% Reserve Use RECOMMENDED	ORIGINAL ESTIMATED MAXIMUM RATE PER $100,000	100% Reserve Use ALTERNATIVE ONE	75% Reserve Use ALTERNATIVE TWO	50% Reserve Use ALTERNATIVE THREE	25% Reserve Use ALTERNATIVE FOUR	No Reserve Use ALTERNATIVE FIVE
SERIES 2015 (Previously Series A)	$ 2.33	$ 2.16	$ 1.77	$ 3.18	$ 4.59	$ 6.00	$ 7.40
SERIES 2016 (Previously Series B)	$ 10.59	$ 10.59	$ 10.59	$ 10.59	$ 10.59	$ 10.59	$ 10.59
SERIES C	$ 6.01	$ 6.01	$ 6.01	$ 6.01	$ 6.01	$ 6.01	$ 6.01
TOTAL RATE PER $100,000	$ 18.93	$ 18.76	$ 18.37	$ 19.78	$ 21.19	$ 22.60	$ 24.00
Required Debt Service Payment	$ 4,845,875.00	$ 4,845,875.00	$ 4,845,875.00	$ 4,845,875.00	$ 4,845,875.00	$ 4,845,875.00	$ 4,845,875.00
Tax Revenue Generated per Rate/$100,000	$ 3,822,913.00	$ 3,788,581.00	$ 3,709,822.00	$ 3,994,571.00	$ 4,279,321.00	$ 4,564,069.00	$ 4,846,802.00
Contribution from FY 2016/2017 Reserve	$ 1,023,713.70	$ 1,057,914.00	$ 1,137,459.67	$ 853,094.75	$ 568,729.84	$ 284,364.92	$ -
Due to Rounding of the Rate	$ (751.70)	$ (620.00)	$ (1,406.67)	$ (1,790.75)	$ (2,175.83)	$ (2,558.92)	$ (927.00)
Reserves Remaining for FY 2018/2019	$ 113,745.97	$ 79,545.67	$ -	$ 284,364.92	$ 568,729.84	$ 853,094.75	$ 1,137,459.67
Percentage of Reserves Remaining for FY 2018/2019	10.00%	6.99%	0.00%	25.00%	50.00%	75.00%	100.00%

					2015/2016 vs 2016/2017			2016/2017 vs 2017/2018	
	2013/2014	2014/2015	2015/2016	2016/2017	VARIANCE $	VARIANCE %	2017/2018	VARIANCE $	VARIANCE %
COUNTY OF PLACER									
LOCAL SECURED	$ 10,131,105,321	$ 10,643,906,597	$ 12,028,041,926	$ 12,598,852,503	$ 570,810,577	4.75%	$ 13,342,861,859	$ 744,009,356	5.91%
UNSECURED	$ 182,876,494	$ 190,033,123	$ 192,112,603	$ 195,131,935	$ 3,019,332	1.57%	$ 194,581,614	$ (550,321)	-0.28%
TOTAL ASSESSED VALUES	$ 10,313,981,815	$ 10,833,939,720	$ 12,220,154,529	$ 12,793,984,438	$ 573,829,909	4.70%	$ 13,537,443,473	$ 743,459,035	5.81%
COUNTY OF NEVADA									
LOCAL SECURED	$ 5,288,034,776	$ 5,532,102,579	$ 5,896,876,881	$ 6,183,122,666	$ 286,245,785	4.85%	$ 6,550,817,729	$ 367,695,063	5.95%
UNSECURED	$ 125,222,815	$ 130,369,329	$ 129,938,792	$ 128,685,617	$ (1,253,175)	-0.96%	$ 125,986,378	$ (2,699,239)	-2.10%
TOTAL ASSESSED VALUES	$ 5,413,257,591	$ 5,662,471,908	$ 6,026,815,673	$ 6,311,808,283	$ 284,992,610	4.73%	$ 6,676,804,107	$ 364,995,824	5.78%
COMBINED COUNTIES									
LOCAL SECURED	$ 15,419,140,097	$ 16,176,009,176	$ 17,924,918,807	$ 18,781,975,169	$ 857,056,362	4.78%	$ 19,893,679,588	$ 1,111,704,419	5.92%
UNSECURED	$ 308,099,309	$ 320,402,452	$ 322,051,395	$ 323,817,552	$ 1,766,157	0.55%	$ 320,567,992	$ (3,249,560)	-1.00%
TOTAL ASSESSED VALUES	$ 15,727,239,406	$ 16,496,411,628	$ 18,246,970,202	$ 19,105,792,721	$ 858,822,519	4.71%	$ 20,214,247,580	$ 1,108,454,859	5.80%

State of California
COUNTY OF NEVADA

MARCIA L. SALTER – Auditor-Controller

Auditor-Controller
950 Maidu Avenue Suite 230
Nevada City CA 95959

(530) 265-1244
Fax: (530) 265-9843
Email: auditor.controller@co.nevada.ca.us

July 20, 2017

To: Tahoe Forest Hospital District

From: Linda Sager, Accountant Auditor II

Listed below are the certified 2017/18 assessed values for your district:

	NET VALUATION	HOPTR	TOTAL
Local Secured Roll	$6,525,786,701	$22,741,196	$6,548,527,897
Unitary and Operating Non-Unitary State BOE Roll	$2,289,832		$2,289,832
Unsecured Roll	$125,979,378	$7,000	$125,986,378

Please use these values to estimate any voter-approved indebtedness under Article XIII-A Sec 1(b) of the California Constitution.

For an assessed valuation comparison from prior year by district, please visit our website at http://www.mynevadacounty.com/nc/auditor/Pages/Property-Tax.aspx. The report will be posted in the Assessed Value by District section.

The annual estimated property tax revenue letter will be mailed in October.

If you have any questions, please contact me at (530) 265-1564.

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COUNTY OF PLACER

OFFICE OF
AUDITOR-CONTROLLER

ANDREW C. SISK, CPA
Auditor-Controller
E-mail: asisk@placer.ca.gov

Nicole C. Howard, CPA
Assistant Auditor-Controller
E-mail: nhoward@placer.ca.gov

July 6, 2017

Tax Code 42108

Tahoe Forest Hospital
P. O. Box 759
Truckee, CA 96160-0759

This is to certify that the assessed valuation of the Tahoe Forest Hospital is as follows for 2017/18:

ROLLS	NET VALUATION	HOPTR EXEMPT	GROSS VALUE USED FOR TAX COMP PURPOSES
Local Secured	13,327,607,459	15,254,400	13,342,861,859
Unsecured	194,574,614	7,000	194,581,614

Article XIII-A of the California Constitution, Sec 1(b) (enacted by Proposition 13), provides for the levying of property taxes to pay voter approved indebtedness. These are the values to use for this purpose.

Please call if you have any questions concerning the above valuations.

Sincerely,

ANDREW C. SISK, CPA
AUDITOR-CONTROLLER

By: _____

Aurora delCampo
Accounting Technician

2970 Richardson Drive / Auburn, California 95603 / (530) 889-4160 / Fax (530) 889-4163
Internet Address: http://www.placer.ca.gov / email: auditor@placer.ca.gov

BOARD OF DIRECTORS
TAHOE FOREST HOSPITAL DISTRICT
COUNTIES OF PLACER AND NEVADA, STATE OF CALIFORNIA

RESOLUTION NO. 2017-04

RESOLUTION DIRECTING PLACER AND NEVADA COUNTIES, CALIFORNIA, TO LEVY A TAX TO PAY THE PRINCIPAL OF AND INTEREST ON THE DISTRICT'S GENERAL OBLIGATION BONDS FOR FISCAL YEAR 2017-18

WHEREAS, by a resolution (the "Ballot Resolution"), adopted by the Board of Directors (the "Board") of the Tahoe Forest Hospital District (the "District") on June 26, 2007, the Board determined and declared that public interest and necessity demanded the need to raise moneys for the expansion, improvement, acquisition, construction, equipping and renovation of health facilities of the District, including to refinance up to $3.5 million of existing debt that was incurred for expenditures related to capital purchases or leases to improve hospital facilities (the "Project"), and the Board called a mailed ballot election to be held within the boundaries of the District in accordance with the California Elections Code;

WHEREAS, a special municipal election was held in the District on September 25, 2007, and thereafter canvassed pursuant to law;

WHEREAS, at such election there was submitted to and approved by the requisite two-thirds (2/3) vote of the qualified electors of the District a question as to the issuance and sale of general obligation bonds of the District for $98,500,000, payable from the levy of an unlimited *ad valorem* tax against all taxable property in the District;

WHEREAS, pursuant to Chapter 4 of Division 23 (commencing with section 32300) of the California Health and Safety Code (the "Act"), the District is empowered to issue general obligation bonds;

WHEREAS, the District issued an initial series of bonds, in the aggregate principal amount of $29,400,000, identified as the "Tahoe Forest Hospital District (Placer and Nevada Counties, California) General Obligation Bonds, Election of 2007, Series A (2008)" (the "Series A Bonds"), for the purpose of raising funds needed for the Project and other authorized costs on the conditions set forth in a resolution adopted by the Board on June 24, 2008;

WHEREAS, the District issued a second series of bonds, in the aggregate principal amount of $43,000,000, identified as the "Tahoe Forest Hospital District (Placer and Nevada Counties, California) General Obligation Bonds, Election of 2007, Series B (2010)" (the "Series B Bonds"), for the purpose of raising funds needed for the Project and other authorized costs on the conditions set forth in a resolution adopted by the Board on June 22, 2010;

