



October 21, 2022

NOTICE

The Board of Directors of the Kaweah Delta Health Care District will meet in the City of Visalia City Council Chambers {707 W. Acequia, Visalia, CA} on Wednesday October 26, 2022: 4:00PM Open Meeting; 4:01PM Closed meeting pursuant to Government Code 54956.9(d)(1), 54956.9(d)(2), Health and Safety Code 1461 and 32155; 5:00PM Open Meeting; Immediately following the 5:00PM Open meeting a Closed session will be held pursuant to Government Code 54957(b)(1).

All Kaweah Delta Health Care District regular board meeting and committee meeting notices and agendas are posted 72 hours prior to meetings (special meetings are posted 24 hours prior to meetings) in the Kaweah Health Medical Center, Mineral King Wing entry corridor between the Mineral King lobby and the Emergency Department waiting room.

The disclosable public records related to agendas can be obtained by contacting the Board Clerk at Kaweah Health Medical Center – Acequia Wing, Executive Offices (Administration Department) {1st floor}, 400 West Mineral King Avenue, Visalia, CA via phone 559-624-2330 or email: cmoccio@kawahhealth.org, or on the Kaweah Delta Health Care District web page <http://www.kawahhealth.org>.

KAWEAH DELTA HEALTH CARE DISTRICT
Mike Olmos, Secretary/Treasurer

A handwritten signature in black ink that reads "Cindy Moccio". The signature is written in a cursive, flowing style.

Cindy Moccio
Board Clerk / Executive Assistant to CEO

DISTRIBUTION:
Governing Board
Legal Counsel
Executive Team
Chief of Staff

www.kawahhealth.org

KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS MEETING

City of Visalia – City Council Chambers
707 W. Acequia, Visalia, CA

Wednesday October 26, 2022

OPEN MEETING AGENDA {4:00PM}

- 1. CALL TO ORDER**
- 2. APPROVAL OF AGENDA**
- 3. PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdictions of the Board are requested to identify themselves at this time. For those who are unable to attend the beginning of the Board meeting during the public participation segment but would like to address the Board, please contact the Board Clerk (Cindy Moccio 559-624-2330) or cmoccio@kaweahhealth.org to make arrangements to address the Board.
- 4. APPROVAL OF THE CLOSED AGENDA – 4:01PM**
 - 4.1. Conference with Legal Counsel** – Existing Litigation – Pursuant to Government Code 54956.9(d)(1) – *Richard Salinas, Legal Counsel and Evelyn McEntire, Director of Risk Management*
 - A. Martinez v KDHCDC Case # VCU279163
 - B. Foster v KDHCDC Case # VCU280726
 - C. Stanger v Visalia Medical Center Case # VCU284760
 - D. Rocha v KDHCDC Case VCU288014
 - E. Shipman v KDHCDC Case # VCU287291
 - F. Franks v KDHCDC Case #VCU290542
 - G. Mora v Kaweah Health Case # VCU290884
 - H. Parnell v Kaweah Health Case # VCU292139
 - I. Whaley v KDHCDC Case # VCU288850
 - J. Dorris v Kaweah Health Case VCU291837
 - K. Stalcup v KDHCDC Case #VCU280708
 - 4.2. Conference with Legal Counsel – Anticipated Litigation** – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 6 Cases - *Richard Salinas, Legal Counsel and Evelyn McEntire, Director of Risk Management*
 - 4.3. Quality Assurance** pursuant to Health and Safety Code 32155 and 1461, report of quality assurance committee —*Evelyn McEntire, Director of Risk Management*
 - 4.4. Credentialing** - Medical Executive Committee (MEC) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff

membership recommended by the respective department chiefs, the credentials committee and the MEC be reviewed for approval pursuant to Health and Safety Code 1461 and 32155 – *Monica Manga, MD Chief of Staff*

4.5. **Quality Assurance** pursuant to Health and Safety Code 32155 and 1461, report of quality assurance committee – *Monica Manga, MD Chief of Staff*

4.6. **Approval of the closed meeting minutes** – September 28, 2022.

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

Action Requested – Approval of the October 26, 2022 closed meeting agenda.

5. ADJOURN

CLOSED MEETING AGENDA {4:01PM}

1. CALL TO ORDER

2. CONFERENCE WITH LEGAL COUNSEL – EXISTING LITIGATION – Pursuant to Government Code 54956.9(d)(1).

Richard Salinas, Legal Counsel and Evelyn McEntire, Director of Risk Management

- Martinez v KDHCDC Case # VCU279163
- Foster v KDHCDC Case # VCU280726
- Stanger v Visalia Medical Center Case # VCU284760
- Rocha v KDHCDC Case VCU288014
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- Parnell v Kaweah Health Case # VCU292139
- Whaley v KDHCDC Case # VCU288850
- Dorris v Kaweah Health Case VCU291837
- Stalcup v KDHCDC Case #VCU280708

3. CONFERENCE WITH LEGAL COUNSEL – ANTICIPATED LITIGATION – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 6 Cases.

Richard Salinas, Legal Counsel and Evelyn McEntire, Director of Risk Management

4. QUALITY ASSURANCE pursuant to Health and Safety Code 32155 and 1461, report of quality assurance committee.

Evelyn McEntire, Director of Risk Management

5. CREDENTIALING - Medical Executive Committee (MEC) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the MEC be reviewed for approval pursuant to Health and Safety Code 1461 and 32155.

Monica Manga, MD Chief of Staff

6. **QUALITY ASSURANCE** pursuant to Health and Safety Code 32155 and 1461, report of quality assurance committee.

Monica Manga, MD Chief of Staff

7. **APPROVAL OF THE CLOSED MEETING MINUTES** – September 28, 2022.

Action Requested – Approval of the closed meeting minutes – [September 28, 2022](#).

8. **ADJOURN**

OPEN MEETING AGENDA {5:00PM}

1. **CALL TO ORDER**

2. **APPROVAL OF AGENDA**

3. **PUBLIC PARTICIPATION** – Members of the public may comment on agenda items before action is taken and after it is discussed by the Board. Each speaker will be allowed five minutes. Members of the public wishing to address the Board concerning items not on the agenda and within the jurisdictions of the Board are requested to identify themselves at this time. For those who are unable to attend the beginning of the Board meeting during the public participation segment but would like to address the Board, please contact the Board Clerk (Cindy Moccio 559-624-2330) or cmoccio@kaweahhealth.org to make arrangements to address the Board.

4. **CLOSED SESSION ACTION TAKEN** – Report on action(s) taken in closed session.

5. **OPEN MINUTES** – Request approval of the [September 28, 2022](#) open minutes.

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

Action Requested – Approval of the open meeting minutes September 28, 2022 open board of directors meeting minutes.

6. **RECOGNITIONS** – *Mike Olmos*

6.1. Presentation of [Resolution 2174](#) to [Robert Beckett](#) (Technical Support Analyst), in recognition as the Kaweah Health World Class Employee of the Month recipient – October 2022.

6.2. Presentation of [Resolution 2175](#) to Richard Keys (Respiratory Therapist) retiring from Kaweah Health with 21 years of service.

6.3. Presentation of [Resolution 2176](#) to Sam Alvarado (Respiratory Therapist) retiring from Kaweah Health with 43 years of service.

7. **ANNUAL AUDITED FINANCIAL STATEMENT** – Report to Board from Moss Adams relative to the annual audited financial statement for fiscal year 2021/2022.

Kaweah Delta; Malinda Tupper, Chief Financial Officer, Jennifer Stockton, Director of Finance, Moss Adams; John Feneis and Brian Conner

Recommended Action: Approval of the 2021/2022 Annual Audited Financial Statement.

Wednesday, October 26, 2022

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*Lynn Havard Mirviss
– Zone II V*

*Mike Olmos – Zone I
Secretary/Treasurer*

*Garth Gipson – Zone III
Board Member*

*David Francis – Zone IV
President*

*Ambar Rodriguez – Zone V
Board Member*

8. **CREDENTIALS** - Medical Executive Committee requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval.

Monica Manga, MD Chief of Staff

Public Participation – Members of the public may comment on agenda items before action is taken and after the Board has discussed the item.

Recommended Action: Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the MEC, for all of the medical staff scheduled for reappointment, Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff be approved or reappointed (as applicable), as attached, to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files.

9. **CHIEF OF STAFF REPORT** – Report relative to current Medical Staff events and issues.

Monica Manga, MD, Chief of Staff

10. **CONSENT CALENDAR** - All matters under the Consent Calendar will be approved by one motion, unless a Board member requests separate action on a specific item.

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

Action Requested – Approval of the October 26, 2022 Consent Calendar.

10.1. REPORTS

- A. [Physician Recruitment](#)
- B. [Risk Management](#)
- C. [Neurosciences](#)
- D. [Rural Health Clinics](#)

- 10.2. Approval of [rejection of claim – Vasquez](#) vs. Kaweah.

- 10.3. Approval of appointments, as recommended by the Kaweah Delta Health Care, Inc. dba Kaweah Health Medical Group Board President, Gary Herbst, to the Kaweah Health Medical Group board effective November 1, 2022: November 1, 2022 – October 31, 2025 – David Francis, Mark Mertz and as recommended by the Visalia Medical Clinic Board - Carol Machado, MD.

- 10.4. POLICIES – Environment of Care
 - A. [EOC 6001](#) – Clinical Engineering Management Plan {Revised}
- 10.5. POLICIES – Emergency Management
 - A. [DM 2205](#) - Code Pink- Infant Abduction {Revised}
 - B. [DM 2227](#) - Request to Operate Under CMS 1135 Waiver {Revised}
- 10.6. POLICIES – Administrative
 - A. [AP04](#) Access and Release of Protected Health Information {Revised}
 - B. [AP18](#) Foreign Language Forms, Signs, Etc. {Revised}
 - C. [AP30](#) Disruption of services or unusual occurrences {Revised}
 - D. [AP57](#) Access to Legal Counsel {Revised}
 - E. [AP73](#) Accommodating Persons with Service Animals {Revised}
 - F. [AP80](#) American and California State Flags {Revised}
 - G. [AP85](#) Allocation of Resources {Revised}
 - H. [AP88](#) Grievance Procedure – Section 504 of the Rehabilitation Act of 1973 {Revised}
 - I. [AP111](#) Utilization Review Plan Acute Services {Revised}
 - J. [AP112](#) Advanced Directives {Revised}
 - K. [AP175](#) Patient Safety Plan {Revised}
- 10.7. POLICIES – Human Resources
 - A. [HR.04](#) - Special Pay Practices {Revised}
 - B. [HR.47](#) - Professional Licensure and Certification {Revised}
 - C. [HR.70](#) - Meal Periods, Rest Breaks and Breastfeeding, and/or Lactation Accommodation {Revised}
 - D. [HR.131](#) - Employee Recognition {Revised}
 - E. [HR.184](#) - Attendance & Punctuality {Revised}
- 10.8. Recommendation from the Medical Executive Committee on 10/19/22 – [Privileges in Cardiovascular Medicine](#).
- 11. [QUALITY – METHICILLIN-RESISTANT STAPHYLOCOCCUS AUREUS \(MRSA\)](#) - A review of key metrics and action plans to reduce and prevent hospital acquired Methicillin-resistant Staphylococcus Aureus.
Tendai Zinyemba, MBA, MSMIS, CHESP, Director - Environmental Services. Laundry, & Patient Transport
- 12. [QUALITY – SEPSIS](#) - A review of the Centers for Medicare and Medicaid Services (CMS) Sepsis Core Measure Bundle performance, Sepsis outcomes and action plans that impact care of the septic patient population.
Sandy Volchko DNP, RN, CPHQ, CLSSBB, Director Quality & Patient Safety & Tom Gray, MD, Medical Director of Quality and Patient Safety

13. [STRATEGIC PLAN - QUARTERLY UPDATE](#) – Quarterly progress review of Strategic Plan.
Marc Mertz, Chief Strategy Officer
14. [STRATEGIC PLAN - OUTSTANDING HEALTH OUTCOMES](#) – Detailed review of Strategic Plan Initiative.
Doug Leeper, Chief Information Officer
15. [PATIENT THROUGHPUT PERFORMANCE](#) - Review of patient throughput performance improvement progress report.
Jag Batth, Chief Operating Officer
16. [COMMUNITY ENGAGEMENT](#) – Fiscal year 2021/2022 recap of community engagement efforts and events.
Deborah Volosin, Director of Community Engagement
17. [FINANCIALS](#) – Review of the most current fiscal year financial results and the budget initiative; [Revenue Cycle](#).
Malinda Tupper, Chief Financial Officer
18. **REPORTS**
 - 18.1. [Chief Executive Officer Report](#) - Report relative to current events and issues.
Gary Herbst, Chief Executive Officer
 - 18.2. [Board President](#) - Report relative to current events and issues.
David Francis, Board President
19. **APPROVAL OF CLOSED AGENDA AS FOLLOWS:** Closed Meeting Agenda – Immediately following the 5:00PM open session
 - 19.1. **CEO Evaluation** – Discussion with the Board and the Chief Executive Officer relative to the evaluation of the Chief Executive Officer pursuant to Government Code 54957(b)(1) – *Gary Herbst, CEO, Rachele Berglund, Legal Counsel & Board of Directors*

20. **ADJOURN**

CLOSED MEETING AGENDA

1. **CALL TO ORDER**
2. [CEO EVALUATION](#) – Discussion with the Board and the Chief Executive Officer relative to the evaluation of the Chief Executive Officer pursuant to Government Code 54957(b)(1).
Gary Herbst, CEO, Rachele Berglund, Legal Counsel & Board of Directors

3. **ADJOURN**

In compliance with the Americans with Disabilities Act, if you need special assistance to participate at this meeting, please contact the Board Clerk (559) 624-2330. Notification 48 hours prior to the meeting will enable the District to make reasonable arrangements to ensure accessibility to the Kaweah Delta Health Care District Board of Directors meeting.

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MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD WEDNESDAY SEPTEMBER 28, 2022 AT 4:00PM, IN THE CITY OF VISALIA CITY COUNCIL CHAMBERS – 707 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Francis, Gipson, Havard Mirviss, Olmos & Rodriguez; G. Herbst, Chief Executive Officer; D. Hightower, Vice Chief of Staff, K. Noeske, CNO; M. Tupper, CFO; M. Mertz, Chief Strategy Officer; D. Leeper, Chief Information and Cybersecurity Officer & R. Gates, Chief Population Health Officer; J. Batth, Chief Operating Officer; B. Cripps, Chief Compliance Officer, R. Berglund, Legal Counsel; and K. Davis, recording

The meeting was called to order at 4:01 PM by Director Francis.

Director Francis entertained a motion to approve the agenda.

MMSC (Havard Mirviss/Gipson) *to approve the open agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Gipson, Rodriguez, and Francis*

PUBLIC PARTICIPATION – None

APPROVAL OF THE CLOSED AGENDA – 4:01PM

- **Credentialing** - Medical Executive Committee (MEC) requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the MEC be reviewed for approval pursuant to Health and Safety Code 1461 and 32155 – *Monica Manga, MD Chief of Staff*
- **Quality Assurance** pursuant to Health and Safety Code 32155 and 1461, report of quality assurance committee — *Monica Manga, MD Chief of Staff*
- **Conference with Legal Counsel – Anticipated Litigation** – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 1 Case – *Rachele Berglund, Legal Counsel and Evelyn McEntire, Director of Risk Management*
- **Approval of the closed meeting minutes** – August 24, 2022.

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board – No public present.

MMSC (Havard Mirviss/Rodriguez) *to approve the September 28, 2022 closed agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis*

ADJOURN - Meeting was adjourned at 4:02 PM

David Francis, President
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Mike Olmos, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors

MINUTES OF THE OPEN MEETING OF THE KAWEAH DELTA HEALTH CARE DISTRICT BOARD OF DIRECTORS HELD WEDNESDAY SEPTEMBER 28, 2022 AT 4:30PM, IN THE CITY OF VISALIA CITY COUNCIL CHAMBERS – 707 W. ACEQUIA, VISALIA, CA.

PRESENT: Directors Francis, Gipson, Havard Mirviss, Olmos & Rodriguez; G. Herbst, CEO, D. Hightower, MD, Vice Chief of Staff, K. Noeske, CNO; M. Tupper, CFO; M. Mertz, Chief Strategy Officer; D. Leeper, Chief Information and Cybersecurity Officer & R. Gates, Chief Population Health Officer; J. Batth, Chief Operating Officer; B. Cripps, Chief Compliance Officer, R. Berglund, Legal Counsel; and K. Davis, recording

The meeting was called to order at 4:35 PM by Director Francis.

Director Francis asked for approval of the agenda.

MMSC (Havard Mirviss/Gipson) to approve the open agenda. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis

PUBLIC PARTICIPATION – None.

CLOSED SESSION ACTION TAKEN: Approval the closed minutes from August 24, 2022.

OPEN MINUTES – Request approval of the open meeting minutes August 24, 2022.

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

MMSC (Gipson/Olmos) to approve the open minutes from August 24, 2022. This was supported unanimously by those present. Vote: Yes – Gipson, Olmos, Havard Mirviss, Rodriguez, and Francis.

RECOGNITIONS – Lynn Havard Mirviss

- Presentation of Resolution 2172 to Susanna Ehram, in recognition as the Kaweah Health World Class Employee of the Month recipient – September 2022.
- Presentation of Resolution 2174 to Michael Boyd, DPM, in recognition of his service as the Kaweah Health Medical Staff Credentials Chair from 1999-2022.

INTRODUCTIONS – NEW DIRECTORS

- JC Palermo, Director of Physician Recruitment
- Rhonda Quinones, Interim Director of Maternal Child Health
- Brittany Taylor, Director of Human Resources

CREDENTIALING – Medical Executive Committee requests that the appointment, reappointment and other credentialing activity regarding clinical privileges and staff membership recommended by the respective department chiefs, the credentials committee and the Medical Executive Committee be reviewed for approval.

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

Director Francis requested a motion for the approval of the credentials report.

MMSC (Gipson/Havard Mirviss) *Whereas a thorough review of all required information and supporting documentation necessary for the consideration of initial applications,*

reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations (pursuant to the Medical Staff bylaws) has been completed by the Directors of the clinical services, the Credentials Committee, and the Executive Committee of the Medical Staff, for all of the medical staff scheduled for reappointment, Whereas the basis for the recommendations now before the Board of Trustees regarding initial applications, reappointments, request for additional privileges, advance from provisional status and release from proctoring and resignations has been predicated upon the required reviews, including all supporting documentation, Be it therefore resolved that the following medical staff, excluding Emergency Medicine Providers as highlighted on Exhibit A (copy attached to the original of these minutes and considered a part thereof), be approved or reappointed (as applicable), to the organized medical staff of Kaweah Delta Health Care District for a two year period unless otherwise specified, with physician-specific privileges granted as recommended by the Chief of Service, the Credentials Committee, and the Executive Committee of the Medical Staff and as will be documented on each medical staff member's letter of initial application approval and reappointment from the Board of Trustees and within their individual credentials files . This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis

CHIEF OF STAFF REPORT – Report relative to current Medical Staff events and issues - *Daniel Hightower, MD, Vice Chief of Staff*

- *No Report.*

CONSENT CALENDAR – Director Francis entertained a motion to approve the consent calendar (copy attached to the original of these minutes and considered a part thereof).

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

MMSC (Havard Mirviss/Rodriguez) *to approve the consent calendar as submitted. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis.*

QUALITY – DIVERSION PREVENTION - A review of committee measures and actions to prevent diversion events - (copy attached to the original of these minutes and considered a part thereof) *Evelyn McEntire, Director of Risk Management, Shannon Cauthen, Director of Critical Care Services*

STRATEGIC PLAN – Patient and Community Experience – Detailed review of Strategic Plan Initiative (copy attached to the original of these minutes and considered a part thereof) - *Ed Largoza, Director of Patient Experience and Keri Noeske, Chief Nursing Officer*

PATIENT THROUGHPUT PERFORMANCE - Review of patient throughput performance improvement progress report (copy attached to the original of these minutes and considered a part thereof) – *Rebekah Foster, Director Care Management & Keri Noeske, Chief Nursing Officer*

FINANCIALS – Review of the most current fiscal year financial results and budget (copy attached to the original of these minutes and considered a part thereof) – *Malinda Tupper – Chief Financial Officer*

CALIFORNIA HEALTH FACILITIES FINANCIAL AUTHORITY (CHFFA) - Review of proposed Resolution 2175 authorizing execution and delivery of a loan and security agreement, promissory note, and certain actions in connection therewith for the CHFFA non-designated public hospital bridge loan program (copy attached to the original of these minutes and considered a part thereof) - *Jennifer Stockton, Director of Finance*

Public Participation – Members of the public may comment on agenda items before action is taken and after the item has been discussed by the Board.

Recommended Action: Approval of Resolution 2175, a resolution of Kaweah Delta Health Care District authorizing its Chief Financial Officer, and/or its Director of Finance to execute and deliver a loan and security agreement, promissory note, and certain actions in connection therewith for the California Health Facilities Financing Authority Non-designated Public Hospital Bridge Loan Program.

MMSC (Gipson/Havard Mirviss) to approve Resolution 2175 as submitted. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis.

REPORTS

Chief Executive Officer Report - Report relative to current events and issues – *Gary Herbst, CEO*

- 2 South has returned to operating as an observation unit. We have 16 COVID patients in house currently - 75% of COVID positive patients COVID is not the primary diagnosis. The hospital is at 98% capacity.
- Effective tomorrow, masks will no longer be required in non-patient care facilities.
- Recently completed the first community engagement orientation and there will be another one in a week.
- Recently met with San Joaquin Valley College and College of the Sequoias regarding nursing education needs in the community.

Board President - Report relative to current events and issues - *David Francis, Board President*

- No Report.

APPROVAL OF CLOSED AGENDA AS FOLLOWS: Closed Meeting Agenda – Immediately following the 4:30PM open session

- **Conference with Legal Counsel – Anticipated Litigation** – Significant exposure to litigation pursuant to Government Code 54956.9(d)(2) – 1 Case – *Gary Herbst, Chief Executive Officer, Marc Mertz, Chief Strategy Officer, Ben Cripps Chief Compliance and Risk Officer, and Rachele Berglund, Legal Counsel*

- **Personnel** – Consideration of the employment of a potential employee {Chief Medical Officer / Chief Quality Officer} per Government Code 54957(b)(1) – *Board of Directors and Gary Herbst, Chief Executive Officer*
- **CEO Evaluation** – Discussion with the Board and the Chief Executive Officer relative to the evaluation of the Chief Executive Officer pursuant to Government Code 54957(b)(1) – *Gary Herbst, CEO, Rachele Berglund, Legal Counsel & Board of Directors*

MMSC (Olmos/Rodriguez) approved the closed session following the 4:30PM open session. This was supported unanimously by those present. Vote: Yes – Havard Mirviss, Olmos, Rodriguez, Gipson, and Francis

ADJOURN - Meeting was adjourned at 6:20 PM

David Francis, President
Kaweah Delta Health Care District and the Board of Directors

ATTEST:

Mike Olmos, Secretary/Treasurer
Kaweah Delta Health Care District Board of Directors



RESOLUTION 2174

WHEREAS, the Department Heads of the KAWEAH DELTA HEALTH CARE DISTRICT dba KAWEAH HEALTH are recognizing Robert Beckett, with the World Class Service Excellence Award for the Month of October 2022, for consistent outstanding performance, and,

WHEREAS, the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT is aware of his excellence in caring and service,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the KAWEAH DELTA HEALTH CARE DISTRICT on behalf of themselves, the hospital staff, and the community they represent, hereby extend their congratulations to Robert for this honor and in recognition thereof, have caused this resolution to be spread upon the minutes of the meeting.

PASSED AND APPROVED this 26th day of October 2022 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

**Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof**

Robert Beckett is a Technical Support Analyst, which is a critical role for the efficient and effective functioning of the ISS Technical Services team. The technical support analyst team is small (two people) but covers lots of ground. They have no idea what any particular day will hold for them. They could get 100 quick calls for assistance, or one ten-hour-long call. It might even be for a system they have never heard of or touched before. They respond to the many technical needs of the other teams within ISS. If you were to look at the team support structure on paper it would be clear that many other teams in ISS depend on the Technical Support Analysts. This being a challenging and critical role only gives a little bit of context to why Robert Beckett is such a valuable member of Kaweah Health and a deserving recipient of the Employee of the Month award.

Robert is a pillar in ISS Technical Support Services. In his eight-year tenure, Robert has shown time and again that he has great technical ability. This translates to a real positive impact on the service ISS provides. Robert's great understanding of how IT systems work, his past experience, and his determination to "do it right" is a potent combination. We can count many times that Robert figured out an issue or resolved a problem that had others baffled. There are many more times that we can recall that Robert stuck with something, driving to a conclusion even though the path to get there was long, complicated, and difficult.

Robert is a true advocate for our customers and exemplifies what a World-Class Employee is like. He rises to the opportunity, and personifies --- when the going gets tough, the tough get going. It is clear based on his words and actions that Robert wants to provide great service and outcomes. He is a natural teacher and is always helping others, not only solving problems but helping them learn how to troubleshoot and think critically. He is always willing to help, and many view him as the "go-to guy", and for good reason.

On top of all of this Robert is a great human being. He has a desire to do good for the community, which drives him to volunteer his time, energy, and money to make a difference. Robert is always willing to support a cause that is meaningful to him, which often involves animals. He likes all critters, and he loves cats.

While Robert does interact directly with some with our ISS customers, largely what Robert does occurs in the background. Robert can often be found as one of the last ones to leave the building for the day, trying to solve one more problem or help one more person. His quality work resonates throughout ISS and affects much of the work that others do. We are very fortunate to have Robert as a part of the Kaweah Health team. We feel privileged to work with him and are eager to see what he accomplishes next.



RESOLUTION 2175

WHEREAS, Richard Keys (Respiratory Therapist) is retiring from duty at Kaweah Delta Health Care District after 21 years of service; and,

WHEREAS, the Board of Directors of the Kaweah Delta Health Care District is aware of his loyal service and devotion to duty;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Kaweah Delta Health Care District, on behalf of themselves, the hospital staff, and the community they represent, hereby extend their appreciation to Richard for 21 years of faithful service and, in recognition thereof, have caused this resolution to be spread upon the minutes of this meeting.

PASSED AND APPROVED this 26th day of October 2022 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

**Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof**



RESOLUTION 2176

WHEREAS, Sam Alvarado (Respiratory Therapist) is retiring from duty at Kaweah Delta Health Care District after 43 years of service; and,

WHEREAS, the Board of Directors of the Kaweah Delta Health Care District is aware of his loyal service and devotion to duty;

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Kaweah Delta Health Care District, on behalf of themselves, the hospital staff, and the community they represent, hereby extend their appreciation to Sam for 43 years of faithful service and, in recognition thereof, have caused this resolution to be spread upon the minutes of this meeting.

PASSED AND APPROVED this 26th day of October 2022 by a unanimous vote of those present.

President, Kaweah Delta Health Care District

ATTEST:

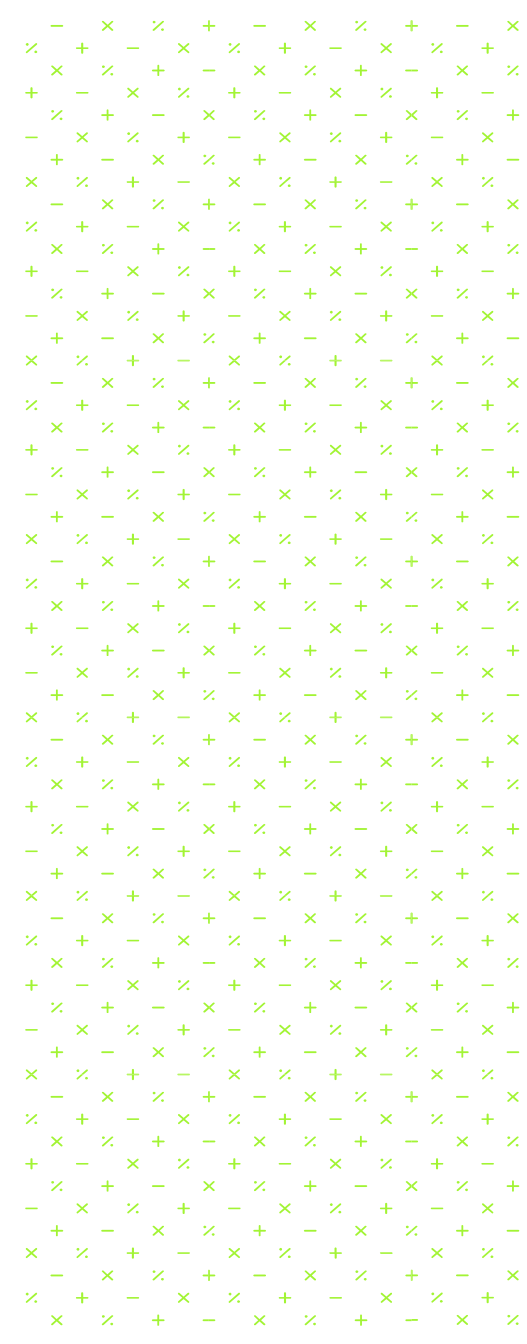
**Secretary/Treasurer, Kaweah Delta Health Care District
and of the Board of Directors, thereof**

Presentation Audited Financial Statement



Kaweah Delta Healthcare District

2022 Audit Results



Board of Directors

Kaweah Delta Health Care District

Dear Board of Directors:

Thank you for your continued engagement of Moss Adams LLP. We are pleased to have the opportunity to meet with you to discuss the results of our audit of the consolidated financial statements of Kaweah Delta Health Care District (the “District”) for the year ended June 30, 2022.

The accompanying report, which is intended solely for the use of the Board of Directors and management, presents important information regarding the District consolidated financial statements and our audit that we believe will be of interest to you. It is not intended to be, and should not be, used by anyone other than these specified parties.

We conducted our audit with the objectivity and independence that you expect. We received the full support and assistance of the District personnel. We are pleased to serve and be associated with the District as its independent public accountants and look forward to our continued relationship.

We look forward to discussing our report or any other matters of interest with you during this meeting.



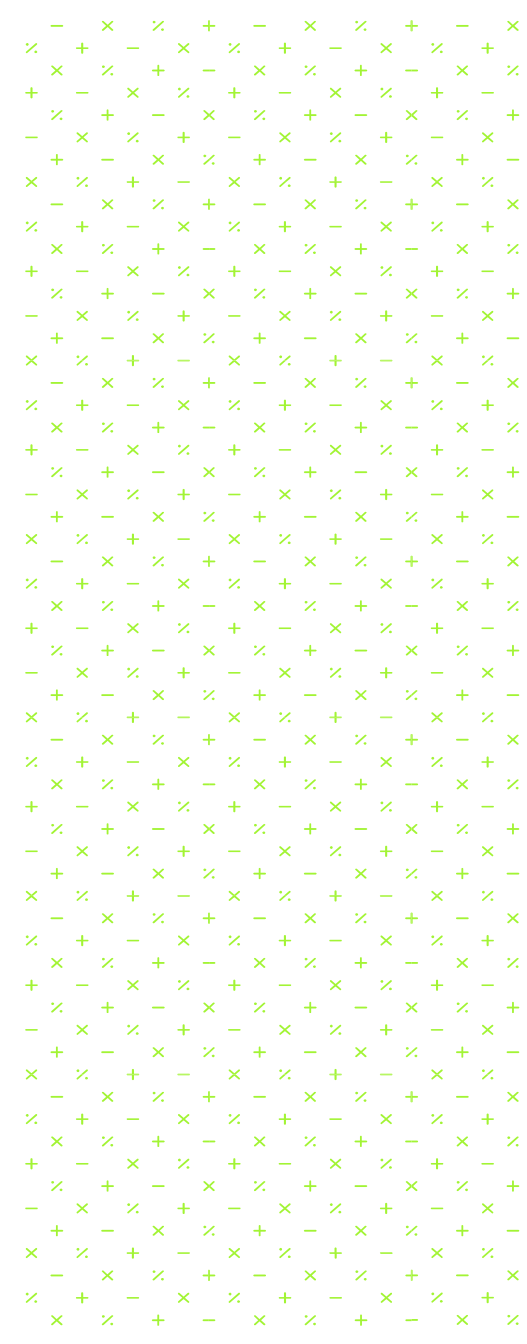
Agenda

- Auditor Opinion and Report
- Communication with Those Charged with Governance
- Financial Ratios and Metrics
 - Statement of Financial Position
 - Operations





Auditor Opinion and Report



Scope of Services

We have performed the following services for the District:

- Annual consolidated financial statement audit as of and for the year ended June 30, 2022



Auditor Report on the Financial Statements

Unmodified Opinion

- Consolidated financial statements are presented fairly and in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”)
- Report of Independent Auditors on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*



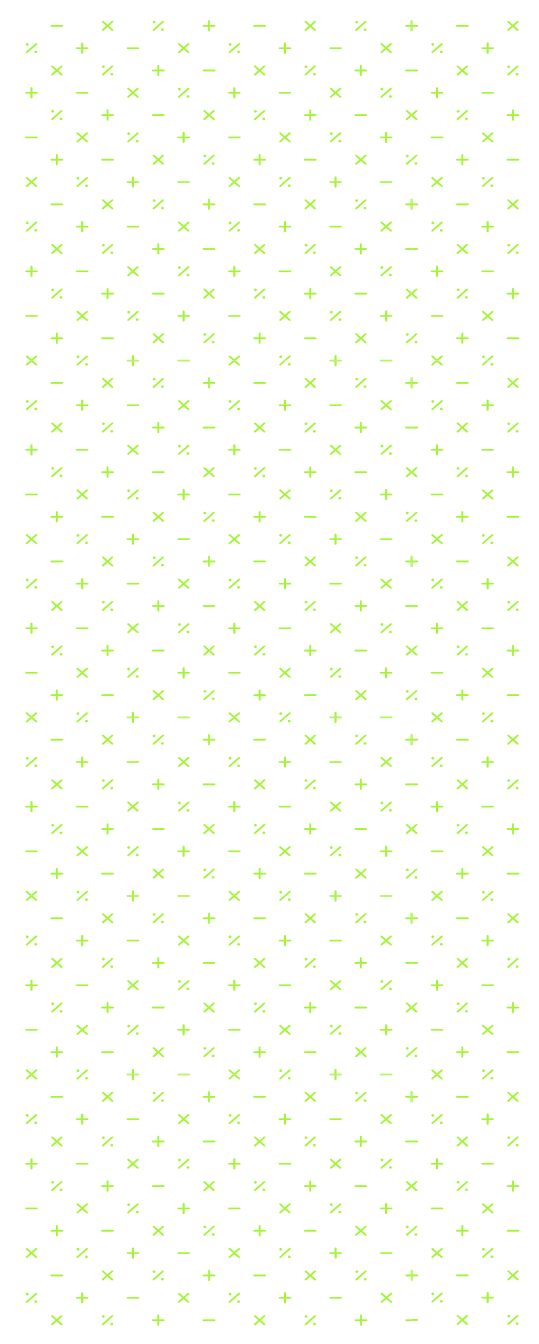
Communication with Those Charged with Governance

- Our responsibility under U.S. GAAP and *Government Auditing Standards*
- Planned scope and timing of the audit
- Significant audit findings
- Qualitative aspects of accounting practices
- Significant accounting estimates
- Financial statement disclosures
- Difficulties encountered in performing the audit
- Corrected and uncorrected misstatements
- Disagreements with management
- Management representations
- Management consultations with other independent accountants
- Independence
- Other audit findings or issues



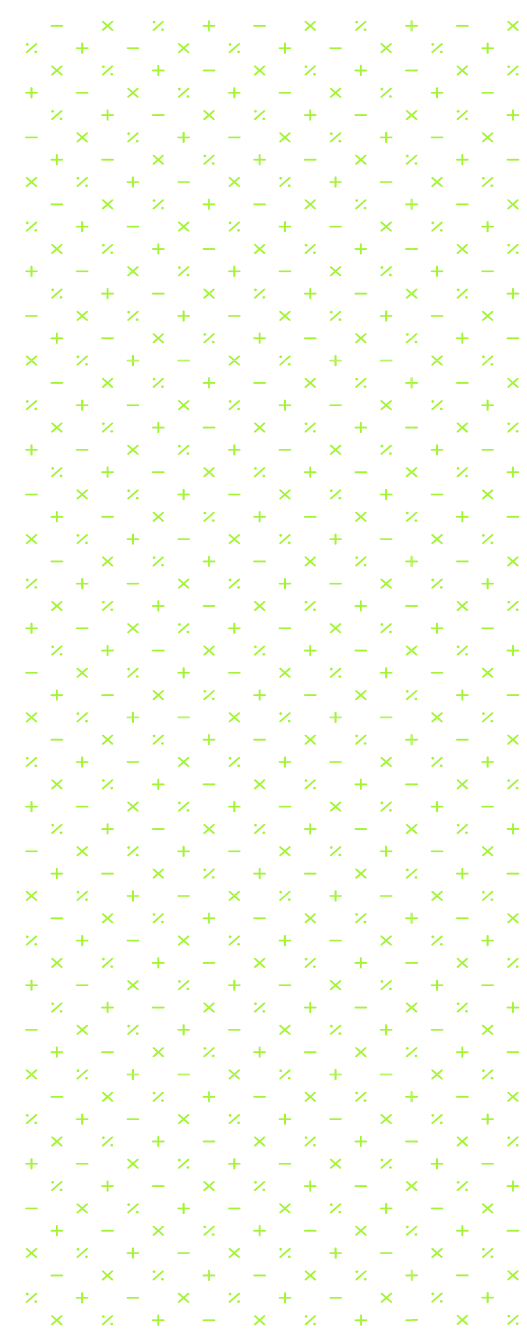


Financial Ratios and Metrics





Statement of Financial Position

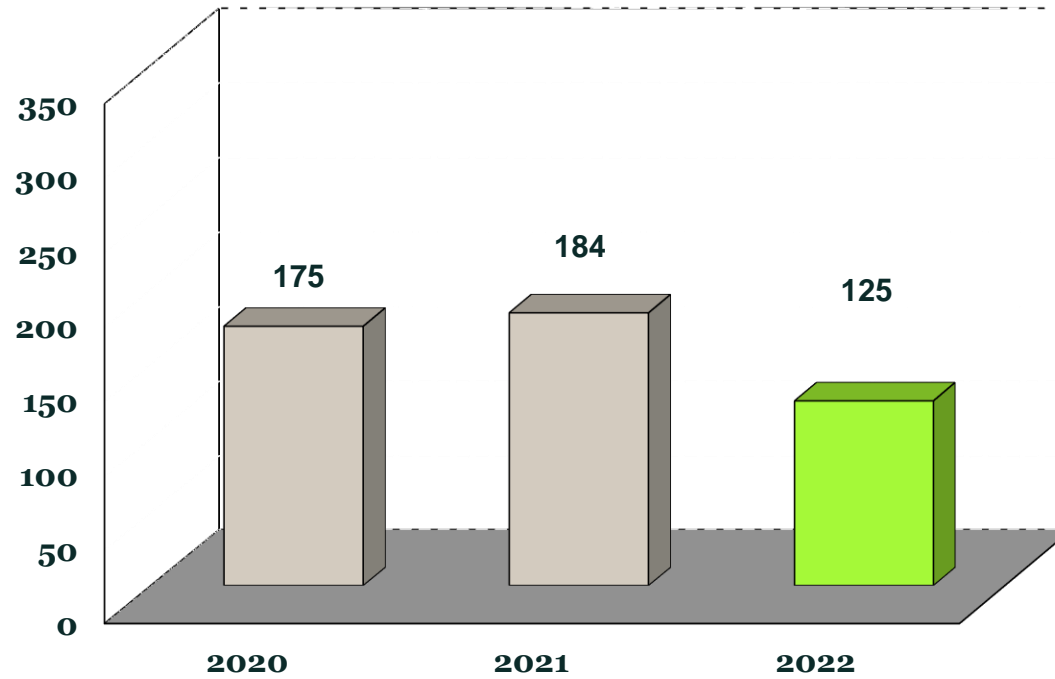


Cash on Hand (days)

- Liquidity indicator
- Measures the ability of the hospital to sustain operations with existing cash
- The higher the number, the more cash reserves available
- $(\text{Unrestricted cash and investments plus funds designated for capital improvements} \times 365) / (\text{total operating expenses} - \text{depreciation and amortization expenses})$



Cash on Hand (days)

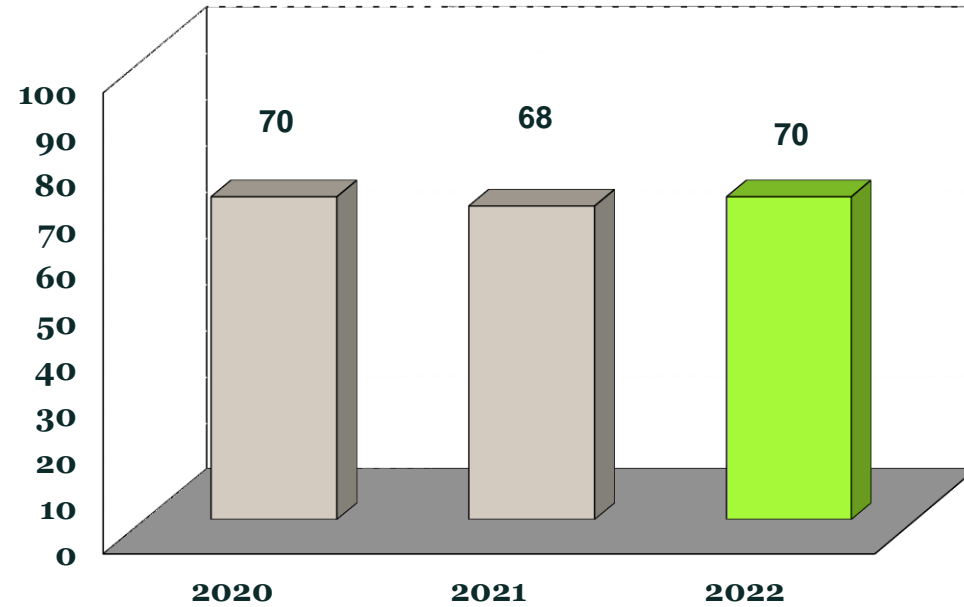


Days in Accounts Receivable

- Liquidity indicator
- Measures the average number of days that accounts receivable are outstanding
- Lower number indicates that outstanding balances are being collected within a shorter duration
- $(\text{Net accounts receivable}) / (\text{net patient revenue} / 365)$



Days in Accounts Receivable

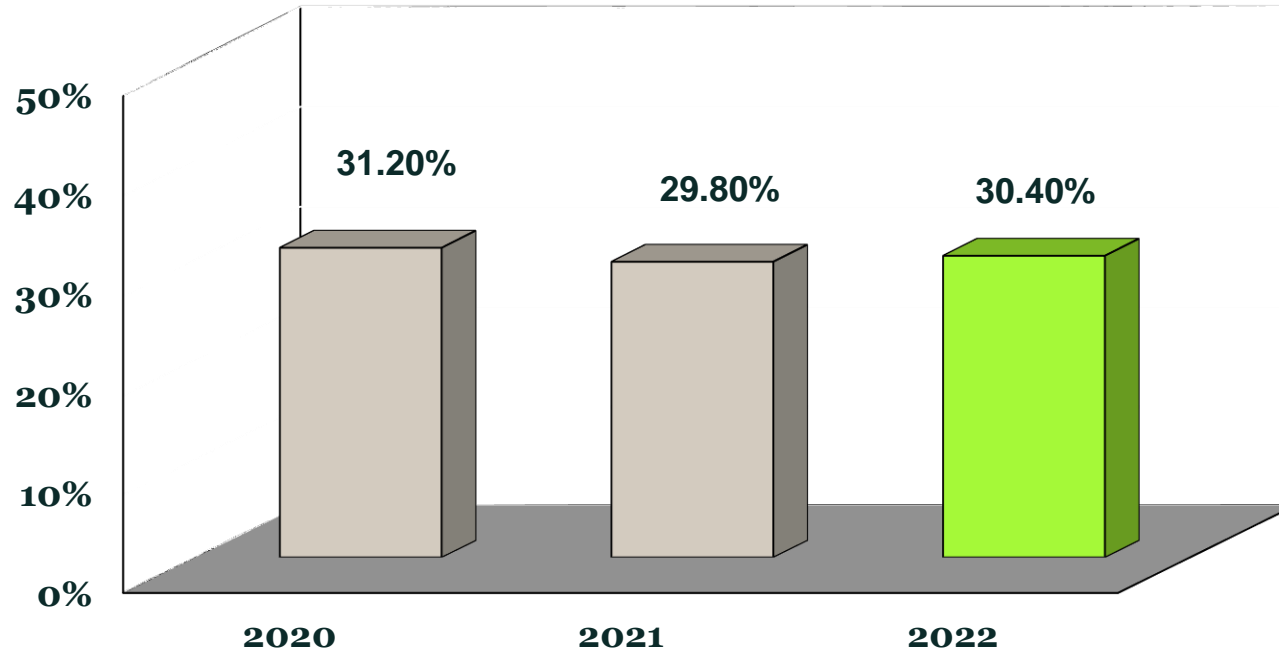


Debt to Capitalization

- Leverage indicator
- Indicates extent assets are financed with debt as opposed to paid for with cash
- Lower number indicates assets are “bought and paid for”
- $(\text{Long-term and current portion of debt}) / (\text{long-term and current portion of debt plus net assets})$