WHEREAS, the District issued a third series of bonds, in the aggregate principal amount of $26,100,000, identified as the "Tahoe Forest Hospital District (Placer and Nevada Counties,

California) General Obligation Bonds, Election of 2007, Series C (2012)" (the "Series C Bonds"), for the purpose of raising funds needed for the Project and other authorized costs, on the conditions set forth in a resolution adopted by the Board on June 26, 2012;

WHEREAS, on May 10, 2015, the District issued bonds, in the aggregate principal amount of $30,810,000, identified its "Tahoe Forest Hospital District (Placer and Nevada Counties, California) 2015 General Obligation Refunding Bonds" (the "2015 Refunding Bonds") to refund the Series A Bonds, on the conditions set forth in a resolution adopted by the Board on February 12, 2015;

WHEREAS, on May 5, 2016, the District issued bonds, in the aggregate principal amount of $45,110,000, identified its "Tahoe Forest Hospital District (Placer and Nevada Counties, California) 2016 General Obligation Refunding Bonds" (the "2016 Refunding Bonds") to refund the Series B Bonds, on the conditions set forth in a resolution adopted by the Board on March 29, 2016; and

WHEREAS, pursuant to the Act, the District is authorized to direct Placer County ("Placer") and Nevada County ("Nevada" and, with Placer, the "Counties"), California, in which the jurisdiction of the District resides, to levy an unlimited *ad valorem* tax on all taxable property within the District for the payment of the principal of and interest on the Series C Bonds, the 2015 Refunding Bonds and the 2016 Refunding Bonds (collectively, the "Bonds");

NOW, THEREFORE, THE BOARD OF DIRECTORS OF THE TAHOE FOREST HOSPITAL DISTRICT DOES HEREBY RESOLVE, DETERMINE AND ORDER AS FOLLOWS:

Section 1. Recitals. All of the recitals herein are true and correct. To the extent that the recitals relate to findings and determinations of the Board, the Board declares such findings or determinations to be made thereby.

Section 2. Tax Levy; Tax Rate.

(a) The Board has determined that the amount needed to be raised by taxes during Fiscal Year 2017-18 is $4,845,875.02, which is needed to pay the principal of and interest on the Bonds during such period, as shown on Exhibit D attached hereto. The total amount required to be levied for Fiscal Year 2017-18 to pay such principal and interest should be $3,822,913.00 (which amount reflects the total amount needed to pay the principal of and interest on the Bonds of $4,845,875.02, less the sum of $1,022,962.02 from amounts levied by the Counties in the Fiscal Year 2016-17 but were not used to pay debt service on the Bonds).

(b) Placer has informed the District that, for Fiscal Year 2017-18, the estimated value of all assessed property of the District within Placer to be used for calculating the debt service rate is $13,537,443,473.00.

The Board hereby requests and directs Placer, at the time of the fixing of its general tax levy for the County's fiscal year beginning July 1, 2017, and ending June 30, 2018, to fix and levy and collect a tax at the rate of $18.93 per $100,000 of assessed valuation which, based upon the

estimated value of all assessed property of the District within Placer, will generate a total amount of $2,560,425.00.

Said tax shall be in addition to all other taxes levied for District purposes, shall be levied and collected by Placer at the same time and in the same manner as other taxes of the District are levied and collected, and shall be used only for the payment of the Bonds, and the interest thereon.

(c) Nevada has informed the District that, for Fiscal Year 2017-18, the estimated value of all assessed property of the District within Nevada to be used for calculating the debt service rate is $6,676,804,107.00.

The Board hereby requests and directs Nevada, at the time of the fixing of its general tax levy for the County's fiscal year beginning July 1, 2017, and ending June 30, 2018, to fix and levy and collect a tax at the rate of $18.93 per $100,000 of assessed valuation which, based upon the estimated value of all assessed property of the District within Nevada, will generate a total amount of $1,262,488.00.

Said tax shall be in addition to all other taxes levied for District purposes, shall be levied and collected by Nevada at the same time and in the same manner as other taxes of the District are levied and collected, and shall be used only for the payment of the Bonds, and the interest thereon.

Section 3. Request for Necessary County Actions. The Boards of Supervisors, the treasurer, tax collector and auditor-controller, and other officials of the Counties are hereby requested to take and authorize such actions as may be necessary pursuant to law to provide for the levy and collection of a property tax on all taxable property within the District sufficient to provide for the payment of all principal of, redemption premium (if any), and interest on the Bonds, as the same shall become due and payable, and to transfer the tax receipts from such levy to the District, no later than January 20 and May 18 in each year to permit the District to meet its required principal and interest payments for the Bonds on each February 1 and August 1, as indicated in Exhibits A, B, C and D. The Chief Executive Officer or the Chief Financial Officer of the District is hereby authorized and directed to deliver certified copies of this Resolution to the clerks of the Boards of Supervisors of the Counties, and the treasurer, tax collector and auditor of the Counties.

Section 4. Ratification. All actions heretofore taken by officials, employees and agents of the District with respect to the request and direction for the tax levy described herein are hereby approved, confirmed and ratified.

Section 5. General Authority. The President and the Vice President of the Board, the Chief Executive Officer and the Chief Financial Officer of the District, and their respective designees, are each hereby authorized, empowered and directed in the name and on behalf of the District to take any and all steps, which they or any of them might deem necessary or appropriate in order to ensure that the County levies and collects the property taxes as described herein and otherwise to give effect to this Resolution.

Section 6. Effective Date. This resolution shall take effect immediately on and after its adoption.

* * * * * * * *

THE FOREGOING RESOLUTION is approved and adopted by the Board of Directors of the Tahoe Forest Hospital District this 27th day of July, 2017.

AYES:

NAYS:

ABSENT:

_____
President of the Board of Directors

ATTEST:

_____
Clerk of the Board of Directors

EXHIBIT A

DEBT SERVICE SCHEDULE OF THE SERIES C BONDS

Date	Principal	Interest	Period Total	Annual Total
02/01/17	–	$522,909.38	$522,909.38	–
08/01/17	$ 135,000.00	522,909.38	657,909.38	$1,180,818.75
02/01/18	–	519,196.88	519,196.88	–
08/01/18	175,000.00	519,196.88	694,196.88	1,213,393.75
02/01/19	–	514,384.38	514,384.38	–
08/01/19	220,000.00	514,384.38	734,384.38	1,248,768.75
02/01/20	–	508,334.38	508,334.38	–
08/01/20	265,000.00	508,334.38	773,334.38	1,281,668.75
02/01/21	–	501,046.88	501,046.88	–
08/01/21	310,000.00	501,046.88	811,046.88	1,312,093.75
02/01/22	–	492,521.88	492,521.88	–
08/01/22	360,000.00	492,521.88	852,521.88	1,345,043.75
02/01/23	–	482,621.88	482,621.88	–
08/01/23	415,000.00	482,621.88	897,621.88	1,380,243.75
02/01/24	–	471,209.38	471,209.38	–
08/01/24	465,000.00	471,209.38	936,209.38	1,407,418.75
02/01/25	–	459,003.13	459,003.13	–
08/01/25	525,000.00	459,003.13	984,003.13	1,443,006.25
02/01/26	–	448,503.13	448,503.13	–
08/01/26	580,000.00	448,503.13	1,028,503.13	1,477,006.25
02/01/27	–	439,803.13	439,803.13	–
08/01/27	645,000.00	439,803.13	1,084,803.13	1,524,606.25
02/01/28	–	429,725.00	429,725.00	–
08/01/28	715,000.00	429,725.00	1,144,725.00	1,574,450.00
02/01/29	–	418,106.25	418,106.25	–
08/01/29	795,000.00	418,106.25	1,213,106.25	1,631,212.50
02/01/30	–	404,193.75	404,193.75	–
08/01/30	880,000.00	404,193.75	1,284,193.75	1,688,387.50
02/01/31	–	388,353.75	388,353.75	–
08/01/31	970,000.00	388,353.75	1,358,353.75	1,746,707.50
02/01/32	–	370,893.75	370,893.75	–
08/01/32	1,070,000.00	370,893.75	1,440,893.75	1,811,787.50
02/01/33	–	351,500.00	351,500.00	–
08/01/33	1,175,000.00	351,500.00	1,526,500.00	1,878,000.00
02/01/34	–	328,000.00	328,000.00	–
08/01/34	1,280,000.00	328,000.00	1,608,000.00	1,936,000.00
02/01/35	–	302,400.00	302,400.00	–
08/01/35	1,400,000.00	302,400.00	1,702,400.00	2,004,800.00
02/01/36	–	274,400.00	274,400.00	–
08/01/36	1,525,000.00	274,400.00	1,799,400.00	2,073,800.00
02/01/37	–	243,900.00	243,900.00	–
08/01/37	1,655,000.00	243,900.00	1,898,900.00	2,142,800.00
02/01/38	–	210,800.00	210,800.00	–
08/01/38	1,795,000.00	210,800.00	2,005,800.00	2,216,600.00
02/01/39	–	174,900.00	174,900.00	–
08/01/39	1,940,000.00	174,900.00	2,114,900.00	2,289,800.00
02/01/40	–	136,100.00	136,100.00	–
08/01/40	2,100,000.00	136,100.00	2,236,100.00	2,372,200.00
02/01/41	–	94,100.00	94,100.00	–
08/01/41	2,265,000.00	94,100.00	2,359,100.00	2,453,200.00
02/01/42	–	48,800.00	48,800.00	–
08/01/42	2,440,000.00	48,800.00	2,488,800.00	2,537,600.00