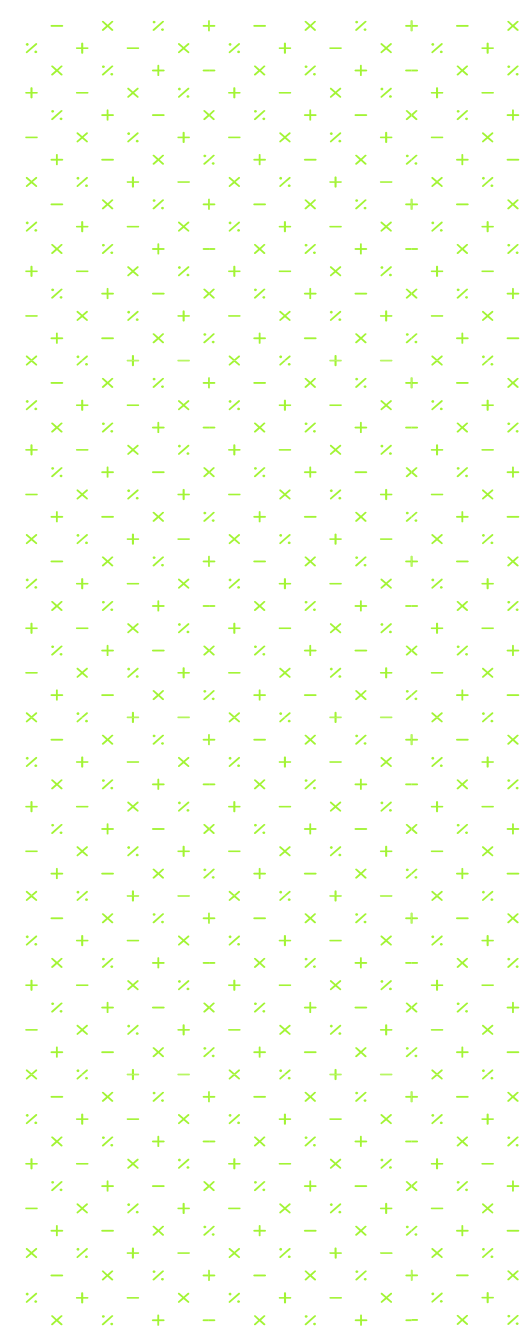


Debt to Capitalization

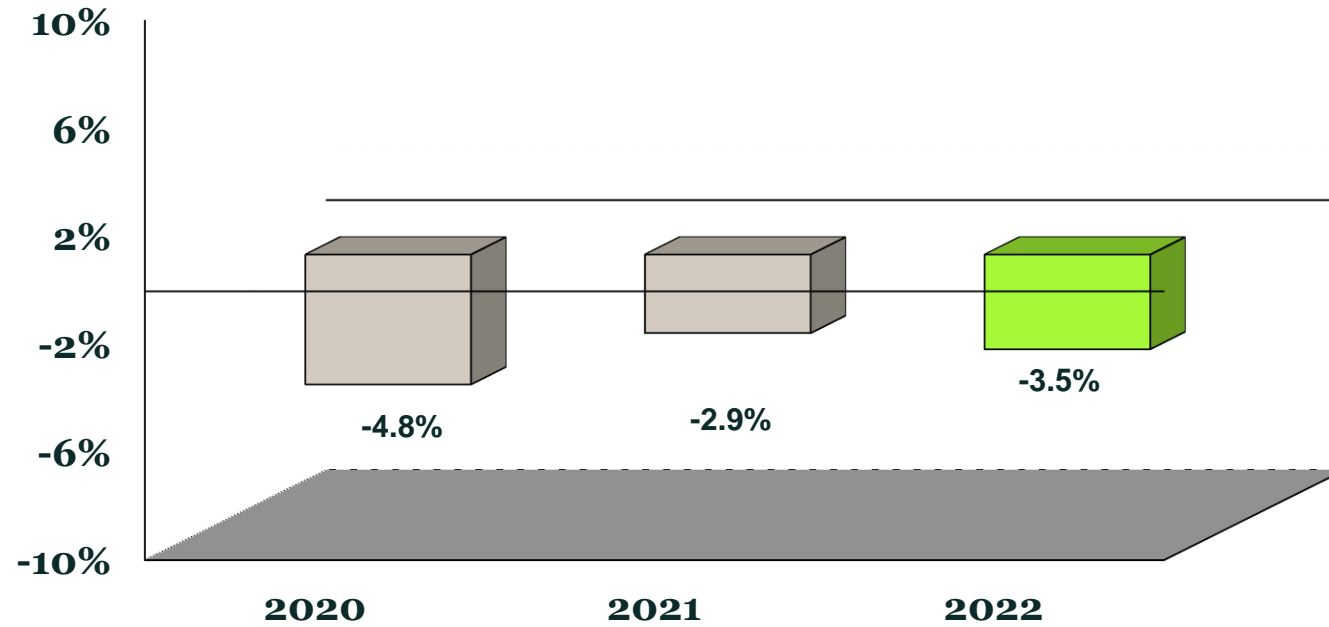




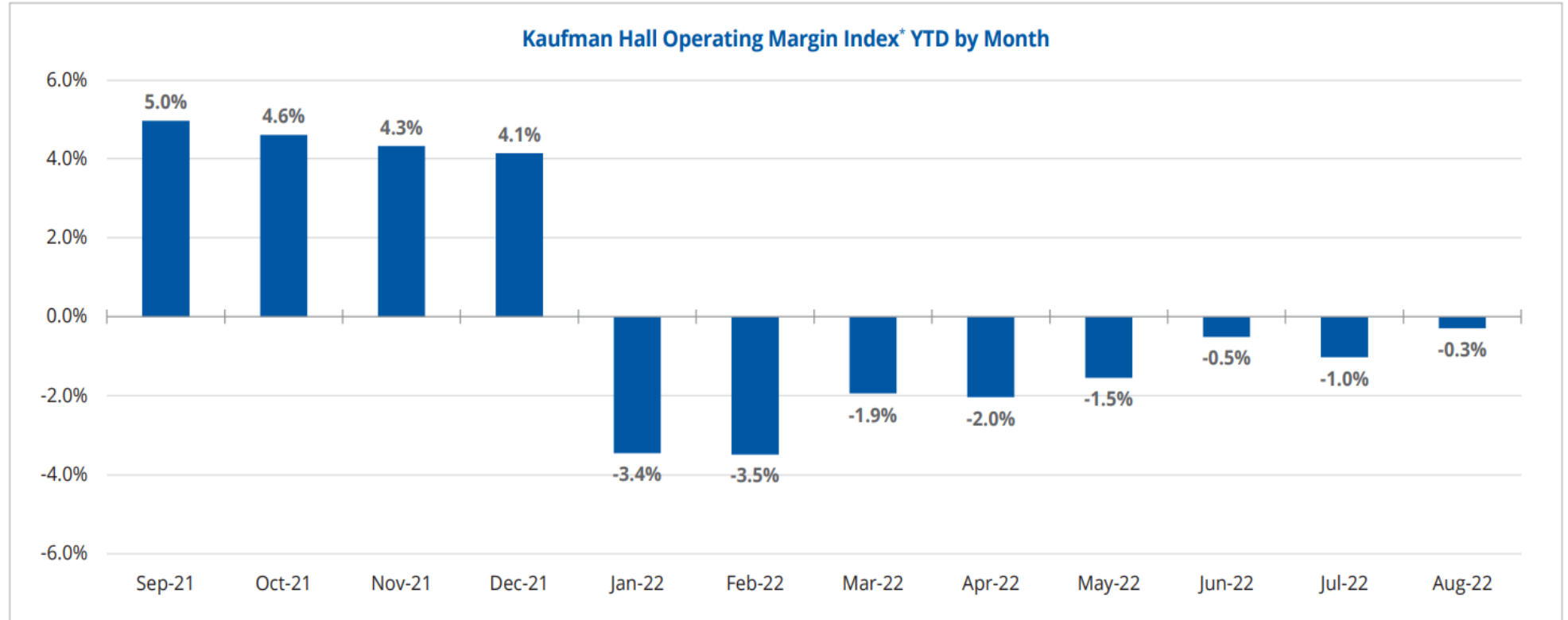
Operations



Operating Margin (Operating Loss/Total Revenue)



Operating Margin Index



Source: *National Hospital Flash Report*, September 2022, KaufmanHall



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**THANK
YOU**

Final Draft AFS 102522



FINAL DRAFT

*Report of Independent Auditors and
Consolidated Financial Statements with
Supplementary Information*

Kaweah Delta Health Care District

June 30, 2022 and 2021



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Management's Discussion and Analysis

FINAL DRAFT

FINAL DRAFT

Kaweah Delta Health Care District Management's Discussion and Analysis June 30, 2022 and 2021

Kaweah Delta Health Care District's (the "District") discussion and analysis is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position, and identify any material deviations from the financial plan (the "approved budget"). Unless otherwise noted, all discussion and analysis pertains to the District's financial condition, results of operations, and cash flows as of and for the year ended June 30, 2022. Please read it in conjunction with the consolidated financial statements in this report.

Financial Highlights

- The District's net position decreased by \$20.5 million, or 4.2%, primarily attributable to the year's net loss (income before contributions). Total assets decreased by \$109.7 million, or 10.8%. Cash and investments decreased by \$115.0 million, or 27.5%, mainly due to the \$50.4 million decrease in the Medicare advance payment liability and the use of bond assets held by trustee for related capital projects. Capital assets decreased \$20.4 million to \$324.2 million. Net additions to buildings, equipment, and construction-in-progress of \$12.2 million was outpaced by a \$32.6 million net increase in accumulated depreciation.
- The District's total operating revenues increased to \$857.3 million, a 10.4% increase from the prior year, while total operating expenses increased to \$887.4 million, an increase of 11.1%. The current year increase in total operating revenues is primarily due to a \$58.5 million increase in net patient services revenue and a \$11.4 million increase in premium revenue. The increase in net patient services revenue is driven by an increase in patient volumes. The increase in premium revenue is due to an increase in the number of covered lives as well as an increase in the per member payment amount.
- Capital contributions to Kaweah Delta Hospital Foundation (the "Foundation") were \$5.1 million in fiscal year 2022, an increase of \$3.6 million compared to fiscal year 2021.
- During the fiscal year, the District made the following significant capital expenditures:
 - Construction costs and related equipment for many facility improvement projects
 - Critical care beds
 - Surgical and urological equipment

The source of funding for these projects was derived from operations, capital contributions, bond project funds, and funds reserved for capital acquisition.

Required Consolidated Financial Statements

The consolidated financial statements of the District include: (a) a consolidated statement of net position, (b) a consolidated statement of revenues, expenses, and changes in net position, and (c) a consolidated statement of cash flows. The consolidated statement of net position includes information about the nature of the District's assets and liabilities and classifies them as current or noncurrent. It also provides the basis for evaluation of the capital structure of the District and for assessing the liquidity and financial flexibility of the District. The District's revenues and expenses are accounted for in the consolidated statement of revenues, expenses, and changes in net position. This statement measures the District's operations and can be used to determine whether the District has been able to recover all of its operating costs from patient services and other operating revenue sources. The primary purpose of the consolidated statement of cash flows is to provide information about the District's cash from operating, noncapital financing, capital and related financing, and investing activities. It provides answers to such questions as what were the District's sources of cash, what was cash used for, and what was the change in cash balances during the reporting period.

FINAL DRAFT

**Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021**

TABLE 1
Financial Analysis of the District
Condensed Consolidated Statements of Net Position
(in Thousands)

A summary of the District's consolidated statements of net position is presented in Table 1 below:

	June 30, 2022	June 30, 2021 (as restated)	Dollar Change	Total % Change
Current and other assets	\$ 585,290	\$ 674,603	\$ (89,313)	-13.2%
Capital assets	324,169	344,521	(20,352)	-5.9%
Total assets	<u>909,459</u>	<u>1,019,124</u>	<u>(109,665)</u>	-10.8%
Deferred outflows	<u>34,410</u>	<u>3,490</u>	<u>30,920</u>	886.0%
Total assets and deferred outflows	<u>\$ 943,869</u>	<u>\$ 1,022,614</u>	<u>\$ (78,745)</u>	-7.7%
Current and other liabilities	\$ 230,646	246,452	\$ (15,806)	-6.4%
Long-term debt outstanding	247,513	250,675	(3,162)	-1.3%
Total liabilities	<u>478,159</u>	<u>497,127</u>	<u>(18,968)</u>	-3.8%
Deferred inflows	<u>-</u>	<u>39,321</u>	<u>(39,321)</u>	
Net investment in capital assets	68,426	107,949	(39,523)	-36.6%
Restricted	32,019	31,712	307	1.0%
Unrestricted	365,265	346,505	18,760	5.4%
Total net position	<u>465,710</u>	<u>486,166</u>	<u>(20,456)</u>	-4.2%
Total liabilities, deferred inflows, and net position	<u>\$ 943,869</u>	<u>\$ 1,022,614</u>	<u>\$ (78,745)</u>	-7.7%

As reflected in Table 1, net position decreased \$20.5 million to \$465.7 million for the year ended June 30, 2022, primarily attributable to the District's \$25.6 million loss before contributions.

**Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021**

TABLE 2
Financial Analysis of the District (Continued)
Condensed Consolidated Statements of Net Position
(in Thousands)

A summary of the District's consolidated statements of net position is presented in Table 2 below:

	June 30, 2021 (as restated)	June 30, 2020	Dollar Change	Total % Change
Current and other assets	\$ 674,603	\$ 614,300	\$ 60,303	9.8%
Capital assets	344,521	338,399	6,122	1.8%
Total assets	<u>1,019,124</u>	<u>952,699</u>	<u>66,425</u>	7.0%
Deferred outflows	<u>3,490</u>	<u>9,354</u>	<u>(5,864)</u>	-62.7%
Total assets and deferred outflows	<u>\$ 1,022,614</u>	<u>\$ 962,053</u>	<u>\$ 60,561</u>	6.3%
Current and other liabilities	\$ 246,452	\$ 226,958	\$ 19,494	8.6%
Long-term debt outstanding	250,675	262,656	(11,981)	-4.6%
Total liabilities	<u>497,127</u>	<u>489,614</u>	<u>7,513</u>	1.5%
Deferred inflows	<u>39,321</u>	<u>-</u>	<u>39,321</u>	
Net investment in capital assets	107,949	104,433	3,516	3.4%
Restricted	31,712	30,567	1,145	3.7%
Unrestricted	346,505	337,439	9,066	2.7%
Total net position	<u>486,166</u>	<u>472,439</u>	<u>13,727</u>	2.9%
Total liabilities, deferred inflows, and net position	<u>\$ 1,022,614</u>	<u>\$ 962,053</u>	<u>\$ 60,561</u>	6.3%

As reflected in Table 2, net position increased \$13.7 million to \$486.2 million for the year ended June 30, 2021, primarily attributable to the District's \$12.2 million income before contributions.

Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021

TABLE 3

Financial Analysis of the District (Continued)

Condensed Consolidated Statements of Revenues, Expenses, and Changes in Net Position

(in Thousands)

The following table presents a summary of the District's revenues, expenses, and changes in net position:

	Years Ended		Dollar Change	Total % Change
	June 30, 2022	June 30, 2021 (as restated)		
Net patient services revenue	\$ 710,723	\$ 652,256	\$ 58,467	9.0%
Premium revenue	69,495	58,107	11,388	19.6%
Management services revenue	36,060	34,167	1,893	5.5%
Other operating revenue	41,036	31,788	9,248	29.1%
Total operating revenues	<u>857,314</u>	<u>776,318</u>	<u>80,996</u>	10.4%
Salaries and benefits	417,003	382,418	34,585	9.0%
Medical and other supplies	162,631	162,660	(29)	-0.02%
Medical and other fees and services	214,426	167,751	46,675	27.8%
Maintenance, utilities, and rent	39,380	35,610	3,770	10.6%
Depreciation and amortization	37,433	36,009	1,424	4.0%
Other	16,486	14,292	2,194	15.4%
Total operating expenses	<u>887,359</u>	<u>798,740</u>	<u>88,619</u>	11.1%
Operating loss	(30,045)	(22,422)	(7,623)	34.0%
Nonoperating revenues - net of nonoperating expenses	<u>4,478</u>	<u>34,634</u>	<u>(30,156)</u>	-87.1%
Loss (income) before capital contributions	(25,567)	12,212	(37,779)	-309.4%
Capital contributions	<u>5,111</u>	<u>1,515</u>	<u>3,596</u>	237.4%
Changes in net position	<u>(20,456)</u>	<u>13,727</u>	<u>(34,183)</u>	-249.0%
Net position, beginning of year	<u>486,166</u>	<u>472,439</u>	<u>13,727</u>	2.9%
Net position, end of year	<u>\$ 465,710</u>	<u>\$ 486,166</u>	<u>\$ (20,456)</u>	-4.2%

**Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021**

TABLE 4

Financial Analysis of the District (Continued)

Condensed Consolidated Statements of Revenues, Expenses, and Changes in Net Position

(in Thousands)

The following table presents a summary of the District's revenues, expenses, and changes in net position:

	Years Ended		Dollar Change	Total % Change
	June 30, 2021 (as restated)	June 30, 2020		
Net patient services revenue	\$ 652,256	\$ 614,435	\$ 37,821	6.2%
Premium revenue	58,107	50,903	7,204	14.2%
Management services revenue	34,167	32,805	1,362	4.2%
Other operating revenue	31,788	36,205	(4,417)	-12.2%
Total operating revenues	<u>776,318</u>	<u>734,348</u>	<u>41,970</u>	5.7%
Salaries and benefits	382,418	384,975	(2,557)	-0.7%
Medical and other supplies	162,660	148,816	13,844	9.3%
Medical and other fees and services	167,751	151,487	16,264	10.7%
Maintenance, utilities, and rent	35,610	37,974	(2,364)	-6.2%
Depreciation and amortization	36,009	30,678	5,331	17.4%
Other	14,292	15,537	(1,245)	-8.0%
Total operating expenses	<u>798,740</u>	<u>769,467</u>	<u>29,273</u>	3.8%
Operating loss	(22,422)	(35,119)	12,697	-36.2%
Nonoperating revenues - net of nonoperating expenses	<u>34,634</u>	<u>27,468</u>	<u>7,166</u>	-26.1%
Income (loss) before capital contributions	12,212	(7,651)	19,863	-259.6%
Capital contributions	<u>1,515</u>	<u>851</u>	<u>664</u>	78.0%
Changes in net position	<u>13,727</u>	<u>(6,800)</u>	<u>20,527</u>	-301.9%
Net position, beginning of year	<u>472,439</u>	<u>479,239</u>	<u>(6,800)</u>	-1.4%
Net position, end of year	<u>\$ 486,166</u>	<u>\$ 472,439</u>	<u>\$ 13,727</u>	2.9%

Kaweah Delta Health Care District

Management's Discussion and Analysis (Continued)

June 30, 2022 and 2021

Sources of Revenue

Operating revenues – For fiscal year 2022, the District derived 98.4% of its total revenues from operations. Operating revenues include, among other items, patient care revenue from Medicare, Medi-Cal, and other federal, state, and local government programs, and commercial insurance payers and patients; management services revenue associated with the District's forty-five percent (45%) ownership in SRCC-Medical Oncology, LLC, a management services organization providing staff, facilities, and administrative services to a medical oncology physician group; premium revenue associated with a capitated Medicare Advantage contract; cafeteria sales; QIP program revenue; membership sales and dues from a District-owned health and fitness center; and minority ownership interests in a free-standing ambulatory surgery center, an assisted living center, and a memory care facility.

Nonoperating revenues – For fiscal year 2022, the District derived 1.6% of its total revenues from nonoperating revenues. Nonoperating revenues include investment income, Stimulus funds, gain on the sale of capital assets and property tax revenue including that associated with the general obligation bonds as well as an allocation of general property taxes assessed by the County of Tulare on properties residing within the District's geographical boundaries.

Operating and Financial Performance

The following summarizes the District's consolidated statements of revenues, expenses, and changes in net position between 2022 and 2021:

Acute admissions increased by 347, or 1.5%, to 23,693 and acute patient days increased by 11,477, or 8.7%, to 147,752. Skilled nursing and long-term subacute patient days decreased by 3.2% to 19,294 days in 2022. Outpatient equivalent patient days, a measure of overall outpatient activity, increased by 10.0% from 2021 levels. The overall increase in outpatient activity was mainly driven by increases in emergency department and urgent care visits and lab and radiology procedures.

Net patient services revenue increased \$58.5 million, or 9.0%, in 2022. The increase in net patient services revenue can mainly be attributed to the increase in patient volume noted above.

The District participates in various supplemental payment programs administered by the State of California as discussed in detail in the notes to the consolidated financial statements. In fiscal year 2022, net patient services revenue includes \$16.1 million related to the QAF Managed Care Medi-Cal program, \$7.4 million related to the AB113 IGT FFS Medi-Cal Inpatient program, and \$24.4 million related to the Rate Range IGT Managed Medi-Cal program.

Premium revenue associated with a capitated Medicare Advantage contract increased by \$11.4 million, or 19.6%, from 2021, due to an increase in the number of covered lives as well as an increase in the per member payment amount.

Management services revenue increased \$1.9 million, or 5.5%, from 2021. The increase in revenue is primarily associated with the increase in revenue generated by the SRCC-Medical Oncology joint venture.

Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021

Other operating revenue consists primarily of QIP program revenue, cafeteria sales, equity ownership in an ambulatory surgery center, assisted living center, and memory care facility, contributions, and health and fitness center membership sales and dues. Other operating revenue increased by \$9.2 million, or 29.1%. This increase is primarily related to an increase in QIP revenue recognized and to an increase in health and fitness center membership revenue.

Salaries and benefits expense increased \$34.6 million, or 9.0%. Salaries and wages increased \$26.0 million, or 8.0%, and employee benefits expense increased \$8.5 million, or 15.2%, from 2021. The increase in salaries and wages was mainly attributable to an increase in patient volumes, shift incentives, and novel coronavirus ("COVID-19") supplemental sick pay. The decrease in investment earnings related to the defined benefit pension plan assets was the main driver of the increase in benefits expense.

Medical and other supplies expense remained consistent with 2021. The impact of the increase in patient volume was offset by a \$5.7 million decrease in COVID-19 related supply purchases.

Medical and other fees and services increased \$46.7 million, or 27.8%, due to a \$30.2 million increase in nursing contract labor, an \$11.5 million increase in third-party purchased service cost related to the Medicare Advantage contract for which the District receives revenue on a capitation basis, and the remainder related to an increase in physician fees.

Maintenance, utilities, and rent increased by \$3.8 million, or 10.6%, during 2022, primarily due to an increase in information systems contracts and an increase in utilities.

Depreciation and amortization expense increased \$1.4 million, or 4.0%.

Other expenses increased \$2.2 million, or 15.4%, resulting mainly from the increase in professional liability expense.

Total operating expenses increased by \$88.6 million, or 11.1%.

Nonoperating revenues of \$13.7 million for fiscal year 2022 are comprised of \$18.5 million of stimulus funds, including provider relief funding, \$5.3 million of tax revenue received from the County of Tulare and a \$10.2 million loss on investments due to unrealized losses on District and Foundation investments. District investments by law may only be invested in high-grade, governmental and commercial fixed income securities and money market funds.

Nonoperating expenses represent interest on the District's short-term and long-term debt consisting of revenue and general obligation bonds, loss on disposal of capital assets, and bond issuance expense. Total interest expense of \$9.0 million increased by \$476,000, from 2021. Both bond issuance and interest expenses increased in 2022.

For fiscal year 2022, capital contributions of \$5.1 million represent amounts received from Foundation donors to support specific capital purposes. The Foundation exists to support the needs of the District and to help build support for the District and our community.

Kaweah Delta Health Care District Management's Discussion and Analysis (Continued) June 30, 2022 and 2021

The following summarizes the District's consolidated statements of revenues, expenses, and changes in net position between 2021 and 2020:

Acute admissions decreased by 945 or 3.9%, to 23,346 but acute patient days increased by 7,856, or 6.4%, to 131,332. Skilled nursing and long-term subacute patient days decreased by 5.8% with 19,936 days in 2021 and 21,162 days in 2020. Outpatient equivalent patient days, a measure of overall outpatient activity, decreased by 1.0% from 2020 levels. Increases in rural health clinic registrations, home health visits, and urgent care visits, were offset by decreases in radiation oncology and dialysis treatments, and emergency department visits. Inpatient admissions and outpatient activity was significantly impacted by COVID-19 during the last quarter of fiscal year 2020, with volumes recovering in fiscal year 2021.

Net patient services revenue increased \$37.8 million, or 6.2%, in 2021. The increase in net patient services revenue can mainly be attributed to the increase in inpatient volume noted above.

The District participates in various supplemental payment programs administered by the State of California as discussed in detail in the notes to the consolidated financial statements. In fiscal year 2021, net patient services revenue includes \$14.6 million related to the QAF Managed Care Medi-Cal program, \$10.1 million related to the AB113 IGT FFS Medi-Cal Inpatient program, and \$17.2 million related to the Rate Range IGT Managed Medi-Cal program.

Premium revenue associated with a capitated Medicare Advantage contract increased by \$7.2 million, or 14.2%, from 2020, due to an increase in the number of covered lives as well as an increase in the per member payment amount.

Management services revenue increased \$1.4 million, or 4.2%, from 2020. The increase in revenue is primarily associated with the increase in revenue generated by the SRCC-Medical Oncology joint venture.

Other operating revenue consists primarily of PRIME program revenue, cafeteria sales, equity ownership in an ambulatory surgery center, assisted living center, and memory care facility, contributions, and health and fitness center membership sales and dues. Other operating revenue decreased by \$4.4 million, or 12.2%. This decrease is primarily related to a decrease in PRIME revenue recognized.

Salaries and benefits expense decreased \$2.6 million, or 0.7%. Salaries and wages increased \$15.6 million, or 5.0%, and employee benefits expense decreased \$18.2 million, or 24.4%, from 2020. The increase in salaries and wages was attributable to an increase in hours paid (\$2.1 million increase due to activities related to COVID-19) and wage related adjustments. The excess of investment earnings on the defined benefit pension plan assets was the main driver of the decrease in benefits expense.

Medical and other supplies increased \$13.8 million, or 9.3%, from 2020, including an \$8.4 million increase related to COVID-19 purchases for testing and personal protective equipment purchases, as well as increase in pharmaceutical costs associated with increased inpatient volumes, SRCC-Medical Oncology volume and the retail pharmacy.

Medical and other fees and services increased \$16.3 million, or 10.7%, mainly due to a \$11.3 million increase in third-party purchased service cost related to the Medicare Advantage contract for which the District receives revenue on a capitation basis, and the remainder related to an increase in physician fees.

**Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021**

Maintenance, utilities, and rent decreased by \$2.3 million, or 6.2%, during 2021.

Depreciation and amortization expense increased \$5.3 million, or 17.4%.

Other expenses decreased \$1.2 million, or 8.0%, resulting mainly from decreases in recruiting cost and professional liability expense.

Total operating expenses increased by \$29.3 million, or 3.8%.

Nonoperating revenues of \$43.1 million for fiscal year 2021, are comprised of \$32.5 million of stimulus funds, including provider relief funding, \$5.0 million of tax revenue received from the County of Tulare and \$5.7 million in investment income on cash and investments. Investment income represents interest income and realized and unrealized gains and losses on District and Foundation investments. District investments by law may only be invested in high-grade, governmental and commercial fixed income securities and money market funds.

Nonoperating expenses represent interest on the District's short-term and long-term debt consisting of revenue and general obligation bonds, loss on disposal of capital assets, and bond issuance expense. Total interest expense of \$8.5 million increased by \$1 million, or 13.4%, from 2020. Bond issuance expense decreased by \$172,000 in 2021.

For fiscal year 2021, capital contributions of \$1.5 million represent amounts received from Foundation donors to support specific capital purposes. The Foundation exists to support the needs of the District and to help build support for the District and our community.

**Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021**

Budget Results

The Board of Directors approves the annual operating budget of the District. The budget remains in effect the entire year but is updated as needed for internal management use to reflect changes in activity and approved variances. A fiscal year 2022 budget comparison and analysis is presented below.

TABLE 5
Actual vs. Budget
(in Thousands)

	Years Ended June 30,		Dollar Variance	Total % Variance
	2022 Actual	2022 Budget		
Net patient services revenue	\$ 710,723	\$ 687,726	\$ 22,997	3.3%
Management services revenue	36,060	36,290	(230)	-0.6%
Premium revenue	69,495	66,017	3,478	5.3%
Other operating revenue	41,036	32,560	8,476	26.0%
Total operating revenues	857,314	822,593	34,721	4.2%
Salaries and benefits	417,003	386,731	30,272	7.8%
Medical and other supplies	162,631	158,043	4,588	2.9%
Medical and other fees and services	214,426	162,639	51,787	31.8%
Maintenance, utilities, and rent	39,380	42,313	(2,933)	-6.9%
Depreciation and amortization	37,433	33,552	3,881	11.6%
Other	16,486	18,907	(2,421)	-12.8%
Total operating expenses	887,359	802,185	85,174	10.6%
Operating (loss) income	(30,045)	20,408	(50,453)	-247.2%
Nonoperating revenues - net of nonoperating expenses	4,478	310	4,168	1344.5%
(Loss) income before contributions	\$ (25,567)	\$ 20,718	\$ (46,285)	-223.4%

Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021

In comparing actual versus budgeted 2022 results, the following is noted:

The District completed its fiscal year 2022 \$46.3 million below the budgeted income before contributions of \$20.7 million. Operating income fell short of budget expectations, but nonoperating income exceeded budget by \$4.2 million due to the \$18.5 million stimulus funds received in 2022.

The District's operating loss fell short of budget expectations by \$50.5 million. Net patient services revenue exceeded budget by \$23.0 million, or 3.3%, due to higher-than-expected patient volumes as well as an unbudgeted increase in Medi-Cal supplemental payment programs. Premium revenue and other operating revenue exceeded budget expectations by \$3.5 million, or 5.3%, and \$8.5 million, or 26.0%, respectively. The District realized an unfavorable variance in total operating expenses of \$85.2 million, or 10.6%, in fiscal year 2022. In addition to the \$9.0 million of unbudgeted costs related to COVID-19, this unfavorable expense variance was mainly due to salaries and benefits, and medical and other fees and services, which were \$30.3 million, or 7.8%, and \$51.8 million, or 31.8%, higher than expected, respectively. Salaries and wages exceeded budget by \$18.5 million due to unbudgeted shift incentives and COVID sick pay. Benefits exceeded budget by \$11.9 million due to the unexpected impact of the decrease in market value of the defined benefit plan assets. Medical and other fees and service exceeded budget due to a negative budget variance of \$35.2 million in contract labor expense, and overages in physician fees and third-party services related to the Medicare managed care contract.

Capital Assets

At June 30, 2022, the District had \$324.2 million invested in a variety of capital assets, as reflected in the following schedule (in thousands), which represents a net decrease (additions less retirements and depreciation) of \$20.4 million from the end of the prior year.

	June 30, 2022	June 30, 2021 (as restated)	Dollar Change	Total % Change
Land	\$ 17,542	\$ 17,542	\$ -	0.0%
Buildings and improvements	425,542	384,399	41,143	10.7%
Equipment	325,209	316,636	8,573	2.7%
Construction in progress	15,620	53,113	(37,493)	-70.6%
	<u>783,913</u>	<u>771,690</u>	12,223	1.6%
Less: accumulated depreciation	<u>459,744</u>	<u>427,169</u>	32,575	7.6%
Capital assets, net	<u>\$ 324,169</u>	<u>\$ 344,521</u>	<u>\$ (20,352)</u>	-5.9%

**Kaweah Delta Health Care District
Management’s Discussion and Analysis (Continued)
June 30, 2022 and 2021**

Material additions during fiscal year 2022 included (in thousands):

Construction and equipment costs related to:

Various construction projects to improve facilities	\$	5,058
Critical care beds	\$	509
Surgical equipment	\$	386
Urology equipment	\$	368
Stretcher beds	\$	367
Steris washer	\$	367
Surgical display upgrade	\$	345
Med computer stations	\$	323
Sonosite ultrasound	\$	300
Ventilators	\$	222
Acequia CVOR surgery lights	\$	207

Long-Term Debt

At June 30, 2022, the District had approximately \$251.4 million in revenue and general obligation bonds outstanding as described in Note 9 to the consolidated financial statements. The general obligation bonds represent the general obligation of the District. The District has the power and is obligated to cause annual ad valorem taxes to be levied upon all property within the District, subject to taxation by the District, and collected by the County of Tulare for payment, when due, of the principal and interest on the bonds. The bond indenture agreements contain various restrictive covenants that include, among other things, minimum debt service coverage, maintenance of minimum liquidity, restrictions on certain additional indebtedness, and requirements to maintain certain financial ratios.

2022 Bonds – During April 2022, the District issued \$32.0 million Series 2022 Kaweah Delta Health Care District Revenue Refunding Bonds. The revenue bonds bear interest at a rate of 2.0%. The net proceeds were used to prepay existing debt, including the remaining 2017A and 2017B bonds. The 2022 revenue bonds maturing on or after June 1, 2022 to May 31, 2023, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to 102% of the principal amount of the bonds. The 2022 revenue bonds, maturing on or after June 1, 2023 to May 31, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to 101% of the principal amount of the bonds. The 2022 revenue bonds, maturing on or after June 1, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium. The current refunding of the 2017A and 2017B bonds resulted in decreased debt service payments of approximately \$1.3 million over the next nine years and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$1.2 million.

Economic Outlook

The District's Board of Directors and management considered many factors when setting the fiscal year 2022 budget. Of primary importance in setting the 2022 budget is the status of the California economy, the fiscal policy of state and federal governments, the availability and affordability of labor, the general rise of health care related costs, and local and regional competition for health care services. Specific factors and assumptions incorporated in the District's fiscal year 2022 budget include:

- Inpatient utilization is projected to increase by 4.9% from 2022 levels reflecting an average daily patient census of 484. Outpatient activity expressed in equivalent inpatient days is projected to increase 2.5% from 2022.
- A 2.4% increase in gross patient services revenue due to increased patient care volume and mix of services, although no retail price increase was budgeted.
- A Medicare general acute care rate increase of approximately 3.2%, an increase of 1.5% for outpatient services, an increase of 2.8% for skilled nursing and for subacute services, an increase of 7.7% for home health services, an increase of 2.1% for rural health clinic services, an increase of 3.6% for acute rehabilitation, and a 4.4% increase for acute psychiatric services.
- No change in reimbursement anticipated for Medi-Cal fee-for-service acute medical/surgical, rehabilitation services, skilled nursing, subacute, psychiatric, home health, and outpatient fee-for-service reimbursement. Includes \$14.0 million in disproportionate share payments, \$5.5 million in anticipated fee-for-service intergovernmental transfer revenues and \$23.4 million in provider fee intergovernmental transfer and grant revenue.
- Medi-Cal managed care reimbursement rate increases of approximately 2.8% based on scheduled rate increases included in multi-year contracts. Includes \$19.0 million of Medi-Cal managed care rate range program intergovernmental transfer revenue.
- Annual scheduled rate increases for nongovernment managed care payers for contracts negotiated in prior years as well as expected new negotiated increases with managed care plans averaging 3.3%.
- The successful improvement of health care delivery system improvement initiatives under various care transformation programs resulting in the recognition of \$8.9 million in related revenue.
- Overall expense per adjusted patient day is projected to decrease by 2.5% from the prior year.

District's Fiduciary Responsibility

The District is the trustee, or fiduciary, for certain amounts held on behalf of retirement plan participants. The District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position. These activities are excluded from the District's other financial statements because the District cannot use these assets to finance operations. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

**Kaweah Delta Health Care District
Management's Discussion and Analysis (Continued)
June 30, 2022 and 2021**

**TABLE 6
Fiduciary Activities
(in Thousands)**

	RETIRMENT PLAN		
	2022	2021	2020
ASSETS			
Receivables	\$ 335	\$ 365	\$ 419
Investments, at fair value	264,805	319,682	250,439
NET POSITION RESTRICTED FOR PENSIONS	<u>\$ 265,140</u>	<u>\$ 320,047</u>	<u>\$ 250,858</u>
ADDITIONS			
Employer contributions	\$ 11,400	\$ 11,400	\$ 11,400
Net (loss) income from investments	(49,170)	73,603	6,328
Total additions	<u>(37,770)</u>	<u>85,003</u>	<u>17,728</u>
DEDUCTIONS			
Deductions	17,137	15,814	14,692
(DECREASE) INCREASE IN NET POSITION RESTRICTED FOR PENSIONS	<u>\$ (54,907)</u>	<u>\$ 69,189</u>	<u>\$ 3,036</u>

Report of Independent Auditors

The Board of Directors
Kaweah Delta Health Care District

Report on the Audit of the Financial Statements

Opinion

We have audited the consolidated financial statements of the business-type activities and the aggregate remaining fund information of Kaweah Delta Health Care District (the "District") as of June 30, 2022 and 2021, and the related notes to the consolidated financial statements, which collectively comprise the District's basic consolidated financial statements as listed in the table of contents.

In our opinion, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the respective consolidated net position of the business-type and the aggregate remaining fund information of Kaweah Delta Health Care District as of June 30, 2022 and 2021, and the respective changes in consolidated net position and, where applicable, cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS) and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Purpose Districts. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Purpose Districts will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and the California Code of Regulations, Title 2, Section 1131.2, State Controller's *Minimum Audit Requirements* for California Special Purpose Districts, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Emphasis of Matter – New Accounting Standard

As discussed in Note 1 to the consolidated financial statements, the District adopted Government Accounting Standards Board (“GASB”) Statement No. 87, *Leases*, as of July 1, 2020. Our opinion is not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management’s Discussion and Analysis on pages 1 through 15 and the supplemental pension information on pages 60 and 61, be presented to supplement the basic consolidated financial statements. Such information is the responsibility of management and, although not a part of the basic consolidated financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic consolidated financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic consolidated financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Stockton, California
 , 2022

Consolidated Financial Statements

FINAL DRAFT

Kaweah Delta Health Care District
Consolidated Statements of Net Position
June 30, 2022 and 2021
(in Thousands)

	<u>2022</u>	<u>2021</u> (as restated)
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
CURRENT ASSETS		
Cash and cash equivalents	\$ 21,693	\$ 30,081
Current portion of Board designated and trustee assets	14,121	13,695
Accounts receivable:		
Patient accounts receivable	135,946	121,551
Other	27,575	16,050
Total accounts receivable	163,521	137,601
Inventories	14,025	10,800
Medicare and Medi-Cal settlements	58,593	37,339
Prepaid expenses	13,050	12,210
Total current assets	285,003	241,726
NONCURRENT CASH AND INVESTMENTS, net of current portion		
Board designated assets	266,148	349,933
Bond assets held by trustee	8	22,271
Assets in self-insurance trust fund	1,040	2,073
Total noncurrent cash and investments	267,196	374,277
INTANGIBLE RIGHT-TO-USE ASSETS, net of accumulated amortization	<u>14,376</u>	<u>17,907</u>
CAPITAL ASSETS		
Land	17,542	17,542
Buildings and improvements	425,542	384,399
Equipment	325,209	316,636
Construction in progress	15,620	53,113
	783,913	771,690
Less: accumulated depreciation	459,744	427,169
Total capital assets	324,169	344,521
NET PENSION ASSET	<u>-</u>	<u>22,273</u>
OTHER ASSETS		
Property not used in operations	1,584	1,635
Health-related investments	4,620	5,216
Other	12,511	11,569
Total other assets	18,715	18,420
Total assets	909,459	1,019,124
DEFERRED OUTFLOWS OF RESOURCES		
Unamortized loss on defeasance of debt	3,521	2,845
Unamortized goodwill	181	236
Deferred outflows - actuarial	30,708	409
Total deferred outflows of resources	34,410	3,490
Total assets and deferred outflows of resources	<u>\$ 943,869</u>	<u>\$ 1,022,614</u>

Kaweah Delta Health Care District
Consolidated Statements of Net Position (Continued)
June 30, 2022 and 2021
(in Thousands)

	2022	2021 (as restated)
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION		
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 36,538	\$ 38,053
Accrued payroll and related liabilities	70,419	71,537
Medicare accelerated payments payable	26,496	76,846
Lease liability, current portion	4,542	4,507
Long-term debt, current portion	11,759	11,027
Total current liabilities	149,754	201,970
LEASE LIABILITY, net of current portion	10,135	13,588
LONG-TERM DEBT, net of current portion		
Bonds payable	239,618	250,675
Notes payable	7,895	-
Total long-term debt	247,513	250,675
NET PENSION LIABILITY	39,789	-
OTHER LONG-TERM LIABILITIES	30,968	30,894
Total liabilities	478,159	497,127
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows - actuarial	-	39,321
NET POSITION		
Invested in capital assets, net of related debt	68,426	107,949
Restricted:		
Expendable	18,597	17,109
Nonexpendable - minority interest	2,613	2,083
Nonexpendable - permanent endowments	10,809	12,520
Unrestricted	365,265	346,505
Total net position	465,710	486,166
Total liabilities, deferred inflows of resources, and net position	\$ 943,869	\$ 1,022,614

See accompanying notes.

Kaweah Delta Health Care District
Consolidated Statements of Revenues, Expenses, and Changes in Net Position
Years Ended June 30, 2022 and 2021
(in Thousands)

	2022	2021 (as restated)
OPERATING REVENUES		
Net patient services revenue	\$ 710,723	\$ 652,256
Premium revenue	69,495	58,107
Other revenues:		
Management services revenue	36,060	34,167
Other	41,036	31,788
Total other revenues	77,096	65,955
Total operating revenues	857,314	776,318
OPERATING EXPENSES		
Salaries and wages	352,108	326,062
Employee benefits	64,895	56,356
Total employment expenses	417,003	382,418
Medical and other supplies	162,631	162,660
Medical and other fees	156,218	113,218
Purchased services	58,208	54,533
Repairs and maintenance	28,415	26,155
Utilities	9,277	7,495
Rents and leases	1,688	1,960
Depreciation and amortization	37,433	36,009
Other	16,486	14,292
Total operating expenses	887,359	798,740
OPERATING LOSS	(30,045)	(22,422)
NONOPERATING REVENUES (EXPENSES)		
Property tax revenue	5,319	4,982
Stimulus funds	18,548	32,463
Investment (loss) income, net	(10,168)	5,664
Bond issuance expense	(269)	-
Interest expense	(8,954)	(8,478)
Gain on disposal of capital assets	2	3
Total nonoperating revenues	4,478	34,634
(LOSS) INCOME BEFORE CAPITAL CONTRIBUTIONS	(25,567)	12,212
CAPITAL CONTRIBUTIONS	5,111	1,515
CHANGES IN NET POSITION	(20,456)	13,727
NET POSITION, beginning of year	486,166	472,439
NET POSITION, end of year	\$ 465,710	\$ 486,166

Kaweah Delta Health Care District
Consolidated Statements of Cash Flows
Years Ended June 30, 2022 and 2021
(in Thousands)

	2022	2021 (as restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from net patient services revenue	\$ 675,252	\$ 648,433
Cash received from management services and other operating revenues	135,357	124,647
Cash received from Medicare accelerated payments	(50,350)	33,096
Cash payments for salaries, wages, and related benefits	(418,121)	(374,292)
Cash payments for other operating expenses	(447,996)	(402,313)
	(105,858)	29,571
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
FINANCING ACTIVITIES		
Property tax revenue	1,617	1,552
Federal stimulus funds	18,548	32,463
	20,165	34,015
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Bond issuance costs on bonds payable	(269)	-
Interest payments on bonds payable	(9,215)	(9,576)
Principal payments on bonds payable	(41,726)	(10,585)
Interest payments on lease liabilities	(73)	(84)
Principal payments on lease liabilities	(4,507)	(4,336)
Proceeds from revenue bonds and note payable	39,930	-
Contributions received for capital expenditures	5,111	1,514
Tax revenue related to general obligation bonds	3,703	3,430
Purchase of capital assets	(12,624)	(36,724)
Proceeds from disposal of capital assets	-	11
	(19,670)	(56,350)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest income on investments	2,639	4,818
Purchase of investments	(73,599)	(85,387)
Net health-related investment contributions	490	830
Proceeds from sales and maturities of investments	72,336	86,579
	1,866	6,840
NET CHANGES IN CASH AND CASH EQUIVALENTS	(103,497)	14,076
CASH AND CASH EQUIVALENTS, beginning of year	219,550	205,474
CASH AND CASH EQUIVALENTS, end of year	\$ 116,053	\$ 219,550

See accompanying notes.

Kaweah Delta Health Care District
Consolidated Statements of Cash Flows (Continued)
Years Ended June 30, 2022 and 2021
(in Thousands)

	<u>2022</u>	<u>2021</u> (as restated)
RECONCILIATION OF CASH AND CASH EQUIVALENTS TO THE STATEMENT OF NET POSITION		
Cash and cash equivalents in current assets	\$ 21,693	\$ 30,081
Cash and cash equivalents in noncurrent cash and investments:		
Board designated cash and investments	89,305	162,561
Bond assets held by trustee	5,050	26,893
Assets in self-insurance trust fund	<u>5</u>	<u>15</u>
	<u>\$ 116,053</u>	<u>\$ 219,550</u>
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating loss	\$ (30,045)	\$ (22,422)
Adjustments to reconcile operating loss to net cash from operating activities:		
Depreciation and amortization	37,433	36,009
Provision for bad debts	25,035	35,288
Changes in operating assets and liabilities:		
Accounts receivable	(50,955)	(37,770)
Inventories, prepaid expenses, and other assets	(27,243)	(4,879)
Accounts payable and accrued expenses, accrued payroll related liabilities, lease liabilities, Medicare accelerated payments payable, and other long-term liabilities	<u>(60,083)</u>	<u>23,345</u>
Net cash from operating activities	<u>\$ (105,858)</u>	<u>\$ 29,571</u>

Kaweah Delta Health Care District
Statements of Fiduciary Net Position
June 30, 2022 and 2021
(in Thousands)

	KAWEAH DELTA HEALTH CARE DISTRICT EMPLOYEES' RETIREMENT PLAN	
	2022	2021
ASSETS		
Receivables:		
Accrued interest and dividends receivable	\$ 335	\$ 365
Total receivables	335	365
Investments, at fair value:		
Cash and cash equivalents	19,587	4,625
Fixed income investments	61,821	67,686
Equities	183,397	247,371
Total investments	264,805	319,682
Total assets and net position restricted for pensions	\$ 265,140	\$ 320,047

Kaweah Delta Health Care District
Statements of Changes in Fiduciary Net Position
Years Ended June 30, 2022 and 2021
(in Thousands)

	KAWEAH DELTA HEALTH CARE DISTRICT EMPLOYEES' RETIREMENT PLAN	
	2022	2021
ADDITIONS		
Contributions:		
Employer contributions	\$ 11,400	\$ 11,400
Investments income:		
Net (decrease) increase in fair value of investments	(56,266)	67,199
Interest and dividend income	8,650	8,053
Investment expense	(1,554)	(1,649)
Net income from investing	(49,170)	73,603
Total additions	(37,770)	85,003
DEDUCTIONS		
Benefit payments	16,832	15,527
Administrative expenses	305	287
Total deductions	17,137	15,814
(DECREASE) INCREASE IN NET POSITION	(54,907)	69,189
NET POSITION RESTRICTED FOR PENSIONS		
Beginning of year	320,047	250,858
End of year	\$ 265,140	\$ 320,047

Kaweah Delta Health Care District

Notes to Consolidated Financial Statements

NOTE 1 – BASIS OF PRESENTATION AND ACCOUNTING POLICIES

A summary of significant accounting policies applied in the preparation of the accompanying consolidated financial statements follows:

Reporting entity – Kaweah Delta Health Care District (the “District”) is a political subdivision of the State of California, organized and existing under the State of California Local Health Care District Law as set forth in the Health and Safety Code of the state of California. The District is governed by a separately-elected Board of Directors (the “Board”).