EXHIBIT B

DEBT SERVICE SCHEDULE OF THE 2015 REFUNDING BONDS

Date	Principal	Interest	Period Total	Annual Total
02/01/17	–	$566,712.50	$566,712.50	–
08/01/17	$ 310,000	566,712.50	876,712.50	$1,443,425.00
02/01/18	–	562,062.50	562,062.50	–
08/01/18	370,000	562,062.50	932,062.50	1,494,125.00
02/01/19	–	554,662.50	554,662.50	–
08/01/19	435,000	554,662.50	989,662.50	1,544,325.00
02/01/20	–	545,962.50	545,962.50	–
08/01/20	510,000	545,962.50	1,055,962.50	1,601,925.00
02/01/21	–	535,762.50	535,762.50	–
08/01/21	585,000	535,762.50	1,120,762.50	1,656,525.00
02/01/22	–	521,137.50	521,137.50	–
08/01/22	670,000	521,137.50	1,191,137.50	1,712,275.00
02/01/23	–	504,387.50	504,387.50	–
08/01/23	765,000	504,387.50	1,269,387.50	1,773,775.00
02/01/24	–	485,262.50	485,262.50	–
08/01/24	865,000	485,262.50	1,350,262.50	1,835,525.00
02/01/25	–	463,637.50	463,637.50	–
08/01/25	975,000	463,637.50	1,438,637.50	1,902,275.00
02/01/26	–	439,262.50	439,262.50	–
08/01/26	1,090,000	439,262.50	1,529,262.50	1,968,525.00
02/01/27	–	412,012.50	412,012.50	–
08/01/27	1,210,000	412,012.50	1,622,012.50	2,034,025.00
02/01/28	–	381,762.50	381,762.50	–
08/01/28	1,345,000	381,762.50	1,726,762.50	2,108,525.00
02/01/29	–	361,587.50	361,587.50	–
08/01/29	1,465,000	361,587.50	1,826,587.50	2,188,175.00
02/01/30	–	337,781.25	337,781.25	–
08/01/30	1,590,000	337,781.25	1,927,781.25	2,265,562.50
02/01/31	–	312,937.50	312,937.50	–
08/01/31	1,720,000	312,937.50	2,032,937.50	2,345,875.00
02/01/32	–	284,987.50	284,987.50	–
08/01/32	1,865,000	284,987.50	2,149,987.50	2,434,975.00
02/01/33	–	254,681.25	254,681.25	–
08/01/33	2,010,000	254,681.25	2,264,681.25	2,519,362.50
02/01/34	–	220,762.50	220,762.50	–
08/01/34	2,170,000	220,762.50	2,390,762.50	2,611,525.00
02/01/35	–	182,787.50	182,787.50	–
08/01/35	2,335,000	182,787.50	2,517,787.50	2,700,575.00
02/01/36	–	141,925.00	141,925.00	–
08/01/36	2,515,000	141,925.00	2,656,925.00	2,798,850.00
02/01/37	–	97,912.50	97,912.50	–
08/01/37	2,700,000	97,912.50	2,797,912.50	2,895,825.00
02/01/38	–	50,662.50	50,662.50	–
08/01/38	2,895,000	50,662.50	2,945,662.50	2,996,325.00

EXHIBIT C

DEBT SERVICE SCHEDULE OF THE 2016 REFUNDING BONDS

Date	Principal	Interest	Period Total	Annual Total
02/01/17	–	$774,478.13	$ 774,478.13	–
08/01/17	$ 530,000	774,478.13	1,304,478.13	$2,078,956.25
02/01/18	–	769,178.13	769,178.13	–
08/01/18	600,000	769,178.13	1,369,178.13	2,138,356.25
02/01/19	–	763,178.13	763,178.13	–
08/01/19	675,000	763,178.13	1,438,178.13	2,201,356.25
02/01/20	–	756,428.13	756,428.13	–
08/01/20	755,000	756,428.13	1,511,428.13	2,267,856.25
02/01/21	–	745,103.13	745,103.13	–
08/01/21	840,000	745,103.13	1,585,103.13	2,330,206.25
02/01/22	–	732,503.13	732,503.13	–
08/01/22	935,000	732,503.13	1,667,503.13	2,400,006.25
02/01/23	–	713,803.13	713,803.13	–
08/01/23	1,040,000	713,803.13	1,753,803.13	2,467,606.25
02/01/24	–	699,503.13	699,503.13	–
08/01/24	1,140,000	699,503.13	1,839,503.13	2,539,006.25
02/01/25	–	671,003.13	671,003.13	–
08/01/25	1,260,000	671,003.13	1,931,003.13	2,602,006.25
02/01/26	–	639,503.13	639,503.13	–
08/01/26	1,385,000	639,503.13	2,024,503.13	2,664,006.25
02/01/27	–	604,878.13	604,878.13	–
08/01/27	1,515,000	604,878.13	2,119,878.13	2,724,756.25
02/01/28	–	567,003.13	567,003.13	–
08/01/28	1,655,000	567,003.13	2,222,003.13	2,789,006.25
02/01/29	–	525,628.13	525,628.13	–
08/01/29	1,815,000	525,628.13	2,340,628.13	2,866,256.25
02/01/30	–	480,253.13	480,253.13	–
08/01/30	1,985,000	480,253.13	2,465,253.13	2,945,506.25
02/01/31	–	430,628.13	430,628.13	–
08/01/31	2,165,000	430,628.13	2,595,628.13	3,026,256.25
02/01/32	–	398,153.13	398,153.13	–
08/01/32	2,295,000	398,153.13	2,693,153.13	3,091,306.25
02/01/33	–	363,728.13	363,728.13	–
08/01/33	2,435,000	363,728.13	2,798,728.13	3,162,456.25
02/01/34	–	327,203.13	327,203.13	–
08/01/34	2,580,000	327,203.13	2,907,203.13	3,234,406.25
02/01/35	–	288,503.13	288,503.13	–
08/01/35	2,725,000	288,503.13	3,013,503.13	3,302,006.25
02/01/36	–	247,628.13	247,628.13	–
08/01/36	2,880,000	247,628.13	3,127,628.13	3,375,256.25
02/01/37	–	204,428.13	204,428.13	–
08/01/37	3,055,000	204,428.13	3,259,428.13	3,463,856.25
02/01/38	–	158,603.13	158,603.13	–
08/01/38	3,235,000	158,603.13	3,393,603.13	3,552,206.25
02/01/39	–	110,078.13	110,078.13	–
08/01/39	3,420,000	110,078.13	3,530,078.13	3,640,156.25
02/01/40	–	56,640.63	56,640.63	–
08/01/40	3,625,000	56,640.63	3,681,640.63	3,738,281.25

EXHIBIT D

DEBT SERVICE SCHEDULE OF ALL BONDS

Date	Series C Bonds	2015 Refunding Bonds	2016 Refunding Bonds	Period Total	Annual Total
02/01/17	$ 522,909.38	$ 566,712.50	$ 774,478.13	$ 1,864,100.01	–
08/01/17	657,909.38	876,712.50	1,304,478.13	2,839,100.01	$4,703,200.02
02/01/18	519,196.88	562,062.50	769,178.13	1,850,437.51	–
08/01/18	694,196.88	932,062.50	1,369,178.13	2,995,437.51	4,845,875.02
02/01/19	514,384.38	554,662.50	763,178.13	1,832,225.01	–
08/01/19	734,384.38	989,662.50	1,438,178.13	3,162,225.01	4,994,450.02
02/01/20	508,334.38	545,962.50	756,428.13	1,810,725.01	–
08/01/20	773,334.38	1,055,962.50	1,511,428.13	3,340,725.01	5,151,450.02
02/01/21	501,046.88	535,762.50	745,103.13	1,781,912.51	–
08/01/21	811,046.88	1,120,762.50	1,585,103.13	3,516,912.51	5,298,825.02
02/01/22	492,521.88	521,137.50	732,503.13	1,746,162.51	–
08/01/22	852,521.88	1,191,137.50	1,667,503.13	3,711,162.51	5,457,325.02
02/01/23	482,621.88	504,387.50	713,803.13	1,700,812.51	–
08/01/23	897,621.88	1,269,387.50	1,753,803.13	3,920,812.51	5,621,625.02
02/01/24	471,209.38	485,262.50	699,503.13	1,655,975.01	–
08/01/24	936,209.38	1,350,262.50	1,839,503.13	4,125,975.01	5,781,950.02
02/01/25	459,003.13	463,637.50	671,003.13	1,593,643.76	–
08/01/25	984,003.13	1,438,637.50	1,931,003.13	4,353,643.76	5,947,287.52
02/01/26	448,503.13	439,262.50	639,503.13	1,527,268.76	–
08/01/26	1,028,503.13	1,529,262.50	2,024,503.13	4,582,268.76	6,109,537.52
02/01/27	439,803.13	412,012.50	604,878.13	1,456,693.76	–
08/01/27	1,084,803.13	1,622,012.50	2,119,878.13	4,826,693.76	6,283,387.52
02/01/28	429,725.00	381,762.50	567,003.13	1,378,490.63	–
08/01/28	1,144,725.00	1,726,762.50	2,222,003.13	5,093,490.63	6,471,981.26
02/01/29	418,106.25	361,587.50	525,628.13	1,305,321.88	–
08/01/29	1,213,106.25	1,826,587.50	2,340,628.13	5,380,321.88	6,685,643.76
02/01/30	404,193.75	337,781.25	480,253.13	1,222,228.13	–
08/01/30	1,284,193.75	1,927,781.25	2,465,253.13	5,677,228.13	6,899,456.26
02/01/31	388,353.75	312,937.50	430,628.13	1,131,919.38	–
08/01/31	1,358,353.75	2,032,937.50	2,595,628.13	5,986,919.38	7,118,838.76
02/01/32	370,893.75	284,987.50	398,153.13	1,054,034.38	–
08/01/32	1,440,893.75	2,149,987.50	2,693,153.13	6,284,034.38	7,338,068.76
02/01/33	351,500.00	254,681.25	363,728.13	969,909.38	–
08/01/33	1,526,500.00	2,264,681.25	2,798,728.13	6,589,909.38	7,559,818.76
02/01/34	328,000.00	220,762.50	327,203.13	875,965.63	–
08/01/34	1,608,000.00	2,390,762.50	2,907,203.13	6,905,965.63	7,781,931.26
02/01/35	302,400.00	182,787.50	288,503.13	773,690.63	–
08/01/35	1,702,400.00	2,517,787.50	3,013,503.13	7,233,690.63	8,007,381.26
02/01/36	274,400.00	141,925.00	247,628.13	663,953.13	–
08/01/36	1,799,400.00	2,656,925.00	3,127,628.13	7,583,953.13	8,247,906.26
02/01/37	243,900.00	97,912.50	204,428.13	546,240.63	–
08/01/37	1,898,900.00	2,797,912.50	3,259,428.13	7,956,240.63	8,502,481.26
02/01/38	210,800.00	50,662.50	158,603.13	420,065.63	–
08/01/38	2,005,800.00	2,945,662.50	3,393,603.13	8,345,065.63	8,765,131.26
02/01/39	174,900.00	–	110,078.13	284,978.13	–
08/01/39	2,114,900.00	–	3,530,078.13	5,644,978.13	5,929,956.26
02/01/40	136,100.00	–	56,640.63	192,740.63	–
08/01/40	2,236,100.00	–	3,681,640.63	5,917,740.63	6,110,481.26
02/01/41	94,100.00	–	–	94,100.00	–
08/01/41	2,359,100.00	–	–	2,359,100.00	2,453,200.00
02/01/42	48,800.00	–	–	48,800.00	–
08/01/42	2,488,800.00	–	–	2,488,800.00	2,537,600.00