The accounting policies of the District conform to those recommended by the Health Care Committee of the American Institute of Certified Public Accountants. The District’s consolidated financial statements are presented in accordance with the pronouncements of the Governmental Accounting Standards Board (“GASB”), and the Financial Accounting Standards Board (“FASB”), when applicable. The District is not generally subject to state and federal income taxes. The District provides health care services to individuals who reside primarily in the local geographic area.

Principles of consolidation – The consolidated financial statements of the District include the accounts of the District, Kaweah Delta Hospital Foundation (the “Foundation”), Kaweah Health Medical Group (“KHMG”), Sequoia Regional Cancer Center, LLC (“SRCC”), Sequoia Regional Cancer Center – Medical Oncology, LLC (“SRCC-MO”), and TKC Development, LLC (“TKC”). KHMG, SRCC, SRCC-MO, TKC, and the Foundation are component units that have been blended for presentation purposes. The District has a 75% interest in TKC, which leases real estate and equipment from the District and then subleases the real estate and equipment to SRCC and SRCC-MO. The District has a 75% interest in SRCC and a 45% interest in SRCC-MO, management services organizations providing staff, facilities, and administration services to the radiation oncology department of the District and a medical oncology physician group, respectively. The District provides key management, administrative, and support services to SRCC and SRCC-MO, including all of their employees, leased buildings and equipment, accounting, human resources, information technology, housekeeping, risk management, and maintenance services.

The Foundation was established in March 1980, as an exempt organization under Internal Revenue Code (“IRC”) Section 501(c)(3) to raise funds to support the operation of the District. The Foundation’s bylaws provide that all funds raised be distributed to or be held for the benefit of the District. The Foundation’s general funds, which represent the Foundation’s unrestricted resources, will be distributed to the District in amounts and in periods determined by the Foundation’s Board of Trustees.

Effective November 1, 2015, the District and its subsidiary, Kaweah Delta Health Care, Inc., a California nonprofit 501(c)(3) public benefit corporation, doing business as KHMG, entered into an affiliation with Visalia Medical Clinic (“VMC”), a California professional medical corporation. VMC is the largest multi-specialty medical group in Visalia and has been in existence for over 75 years. KHMG provides primary and specialty care health services to patients. The District is the sole corporate member of KHMG, with the nonprofit entity operating as a California medical foundation pursuant to Section 1206(l) of the California Health and Safety Code. VMC transferred its personal property, payor agreements, and nonphysician staff, among other assets, to KHMG. All physicians and mid-level providers will continue to be employed by VMC. VMC has entered into a professional services agreement with KHMG and provides medical services to patients of KHMG.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

All intercompany transactions have been eliminated in the District's consolidated financial statements.

Proprietary fund accounting – The District utilizes the proprietary fund method of accounting whereby revenues and expenses are recognized on the accrual basis and consolidated financial statements are prepared using the economic resources measurement focus.

Fiduciary fund accounting – Fiduciary funds for which the District acts only as an agent or trust are not included in the business-type activities of the District. These funds are reported in the statement of fiduciary net position and statement of change in fiduciary net position at the fund financial statement level.

Kaweah Delta Health Care District Employees' Retirement Plan – The "Retirement Plan" was originally adopted as a defined benefit plan effective July 1, 1984. Effective June 30, 2011, the Retirement Plan was restated and amended (see Note 11). The Retirement Plan is administered by the sponsor, the District, and Retirement Plan assets are held by the custodian of the Retirement Plan, First State Trust Company. The Retirement Committee (the "Committee") of the District retains the responsibility to oversee the management of the Retirement Plan, including the requirement that investments and assets held within the Retirement Plan continually adhere to the requirements of the California Government Code which specifies that the trustee's primary role is to preserve capital, then maintain investment liquidity and thirdly, to protect investment yield. As such, the District acts as the fiduciary of the Retirement Plan.

Use of estimates – The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Accounting standards – Pursuant to Governmental Accounting Standards Board ("GASB") Statement No. 62, *Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 30, 1989 Financial Accounting Standards Board ("FASB") and American Institute of Certified Public Accountants ("AICPA") Pronouncements*, the District's proprietary fund accounting and financial reporting practices are based on all applicable GASB pronouncements as well as codified pronouncements issued on or before November 30, 1989 and State Controller's *Minimum Audit Requirements* for California Special districts and the State Controller's office prescribed reporting guidelines.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Net patient services revenue and patient accounts receivable – Net patient services revenue is reported at the estimated net realizable amount from patients, governmental programs, health maintenance and preferred provider organizations, and insurance contracts under applicable laws, regulations, and program instructions. Net realizable amounts are generally less than the District's established rates. Final determination of certain amounts payable is subject to review by appropriate third-party representatives. Subsequent adjustments, if any, arising from such reviews are recorded in the year final settlement becomes known. Significant concentrations of net patient accounts receivable at June 30, 2022 and 2021, include Medicare, 34.51% and 38.71%, respectively, and Medi-Cal, 25.64% and 33.92%, respectively. The District provides for estimated losses on amounts receivable directly from patients based on historical bad debt experience. Past due status is based on the date the account is determined to be payable directly from the patient. When the account is deemed uncollectible in accordance with District policy, it is written off to bad debt expense. Recoveries from previously written-off accounts are recorded when received. At June 30, 2022 and 2021, the District provided allowances for losses on amounts receivable directly from patients totaling \$54.4 million and \$72.4 million, respectively. Amounts written off to bad debt expense included in net patient services revenue totaled approximately \$25.0 million and \$35.3 million for 2022 and 2021, respectively.

The District renders service to patients under contractual arrangements with the Medicare and Medi-Cal programs. Medicare payments are primarily prospective for inpatients, while Medicare payments for outpatients are based on a combination of a fee-for-service schedule and prospective reimbursement. Medi-Cal inpatient payments are subject to the state's prospective payment system. Medi-Cal outpatient services are reimbursed on a fee-for-service schedule. The programs' administrative procedures preclude final determination of amounts due for services to program patients until after the cost reports are audited or otherwise reviewed by and settled with the respective administrative agencies. Medicare and Medi-Cal cost reports for 2019 and 2021, are subject to audit and possible adjustment. Net Medicare and Medi-Cal program patient services revenue amounted to approximately \$372.5 million and \$364.9 million in 2022 and 2021, respectively. The District recognized in the consolidated statements of revenues, expenses, and changes in net position increases of approximately \$2.9 million and \$731,000 in 2022 and 2021, respectively, in net patient services revenue pertaining to the settlement of previous years' cost reports.

Cash and cash equivalents – Cash and cash equivalents include cash in bank checking, savings, and time deposit accounts, money market funds, and investments in highly liquid debt instruments with a maturity of three months or less when purchased.

Charity care – The District provides care without charge or at amounts less than its established rates to patients who meet certain criteria under its charity care policy. The District accepts all patients regardless of their ability to pay. Partial payments, to which the District is entitled from public assistance programs on behalf of patients that meet the District's charity care criteria, are reported as net patient services revenue. Charity care, which is excluded from recognition as receivables or revenue in the consolidated financial statements, provided in 2022 and 2021, measured on the basis of uncompensated cost, was \$5.8 million and \$4.6 million, respectively.

Inventories – Inventories are reported at cost (determined by the first-in, first-out method), which is not in excess of market value.

Prepaid expenses – Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Investments – Investments are reported at fair value, based on quoted market prices when applicable, and realized and unrealized gains and losses are included in nonoperating revenues as investment income. The fair market value of money market funds, guaranteed investment contracts, and investments in the Local Agency Investment Funds (“LAIF”), an external investment pool for government agencies administered by the State of California, approximates cost due to the liquid nature of these investments.

Noncurrent cash and investments – Noncurrent cash and investments include unrestricted cash and investments designated by the Board for future capital improvements, over which the Board retains control and may at its discretion subsequently use for other purposes, cash, and investments held by trustees under bond indentures, and cash and investments held in the District’s self-insurance trust fund.

Intangible asset – The District has contributed \$2.0 million of the 2004 general obligation bond proceeds to the city of Visalia (the “City”) for the construction of a parking garage in exchange for 84 parking spaces for District use (see Note 9). The District’s use of the parking spaces is indefinite and the District is amortizing the asset over the estimated 25-year useful life of the parking garage. Amortization began in 2007 when the parking garage was completed and placed into service by the City.

Capital assets – Property, plant, and equipment are reported on the basis of cost or, in the case of donated items, on the basis of fair market value at the date of donation. Routine maintenance and repairs are charged to expense as incurred. Expenditures that increase values, change capacities, or extend useful lives are capitalized. The District capitalizes interest cost net of any interest earned on temporary investments of the proceeds for construction projects funded by tax-exempt borrowings. Interest expense is also capitalized for projects financed with operating funds.

Depreciation expense and amortization of capital assets are combined in the consolidated statements of revenues, expenses, and changes in net position and are computed by the straight-line method for financial reporting purposes over the estimated useful lives of the assets or the life of the lease, whichever is less, which range from 5 to 40 years for buildings and improvements, and 3 to 25 years for equipment and leasehold improvements.

At times the District may dispose of capital assets prior to the end of the assets’ projected useful life. In cases when an associated gain or loss is recognized due to the disposal, the related gain or loss is shown as a nonoperating revenue or expenditure in the consolidated statement of revenue, expenses, and changes in net position.

Intangible right-to-use assets – The District has recorded intangible right-to-use assets as a result of implementing GASB Statement No. 87, *Leases* (“GASB No. 87”). The intangible right-to-use assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any lease payments made prior to the lease term, less lease incentives, and plus ancillary charges necessary to place the lease into service. The intangible right-to-use assets are amortized on a straight-line basis over the life of the related lease.

Consolidated statements of revenues, expenses, and changes in net position – All revenues and expenses directly related to the delivery of health care services are included in operating revenues and expenses in the consolidated statements of revenues, expenses, and changes in net position. Nonoperating revenues and expenses consist of those revenues and expenses that are related to financing and investing types of activities and result from nonexchange transactions or investment income.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Medical malpractice and general liability self-insurance – The District maintains a self-insurance policy against malpractice and comprehensive general liability loss with supplemental coverage for losses in excess of \$4.0 million per incident and \$6.0 million in aggregate with a coverage limit of \$20.0 million per incident and in aggregate. The current portion of the related liability is reported in accounts payable and accrued expenses on the consolidated statements of net position, while the long-term portion is included in other long-term liabilities. The District has established an irrevocable trust for the purpose of appropriating assets to cover such losses. Under the trust agreement, the trust assets can only be used for payment of malpractice losses, general liability losses, related expenses, and the cost of administering the trust. The assets of the trust and related liabilities are reported on the consolidated statements of net position. Income from the trust assets, estimated losses from claims, and administrative costs are reported in the consolidated statements of revenues, expenses, and changes in net position.

Losses from asserted and unasserted claims identified under the District's incident reporting system are accrued based on estimates that incorporate the District's past experience as well as other considerations, including the nature of each claim or incident and relevant trend factors. The District's accrued malpractice losses also include an estimate of possible losses attributable to incidents that may have occurred, but have not been identified under the incident reporting system. The District has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. Estimated future payments relating to malpractice losses have been discounted at a 3.0% rate.

Workers' compensation self-insurance – The District maintains a self-insurance policy against workers' compensation losses with supplemental coverage for losses in excess of \$1.5 million. The Board has designated funds for the payment of workers' compensation claims. The current portion of the related liability is reported in accrued payroll and related liabilities on the consolidated statements of net position, while the long-term portion is included in other long-term liabilities. Losses from asserted and unasserted claims identified under the District's incident reporting system are accrued based on estimates that incorporate the District's past experience, as well as other considerations including the nature of each claim or incident and relevant trend factors. The District's accrued workers' compensation losses also include an estimate of possible losses attributable to incidents that may have occurred, but have not been identified under the incident reporting system. The District has employed independent actuaries to estimate the ultimate costs, if any, of the settlement of such claims. Estimated future payments relating to workers' compensation losses have been discounted at a 2.8% rate.

Medical benefits self-insurance – The District maintains a policy of self-insuring medical costs up to \$1 million per employee. The related liability is reported in accrued payroll and related liabilities on the consolidated statements of net position. Losses from asserted and unasserted claims identified under the District's reporting system are accrued based on estimates that incorporate the District's past experience and relevant trend factors. The District's accrued medical insurance liability also includes an estimate of possible losses attributable to incidents that may have occurred, but have not been reported.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Compensated absences – The District’s benefits-eligible employees earn vacation, short-term illness, and holiday leave, referred to as Paid Time Off (“PTO”), at varying rates based upon qualifying service hours. Employees may accumulate PTO up to a specified maximum. Accrued PTO is paid to the employee upon termination of employment or upon conversion to nonbenefits-eligible status. The estimated amount of PTO payable to employees is reported as a current liability in both 2022 and 2021. Extended Illness Bank (“EIB”) time is also earned at a specific rate per qualified service hour. Employees who were vested in the District’s defined benefit retirement plan as of June 30, 2011 (the effective date it was “frozen”) were offered a one-time opportunity to have their accrued EIB time applied to length of service up to a maximum of one-year service credit. However, no payment is made for accrued EIB time when employment is terminated.

Medicare accelerated payments and Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) grants – The District, along with most other healthcare providers across the United States, has experienced operational challenges related to the COVID-19 pandemic. COVID-19 was declared a global pandemic by the World Health Organization on March 11, 2020, and on March 13, 2020, the President of the United States declared a national emergency as a result of the pandemic. On March 27, 2020, the CARES Act was signed into law, which aimed to direct economic assistance for American workers, families, and small businesses, and preserve jobs for American industries. The District recognizes these federal stimulus funds in nonoperating revenues (expense) in the consolidated statements of revenues, expenses, and changes in net position, and will have to submit required reports documenting lost revenue and expenses incurred to support the grant funds, among other terms and conditions. Management is closely monitoring the evolution of this pandemic, including how it may affect operations and the general population. On September 19, 2020 and July 1, 2021, the Department of Health and Human Services (“HHS”) released updated information for health care providers that received Provider Relief Fund (“PRF”) payments, which may impact the recognition of the payments and the available uses for the funds. Management believes that these changes will not have a material impact to the consolidated financial statements as of and for the year ended June 30, 2022 (see Note 14).

Separately, Centers for Medicare and Medicaid Services (“CMS”) initiated an Medicare Accelerated Payment Program (“MAPP”) to hospitals. The accelerated payments represent advance payments for services to be provided and were based on a hospital’s historical Medicare volume. The District received \$0 and \$40.5 million for the year ended 2022 and 2021, respectively, in MAPP funds, included in Medicare accelerated payments payable on the consolidated statements of net position. One year after receipt of MAPP funds, CMS has begun recouping the accelerated payments from billing for services rendered and will do so until they are fully repaid. Any MAPP funds not recouped after 17 months from the start of CMS recoupment will be charged interest at 4% per annum.

Premium revenue and health care services cost recognition – The District contracts with a Medicare Advantage company (“Humana”) to provide health care services for certain members for which it receives revenue on a capitated basis. Under this agreement, the District receives monthly capitation payments based upon the number of participants covered under the agreements, regardless of services actually performed by the District or others under the agreements. Revenue is recognized during the period in which the District is obligated to provide services to the participants. The agreement for which the District is compensated on a capitated basis requires that the District provide or arrange for certain covered health care services to all members covered under the contract, which results in the District compensating other providers on a fee-for-services basis for the services. The cost of these services is accrued in the period the services are provided to the members, based in part, on estimates by management. The accrual of expense for such services provided includes an estimate of services provided but not reported to the District as of the fiscal year end.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Lease liabilities – The District recognizes lease contracts or equivalents that have a term exceeding one year and that meet the definition of an other than short-term lease. The District uses a discount rate that is explicitly stated or implicit in the contract. When a readily determinable discount rate is not available, the discount rate is determined using the District’s incremental borrowing rate at start of the lease for a similar asset type and term length to the contract. Short-term lease payments are expensed when incurred.

Net position – Net position is divided into three components: net investment in capital assets, restricted, and unrestricted.

These classifications are defined as follows:

Net investment in capital assets – This component of net position consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – This component of net position consists of restricted expendable net position, the use of which is restricted through external constraints imposed by creditors (such as through debt covenants), grantors, contributors, laws or regulations of other governments, or constraints imposed by law through constitutional provisions or enabling legislation and includes assets in self-insurance trust funds, revenue bond reserve fund assets, and net position restricted to use by donors. Restricted nonexpendable net position equals the principal portion of permanent endowments as well as minority interest.

Unrestricted – This component of net position consists of net position that does not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

New accounting pronouncements – The GASB issued GASB No. 87, which intends to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. GASB No. 87 increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. GASB Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* (“GASB No. 95”) extended the effective date for GASB No. 87 to reporting periods beginning July 1, 2021. The District adopted GASB No. 87 as of July 1, 2020. The lease contracts met the definition of a lease and the District calculated and recognized intangible right-to-use assets, net, of \$22,372,000 and lease liabilities of \$22,372,000 as of June 30, 2020. The impact to beginning net position was not significant. See Note 8 for disclosure of intangible right-to-use assets and lease liabilities and Note 15 for restatement.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

The GASB also issued GASB Statement No. 89, *Accounting for Interest Cost Incurred Before the End of a Construction Period* (“GASB No. 89”). GASB No. 89 establishes accounting requirements for interest cost incurred before the end of a construction period. This statement requires that interest cost incurred before the end of a construction period be recognized as an expense in the period in which the cost is incurred for financial statements prepared using the economic resources measurement focus. As a result, interest cost incurred before the end of a construction period will not be included in the historical cost of a capital asset reported in a business-type activity or enterprise fund. GASB No. 95 extended the effective date for GASB No. 89 to reporting periods beginning July 1, 2021. Adoption of this standard did not have a material impact on the District’s consolidated financial statements.

The GASB also issued GASB Statement No. 91, *Conduit Debt Obligation* (“GASB No. 91”). GASB No. 91 provides a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This Statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. GASB No. 95 extended the effective date for GASB No. 91 to reporting periods beginning July 1, 2022. The District is currently assessing the impact of this standard on the District’s consolidated financial statements.

The GASB also issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (“GASB No. 96”). GASB No. 96 establishes a uniform accounting and financial reporting requirement for subscription-based information technology arrangements (“SBITAs”) in order to improve the comparability of financial statements among governments that have entered into SBITAs and enhance the understandability, reliability, and consistency of information about SBITAs. GASB No. 96 is effective for reporting periods beginning after June 15, 2022. The District is currently assessing the impact of this standard on the District’s consolidated financial statements.

The GASB also issued GASB Statement No. 101, *Compensated Absences* (“GASB No. 101”). GASB No. 101 establishes standards of accounting and financial reporting for compensated absences and associated salary-related payments, including certain defined contribution pensions and defined contribution other postemployment benefits. GASB No. 101 is effective for reporting periods beginning after December 15, 2023. The District is currently assessing the impact of this standard on the District’s consolidated financial statements.

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

NOTE 2 – NONCURRENT CASH AND INVESTMENTS

Noncurrent cash and investments required for obligations classified as current liabilities are reported as current assets. The composition of noncurrent cash and investments at June 30 were as follows (in thousands):

	2022	2021
Board designated assets:		
Cash and cash equivalents	\$ 89,305	\$ 162,561
U.S. Treasury obligations	69,539	66,474
Federal agency obligations	16,070	23,011
Municipal obligations	21,439	25,611
Corporate obligations	47,923	45,187
Equity securities	9,097	11,209
Mutual funds	1,255	1,456
Asset and mortgage-backed securities	13,630	17,764
Supranational Agency	3,957	2,798
Alternative investments	932	1,023
Interest receivable	761	598
Current portion	(7,760)	(7,759)
	\$ 266,148	\$ 349,933
	2022	2021
Bond assets held in trust:		
Cash and cash equivalents	\$ 5,050	\$ 26,893
Interest receivable	7	1
Current portion	(5,049)	(4,623)
	\$ 8	\$ 22,271
	2022	2021
Assets in self-insurance trust fund:		
Cash and cash equivalents	\$ 5	\$ 15
U.S. Treasury obligations	2,029	2,748
Federal agency obligations	-	157
Corporate obligations	308	452
Interest receivable	10	13
Current portion	(1,312)	(1,312)
	\$ 1,040	\$ 2,073

Kaweah Delta Health Care District

Notes to Consolidated Financial Statements

NOTE 3 – FAIR VALUE OF ASSETS AND LIABILITIES

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value hierarchy requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

The three levels of inputs that may be used to measure fair value within the fair value hierarchy are:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Where quoted market prices are available in an active market, securities are classified within Level 1 of the valuation hierarchy. If quoted market prices are not available, then fair values are estimated by using pricing models, quoted prices of securities with similar characteristics, or discounted cash flows.

The following tables present the fair value measurements of assets recognized in the accompanying consolidated statements of net position reported at fair value on a recurring basis and the level within the fair value hierarchy in which the fair value measurements fall (in thousands):

	June 30, 2022				
	Level 1	Level 2	Level 3	Investments Held at Net Asset Value	Balance
Cash and cash equivalents	\$ 84,691	\$ -	\$ -	\$ -	\$ 84,691
U.S. Treasury obligations	71,568	-	-	-	71,568
Federal agency obligations	-	16,070	-	-	16,070
Municipal obligations	-	21,439	-	-	21,439
Corporate obligations	-	48,231	-	-	48,231
Asset and mortgage-backed securities	-	13,630	-	-	13,630
Supranational Agency	-	3,957	-	-	3,957
Other Foundation assets	10,352	-	-	932	11,284
	<u>\$ 166,611</u>	<u>\$ 103,327</u>	<u>\$ -</u>	<u>\$ 932</u>	<u>\$ 270,870</u>

**Kaweah Delta Health Care District
Notes to Consolidated Financial Statements**

	June 30, 2021				
	Level 1	Level 2	Level 3	Investments Held at Net Asset Value	Balance
Cash and cash equivalents	\$ 181,170	\$ -	\$ -	\$ -	\$ 181,170
U.S. Treasury obligations	69,222	-	-	-	69,222
Federal agency obligations	-	23,169	-	-	23,169
Municipal obligations	-	25,611	-	-	25,611
Corporate obligations	-	45,639	-	-	45,639
Asset and mortgage-backed securities	-	17,764	-	-	17,764
Supranational Agency	-	2,798	-	-	2,798
Other Foundation assets	12,665	-	-	1,023	13,688
	<u>\$ 263,057</u>	<u>\$ 114,981</u>	<u>\$ -</u>	<u>\$ 1,023</u>	<u>\$ 379,061</u>

NOTE 4 – BANK DEPOSITS

At June 30, 2022 and 2021, the District had bank balances totaling \$31.3 million and \$38.3 million, respectively, which approximate book balances. Of these balances, \$8.0 million and \$6.4 million were insured by the Federal Deposit Insurance Corporation at June 30, 2022 and 2021, respectively, and the remainder was collateralized. The California Government Code (the “Code”) requires financial institutions to secure the District’s deposits, in excess of insured amounts, by pledging government securities as collateral. The fair value of pledged securities must equal at least 110% of the District’s deposits.

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

NOTE 5 – INVESTMENTS

GASB Statement No. 40, *Deposit and Investment Risk Disclosures*, requires the District to disclose its deposit and investment policies related to investments with credit risk or deposits with custodial credit risk, the credit ratings and maturities of its investments (other than U.S. government obligations or obligations guaranteed by the U.S. government), and additional disclosures related to uninsured deposits. A summary of scheduled maturities by investment type at June 30, 2022, is as follows (in thousands):

	Fair Value	Investment Maturities (in Years)		
		Less than 1	1–5	More than 5
U.S. Treasury obligations	\$ 71,568	\$ 1,745	\$ 69,596	\$ 227
Federal agency obligations	16,070	-	16,044	26
Corporate obligations	48,231	910	47,247	74
Municipal obligations	21,439	1,278	20,160	-
Asset and mortgage-backed securities	13,630	525	12,644	461
Supranational Agency	3,957	1,502	2,455	-
LAIF	41,000	41,000	-	-
CAMP	40,529	40,529	-	-
Money market funds	3,162	3,163	-	-
	259,586	\$ 90,652	\$ 168,146	\$ 788
Equity securities	9,097			
Alternative investments	932			
Mutual funds	1,255			
	<u>\$ 270,870</u>			

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

A summary of scheduled maturities by investment type at June 30, 2021, is as follows (in thousands):

	Investment Maturities (in Years)			
	Fair Value	Less than 1	1–5	More than 5
U.S. Treasury obligations	\$ 69,222	\$ 137	\$ 68,988	\$ 97
Federal agency obligations	23,169	17	23,110	42
Corporate obligations	45,640	4,134	41,407	99
Municipal obligations	25,611	765	24,846	-
Asset and mortgage-backed securities	17,764	2,555	15,209	-
Supranational Agency	2,798	-	2,798	-
LAIF	87,916	87,916	-	-
CAMP	79,900	79,900	-	-
Money market funds	13,353	13,353	-	-
	<u>365,373</u>	<u>\$ 188,777</u>	<u>\$ 176,358</u>	<u>\$ 238</u>
Equity securities	11,209			
Alternative investments	1,023			
Mutual funds	<u>1,456</u>			
	<u>\$ 379,061</u>			

Investment activities of the District are governed by sections of the Code, which specify the authorized investments that may be made by the District. The District's investment policy (the "Policy") requires that all investing activities of the District comply with the Code and also sets forth certain additional restrictions that exceed those imposed by the Code. The Foundation is governed by the IRC; therefore, its investment activities are not subject to the same requirements as the District.

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Investments held for longer periods are subject to increased risk of adverse interest rate changes. The District's investment policy provides that no investment shall be made in any security having a term remaining to maturity exceeding five years at the time of investment. The Foundation's Policy allows for longer-term investments.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Policy requires that, to be eligible for investment, corporate notes shall be rated “A,” or its equivalent, or better by a nationally-recognized rating service at the time of purchase. The Policy also limits investment in collateralized mortgage obligations to obligations rated “AA,” or its equivalent, or better. All of the District’s investments in corporate obligations and collateralized mortgage obligations met these requirements as of June 30, 2022. The Policy allows for investments in LAIF up to the maximum amount allowed by the state of California. The investment in LAIF is sufficiently liquid to permit withdrawal of cash at any time without prior notice or penalty. The state of California Treasurer’s office has regulatory oversight of LAIF. The Policy includes no limitations or restrictions related to investments in United States Treasury or federal agency obligations. The Policy also allows for investment in shares of beneficial interest issued by a joint power authority (“JPA”) organized pursuant to the Code that invests in the securities and obligations authorized under the Code. The Code requires that the JPA issuing the shares shall have retained an investment adviser with appropriate size and experience as outlined in the Code. The District is a participant in two JPA programs, including the Investment Trust of California, commonly known as “CalTRUST”, and the California Asset Management Program, commonly known as “CAMP”, for the purpose of pooling local agency assets for investing. Participation in the JPA programs is open to any public agency in California. Both JPA programs are governed by a Board of Trustees (“Trustees”), all of whom are experienced investment officers or employees of the public agency members. The Trustees are responsible for setting the overall policies and procedures for and for overall administration of the JPA. CalTRUST is measured at net asset value (“NAV”), which is calculated daily. The CAMP pool is managed to maintain a dollar-weighted portfolio maturity of 60 days or less and seeks to maintain a constant NAV of one dollar per share.

Concentration of credit risk is the risk of loss attributed to the magnitude of the District’s investment in a single issuer. The market value of LAIF investments represented 15.1% and 23.2% of the District’s total investment market value at June 30, 2022 and 2021, respectively. The market value of CAMP investments represented 15.0% and 21.1% at June 30, 2022 and 2021, respectively.

NOTE 6 – CAPITAL ASSETS

A summary of changes in capital assets during 2022 is as follows (in thousands):

	Beginning Balance 2021 (as restated)	Additions	Deletions	Transfers	Ending Balance 2022
Land	\$ 17,542	\$ -	\$ -	\$ -	\$ 17,542
Buildings and improvements	384,399	1,254	-	39,889	425,542
Equipment	316,636	7,077	(60)	1,556	325,209
Construction in progress	53,113	3,952	-	(41,445)	15,620
	771,690	12,283	(60)	-	783,913
Less: accumulated depreciation and amortization	427,169	32,670	(95)	-	459,744
	<u>\$ 344,521</u>	<u>\$ (20,387)</u>	<u>\$ 35</u>	<u>\$ -</u>	<u>\$ 324,169</u>

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

A summary of changes in capital assets during 2021 is as follows (in thousands):

	Beginning Balance 2020	Additions	Deletions	Transfers	Ending Balance 2021 (as restated)
Land	\$ 17,542	\$ -	\$ -	\$ -	\$ 17,542
Buildings and improvements	378,313	282	-	5,804	384,399
Equipment	299,378	17,372	(353)	239	316,636
Construction in progress	38,837	20,319	-	(6,043)	53,113
Property under capital leases	1,568	-	(1,568)	-	-
	<u>735,638</u>	<u>37,973</u>	<u>(1,921)</u>	<u>-</u>	<u>771,690</u>
Less: accumulated depreciation and amortization	397,239	31,553	(1,623)	-	427,169
	<u>\$ 338,399</u>	<u>\$ 6,420</u>	<u>\$ (298)</u>	<u>\$ -</u>	<u>\$ 344,521</u>

NOTE 7 – HEALTH-RELATED INVESTMENTS

The following table summarizes the District's health-related investments recorded on the equity method at June 30 (in thousands):

	2022	2021
Cypress Company, LLC	\$ 648	\$ 732
Sequoia Surgery Center, LLC	967	890
Northwest Visalia Senior Housing, LLC	941	1,613
Sequoia Integrated Health Plan, LLC	1,025	1,004
202 West Willow, LLC	955	928
Visalia Kidney Center	84	49
	<u>\$ 4,620</u>	<u>\$ 5,216</u>

Investment in Cypress Company, LLC (“CyCo”) – In August 2010, Cypress Surgery Center formed CyCo, a real estate holding company organized as a California limited liability company, and transferred all of its real property and associated real estate debt, along with certain other assets and liabilities, to CyCo. The District holds a 40% investment in CyCo.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Investment in Sequoia Surgery Center, LLC (formerly Cypress Surgery Center) – At June 30, 2017, the District held a 31% investment in a free-standing ambulatory surgery center located within the District. In August 2010, Cypress Surgery Center completed a “merger” with the Center for Ambulatory Medicine and Surgery (“CAMS”), a local ambulatory surgery center, and changed its legal name to Sequoia Surgery Center, LLC, as well as its organizational structure from a California limited partnership to a California limited liability company. To effect the merger, Cypress Surgery Center acquired 100% of the assets and outstanding ownership interests of CAMS in exchange for approximately 52% ownership in Cypress Surgery Center (now Sequoia Surgery Center, LLC). As a result of this acquisition, the District’s ownership interest in Sequoia Surgery Center, LLC was diluted from 64.9% to approximately 31%. Sequoia Surgery Center, LLC, leases its ambulatory surgery center facility from CyCo.

Investment in Northwest Visalia Senior Housing, LLC – In January 2017, the District made its initial capital contribution to establish its investment in a joint venture company. Northwest Visalia Senior Housing, LLC was formed in furtherance of the members’ elder care mission and to put into practice innovative approaches to care of the elderly, simultaneously addressing the housing and health care needs of the elderly. This will be accomplished in part by constructing, developing, owning, maintaining, and operating a full service assisted living retirement facility in Visalia, California. Northwest Visalia Senior Housing, LLC is owned 33.33% by the District, 33.33% by Shannon Senior Care, LLC, 20% by BTV Senior Housing, LLC, and 13.34% by Millennium Advisors, Inc. The District has recorded its interest in the joint venture based upon its initial capital contributions.

Investment in Sequoia Integrated Health, LLC – In August 2016, the District made its initial capital contribution to establish its investment in a joint venture company formed in furtherance of the members’ common purpose to better serve and coordinate health care services for the communities of Tulare and Kings Counties, and to own and operate an integrated delivery network in California and activities incident thereto. Sequoia Integrated Health, LLC, is owned 50% by the District, 25% by Key Medical Group, Inc., and 25% by Foundation for Medical Care of Tulare and Kings Counties, Inc. The District has recorded its interest in the joint venture based upon its initial capital contributions.

Investment in Quail Park Retirement Village, LLC – The District holds an investment in a joint venture company that operates an assisted living facility in Visalia, California. The joint venture company, Quail Park Retirement Village, LLC, is owned 44% by the District and 56% by Living Care Visalia, LLC, and its affiliated investors. Under the terms of the joint venture agreement, the District has an option to purchase an additional 5% of Living Care Visalia, LLC’s equity interest at fair market value determined at the time of sale. Distributions have exceeded initial capital contributions resulting in a deficit equity position for Quail Park Retirement Village, LLC. The District has recorded its interest in the joint venture company at \$0 in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) as the District is not liable for obligations of the joint venture company.

Investment in Laurel Court at Quail Park, LLC – In June 2011, the District made its initial capital contribution to establish its investment in a joint venture company formed to construct, develop, own, maintain, and operate a full service memory care retirement facility in Visalia, California. The joint venture company, Laurel Court at Quail Park, LLC, is owned 44% by the District and 56% by Living Care Visalia, LLC. Distributions have exceeded initial capital contributions resulting in a deficit equity position for Laurel Court at Quail Park, LLC. The District has recorded its interest in the joint venture company at \$0 in accordance with U.S. GAAP as the District is not liable for obligations of the joint venture company.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Investment in 202 West Willow, LLC – The District received a donation of 3,000 shares in a California limited liability company that owns and rents a 32,293 square foot medical building. The District recorded the investment based upon its allocated capital account balance at the time of the contribution. 202 West Willow, LLC, is owned 30% by the District, 37% by The Malli Family Trust, 15% by the Johnson Family Revocable Trust, 10% by the Kneeland Family Revocable Trust, 5% by the Spade Family Revocable Trust, and 3% by the May Family Revocable Trust.

Income or loss from equity method investments is included in other revenues in the corresponding consolidated statement of revenues, expenses, and changes in net position.

NOTE 8 – INTANGIBLE RIGHT-TO-USE ASSETS AND LEASE LIABILITIES

The District is a lessee for noncancellable leases of equipment with lease terms through 2026. There are no residual value guarantees included in the measurement of the District's lease liabilities nor recognized as an expense for the years ended June 30, 2022 and 2021. The District does not have any commitments that were incurred at the commencement of the leases. The District is subject to variable equipment usage payments that are expenses when incurred. There were no amounts recognized as variable lease payments as lease expense on the combined statements of revenues, expenses and changes in net position for the years ended June 30, 2022 and 2021. No termination penalties were incurred during the fiscal year.

In thousands:

	Balance as of July 1, 2021 (as restated)	Increases	Decreases	Balance as of June 30, 2022
Right-to-use assets	\$ 22,372	\$ 1,090	\$ -	\$ 23,462
Less: accumulated amortization	(4,465)	(4,621)	-	(9,086)
Right-to-use assets, net	<u>\$ 17,907</u>	<u>\$ (3,531)</u>	<u>\$ -</u>	<u>\$ 14,376</u>
	Balance as of July 1, 2020	Increases	Decreases	Balance as of June 30, 2021 (as restated)
Right-to-use assets	\$ 22,372	\$ -	\$ -	\$ 22,372
Less: accumulated amortization	-	(4,465)	-	(4,465)
Right-to-use assets, net	<u>\$ 22,372</u>	<u>\$ (4,465)</u>	<u>\$ -</u>	<u>\$ 17,907</u>

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

The future principal and interest lease payments as of June 30, 2022 were as follows (in thousands):

<u>Years ending June 30,</u>	<u>Principle Payments</u>	<u>Interest Payments</u>	<u>Total</u>
2023	\$ 4,542	\$ 64	\$ 4,606
2024	4,473	43	4,516
2025	3,673	23	3,696
2026	1,040	10	1,050
2027	570	6	576
2028–2032	379	1	380
	<u>\$ 14,677</u>	<u>\$ 147</u>	<u>\$ 14,824</u>

The District evaluated the right-to-use assets for impairment and determined there was no impairment for the years ended June 30, 2022 and 2021.

NOTE 9 – BONDS AND NOTE PAYABLE

Bonds Payable – During July 2012, the District issued \$75.8 million of Kaweah Delta Health Care District Revenue Bonds, Series 2012. The 2012 revenue bonds bear interest at rates of 2.0% to 5.0%. Approximately \$9.8 million of the net proceeds of the bonds were used by the District to expand its ambulatory surgery services, to complete capital improvements related to the graduate medical education program, and for other infrastructure improvements. Approximately \$68.0 million of the net proceeds was used to prepay existing debt, including the 1999A, 2003B, and 2004 revenue bonds.

The 2012 revenue bonds, maturing on or after June 1, 2017, are subject to redemption at the option of the District prior to their respective stated maturities at amounts ranging from 100% to 102% of face value. The 2012 revenue bonds require the District to make minimum sinking fund payments beginning in June 2036. In December 2017, \$46 million of the outstanding 2012 bonds were refunded as discussed below.

During January 2014, the District issued \$48.9 million of Kaweah Delta Health Care District General Obligation Refunding Bonds, Series 2014, at rates of 3.6% to 4.1%, solely to advance refund \$47.3 million of the outstanding 2004 General Obligation bonds, bearing interest rates of 5.0% to 5.5%. Mandatory sinking fund redemption payments on the bonds began on August 1, 2015. The final maturity of the bonds is August 1, 2034. The advance refunding of the 2004 bonds resulted in decreased debt service payments of approximately \$6.3 million over the next 21 years, and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$4.3 million.

The general obligation bonds represent the general obligation of the District. The District has the power and is obligated to cause annual ad valorem taxes to be levied upon all property within the District, subject to taxation by the District, and collected by the County for payment, when due, of the principal and interest on the bonds.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

During October 2015, the District issued \$19.4 million of Kaweah Delta Health Care District Revenue Bonds, Series 2015A. The 2015A revenue bonds bear interest at a rate of 2.975%. The net proceeds were used to prepay existing debt, including a portion of the 2006 and 2011B revenue bonds as well as the outstanding amount of the 2003A and 2011A revenue bonds. The 2015A revenue bonds maturing on or after June 1, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium. The current refunding of the 2003A and 2006 bonds and the advanced refunding of the 2011A and 2011B bonds resulted in decreased debt service payments of approximately \$3.9 million over the next 18 years, and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$3.0 million.

During December 2015, the District issued \$98.4 million of Kaweah Delta Health Care District Revenue Bonds, Series 2015B. The 2015B revenue bonds bear interest rates of 3.25% to 5.0%. The net proceeds were for the acquisition, construction, installation, and equipping of the second, fifth, and sixth floors of the Kaweah Delta Medical Center's Acequia Wing, expansion and improvement of the emergency department, expansion of outpatient endoscopy services, acquisition and implementation of a new information technology platform (Cerner), acquisition and construction of a new urgent care center, improvements to the Exeter Health Clinic campus, and other projects. The 2015B revenue bonds, maturing on or after June 1, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium.

During April 2017, the District issued \$13.7 million Series 2017A and \$20 million Series 2017B of Kaweah Delta Health Care District Revenue Bonds. Both the 2017A and the 2017B revenue bonds bear interest at a rate of 3.24%. The net proceeds were used to prepay existing debt, including the remaining outstanding amounts of the 2006 and 2011B revenue bonds. The 2017A and 2017B revenue bonds maturing on or after June 1, 2029, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium. The current refunding of the 2006 and 2011B bonds resulted in decreased debt service payments of approximately \$8.0 million over the next 17 years and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$4.3 million.

During December 2017, the District issued \$59.5 million Series 2017C of Kaweah Delta Health Care District Revenue Bonds. The 2017C revenue bonds bear interest at a rate of 2.71%. The net proceeds were used to refund \$46.0 million of the 2012 revenue bonds and to prepay the remaining 2011 Siemens lease obligation. The 2017C revenue bonds maturing on or after June 1, 2028, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium. The advance refunding of the 2012 revenue bonds and lease obligations resulted in decreased debt service payments of approximately \$8.6 million over the next 24 years and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$5.9 million.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

During January 2020, the District issued \$6.8 million Series 2020A and \$8.2 million Series 2020B of Kaweah Delta Health Care District Revenue Bonds. Both the 2020A and the 2020B revenue bonds bear interest at a rate of 2.37%. The net proceeds were used to fund capital projects and equipment. The 2020A and 2020B revenue bonds, maturing on or after June 1, 2020 to May 31, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to 102% of the principal amount of the bonds. The 2020A and 2020B revenue bonds, maturing on or after June 1, 2025 to May 31, 2030, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to 101% of the principal amount of the bonds. The 2020A and 2020B revenue bonds, maturing on or after June 1, 2030, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium.

During April 2022, the District issued \$32.0 million Series 2022 Kaweah Delta Health Care District Revenue Refunding Bonds. The revenue bonds bear interest at a rate of 2.0%. The net proceeds were used to prepay existing debt, including the remaining 2017A and 2017B bonds. The 2022 revenue bonds, maturing on or after June 1, 2022 to May 31, 2023, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to 102% of the principal amount of the bonds. The 2022 revenue bonds, maturing on or after June 1, 2023 to May 31, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to 101% of the principal amount of the bonds. The 2022 revenue bonds, maturing on or after June 1, 2025, are subject to redemption at the option of the District prior to their respective stated maturities at a price equal to the principal amount of the bonds, without premium. The current refunding of the 2017A and 2017B bonds resulted in decreased debt service payments of approximately \$1.3 million over the next nine years and an economic gain (difference between the present value of the debt service payments on the old and new debt) of approximately \$1.2 million .

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

Principal and interest payments due on the revenue and general obligation bonds over the next five years, and in five-year increments thereafter, calculated at the interest rate in effect at June 30, 2022, are as follows (in thousands):

<u>Years Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2023	\$ 11,759	\$ 8,424
2024	12,159	8,094
2025	12,585	7,748
2026	13,014	7,400
2027	13,454	7,035
2028–2032	74,527	29,268
2033–2037	37,043	20,438
2038–2042	41,355	12,325
2043–2047	33,635	2,726
	249,531	\$ 103,458
Unamortized premium	1,846	
	251,377	
Less: current portion	11,759	
	\$ 239,618	

The bond indenture agreements contain various restrictive covenants that include, among other things, minimum debt service coverage, maintenance of minimum liquidity, restrictions on certain additional indebtedness, and requirements to maintain certain financial ratios.

The District paid approximately \$9.3 million and \$9.6 million in interest in 2022 and 2021, respectively, on all debt, including revenue and general obligation bonds, and notes payable. The District capitalized interest expense of approximately \$0 and \$795,000 in 2022 and 2021, respectively.

A summary of changes in bonds payable for the years ended June 30 is as follows (in thousands):

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Payments</u>	<u>Ending Balance</u>
2022	\$ 259,222	\$ 32,035	\$ 41,726	\$ 249,531
2021	\$ 269,705	\$ -	\$ 10,483	\$ 259,222

**Kaweah Delta Health Care District
Notes to Consolidated Financial Statements**

Notes Payable – To offset the delay and assist with the cash flow issues caused by the change from PRIME to QIP, the State legislature authorized the California Health Facilities Financing Authority (“CHFFA”) to provide low-cost working capital loans to eligible non-designated public hospitals to assist with their operations. This program is referred to as the CHFFA Bridge Loan Program. The District received loans in phase one of the program totaling \$ 7.9 million. The loans mature 24 months from loan execution and the proceeds are to be used for working capital expenditures. The loans have no interest but were offset by a 1% loan fee at distribution. The loans are subordinate to the revenue bonds but are secured by an interest in future Medi-Cal payments.

NOTE 10 – SELF-INSURED CLAIMS

As discussed in Note 1, the District is self-insured for medical malpractice and general comprehensive liability, medical benefits, and workers’ compensation, and discounts the medical malpractice and general comprehensive and workers’ compensation liabilities using a 3.0% and 2.8% discount rate, respectively. The following is a summary of the changes in the self-insured plan liabilities, included in accounts payable and accrued expenses, accrued payroll and related liabilities, and other long-term liabilities on the statement of financial position for the years ended June 30 (in thousands):

	Beginning Balance	Additions	Payments	Ending Balance	Current Portion
2022	\$ 31,465	\$ 33,735	\$ 34,990	\$ 30,210	\$ 11,465
2021	\$ 31,755	\$ 34,718	\$ 35,008	\$ 31,465	\$ 11,710

NOTE 11 – EMPLOYEES’ RETIREMENT PLAN

The Kaweah Delta Health Care District’s Employees’ Retirement Plan (the “Retirement Plan”) is a single-employer defined benefit pension plan established to provide retirement benefits for District employees based on length of service and the average of the highest consecutive three years of earnings. The Retirement Plan is administered by a retirement plan committee appointed by the Board of the District. The Retirement Plan issues a separate financial report that includes financial statements and required supplemental information.

Employees were eligible to participate on the first day of a pay period following six months of service if hired prior to January 1, 2003, and elected not to participate in the salary deferral plan’s matching contribution component. Employees hired on or after January 1, 2003 were not eligible to participate in the Retirement Plan. Employees’ retirement benefits vested 100% after five years of completed service.

Effective June 30, 2011, the Retirement Plan was amended to suspend all accruals and otherwise freeze benefits under the plan.

The Retirement Plan, while not subject to, complies with the IRC and Employee Retirement Income Security Act of 1974 (“ERISA”) as they apply to governmental plans. As a government plan, the Retirement Plan is exempt from the annual minimum funding requirements of ERISA. The Retirement Plan’s funding policy is to contribute an annual amount necessary to amortize any unfunded net pension liability over a 15-year period. The District contributed \$11.4 million to the plan in both 2022 and 2021.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Investment activities of the Retirement Plan are governed by sections of the California Government Code, which allow any type of prudent investment. The Plan's investment policy is intended to assist the Retirement Committee (the "Committee") in prudently evaluating investment options and establishing an allocation strategy for the assets of the Plan. The objective of the Committee is to ensure the security of all accrued benefits. The Committee's asset allocation strategy is predicated on meeting its objective with a desire to effectively manage funded status volatility and mitigate undue risk exposure, taking into consideration performance expectations, risk tolerance and volatility, liquidity, and the Plan's time horizon. An analysis of Plan liabilities, projected liquidity needs and assets is used to determine the Plan's long-term investment strategy. The Committee intends to utilize a range of investment alternatives to achieve the return and risk objectives of the Plan.

Concentration of credit risk is the risk of loss attributed to the magnitude of the Retirement Plan's investment in a single issuer. As of June 30, 2022, there was one investment in an FDIC Deposit Fund that represented 19.1% of the Plan's total investments. The FDIC Deposit Fund invests in overnight deposits with qualified banks to extend the FDIC insurance coverage of the Plan's investments. There were no investments held with a single corporate or government agency issuer that exceeded 5% of the Plan's total investments (excluding investments issued by the U.S. government and mutual funds that are exempt from reporting).

Except as noted above, there were no other concentrations of investments at or exceeding 5% of the Retirement Plan's fiduciary net position (excluding investments issued by the U.S. government and mutual funds that are exempt from reporting).

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The mutual funds are priced using a NAV. The mutual funds may include several different underlying investments, including equities, bonds, real estate, and global securities. The NAV price is derived from the value of these investments, accrued income, anticipated cash flows (maturities), management fees, and other fund expenses. Certain investments within the fund may be deemed unobservable and not considered to be in an active market.

The following table presents the fair value measurements of financial instruments recognized by the Retirement Plan in the accompanying fiduciary statements of net position measured at fair value on a recurring basis and the level within the GASB Statement No. 72, *Fair Value Measurement and Application* fair value hierarchy in which the fair value measurements fall at June 30 (in thousands):

	2022			Total
	Level 1	Level 2	Level 3	
Cash and cash equivalents	\$ 19,587	\$ -	\$ -	\$ 19,587
Fixed income investments	38,771	23,050	-	61,821
Equity securities	183,397	-	-	183,397
Total assets in the fair value hierarchy	\$ 241,755	\$ 23,050	\$ -	\$ 264,805

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

	2021			Total
	Level 1	Level 2	Level 3	
Cash and cash equivalents	\$ 4,625	\$ -	\$ -	\$ 4,625
Fixed income investments	42,699	24,987	-	67,686
Equity securities	247,371	-	-	247,371
Total assets in the fair value hierarchy	<u>\$ 294,695</u>	<u>\$ 24,987</u>	<u>\$ -</u>	<u>\$ 319,682</u>

The District uses a measurement date of June 30 for each year presented. The actuarial valuation for fiscal years 2022 and 2021 is based on participant data as of June 30, 2021 and 2020, respectively. Update procedures were used to roll forward the total pension liability to the measurement date, including the mortality assumption change described below.

Components of pension cost and deferred outflows and deferred inflows of resources under the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions* are as follows for the years ended June 30 (in thousands):

	2022	2021
PENSION COST		
Service cost	\$ -	\$ -
Administrative expense	473	287
Interest	21,703	21,157
Expected return on assets, net of investment expenses	(23,784)	(18,556)
Recognition of deferred outflows	(10,479)	1,102
Recognition of deferred inflows	15,929	(10,505)
Total pension cost	<u>\$ 3,842</u>	<u>\$ (6,515)</u>
DEFERRED OUTFLOWS OF RESOURCES		
Established July 1:		
Difference between expected and actual experience	\$ 2,798	\$ 2,855
Net difference in expected and actual earnings	33,504	-
Changes in assumptions	(143)	925
Deferred outflows of resources, beginning of year	<u>36,159</u>	<u>3,780</u>
AMOUNT RECOGNIZED IN CURRENT YEAR PENSION COST		
Established July 1:		
Difference between expected and actual experience	2,222	1,525
Net difference in expected and actual earnings	3,677	-
Changes in assumptions	(448)	1,846
Amount recognized in current year	<u>5,451</u>	<u>3,371</u>
Deferred outflows of resources, end of year	<u>\$ 30,708</u>	<u>\$ 409</u>

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

	2022	2021
DEFERRED INFLOWS OF RESOURCES		
Established July 1:		
Difference between expected and actual experience	\$ -	\$ -
Net difference in expected and actual earnings	-	(52,095)
Changes in assumptions	-	-
Deferred inflows of resources, beginning of year	-	(52,095)
AMOUNT RECOGNIZED IN CURRENT YEAR PENSION COST		
Established July 1:		
Difference between expected and actual experience	-	-
Net difference in expected and actual earnings	-	(12,774)
Changes in assumptions	-	-
Amount recognized in current year	-	(12,774)
Deferred inflows of resources, end of year	\$ -	\$ (39,321)

Amounts reported as deferred outflows of resources to be recognized in pension cost for future years (in thousands):

Years Ending June 30,

2023	\$ 6,500
2024	6,087
2025	3,555
2026	14,566
	\$ 30,708

Participant data for the plan is as follows for June 30:

	2022	2021
Active employees	598	650
Terminated vested	1,010	999
Retirees receiving benefits	851	832
Total participants	2,459	2,481

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

The following table summarizes changes in net pension liability for the years ended June 30 (in thousands):

	2022	2021
TOTAL PENSION LIABILITY		
Service cost	\$ -	\$ -
Interest	21,703	21,157
Differences between expected and actual experience	1,467	2,972
Changes in assumptions	778	(2,059)
Benefit payments	(16,793)	(15,532)
NET CHANGES IN TOTAL PENSION LIABILITY	7,155	6,538
TOTAL PENSION LIABILITY, beginning of year	297,774	291,236
TOTAL PENSION LIABILITY, end of year	304,929	297,774
PLAN FIDUCIARY NET POSITION		
Employer contributions	11,400	11,400
Net investment income	(49,040)	73,603
Benefit payments	(16,794)	(15,527)
Administrative expenses	(473)	(287)
NET CHANGES IN PLAN FIDUCIARY NET POSITION	(54,907)	69,189
PLAN FIDUCIARY NET POSITION, beginning of year	320,047	250,858
PLAN FIDUCIARY NET POSITION, end of year	265,140	320,047
NET PENSION LIABILITY (ASSET), end of year	<u>\$ 39,789</u>	<u>\$ (22,273)</u>
Plan fiduciary net position as percentage of total pension liability	<u>86.95%</u>	<u>107.48%</u>
Covered employee payroll	N/A	N/A
Net pension liability as percent of covered payroll	N/A	N/A

Kaweah Delta Health Care District

Notes to Consolidated Financial Statements

The following table summarizes the actuarial assumptions used to determine net pension liability and plan fiduciary net position as of June 30, 2022:

Valuation date	June 30, 2021
Actuarial cost method	Entry Age Normal
Amortization method	Level Dollar
Asset valuation method	Fair Value
Actuarial assumptions (including 2% inflation)	
Discount Rate	7.50%
Mortality	RP-2014 table, adjusted backwards to 2006 using RP-2014
Projected Salary Increases	N/A

The mortality assumptions are updated annually with the most recent tables published by the Society of Actuaries.

Sensitivity of Net Pension Liability at June 30, 2022, to changes in the Discount Rate (in thousands):

1% Decrease (6.50%)	\$71,438
Current Discount Rate (7.50%)	\$39,789
1% Increase (8.5%)	\$13,044

The District also administers a salary deferral plan (the "Salary Plan") available to substantially all full-time employees meeting certain service requirements. The Salary Plan qualifies under the IRC Section 401(k) and was established to provide supplemental retirement income for employees of the District. Under the Salary Plan, the District makes matching contributions to participants in accordance with an established schedule based upon each participant's years of service with the District. The District made no matching contributions in 2022 but made \$9.0 million of matching contributions in 2021. The District recognized pension expense of \$1.4 million and \$2.4 million related to the Salary Plan in 2022 and 2021, respectively. The liability related to the Salary Plan was \$3.8 million and \$2.4 million at June 30, 2022 and 2021, respectively. The Salary Plan does not meet the definition of a blended component unit or a fiduciary activity.

Employees are immediately vested in their own contributions and earnings on those contributions. Employees become vested in the District contributions and earnings on District contributions after completion of five years of service. Nonvested contributions are forfeited upon termination of employment and such forfeitures are used to offset future District contributions. For the years ended June 30, 2022 and 2021, forfeitures reduced the District's pension expense by \$412,000 and \$0, respectively.

The District offers its employees a deferred compensation plan (the "457 Plan") created in accordance with IRC Section 457. The 457 Plan, available to all District employees with at least one year of service, permits them to defer a portion of their salary until future years. The deferred compensation is not available to employees until termination, retirement, death, or certain emergency situations. The 457 Plan does not meet the definition of a blended component unit or a fiduciary activity.

Kaweah Delta Health Care District

Notes to Consolidated Financial Statements

NOTE 12 – COMMITMENTS

At June 30, 2022, the District has projects in progress to construct, improve, and equip various routine, ancillary, and support services. Major projects in progress include an expansion of the emergency department, and various improvement projects to existing facilities. Total costs expended as of June 30, 2022, related to these projects and others are approximately \$17.0 million. The total estimated cost of these projects at completion is approximately \$24.2 million, of which approximately \$22.9 million has been expended or contractually obligated. Funding for the projects is expected to include a combination of revenue bond funds, operating cash flows, community donations, and funded reserves.

The District has entered into various physician income guarantees whereby, pursuant to the terms in the agreement, the District has extended income guarantees to certain doctors in exchange for the doctors maintaining a medical practice in the District's service area. Payments under the guarantees are expected to be forgiven over a two to three-year period, should the physician remain in practice in the community. If a doctor terminates his medical practice in the community prior to the completion of the term, the remaining balance under the guarantee is immediately due and payable. The District records expenses under these guarantees as payments are made to physicians. Accounts receivable are recorded when defaults under the agreements occur and are evaluated for collectability.

NOTE 13 – CONTINGENCIES

Malpractice, workers' compensation, and comprehensive general liability claims have been asserted against the District by various claimants. The claims are in various stages of processing and some may ultimately be brought to trial. There are also known incidents that have occurred through June 30, 2022, that may result in the assertion of additional claims. District management has accrued their best estimate of these contingent losses.

The health care industry is subject to numerous laws and regulations of federal, state, and local governments. Compliance with these laws and regulations can be subject to government review and interpretation, as well as regulatory actions unknown and unasserted at this time. Over the last several years, government activity has increased with respect to investigations and allegations concerning possible violations of regulations by health care providers, which could result in the imposition of significant fines and penalties as well as significant repayment of previously billed and collected revenue for patient services. Management believes that the District is in substantial compliance with current laws and regulations and that any potential liability arising from compliance issues have been properly reflected in the District's consolidated financial statements or are not considered to be material to the District's financial position and results of operations as of and for the year ended June 30, 2022 and 2021.

As disclosed in Note 1, the Medicare and Medi-Cal government reimbursement programs account for a substantial amount of the District's net patient services revenue. Expenditure reduction efforts and budget concerns within the United States, and California legislature continue to create uncertainty over the volume of future health care funding. It is at least reasonably possible that future reimbursements for patient services under these programs could be negatively impacted.

NOTE 14 – INTERGOVERNMENTAL AND DIRECT GRANT SUPPLEMENTAL PAYMENT PROGRAMS

The District participates in various supplemental payment programs administered by the State of California including intergovernmental transfer and direct grant funding mechanisms. A summary of these programs is as follows:

Quality Assurance Fee Managed Care Medi-Cal Payment Program – The District receives payments under the Quality Assurance Fee (“QAF”) Managed Care Medi-Cal payment program. The California Hospital Fee Program (the “Program”) was signed into law by the Governor of California and became effective on April 1, 2009. The Program is ongoing but requires an extension or revision of the methodology approved by CMS periodically. The Program required a “hospital fee” or “QAF” to be paid by certain hospitals to a state fund established to accumulate the assessed QAF and receive matching federal funds. QAF and corresponding matching federal funds are then paid to participating hospitals in two supplemental payment methodologies: a fee-for-service methodology and a managed care plan methodology.

In the 2009-10 Program, the District, as a nondesignated public hospital (“NDPH”) in California, was not subject to the QAF assessment according to the legislation, but rather received net supplemental payments. The Program evolved in 2010 through 2014, with District hospitals participating in a variety of ways. Legislation for the Program that ran from January 1, 2014 through December 31, 2016 (“SB239”), allowed for direct grant funding for rural District hospitals and additional funding available in the form of Intergovernmental Transfer (“IGT”) payments offered for a match of funding. Passage of Proposition 52 in November 2016, made SB239 permanent and allowed for the creation of the HQAF V program that provides for direct grants for District hospitals as well as IGT-generated funding. The HQAF V program runs from January 1, 2017 through December 31, 2019. The HQAF VI program runs from January 1, 2019 through December 31, 2020. In fiscal years 2022 and 2021, the District recognized QAF program related net patient services revenue of \$16.1 million and \$14.6 million, respectively.

NDPH IGT Program – The District also receives AB113 IGT fee-for-service (“FFS”) Medi-Cal Inpatient payments. Legislation in March 2011 (“SB 90”) extended the QAF Program for the period from January 1, 2011, through June 30, 2011; however, the extension under SB 90 included only private hospitals and thus excluded the District related to the FFS portion of the QAF Program. As an alternative, the NDPH IGT Program was established under AB 113 in 2011 to allow NDPH facilities to access additional federal funds. Under this legislation, the District recognized net patient services revenue of a \$7.4 million increase and a \$10.1 million increase related to this program for the years ended June 30, 2022 and 2021, respectively.

Rate Range IGT Program – The District receives “Rate Range” IGT managed Medi-Cal payments. Federal rules allow that NDPH facilities may access managed care rate range room as determined by negotiations with Medi-Cal managed care plans. As defined by law, rate range room is the difference between the amount that the State pays the managed care plans, referred to as a “lower bound” rate, and the maximum allowed, or the “upper bound” rate. This difference, or rate range, is then available through supplemental IGT payments to public entities that participate in the program in each county. The District recognized net patient services revenue of \$24.4 million and \$17.2 million related to this program in fiscal years 2022 and 2021, respectively.

Kaweah Delta Health Care District Notes to Consolidated Financial Statements

Public Hospital Redesign and Incentives in Medi-Cal Program – The Public Hospital Redesign and Incentives in Medi-Cal (“PRIME”) program was approved as a part of the Medi-Cal 2020 Section 1115 demonstration waiver. The program participants include both designated public hospitals and district and municipal public hospitals. PRIME supported activities encourage participants to improve the manner in which care is delivered in order to maximize health care value and also to position participants to successfully transition managed care payments to alternative payment methodologies. The District’s participation in the program in 2016, its initial year of participation, and 2017 included creating the five-year implementation plan, completing related process measures, and developing PRIME project infrastructure. Participation in 2018 included submission of baseline data, and participation in 2018 and 2019 included the measurement and achievement of quality improvement metrics. The State of California’s share of the Medi-Cal funding for the PRIME program is furnished by IGT’s from the participants. The District recognized other operating revenue of \$15.8 million and \$10.7 million related to the PRIME program in fiscal years 2022 and 2021, respectively.

Provider relief funds – The District received approximately \$15.1 million and \$23.1 million in related grants in fiscal year 2022 and fiscal year 2021, respectively. The District was required to and did timely sign attestations agreeing to the terms and conditions of payment. Those terms and conditions include measures to prevent fraud and misuse. Documentation is required to ensure that these funds are used for health care related expenses or lost revenue attributable to the coronavirus, limitations of out-of-pocket payments from certain patients, and the acceptance of several other reporting and compliance requirements. It is noted that anti-fraud monitoring and auditing will be performed by HHS and the Office of the Inspector General. For the years ended June 30, 2022 and 2021, the District has determined it met the terms and conditions of the CARES Act, and has recorded stimulus fund revenue \$15.1 million and \$23.1 million, respectively, of the PRF in nonoperating revenues in the consolidated statements of revenues, expenses, and changes in net position. Refunding of amounts received may be required by the CARES Act if a receiving entity is unable to quantify the financial losses intended to be covered by funding. The District continues to reconcile and analyze its health care related expenses and lost revenue based on known reporting guidance.

Other stimulus funds – The District received approximately \$3.1 million and \$9.4 million in related grants in fiscal year 2022 and fiscal year 2021, respectively. The District entered into contracts agreeing to the terms and conditions of payment. Those terms and conditions include measures to prevent fraud and misuse. Documentation is required to ensure that these funds are used for health care related expenses attributable to the coronavirus, limitations of out-of-pocket payments from certain patients, and the acceptance of several other reporting and compliance requirements. For the years ended June 30, 2022 and 2021, the District has determined it met the terms and conditions of these stimulus funds and has recorded stimulus fund revenue \$3.1 million and \$9.4 million, respectively, in nonoperating revenues in the consolidated statements of revenues, expenses, and changes in net position.

Kaweah Delta Health Care District
Notes to Consolidated Financial Statements

NOTE 15 – RESTATEMENT

The adoption of GASB No. 87 resulted in adjustments to the prior period financial statements as follows at June 30, 2021:

	<u>As Previously Presented</u>	<u>Adjustment</u>	<u>As Restated</u>
Statements of net position			
Assets and deferred outflows:			
Intangible right-of-use assets	\$ -	\$ 17,907	\$ 17,907
Liabilities and net position:			
Lease liability, current portion	\$ -	\$ 4,507	\$ 4,507
Lease liability, net of current portion	\$ -	\$ 13,588	\$ 13,588
Total net position, end of year	\$ 486,368	\$ (202)	\$ 486,166
Statements of revenues, expenses, and changes in net position			
Rents and leases	\$ 6,192	\$ (4,232)	\$ 1,960
Depreciation and amortization	\$ 31,646	\$ 4,363	\$ 36,009
Interest expense	\$ (8,407)	\$ (71)	\$ (8,478)
Operating loss	\$ (22,291)	\$ (131)	\$ (22,422)
Income before capital contributions	\$ 12,414	\$ (202)	\$ 12,212
Changes in net position	\$ 13,929	\$ (202)	\$ 13,727
Statements of cash flows			
Cash flows from operating activities:			
Cash payments for other operating expenses	\$ (406,662)	\$ 4,349	\$ (402,313)
Net cash from operating activities	\$ 25,222	\$ 4,349	\$ 29,571
Cash flows from capital and related financing activities:			
Interest payments on bonds payable	\$ (9,589)	\$ 13	\$ (9,576)
Principal payments on bonds payable	\$ (10,643)	\$ 58	\$ (10,585)
Interest payments on lease liabilities	\$ -	\$ (84)	\$ (84)
Principal payments on lease liabilities	\$ -	\$ (4,336)	\$ (4,336)
Net cash from capital and related financing activities=	\$ (52,001)	\$ (4,349)	\$ (56,350)
Reconciliation of operating loss to net cash provided by operating activities:			
Accounts payable and accrued expenses, accrued payroll related liabilities, lease liabilities, Medicare accelerated payments payable, and other long-term liabilities	\$ 18,996	\$ 4,349	\$ 23,345
Net cash from operating activities	\$ 25,222	\$ 4,349	\$ 29,571

**Kaweah Delta Health Care District
Notes to Consolidated Financial Statements**

NOTE 16 – SUBSEQUENT EVENTS

Subsequent events are events or transactions that occur after the consolidated statement of net position date, but before the consolidated financial statements are issued. The District recognizes in the consolidated financial statements the effects of all subsequent events that provide additional evidence about conditions that existed at the date of the consolidated statement of net position, including the estimates inherent in the process of preparing the consolidated financial statements. The District's consolidated financial statements do not recognize subsequent events that provide evidence about conditions that did not exist at the date of the consolidated statement of net position, but arose after the consolidated statement of net position date and before the consolidated financial statements are issued.

FINAL DRAFT

Kaweah Delta Health Care District Supplemental Pension Information

The following table summarizes the number of total plan participants at June 30:

	2022	2021
Active employees	598	650
Terminated vested	1,010	999
Retirees receiving benefits	851	832
Total participants	2,459	2,481

The following table summarizes changes in net pension liability for the years ended June 30, 2022 and 2021 (in thousands):

	2022	2021
TOTAL PENSION LIABILITY		
Service cost	\$ -	\$ -
Interest	21,703	21,157
Differences between expected and actual experience	1,467	2,972
Changes in assumptions	778	(2,059)
Benefit payments	(16,793)	(15,532)
NET CHANGES IN TOTAL PENSION LIABILITY	7,155	6,538
TOTAL PENSION LIABILITY, beginning of year	297,774	291,236
TOTAL PENSION LIABILITY, end of year	304,929	297,774
PLAN FIDUCIARY NET POSITION		
Employer contributions	11,400	11,400
Net investment income	(49,040)	73,603
Benefit payments	(16,794)	(15,527)
Administrative expenses	(473)	(287)
NET CHANGES IN PLAN FIDUCIARY NET POSITION	(54,907)	69,189
PLAN FIDUCIARY NET POSITION, beginning of year	320,047	250,858
PLAN FIDUCIARY NET POSITION, end of year	265,140	320,047
NET PENSION LIABILITY (ASSET), end of year	\$ 39,789	\$ (22,273)
Plan fiduciary net position as percentage of total pension liability	86.95%	107.48%
Covered employee payroll	N/A	N/A
Net pension liability as percent of covered payroll	N/A	N/A

**Kaweah Delta Health Care District
Supplemental Pension Information (Continued)**

The District's actuarially determined contribution and actual contributions, since 2012, are presented in the following table (in thousands):

Fiscal Year Ended	Actuarially Determined Contribution	Actual Contribution	Contribution Excess	Covered Payroll	Actual Contribution as a Percentage of Covered Payroll
2012	\$ 2,233	\$ 2,235	\$ 2	NA	N/A
2013	4,093	4,095	2	N/A	N/A
2014	3,972	4,058	86	N/A	N/A
2015	2,673	3,720	1,047	N/A	N/A
2016	3,224	5,000	1,776	N/A	N/A
2017	6,879	9,000	2,121	N/A	N/A
2018	5,818	11,400	5,582	N/A	N/A
2019	4,533	11,400	6,867	N/A	N/A
2020	3,466	11,400	7,934	N/A	N/A
2021	4,414	11,400	6,986	N/A	N/A
2022	-	11,400	11,400	N/A	N/A
	<u>\$ 41,305</u>	<u>\$ 85,108</u>	<u>\$ 43,803</u>		



**KAWEAH DELTA HEALTH CARE DISTRICT
BOARD OF DIRECTORS MEETING**

CONSENT CALENDAR

October 26, 2022



**Physician Recruitment and Relations
Medical Staff Recruitment Report - October 2022**

Prepared by: Sarah Bohde, Physician Recruiter - sbohde@kaweahhealth.org - (559) 624-2772

Date prepared: 10/19/2022

Delta Doctors Inc.	
Family Medicine	2
OB/Gyn	1

Frederick W. Mayer MD Inc.	
Cardiothoracic Surgery	2

Kaweah Health Medical Group	
Audiology	1
Dermatology	2
Endocrinology	1
Family Medicine	3
Gastroenterology	2
Neurology	1
Orthopedic Surgery (Hand)	1
Otolaryngology	2
Physical Therapy	1
Pulmonology	1
Radiology - Diagnostic	1
Rheumatology	1
Urology	3

Key Medical Associates	
Adult Hospitalist	1
Dermatology	1
Family Medicine/Internal Medicine	3
Gastroenterology	1
Pulmonology	1

Oak Creek Anesthesia	
Anesthesia - Critical Care	1
Anesthesia - General	3
Anesthesia - Obstetrics	1
CRNA	3

Orthopaedic Associates Medical Clinic, Inc.	
Orthopedic Surgery (Trauma)	1

Other Recruitment	
EP Cardiology	1
Hospice & Palliative Medicine	1
Neurology - Inpatient	1

Sequoia Oncology Medical Associates Inc.	
Hematology/Oncology	1

Valley Children's Health Care	
Maternal Fetal Medicine	2
Neonatology	1
Pediatric Cardiology	1

Valley Hospitalist Medical Group	
Adult Hospitalist	1
GI Hospitalist	1
Nocturnist	1

Candidate Activity

Specialty/Position	Group	Last Name	First Name	Availability	Referral Source	Current Status
Anesthesia	Oak Creek Anesthesia	Clair, M.D.	Charndip	08/23	Direct - PracticeLink	Currently under review
Anesthesia - Critical Care	Oak Creek Anesthesia	Malamud, M.D.	Yan	08/22	Direct - PracticeMatch	Site Visit: 10/17/22
Cardiothoracic Surgery	Independent	Coku, M.D.	Lindita	ASAP	Delta Locums	Currently under review
Cardiothoracic Surgery	Independent	Williams, M.D.	Julio	08/22	Direct - 4/19/22	Initial Screening: 4/22/22; Providing locums/temp coverage in September 2022.
Certified Registered Nurse Anesthetist	Oak Creek Anesthesia	Cummins	Anna	05/23	Comp Health - 8/25/22	Site visit pending in November 2022
Certified Registered Nurse Anesthetist	Oak Creek Anesthesia	Liu	Jia	03/23	Comp Health - 5/16/22	Currently under review
Certified Registered Nurse Anesthetist	Oak Creek Anesthesia	Coelho	Carly	TBD	Direct - 8/11/22	Offer accepted
Certified Registered Nurse Anesthetist	Oak Creek Anesthesia	Enriquez	Richard	01/23	Direct - 9/1/22	Offer accepted - contract in progress
Certified Registered Nurse Anesthetist	Oak Creek Anesthesia	Havlicak	Ashley	01/23	Direct/Referral	Offer accepted
Certified Registered Nurse Anesthetist	Oak Creek Anesthesia	Ngo	Alexander	01/23	Direct - 10/12/22	Offer accepted - contract in progress
EP Cardiology	Independent	Cheema, M.D.	Kamal	08/23	Direct - PracticeLink	Currently under review. Has family in Fresno
EP Cardiology	Independent	Dhir, M.D.	Sumer	08/23	Direct - PracticeLink	Currently under review
EP Cardiology	Independent	Tsimploulis, M.D.	Apostolos	08/23	Direct - PracticeLink	Currently under review
Family Medicine	Delta Doctors/Key Medical Associates	Whitlach, M.D.	Sandra	08/23	Kaweah Health Resident	Currently under review
Hospitalist	Valley Hospitalist Medical Group/Key Medical Associates	Adediji, M.D.	Anuoluwapo	08/23	Kaweah Health Resident	Currently under review

Candidate Activity

Specialty/Position	Group	Last Name	First Name	Availability	Referral Source	Current Status
Hospitalist	Valley Hospitalist Medical Group	Chovatiya, M.D.	Jasmin	08/23	Direct - Practice Link	Currently under review
Hospitalist	Valley Hospitalist Medical Group	Curran, M.D.	Justin	08/23	Direct - Loma Linda CareerMD Career Fair	Currently under review
Hospitalist	Valley Hospitalist Medical Group	Gautum, M.D.	Monika	ASAP	Direct - Practice Link	Currently under review
Hospitalist	Valley Hospitalist Medical Group	Issa, M.D.	Angela	08/23	Direct - Practice Link	Currently under review
Hospitalist	Valley Hospitalist Medical Group	Khan, M.D.	Marjan	08/23	Direct - Practice Link	Currently under review
Intensivist	Central Valley Critical Care Medicine	Barmaan, M.D.	Benjamin	08/23	Direct - Practice Link	Currently under review
Intensivist	Central Valley Critical Care Medicine	Khanuja, M.D.	Simrandeep	TBD	Comp Health - 6/2/22	Currently under review
Internal Medicine	Kaweah Health Medical Group/Key Medical Associates	Virk, D.O.	Harman	09/23	Direct email	Currently under review
Interventional Radiology	Mineral King Radiology Group	Youssef Ali, M.D.	Mahmoud	09/23	Direct email	Currently under review
Medical Oncology	Sequoia Oncology Medical Associates	Gill, M.D.	Amitoj	TBD	Direct	Site Visit: 10/21/22
Medical Oncology	Sequoia Oncology Medical Associates	Mohammadi, M.D.	Oranus	08/23	PracticeMatch - 3/31/22	Site Visit: 9/16/22
Medical Oncology	Sequoia Oncology Medical Associates	Palla, M.D.	Amruth	08/22	Direct/referral - 1/26/22	Site visit pending dates (Nov/Dec 2022 - Tentative)
Neonatology	Valley Children's	Agrawal, M.D.	Pulak	08/23	Valley Children's - 5/14/22	Offer accepted. Start date summer 2023
Neonatology	Valley Children's	Nwokidu-Aderibigbe, M.D.	Uche	08/23	Valley Children's - 5/14/22	Offer accepted. Start date summer 2023
Neonatology	Valley Children's	Brock, M.D.	Lee	ASAP	Valley Children's - 10/17/22	Site visit pending

Candidate Activity

Specialty/Position	Group	Last Name	First Name	Availability	Referral Source	Current Status
OB/GYN	Delta Doctors	Rangel Barrera, M.D.	Carlos	ASAP	Direct	Currently under review
Orthopedic Surgery - Trauma	Orthopaedic Associates Medical Clinic, inc.	Quacinella, M.D.	Michael	08/24	Direct	Currently under review
Radiology - Diagnostic	Kaweah Health Medical Group	Noorani, D.O.	Azeem	TBD	Staff Care - 6/13/22	Site Visit: 7/18/22; Offer extended
Radiology - Diagnostic	Kaweah Health Medical Group	Zurick, M.D.	Vernon	TBD	Current locum	Currently under review
Rheumatology	Kaweah Health Medical Group	Garg, M.D.	Arina	TBD	Enterprise Medical Recruiter - 8/16/22	Currently under review
Rheumatology	Kaweah Health Medical Group	Li, M.D.	Zi Ying (Kimmie)	08/22	Direct - 11/27/21	Phone Interview: 12/15/21; Site Visit: 4/5/22; Will decide on location in November 2022.

BOD Risk Management Report – Open 3rd Quarter 2022

**Evelyn McEntire, Director of Risk Management
559-624-5297 / emcentir@kawahhealth.org**



[kawahhealth.org](https://www.kawahhealth.org)



Risk Management Goals

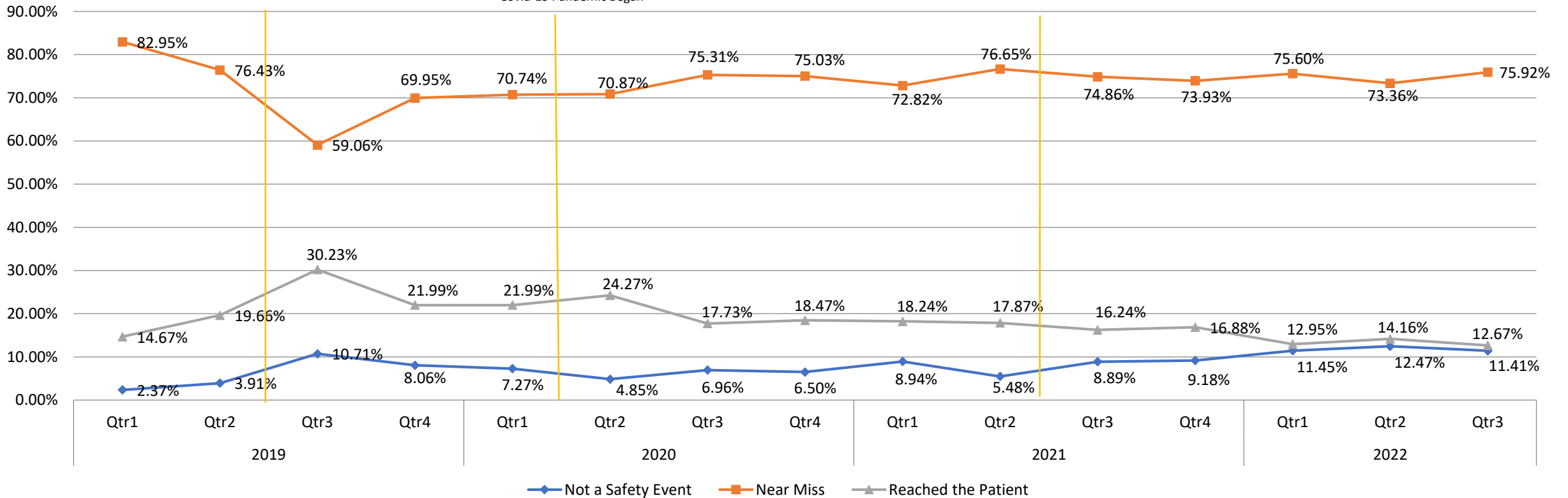
1. Promote a safety culture as a proactive risk reduction strategy.
2. Reduce frequency and severity of harm (patient and non-patient).
 - Zero incidents of “never events”
3. Reduce frequency and severity of claims.

Midas Risk Events - Rate by Significance

New Simplified Midas Form Implemented

Covid-19 Pandemic Began

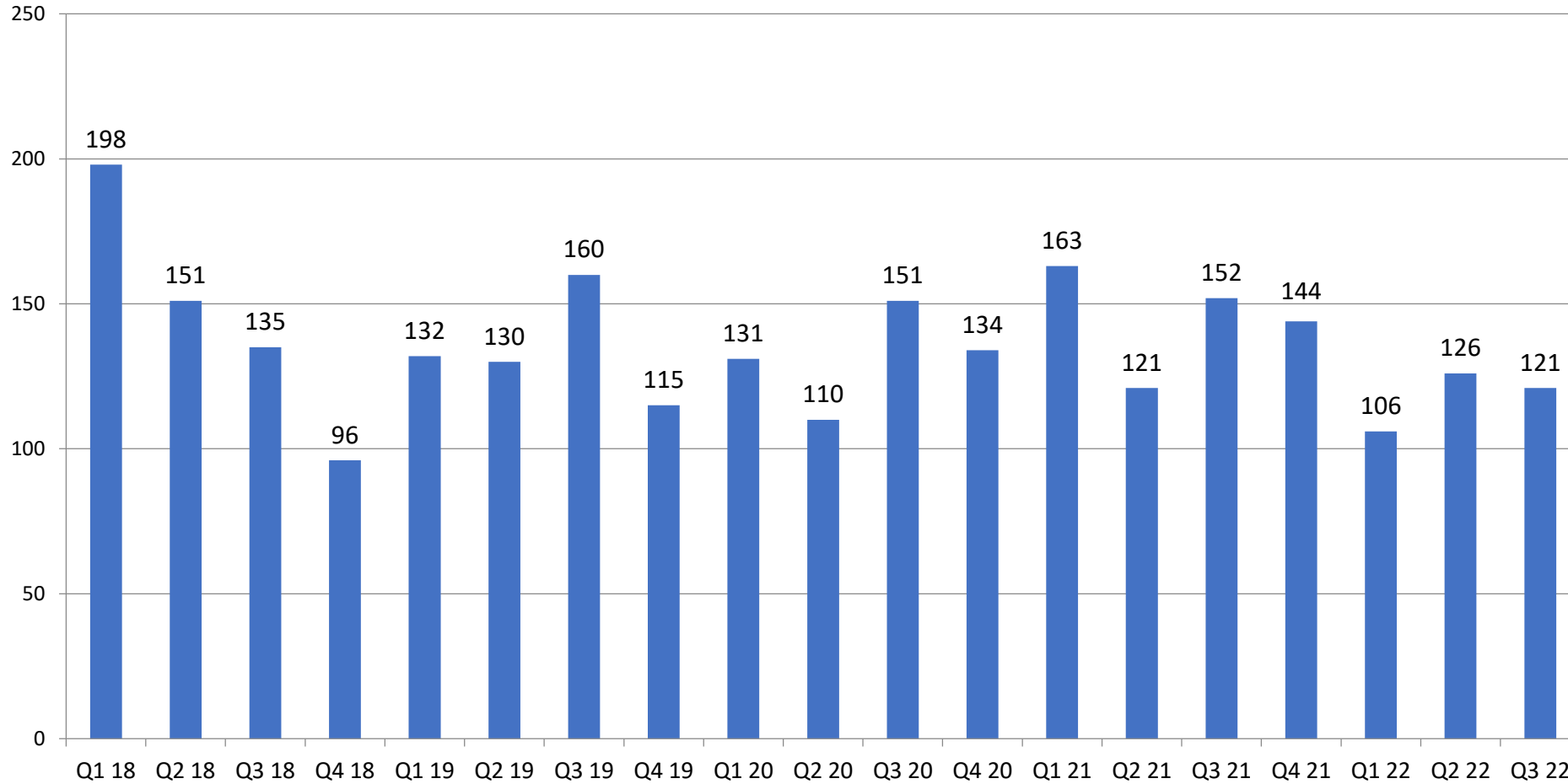
Event Reporting Education provided to several departments



This graph represents the total number of Midas event reports submitted per quarter. They are also categorized by "Not a safety event," "Near miss," or "Reached the patient."

Goal: To *increase* the total number of event reports submitted by staff/providers while *decreasing* those events which reach the patient.

Complaints & Grievances 2018-2022

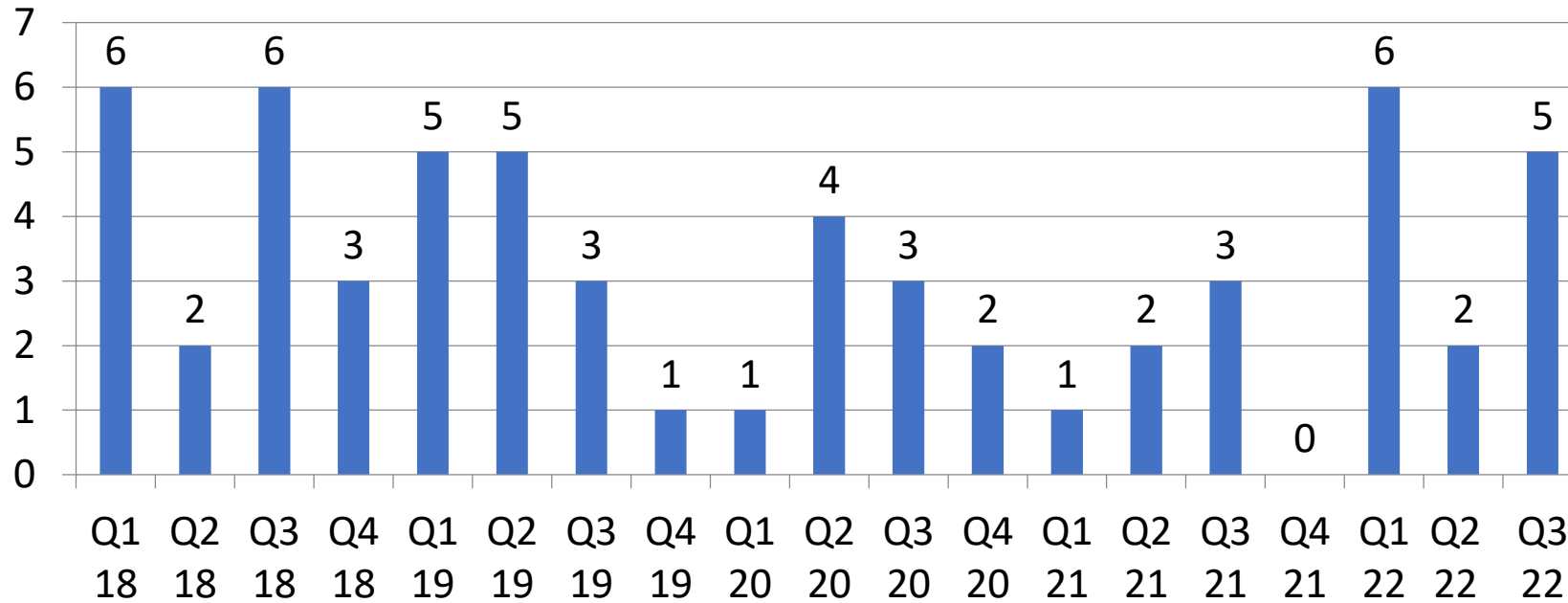


Most Common Complaints:

- Clinical Care - Staff
- Communication - Staff
- Delay of Care - Staff

Claims

2018 - 2022



Number of New Claims Received per Quarter

Total cases closed during 3rd Quarter 2022 – (2) Two

Live with passion.

Health is our passion. Excellence is our focus. Compassion is our promise.



REPORT TO THE BOARD OF DIRECTORS

Neurosciences Service Line

Kevin Bartel, DPT, Director of Orthopedics, Neurosciences & Specialty Practice
Contact Number: 559-624-3441

Dr. Joseph Chen, Medical Director

Board Meeting: October 26, 2022

Summary Issue/Service Considered

Neurosurgery

1. Collaboration and partnership with Center Neurorestoration Associates (CNA) continued throughout FY2022. Comprehensive neurosurgery services included inpatient consultative and surgeries, outpatient elective surgery & outpatient clinic consultations and follow up care for surgical patients. Outpatient clinic days were started 1x/week at our Exeter Rural Health Clinic in October 2021 to primarily service our MediCal population, in addition to the existing clinic days in Visalia that occur 2x/week.
2. Efforts taken to better track and report key metrics associated with running an efficient outpatient elective program, focused on improving conversion rate of clinic consults into surgical cases and reducing barriers and wait time between clinic consult and surgery.
3. Targeted focus to improve surgery block time utilization to meet the standards set by the OR Governance committee.

Analysis of financial/statistical data:

- Neurosciences Services ended FY2022 with a contribution loss of -\$464,000, a significant decrease of 116% from FY2021, which was \$2,862,944.
- Total Neurosurgery surgical cases (inpatient and outpatient) for FY2022 were 283, a decrease of 20% from FY2021 which saw 351 surgical cases.
 - Key contributors to this contribution margin decrease:
 - Lower inpatient surgical volumes (driven by the inpatient surgery cap from August 2021 to March 2022 due to high census, and the intermittent closure of elective surgeries)
 - Increased average length of stay per case, resulting in increased direct cost per case
- Inpatient Neurosurgery discharge volume decreased by 25% in FY2022 from prior year, to a four year low. This led to a contribution margin decline by 77% in FY2022 from prior year
 - Direct costs for inpatient Neurosurgery cases increased 28% in FY2022, largely driven by the average length of stay increasing to 11 days per case, compared with the geometric mean length of stay remaining relatively flat from prior year at

5 days. This increased length of stay added additional direct expenses in nursing and ancillary (i.e. labs, pharmaceuticals) costs.

- The outpatient elective surgery volume for FY2022 was 56 cases, an increase of 19% from FY2021. The contribution margin decreased 101% in FY2022 to -\$393,183 due to direct costs per case also increasing 22%.
 - All payers ended FY2022 with a negative contribution margin per case with outpatient cases, led by Medi-Cal managed care at -\$11,465 per case, and holding a 30% payer mix.
- Neurosurgery outpatient clinic volume decreased 2%, and is near pre-pandemic levels of 2019. While net revenue per case improved 40% due to improved reimbursement for all payers, direct cost per case increased 55% from FY2021 primarily due to increased physician fees allocated to this service. The result is a negative contribution margin per case at -\$332, a decline of 63% from prior year. A negative contribution margin per case was seen across all payer types for outpatient clinic.

Neurology

Through FY2022, Neurology service at Kaweah Health consisted of on-call consultations provided by Dr. Pantera and 3 other local providers. Ongoing discussions have been occurring between Neurology providers and Kaweah leadership to formalize plans for a Neurology residency program, which would spawn into more robust Neurology consult and admitting services on the inpatient side, as well as outpatient clinic consults for follow up visits and small procedures.

Goals are for this plan to materialize in late FY23 or early FY24.

Quality/Performance Improvement Data

Neurosurgery

1. Neurosurgery surgical quality improvement is tracked internally, and reviewed to identify trends so that this can be shared with the provider group. For FY2022, 76 craniotomy surgical cases were performed in Neurosurgery, with only 1 surgical site infection (SSI) reported. This led to a standardized infection ratio of 0.664, meaning we experienced 66% of the anticipated infections based on the number of cases performed.
2. Outpatient referral processing time under 5 days continues to be the goal. 98% of new patient referrals are scheduled to be seen within 4 weeks of processing the referral. Number of clinic days overall changed in April 2022 from 4 to 3 days per week, impacting our ability to get patients in timely.
3. The average length of stay for Neurosurgery inpatient cases overall in FY2022 was 11 days, compared with the geometric mean length of stay of 5 days. The Neurosurgery average length of stay for FY2022 overall increased by 2.5 days compared with FY2021, which was 8.5 days.
4. Recently reviewed data indicates that the conversion rate of clinic consult cases to elective surgery cases is 10%. On average, patients who end up having elective surgery within this service line are seen in the clinic 2.13 visits prior to surgery. Additionally, the

time gap between initial clinic consult and surgery procedure is 126 days, on average, for those who end up having surgery. The primary reasons for this delay are necessary orders and follow ups for medical clearance for the patient prior to surgery.

5. Patient satisfaction overall rating in FY2022 for cases where Neurosurgery was the primary attending service was 52.55%, which fell below the 50th percentile. This is a decrease from the FY2021 which had an overall rating of 90%, which is between the 95th-90th percentile.
6. In FY2022, there were a total of 33 Neurosurgery related cases transferred out of Kaweah for a higher level of care, 20 of which were pediatric patients.
7. Neurosurgery program and cases performed specific to the spine can continue to support the efforts in providing quality outcomes that allows Kaweah to achieve Blue Distinction designation for spine surgery.

Policy, Strategic or Tactical Issues

Neurosurgery

1. During FY2022, multiple changes were made in efforts to optimize patient access to the Neurosurgery clinic. In October 2021, an additional clinic day was added per week (making it a total of 4 clinic days per week), which included one day out at Exeter RHC. Due to the increased physician fee cost and associated negative contribution margin per case seen in the clinic, this was reduced back down to 3 clinic days per week in April 2022.
2. Although a dedicated clinic day was established in Exeter RHC to prioritize seeing MediCal patients, there continued a high volume of MediCal patients still seen at our Visalia clinic, a 28% case mix overall. This high MediCal population seen in the clinic, associated with resulting increased Medical elective surgeries (both of which had negative contribution margins per case) influenced the poor financial outlook on the elective outpatient side.
3. Of all the MediCal patients seen in FY2022 at both outpatient clinics (at Visalia and the Exeter RHC), 19% of those patients originated from outside of our primary and secondary service area, mostly traveling down from Fresno/Madera and beyond to receive services. This contributed to our high MediCal influence on this service line and reduced contribution margin for the elective outpatient services.
4. Neurosurgery physician fees made up 91.4% of the total expense sitting within this service line for FY2022.
5. Efforts continued to take place in FY2022 to engage the Neurosurgery providers with local referring providers in efforts to optimize access to needed care and reduce barriers to medical clearance for planned surgeries.

Recommendations/Next Steps

Neurosurgery

Based upon the current financial situation of the organization and the high costs of providing Neurosurgery outpatient elective services, the decision of Kaweah leadership and the Board of Directors is to remove Neurosurgery outpatient elective services from those offered through Kaweah Health, focusing solely on the inpatient Neurosurgery services that can continue to provide important value to the hospital and community.