MEMORANDUM

TO: Board and Board Finance Committee

FROM: Crystal Betts, Chief Financial Officer

SUBJECT: FY 2018 Rate Increase Recommendation effective 8/1/17

DATE: July 20, 2017

BACKGROUND:

During the annual budget process, an analysis is conducted regarding hospital charges to determine if any rate increases are necessary. Factors reviewed during this analysis are as follows: 1) inflationary factors regarding labor, purchased services, and supply costs, 2) potential decreases in reimbursement, 3) cash flow requirements for capital investment, and 4) cash flow requirements for start-up of new service lines and/or programs. Benchmark data is also used to gauge how the hospital industry has positioned itself in regards to charges for cost coverage and future growth. Chargemaster data from the Office of Statewide Health Planning and Development (OSHPD) website is the primary source for the benchmark data. The data on this website is one year old (06/01/2016).

The analysis and any recommendation for rate increases is usually presented to the Board of Directors during the annual budget presentation, generally at a Board Meeting in June. Any recommended rate increases are usually effective August 1st following the June meeting.

Due to numerous unforeseen circumstances during 2017, we are unable to keep to the timeline for budget presentation in June 2017, and are presently targeting September 2017. However, in order to remain on track with our customary rate implementation date of August 1st, analysis was conducted to determine if a rate increase would be necessary for the 2018 fiscal year budget.

Based upon the following factors, it appears a 5% rate increase (in aggregate) would be necessary:

1) Wage increases for staff, in accordance with the bargaining unit agreements, are a minimum of 2% and as high as 16%, and are effective 7/1/17.

2) We continue to see a rise in our Medi-Cal payor mix, which tends to be our lowest reimbursement rate. Due to the uncertainty surrounding the repeal/replacement of the Affordable Care Act, there is the potential of seeing a significant shift in our payor mix towards more self-pay, which usually leads to increased charity care and bad debt and no reimbursement.

3) Inflation estimates for products within each service line, per the Premier Economic Outlook portfolio dated 4/1/17, reflect increases ranging from 0-6.7%. These increases by service line are as follows: Cardiovascular Services 0%, Clinical Laboratory Services 2.8%, Facilities 3.8%, Imaging 5.6%, IT/Telecommunications 2.6%, Materials Management 3.3%, Nursing 2.9%, Pharmacy 4.69%, Purchased Services 6.7%, and Surgical Services 3.5%.

4) The 2018 Capital Budget has been compiled. Items identified as mission critical are totaling approximately $22 million.

5) Many programs and services continue to be developed within the health system that require investment: Physician services, palliative care, care coordination, patient navigation, etc.

RECOMMENDATION:

Based on the analysis, it is recommended that the Board of Directors approve a 5%, in aggregate, rate increase, effective 8/1/17. This rate increase is to our gross charges, and should generate an approximate 2.8% in net revenue.