The primary focus over the coming months will be to effectively make this transition, which includes created space for necessary follow up clinic visits for patients seen on the inpatient side for consultations and surgeries

Neurology

Continuing in FY2023 and into FY2024, work and preparation will continue to be done to progress the goals of operationalizing a more robust Neurology service line. This includes working with GME leadership to create Neurology residency slots with purpose of eventually increasing our local provider bank of Neurologists in the community. These residents will help to support a greater level of inpatient consultation and admitting service for Neurology. Work is also planned to support outpatient Neurology consults that result from inpatient cases and consults.

Approvals/Conclusions

Neurosurgery

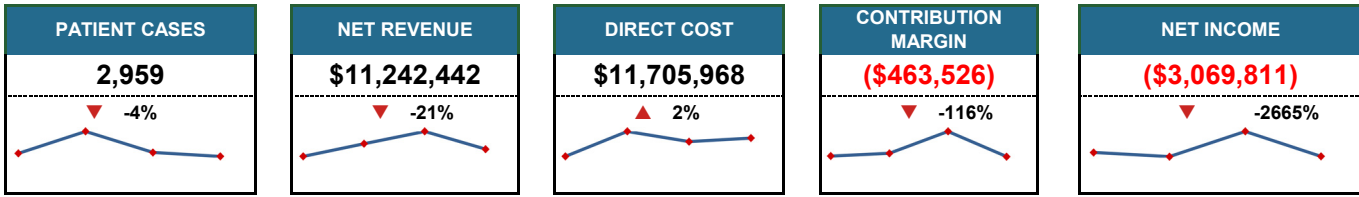
Our partnership with CNA over the past 5 years has resulted in positive patient outcomes and an extremely comprehensive Neurosurgery service line. We plan to continue our positive partnership with CNA as we move forward with condensing our scope of Neurosurgery services offered to our community to strictly inpatient emergent cases. Continued focus will be on quality metrics, increasing transfer acceptance of cases and optimizing coverage to meet the demands of our emergency/critical neurosurgery patients.

KAWEAH HEALTH ANNUAL BOARD REPORT

Neuroscience Services - Summary

FY2022

KEY METRICS - FY 2022 - Twelve Months Ended June 30, 2022



*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

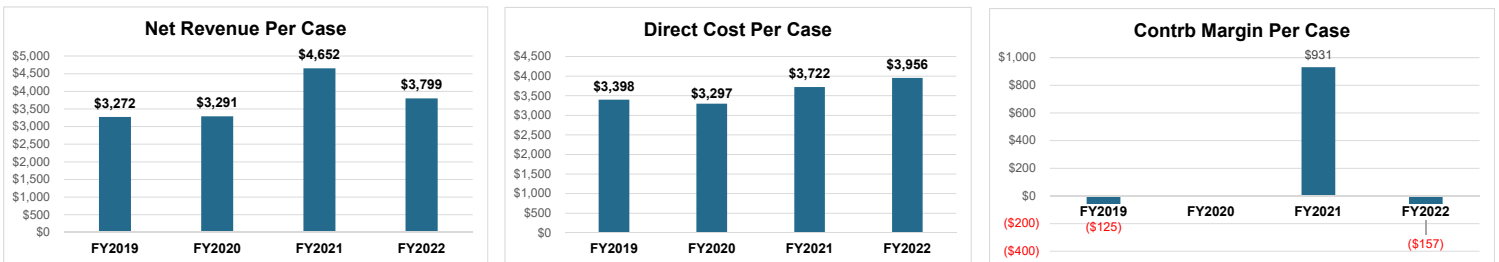
METRICS BY SERVICE LINE - FY 2022

SERVICE LINE	PATIENT CASES	NET REVENUE	DIRECT COST	CONTRIBUTION MARGIN	NET INCOME
Neuro Inpatient Surgery	227	\$10,430,029	\$9,611,889	\$818,141	(\$1,529,463)
Neuro Outpatient Surgery	56	\$415,537	\$808,720	(\$393,183)	(\$556,481)
Neuro Outpatient Clinic	2,676	\$396,875	\$1,285,359	(\$888,484)	(\$983,867)
Neurosciences Total	2,959	\$11,242,442	\$11,705,968	(\$463,526)	(\$3,069,811)

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
PATIENT CASES	3,050	3,700	3,076	2,959	-4%	
Net Revenue	\$9,980,783	\$12,177,423	\$14,310,679	\$11,242,442	-21%	
Direct Cost	\$10,363,520	\$12,197,450	\$11,447,734	\$11,705,968	2%	
Contribution Margin	(\$382,737)	(\$20,027)	\$2,862,944	(\$463,526)	-116%	
Indirect Cost	\$2,195,811	\$3,091,777	\$2,743,242	\$2,606,285	-5%	
Net Income	(\$2,578,549)	(\$3,111,804)	\$119,702	(\$3,069,811)	-2665%	
Net Revenue Per Case	\$3,272	\$3,291	\$4,652	\$3,799	-18%	
Direct Cost Per Case	\$3,398	\$3,297	\$3,722	\$3,956	6%	
Contrb Margin Per Case	(\$125)	(\$5)	\$931	(\$157)	-117%	

GRAPHS



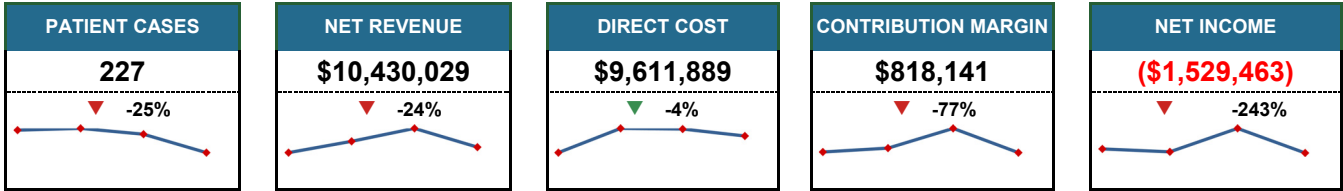
Source: Inpatient and Outpatient Service Line Reports
 Criteria: Service Line Reporting - Combined Inpatient and Outpatient
 Criteria: Inpatient (Neurological Surgery), Service Line= O/P Surgery and Surgeon Specialty = Neurological Surgery. Outpatient Neuro Clinic includes RHC Exeter Neurosurgeon visits.
 & Service Line = Neurosurgery Clinic

KAWEAH HEALTH ANNUAL BOARD REPORT

Neuroscience Services - Inpatient Neurosurgeon Cases

FY2022

KEY METRICS - FY 2022 - Twelve Months Ended June 30, 2022

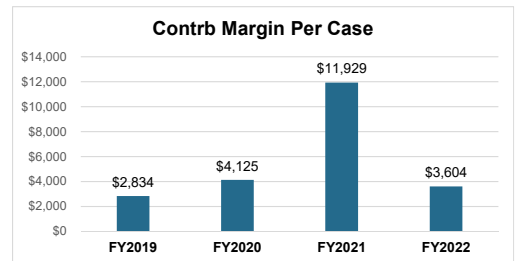
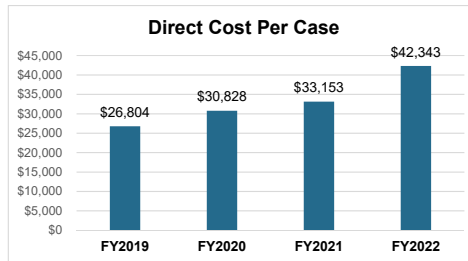
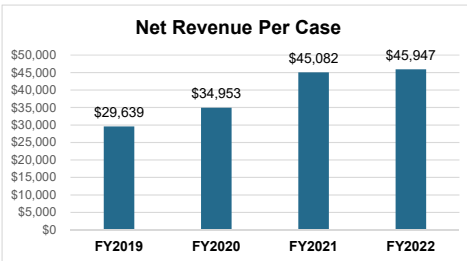


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	320	327	303	227	▼ -25%	
Patient Days	1,984	2,381	2,584	2,492	▼ -4%	
ALOS	6.2	7.3	8.5	11.0	▲ 29%	
GM LOS	4.3	4.7	4.8	5.0	▲ 3%	
Net Revenue	\$9,484,356	\$11,429,663	\$13,659,900	\$10,430,029	▼ -24%	
Direct Cost	\$8,577,319	\$10,080,797	\$10,045,468	\$9,611,889	▼ -4%	
Contribution Margin	\$907,037	\$1,348,867	\$3,614,432	\$818,141	▼ -77%	
Indirect Cost	\$2,015,338	\$2,761,412	\$2,541,381	\$2,347,603	▼ -8%	
Net Income	(\$1,108,301)	(\$1,412,546)	\$1,073,051	(\$1,529,463)	▼ -243%	
Net Revenue Per Case	\$29,639	\$34,953	\$45,082	\$45,947	▲ 2%	
Direct Cost Per Case	\$26,804	\$30,828	\$33,153	\$42,343	▲ 28%	
Contrb Margin Per Case	\$2,834	\$4,125	\$11,929	\$3,604	▼ -70%	
Opportunity Days	1.9	2.6	3.7	6.0		

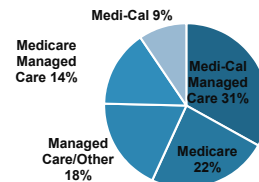
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND

PAYER	FY2019	FY2020	FY2021	FY2022
Medi-Cal Managed Care	28%	31%	30%	31%
Medicare	30%	28%	18%	22%
Managed Care/Other	21%	18%	25%	18%
Medicare Managed Care	9%	11%	10%	14%
Medi-Cal	8%	9%	16%	9%

FY 2022 PAYER MIX



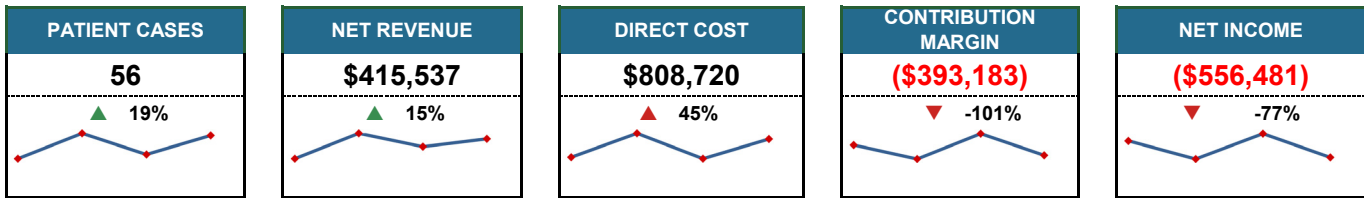
Notes:
 Source: Inpatient Service Line Report
 Selection Criteria: Surgeon Speciality - Neurological Surgery

KAWEAH HEALTH ANNUAL BOARD REPORT

Neuroscience Services - *Outpatient Neurosurgeon Cases*

FY2022

KEY METRICS - FY 2022 - Twelve Months Ended June 30, 2022

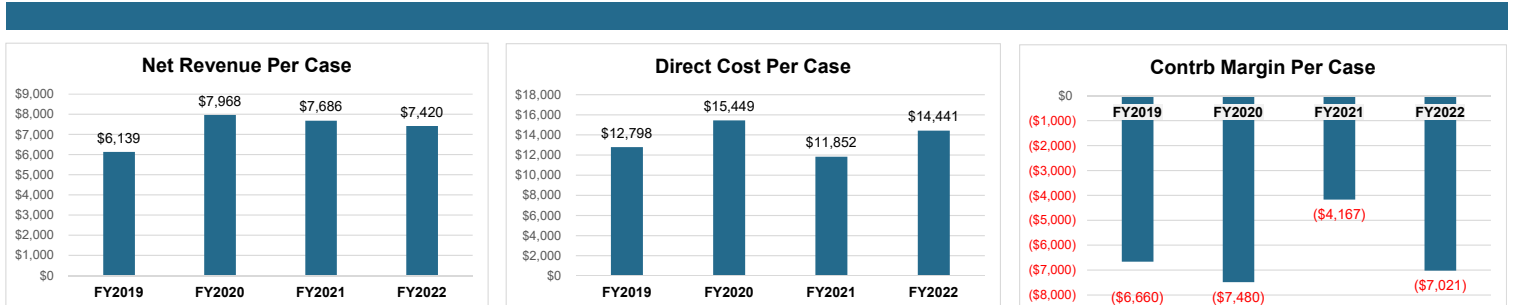


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	45	57	47	56	▲ 19%	
Net Revenue	\$276,242	\$454,204	\$361,223	\$415,537	▲ 15%	
Direct Cost	\$575,932	\$880,566	\$557,050	\$808,720	▲ 45%	
Contribution Margin	(\$299,690)	(\$426,361)	(\$195,826)	(\$393,183)	▼ -101%	
Indirect Cost	\$89,506	\$147,233	\$119,038	\$163,298	▲ 37%	
Net Income	(\$389,197)	(\$573,594)	(\$314,864)	(\$556,481)	▼ -77%	
Net Revenue Per Case	\$6,139	\$7,968	\$7,686	\$7,420	▼ -3%	
Direct Cost Per Case	\$12,798	\$15,449	\$11,852	\$14,441	▲ 22%	
Contrb Margin Per Case	(\$6,660)	(\$7,480)	(\$4,167)	(\$7,021)	▼ -69%	

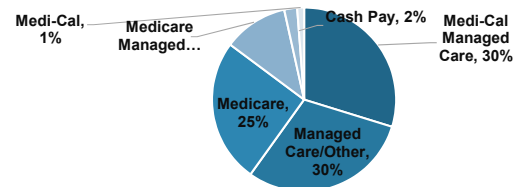
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND

PAYER	FY2019	FY2020	FY2021	FY2022
Medi-Cal Managed Care	44%	27%	34%	30%
Managed Care/Other	26%	26%	33%	30%
Medicare	21%	27%	19%	25%
Medicare Managed Care	4%	21%	12%	11%
Cash Pay	0%	0%	0%	2%
Medi-Cal	5%	0%	2%	1%

FY 2022 PAYER MIX



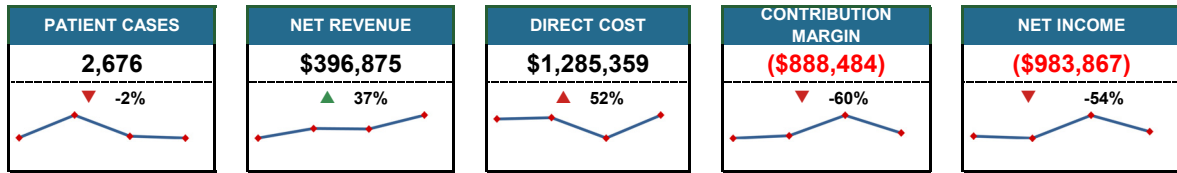
Notes:
 Source: Outpatient Service Line Reports
 Selection Criteria: Surgeon Speciality - Neurological Surgery

KAWEAH HEALTH ANNUAL BOARD REPORT

Neuroscience Services - *Outpatient Neurosurgery Clinic & RHC Visits*

FY2022

KEY METRICS - FY 2022 - Twelve Months Ended June 30, 2022

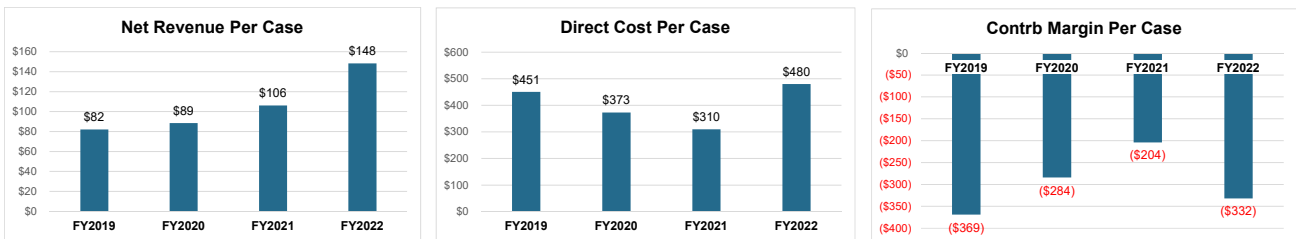


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	2,685	3,316	2,726	2,676	-2%	
Net Revenue	\$220,184	\$293,555	\$289,555	\$396,875	37%	
Direct Cost	\$1,210,268	\$1,236,088	\$845,217	\$1,285,359	52%	
Contribution Margin	(\$990,084)	(\$942,533)	(\$555,662)	(\$888,484)	-60%	
Indirect Cost	\$90,967	\$183,131	\$82,823	\$95,384	15%	
Net Income	(\$1,081,051)	(\$1,125,664)	(\$638,484)	(\$983,867)	-54%	
Net Revenue Per Case	\$82	\$89	\$106	\$148	40%	
Direct Cost Per Case	\$451	\$373	\$310	\$480	55%	
Contrb Margin Per Case	(\$369)	(\$284)	(\$204)	(\$332)	-63%	

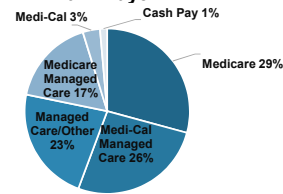
PER CASE TRENDED GRAPHS



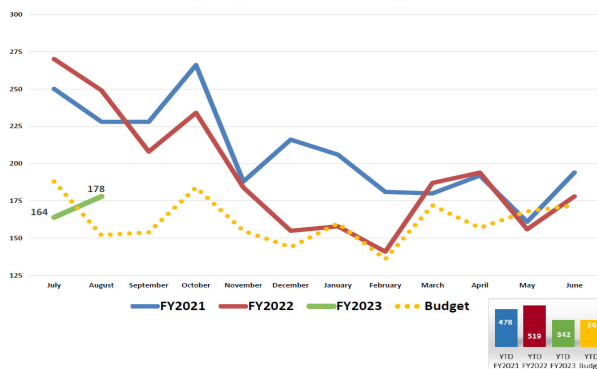
PAYER MIX - 4 YEAR TREND

PAYER	FY2019	FY2020	FY2021	FY2022
Medicare	26%	23%	23%	29%
Medi-Cal Managed Care	48%	39%	36%	26%
Managed Care/Other	17%	24%	25%	23%
Medicare Managed Care	5%	11%	13%	17%
Medi-Cal	2%	2%	2%	3%
Cash Pay	1%	1%	1%	1%

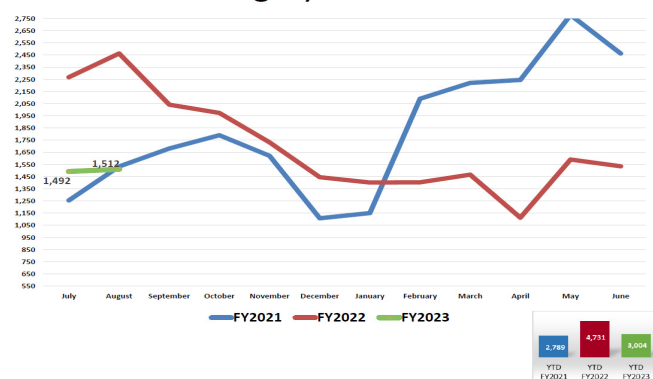
FY 2022 Payer Mix



Neurosurgery Clinic - Registrations



Neurosurgery Clinic - wRVU's



Notes:

Source: Outpatient Service Line Reports

Selection Criteria: Service Line1 = Neurosurgery Clinic

Outpatient Neuro Clinic includes RHC Exeter Neurosurgeon visits.

REPORT TO THE BOARD OF DIRECTORS

Rural Health Clinics

- **Ryan Gates**, Chief Population Health Officer, 559-624-5647
- **Ivan Jara**, Director of Rural Health and Urgent Cares, 559-624-6971
- **Date:** October 26, 2022

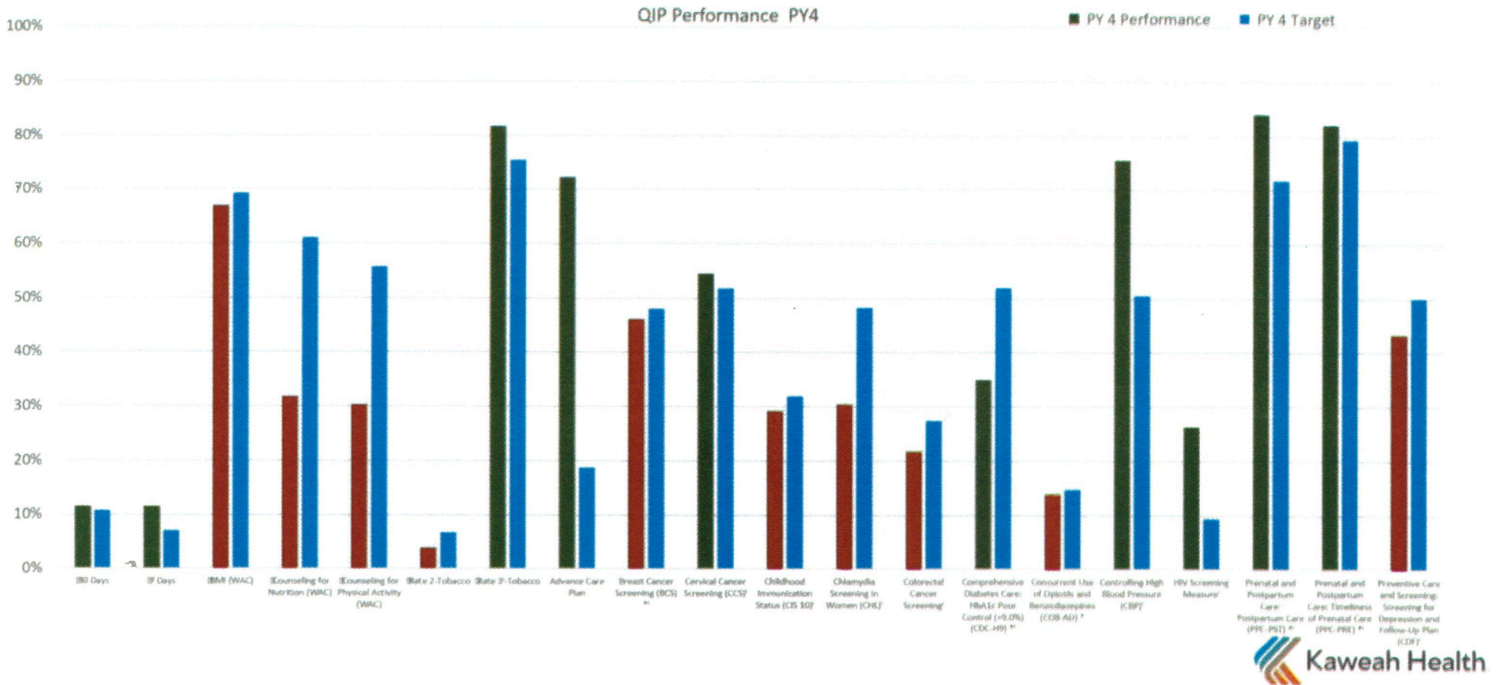
Summary Service Line

1. Kaweah Health currently operates five Rural Health Clinics within Tulare County. The locations include Exeter, Dinuba, Lindsay, Woodlake, and our newest location, Tulare.
2. Kaweah Health Rural Health Clinics continue to play an important role in expanding access to primary, specialty, and behavioral health care in the community. We currently offer 17 specialty services across the clinics and support over 70 providers. During FY 22, the rural health clinics onboarded 14 new providers bringing new services to our patients and communities. The Rural Health Clinics also support a Graduated Medical Education (GME) Adult Psychiatry program, GME Family Medicine rotations, and Medical and Advance Practice student rotations.
3. The Rural Health Clinics continue to refine their organizational structures to support growth and quality. In addition, the operational and quality teams work side by side to deliver world-class care to the populations served. This collaboration has led to the implementation of a variety of changes that have improved efficiencies as well as quality and financial outcomes.
4. The care model practiced at the Rural Health Clinics provides patients with access to their healthcare provider during all hours of operation. An engaged and dedicated clinician leadership has brought a culture of learning and collaboration between primary care providers, specialists, and administration.
5. Kaweah Health Clinics have engaged in developing community partnerships with organizations within our service area to expand the reach of our high-quality care. These partnerships help bring needed care to our communities beyond our four walls.
6. Kaweah Health Rural Health Clinics are also largely responsible for the outcomes of our risk-based care transformation programs (i.e. Quality Improvement Program (QIP), Behavioral Health Integration (BHI), Health Homes, Enhanced Care Management (ECM), Humana Medicare Advantage, etc.)

Quality/Financial Performance Data

1. **Quality Performance Data**
 - a. Humana Medicare Advantage
 - i. Risk Adjustment Factor (RAF): 1.1809 in 2021

- ii. CMS Quality Score: Star Rating 3.3 in 2021
- iii. Practitioner Assessment Forms: 80.40% completed in 2021
- b. Quality Improvement Performance
 - i. The Rural Health Clinics met 10 quality measures out of 20 quality measures that were reported during Program Year 4. The clinics continue to take the lead in various quality measures across the state and county.



2. Financial Performance Data

- a. Net Revenue: \$22,975,721 (8.5% increase)
- b. Direct Cost: \$18,683,725 (10% increase)
- c. Indirect Cost: \$4,291,996 (10% decrease)
- d. Contribution Margin: \$4.3 million (2% increase)
 - i. **Highest contribution margin compared to the past four years**
- e. Patient Cases: 139,815 (4.5% increase over prior year)
 - i. **Highest visit volume in service line history**
- f. Telehealth: 50,368 (36% of FY 2022 visits & 51% of contribution margin)
 - i. Telehealth continues to have a more efficient expense structure and greatly impacts the contribution margin
- g. Exeter Clinic:
 - i. Accounts for 57% of visits and 74% of contribution margin
 - ii. Net Revenue per visit increased to \$174
 - iii. Contribution Margin per visit of \$40
- h. Lindsay Clinic:
 - i. Accounts for 16% of visits and 14% of contribution margin
 - ii. Net Revenue per visit increased to \$158
 - iii. Contribution Margin per visit of \$27
- i. Dinuba Clinic:
 - i. Accounts for 13% of visits and 5% of contribution margin
 - ii. Net Revenue per visit increased to \$159

- iii. Contribution Margin per visit of \$13
- j. Woodlake Clinic:
 - i. Accounts for 7% of visits and 4% of contribution margin
 - ii. Net Revenue per visit increased to \$160
 - iii. Contribution Margin per visit of \$19
- k. Tulare Clinic:
 - i. Accounts for 7% of visits and 3% of contribution margin
 - ii. Net Revenue per visit \$116
 - iii. Contribution Margin per visit of \$11

3. Employee Engagement Data:

- a. The Rural Health Clinics teams experience a slight increase in overall engagement scores. However, there continues to be an opportunity in driving engagement within the Tulare, Dinuba, and Lindsay clinics.

Workgroup	2022 Survey Averages	2021 Survey Averages	Increase/Decrease from 2021	Workgroup Size	Response Rate
RHC Tulare Clinic	3.97	4.38	-0.41	12	92%
RHC-Dinuba Health Clinic	3.98	4.52	-0.54	18	50%
RHC-Exeter Health Clinic	4.04	3.48	0.56	63	60%
RHC-Lindsay Health Clinic	3.79	3.75	0.04	18	72%
RHC-Woodlake Health Clinic	4.46	4.02	0.44	10	60%

Next Steps

1. Kaweah Health Rural Health Clinics are to maintain their recognition status as a Patient-Centered Medical Home and their Behavioral Health Integration distinction through the National Committee for Quality Assurance. These efforts help drive quality initiatives, improved patient care standards, and increased access to care within the clinics.
2. Continue to partner with and support clinician leadership to collaboratively support high-quality patient care and access within our populations served.
3. Maintain a focus on employee engagement in efforts to drive high-performing teams, retention, and a culture of safety.
4. Execute Patient Navigation initiatives to support patient engagement, quality, workflow efficiencies, and care coordination.
5. Provide resources that include Community Care Coordinators, Pharmacists, Educators, and transportation services to support patients with social determinants of health.
6. Develop partnerships with Health Plans and local organizations to expand non-traditional access to care in a cost-effective manner.
7. Continue efforts in expanding and integrating Behavioral Health therapy and psychiatry services to all clinic locations.
8. Strive towards making healthcare access easy for our patients by driving telehealth accessibility, same-day appointments, and by having expanded methods of communicating with their healthcare team.

Conclusions

The Kaweah Health Rural Health Clinics serve as important access points to care for our medically underserved communities. The revenues gained from efficiently operating the Rural Health Clinics support our organization's strategic pillar of maintaining financial strength. The Rural Health Clinics will continue to expand high quality access to care for the communities we serve while in parallel supporting our valuable clinicians and staff members delivering care.

KAWEAH HEALTH ANNUAL BOARD REPORT

RURAL HEALTH CLINICS - Summary

FY2022

KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022



*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

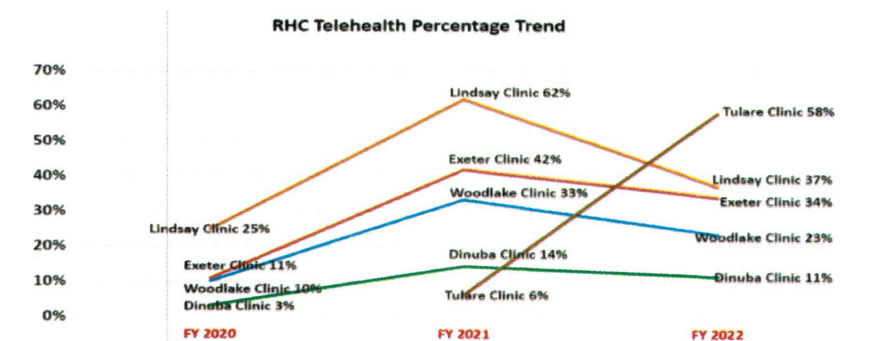
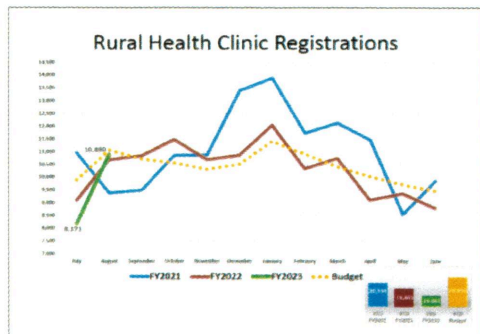
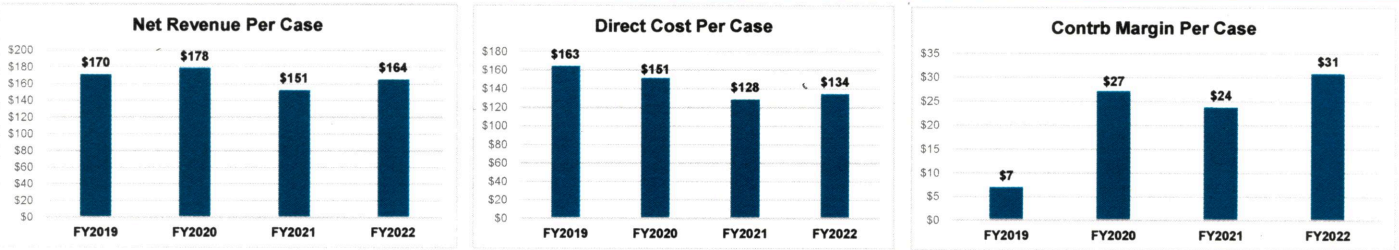
METRICS BY SERVICE LINE - FY 2022

SERVICE LINE	Patient Cases	NET REVENUE	DIRECT COST	CONTRIBUTION MARGIN	NET INCOME
Exeter	79,739	\$13,890,160	\$10,706,950	\$3,183,210	\$369,722
Lindsay	22,170	\$3,503,549	\$2,915,801	\$587,748	\$90,441
Dinuba	17,558	\$2,786,486	\$2,565,619	\$220,867	(\$244,445)
Woodlake	9,941	\$1,590,535	\$1,400,801	\$189,734	(\$75,054)
Tulare	10,407	\$1,204,992	\$1,094,554	\$110,437	(\$201,773)
Rural Clinic Totals	139,815	\$22,975,721	\$18,683,725	\$4,291,996	(\$61,109)

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	95,510	103,676	133,813	139,815	▲ 4%	
Net Revenue	\$16,251,212	\$18,429,832	\$20,263,496	\$22,975,721	▲ 13%	
Direct Cost	\$15,604,267	\$15,629,868	\$17,107,534	\$18,683,725	▲ 9%	
Contribution Margin	\$646,945	\$2,799,964	\$3,155,962	\$4,291,996	▲ 36%	
Indirect Cost	\$4,048,396	\$4,687,776	\$3,863,680	\$4,353,105	▲ 13%	
Net Income	(\$3,401,451)	(\$1,887,812)	(\$707,718)	(\$61,109)	▲ 91%	
Net Revenue Per Case	\$170	\$178	\$151	\$164	▲ 9%	
Direct Cost Per Case	\$163	\$151	\$128	\$134	▲ 5%	
Contrb Margin Per Case	\$7	\$27	\$24	\$31	▲ 30%	

GRAPHS



Notes:
 Source: Outpatient Service Line Reports
 Criteria: Outpatient Service Lines in the rural clinics; specific selection for each Service Line (noted on the individual Service Line Tabs).

KAWEAH HEALTH ANNUAL BOARD REPORT

RURAL HEALTH CLINICS - Exeter Health Clinic

FY2022

KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022

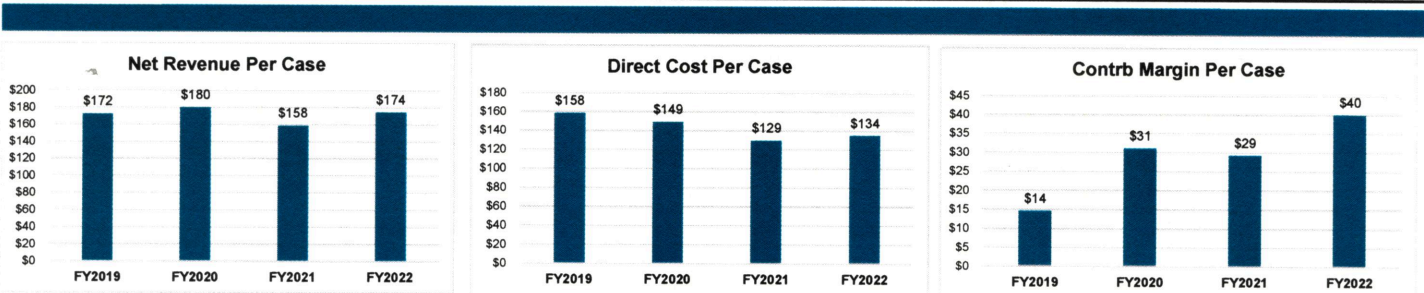


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	70,917	71,751	82,667	79,739	▼ -4%	
Net Revenue	\$12,208,659	\$12,882,973	\$13,074,024	\$13,890,160	▲ 6%	
Direct Cost	\$11,187,318	\$10,661,945	\$10,666,940	\$10,706,950	▶ 0%	
Contribution Margin	\$1,021,341	\$2,221,028	\$2,407,084	\$3,183,210	▲ 32%	
Indirect Cost	\$2,874,257	\$3,329,620	\$2,716,661	\$2,813,488	▲ 4%	
Net Income	(\$1,852,916)	(\$1,108,592)	(\$309,577)	\$369,722	▲ 219%	
Net Revenue Per Case	\$172	\$180	\$158	\$174	▲ 10%	
Direct Cost Per Case	\$158	\$149	\$129	\$134	▲ 4%	
Contrb Margin Per Case	\$14	\$31	\$29	\$40	▲ 37%	

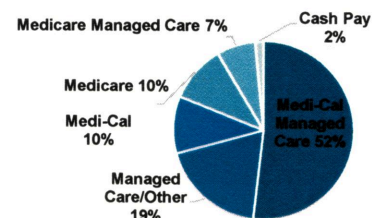
PER CASE TRENDED GRAPHS



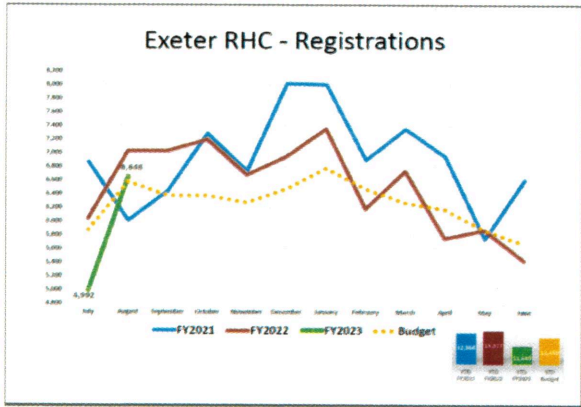
PAYER MIX - 4 YEAR TREND (VISITS)

PAYER	FY2019	FY2020	FY2021	FY2022
Medi-Cal Managed Care	50%	48%	45%	52%
Managed Care/Other	15%	15%	20%	19%
Medi-Cal	18%	17%	13%	10%
Medicare	12%	12%	14%	10%
Medicare Managed Care	4%	6%	7%	7%
Cash Pay	1%	2%	1%	2%

FY2022 Payer Mix - Based on Visits



KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022



Notes:
 Source: Outpatient Service Line Reports
 Criteria: Outpatient Service Line is Exeter Health Clinic

KAWEAH HEALTH ANNUAL BOARD REPORT

RURAL HEALTH CLINICS - *Lindsay Health Clinic*

FY2022

KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022

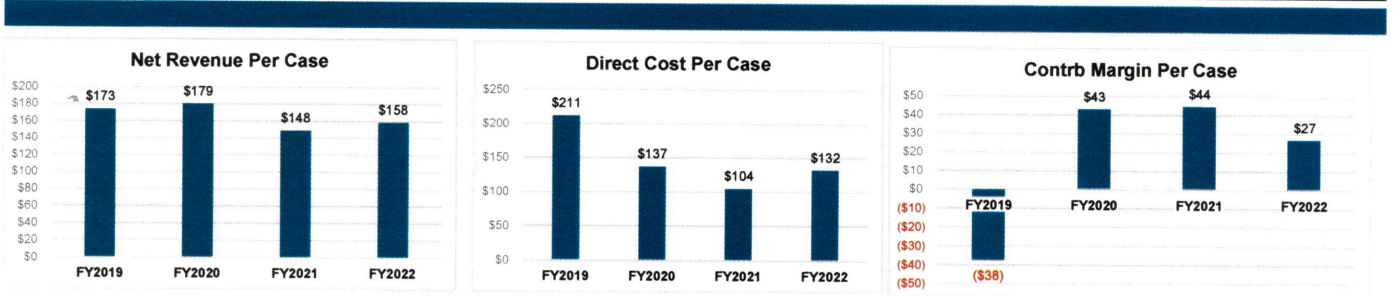


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	7,387	12,476	22,693	22,170	▼ -2%	
Net Revenue	\$1,280,993	\$2,238,218	\$3,369,780	\$3,503,549	▲ 4%	
Direct Cost	\$1,560,542	\$1,705,505	\$2,364,829	\$2,915,801	▲ 23%	
Contribution Margin	(\$279,549)	\$532,713	\$1,004,951	\$587,748	▼ -42%	
Indirect Cost	\$440,233	\$471,493	\$403,889	\$497,306	▲ 23%	
Net Income	(\$719,782)	\$61,220	\$601,062	\$90,441	▼ -85%	
Net Revenue Per Case	\$173	\$179	\$148	\$158	▲ 6%	
Direct Cost Per Case	\$211	\$137	\$104	\$132	▲ 26%	
Contrb Margin Per Case	(\$38)	\$43	\$44	\$27	▼ -40%	

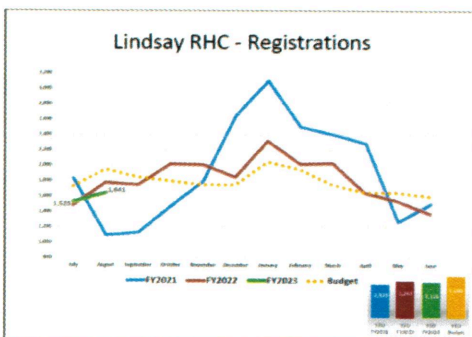
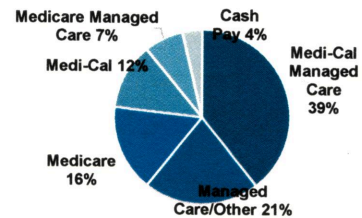
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (VISITS)

PAYER	FY2019	FY2020	FY2021	FY2022
Medi-Cal Managed Care	57%	40%	33%	39%
Managed Care/Other	9%	21%	25%	21%
Medicare	16%	16%	23%	16%
Medi-Cal	11%	15%	12%	12%
Medicare Managed Care	5%	5%	5%	7%
Cash Pay	1%	3%	2%	4%

FY 2022 Payer Mix - Based on Visits



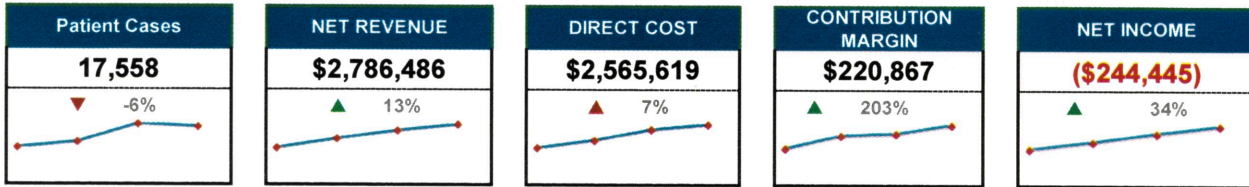
Notes:
 Source: Outpatient Service Line Reports
 Criteria: Outpatient Service Line is Lindsay Health Clinic

KAWEAH HEALTH ANNUAL BOARD REPORT

RURAL HEALTH CLINICS - *Dinuba Health Clinic*

FY2022

KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022

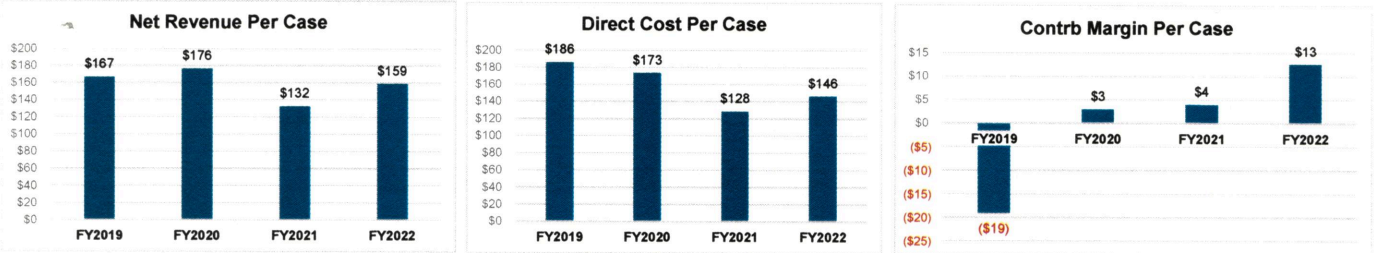


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	9,530	11,652	18,614	17,558	▼ -6%	
Net Revenue	\$1,587,037	\$2,053,928	\$2,463,321	\$2,786,486	▲ 13%	
Direct Cost	\$1,770,319	\$2,020,061	\$2,390,377	\$2,565,619	▲ 7%	
Contribution Margin	(\$183,282)	\$33,866	\$72,945	\$220,867	▲ 203%	
Indirect Cost	\$467,732	\$559,742	\$443,742	\$465,313	▲ 5%	
Net Income	(\$651,014)	(\$525,876)	(\$370,797)	(\$244,445)	▲ 34%	
Net Revenue Per Case	\$167	\$176	\$132	\$159	▲ 20%	
Direct Cost Per Case	\$186	\$173	\$128	\$146	▲ 14%	
Contrb Margin Per Case	(\$19)	\$3	\$4	\$13	▲ 221%	

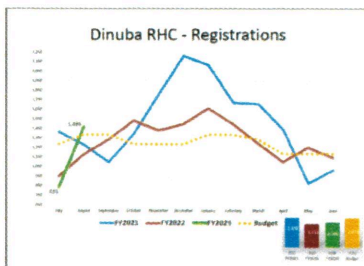
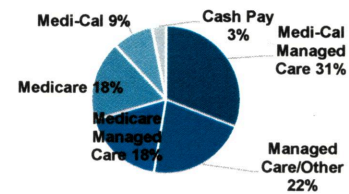
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (VISITS)

PAYER	FY2019	FY2020	FY2021	FY2022
Medi-Cal Managed Care	35%	34%	32%	31%
Managed Care/Other	23%	23%	28%	22%
Medicare Managed Care	19%	19%	14%	18%
Medicare	13%	14%	19%	18%
Medi-Cal	8%	7%	5%	9%
Cash Pay	1%	2%	1%	3%

FY2022 Payer Mix - Based on Visits



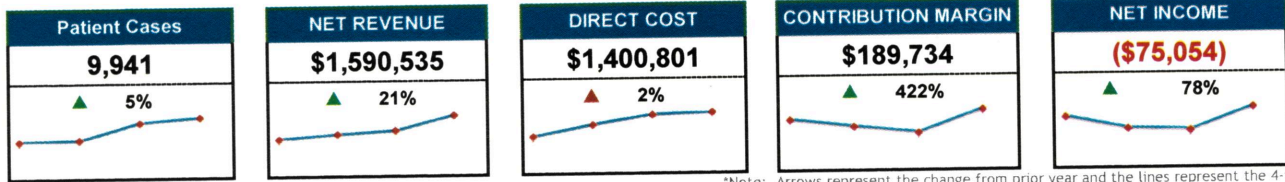
Notes:
 Source: Outpatient Service Line Reports
 Criteria: Outpatient Service Line is Dinuba Health Clinic

KAWEAH HEALTH ANNUAL BOARD REPORT

RURAL HEALTH CLINICS - Woodlake Health Clinic

FY2022

KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022

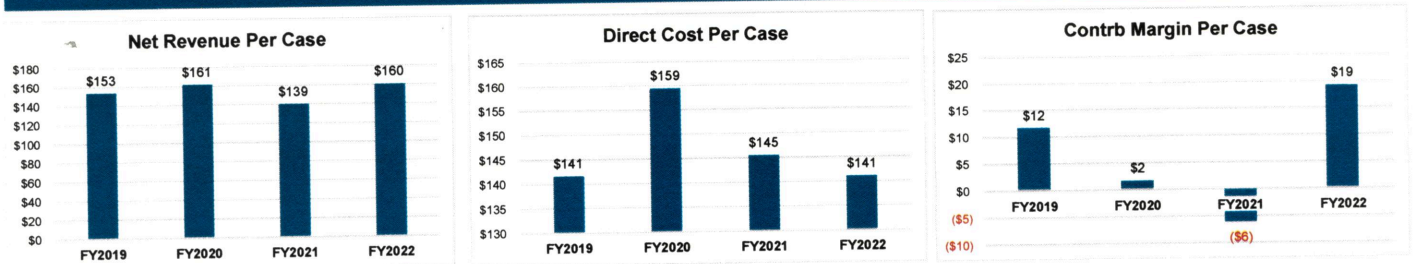


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

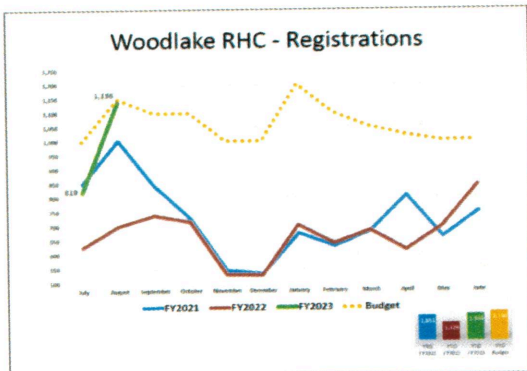
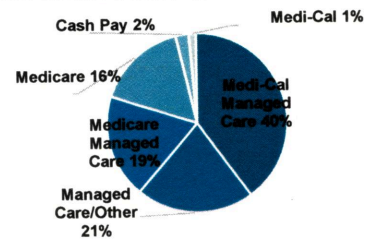
METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases	7,676	7,797	9,467	9,941	▲ 5%	
Net Revenue	\$1,174,523	\$1,254,714	\$1,317,116	\$1,590,535	▲ 21%	
Direct Cost	\$1,086,088	\$1,242,356	\$1,376,054	\$1,400,801	▲ 2%	
Contribution Margin	\$88,435	\$12,357	(\$58,937)	\$189,734	▲ 422%	
Indirect Cost	\$266,174	\$326,921	\$277,712	\$264,788	▼ -5%	
Net Income	(\$177,739)	(\$314,564)	(\$336,650)	(\$75,054)	▲ 78%	
Net Revenue Per Case	\$153	\$161	\$139	\$160	▲ 15%	
Direct Cost Per Case	\$141	\$159	\$145	\$141	▼ -3%	
Contrb Margin Per Case	\$12	\$2	(\$6)	\$19	▲ 407%	

PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (VISITS)

PAYER	FY2019	FY2020	FY2021	FY2022
Medi-Cal Managed Care	47%	40%	38%	40%
Managed Care/Other	18%	20%	22%	21%
Medicare Managed Care	11%	13%	17%	19%
Medicare	20%	21%	19%	16%
Cash Pay	3%	4%	3%	2%
Medi-Cal	2%	2%	2%	1%



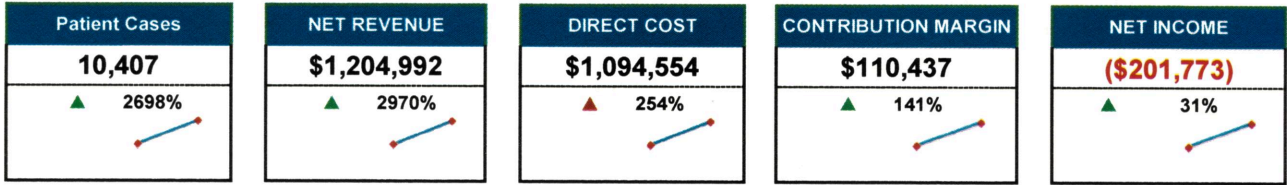
Notes:
 Source: Outpatient Service Line Reports
 Criteria: Outpatient Service Line is Woodlake Health Clinic

KAWEAH HEALTH ANNUAL BOARD REPORT

RURAL HEALTH CLINICS - Tulare Health Clinic

FY2022

KEY METRICS - FY 2022 TWELVE MONTHS ENDED JUNE 30, 2022

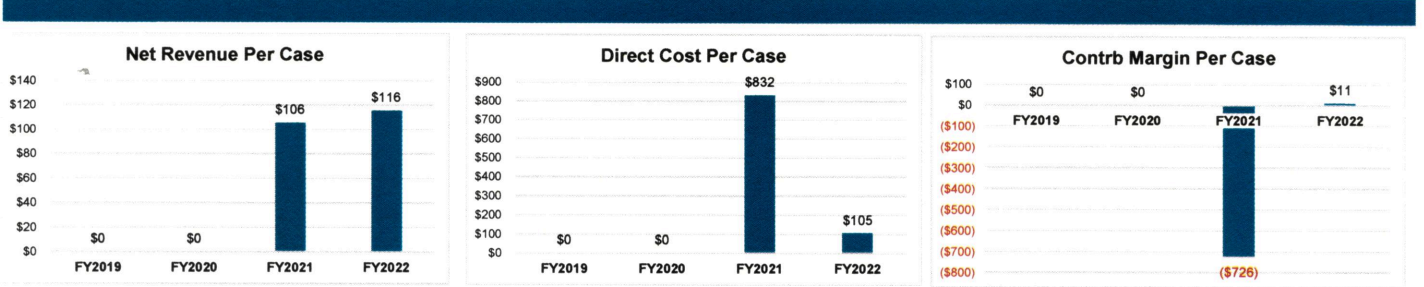


*Note: Arrows represent the change from prior year and the lines represent the 4-year trend

METRICS SUMMARY - 4 YEAR TREND

METRIC	FY2019	FY2020	FY2021	FY2022	%CHANGE FROM PRIOR YR	4 YR TREND
Patient Cases			372	10,407	▲ 2698%	↗
Net Revenue			\$39,255	\$1,204,992	▲ 2970%	↗
Direct Cost			\$309,335	\$1,094,554	▲ 254%	↗
Contribution Margin			(\$270,081)	\$110,437	▲ 141%	↗
Indirect Cost			\$21,676	\$312,210	▲ 1340%	↗
Net Income			(\$291,757)	(\$201,773)	▲ 31%	↗
Net Revenue Per Case			\$106	\$116	▲ 10%	↗
Direct Cost Per Case			\$832	\$105	▼ -87%	↘
Conrb Margin Per Case			(\$726)	\$11	▲ 101%	↗

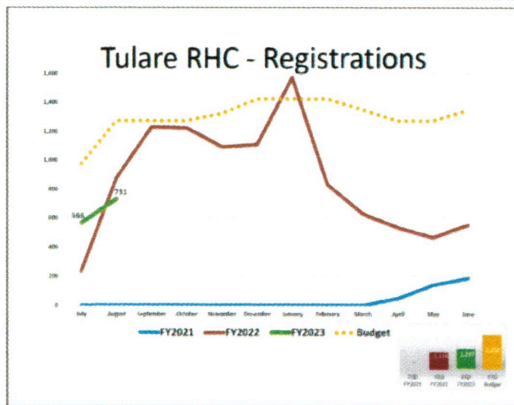
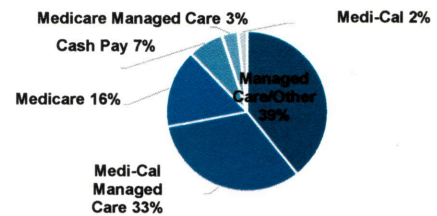
PER CASE TRENDED GRAPHS



PAYER MIX - 4 YEAR TREND (VISITS)

PAYER	FY2019	FY2020	FY2021	FY2022
Managed Care/Other	0%	0%	48%	39%
Medi-Cal Managed Care	0%	0%	24%	33%
Medicare	0%	0%	20%	16%
Cash Pay	0%	0%	4%	7%
Medicare Managed Care	0%	0%	3%	3%
Medi-Cal	0%	0%	1%	2%

FY2022 Payer Mix - Based on Visits



Notes:
 Source: Outpatient Service Line Reports
 Criteria: Outpatient Service Line is Tulare Health Clinic



October 26, 2022

**Sent via Certified Mail
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Return Receipt Required**

Edward L. Fanucchi, Esq.,
Ryan B. Kalashian, Esq.,
Quinlan, Kershaw & Fanucchi
2125 Merced Street
Fresno, CA 93721

RE: Notice of Rejection of Claim of Sean Vasquez vs. Kaweah Health

Notice is hereby given that the claim, which you presented to the Board of Directors of Kaweah Health on September 13, 2022, was rejected on its merits by the Board of Directors on October 26, 2022

WARNING

Subject to certain exceptions, you have only six (6) months from the date this notice was personally delivered or deposited in the mail to file a court action on this claim. See Government Code Section 945.6. You may seek the advice of an attorney of your choice in connection with this matter. If you desire to consult an attorney, you should do so immediately.

Sincerely,

Mike Olmos
Secretary/Treasurer, Board of Directors

cc: Richard Salinas, Attorney at Law

Policy Number: EOC 6001	Date Created: 07/01/2009
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Medical Equipment Management Policy	

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I. OBJECTIVES

EC 02.04.01 – The hospital manages medical equipment risks.

The objectives of the Medical Equipment Management Policy (MEMP) govern Kaweah Health to provide an environment that works to ensure medical equipment is safe, reliable, properly maintained and efficiently used in the delivery of patient care. Specific goals of the MEMP include but are not limited to the following:

- Inventory Management Program
- Preventive Maintenance Program
- Corrective Maintenance Program
- Performance Indicators Reports
- Annual Evaluation of the Medical Equipment Management Plan (ME Plan)
- Equipment Selection and Review Process
- Contract Review and Financial Oversight

The MEMP is inclusive of the below listed policies and others and is defined as the Medical Equipment Management Plan (ME Plan):

- | | |
|---------------|---|
| Policy | <ul style="list-style-type: none"> ○ EOC 6002 Medical Equipment Defective Repairs Policy ○ EOC 6004 Medical Equipment / Hazardous Device Notification and Recall ○ EOC 6009 District Safe Medical Device / Device Tracking and Reporting ○ EOC 6018 Retirement and Deletion of Medical Equipment ○ AP.60 Technology Assessment Process (Administrative Policy Manual) ○ AP41 Quality Improvement Plan |
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II. SCOPE

The scope of this ME Plan applies to the operation of Kaweah Delta Health Care District, DBA, Kaweah Health, any off-site locations included on its license, for all medical equipment used for the benefit of our patients, whether the device is owned, rented, leased or non-hospital owned.

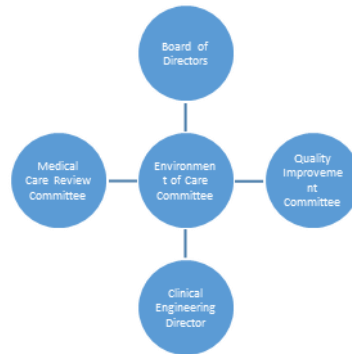
Areas included are monitored bi-annually for compliance to the ME Plan through EOC Surveillance Rounding at Hospital and Off-Site Locations and is the responsibility of the Safety Officer to assess and document compliance with the ME Plan through the structure of the EOC Committee.

III. AUTHORITY

The authority for the Medical Equipment Management Plan (ME Plan) is EC 02.04.01. The authority for overseeing and monitoring the Medical Equipment Management Policy and ME Plan lies in the Environment of Care Committee (EOC), whose members will ensure activities relating to medical equipment management are identified, monitored, evaluated and ensure that regulatory activities are monitored and enforced as necessary.

IV. ORGANIZATION

The chart below represents the organization of the Management Equipment Management Plan (ME Plan) for Medical Equipment at Kaweah Health:



V. RESPONSIBILITIES

Leadership within Kaweah Health may have varying levels of responsibility and work together in the management of medical equipment as identified below:

Governing Board: The Board of Directors supports the MEMP and ME Plan by:

- Review and feedback if applicable of the quarterly and annual EOC report.
- Endorsing budget support as applicable to fund and empower implementation of the Medical Equipment Management Policy and the Medical Equipment Plan.

Medical Care Review Committee: Reviews annual EOC reports and provides feedback as applicable.

Quality Council: Reviews annual EOC report, provides direction in the establishment of performance monitoring standards relating to medical equipment risks.

Administrative Staff: Provide active representation at EOC meetings and set accountability expectations for compliance to the MEMP and its associated parts (ME Plan).

EOC Committee: Members review and approve the quarterly report and oversee any issues relating to the MEMP and its associated parts (ME Plan).

Directors and Department Managers: Support the MEMP and its associated parts (ME Plan) by:

- Reviewing and correcting deficiencies identified through EOC Surveillance Rounds.
- Communicating recommendations from the EOC to staff in a timely manner.
- Developing education plans for staff that ensure compliance with the MEMP and its associated parts (ME Plan).
- Supporting all required medical equipment education and training to include a disciplinary policy for employees who fail to meet the expectations.
- Serve as a resource for staff on matters of medical equipment usage.

Clinical Engineering Director: The Director of Clinical Engineering is responsible for the coordination, liaison, development and establishment of the overall organization and management of the MEMP and its associated parts (ME Plan).

- Submits completed reports to the EOC Quarterly or more frequently as requested. Reports are to include Compliance to TJC Standards,

Departmental Process Improvement Goals, Identify MEMP and ME Plan compliance issues, safety risks and device recall information that will effect operation and safety of medical devices.

- Submits the Annual evaluation on the effectiveness of the MEMP and its associated parts (ME Plan) to the EOC Committee.
- Works Independently and collaboratively developing departmental and organizational equipment management policies and procedures.
- Ensures departmental clinical equipment management policies and procedures are consistent with Kaweah Health Safety, Infection Prevention, Risk Management and Facilities Management; reviews as needed but at least every three years.
- Ensures all medical equipment incidents are reported to the appropriate authorities/committees/departments/individuals (HH-L-4-012 Occurrence Reporting).
- Monitors Hemodialysis Department to ensure completion of infection prevention activities/preventive and corrective maintenance activities are completed, recorded and reported.

Employees: Employees of Kaweah Health are required to adhere to the MEMP and its associated parts (ME Plan) by:

- Completing applicable medical equipment training as assigned.
- Not using medical devices without ensuring a non-expired Clinical Engineering inspection sticker exists on the device in order to promote a safe environment.
- Will report medical equipment failures to their supervisors and Clinical Engineering per policy EOC 6002.
- Will report any observed or suspected unsafe conditions to their supervisor as soon as possible upon identifying a medical equipment risk.
- Will report any medical device with an expired PM Inspection sticker to their supervisors and Clinical Engineering per policy EOC 6002.

Medical Staff: Will support the MEMP and its associated parts (ME Plan) by:

- Will abide by hospital policies and procedures relating to the use, care and reporting of failures, safety concerns and incidents as are related to medical equipment.

EC 02.04.01 – EP 01: The hospital solicits input from individuals who operate and service equipment when it selects and acquires medical equipment.

Selection and acquisition of medical equipment that is new to the organization: Selection and acquisition of medical equipment is a combined effort of the Value Analysis Committee (VAC), Clinical Engineering, Materials Management, the department personnel using the device(s), Finance, Medical Staff, Vendors and Administration of the Hospital as is required.

- These devices must meet or exceed NFPA 2012 standards as is required.
- Meet NRTL (UL, TUV ...), FDA, NFPA and other regulatory standards as apply.
- Must meet or exceed Manufacturer, Kaweah Health Electrical Safety or other regulatory standards as apply.
- Must be evaluated through VAC prior to purchase.
- Clinical Engineering will provide VAC with technical evaluations as requested to support the evaluation decision.

EC 02.04.01 – EP 02: The hospital maintains a written inventory of all medical equipment

Equipment Inventory: All owned, leased, rented, borrowed, loaned and non-facility owned medical devices will be evaluated for inclusion in the Medical Equipment Plan including all equipment at all sites on the hospital license.

All equipment will be evaluated and assigned to a department for management. These departments include; Clinical Engineering, Facilities Engineering, Information Systems Services, Clinical Laboratory, Pharmacy.

Medical Devices assigned to the Clinical Engineering department will be included in the ME Plan will be assigned a Biomedical ID# and entered into a Medical Equipment Database Inventory (MEDI). The devices shall include but are not limited to; any and all Electrical, Electronic, Mechanical, Electro-mechanical, Hydraulic medical devices that are used to Treat, Diagnose, Monitor and provide Analysis for the care of medical patients by any of the parties listed in the section (V. Responsibilities) of this policy.

All equipment that are recorded in the Medical Equipment Database Inventory (MEDI) will be:

- Subject to action by the EOC, RISK MANAGEMENT, MATERIALS MANAGEMENT, FDA, Manufacturer and State Regulators including recalls and hazard notices issued and tracked by the Risk Management Department.
- Monitored and addressed if subject to a medical incident. If a device is suspected in the death, serious injury or illness of an individual it is required per policy EOC 6009 to be reported immediately but not more than 24 hours to Risk and Clinical Engineering after the patient is no longer in danger of further risk or harm. (EOC 6009 Safe Medical Device Act Tracking and Reporting).

EC 02.04.01 – EP 03: The hospital identifies high-risk medical equipment on the inventory for which there is a risk of serious injury or death to a patient or staff member should the equipment fail. Note, high-risk equipment includes life-support equipment.

All selected equipment included in the MEDI shall be evaluated for risk and be assigned to either;

- EC 02.04.03 – EP 3 Non-High Risk (NHR)
- EC 02.04.03 – EP 2 High Risk including Life Support (HRiLS) classification of medical device.

All devices included in the MEDI will be assigned a risk number. The Risk number is assigned based on a formula applied to all devices. The formula will include will provide a weight based evaluation considering multiple factors that account for:

- Equipment Function
- Physical Risk
- Maintenance Requirements
- Equipment Service Experience
- Environment of Use

Medical Devices included in the MEDI with a Risk score equal to or greater than 13 are included in the High-Risk including Life-Support (HRiLS) Classification.

Medical Devices included in the MEDI with a Risk score equal to or below 12 are included in the Non-High-(NHR) Classification.

EC 02.04.01 – EP 04: The hospital identifies the activities and associated frequencies, in writing, for maintaining, inspecting, and testing all medical equipment on the inventory. These activities and associated frequencies are in accordance with manufacturer's recommendations or with strategies of an alternative maintenance (AEM) program.

Note 1: The strategies of an AEM program must not reduce the safety of equipment and must be based on accepted standards of practice, such as the American National Standards Institute (ANSI)/Association for the Advancement of Medical Instrumentation (AAMI) handbook ANSI/AAMI EQ56:2013, Recommended practice for a Medical Equipment Management Program.

Note 2: Medical Equipment with activities and associated frequencies in accordance with manufacturer's recommendations must have a 100% completion rate.

Note 3: Scheduled maintenance activities for both high-risk and non-high-risk medical equipment in an alternative equipment maintenance (AEM) program Inventory must have a 100% completion rate. AEM frequency is determined by the hospital's AEM program.

The Clinical Engineering Department is responsible, unless otherwise specified, for Initial Inspection, Scheduled Preventive Maintenance, Corrective Maintenance, Retirement Inspection/Status, and Incident Management through the recording of records in a Computerized Maintenance Management System or other record keeping system. This is by way of direct action or management of outside manufacturer, or third party contracted services.

The hospital does employ an AEM program.

Scheduled maintenance intervals shall reference the manufacturer's service guidelines or alternative sources to attain the maintenance guidelines (OneSource, Documentation Service). The inspection intervals can and shall be modified as the service history, use type, manufacturer recommendations change and are reviewed in coordination with the AEM program.

Devices that are Non-Hospital Owned including Rental, Leased and Consignment devices can be assigned to other departments for asset management but will still be subject to inclusion in the MEDI and are subject to all parts of the MEMP.

EC 02.04.01 – EP 5: The hospital's activities and frequencies for inspecting, testing, and maintaining the following items must be in accordance with manufacturers' recommendations:

- Equipment subject to federal or state law or Medicare Conditions of Participation in which, inspecting, testing, and maintaining must be in accordance with the manufacturers' recommendations, or otherwise establishes more stringent maintenance requirements.
- Medical laser devices
- Imaging and radiologic equipment (whether used for diagnostic or therapeutic purposes)
- New medical equipment with insufficient maintenance history to support the use of alternative maintenance strategies
 - NOTE: Maintenance history includes any of the following documented evidence:
 - Records provided by the hospital's contractors
 - Information made public by nationally recognized sources
 - Records of the hospital's experience over time

EC 02.04.01 – EP 6: A qualified individual(s) uses written criteria to support the determination whether it is safe to permit medical equipment to be maintained in an alternate manner that includes the following:

- How the equipment is used, including the seriousness and prevalence of harm during normal use
- Likely consequences of equipment failure or malfunction, including seriousness of and prevalence of harm
- Availability of alternative or backup equipment in the event the equipment fails or malfunctions
- Incident history of identical or similar equipment
- Maintenance requirements of the equipment
 - For more information on defining staff qualifications, refer to Standard HR.01.02.01

EC 02.04.01 – EP 7: The hospital identifies medical equipment on its inventory that is included in an alternative equipment maintenance program (AEM):

- Equipment Identified as included in the AEM will have been reviewed by the AEM Committee and be marked in the MEDI as AEM.

EC 02.01.04 – EP 9: The hospital has written procedures to follow when medical equipment fails, including using emergency clinical interventions and backup equipment.

- The hospital follows EOC 6002, Medical Equipment Defective Repairs Policy to remediate equipment failures. This includes Red Tagging the machine, notifying local management and Clinical Engineering. This includes ensuring the patients safety and quickest remediation measures possible.

EC 02.04.01 – EP 10: The hospital identifies quality control and maintenance activities to maintain the quality of the diagnostic computed tomography (CT), positron emission tomography (PET), magnetic resonance imaging (MRI), and nuclear medicine (NM) images produced. The hospital identifies how often these activities should be conducted.

- The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.01 – EP 11: The hospital monitors and reports all incidents in which medical equipment is suspected in or attributed to the death, serious injury, or serious illness of any individual, as required by the Safe Medical Device Act of 1990.

- The hospital follows Policy EOC 6009, Safe Medical Device Act/Device Tracking and Reporting Policy, in coordination with Department Management, Risk Management, Clinical Engineering and Leadership.

EC 02.04.03 – EP 1 Before initial use and after major repairs or upgrades of medical equipment on the Medical Equipment Database Inventory, the hospital performs safety, operational, and functional checks.

- Hospital Staff follow policy “EOC 6004 Initial Equipment” and “EOC 6002 Equipment Failure” to report new equipment to be used in the patient care vicinity.

EC 02.04.03 – EP 2 The hospital inspects, tests, and maintains all high-risk equipment. These activities are documented.

Note 1: High-risk equipment includes medical equipment for which there is a risk of serious injury or even death to a patient or staff member if it should fail, which includes life-support equipment

Note 2: Required activities and associated frequencies for maintaining, inspecting, and testing of medical equipment completed in accordance with manufacturer's recommendations must have a 100% completion rate.

Note 3: Scheduled maintenance activities for High-Risk medical equipment in an Alternative Equipment Maintenance (AEM) inventory must have a 100% completion rate. AEM frequency is determined by the hospital's AEM program. (See also: PC 02.01.11, EP 2)

EC 02.04.03 – EP 3 The hospital inspects, tests, and maintains non-high-risk equipment identified on the medical equipment inventory. These activities are documented.

Note 1: Scheduled maintenance activities for non-high-risk medical equipment in an Alternative Equipment Maintenance (AEM) program inventory must have a 100% completion rate. AEM frequency is determined by the hospital's AEM program.

EC 02.04.03 – EP 4 The hospital conducts performance testing and maintains all sterilizers. These activities are documented. (See Also IC.02.02.01, EP 2)

The Clinical Engineering department or contracted vendors maintain the sterilizers for manufacturer required preventive maintenance, cleaning and corrective maintenance activities. These activities are documented. Daily testing of the sterilizers is maintained by the Sterile Processing Department and activities are documented.

EC 02.04.03 – EP 5 The hospital performs equipment maintenance and chemical and biological testing of water used in Hemodialysis. These activities are documented.

The hospital's Hemodialysis technicians perform equipment maintenance and chemical and biological testing of water used in Hemodialysis. These activities are documented and presented to the EOC committee quarterly.

EC 02.04.03 – EP 8 Equipment listed for use in oxygen-enriched atmospheres is clearly and permanently labeled (withstands cleaning/disinfecting) as follows:

- Oxygen-metering equipment, pressure-reducing regulators, humidifiers, and nebulizers are labeled with name of manufacturer or supplier.
- Oxygen-metering equipment and pressure reducing regulators are labeled "OXYGEN-USE NO OIL"
- Labels on flowmeters, pressure reducing regulators, and oxygen-dispensing apparatus designate the gasses for which they are intended.
- Cylinders and containers are labeled in accordance with Compressed Gas Association (CGA) C-7 (for full text, refer to NFPA 99-2012:11 5 3 1)
 - Note: Color coding is not utilized as the primary method of determining the cylinder or container contents.

EC 02.04.03 EP 10 – All occupancies containing hyperbaric facilities comply with construction, equipment, administration, and maintenance requirements of NFPA 99-2012: Chapter 14.

Maintenance of Hyperbaric Chambers is performed by the Manufacturer and a verification of services performed annually is recorded by the Clinical Engineering Department.

EC 02.04.03 EP 16 – Qualified hospital staff inspect, test, and calibrate Nuclear Medicine Equipment Annually. The results and completion dates are documented.

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 18 – The hospital maintains the quality of the diagnostic computed tomography (CT), positron emission tomography (PET), magnetic resonance imaging (MRI), and nuclear medicine (NM) images produced.

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 20 – For diagnostic Computed tomography (CT) services: at least annually, a diagnostic medical physicist does the following:

- Measures the radiation dose (in the form of volume computed tomography dose Index (CTDIvol) produced by each diagnostic CT system for the following for CT protocols: adult brain, adult abdomen, pediatric brain and pediatric abdomen. If one or more of these protocols is not used by the hospital, other commonly used CT protocols may be substituted.
- Verifies that the radiation dose (In the form of CTDIvol) produced and measured for each protocol for each measure tested is within 20 percent of the CTDIvol displayed on the CT console. The dates, results and verifications of these measurements are documented.
 - o Note 1: This element of performance is only applicable for systems capable of calculating and displaying radiation doses
 - o Note 2: This element of performance does not apply to dental cone beam CT radiographic imaging studies performed for diagnosis of conditions affecting the maxillofacial region or to obtain guidance for the treatment of such conditions.
 - o Note 3: Medical physicists are accountable for these activities. They may be assisted with the testing and evaluation of equipment performance by individuals who have the required training and skills, as determined by the physicist. (For more information, refer to HR.01.02.01, EP 1; HR.01.02.07, EPs 1 and 2; HR.01.06.01, EP 1; LD.03.06.01, EP 4)

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 21 – For diagnostic computed tomography (CT) services: At least annually, a diagnostic medical physicist conducts a performance evaluation of all CT Imaging equipment. The evaluation results along with recommendations for correcting any problems identified, are documented. The evaluation includes the use of phantoms to assess the following imaging matrix:

- Image uniformity
- Scout prescription accuracy
- Alignment light accuracy
- Table travel accuracy
- Radiation beam width

- High-contrast resolution
- Low-contrast detectability
- Geometric or distance accuracy
- Artifact evaluation
 - o Note 1: This element of performance does not apply to dental cone beam CT radiographic imaging studies performed for diagnosis of conditions affecting the maxillofacial region or to obtain guidance for the treatment of such conditions.
 - o Note 2: Medical physicists are accountable for these activities. They may be assisted with the testing and evaluation of equipment performance by individuals who have the required training and skills, as determined by the physicist. (For more information, refer to HR.01.02.01, EP 1; HR.01.02.07, EPs 1 and 2; HR.01.06.01, EP 1; LD.03.06.01, EP 4)

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 22 – At least annually, a diagnostic medical physicist or magnetic resonance imaging (MRI) scientist conducts a performance evaluation of all MRI imaging equipment. The evaluation results, along with recommendations for correcting any problems identified, are documented. The evaluation includes the use of phantoms to assess the following imaging matrix:

- Image uniformity for all radiofrequency (RF) coils used clinically
- Signal-to-noise ratio (SNR) for all coils used clinically
- Slice thickness accuracy
- Slice position accuracy
- Alignment light accuracy
- High-contrast resolution
- Low-contrast resolution (or contrast to noise ratio)
- Geometric or distance accuracy
- Magnetic field homogeneity
- Artifact evaluation
 - o Note 2: Medical physicists are accountable for these activities. They may be assisted with the testing and evaluation of equipment performance by individuals who have the required training and skills, as determined by the medical physicist or MRI scientist. (For more information, refer to HR.01.02.01, EP 1; HR.01.02.07, EPs 1 and 2; HR.01.06.01, EP 1; LD.03.06.01, EP 4)

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 23 – At least annually, a diagnostic medical physicist or nuclear medicine physicist conducts a performance evaluation of all nuclear medicine imaging equipment. The evaluation results, along with recommendations for correcting any problems identified, are documented. The evaluations are conducted for all of the image types produced clinically by each NM scanner (for example, planar and/or tomographic) and include the use of phantoms to assess the following imaging matrix:

- Image uniformity / system uniformity

- High-contrast resolution / system spatial resolution
- Sensitivity
- Energy resolution
- Count-rate performance
- Artifact evaluation
 - o Note 1: The following test is recommended but not required:
Low contrast resolution or detectability for non-planar acquisitions
 - Note 2: The medical physicist or nuclear medicine physicist is accountable for these activities. They may be assisted with the testing and evaluation of equipment performance by individuals who have the required training and skills, as determined by the medical physicist or nuclear medicine physicist. (For more information, refer to HR.01.02.01, EP 1; Hr.01.02.07, EPs 1 and 2; HR.01.06.01, EP 1; LD 03.06.01, EP 4.)

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 24 – At least annually, a diagnostic medical physicist conducts a performance evaluation of all positron emission tomography (PET) imaging equipment. The evaluation results, along with recommendations for correcting any problems identified, are documented. The evaluations are conducted for all of the image types produced clinically by each PET scanner (for example, planar and/or tomographic) and include the use of phantoms to assess the following imaging metrics:

- Image uniformity / system uniformity
- High-contrast resolution / system spatial resolution
- Low-contrast resolution or detectability (not applicable for planar acquisitions)
- Artifact evaluation
 - o Note 1: The following tests are recommended, but not required, for PET scanner testing: sensitivity, energy resolution and count rate performance.
 - Note 2: Medical physicists are accountable for these activities. They may be assisted with the testing and evaluation of equipment performance by individuals who have the required training and skills, as determined by the medical physicist, (For more information, refer to HR.01.02.01, EP 1; HR.01.02.07, EPs 1 and 2; HR.01.06.01, EP 1; LD 03.06.01, EP 4.)

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 25 – For computed tomography (CT) position emission tomography (PET), nuclear medicine (NM), or magnetic resonance imaging (MRI) services: the annual performance evaluation conducted by the diagnostic medical physicist or MRI scientist (for MRI only) includes testing of image acquisition display monitors for maximum and minimum luminance, luminance uniformity, resolution, and spatial accuracy.

- o Note 1: This element of performance does not apply to dental cone beam CT radiographic imaging studies performed for diagnosis of conditions affecting the maxillofacial region or to obtain guidance for the treatment of such conditions.

Note 2: Medical physicist or MRI scientists are accountable for these activities. They may be assisted with the testing and evaluation of equipment performance by individuals who have they required training and skills, as determined by the physicist or MRI scientist. (For more information, refer to HR.01.02.01, EP 1; HR.01.02.07, EPs 1 and 2; HR.01.06.01, EP 1; LD 03.06.01, EP 4.)

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of the equipment. The Radiology department maintains the records to support these activities.

EC 02.04.03 EP 26 – The hospital performs equipment maintenance on anesthesia apparatus. The apparatus are tested at the final path to patient after any adjustment, modification, or repair. Before the apparatus is returned to service, each connection is checked to verify proper gas flow and an oxygen analyzer is used to verify oxygen concentration. Areas designated for servicing of oxygen equipment are clean and free of oil, grease, or other flammables. (For full test, refer to NFPA 99-2012: 11.4.1.3; 11.5.1.3; 11.6.2.5; 11.6.2.6)

The Clinical Engineering Department or contracted vendor performs equipment maintenance on anesthesia apparatus. Testing to the manufacturers' standards are completed throughout the service. Each connection is tested for proper gas flow and an oxygen analyzer is used to verify oxygen concentration. Areas used for servicing of oxygen equipment are clean and free of oil, grease or other flammables.

EC 02.04.03 EP 27 – The hospital meets NFPA 99-2012: Healthcare Facilities code requirements related to electrical equipment in the patient care vicinity. (For full text refer to NFPA 99-2012: Chapter 10)

Note: The hospital meets the applicable provisions of the Health Care Facilities Code Tentative Interim Amendment. (TIA) 12-5

EC 02.04.03 EP 34 – For hospitals that provide fluoroscopic services: At least annually, a diagnostic medical physicist conducts a performance evaluation of fluoroscopic imaging equipment. The evaluation results, along with recommendations for correcting any problems identified, are documented. The evaluation includes an assessment of the following:

- Beam alignment and collimation
- Tube potential/Kilovolt peak (kV/kVp) accuracy
- Beam filtration (half-value layer)
- High-contrast resolution
- Low-contrast detectability
- Maximum exposure rate in fluoroscopic mode
- Displayed air-kerma rate and cumulative-air kerma accuracy (when applicable)
 - o Note 1: Medical physicist conducting performance evaluations may be assisted with the testing and evaluation of equipment performance by individuals who have the required training and skills, as determined by the physicist.
 - o Note 2: This element of performance does not apply to fluoroscopy equipment used for therapeutic radiation treatment planning or delivery.

The Radiology Department manages the Radiography equipment and maintains contracts with Original Equipment Manufacturers, Third Party Service Providers and Contracted Physicists Services to maintain, certify and validate proper operation and functionality of

the equipment. The Radiology department maintains the records to support these activities.

"These guidelines, procedures, or policies herein do not represent the only medically or legally acceptable approach, but rather are presented with the recognition that acceptable approaches exist. Deviations under appropriate circumstances do not represent a breach of a medical standard of care. New knowledge, new techniques, clinical or research data, clinical experience, or clinical or bio-ethical circumstances may provide sound reasons for alternative approaches, even though they are not described in the document."



Subcategories of Department Manuals
not selected.

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Code Pink- Infant Abduction	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

Policy

This policy is designed to provide a coordinated and effective response by a trained team of professionals to an infant abduction.

II. Procedure

A. Background

In the event of a removal of an infant from Kaweah Health Medical Center by unauthorized persons, Kaweah Health Medical Center will activate its Code Pink procedure. Assigned staff must respond immediately to their assigned exits of the medical center. Other medical center staff should remain in their areas, stay alert and report any suspicious persons to the PBX Operator at Ext. 44.

B. Response

See attached checklist and flowchart and map.

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CODE PINK – INFANT ABDUCTION

Purpose: To protect infants from removal by unauthorized persons and to identify the typical physical description and actions demonstrated by someone attempting to kidnap an infant from a healthcare facility. Additionally, to define healthcare facility response to an infant abduction.

Kidnapper Profile: The typical abductor:

- Usually a female of childbearing age who appears pregnant.
- Most likely compulsive; most often relies on manipulation, lying and deception.
- Frequently indicates she has lost a baby or is incapable of having one.
- Often married or cohabitating; companion's desire for a baby or the abductor's desire to provide her companion with "his" baby may be the motivation for the abduction.
- Usually lives in the community where the abduction takes place.
- Frequently initially visits nursery and maternity units at more than one health care facility prior to the abduction; asks detailed questions about procedures and the maternity floor layout; frequently uses a fire exit stairwell for her escape; and may also try to abduct from the home setting.
- Usually plans the abduction, but does not necessarily target a specific infant; frequently seizes any opportunity present to abduct a baby.
- Frequently impersonates a nurse or other allied health care personnel.
- Often becomes familiar with health care staff members, staff member work routines and victim parents.
- Often demonstrates a capability to provide care to the baby once the abduction occurs, within her emotional and physical abilities.

She would be:

- Carrying an infant,
- Carrying a bag large enough to hold an infant,
- Covering the infant with her coat, baby blanket,
- Dressed in other medical attire and carrying an infant.

Infants are discharged from the medical center in the arms of their mother, who is transported via wheelchair and accompanied by a staff member or medical center volunteer. An infant who is being transported between departments will be moved in a crib and accompanied by a staff member.

STAFF RESPONSE CHECKLIST

- Medical Center staff must respond immediately to the exits of the medical Center as follows:

Name of Exit or Area	Department To Respond
First Floor Doors:	
1. Mineral King Main Lobby	Patient Access after 2100 hr Emergency Department
2. Ambrosia Exit	Food Services

Name of Exit or Area	Department To Respond
3. Nurse Supervisor /Bed Coordinator Office	Bed Coordinator
4. Endoscopy Hallway	Respiratory
5. Surgery Center Exit	Surgery Waiting Patient Access after 1700 Pharmacy
6. Acequia West Staircase Exit	Patient Access after 2100 hr CVICU
7. Acequia West Employee Entrance/Exit by Visitor Elevators	Patient Access after 2100 hr CVICU
8. Acequia Wing Lobby	Patient Access after 2100 hr 4-Tower
9. Acequia East Employee Entrance/Exit	EVS
Acequia Zone A - Outside by Ambulance Bay with clear view of East Stairwell exit, EMS Door, Ambulance Door, and Emergency Department Stairwell exit.	Emergency Department
Acequia Zone B – East Stairwell Exit	Emergency Department
Acequia Zone C – Northeast Employee Entrance/Exit	Patient Access after 1700 hr CV
Acequia Zone D – Acequia Main Stairwell & Exit Door – northeast side	Patient Access after 1700 hr 4Tower
Acequia Zone E – Acequia Main Entrance	Patient Access after 1700 hr Emergency Department.
Acequia Zone F – Northwest exit & stairwell	Environmental Services
Acequia Zone G - Acequia Southwest Exit with clear view of west stairwell, , recessed exit,	Environmental Services
Mineral King Zone H – Surgery Center Pre-Op West Exit door with view of courtyard walkway, back surgery door.	Laundry Department
Mineral King Zone I – Surgery Center Main Entrance	Surgery Patient Access after 1700 hr Pharmacy
Mineral King Zone J – Loading Dock	Shipping and Receiving after 1500 hr Maintenance
Mineral King Zone K – Dietary Exit Door	Food Services
Mineral King Zone L – Ambrosia Exit	Ambrosia Staff after 2000 hr Security
Mineral King Zone M – Mineral King Main Entrance	Patient Access after 2100 hr Security
Mineral King Zone N – Emergency Department Main Entrance	Security
Second Floor Doors:	
ICU patio exit and back stairwell to their unit	ICU
2 North stairwell	2 North
2 North stairwell next to nurse manager's office	2 North
Third Floor Doors:	
3 West Patio exit and back stairwell to their unit	3 West
3 North back stairwell	3 North
3 North central stairwell	3 North
3 South back stairwell	3 South
3 South visitor and utility elevators & patio	3 South

Name of Exit or Area	Department To Respond
Fourth Floor Doors:	
4 North back stairwell	4 North
4 North central stairwell, employee elevators	4 North
4 South back stairwell	4 South
4 South Visitor and utility elevators	4 South
* After 1700 an outside perimeter will be established by Maintenance/Security with Maintenance covering the outside south side exits. Security will cover outside the ambulance bay and the main entrance and the exit at the Ambrosia Café.	

- Other medical center staff, not specifically assigned to respond, should remain in their areas, stay alert, and report any suspicious persons to the PBX Operator at Ext. 44.
- Redirect all **exiting** visitors to Main Lobby exit without impeding entry to facility. (Script, "I'm sorry, you'll have to exit through the Main Lobby, thank you.")
- Identify an object that could conceal an infant (i.e., purse, backpack, gym bag, grocery bag) and report to Security.
- If a person runs, do not attempt to apprehend them. Without losing the person, ask for someone to call Security. Take special note of their appearance, what they are wearing (style, color, etc.), how they leave the medical center grounds, and note their car's make, color and license plate number.
- Immediately report above information to Security.
- Should the person abandon the infant and escape, keep the infant with you and report above information to Security.
- Do not leave exit until you hear "All Clear."

AFFECTED AREA CHECKLIST

- Dial 44 and instruct the operator to initiate "Code Pink" and give PBX Operator the description, age and gender of missing infant.
- Instruct available staff to start a room-to-room search of the floor areas.
Charge Nurse will:
 - Initiate a search on Mother Baby Unit, 2 East, Pediatrics, Broderick, Neonatal Unit, and Newborn Care. Notify medical center operator and Hospital Command Center (HCC) of results.
 - The search includes areas not limited to: Patient rooms, Corridors, Nourishment Center, Waiting Room/Classrooms, Conference Rooms, Elevator/Stairways, Storage Rooms, Restrooms, Housekeeping/Utility closets, dietary/housekeeping carts, Offices, OBOR, and cabinets.
 - Relocate the mother to another area leaving all items in the mother's room untouched. Obtain any information regarding the description of the abductor and call this information into the HCC.
 - Relocate infants from any holding area to their mothers' rooms. Explain the situation to the mothers.
 - Contact the attending physician to relay information regarding the incident and request that they respond to the medical center. (Contact the mother's physician and the infant or child's physician.)
 - Protect the area where the abduction occurred; close the door to the room. **DO NOT TOUCH OR MOVE ANYTHING.**

- Assign a staff member and social worker to the mother/parent/caregiver and who will accompany the family at all times for immediate crisis assistance, obtain an interpreter if required, and collaborate with patient to determine the best location for her and her family to wait. (It is best to remove the patient from the area the abduction took place as soon as possible).
- Place cord blood on hold. Place lab work on hold, locate and secure infant's/child's medical record, including footprints. Locate and secure photographs where available.
- Arrange for additional staffing on the unit if necessary.
- Gather all relevant information in preparation for the arrival of the police department.
- Complete an *Incident Report* at the conclusion of the event and submit to Risk Management.

PBX/ISS HELP DESK CHECKLIST

- Notify the following
IF HUGS Alarm:
 - Security
 - Immediately overhead page "Code Pink and location"
- In the event of a HUGS Alarm Unit Staff or Security can authorize a "Code Pink, All Clear"
- Confirmed Infant Abduction-Call:
- Visalia Police Department (911)
 - Call House Supervisor
 - Risk Management
- Initiate a "No Information" status for this patient.
 - In the event of an infant abduction, only Security or Visalia Police Department will have the authority to call a "Code Pink, All Clear".

SECURITY CHECKLIST

- Immediately respond to the location of the possible abduction. Secure the scene by stopping the flow of traffic out of the unit.
- Assign Security Officer to Front Entrance.
- Attempt to get information on possible description of suspected abductor.
- Greet police with description and any known information.
- Escort police to location of incident.
- The police will assume leadership in an internal search of the medical center with assistance of Maintenance and/or Nursing Supervisor.
- Following the "All Clear," notify other local hospitals of any attempted infant abduction.

ADMITTING STAFF CHECKLIST

Admitting staff stationed at Main Lobby:

- Screen all exiting visitors for kidnap profile.
- Request permission to search large bags. If individual does not wish to cooperate, immediately report their description to the HCC. Get description of vehicle and license plate number.
- DO NOT PROVIDE ANY INFORMATION REGARDING A POSSIBLE ABDUCTION.**

INCIDENT COMMANDER CHECKLIST

- Maintain radio contact with Security and PBX at all times.
- Serve as liaison with the police department personnel.

- Provide decision-making authority and commit resources as appropriate in support of the plan response activities and needs.
- Request that police set up a traffic stop at the entrance/exit.
- As soon as possible, dispatch additional personnel to assist Security with control of the medical center's perimeter.

MARKETING/MEDIA RELATIONS

- Arrange for a communication center and supply the media with regular briefings. Information released to the media will only be done by the Nursing Supervisor, Administration Representative, or Marketing Director.

ALL CLEAR

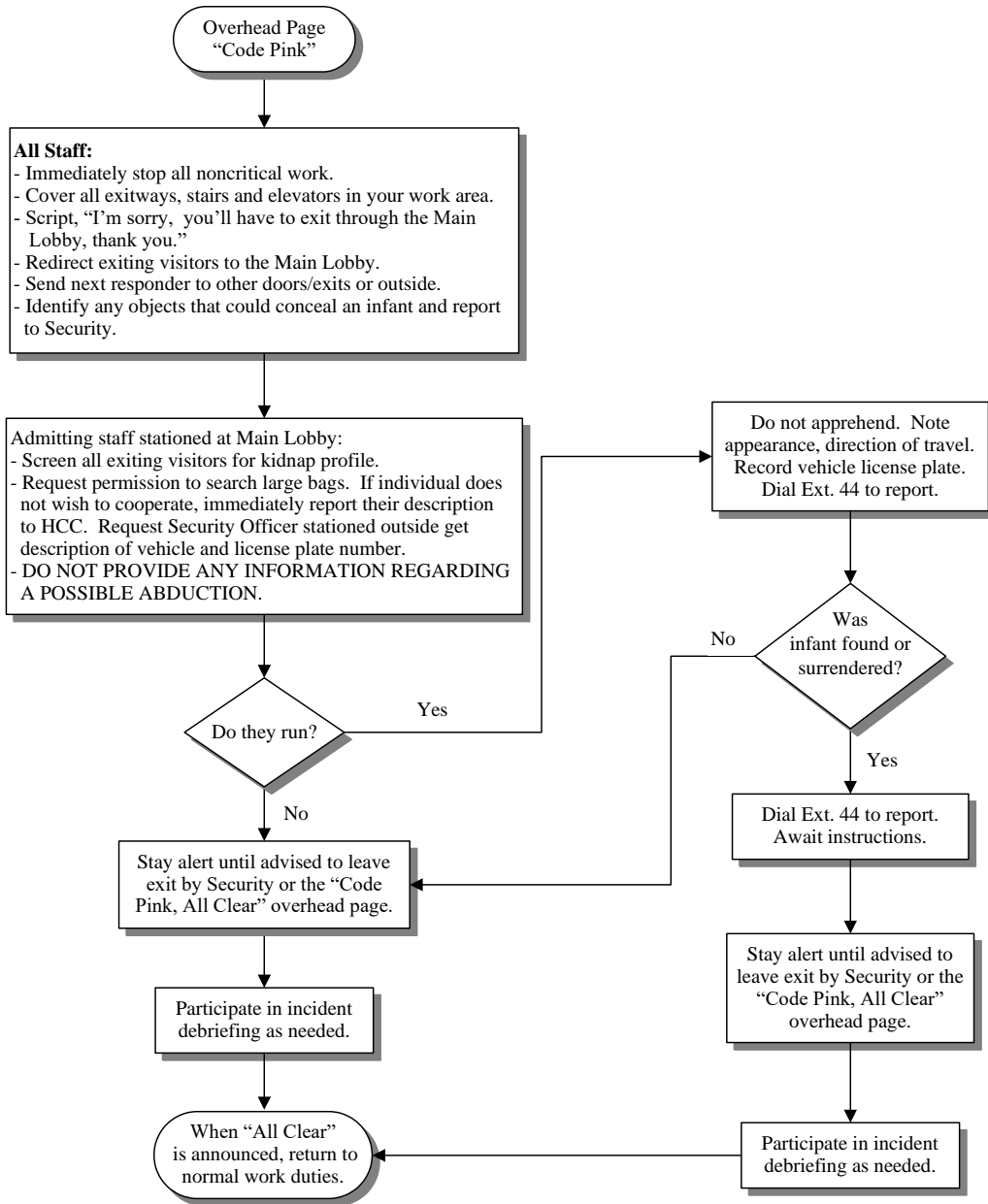
Only the AOD (Incident Commander), Security or VPD can authorize PBX to page "Code Pink, All Clear" when operations may return to normal.