TAHOE FOREST HOSPITAL DISTRICT
CHARGE COMPARISON
HOSPITAL TO HOSPITAL WITH OUTPATIENT LOWER TIERED PRICING

		Note Reference	CPT Code	Current TFHD	5% Proposed Rate Increase Effective 8/1/17 TFHD	Percentile Ranking	Inclusive of TFHD Average	Inclusive of TFHD Median	CALIFORNIA: Barton Memorial	CALIFORNIA: Sutter Auburn Faith	CALIFORNIA: Marshall Medical	CALIFORNIA: Dignity Sierra Nevada	NEVADA: Renown	NEVADA: Prime St. Mary's Regional	6 Hospital Average	6 Hospital Median	6 Hospital Average % Var.	6 Hospital Median % Var.
Emergency Room	Visit - Level 1	(A)	99281	$ 351	$ 369	50%	$ 418	$ 351	$ 425	$ 334	$ 706	$ 449	$ 323	$ 321	$ 426	$ 380	-13.6%	-2.9%
	Visit - Level 2	(A) (B)	99282	$ 595	$ 625	0%	$ 818	$ 775	$ 884	$ 833	$ 1,119	$ 893	$ 717	$ 654	$ 850	$ 858	-26.5%	-27.2%
	Visit - Level 3	(A) (B)	99283	$ 909	$ 954	17%	$ 1,311	$ 1,177	$ 1,239	$ 1,545	$ 1,985	$ 1,451	$ 1,114	$ 889	$ 1,371	$ 1,345	-30.4%	-29.0%
	Visit - Level 4	(A) (B)	99284	$ 1,469	$ 1,542	17%	$ 2,204	$ 2,170	$ 2,555	$ 2,691	$ 2,785	$ 2,900	$ 1,785	$ 1,166	$ 2,314	$ 2,623	-33.3%	-41.2%
	Visit - Level 5	(A)	99285	$ 2,377	$ 2,496	17%	$ 3,267	$ 3,220	$ 3,684	$ 3,939	$ 3,900	$ 4,460	$ 2,755	$ 1,636	$ 3,396	$ 3,792	-26.5%	-34.2%
Laboratory	Basic Metabolic Panel	(B)	80048	$ 102	$ 107	17%	$ 201	$ 141	$ 309	$ 170	$ 112	$ 64	$ 203	$ 439	$ 216	$ 186	-50.4%	-42.5%
	Blood Gas Analysis, including O_2 saturation	(B)	82805	$ 218	$ 229	50%	$ 280	$ 158	N/A	$ 524	$ 88	N/A	N/A	N/A	$ 306	$ 306	-25.2%	-25.2%
	Complete Blood Count, automated	(B)	85027	$ 72	$ 76	33%	$ 107	$ 89	$ 210	$ 119	$ 55	$ 41	$ 102	$ 144	$ 112	$ 110	-32.4%	-31.5%
	Complete Blood Count, with differential WBC, automated	(B)	85025	$ 92	$ 97	33%	$ 134	$ 109	$ 275	$ 122	$ 63	$ 43	$ 127	$ 213	$ 141	$ 125	-31.3%	-22.5%
	Comprehensive Metabolic Panel	(B)	80053	$ 126	$ 132	17%	$ 218	$ 190	$ 293	$ 198	$ 181	$ 66	$ 221	$ 435	$ 232	$ 210	-43.1%	-36.9%
	Cratine Kinase (CK), (CPK), Total	(B)	82550	$ 84	$ 88	33%	$ 114	$ 96	$ 231	$ 130	$ 68	$ 47	$ 131	$ 104	$ 119	$ 117	-25.6%	-24.7%
	Lipid Panel	(B)	80061	$ 159	$ 167	50%	$ 171	$ 153	$ 231	$ 224	$ 124	$ 86	$ 139	$ 223	$ 171	$ 181	-2.5%	-7.9%
	Partial Thromboplastin Time	(B)	85730	$ 78	$ 82	33%	$ 138	$ 114	$ 214	$ 162	$ 64	$ 64	$ 147	$ 234	$ 148	$ 154	-44.5%	-47.0%
	Prothrombin Time	(B)	85610	$ 51	$ 54	17%	$ 83	$ 59	$ 113	$ 77	$ 55	$ 49	$ 62	$ 173	$ 88	$ 70	-39.3%	-23.0%
	Thyroid Stimulating Hormone (TSH)	(B)	84443	$ 200	$ 210	67%	$ 183	$ 189	$ 234	$ 185	$ 136	$ 102	$ 193	$ 224	$ 179	$ 189	17.4%	11.0%
	Troponin, Quantitative	(B)	84484	$ 183	$ 192	33%	$ 236	$ 222	$ 345	$ 252	$ 149	$ 79	$ 268	$ 367	$ 243	$ 260	-21.0%	-26.1%
	Urinalysis, without microscopy	(B)	81002-81003	$ 32	$ 34	33%	$ 47	$ 36	$ 67	$ 52	$ 29	$ 38	$ 74	$ 32	$ 49	$ 45	-31.0%	-25.3%
	Urinalysis, with microscopy	(B)	81000-81001	$ 39	$ 41	20%	$ 55	$ 43	N/A	$ 66	$ 43	$ 35	$ 101	$ 46	$ 58	$ 46	-29.7%	-11.0%
Diagnostic Imaging	Xray - Chest two views	(B)	71020	$ 318	$ 334	17%	$ 406	$ 367	$ 546	$ 368	$ 247	$ 538	$ 440	$ 366	$ 418	$ 404	-20.0%	-17.4%
	Xray - Lower Back - four views	(B)	72110	$ 579	$ 608	0%	$ 925	$ 838	$ 954	$ 663	$ 1,286	$ 1,217	$ 722	$ 1,023	$ 977	$ 989	-37.8%	-38.5%
	MRI - Head or Brain without contrast followed by contrast	(B)	70553	$ 3,858	$ 4,051	17%	$ 4,778	$ 4,660	$ 5,450	$ 5,466	$ 5,779	$ 3,378	$ 4,476	$ 4,844	$ 4,899	$ 5,147	-17.3%	-21.3%
	Mammography - Screening, Bilateral	(B)	77057	$ 290	$ 305	0%	$ 441	$ 407	$ 477	$ 336	$ 485	$ 602	N/A	N/A	$ 475	$ 481	-35.9%	-36.7%
	US - OB, 14 weeks or more, transabdominal	(B)	76805	$ 730	$ 767	17%	$ 937	$ 962	$ 1,108	$ 1,042	$ 902	$ 698	$ 1,022	$ 1,022	$ 966	$ 1,022	-20.6%	-25.0%
	US - Abdomen complete	(B)	76700	$ 730	$ 767	0%	$ 1,315	$ 1,255	$ 1,830	$ 1,335	$ 1,435	$ 1,590	$ 1,175	$ 1,076	$ 1,407	$ 1,385	-45.5%	-44.7%
	CT Scan - Pelvis, with contrast	(B)	72193	$ 2,228	$ 2,339	17%	$ 2,977	$ 2,732	$ 4,012	$ 3,361	$ 3,690	$ 1,971	$ 2,865	$ 2,598	$ 3,083	$ 3,113	-24.1%	-24.9%
	CT Scan - Head or Brain without contrast	(B)	70450	$ 1,464	$ 1,537	17%	$ 2,352	$ 2,390	$ 3,108	$ 2,709	$ 2,964	$ 1,363	$ 2,304	$ 2,476	$ 2,487	$ 2,593	-38.2%	-40.7%
	CT Scan - Abdomen with contrast	(B)	74160	$ 2,228	$ 2,339	17%	$ 3,160	$ 2,879	$ 4,454	$ 3,369	$ 4,233	$ 1,971	$ 3,023	$ 2,734	$ 3,297	$ 3,196	-29.1%	-26.8%
Room Rates	Intensive Care Unit			$ 6,823	$ 7,164	40%	$ 8,176	$ 7,164	$ 9,104	$ 10,771	$ 9,184	$ 6,645	N/A	$ 6,188	$ 8,378	$ 9,104	-14.5%	-21.3%
	Medical/Surgical Unit - Private			$ 2,996	$ 3,146	20%	$ 3,698	$ 3,507	$ 3,955	$ 4,435	$ 4,200	$ 2,944	N/A	$ 3,507	$ 3,808	$ 3,955	-17.4%	-20.5%
	Nursery Unit			$ 938	$ 985	0%	$ 1,957	$ 1,373	$ 1,195	N/A	$ 3,570	$ 2,487	N/A	$ 1,550	$ 2,201	$ 2,019	-55.2%	-51.2%
	Skilled Nursing Facility			$ 490	$ 515	0%	$ 1,389	$ 593	N/A	$ 2,981	N/A	$ 672	N/A	N/A	$ 1,827	$ 1,827	-71.8%	-71.8%
	Average of all 25 common outpatient procedures noted by (B) above			$ 673	$ 707	0%	$ 972	$ 933	$ 1,267	$ 1,040	$ 1,123	$ 804	$ 931	$ 934	$ 1,016	$ 987	-30.4%	-28.4%
										(C) (D)	(C) (D)							

Note Reference:

(A) Level 1 - low severity - example a toothache with treatment other than a prescription, Plan B Rx.
Level 2 - low to moderate severity - minor illness with no lab or x-ray other than a simple strep screen or UTI, abrasions, small cuts with no suturing
Level 3 - moderate severity - labs, x-rays, medications simple lacerations with sutures, simple asthma that resolves, sprains
Level 4 - moderate to high severity - IV's for hydration, IV medications, splinting of fractures that are straight forward, simple chest pain, asthma that needs repeated breathing treatment or medications
Level 5 - high severity - traumas, transfers, GI bleeds, overdoses, sedation for fracture reductions

(B) Charge is listed in the 25 most common outpatient procedures performed in a hospital per the OSHPD web site listed below under Source.

(C) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Laboratory reflects the Outpatient pricing.

(D) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Diagnostic Imaging reflects the Outpatient pricing.

Charge is lower than TFHD
Charge is higher than TFHD

TFHDs percentile ranking is lower than the 50th
TFHDs percentile ranking is higher than the 50th

Source: California Hospitals - Office of Statewide Health Planning and Development (OSHPD) Healthcare Information Division - Annual Financial Data - Hospital Chargemasters (http://www.oshpd.ca.gov/Chargemaster), charges effective 6/1/2016.
Nevada Hospitals - MedAssets, 2014 data
Charges for Tahoe Forest Hospital District are as of today.

Definitions: Median - is the middle value in a list ordered from smallest to largest.
N/A - Not Applicable or Not Available