Note: Following the emergency incident, the Department Manager(s) of the affected area(s) shall complete an Incident Report and submit to Risk Management.

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Emergency Management Manual Code Pink - Infant Abduction



Policy Number: DM 2227	Date Created: 08/06/2019
Document Owner: Maribel Aguilar (Safety Officer/Life Safety Mgr)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Board of Directors (EOC/Emergency Preparedness), Ben Cripps (Chief Compliance/Risk Officer), Keri Noeske (Chief Nursing Officer)	
Request to Operate Under CMS 1135 Waiver	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

Policy:

Kaweah Delta Health Care District (KDHCD) herein after referred to as Kaweah Health (KH) is committed to providing all of our stakeholders with the safest environment possible. To help meet this commitment, KH has established a policy and procedure to ensure that sufficient health care items and services are available to meet the needs of individuals enrolled in Social Security Act programs in an emergency area during specific time periods and that providers who provide such services in good faith can be reimbursed and exempted from sanctions (absent any determination of fraud or abuse).

During an emergency it may become necessary to waive certain CMS regulations. Once The U.S. President declares a disaster or emergency under the Stafford Act, the National Emergencies Act and The U.S. Department of Health and Human Services declares a public health emergency, CMS allows facilities to request a waiver of individual CMS Requirements of Participation. These waivers are allowed under Part 1135 of the Social Security Act and are referred to as an 1135 Waiver.

Procedure:

The Incident Commander will contact Compliance and instruct them to request a 1135 Waiver.

CMS is requiring that all 1135 Waiver requests be electronically submitted directly to CMS, and follow the process identified below:

1. The Compliance officer or designee will be responsible for requesting the 1135 Waiver and will provide to the Centers for Medicare and Medicaid Services (CMS) Regional Office (RO), at a minimum the following information, using this email address: rosfoso@cms.hhs.gov and copy the Bakersfield District Office, Attention: Jean Chiang: jean.chiang@cdph.ca.gov.
 - A letter delineating all specific, relevant federal laws or regulations for which a waiver is being sought.
 - Clear reasons and justifications for the request.

- *Example: Facility is sole community provider without reasonable transfer options at this point during the specified emergent event (e.g. flooding, tornado, fires, or flu outbreak). Facility needs a waiver to exceed its bed limit by X number of beds for Y days/weeks (be specific).*
- The State must have activated an emergency preparedness plan or pandemic preparedness plan in the area where the hospital is located, and
- The facility's Emergency Operations Plan (EOP) must have been activated for the specific waiver being requested.
- The type of relief the facility is seeking or the regulatory requirement(s)/reference(s) the facility is seeking to have waived

Examples include:

- a. Requests by hospitals to provide screening/triage of patients at a location offsite from the hospital's campus;
- b. Hospitals housing patients in units not otherwise appropriate under the Medicare Conditions of Participation or for duration that exceeds regulatory requirements;
- c. Hospitals or nursing homes requesting increases in their certified bed capacity.

The 1135 waiver authority applies only to Federal requirements and does not apply to State requirements for licensure or conditions of participation.

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**Kaweah Delta
Health Care District**

Administrative Manual:



Policy Number: AP04	Date Created: 04/14/2003
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Access and Release of Protected Health Information (PHI)	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

Policy:

- I. It is the legal and ethical responsibility of all Kaweah Delta ~~Delta Health~~ Health Care District (Kaweah ~~DeltaHealth~~) staff, volunteers, residents, physicians, and affiliates to protect the privacy and confidentiality of patients' Protected Health Information (PHI). Only those individuals with a need to access and use an individual patient's PHI in order to perform their work are permitted to do so, or with appropriate written consent of the patient or legal guardian.

- II. Accessing, disclosing, or communicating PHI (written, electronic, or in any other medium) not associated with your job responsibility is considered a violation of this policy and will result in corrective action which may include termination of employment and personal legal consequences including reporting to appropriate licensing agencies. See [HR.216 Progressive Discipline](#). PHI will be maintained with appropriate physical and electronic security to prevent unauthorized access.

The medical record or any document containing PHI must be maintained on the premises or the electronic medical record (EMR) servers at all times. Neither the original medical record nor any confidential PHI pertaining to any patient, or any photocopy or electronic copy of the medical record or patient information, or portion or page of it, may be removed from the premises at any time, regardless of format without permission from Health Information Management (HIM), Compliance and/or the Risk Management Department(s). This includes responses to a search warrant, court order, administrative demand by a regulatory agency, valid subpoena or other legal process or for continuity of care within your job responsibility.

Procedure:

- A. The following staff shall have access to PHI and/or the EMR based on business necessity and staff's job duties:

1. Treating physicians and their clinical staff and administrative staff as needed to carry out a patient encounter.
 2. Persons authorized under state and federal statute.
 3. Kaweah ~~Delta~~ Health staff as needed to execute daily healthcare operations (such as billing coding, charge capture, risk management, quality and safety oversight, compliance, risk management, and utilization review).
 4. ~~NHouse staff,~~ nursing staff, ancillary staff, residents and others designated by the Institutional Review Board (IRB) will be eligible to utilize medical records for research studies. Use of Protected Health Information for research must have the written approval of the IRB.
 5. Kaweah ~~Delta's~~ Health's Business Associates and care partners needed to facilitate billing and collection activities and execute daily healthcare operations.
- B. Access to PHI shall be limited to the following provisions:
1. Patient Care Purposes
 - a. Access only to the minimum amount of information needed to treat the patient.
 - b. ~~All staff will be permitted to access patient information according to their role and responsibility, but only to the extent needed to complete the one job responsibilities for treatment, payment, and health care operations activities.~~
 - c. Access to psychiatric records is further limited to those involved in the care of psychiatric patients in the psychiatric units and clinics.
 2. Non-~~P~~atient Care Purposes is limited to the minimum amount of information necessary to perform the non-patient care purpose.
 3. Research
 - a. Access only to the minimum amount of information needed to satisfy the project and as authorized by the IRB.
 - b. At no time will patient identifiable information be released, in any format, in the results of the reported/published research project.
- C. Possible Consequences of Unauthorized Disclosures:
1. Along with corrective action, which may include termination of employment, unauthorized access to and use ~~and/or~~ disclosures of PHI could subject the individual to fines and penalties under ~~HIPAA~~ Federal and state laws for willful disclosure of PHI personal gain. Unauthorized access to and/or release of confidential information may also result in civil action under provisions of the California Code of Regulations. Unauthorized access to and use ~~for~~ disclosure of PHI or

confidential information may be the subject of criminal penalties ~~criminally punishable as a misdemeanor.~~

2. The HIPAA Privacy Rule 45 C.F.R. 164.506, ~~and~~ the Confidentiality of Medical Information Act (Civil Code Section 56 et seq.), and California Health and Safety Code Section 1280.15 governs the release of patient identifiable information by hospital, clinics and other providers. The Lanterman-Petris-Short (LPS) Act protects the information of patients admitted the Kaweah ~~HealthDelta~~ Mental Health Hospital and psychiatric outpatient practices. These laws establish protections to preserve the confidentiality of medical information and specified that a healthcare provider may not disclose medical information or records unless the disclosures are authorized by state and federal laws or by the patient.
3. The medical record is confidential and ~~privileged-protected~~ and can only be released in accordance with the Confidentiality of Medical Information Act and HIPAA Privacy Rule. It is therefore the responsibility of ~~Kaweah Delta Health~~ every employee and Medical Staff to safeguard the information in the medical record against loss, defacement, tampering or use by unauthorized persons.
 - a. Records shall be treated as confidential material and protected for the sake of the patient and the ~~e~~District.
 - b. No one is permitted to access or use them beyond the extent that their job requires; and never for personal use.
 - c. PHI is not to be discussed among co-workers or shared with individuals or other third parties who are not permitted or authorized under law to receive the information.
 - d. Confidentiality ~~of information~~ also applies to information that is retained or from any computerized system.
 - e. Users are strictly prohibited from accessing their own medical records through the EMR.

~~D. Procedure for Staff, Physician, or Resident requests for Medical Record Review:~~

- ~~1. Charts requested for review or non-patient care purposes will be requested at the Health Information Management Department.~~
- ~~2. The chart will be signed-out to the person making the request and will be required to be returned to the Health Information management department.~~
- ~~3. The records will be available to review for two days unless specific arrangements are made to extend the review period.~~
- ~~4. Space will be provided in the Health Information Management Department building (SSB 3rd floor) for chart reviews.~~

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~~5. An encrypted disk can be made without printing features for review of EMR records when the EMR record must be reviewed off site. The disk will be required to be returned upon completion of review.~~

~~E.D.~~ Requests for Patient Information:

1. Requests for patient information will be directed to the Health Information Management Department. Disposition of such requests will be in processed in accordance with ~~HIPAA-Federal and state and California Code of R~~regulations. Refer to policy [HIM. 6291 - Release of Information Processing Request](#) and [AP107 - Access and Release of Protected Health Information \(PHI\)](#)
2. If the patient is an employee, volunteer, resident, physician, or affiliate of Kaweah [Delta Health](#), and wants copies or access to their own or a family/relative's medical record, a written authorization must be completed and directed to the Health Information Management Department, or access may be provided through the patient portal. Under no circumstances should the employee, volunteer, resident, physician, or affiliate of Kaweah [Delta Health](#) access their own medical record using the EMR.

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Policy Number: AP18	Date Created: 06/01/1998
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Foreign Language Forms, Signs, Etc.	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

POLICY: To ensure quality of translation, all forms, signs, pamphlets, brochures, etc., produced for display on or distribution by Kaweah Delta Health Care District, in a language other than English, will be coordinated through the Marketing and Interpreter Services Departments. ~~to provide proper content and structure meeting District standards.~~

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**Kaweah Delta
Health Care District**

Subcategories of Department Manuals
not selected.



Kaweah Health

Policy Number: AP30	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Disruption of services or unusual occurrences	

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POLICY: In accordance with Section 70737 of Title 22, California Code of Regulations, Kaweah Delta Health Care District dba Kaweah Health (KH) is required to report to the local office of the State Department of Health Services, any unusual occurrence which threatens the health, welfare, or safety of patients, personnel or visitors.

PROCEDURE:

I. Disruption of Services is covered in detail in the Environment of Care Policy -Manual under Section V, Emergency Preparedness. Sections VI, VII, and VIII all-All address specific duties to be carried out by each department for different contingencies and will be implemented at the direction of the CEO or designee.

During business hours, upon a disruption of service or unusual occurrence, the Director of the affected department or the House Supervisor shall contact the Chief Operating Officer, Chief Nursing Officer, Chief Quality Officer~~Chief Medical Officer~~ and the Chief Executive Officer.

II. The ~~Chief Operating Officer~~, Chief Nursing Officer, Chief Quality Officer~~Chief Medical Officer~~ and the Chief Executive Officer will determine and coordinate appropriate notifications and public relations' response surrounding the event.

III. Before or after business hours, the House Supervisor will contact and discuss the event/incident with the Administrator on call. Upon assessment of the event/incident, the following leadership will be contacted and notified.

Event/Issue	Contact	Phone	Cell
Significant Event*	CEO <u>Chief Executive Officer</u>	<u>624-2330</u>	<u>740-2496</u>
	COO		
	CNO <u>Chief Nursing Officer</u>	<u>624-2793</u>	<u>740-6487269-</u>
	<u>Chief Quality Officer</u>	<u>624-2853</u>	<u>569-0118</u>
	CMO		<u>607-725-1222</u>
	Marketing Director <u>Director of Media Relations</u>	<u>624-5985</u>	
Physician Issues	Chief Medical Officer	<u>624-2335</u>	<u>309-657-9919</u>

Disruption of services or unusual occurrences

2

	Chief of Staff	302-7927901-4552	741-5119901-4552
Sentinel Event	CEO		
	Chief Medical Officer	624-2335	309-657-9919
	COO		
	CNO		
	COO		
	Quality Patient Safety Director	624-2169	707-7086
	Risk Management Director	624-5241	786-6908

*(e.g. police/fire/ service outage)

~~IV.~~

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IV. See Sentinel Event Policy and Procedure AP.87 for further directions on Adverse Event Notification for compliance with Senate Bill 1301, and as defined by Section 1279.1 of the Health and Safety Code.

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**Kaweah Delta
Health Care District**

Administrative Manual ~~Subcategories of
Department Manuals not selected.~~



Kaweah Health.

Policy Number: AP57	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Access to Legal Counsel	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

POLICY: In order to control the costs of legal fees, and to streamline the dissemination of legal advice, direct access to legal counsel is limited to certain specific individuals.

Individuals authorized for direct and immediate access to District Administrative legal counsel are limited to:

- A. any member of the ~~District~~Kaweah Delta Health Board of Directors;
- B. the Chief Executive Officer (CEO);
- C. the ~~District~~ Executive Assistant ~~to Board~~ to CEO & Board Clerk;
- D. any ~~individual with the title of~~ Kaweah Delta Health Health Care ~~District Senior Vice President~~ Executive Team Member; ~~Vice President or Division Director~~;
- ~~D-E. the Kaweah Delta Medical Foundation~~ Kaweah Health Medical Group (KDHFMG) CEO and; Chief Financial Officer (CFO);
- ~~E-F.~~ the Director of Risk Management;
- ~~F-G.~~ the ~~District~~ Chief Compliance & Risk Privacy Officer;
- ~~G-H.~~ the ~~Director of~~ Internal Audit Leadership;
- ~~H-I.~~ the Chief of Medical Staff;
- ~~I-J.~~ the Chair of the Medical Staff Credentials Committee;
- ~~J-K.~~ the Chair of the Medical Staff By-Laws Committee;
- ~~K.~~ the Director of Patient Accounting Services or Credit Manager.

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Directors or Other staff members may be authorized for direct and immediate access to District legal counsel provided they are acting at the specific request or direction of an individual occupying any of the positions indicated above.

Individuals authorized for direct and immediate access to Medical Staff legal counsel are limited to:

- A. any member of the District Board of Directors;
- B. the Chief Executive Officer;
- C. any Medical Staff Officer;
- D. the Chair of the Medical Staff Credentials Committee;
- ~~the the Chief Medical Officer~~

E. [Director of Medical Staff Services](#)

Other staff members may be authorized for direct and immediate access to Medical Staff legal counsel provided they are acting at the specific request or direction of an individual occupying any of the positions indicated above.

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approval



Policy Number: AP73	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
<u>Accommodating Persons with Service Animals</u> Use of Guide Dogs	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

POLICY: ~~Many people with disabilities use a service animal in order to fully participate in everyday life.~~ Kaweah Delta Health Care District (“Kaweah Delta”), in conformance with Federal and State Americans with Disabilities Act (ADA) requirements, will allow any visitor or patient the use of service animalsguide dogs as auxiliary aids. The ADA definition of service animals is any “dog individually trained to do work or perform tasks directly related to the partner’s disability, including, but not an limited to, guiding individuals with impaired vision, alerting individuals who are hearing impaired to intruders or sounds, providing non-violent protection or rescue work, pulling a wheelchair, fetching dropped items, assisting an ~~individua~~ individual during a seizure, alerting individuals to the presence of allergens, or helping persons with psychiatric and neurological disabilities by preventing or interrupting ~~impulsice~~ or destructive behaviors.” If an animal meets this definition, it is consideration a service animal regardless of whether it has been licensed or certified by a state or local government or a training program.

The service animalsdogs may be used in all situations except where it can clearly be shown that the presence or use of the animal would pose a significant health risk; in sterile areas such as the operating room, and newborn nursery; in the intensive care unit; or where the animal’sdog’s behavior is disruptive to the environment.

PROCEDURE:

- I. Visitors - Unless specifically excluded above, visitors shall be allowed the use of a service animalguide dog in accordance with the District Kaweah Delta’s visitation visiting policy. For clarifications or questions, contact the House Supervisor for determination.
- II. Patients
 - A. Outpatient Settings — Service AnimalsGuide dogs will be allowed in the outpatient setting.
 - B. Inpatient Settings - When a patient who is dependent upon a service animalguide dog is hospitalized on bed rest and unable to care for

~~him/herself the service animal, the dog will not be permitted to remain at the District facility, the patient can make arrangements for a family member or friend to come to the hospital to provide these services or to keep the dog during the hospitalization. –~~

When the hospitalized patient is able to ambulate ~~ambulatory~~ or may benefit clinically from having the service animal ~~guide dog~~ present, the animal ~~dog~~ will be permitted to remain with the patient. The patient, family member, and/or designee will be responsible for grooming, feeding, and toileting the service animal ~~dog~~.

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Policy Number: AP80	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
American and California State Flags	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

POLICY: American and California State flags may be flown at Kaweah Delta Health Care District facilities under the direction of Administration and in compliance with authorization by the Board of Directors Chief Executive Officer.

PROCEDURE:

- I. American and California State flags flown at KDHCD facilities shall be neat and clean and shall be replaced when tattered and/or worn.
- II. American and California State flags may be flown at all hours and during inclement weather provided they are appropriately lighted. Where lighting is not possible, American and California State flags shall be lowered, folded, and placed in a safe and secure area by no later than sundown each day.
- III. American and California State flags may be flown at half-mast only with authorization of the President of the United States, the Governor of the State of California, or the District Board of Directors.
 - A. It is the policy of the Board of Directors Chief Executive Officer to allow the flag to be flown at half-mast only when a significant community event has occurred which calls for such action.

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Policy Number: AP85	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Allocation of Resources	

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POLICY: Facilities, space (both interior and exterior) and capital planning is a dynamic process. These resources will be carefully allocated to insure that the mission, vision, and ~~goals~~ pillars of the ~~District~~ Kaweah Delta Health are met in the best possible way.

PROCEDURE:

- I. The Facilities Planning Director is responsible for overseeing space planning, facility planning, and space allocation and works with the Board Finance / Property, Services & Acquisition Committee.
 - A) Space is allocated based upon the following ing prioritization:
 - Patient Care Needs
 - Support Services Needs
 - Administrative Needs
 - B) New space needs and the remodeling of space is reviewed as part of the annual budget process.
 - B)C) The change of use of an existing space or vacated space is reviewed for compliance with current codes and regulations.
 - GD) Department Directors and Managers recommend requirements for space and other resources pursuant to their job descriptions.
- II. The Vice President of Development Chief Strategy Officer is responsible for overseeing property acquisition and works with the Board Finance / Property, & Services & Acquisition Committee.
- III. The ~~Senior Vice President~~ Chief Financial Officer is responsible for overseeing capital and operational budget preparation and works with the Board Finance / Property, Services & Acquisition Committee.
 - A) Capital is allocated on the basis of:
 - Strategic Plan and annual goals
 - Maintenance and improvements in safety, quality, function and service.
 - B) An operational and a capital budget are prepared annually to incorporate the resource allocation input from medical staff and

hospital leadership and other interested parties and presented to the Board by June of each year.

- C) Department Directors and Managers recommend requirements for space and other resources pursuant to their job descriptions.

All Vice PresidentsExecutive Team members get input from appropriate District Kaweah Delta Health staff, the Joint Conference Committee, Medical Staff, and other leaders and individuals affected by these resource planning efforts.

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Policy Number: AP88	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Grievance Procedure - Section 504 of the Rehabilitation Act of 1973	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

PURPOSE: The purpose of this policy is to establish a process for the receipt and processing of complaints for persons with disabilities.

POLICY: Kaweah Delta Health Care District has adopted an internal grievance procedure providing for prompt and equitable resolution of complaints alleging any action prohibited by the U.S. Department of Health and Human Services regulations (45 C.F.R. Part 84), implementing Section 504 of the Rehabilitation Act of 1973 as amended (29 U.S.C. 794). Section 504 states, in part, that “no otherwise qualified disabled individual...shall solely by reason of his/her disability, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance...” The law and regulation may be examined in the office of the Chief Compliance and RiskPrivacy Officer, Kaweah Delta Health Care District, 520 West Mineral King, Visalia, CA 93291, (559) 624-5006, who has been designated as the Section 504 Coordinator to coordinate the efforts of Kaweah Delta Health Care District to comply with the regulations. The purpose of this procedure is to ensure full compliance with this regulation and to provide the means for promptly addressing complaints or concerns that may arise.

PROCEDURE:

- I. A complaint should be in writing, contain the name and address of the person filing it, and briefly describe the discriminatory act.
- II. A complaint should be filed in the office of the Section 504 Coordinator within a reasonable time after the person filing the complaint becomes aware of the alleged discriminatory act.

- III. The Section 504 Coordinator, or designee, will investigate the complaint. The investigation will be informal but thorough, affording all interested persons and their representatives an opportunity to submit evidence relevant to the complaint.
- IV. The Section 504 Coordinator shall issue a written decision determining the validity of the complaint no later than 30 days after its filing.
- V. The Section 504 coordinator shall maintain the files and records relating to all complaints filed. The Section 504 coordinator may assist persons with the preparation and filing of complaints, participate in the investigation of complaints, and make recommendations concerning their resolution.
- VI. An individual who files a complaint may pursue other remedies. This includes filing a complaint with the:

U.S. Department of Health & Human Services
Office of the Civil Rights, Region IX
90 7th Street, Suite 4-100
San Francisco, CA 94103
Phone (415) 437-8310
FAX (415) 437-8329
TDD (415) 437-8311

OR

U.S. Department of Health and Human Services
Office for Civil Rights
200 Independence Avenue, S.W.
Room 509F HHH Bldg
Washington, D.C. 20201
OCRMail@hhs.gov (E-mail)

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**Kaweah Delta
Health Care District**

Subcategories of Department Manuals
not selected.



Kaweah Health

Policy Number: AP111	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Utilization Review Plan Acute Services	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

POLICY: The Board of Directors of Kaweah Delta Health Care District ~~the District~~ dba Kaweah Health empowers the Chief Executive Officer to ensure ~~that the District~~ Kaweah Health has in effect a utilization review (UR) plan that provides for ~~the~~ review of services furnished by ~~the District~~ Kaweah Health and by members of the Medical Staff to patients entitled to benefits under the Medicare and Medicaid (Medi-Cal) programs.

DEFINITION: Utilization Review is the process by which the care and services provided to Medicare / Medicaid (Medi-Cal) beneficiaries are reviewed for appropriateness, medical necessity, and whether the services meet professionally recognized standards of health care.

Medicare Provision: Medicare is a federal insurance program providing a wide range of benefits for specific period of time through providers participating in the program. Benefits are payable for most people over age 65, Social Security beneficiaries under 65 entitled to disability benefits, and individuals needing renal dialysis or renal transplantation. Payment for services is made by the federal government through a designated fiscal intermediary.

Section 1802 of the Social Security Act provides that any individual entitled to Medicare may obtain health services from any institution qualified to participate in Medicare.

Medicaid Provision: Medicaid is a state program that provides medical services to clients of the state public assistance program and, at the state's option, other needy individuals. Services must be furnished in certified Medicare institutions.

Method of payment includes: TAR (Treatment Authorization Request).

REGULATIONS:

42 CFR Ch IV Part 456 Utilization Control (Medicaid)
Social Security Act Title XVIII § 1861 Utilization Review
42 CFR Ch IV Part 482 Condition of Participation: Utilization Review 482.30
§ 2496 Utilization Review State Operations Manual (CMS-Pub. 7)
§ 3420 Utilization Review Plan, Medicare Intermediary Manual, Part 3 (CMS – Pub. 13-3)

STANDARD 1

Utilization Review Committee (aka Case Management Committee (CMC))

A. Case Management Committee (CMC)

A medical staff committee under Article X of the KDHCD Medical Staff Bylaws.

Purpose: Review Beneficiaries of Medicare and Medi-Cal for:

1. Medical Necessity of Admissions
2. Appropriateness of the Setting
3. Medical Necessity of Extended Stays
4. Medical Necessity of Professional Services

B. Composition of the CMC

The CMC ~~will~~ consist of two or more practitioners to carry out the UR function. At least two of the members must be doctors of medicine or osteopathy. The other members may be any of the other types of practitioners specified in Medicare COP 482.12(c)(1). The UR committee must be a staff committee of the District.

C. The CMC reviews or Sub-committee review may not be conducted by any individual who:

1. Has a direct financial interest (for example, an ownership interest) in ~~the District~~ Kaweah Health or;
2. Was professionally involved in the care of the patient whose case is being reviewed.

D. The Case Management Committee will meet at a minimum quarterly.

STANDARD 2: Scope and frequency of review.

A. Admissions to ~~the District~~Kaweah Health may be reviewed:

1. Before admission during the Pre-Admission process with Patient Access or Benefits Staff or the Surgery Scheduler.
2. At time of admission by the Admissions Coordinator, ED Case Manager, or ~~by~~ Transfer Center RN.
3. After hospital admission by the Case/Utilization Management Department.

B. Reviews may be conducted on a sample basis.

C. ~~The District~~Kaweah Health is reimbursed under the prospective payment system (42 CFR Part 413); therefore, review of duration of stays and review of professional services occur.

D. Duration reviews are outliers. Outliers are defined as those cases that have either an extremely long length of stay (day outlier) or extremely high costs (cost outlier) when compared to most discharges classified in the same DRG (42 CFR 476.1).

The CMC identifies acute stay outliers by DRG. The CMC designates Case Management staff to review the patient stays concurrently to justify receipt of additional per diem payments that may be made by the fiscal intermediary.

The Case/Utilization Management staff verifies:

- 1) The medical necessity and appropriateness of the admission and outlier services in the context of the entire stay;
- 2) Referring to the CMC those cases that do not meet
 - (i) InterQual Level of Care Acute Criteria for Medicare or
 - (ii) Medi-Cal Criteria Manual

At ~~the District~~Kaweah Health, a length of stay (LOS) outlier will be those with a LOS beyond the GMLOS plus seven (7) days. These cases will be reviewed by the LOS Committee as needed. ~~This committee is comprised of, but not limited to the COO, CNO, CMO, Case Management Physician Advisor, Director of Case Management (or Manager), Compliance Officer, Financial Logistics Director, Patient Access, Nursing, Risk Management, Manager of Patient and Family Services and the Chaplin Community Outreach representative.~~

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E. Cost Outliers

Cases identified as cost outlier cases may lose or change their cost outlier status if, as a result of review, the DRG assignment is changed.

Concurrent review for medical necessity of stay will be not less than every third day.

CMC department staff and LOS Committee will review patients with charges greater than \$100,000.00 and which no longer meets medical necessity for continued stay. This constitutes review of professional services.

- F. Significant Outliers will be reviewed by the LOS Committee and reported to the CMC for peer review.

STANDARD 2a: Scope and frequency of review

The acute rehabilitation program at Kaweah Delta Rehabilitation Hospital (KDRH) follows District utilization review processes utilizing acute rehabilitation criteria. Additional utilization review processes specific to the acute rehabilitation program include:

- A. Multidisciplinary review of a sample of acute rehabilitation outlier cases. Criteria for selection:
1. Cases that have exceeded the target length of stay for the assigned case mix group by 20% or more.
 2. Cases chosen for presentation may have other distinguishing characteristics related to diagnosis, discharge plan, treatment plan, or outcome that merit further review.
- B. Concurrent and closed record review to include application of admission and continued stay criteria for medical necessity within the acute rehabilitation program.

STANDARD 3: Determination regarding admissions or continued stays.

- A. Determining that an admission or continued stay is not medically necessary may be made by one member of the CMC if he/she is a doctor of medicine or osteopathy.

Primary Review is delegated by the CMC to staff trained in InterQual Acute Criteria ~~for Severity of Illness (SI) and Intensity of Services (IS)~~.

A Secondary Review is the result of the admission or continued stay criteria not being met. Secondary review is conducted as outlined in the Case Management Department Policy Manual.

If the attending physician disagrees with the outcome of the secondary review, an opportunity Outcome of the Secondary Review with a disagreement by the primary care physician requires an opportunity for the physician to present his/her reviews and any additional information relation to the patient's needs for admission or extended stay to the Case Management physician advisor for further consideration.

- B. Determination ~~an that~~ admission or continued stay is not medically necessary:
1. The CMC ~~must~~ consults with the practitioner or practitioners responsible for the care of the patient.
 2. If the attending physician contests the CMC or subgroup findings, or if he presents additional information relating to the patient's need to extended stay, at least one additional physician member of the committee must review the case.
 3. If two CMC physician members determine that the patient's stay is not medically necessary or appropriate after considering all the evidence, their determination becomes final.
 4. Written notification of this decision ~~must is be~~ sent to the attending physician, patient (or next of kin), facility administrator and the single state agency no later than 2 days after such final decision and in no event later than 3 working days after the end of the assigned extended day period. When possible, written notification should be received by all involved parties within the stated time period. Verbal notification may precede written notification.
 5. In no case may a non-physician make a final determination that a patient's stay is not medically necessary or appropriate.
 6. If, after referral of a questioned case to the CMC or subcommittee, the physician reviewer determines that an admission or extended stay is justified, the attending physician shall be so notified and an appropriate date for subsequent extended stay review will be selected and noted on the patient's record.

STANDARD 4: Extended Stay Review

- A. KDHCD is paid under the prospective payment system. The CMC must review all cases reasonably assumed to be outlier cases.

The hospital is not required to review an extended stay that does not exceed the outlier threshold for the diagnosis.

- B. The CMC or subcommittee must make the periodic review no later than 7 days after the day required in the UR plans.

STANDARD 5: Review of Professional Services

- A. The CMC must review professional services provided, to determine medical necessity and to promote the most efficient use of available health facilities and services.

Professional services mean include more than physicians' services. The aspects of care rendered by laboratory personnel, physical therapists, nurses, etc are also considered.

The review includes:

1. Medical necessity
2. Efficient use of available health facilities and services

STANDARD 6: Readmissions

- A. Readmission review involves admissions to an acute, general, short-term hospital occurring less than 31-30 days from the date of discharge from the same or another acute, general, short-term hospital. Neither the day of discharge nor the day of admission is counted when determining whether a readmission has occurred.
- B. Readmissions will be reported to CMC with report of analysis of the situation ie. Cause, extent of problem. Reviews that question quality of care will be referred to Peer Review, Performance Improvement, Risk management, or Compliance as appropriate.

STANDARD 7: Methodology of reviews, reports.

- A. The CMC will oversee the operation of the Case Management Department by approving the Policy and Procedure Manual.

STANDARD 8: Criteria for determination of medical necessity will be InterQual.

STANDARD 9: The UR Plan will be reviewed annually and will be updated at least every 3 years. The CMC, MEC, and the Executive Team shall approve policy changes.

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approval



Policy Number: AP112	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Advanced Directives	

Printed copies are for reference only. Please refer to the electronic copy for the latest version.

PURPOSE: To describe the process Kaweah ~~Delta-Health Care District~~(KDHCD) staff utilize to promote, honor, and respect KDHCD patients’ health care decisions; to assist patients in making their health care decisions known in accordance with the Patient Self Determination Act.

POLICY: Kaweah ~~Delta-Health Care District~~ honors the patient’s advance health care directives in inpatient and outpatient areas as they are made known to the organization. Patients admitted to the hospital inpatient units, skilled nursing units, Home Health, Hospice, Private Home Care, Same Day Surgery, Observation Patients, Sequoia Regional Cancer Center (SRCC) or the Emergency Department (ED) will be asked if they have executed an Advance Directive designating their health care wishes and/or health care decision maker.

Any patients desiring to formulate an Advance Directive with the capacity to do so will be assisted by being given a choice of an approved Advance Directive form.

KDHCD provides education to the Community about Advanced Directives. Under California law patients can designate a decision-maker to speak for them even when they are still able to speak for themselves.

~~Same sex partners can speak for their significant other if they have registered their relationship with the California Secretary of State.~~

In accordance with federal regulations, patients/families that have complaints concerning the Advance Directive requirements may make a complaint to the state Department of Health Services.

Hospital staff may not sign as a witness on Advanced Directives for KDHCD patients.

Patient’s health care decisions will be honored and respected except in the following circumstances:

For patient's undergoing surgical procedures the presumption is that resuscitation will be done unless prior to the procedure the patient and/or surrogate decision maker for the patient in discussion with the surgeon agree that the patient's wishes for no resuscitation will be respected during surgery. In an emergency situation the presumption will be that reasonable attempts will be made to resuscitate a patient during surgery.

State of California Laws covering Advance Directives does not authorize or require a health care provider or health care institution to provide health care contrary to generally accepted health standards. California Probate Code section 4734 (b).

DEFINITION: *Advance Directive (AD)* – A written document describing a patient's medical treatment decisions and end of life decisions and or designation of a surrogate decision-maker for health care decisions. It is also known as Advanced Health Care Directive, previously known as a Durable Power of Attorney for Health Care Decisions or Living Will.

Agent - means an individual designated in an Advance Directive to make a health care decision for a patient. An agent may include a successor or alternate agent. (California Probate Code Section 4607).

Capacity – means a person's ability to understand the nature and consequences of a decision and to make and communicate a decision, and includes in the case of proposed health care, the ability to understand its significant benefits, risks and alternatives. (California Probate Code Section 4609)

Health care decision – means a decision made by a patient or the patient's agent, conservator, or surrogate, regarding the patient's health care, including the following: 1) selection and discharge of health care providers and institutions; 2) approval or disapproval of diagnostic tests, surgical procedures, and programs of medication; 3) directions to provide, withhold, or withdraw artificial nutrition and hydration and all other forms of health care, including cardiopulmonary resuscitation. (California Probate Code Section 4617)

PROCEDURE:

- I. Upon admission to ~~KDHCD~~ inpatient units, skilled nursing units, SRCC or the ED, all patients will be asked if they have an Advanced Directive or desire more information about Advance Directives.
 - A. If a patient at admission states "Yes" they have an Advance Directive, the following will be done:
 1. The Patient Access Registrar will enter "Yes" in the District's information system. This information will appear on the face sheet in the bottom right hand corner. It will also be stored in the information system for subsequent visits. The electronic medical

record will be checked by the Patient Access Registrar to see if a copy of the Advance Directive is on file.

2. If the medical record does not include a copy of the Advance Directive, the patient/family will be asked to provide a copy of the Advance Directive for inclusion in the medical record and to guide care during the admission.
 3. If an Advance Directive is in the medical record, the patient/agent/family will be asked if any changes have been made. If changes have been made to the Advance Directive a written copy of the changes will be requested to update the Medical Record. If verbal changes are given directly to a health care provider, that provider will note the patient's current desires in the medical record.
 4. The copy of the current or updated Advance Directive will be placed on the current chart and then scanned in to the medical record under "Consents".
 - a) If there is an updated Advance Health Care Directive that will be replacing an existing one in the Medical Record, the old one will be removed by Patient Access and it will be replaced/scanned with the current/updated one.
- B. If a patient at Admission states "Yes" they have an Advance Directive but a copy is not readily available, then the following will be done:
1. The Patient Access Registrar will enter "Yes" in the hospital information system.
 2. The Patient Access Registrar will enter a "No", in the second portion of the Advance Directive section of the face sheet, indicating a copy of the Advance Directive has not been provided by the patient or family.
- C. If a patient has not executed an Advanced Directive, the Patient Access Registrar will enter "No" in the District's information system. Then "No" will print on the bottom right corner of the face-sheet.
1. If the patient requests more information or desires to complete an Advance Directive, then a form will be provided to the patient. (Printed for the patient off [Kaweah Compass/tools/downloadable forms/PFS/AHCD](#)~~the intra-net under Manuals and Resources or from current copies available in the main Admitting office.~~)
 2. If the patient has questions about Advance Directives or about completing the Advance Directive form, Patient and Family Services will be contacted.

3. Patient and Family Services will assist the patient with completion of Advance Directives and facilitating the placement on the current chart and notifying Patient Access to scan the Advance Health Care Directive in the electronic Medical Record.
 4. Hospital staff may not sign as a witness on Advance Directives for patients.
- II. As part of the Admission process to a Nursing Unit, an Admission Data Base is completed by the RN.
- A. Included in the Admission Data Base are three questions for the Nurse to ask each patient/family/surrogate decision maker. They are:
 1. Executed Advance Directive Yes/No/Unable to Determine
 - a. Unable to Determine will trigger a referral to PFS
 2. Interested in making Advance Directive Yes/No
 - a) Yes will trigger a referral to PFS.
 3. Advanced Directive in patient's medical record: Yes/No/Unknown
 - a) No or Unknown will trigger to PFS
 4. Who would speak for you during this hospitalization should you be unable to speak for yourself.
 - B. This information is to alert staff about the existence of an Advance Directive and whether a copy is on the chart. Patient and Family Services will be requested to assist.
 - C. If there is a discrepancy between what the patient tells the nurse and what is documented in the Advance Directive, clarification will be sought. However, the District must honor the documented Advance Directive designation until such time the patient revises the existing, or executes a new Advance Directive. Patient and Family Services will be requested to assist
 - D. Patient and Family Services will assist the patient with completion of Advance Directives.

1. Upon receiving a referral to assist with Advance Health Care Directive, Patient and Family Services will respond within 24 hours.
2. The patient's Advance Directive will be communicated to the patient's RN by the staff member who initially places (or facilitates the placement) of the Advance Directive document on the patient's chart.
3. The RN will be responsible for communicating the contents of the Advance Directive to the patient's physician as well as communicating any changes/updates when indicated.
4. Patient and Family Services staff will assist in clarifying, confirming and/or facilitating communication regarding the information as needed.

III. Patients in Maternal Child Health; Mother Baby Unit

Procedures are the same with the following exception; nurse will manually place order for PFS referral to follow to assist patient with completion of Advance Directives.

IV. Patients in Distinct Part SNF Units

Procedures are the same with the following exception regarding the witnessing of an Advance Directive: If an individual executes the Advance Directive during hospitalization in a distinct part SNF, one of the witnesses must be a patient advocate or ombudsman as designated by the State Department of Aging, whose declaration must state that the person is serving as a witness as required by subdivision (f) of Civil Code Section 2432.

The patient in a Distinct Part Skilled Nursing Facility may have his Advance Directive notarized. In such case, the patient advocate or ombudsman must sign in addition to the notarization.

V. Home Care (Home Health, Hospice, Private Home Care)

Upon admission to ~~KDHCD~~, Home Health, Hospice and Private Home Care patients will be asked if they have an Advanced Directive or desire more information about Advance Directives. [All clinical staff are personally responsible for knowing the patient's current code status and advanced directive information prior to making a home visit.](#)

- A. If a patient at admission states "Yes" they have an Advance Directive, the following will be done:
 1. The admitting clinician as defined as the RN or Physical Therapist/Speech Therapist will enter "Yes" in the service line's information system. The District's electronic medical record will be checked to see if a copy of the Advance Directive is on file. If a

copy of the Advance Directive is available in the District's electronic medical record, the intake and/or admitting staff member will print a copy for the service line's medical record.

2. If the District's electronic medical record does not include a copy of the Advance Directive, the patient/family will be asked to provide a copy of the Advance Directive for inclusion in the medical record and to guide care during the admission.
 3. If an Advance Directive is in the District's electronic medical record, the patient/agent/family will be asked if any changes have been made. If changes have been made to the Advance Directive a written copy of the changes will be requested to update the Medical Record. If verbal changes are given directly to a health care provider, that provider will note the patient's current desires in the medical record
 4. The copy of the current or updated Advance Directive will be scanned or entered into the District and service line specific medical record.
- B. If a patient at Admission states "Yes" they have an Advance Directive but a copy is not readily available, the following will be done:
1. The admitting clinician will enter "Yes" in the hospital information system.
 2. The Admitting RN or Speech Therapist/Speech Therapist will ask the patient/family to provide a copy at their earliest convenience.
 3. The Admitting Nurse or Physical Therapist/Speech Therapist for Home Health and Admitting Nurse Hospice will make a referral to the MSW for follow up regarding the Advance Directive.
- C. If a patient has not executed an Advanced Directive, the admitting clinician will enter "No" in the District's information system.
1. If the patient requests more information or desires to complete an Advance Directive, then a form will be provided to the patient. (Printed for the patient off the intra-net under [Kaweah Compass/tools/downloadable forms/PFS/AHCDManuals and Resources or from current copies available in the office.](#))
 2. Admitting RN or Physical Therapist/Speech Therapist for Home Health and the admitting RN for Hospice will make a referral to the MSW for follow up regarding completion of the Advance Directive.
 3. If the patient has questions about Advance Directives or about completing the Advance Directive form, the MSW will be contacted.

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approval



Policy Number: AP175	Date Created: No Date Set
Document Owner: Cindy Moccio (Board Clerk/Exec Assist-CEO)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Cindy Moccio (Board Clerk/Exec Assist-CEO)	
Patient Safety Plan	

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I. Purpose

- Encourage organizational learning about medical/health care risk events and near misses
- Encourage recognition and reporting of medical/health events and risks to patient safety using just culture concepts
- Collect and analyze data, evaluate care processes for opportunities to reduce risk and initiate actions
- Report internally what has been found and the actions taken with a focus on processes and systems to reduce risk
- Support sharing of knowledge to effect behavioral changes in itself and within Kaweah Delta Healthcare District (~~KDHCD~~) dba Kaweah Health (Kaweah Health)

II. Scope

All ~~KDHCD~~ Kaweah Health facilities, departments, patient care delivery units and/or service areas fall within the scope of the quality improvement and patient safety plan requirements.

III. Structure and Accountability

A. Board of Directors

The Board of Directors retains overall responsibility for the quality of patient care and patient safety. The Board approves annually the Patient Safety Plan and assures that appropriate allocation of resources is available to carry out that plan.

The Board receives reports from the Patient Safety Committee through the Professional Staff Quality Committee. The Board shall act as appropriate on the recommendations of these bodies and assure that efforts undertaken are effective and appropriately prioritized.

B. Quality Council

The Quality Council is responsible for establishing and maintaining the organization's Patient Safety Plan and is chaired by a Board member. The Quality Council shall consist of the Chief Executive Officer, representatives of the Medical Staff and other key hospital leaders. It shall hold primary responsibility for the functioning of the Quality Assessment and Performance Improvement program. Because District performance improvement activities may involve both the Medical Staff and other representatives of the District, membership is multidisciplinary. The Quality Council requires the Medical Staff and the organization's staff to implement and report on the activities for identifying and evaluating opportunities to improve patient care and services throughout the organization. The effectiveness of the quality improvement and patient safety activities will be evaluated and reported to the Quality Council.

C. Patient Safety Committee

The Patient Safety Team is a standing interdisciplinary group that manages the organization's Patient Safety Program through a systematic, coordinated, continuous approach. The Team will meet monthly to assure the maintenance and improvement of Patient Safety in establishment of plans, processes and mechanisms involved in the provision of the patient care.

The scope of the Patient Safety Team includes medical/healthcare risk events involving the patient population of all ages, visitors, hospital/medical staff, students and volunteers. Aggregate data* from internal (IS data collection, incident reports, questionnaires,) and external resources (Sentinel Event Alerts, evidence based medicine, etc.) will be used for review and analysis in prioritization of improvement efforts, implementation of action steps and follow-up monitoring for effectiveness. The Patient Safety Committee has oversight of KDHC activities related to the National Quality Forum's (NQF) Safe Practices (SP) Medication Safety, Section #4 Maternity Care, #5 ICU physician staffing, #6 A-D Culture of Safety Leadership Structures & System Documentation, Culture Measurement, Feedback & Intervention Documentation, Nursing workforce and Hand Hygiene, #7 Managing Serious Errors, and #8 Bard Code Medication Administration.

1. The Patient Safety Officer is the Chief Quality Officer
2. The Patient Safety Committee is chaired by the Patient Safety Officer or designee.
3. The responsibilities of the Patient Safety Officer include institutional compliance with patient safety standards and initiatives, reinforcement of the expectations of the Patient Safety Plan, and acceptance of accountability for measurably improving safety and reducing errors. These duties may include listening to employee and patient concerns, interviews with staff to determine what is being done to safeguard against occurrences, and immediate response to reports concerning workplace conditions.
4. Team membership includes services involved in providing patient care, such as: Pharmacy, Laboratory, Surgical Services, Risk Management, Infection Prevention, Medical Imaging, and Nursing. The medical staff representative on the team will be the Vice Chief of Staff.

D. Medication Safety Quality Focus Team

The Medication Safety Quality Focus Team (MSQFT) is an interdisciplinary group that manages the organization's Medication Safety Program including the District Medication Error Reduction Plan (MERP).

The purpose of the MSQFT is to direct system actions regarding reductions in errors attributable to medications promoting effective and safe use of medication throughout the organization. Decisions are made utilizing data review, approval of activities, resource allocation, and monitoring activities. Activities include processes that are high risk, high volume, or problem prone, some of which may be formally approved by the MSQFT as a District MERP goal (see Policy AP154 Medication Error Reduction Plan).

The MSQFT provides a monthly report to the Pharmacy and Therapeutics Committee and quarterly reports to the Professional Staff Quality Committee and directly to Quality Council. The MSQFT Chair is a member of the Patient Safety Committee. A quarterly report is presented at Patient Safety Committee in addition to active participation in patient safety activities related to medication use.

IV. Organization and Function

- A. The mechanism to insure all components of the organization are integrated into the program is through a collaborative effort of multiple disciplines. This is accomplished by:
 1. Reporting of potential or actual occurrences through the Occurrence Reporting Process Policy (AP10) by any employee or member of the medical staff. Examples of potential or actual occurrences include pressure ulcers, falls, adverse drug events, and misconnecting of: intravenous lines, enteral feeding tubes and epidural lines.