TAHOE FOREST HOSPITAL DISTRICT (TFHD)
CHARGE COMPARISON
HOSPITAL INPATIENT PRICING AND TIERED OUTPATIENT PRICING

								CALIFORNIA								NEVADA					
		Note Reference	CPT Code	Current TFHD	5% Proposed Rate Increase Effective 8/1/17 TFHD	Percentile Ranking	Inclusive of TFHD Average	Inclusive of TFHD Median	Barton Memorial	Sutter Auburn Faith	Marshall Medical	Banner Lassen Medical	Mammoth Hospital	Dignity Sierra Nevada	Plumas District	Eastern Plumas	Renown	Prime St. Mary's Regional	Northern Nevada	11 Hospital Average	11 Hospital Median	11 Hospital Average % Var.	11 Hospital Median % Var.
Emergency Room	Visit - Level 1	(A)	99281	$ 351	$ 369	73%	$ 328	$ 322	$ 425	$ 334	$ 706	$ 277	$ 158	$ 449	$ 220	$ 182	$ 323	$ 321	$ 176	$ 325	$ 321	13.5%	14.8%
	Visit - Level 2	(A) (B)	99282	$ 595	$ 625	45%	$ 617	$ 639	$ 884	$ 833	$ 1,119	$ 444	$ 226	$ 893	$ 347	$ 345	$ 717	$ 654	$ 314	$ 616	$ 654	1.4%	-4.5%
	Visit - Level 3	(A) (B)	99283	$ 909	$ 954	55%	$ 1,011	$ 922	$ 1,239	$ 1,545	$ 1,985	$ 776	$ 414	$ 1,451	$ 577	$ 524	$ 1,114	$ 889	$ 664	$ 1,016	$ 889	-6.1%	7.4%
	Visit - Level 4	(A) (B)	99284	$ 1,469	$ 1,542	55%	$ 1,706	$ 1,492	$ 2,555	$ 2,691	$ 2,785	$ 1,442	$ 958	$ 2,900	$ 867	$ 773	$ 1,785	$ 1,166	$ 1,004	$ 1,721	$ 1,442	-10.4%	7.0%
	Visit - Level 5	(A)	99285	$ 2,377	$ 2,496	55%	$ 2,569	$ 2,357	$ 3,684	$ 3,939	$ 3,900	$ 2,218	$ 1,442	$ 4,460	$ 1,278	$ 1,013	$ 2,755	$ 1,636	$ 2,013	$ 2,576	$ 2,218	-3.1%	12.5%
Laboratory	Basic Metabolic Panel	(B)	80048	$ 102	$ 107	27%	$ 172	$ 134	$ 309	$ 170	$ 112	$ 122	$ 92	$ 64	$ 146	$ 97	$ 203	$ 439	$ 208	$ 178	$ 146	-40.0%	-26.6%
	Blood Gas Analysis, including O_2 saturation	(B)	82805	$ 218	$ 229	50%	$ 315	$ 229	N/A	$ 524	$ 88	$ 256	$ 695	N/A	$ 189	$ 225	N/A	N/A	N/A	$ 330	$ 241	-30.5%	-4.9%
	Complete Blood Count, automated	(B)	85027	$ 72	$ 76	36%	$ 98	$ 99	$ 210	$ 119	$ 55	$ 104	$ 52	$ 41	$ 96	$ 74	$ 102	$ 144	$ 102	$ 100	$ 102	-24.3%	-25.6%
	Complete Blood Count, with differential WBC, automated	(B)	85025	$ 92	$ 97	27%	$ 125	$ 125	$ 275	$ 122	$ 63	$ 108	$ 47	$ 43	$ 139	$ 137	$ 127	$ 213	$ 132	$ 128	$ 127	-24.5%	-24.1%
	Comprehensive Metabolic Panel	(B)	80053	$ 126	$ 132	36%	$ 187	$ 176	$ 293	$ 198	$ 181	$ 107	$ 81	$ 66	$ 170	$ 123	$ 221	$ 435	$ 231	$ 191	$ 181	-30.9%	-26.9%
	Cratine Kinase (CK), (CPK), Total	(B)	82550	$ 84	$ 88	27%	$ 116	$ 110	$ 231	$ 130	$ 68	$ 172	$ 109	$ 47	$ 111	$ 74	$ 131	$ 104	$ 124	$ 118	$ 111	-25.4%	-20.5%
	Lipid Panel	(B)	80061	$ 159	$ 167	73%	$ 156	$ 152	$ 231	$ 224	$ 124	$ 110	$ 96	$ 86	$ 164	$ 157	$ 139	$ 223	$ 146	$ 155	$ 146	8.0%	14.2%
	Partial Thromboplastin Time	(B)	85730	$ 78	$ 82	36%	$ 131	$ 142	$ 214	$ 162	$ 64	$ 180	$ 71	$ 64	$ 138	$ 72	$ 147	$ 234	$ 147	$ 136	$ 147	-39.7%	-44.2%
	Prothrombin Time	(B)	85610	$ 51	$ 54	9%	$ 81	$ 70	$ 113	$ 77	$ 55	$ 57	$ 71	$ 49	$ 105	$ 86	$ 62	$ 173	$ 70	$ 83	$ 71	-35.8%	-24.6%
	Thyroid Stimulating Hormone (TSH)	(B)	84443	$ 200	$ 210	82%	$ 172	$ 192	$ 234	$ 185	$ 136	$ 118	$ 77	$ 102	$ 190	$ 195	$ 193	$ 224	$ 196	$ 168	$ 190	24.9%	10.5%
	Troponin, Quantitative	(B)	84484	$ 183	$ 192	45%	$ 209	$ 195	$ 345	$ 252	$ 149	$ 162	$ 109	$ 79	$ 198	$ 115	$ 268	$ 367	$ 274	$ 211	$ 198	-8.8%	-3.0%
	Urinalysis, without microscopy	(B)	81002-81003	$ 32	$ 34	18%	$ 59	$ 53	$ 67	$ 52	$ 29	$ 68	$ 44	$ 38	$ 53	$ 68	$ 74	$ 32	$ 154	$ 62	$ 53	-45.5%	-36.6%
	Urinalysis, with microscopy	(B)	81000-81001	$ 39	$ 41	10%	$ 66	$ 66	N/A	$ 66	$ 43	$ 90	$ 76	$ 35	$ 105	$ 82	$ 101	$ 46	$ 45	$ 69	$ 71	-40.6%	-42.3%
Diagnostic Imaging	Xray - Chest two views	(B)	71020	$ 318	$ 334	27%	$ 394	$ 367	$ 546	$ 368	$ 247	$ 405	$ 357	$ 538	$ 239	$ 306	$ 440	$ 366	$ 582	$ 399	$ 368	-16.4%	-9.3%
	Xray - Lower Back - four views	(B)	72110	$ 579	$ 608	27%	$ 803	$ 710	$ 954	$ 663	$ 1,286	$ 699	$ 529	$ 1,217	$ 457	$ 443	$ 722	$ 1,023	$ 1,040	$ 821	$ 722	-26.0%	-15.8%
	MRI - Head or Brain without contrast followed by contrast	(B)	70553	$ 3,858	$ 4,051	45%	$ 4,179	$ 4,263	$ 5,450	$ 5,466	$ 5,779	$ 2,535	$ 3,148	$ 3,378	$ 3,332	$ 1,863	$ 4,476	$ 4,844	$ 5,832	$ 4,191	$ 4,476	-3.3%	-9.5%
	Mammography - Screening, Bilateral	(B)	77057	$ 290	$ 305	25%	$ 367	$ 342	$ 477	$ 336	$ 485	$ 277	$ 115	$ 602	$ 363	$ 342	N/A	N/A	N/A	$ 375	$ 353	-18.7%	-13.6%
	US - OB, 14 weeks or more, transabdominal	(B)	76805	$ 730	$ 767	27%	$ 888	$ 900	$ 1,108	$ 1,042	$ 902	$ 898	$ 799	$ 698	$ 478	$ 699	$ 1,022	$ 1,022	$ 1,218	$ 899	$ 902	-14.7%	-15.0%
	US - Abdomen complete	(B)	76700	$ 730	$ 767	27%	$ 1,152	$ 1,126	$ 1,830	$ 1,335	$ 1,435	$ 1,020	$ 732	$ 1,590	$ 600	$ 659	$ 1,175	$ 1,076	$ 1,603	$ 1,187	$ 1,175	-35.4%	-34.8%
	CT Scan - Pelvis, with contrast	(B)	72193	$ 2,228	$ 2,339	36%	$ 2,767	$ 2,730	$ 4,012	$ 3,361	$ 3,690	$ 1,691	$ 2,862	$ 1,971	$ 1,790	$ 2,107	$ 2,865	$ 2,598	$ 3,923	$ 2,806	$ 2,862	-16.6%	-18.3%
	CT Scan - Head or Brain without contrast	(B)	70450	$ 1,464	$ 1,537	36%	$ 2,145	$ 2,214	$ 3,108	$ 2,709	$ 2,964	$ 1,360	$ 2,123	$ 1,363	$ 1,157	$ 1,453	$ 2,304	$ 2,476	$ 3,191	$ 2,201	$ 2,304	-30.1%	-33.3%
	CT Scan - Abdomen with contrast	(B)	74160	$ 2,228	$ 2,339	36%	$ 2,895	$ 2,824	$ 4,454	$ 3,369	$ 4,233	$ 1,830	$ 2,914	$ 1,971	$ 1,568	$ 2,107	$ 3,023	$ 2,734	$ 4,204	$ 2,946	$ 2,914	-20.6%	-19.7%
Room Rates	Intensive Care Unit			$ 6,823	$ 7,164	57%	$ 7,318	$ 6,905	$ 9,104	$ 10,771	$ 9,184	$ 3,216	$ 6,273	$ 6,645	N/A	N/A	N/A	$ 6,188	N/A	$ 7,340	$ 6,645	-2.4%	7.8%
	Medical/Surgical Unit - Private			$ 2,996	$ 3,146	56%	$ 3,146	$ 3,141	$ 3,955	$ 4,435	$ 4,200	$ 1,992	$ 2,576	$ 2,944	$ 1,570	$ 3,136	N/A	$ 3,507	N/A	$ 3,146	$ 3,136	0.0%	0.3%
	Nursery Unit			$ 938	$ 985	29%	$ 1,536	$ 1,138	$ 1,195	N/A	$ 3,570	$ 1,080	$ 942	$ 2,487	$ 478	N/A	N/A	$ 1,550	N/A	$ 1,615	$ 1,195	-39.0%	-17.6%
	Skilled Nursing Facility			$ 490	$ 490	33%	$ 1,123	$ 581	N/A	$ 2,981	N/A	$ 672	N/A	N/A	N/A	$ 350	N/A	N/A	N/A	$ 1,334	$ 672	-63.3%	-27.1%
	Average of all 25 common outpatient procedures noted by (B) above			$ 673	$ 707	36%	$ 854	$ 867	$ 1,267	$ 1,040 (C) (D)	$ 1,123 (C) (D) 2013 Rm Rts	$ 601	$ 672 (C)	$ 804	$ 543	$ 525	$ 931 2014 Data	$ 934	$ 1,105	$ 822	$ 738	-14.0%	-4.2%

Note Reference:

(A) Level 1 - low severity - example a toothache with treatment other than a prescription, Plan B Rx.
Level 2 - low to moderate severity - minor illness with no lab or x-ray other than a simple strep screen or UTI, abrasions, small cuts with no suturing
Level 3 - moderate severity - labs, x-rays, medications simple lacerations with sutures, simple asthma that resolves, sprains
Level 4 - moderate to high severity - IV's for hydration, IV medications, splinting of fractures that are straight forward, simple chest pain, asthma that needs repeated breathing treatment or medications
Level 5 - high severity - traumas, transfers, GI bleeds, overdoses, sedation for fracture reductions

(B) Charge is listed in the 25 most common outpatient procedures performed in a hospital per the OSHPD web site listed below under Source.

(C) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Laboratory reflects the Outpatient pricing.

(D) Facility has different tiered pricing for Inpatient and Outpatient. Pricing for Diagnostic Imaging reflects the Outpatient pricing.

Charge is lower than TFHD
Charge is higher than TFHD

TFHDs percentile ranking is lower than the 50th
TFHDs percentile ranking is higher than the 50th

Source: California Hospitals - Office of Statewide Health Planning and Development (OSHPD) Healthcare Information Division - Annual Financial Data - Hospital Chargemasters (http://www.oshpd.ca.gov/Chargemaster), charges effective 6/1/2016.
Nevada Hospitals - MedAssets, 2014 data
Charges for Tahoe Forest Hospital District are as of today.

Definitions: Median - is the middle value in a list ordered from smallest to largest.
N/A - Not Applicable or Not Available

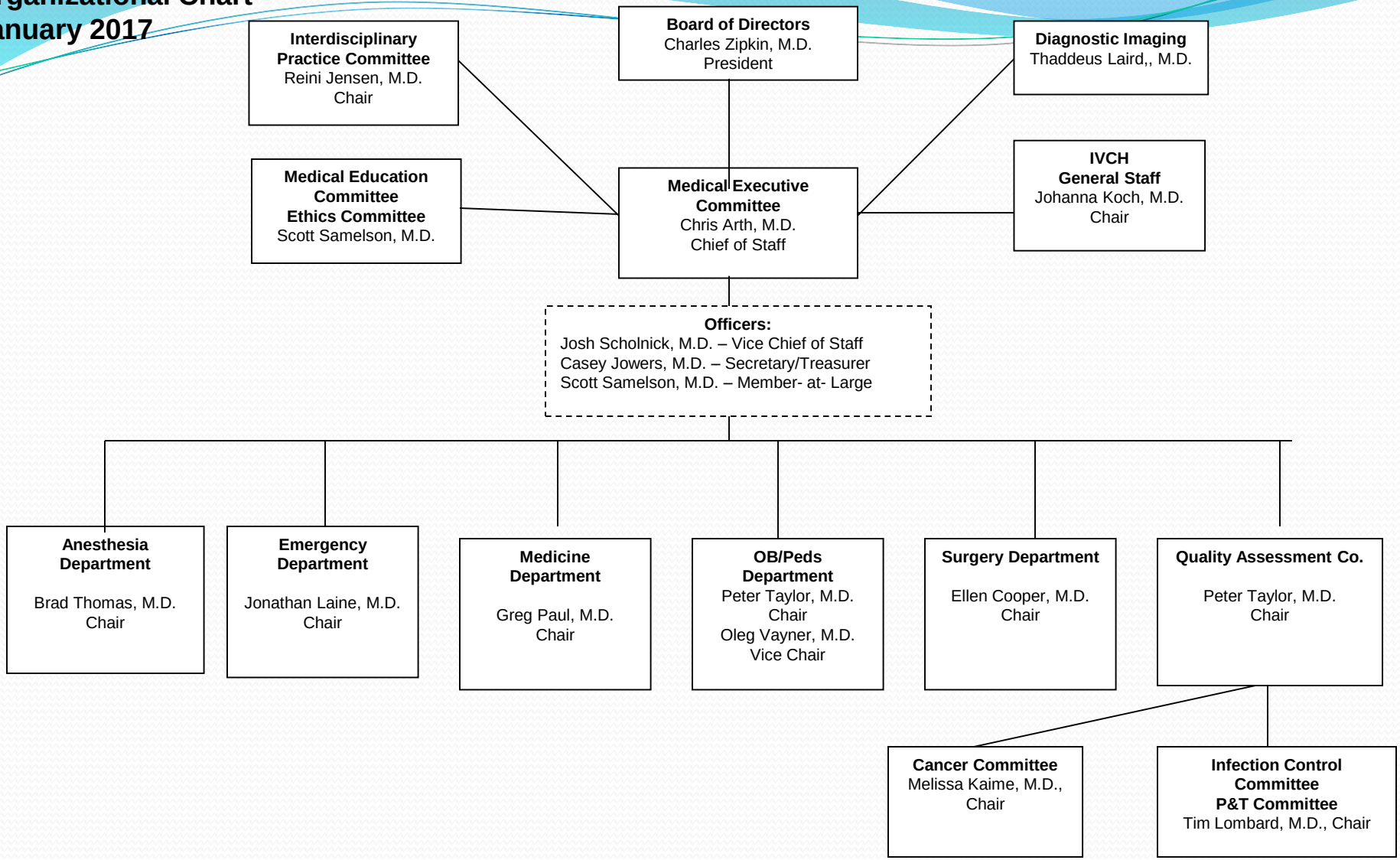
CREDENTIALING PRIVILEGING & PEER REVIEW PROCESS

TAHOE FOREST HOSPITAL SYSTEM

Tahoe Forest Hospital

Incline Village Community Hospital

Tahoe Forest Hospital District Medical Staff Organizational Chart January 2017



Definitions

1) **Credentialing** – a standardized process of inquiry which validates the candidates identity, background, education and training

2) **Privileging** – a standardized process determining the boundaries of each applicant's clinical knowledge, skills, competency, and as granted by the governing board to render specific professional, diagnostic, therapeutic, medical, surgical l, or dental services in a TFHS facility or in connection with its programs

3) **Appointment** – determining whether a candidate will be a member of the medical or staff and if so, in what membership category

Definitions

4) **Peer Evaluation** – Formal documentation received during the initial & re-appt for staff privileges process.

5) **Peer Review** – A participatory process that monitors important aspects of care provided by a hospital's individual practitioners. Results of peer review are used in the medical staff reappointment process as well as for ongoing professional practice evaluation. When the results of peer review indicate a need for performance improvement at the individual and/or aggregate levels, appropriate quality improvement activities are undertaken to ensure that improvement occurs.

6) **Performance Indicator/Measure -** A clearly defined statement describing Information to be collected for purposes of improving processes and outcomes of care.

7) **Quality Assurance -** Systematic monitoring and evaluation of the various aspects of a project or service.

8) **Quality Improvement -** The practice of continuously assessing and adjusting performance using statistically and scientifically accepted procedures.
An ongoing process to measure and improve performance.

9) **QA+QI (OPPE – Ongoing Professional Practice Evaluation) –** A screening tool to evaluate all practitioners who have been granted privileges and to identify those clinicians who might be delivering an unacceptable quality of care. [Note: May also be used to identify those who have no quality of care issues.]

Credentialing's Triple Aim

- Protect the patient
- Facilitate clinical practice
- Support organizational goals

Granting clinical privileges requires:

First , that the requestor is qualified to apply

Second , the requestor has direct or relevant recent Experience (training, experience, judgment)

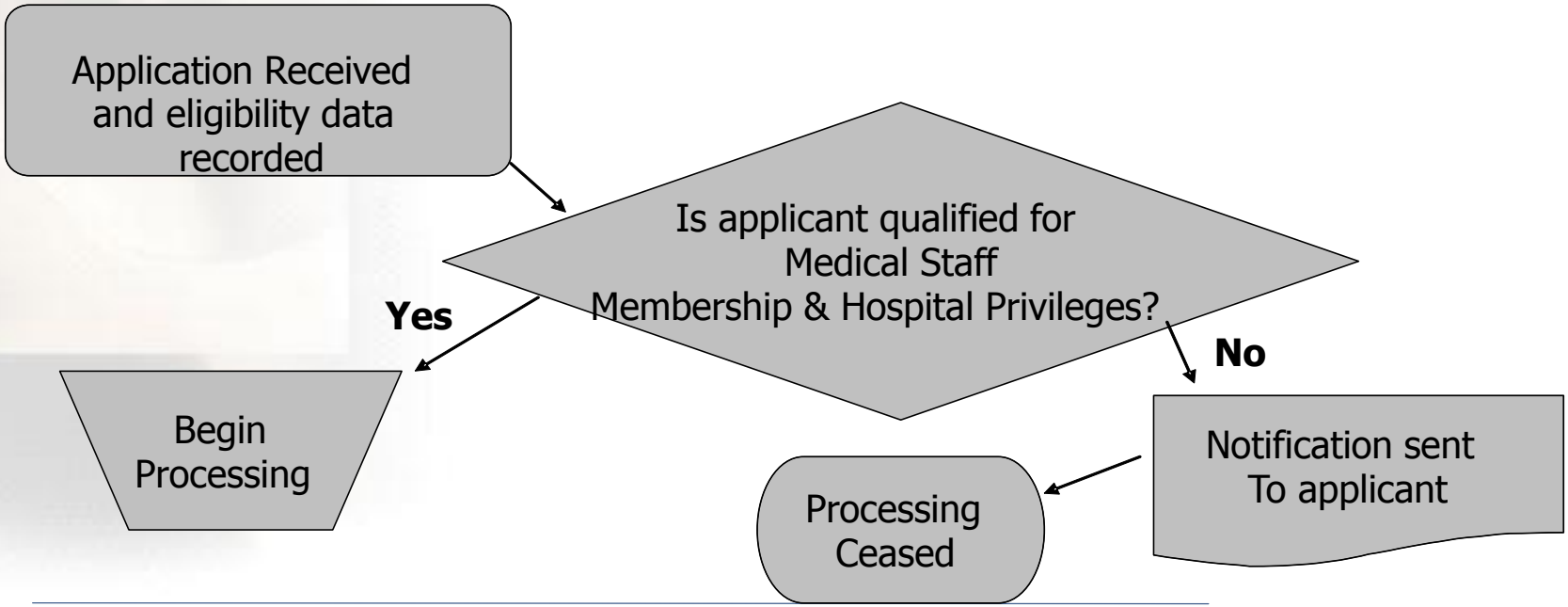
Third , the experience has been of acceptable quality (competency)

Application for Appointment

TAHOE FOREST HEALTH SYSTEM

Step One Qualifications for Membership

"No one is permitted to practice without a ticket"



Privileging – Governing Regulations

- Privileges must be individually assessed
- Privileges granted and renewed on the basis of criteria that cite training and demonstrated competence
  - Not all practitioners in a specialty can be assumed to have equivalent competence
  - Some privileges may be performed by practitioners in more than one specialty (cross specialty lines)

AN APPLICATION IS INCOMPLETE IF:

- Supporting information is not supplied
- Questions or concerns are not resolved
- There are unexplained gaps in professional experience
- There are unanswered questions

Qualifications for Membership

1) Unrestricted Licensure in California and/or Nevada
2) Unrestricted DEA (CA and/or NV)
3) Not terminated from another staff for competency or behavioral concerns
4) Not excluded from CMS (Medicare)
5) Board Certification or Admissibility
6) Appropriate training and demonstrated current competence
7) Willingness to discharge the responsibilities of the medical staff
8) No felony convictions.
9) Request consistent with the hospital's mission and resources

FOCUSED PROFESSIONAL PRACTICE EVALUATION

- Assess privilege specific competence
- Proctoring
- Provide guidance
- Identify and address concerns:

Cases that fall out because of perceived problems, undesirable outcomes, or are part of a disturbing trend will be reviewed

CATEGORICAL REVIEW [Initial Applicants]
Category 1 (clean file-no issues)

a) Consecutively completed all training within 3 years of submitting application

b) Privileges requested are consistent with core as defined for that specialty

d) No suggestions of potential problems & no prior malpractice or disciplinary actions, licensure restrictions or any type of investigations in last 2 years

CATEGORICAL REVIEW [Initial Applicants]
Category 2 (changes)

a) Training not consecutive or completed training more than 3 years before receipt of application

b) Has greater than 4 current medical licenses

c) Has requested privileges that vary from those consistent with core for that specialty or varies substantially

d) Evaluation not received in prescribed format or negative responses

e) A Cat 1 application in which any of the recommendations of the chairmen vary

f) Applicant has a malpractice claims history

CATEGORICAL REVIEW [Initial Applicants] Category 3 (controversial)

a) Current or previously successful challenge to license or registration

b) Involuntary termination, limitation, reduction, denial, or loss of appointment or privileges at any other hospital or other entity

c) An unusual pattern of, or an excessive # of, professional liability actions, resulting in a final judgment against applicant

d) Practitioner who is currently or has previously participated in a health professionals assistance program

CATEGORICAL REVIEW [Reappointments]
Category 1 (clean file-no issues)

a) Requested privileges that are consistent with core

b) All references contain only favorable or neutral evaluations

c) No pending or past investigations or reports of disciplinary action

d) No questions raised about qualifications or privileges

e) No negative findings, e.g. quality of care, behavior, compliance with regulations

f) No malpractice claims in last 2 years

CATEGORICAL REVIEW [Reappointments]
Category 2, Cont'd

a) Applicant has requested privileges that vary from those consistent with the core privileges as defined for that specialty

b) Evaluation contained neutral or negative responses

c) Pending or past investigations or reports of disciplinary action

d) Questions have been raised by a member of the medical staff regarding applicant's qualifications for appointment or clinical privileges

e) Peer review information contains negative findings, regarding quality of care, behavior, or compliance with regulations.

CATEGORICAL REVIEW [Reappointments]
Category 2 (cont'd)

f) Has less than 20 hospital encounters in previous 2 years (low volume practitioner)

g) Any other concern raised by any person which may cause concern to the Credentials/MEC

h) Currently participating in a health professional's assistance or diversion program

CATEGORICAL REVIEW [Reappointments]
Category 3 (controversial)

<u>One or more of the following not previously reported:</u>

a) Current or previously successful challenge to any license or registration

b) Involuntary termination, limitation, reduction, denial, or loss of appointment or privileges at any other hospital or entity

c) Unusual pattern of, or an excessive number of, professional liability actions, resulting in a final judgment against the applicant

The Power of the Pyramid

TAHOE FOREST HEALTH SYSTEM

QUESTIONS?

TAHOE FOREST HEALTH SYSTEM

QUALITY COMMITTEE
AGENDA

Tuesday, July 11, 2017 at 12:00 p.m.
Human Resources Conference Room, Tahoe Forest Hospital
10024 Pine Avenue, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL
Alyce Wong, RN, Chair; Charles Zipkin, M.D., Board Member

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

4. INPUT – AUDIENCE
This is an opportunity for members of the public to address the Committee on items which are not on the agenda. Please state your name for the record. Comments are limited to three minutes. Written comments should be submitted to the Board Clerk 24 hours prior to the meeting to allow for distribution. Under Government Code Section 54954.2 – Brown Act, the Committee cannot take action on any item not on the agenda. The Committee may choose to acknowledge the comment or, where appropriate, briefly answer a question, refer the matter to staff, or set the item for discussion at a future meeting.

5. APPROVAL OF MINUTES OF: 5/9/2017 ..... **ATTACHMENT**

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. 2017 Quality Committee Focus ..... ATTACHMENTS
Discuss status of BOD bylaw changes specific to the BOD Quality Committee focus, membership, meetings, and accountability.
BOD Quality Committee Focus 2017 was approved on March 14, 2017 and available for reference during the meeting.

6.2. Patient & Family Centered Care (PFCC)

6.2.1. Patient & Family Advisory Council Update ..... ATTACHMENT
An update will be provided related to the activities of the Patient and Family Advisory Council (PFAC).

6.2.2. Patient Experience Presentation
Identify patients that may be interested in sharing their healthcare story at an upcoming TFHD Board of Directors (BOD) or BOD Quality Committee meeting.

6.3. BOD Quality Reporting Calendar ..... ATTACHMENT
Review the proposed quality reporting calendar and discuss topics of interest, the frequency of reports, and if this should be shared during open or closed session.

6.4. Hospice/Palliative Care Program
Provide an update of these programs and the plan to educate our community about access to these services.

6.5. Patient Safety .....ATTACHMENT

6.5.1 Educational Article

Review the *No Room for Error* article at http://www.hopkinsmedicine.org/news/articles/no-room-for-error and discuss lessons learned and areas for improvement for our organization.

6.5.2 AHRQ Patient Safety Culture Survey

Provide a status report on the biennial survey conducted in April/May 2017.

6.6. Quality Metrics.....ATTACHMENT

Review key quality and service metrics, how this is shared throughout the organization, and how plans for improvement are developed and monitored.

6.7. Medical Staff Quality Committee (MSQAC)

Discuss the option of having two Board members attend the MSQAC closed session to discuss case review process improvement.

6.8. Board Quality Education

The Committee will review and discuss topics for future board quality education. Identify best practice topics for review at future meetings.

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

8. NEXT MEETING DATE

The date and time of the next committee meeting, Tuesday, September 19, 2017, at 12:00 p.m. will be confirmed.

9. ADJOURN

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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.

TAHOE FOREST HOSPITAL DISTRICT

BOARD PERSONNEL COMMITTEE-RETIREMENT SUBCOMMITTEE AGENDA

Monday, July 24, 2017 at 1:00 p.m.
Eskridge Conference Room - Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA

1. CALL TO ORDER

2. ROLL CALL
Alyce Wong, R.N., Chair; Dale Chamblin, Board Member

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

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5. APPROVAL OF MINUTES OF: 5/16/2017..... ATTACHMENT

6. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

6.1. Multnomah Group Retirement Plan Review
Multnomah Group will review the investments and plan assets for the District's retirement plans.

6.1.1. Status of Healthcare Service Plan
6.1.2. Plan Investment Review ..... ATTACHMENT
6.1.3. Plan Asset Review..... ATTACHMENT

6.2. Fidelity Investments Retirement Plan Auto Enrollment Update
Personnel Committee will receive an update on the timing of the change to auto enrollment for employees.

6.3. Fidelity Investments Retirement Plan Review and Education Planning..... ATTACHMENT
Personnel Committee will receive a business plan review presentation from Fidelity Investments.

6.4. Employee Engagement Survey Results
Personnel Committee will discuss the results of a recent employee engagement survey.

6.5. CEO Incentive Compensation Criteria
Personnel Committee will discuss development of CEO Incentive Compensation Criteria metrics.

7. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

8. NEXT MEETING DATE
Personnel Committee will discuss its next meeting date.

9. ADJOURN

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TAHOE FOREST HOSPITAL DISTRICT

FINANCE COMMITTEE
AGENDA

Tuesday, July 25, 2017 at 11:00 a.m.
Eskridge Conference Room - Tahoe Forest Hospital
10121 Pine Avenue, Truckee, CA 96161

1. CALL TO ORDER

2. ROLL CALL
Dale Chamblin, Chair; Mary Brown, Board Member

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

4. INPUT – AUDIENCE
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5. CLOSED SESSION

5.1. Report Involving Trade Secrets (Health & Safety Code § 32106)
Proposed New Program: One (1) item
Estimated date of public disclosure: 10/31/2017

6. APPROVAL OF MINUTES OF: 6/20/2017 ..... ATTACHMENT

7. ITEMS FOR COMMITTEE DISCUSSION AND/OR RECOMMENDATION

7.1. Financial Reports
- 7.1.1. Financial Report – Preliminary June 2017 ..... ATTACHMENT
- 7.1.2. Quarterly Review – Preliminary FY 17 Financial Status of Separate Entities ... ATTACHMENT
- 7.1.3. Quarterly Review – Payor Mix ..... ATTACHMENT
- 7.1.4. TIRHR Expenditure Report ..... ATTACHMENT

7.2. General Obligation (GO) Bond Property Tax Rate Calculation and Resolution ..... ATTACHMENT
The Finance Committee will review and discuss a board resolution about the GO Bond Property Tax Rate Calculation.

7.3. FY18 Budget – Rate Increase..... ATTACHMENT
The Finance Committee will review and discuss a 5% rate increase effective 8/1/17.

8. REVIEW FOLLOW UP ITEMS / BOARD MEETING RECOMMENDATIONS

9. AGENDA INPUT FOR NEXT FINANCE COMMITTEE MEETING..... ATTACHMENT

10. NEXT MEETING DATE ..... ATTACHMENT

11. ADJOURN

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