2. Reporting of potential or actual concerns in a daily leadership safety huddle which involves issues which occurred within the last 24 hours, a review the steps taken to resolve those matters when applicable, and anticipate challenges or safety issues in the next 24 hours. The daily safety huddle occurs Monday to Friday with the exception of holidays and includes directors and vice presidents that represent areas throughout the organization. The purpose of the daily safety huddle is immediate organizational awareness and action when warranted. Examples of issues brought forth in the Daily Safety Huddle include, patients at risk for elopement, violence, or suicide, and also can include potential diversion events, patient fall events, and medication related events.
 3. Communication between the Patient Safety Officer and the Chief Operating Officer to assure a comprehensive knowledge of not only clinical, but also environmental factors involved in providing an overall safe environment.
 4. Reporting of patient safety and operational safety measurements/activity to the performance improvement oversight committees, Professional Services Quality Committee "Prostaff" and Quality Improvement Committee (QIC). Prostaff is a multidisciplinary medical staff committee composed of various key organizational leaders including: Medical Executive Committee members, Chief Executive Officer, Chief Operating Officer, Chief Medical Officer/Chief Quality Officer, Chief Nursing Officer, Member of the Board of Directors, and Directors of Nursing, Performance Improvement, Risk Management, and Pharmacy. QIC is a multidisciplinary committee comprised of various key organizational leaders including the CEO, CNO, CIO, CFO, ~~COO, VP of Chief Human Resources Officer, VP Surgical Services, VP of Post Acute Care and Ancillary Services~~, Directors of Quality & Patient Safety, Risk Management, and Nursing Practice and the manager of Infection Prevention.
 5. Graduate Medical Education
 - i. Graduate Medical Education (Designated Institutional Official (DIO), faculty and residents, are involved in achieving quality and patient safety goals and improving patient care through several venues including but not limited to:
 1. Collaboration between Quality and Patient Safety Department, Risk Management, and GME Quality Subcommittee
 2. GME participation in Quality Improvement Committee and Patient Safety Committee
 3. GME participation in KDHCD quality committees and root cause analysis (including organizational dissemination of lessons learned)
- B. The mechanism for identification and reporting a Sentinel Event/other medical error will be as indicated in Organizational Policies AP87. Any root cause analysis of hospital processes conducted on either Sentinel Events or near misses will be submitted for review/recommendations to the Patient Safety Committee, Professional Staff Quality Committee and Quality Council.
- C. As this organization supports the concept that events most often occur due to a breakdown in systems and processes, staff involved in an event with an adverse outcome will be supported by:
1. A non-punitive approach without fear of reprisal (just culture concepts).
 2. Voluntary participation into the root cause analysis for educational purposes and prevention of further occurrences.
 3. Resources such as Pastoral Care, Social Services, or EAP should the need exist to counsel the staff
 4. Safety culture staff survey (i.e. the Safety Attitudes Questionnaire) administered at least every 2 years to targeted staff and providers.

- D. As a member of an integrated healthcare system and in cooperation with system initiatives, the focus of Patient Safety activities include processes that are high risk, high volume or problem prone, and may include:
1. Adverse Drug Events
 2. Nosocomial Infections
 3. Decubitus Ulcers
 4. Blood Reactions
 5. Slips and Falls
 6. Restraint Use
 7. Serious Event Reports
 8. DVT/PE
- E. A proactive component of the program includes the selection at least every 18 months of a high risk or error prone process for proactive risk assessment such as a Failure Modes Effects Analysis (FMEA), ongoing measurement and periodic analysis. The selected process and approach to be taken will be approved by the Patient Safety Committee and Quality Council.
- The selection may be based on information published by The Joint Commission (TJC) Sentinel Event Alerts, and/or other sources of information including risk management, performance improvement, quality assurance, infection prevention, research, patient/family suggestions/expectations or process outcomes.
- F. Methods to assure ongoing inservices, education and training programs for maintenance and improvement of staff competence and support to an interdisciplinary approach to patient care is accomplished by:
1. Providing information and reporting mechanisms to new staff in the orientation training.
 2. Providing ongoing education in organizational communications such as newsletters and educational bundles.
 3. Obtaining a confidential assessment of staff's willingness to report medical errors at least once every two years.
- G. Internal reporting – To provide a comprehensive view of both the clinical and operational safety activity of the organization:
1. The minutes/reports of the Patient Safety Committee, as well as minutes/reports from the Environment of Care Committee will be submitted through the Director of Performance Improvement and Patient Safety to the Professional Staff Quality Committee.
 2. These monthly reports will include ongoing activities including data collection, analysis, and actions taken and monitoring for the effectiveness of actions.
 3. Following review by Professional Staff Quality Committee, the reports will be forwarded to Quality Council.
- H. The Patient Safety Officer or designee will submit an Annual Report to the KDHC Board of Directors and will include:
1. Definition of the scope of occurrences including sentinel events, near misses and serious occurrences
 2. Detail of activities that demonstrate the patient safety program has a proactive component by identifying the high-risk process selected
 3. Results of the high-risk or error-prone processes selected for proactive risk assessment.
 4. The results of the program that assesses and improves staff willingness to report medical/health care risk events
 5. A description of the examples of ongoing in-service, and other education and training programs that are maintaining and improving staff competence and supporting an interdisciplinary approach to patient care.

V. Evaluation and Approval

The Patient Safety Plan will be evaluated at least annually or as significant changes occur, and revised as necessary at the direction of the Patient Safety Committee, Professional Staff Quality Committee, and/or Quality Council. Annual evaluation of the plan's effectiveness will be documented in a report to the Quality Council and the ~~KDHCD~~ Kaweah Health Board of Directors.

VI. Confidentiality

All quality assurance and performance improvement activities and data are protected under the Health Care Quality Improvement Act of 1986, as stated in the Bylaws, Rules and Regulations of the Medical Staff, and protected from discovery pursuant to California Evidence Code §1157.

Attachments - Attachment 1: Quality Improvement/Patient Safety Committee Structure

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Policy Number: HR.04	Date Created: No Date Set
Document Owner: Dianne Cox (Chief Human Resources Officer)	Date Approved: 09/29/2021
Approvers: Board of Directors (Human Resources)	
Special Pay Practices	

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Designated departments may have special pay practices which provide for competitive compensation and/or incentives for employees to work varying shifts or additional shifts. All special pay practices are approved by the Hospital and are subject to change at any time. In all cases, Wage and Hour Law will apply.

Pay Practices:

Other Hours- Base rate of pay for additional hours or shifts worked.

Eligible Job Codes:

- House Supervisor 4000293 (hours)
- Pharmacy: 7010360, 6010972, 7011940, 3002094, 3002093 (hours)
- RN-Nurse Practitioner 7081541 (shift)
- Nurse Practitioner Manager 3001833 (shift)

MICN \$1.50 for active MICN cert
\$1.50 for active TNCC cert

Eligible job codes:

- RN 7020339 7020746
- Charge Nurse 6021615
- Assistant Nurse Manager 3000640 in ED

Sleep Pay Hourly rate paid to Surgery and Cath Lab employees for those who require an 8-hour gap between the current shift worked and the next scheduled shift. The employee will be paid at the start of the next scheduled shift but is not expected to work until the 9th hour after finishing prior shift

Private Home Care Holiday Rate is based on where the employee travels. Holiday differential is received for Kaweah Health observed Holidays, in addition to Mother's Day and Easter.

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Policy Number: HR.47	Date Created: 06/01/2007
Document Owner: Dianne Cox (Chief Human Resources Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration)	
Professional Licensure and Certification	

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POLICY:

To ensure appropriate licensure and certification on all employees and contracted staff (not subject to the medical staff privilege process, e.g., Allied Health Professionals) in compliance with appropriate licensing agencies. Employee Health requirements for immunizations and PPD are available for Licensed Independent Practitioners and Physicians who practice at the Kaweah Delta.

It is the policy of Kaweah Delta to employ only those individuals and/or to utilize contract services staff that meet all job requirements (TB Screening/PPD testing, etc.) and have proper licensure, certification or registration by the appropriate licensing agency in those jobs requiring such status. Current employees who provide direct patient care will have a Heart Saver card on file with Human Resources (or in the nursing office or applicable department if Contract Staff). Employees and Contract Staff working in positions with a requirement for ACLS, NRP, and PALS, etc., will also provide proof of certification. Employees driving their own vehicles for ongoing business will be required to produce proof of current California Driver's License.

All job requirements and current status of documentation shall be maintained by the employee/contract staff member. The employee will furnish proof of this status with original documents before employment or service begins and Human Resources will photocopy the document which will be placed on record in the Personnel file. At each time the status requires updating and/or renewal, the employee will provide further documentation to Human Resources as proof of update and/or renewal.

For employees on a Leave of Absence, Kaweah Delta may hold in abeyance the requirement to complete job requirement documentation (i.e., updated competencies, TB testing, etc.) until the employee returns from leave. The employee must complete all outstanding job requirements and documentation (licensure, CPR, ACLS, NRP, PALS, TB Testing, as applicable) prior to returning to work. Competency-related documentation must be completed within two weeks of the employee's return to work.

Current job requirement documentation will be maintained by Human Resources and by those department heads responsible for such individuals.

Failure on the part of the employee to provide such documentation or proof of current status, or failure to meet any job requirement will result in Progressive Discipline, up to and including, termination of employment. In addition, the employee will be ineligible for participation in the Educational Assistance Program for one year.

PROCEDURE:

I. Definitions

Licensure/certification: Refers to any license/certifications required for an employee's job from the time of hire going forward. Examples are: CA RN License, Clinical Dietitian Registration, and Radiology Tech Certification. BLS (Basic Life Support for Healthcare Providers), Heartsaver AED (Automated External Defibrillator). Licensure /Certification requirements are listed in job descriptions, employee offer letters, and also can be found in HRIS.

II. Verification Licensure/Certification at Time of Hire/Transfer/Renewal

- a. It is the responsibility of the Human Resources Department to print the primary source verification prior to hire date. Renewals of Licensure/Certifications will be tracked, verified and printed by the Human Resources Department prior to the expiration date.
- b. Human Resources will process the hire/transfer/renewal of an employee to a job that requires valid licensure/certification only after obtaining printed or verbal clearance from the appropriate licensing board. This verification must be from a primary source website or documented if obtained by phone.
- c. Primary source verification applies only to licensure/certifications required to practice a profession. It is not required for organizational requirements such as advanced cardiac life support (ACLS) or pediatric advanced life support (PALS) or clinical certification such as peripherally inserted catheter (PICC) line certification.
- d. Only the American Heart Association (AHA) or American Red Cross (ARC) certification programs will be acceptable for employment or continued employment. KDHCD has established appropriate paid time for hourly employees, upon approval of your supervisor. Classes taken outside of Kaweah Delta must be AHA or ARC courses and documentation of completion must include the following:

1. Course completion card from AHA or ARC training center

OR

2. Paperwork from the AHA or ARC training center stating the following:

- i. Student's name
- ii. Type of course
 - 1. AHA HSAED (Heart Saver Automated External Defibrillator)
 - 2. AHA BLS for Health Care Providers
 - 3. ARC CPR/AED adult, child & infant
 - 4. ARC CPR for the Professional Rescuer or CPR for the health care provider
- iii. Date of Course
- iv. Successful Completion
- v. Name of Training Center
- vi. Signature of training center representative

For option 2 above, the provider course card must be submitted to Human Resources within 30 days of course completion to avoid suspension and disciplinary action.

- e. Employees are to give advanced notice for cancellation of any class or program in which they are enrolled, whether voluntary or mandatory. Advanced notice for cancellation defined as the following:
 - 1. If class is on Tuesday through Friday, cancel the day before by 8:00am. EXAMPLE: Class is Wednesday at noon- must cancel before Tuesday 8:00 am.
 - 2. If class is on Monday, cancel prior to 23:59 on Saturday
 - 3. Classes need to be cancelled through our Learning Management System (LMS)
 - 4. If the employee cannot cancel in our LMS or they are past the defined time for advanced notice, the employee must contact their manager via phone or email letting them know they cannot attend.

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- f. Any employee that allows their required licensure/certification to lapse for any reason will be given a Disciplinary Action and removed from the schedule.

Deleted: Employees are to give 24 hours' notice for cancellation of any Kaweah Delta paid certification class. Employees must be on time to any Kaweah Delta paid classes or will be considered a No Show, which are grounds for discipline. Refer to Progressive Discipline policy HR 216.¶

Employees may return to work once they have shown proof of renewed licensure/certification from a primary source.

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Exception for MICN Certification: If regional EMS agency cancels MICN certification class, the employee will be permitted to work without updated certification and no disciplinary action. Employee will be required to attend the next scheduled regional MICN class.

III. Manager's Responsibilities

- A. Management is responsible to ensure that all licensed/certified staff has current licensure at all times while working and is not working if license/certification has expired. If the employee has missed two weeks of

work from the expiration date, the manager will place the employee on an administrative leave of absence and the employee is subject to termination.

- B. Managers and Directors may also be subjected to Disciplinary Action, including suspension and possible termination should licensed/certified employees within their responsibility be working without proper licensure/certification.

IV. Employee's Responsibilities

Employees who have failed to renew their required license or certification, by the expiration date will not be permitted to work. In addition, if the employee has missed two weeks of work from the expiration date, the employee will be placed on a personal leave of absence and is subject to termination. Employees who allow required licensure/certification to expire will be given a written warning. Refer to Progressive Discipline policy HR 216.

V. Interim Permit or Temporary License Processing

Employees must obtain licensure in accordance with the requirements of the applicable licensing board. Employees whose temporary license or interim permit expires, or is otherwise invalidated will be placed on a personal leave of absence for a maximum of 12- weeks. During the 12-weeks period, if licensure is obtained, current employees may apply for a transfer to an open position. If licensure and/or transfer to an eligible position is not obtained, employment will be terminated at the end of the 12-week leave of absence.

VI. Employees on Leave of Absence

Employees on a Kaweah Delta approved Leave of Absence are responsible for being in compliance with all license/certification requirements prior to their return to work. .

VII. Display of License/Certification

As required by law, some licensure/certifications must be displayed in the department.

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Policy Number: HR.70	Date Created: 06/01/2007
Document Owner: Dianne Cox (Chief Human Resources Officer)	Date Approved: 06/29/2021
Approvers: Board of Directors (Administration), Dianne Cox (Chief Human Resources Officer)	
Meal Periods, Rest Breaks and Breastfeeding, and/or Lactation Accommodation and/or Lactation Accommodation	

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PURPOSE:

It is important that Kaweah Health employees receive their meal periods and breaks. Kaweah Health will facilitate meal and rest periods by relieving employees of duties for specified amounts of time. In addition, Kaweah Health will provide rest and recovery periods related to heat illness for occupations that may be affected by same (i.e. Maintenance employees who work outdoors). Kaweah Health supports new mothers who desire to express milk for their infants while at work. Kaweah Health will provide the use of a room, or other location to the nursing mothers work area for expressing milk.

MEAL PERIOD POLICY AND PROCEDURE:

For non-exempt employees working more than five hours per day, Kaweah Health will provide a 30-minute duty-free meal period. It is each employee's responsibility to ensure that they are taking appropriate meal periods as set forth in the policy.

Meal periods will be unpaid. Non-exempt employees may leave the premises during meal periods, but should notify their supervisor if they do leave, and inform them when they return.

An employee who is not provided with a meal period according to policy must notify their supervisor to attempt to reallocate resources to provide a meal period. Employees unable to take a meal period will be paid for the time.

The beginning and end of each meal period must be accurately recorded on the timecard or timekeeping system.

REST BREAK POLICY AND PROCEDURE:

Non-exempt employees are also authorized and permitted to take two 15-minute rest breaks along with the meal period. Employees must work at least 3.5 hours to be entitled to a rest break. Rest breaks should be taken in the middle of each 4 hour period in so far as it is practicable. These rest breaks are authorized by the department management; but it is each employee's responsibility to ensure that they are taking appropriate rest breaks.

Rest breaks are considered paid-time, and employees should not clock-out and clock-in for taking such breaks. Leaving the premises is not permitted during a rest break.

ADDITIONAL INFORMATION:

Employees may not shorten the normal workday by not taking or combining breaks, nor may employees combine rest breaks and meal periods for an extended break or meal period

Kaweah Health will provide a reasonable amount of break time to allow an employee to express breast milk for that employee's infant child. The break time will run concurrently, if possible, with any break time already provided to the nursing mother. If it is not possible for the break time that is already provided to the employee, the break time shall be unpaid.

Kaweah Health will make reasonable efforts to provide the nursing mother with the use of a room or other location in close proximity to their work area for the nursing mother to express milk in private. If a refrigerator cannot be provided, Kaweah Health may provide another cooling device suitable for storing milk, such as a lunch cooler.

There are several designated lactation rooms that may be found throughout Kaweah Health. Their locations are the following:

- a) Mineral King Wing, 1st Floor MK lobby by Lab Station
- b) Mineral King Wing, 2nd Floor on the left heading to ICU
- c) Mineral King Wing, 3rd Floor on the left just past the stairwell
- d) Acequia Wing, Mother/Baby Department
- e) Support Services Building, 3rd Floor, (Computer available)
- f) South Campus, next to Urgent Care Lobby
- g) Imaging Center, Dexa Exam Room (Computer available)
- h) Mental Health Hospital, Breakroom Suite
- i) Visalia Dialysis, Conference Room, (Computer available)
- j) KHMG, GYN Department
- k) Exeter Health Clinic, Family Practice Department, (Computer available)
- l) Woodlake Health Clinic, (Computer available)
- m) Dinuba Health Clinic, (Computer available)
- n) Lindsay Health Clinic, (Computer available)
- o) Rehabilitation Hospital, next to Outpatient Speech Therapy Office

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Policy Number: HR.131	Date Created: 06/01/2007
Document Owner: Dianne Cox (Chief Human Resources Officer)	Date Approved: Not Approved Yet
Approvers: Board of Directors (Administration), Dianne Cox (Chief Human Resources Officer)	
Employee Recognition and Acknowledgment Programs	

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POLICY:

Kaweah Delta Health Care District values competent and caring employees and maintains programs for recognizing excellent performance and achievement through the use of rewards and recognition. The District has a number of employee recognition programs and incentives based on goals and objectives and these may be changed or discontinued at any time.

Taxability of Rewards and Recognition:

All employee recognition and rewards must be processed through Human Resources. The appropriate payroll taxes will be withheld through payroll during the normal bi-weekly payroll cycle for employees receiving rewards as follows:

- a. Cash and gift cards (combined amount of \$25 or more per day)
- b. Non-cash items given to or won by an individual in excess of \$100 (the entire value is taxable; not just the amount over \$100)

Non-Taxable:

De Minimis fringe benefits.

- a. occasional snacks or meals provided to a department or area
- b. holiday gifts, other than cash, with a low fair market value
- c. occasional movie tickets or small event tickets

Types of Recognition:

- II. Job Well Done – Taxable (cash equivalent award of \$25 or more)

Budgeted Funds used by departments for recognizing exemplary performance. Goods and services purchased for the benefit of employees and staff appreciation must be within preapproved budget fund limits.

- a. Employee may redeem voucher at Kaweah Korner.
- b. Once voucher is redeemed, gift cards or gift certificates with a value of \$25 or more in aggregate, will be included as income on the employee's next paycheck and regular income taxes will apply.

III. Employee of the Month – Taxable (cash equivalent award of \$25 or more)

A monthly employee service excellence award wherein selected employees are awarded a monetary gift and recognized by the Board of Directors for their outstanding performance.

- a. The winner receives a packet that may include gift cards and/or gift certificates. The value of these will be grossed up to the recipients current tax exemptions to allow for the recipient to receive the net reward.

IV. Kaweah Care – Non-Taxable (cash equivalent award of \$15)

Recognition of fellow employees who have exemplified Kaweah Care Values. A monthly drawing is held with five individuals recognized.

- a. Employees are nominated by fellow employees via paper application or the District Daily.
- b. Human Resources selects five random monthly winners.
- c. Winners receive \$15 in gift cards.

V. Wellness

There are various District-wide events or incentives that present employees with awards, prizes, raffles, etc.

VI. Service Awards

Longevity is awarded through the Service Awards program recognizing Employees' service to the District.

- a. All employees are eligible for and will be presented service awards upon completion of five (5) years thereafter.
- b. Service awards are presented bi-annually for employees who meet those anniversary dates during the year (15 or more years of service).
- c. The Human Resources Department is responsible for determining and identifying those employees to be honored and for ordering and ensuring the arrival of service awards prior to the presentation date.

VII. Departmental Programs

District-wide or departmental programs where selected employees are presented with various types of awards for outstanding performance.

Individual divisions and/or departments of the District are encouraged to develop and maintain award programs recognizing outstanding performance. Awards, including, dinner certificates, gift certificates, award certificates, movie tickets, etc. may be presented to the selected employees on a quarterly and/or annual basis.

In addition, the District promotes special recognition programs by which employees can recognize co-workers special contributions or outstanding work.

VIII. Retirement Recognition

The District observes the retirement of its employees. The manager of the retiring employee, with the assistance of Human Resources, coordinates the observance, which is to be held within the department of the retiree.

- a. A reception or recognition may be held for an employee with 10 or more years of service, and at least 62 years of age, retiring from the District (not leaving for another position) with the employees agreement.
- b. If a reception is planned, management is responsible for arranging a room, making catering arrangements with Dietary Services, issuing appropriate invitations and serving as host or hostess.
- c. A District provided tangible gift may be given by management based on \$10 for each year of service by the employee. Management will need to request the tangible gift from HR. (NO GIFT CARDS, GIFT CERTIFICATES)
- d. HR will prepare a Board Resolution Plaque and the retiring employee will be invited to a Kaweah Delta Board Meeting for presentation. If the employee chooses not to attend, the plaque will be mailed to the employee's home address.

IX. Service Recognition upon Voluntary Resignation (not retiring)

- a. Upon voluntary resignation, an employee with 25 years' of service or more will qualify for a Board Resolution Plaque and the employee will be invited to a Kaweah Delta Board Meeting for presentation. If the employee chooses not to attend, the plaque will be mailed to the employee's home address.

Employees may be excluded from participating in any of these programs if they are on a Leave of Absence of any duration.

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Policy Number: HR.184	Date Created: No Date Set
Document Owner: Dianne Cox (Chief Human Resources Officer)	Date Approved: 12/21/2020
Approvers: Board of Directors (Administration)	
Attendance & Punctuality	

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POLICY:

Attendance and punctuality is important to Kaweah Health’s mission to deliver high quality service to our patients and the community. It is each employee’s responsibility to maintain a good attendance record. Employees with excessive absenteeism may be subject to Progressive Discipline.

Regular attendance and promptness are considered part of an employee’s essential job functions. Employees with disabilities may be granted reasonable accommodation to assist them in meeting essential functions under any provision in this policy. In cases of disability, appropriate documentation from a healthcare provider in compliance with Kaweah Health Leave Policies. A Leave of Absence may be considered as a reasonable accommodation. Please refer to Leave of Absence and the Reasonable Accommodation Policy for more information.

All absences will be recorded on an attendance record (timecard or timekeeping, utilizing specific comments in the KRONOS system), which will be used to identify acceptable or unacceptable attendance patterns. The focus of this policy is on the frequency of absences and is to ensure reliability of employees to their work schedule and/or work requirements.

All employees are expected to maintain good attendance with minimal absenteeism. Employees are also expected to report to work punctually at the beginning of the scheduled shift and when returning from meals and breaks. An employee who misrepresents any reason for taking time off may be subject to disciplinary action up to and including termination of employment. See HR.216 Progressive Discipline.

PROCEDURE:

Absenteeism is not being at work or at a Kaweah Health paid class when scheduled unless the absence is protected by law.

The following number of occurrences, including full shift absences, tardies and leaving early, will be considered excessive and will be grounds for counseling and disciplinary action up to and including termination. During the new hire introductory period (see HR.37 Introductory Period), unacceptable attendance may result in the employee being

placed in an advanced step of disciplinary action up to and including termination of employment.

Occurrence:

- An occurrence is defined as a full day or consecutive days of unscheduled, unapproved, unprotected time off. If makeup time is authorized on the same day or within the week of the occurrence, the absence is still counted as an occurrence.
- For the purpose of this policy, a "tardy" results when an employee fails to report to their work area ready for work at the start of their shift or fails to return from lunch or break at the appropriate time.
- Two tardies or leaving early that have not been pre-approved count as one occurrence. One tardy and one time leaving early can also count as one occurrence, as well as two unscheduled events of leaving early will count as one occurrence.
- An employee is required to call in absences at least two hours prior to the start of their scheduled shift.
- Please note that attendance and punctuality is considered an important factor of overall performance and will be considered in performance evaluations and disciplinary actions. As such, if an employee has or is to receive disciplinary actions other than attendance, the levels as noted below will escalate. The entire performance of an employee is considered when establishing levels and Kaweah Health may apply any level or immediate termination if warranted due to the circumstance.

Number of Occurrences in a Rolling 12-Month Period

<i>Counseling</i>	<i>Occurrences</i>	<i>Introductory Period</i>
<i>Verbal Warning</i>	<i>4</i>	<i>4</i>
<i>Level I Written Warning</i>	<i>5</i>	<i>NA</i>
<i>Level II Written Warning</i>	<i>6</i>	
<i>Level III Written Warning</i>	<i>7</i>	
<i>Termination</i>	<i>8</i>	<i>5</i>

Pattern Absenteeism:

Employees will be considered to have a pattern of unscheduled absences if their absences tend to occur immediately before or after scheduled days off, before or after holidays or weekends, occur at regular intervals or on consistent days, occur immediately following disciplinary action, or occur on days that the employee requested off but were denied such request. Patterned absences will be considered misconduct and will be grounds for Progressive Discipline.

Absences not to be considered under this policy are noted below. Reasonable notice of these absences is requested and in some cases required. Progressive Discipline

may apply where reasonable notice or requested proof of time off documentation is not provided.

- a. Work-related accident/illness.
- b. Pre-scheduled Paid Time Off (PTO).
- c. Pre-scheduled personal time.
- d. Time off to vote or for duty as an election official. This provision will be limited to federal and statewide elections exclusively and shall not be extended to include local, city or county elections. Employees requesting time off to vote will submit the request in writing. The request should state specifically why the employee is not able to vote during non-working hours. Unless otherwise agreed, this time must be taken at the beginning or ending of the employee's shift to minimize the time away from work.
- e. Time off for adult literacy programs.
- f. Time off if a victim of a crime, or if a family member is the victim of a crime, when they take time off following the crime. Protections are for an employee who is a victim of domestic violence, sexual assault, or stalking for taking time off from work for any specified purpose, including seeking medical attention, for injuries caused by the domestic violence, assault, or stalking and appearing in court pursuant to a subpoena. In addition, protections include taking time off from work to obtain or attempt to obtain any relief. Relief includes, but is not limited to, a temporary restraining order, restraining order, obtaining psychological counseling, engaging in safety planning, seeking other injunctive relief, and to help ensure the health, safety or welfare of the victim or their child. Furthermore, protections include if the employee provides certification that they were receiving services for injuries relating to the crime or abuse or if the employee was a victim advocate.
- g. Time off to attend judicial proceedings as a victim of a crime, the family member, registered domestic partner or child of a registered domestic partner who is a victim of a crime. Victim means any person who suffers direct or threatened physical, psychological, or financial harm as a result of the commission or attempted commission of specified crime or their spouse, parent, child, sibling, or guardian.
- h. Employees who enter uniformed military service of the Armed Forces of the United States for active duty or training.
- i. Eligible employees with a spouse, son, daughter, or parent on active duty or call to active duty status in the National Guard or Reserves in support of a

contingency operation.

- j. Time off of up to fourteen (14) days per calendar year for volunteer firefighter, reserve peace officer, or emergency rescue personnel training or duties.
- k. Time off to attend school or child care activities for their children, grandchildren or guardians (limited to 40 hours per year not exceeding eight hours in any calendar month). Applies to children in grades 1 through 12 or in a licensed child care facility. Additional protections apply for required appearances after suspension of a child from school. Effective January 1, 2016, employees may take time off from work to find a school or a licensed child care provider and to enroll or re-enroll a child, and time off to address child care provider or school emergencies.
- l. Bereavement time related to Policy.
- m. Jury Duty or Witness Duty.
- n. Leaves pursuant to legislative requirements Family and Medical Leave Act of 1993 (FMLA); California Family Rights Act of 1991 (CFRA); Pregnancy Disability Leave (PDL); Organ and Bone Marrow Donation Leave; and Workers' Compensation (WC).
- o. Kin Care: Kin Care authorizes eligible employees to use up to one-half ($\frac{1}{2}$) of the Extended Illness Bank (EIB) that they accrue annually, in a rolling 12 months, to take time off to care for a sick family member. Employees who accrue EIB are eligible for Kin Care. Employees who are not eligible for EIB are not eligible for Kin Care. No more than one-half of an employee's EIB accrual in a rolling 12- month period can be counted as Kin Care. For example, for full-time employees this would mean no more than 24 hours can be utilized as Kin Care in a rolling 12-month period. An employee must have EIB available to use on the day of the absence for that absence to be covered under Kin Care. An employee who has exhausted his/her EIB and then is absent to care for a sick family member cannot claim that absence under Kin Care. Kin Care can be used to care for a sick family member, to include a spouse or registered domestic partner, child of an employee, parents, parents-in-law, siblings, grandchildren and grandparents. A Leave of Absence form does not need to be submitted unless the employee will be absent and use sick leave for more than three continuous workdays. In addition, an employee taking Kin Care does not need to submit a doctor's note or medical certification. However, in instances when an employee has been issued Disciplinary Action and directed to provide a doctor's note for all sick days, then an employee may need to submit a doctor's note.

Absence for Religious Observation

Kaweah Health will attempt to accommodate employees requesting absence for religious observation, however, in certain circumstances accommodation may not be possible or reasonable.

Notification of Late Arrival

An employee is required to call in absences at least two hours prior to the start of their scheduled shift.

Schedules

- a. Employees are scheduled to work during specified hours. Unless approved by management, those hours may not be adjusted to accommodate early or late arrival or departure.
- b. Employees who arrive for work early may not leave before the end of their scheduled work period unless authorized to do so by their management. Employees may be subject to discipline for incurring unauthorized overtime by reporting to work prior to their scheduled start time. Employees who arrive for work late may not remain on duty beyond the regular scheduled work time to make up the lost time unless authorized to do so by their management. Employees who are absent without approval but are allowed to makeup time will continue to be subject to disciplinary action for lack of reliability.
- c. Employees are only paid for actual hours worked.
- d. Employees may not shorten the normal workday by not taking or by combining full meal periods and rest break periods and may not leave before the end of their scheduled shift without the authorization of a supervisor.
- e. Any employee who leaves Kaweah Health premises during work hours must notify and obtain approval from management and/or their designee prior to departure. Employees must clock out and in for their absence.

f. Employees are to give advanced notice for cancellation of any class or program in which they are enrolled, whether voluntary or mandatory. Advanced notice for cancellation defined as the following:

- 1. If class is on Tuesday through Friday, cancel the day before by 8:00am. EXAMPLE: Class is Wednesday at noon- must cancel before Tuesday 8:00 am.
- 2. If class is on Monday, cancel prior to 23:59 on Saturday
- 3. Classes need to be cancelled through our Learning Management System (LMS)
- 4. If the employee cannot cancel in our LMS or they are past the defined time for advanced notice, the employee must contact their manager via phone or email letting them know they cannot attend.

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g. Employees must be on time.

h. Failure to give advance notice may count as an occurrence under the Attendance Policy HR.184. Refer to Progressive Discipline policy HR 216.

i.

j. Employees who are absent from work for three days and have not contacted their department manager or supervisor will be assumed to have voluntarily terminated their employment. Employees who are absent from work without authorization and without providing proper notification to management may be considered to have abandoned their job and will be terminated from employment.

k. Weekend Makeup Policy – Employees who call in on weekends may be required to make up weekend shifts missed.^{1[1]} Weekend shifts will be scheduled for makeup on a successive schedule at the discretion of the scheduling coordinator/supervisor per staffing needs.

l. Holiday Makeup Policy – Employees who call in on a ^{2[2]}holiday will be required to work another holiday or an extra weekend shift at the discretion of the scheduling coordinator/supervisor per staffing needs.

Loitering

Kaweah Health employees may not arrive to work greater than thirty (30) minutes prior to the start of their shift and may not remain within Kaweah Health facilities greater than thirty (30) minutes beyond the end of their shift without specific purpose and/or authorization to do so.

Clocking

Employees should not clock in, may not begin work before the start of their scheduled shift and must discontinue work and clock out at the conclusion of their scheduled shift, unless instructed otherwise by their management. Employees may not work off-the-clock, including use of electronic communication.

Further information regarding this policy is available through your department manager or the Human Resources Department

^{1[1]} Weekend shift starts Fridays at 1800 and ends Mondays at 0600.

^{2[2]} Holiday is from 1800 the day before the holiday and ends 0600 the morning after the holiday.

"Responsibility for the review and revision of this Policy is assigned to the Chief Human Resources Officer. In some cases, such as Employee Benefits Policies, Summary Plan Descriptions and Plan Documents prevail over a policy. In all cases, Kaweah Health will follow Federal and State Law, as applicable, as well as

Deleted: <#>Employees are to give 48 hours' notice for cancellation of any class or program in which they are enrolled, whether voluntary or mandatory. Employees must be on time. Example; If class is Tuesday through Friday, cancel the day before by 8:00 a.m.. Class is on Wednesday at noon; cancel by Tuesday 8:00 a.m.. If class is on Monday, cancel anytime by Saturday 23:59 a.m.. Employees must communicate via email to their Manager of the need to cancel. ¶

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Regulatory requirements. Policies are subject to change as approved by the Governing Board and will be communicated as approved after each Board Meeting. It is the employee's responsibility to review and understand all Kaweah Health Policies and Procedures."

Privileges in Cardiovascular Medicine

Name: _____

Please Print

CARDIOVASCULAR DISEASE PRIVILEGES					
<p>Education & Training: M.D. or D.O. and Successful completion of an ACGME or AOA-accredited fellowship in cardiovascular disease. AND Current certification or active participation in the examination process leading to certification within the timeframe determined by the certifying board in Cardiovascular Disease by the American Board of Internal Medicine or the American Osteopathic Board of Internal Medicine (unless waived under Medical Staff Bylaws prior to 2016)</p> <p>Current Clinical Competence: Documentation of having cared for a minimum of 100 cardiology patients within the past 2 years of a broad cross-section of procedures corresponding to the privileges being requested.</p> <p>Renewal Criteria: Maintenance of Board Certification in cardiovascular disease and minimum of 10 cases required in the past two 2 years</p> <p>FPPE Requirement: Minimum of 5 chart reviews</p>					
Request	Cardiology Medicine Core Privileges				Approve
<input type="checkbox"/>	Evaluate, diagnose, consult, treat (may include telehealth), perform history and physical exam, and provide treatment of adolescent and adult patients presenting with diseases of the heart, lungs, and blood vessels and management of complex cardiac conditions. Cardiologists may provide care to patients in the intensive care setting in conformance with unit policies, and may assess, stabilize, and determine the disposition of patients with emergent conditions consistent with medical staff policy regarding emergency and consultative call services. The core privileges include the following procedures list and such other procedures that are extensions of the same techniques and skills: <ul style="list-style-type: none"> • Ambulatory electrocardiology monitor interpretation; • Cardioversion, electrical and elective; • EKG interpretation; • Imaging studies and interpretation – including chest radiograph, tilt testing, ECG and ECG recordings; • Infusion and management of Gp IIb/IIIa, thrombolytic, and anti-thrombolytic agents; • Insertion and management of central venous catheters, pulmonary artery catheters, and arterial lines; • Noninvasive hemodynamic monitoring; • Pericardiocentesis; • Stress echocardiography (exercise and pharmacologic stress); Tilt table testing; • Transcutaneous external pacemaker placement; • Transthoracic 2-D echocardiography, Doppler and color flow; • Temporary trans-venous pacemaker placement 				<input type="checkbox"/>
<input type="checkbox"/>	Admitting Privileges (must request Active or Courtesy staff status)				<input type="checkbox"/>
Cardiovascular Disease Advanced Privileges					
Request	Procedure	Initial Criteria	Renewal Criteria	FPPE Requirement	Approve
<input type="checkbox"/>	Cardiac Assist Devices (i.e., Impella, <u>ECMO</u>), insertion and management	Documentation of training OR Completion of 5 procedures using device in the last 2 years	A minimum of 3-2 2 procedures in the last 2 years.	Direct observation of the first 2 cases	<input type="checkbox"/>
<input type="checkbox"/>	Cardiac Angiography: Includes abdominal aorta; coronary angiogram; left ventricu-ology (<i>including vein and arterial grafts and LIMA</i>) Subclavian, Axillary, Brachial (<i>not by axillary approach</i>) common external iliac; common femoral, superficial femoral	Documentation of training and a minimum of 50 procedures in the last two 2 years.	A minimum of 50 procedures in the last 2 years.	Direct observation of the first 2 cases	<input type="checkbox"/>
<input type="checkbox"/>	Carotid angiography * - includes: Common Carotid, Vertebral aa (diagnostic only) Internal Carotid (diagnostic only) <i>Prerequisite: Peripheral Angiography</i>	Completion of Cardiovascular Disease fellowship in the last 12 months OR 30 diagnostic carotid angiograms (at least 15 as primary) in the last 2 years	25 Diagnostic carotid angiograms in the last 2 years	Direct observation of the first 3 cases	<input type="checkbox"/>
<input type="checkbox"/>	Mgmt of uncomplicated mechanical ventilator for up to 48°	5 ventilator cases within the previous 2 years or completion of an airway management course	5 ventilator cases in the last 2 years or completion of airway management course	Direct observation of the first case	<input type="checkbox"/>
<input type="checkbox"/>	Permanent Pacemaker/ Implantable Cardioverter Defibrillator (ICD) Placement and removal	A minimum of 15 procedures as primary operator in the last 2 years.	A minimum of 10 Pacemaker and/or AICD procedures in the last 2 years	Direct observation of the first 2 cases	<input type="checkbox"/>
<input type="checkbox"/>	Peripheral Angiography - Includes: Femoropopliteal; Infrapopliteal; Selective Renals <i>Prerequisite: Fluoroscopy</i>	Completion of Cardiovascular Disease fellowship in the last 12 months OR Documentation of 100 50 diagnostic angiograms (at least 50 as primary) in the last 2 years.	25-20 20 Diagnostic angiograms in the last 2 years	Direct observation of the first 3 cases	<input type="checkbox"/>

<input type="checkbox"/>	Percutaneous Intra-aortic balloon placement and monitoring	Completion of Cardiovascular Disease fellowship in the last 12 months OR Certificate of training AND Completion of 5 procedures using device in the last 2 years	A minimum of 3 procedures in the last 2 years.	Direct observation of the first 2 cases	<input type="checkbox"/>
<input type="checkbox"/>	Trans-Esophageal Echocardiography (TEE)	Training in residency in the last 12 months; Documentation of 50 category 1 CME hrs in the last 12 months OR Documentation of having passed the ASE exam AND case list of 20 procedures performed during the past 24 months	10 cases in the last 2 years	Direct Observation of the first 3-2 cases and 5 over reads	<input type="checkbox"/>
<input type="checkbox"/>	<u>Implantation of Bi-ventricular devices that include a CS lead</u>	<u>A minimum of 15 procedures as primary operator in the last 2 years.</u>	<u>A minimum of 10 BiV cases in the last 2 years</u>	<u>Direct observation of the first case</u>	<input type="checkbox"/>

INTERVENTIONAL CARDIOLOGY PRIVILEGES

Initial Criteria

Education & Training: MD or DO; Completion of an ACGME or AOA accredited training program in interventional cardiology or equivalent practice experience if training occurred prior to 2003 & hold a subspecialty certification in interventional cardiology by the ABIM or AOBIM; AND Certificate of training for newly developed cardiac assist devices.

Current Competence: 100 percutaneous intervention procedures in the last 2 years or successful completion of an ACGME or AOA residency or clinical fellowship within the past 12 months.

Renewal Criteria: Maintenance of Board Certification in interventional cardiology and 60 percutaneous intervention procedures in the last 2 years

FPPE Requirement: Retrospective chart review of 5 diverse admissions.

Request	Interventional Cardiology Core Privileges	Approve
<input type="checkbox"/>	Evaluate, provide an H&P, treat and provide consultation (may include telehealth) to adolescent and adult patients by use of specialized imaging and other diagnostic techniques to evaluate blood flow and pressure in the coronary arteries and chambers of the heart, as well as technical procedures, including the following procedure list and such other procedures that are extensions of the same techniques and skills: <ul style="list-style-type: none"> • Cardiac Assist Devices, insertion and management • Endomyocardial biopsy • Femoral, brachial, or radial axillary cannulation for diagnostic angiography or percutaneous coronary intervention • Interpretation of coronary arteriograms, ventriculography, and hemodynamics • Intracoronary foreign body retrieval • Intracoronary/<u>Intravascular</u> infusion of pharmacological agents, including thrombolytics • Intracoronary mechanical <u>Percutaneous</u> thrombectomy • Intracoronary stents • Intravascular ultrasound of coronaries • Management of mechanical complications of percutaneous intervention • Performance of balloon angioplasty, stents and other commonly used interventional devices • <u>Percutaneous transluminal septal myocardial ablation</u> • <u>Peripheral Angiography</u> • Use of intracoronary Doppler and flow wire • Use of vasoactive agents for pericardial and microvascular spasm 	<input type="checkbox"/>
<input type="checkbox"/>	Admitting Privileges (must request Active or Courtesy staff status)	<input type="checkbox"/>

Interventional Cardiology Advanced Privileges

Request	Procedure	Initial Criteria	Renewal Criteria	FPPE	Approve
<input type="checkbox"/>	Peripheral Vascular Interventions (peripheral balloon, stent placement, and thrombectomy or arthroectomy atherectomy/ <u>peripheral IVUS/vascular foreign body retrieval</u>). Includes: Abdominal Aorta; Use of approved arthroectomy atherectomy device; Femoropopliteal Subclavian, Axillary, Brachial (not by axillary approach) Infrapopliteal Renals <u>Prerequisite: Peripheral Angiography</u>	Completion of Interventional Cardiology fellowship in the last 12 months OR, if trained before 1995 with letter from program director indicating competency AND/OR, must have performed at least 50 peripheral balloon angioplasties <u>vascular interventions</u> (25 as primary operator within the last 2 years.	25 balloon angioplasties and/ or stent placements <u>15 peripheral vascular interventions</u> in the last 2 years	Direct observation of the first 3 cases (at least 2 at Kaweah Health)	<input type="checkbox"/>
<input type="checkbox"/>	Percutaneous PFO/ASD/ <u>VSD/PDA</u> Closure	Completion of Interventional Cardiology fellowship in the last 12 months and/or 10 procedures in the last 2 years	20-7 procedures in the last 2 years.	Direct observation of the first 2 cases	<input type="checkbox"/>

<input type="checkbox"/>	Balloon Valvuloplasty	Completion of Interventional Cardiology Fellowship in the last 12 months OR Documentation of training AND at least 5 cases in the last two 2 years.	2 procedures in the last two 2 years.	Direct observation of the first 2 cases as primary operator	<input type="checkbox"/>
<input type="checkbox"/>	Transcatheter embolization or occlusion (PFO) includes: <ul style="list-style-type: none"> • Atrial septal defect/patent foramen ovale • Ventricular septal defect • Patent ductus arteriosus • Left atrial appendage 	Completion of Interventional Cardiology Fellowship in the last 12 months OR Documentation of training and at least 2 procedures within the past two years for each procedure	3 procedures in the last two years.	Direct observation of the first 2 cases	<input type="checkbox"/>
<input type="checkbox"/>	Carotid Interventions (Includes: carotid stenting and angiography)	Completion of Interventional Cardiology fellowship in the last 12 months OR documentation of 30 Cervico-cerebral angiograms (15 as primary) & 25 carotid stent procedures (13 as primary) & completion of FDA training program in device used in carotid artery stenting procedures <u>in the last 2 years</u> .	10 procedures in the last two 2 years.	Direct observation of the first 3 cases	<input type="checkbox"/>
<input type="checkbox"/>	Transcatheter Transcatheter Cardiac Aortic Valve Replacement/Implantation and/or Repair (TAVR)	Board certified or board eligible for certification in Interventional Cardiology AND Documentation of training by letter from Director of Training Program OR completion of a FDA Approved certification course AND Documentation of 100 career structural heart procedures OR 30 left-sided structural procedures per year of which 60% should be balloon aortic valvuloplasty (BAV)/TAVR).	10 procedures in the last two 2 years as primary physician or first assistant.	Direct observation of the first 3 cases as primary operator	<input type="checkbox"/>
<input type="checkbox"/>	<u>Transcatheter Mitral Valve Replacement</u> <i>Prerequisite: Transcatheter Aortic Valve Replacement (TAVR)</i>	<u>Board certified or board eligible for certification in Interventional Cardiology AND completion of manufacturer designated training AND documentation of performance of 5 TMVR (mitral valve-in-valve replacement) in the past 2 years (waived for applicants who completed manufacturer designated TAVR training in the last 24 months)</u>	<u>5 TMVR (mitral valve-in-valve replacement) in the last 2 years.</u>	<u>Direct observation of the first 2 cases</u>	<input type="checkbox"/>
<input type="checkbox"/>	<u>IVC Filter Placement and Removal</u>	<u>Board certified or board eligible for certification in Interventional Cardiology AND completion of manufacturer designated training AND documentation of performance of 2 cases during previous 24 months (waived for applicants who completed manufacturer designated training in the past 2 years)</u>	<u>2 cases in the last 2 years</u>	<u>Retrospective chart review of 1 case</u>	<input type="checkbox"/>
<input type="checkbox"/>	<u>Left Atrial Appendage Closure (LAAC, Watchman)</u>	<u>Board certified or board eligible for certification in Interventional Cardiology AND documentation of</u>	<u>25 procedures as primary operator that involve</u>	<u>Direct observation of</u>	<input type="checkbox"/>

		<u>training by letter from Director of Training Program OR if training in LAAC completed during the previous 24 months, applicant must provide evidence of at least 25 procedures as primary operator that involve transseptal puncture during the past 2 years OR if training in LAAC was completed greater than 24 months ago, applicant must provide documentation of performance of at least 25 procedures as primary operator that involve transseptal puncture of which at least 12 are LAAC, during the last 2 years.</u>	<u>transseptal puncture, of which at least 12 are LAAC, during the last 2 years.</u>	<u>the first 2 cases</u>	
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CLINICAL CARDIAC ELECTROPHYSIOLOGY PRIVILEGES

Initial Training Criteria: Completion of an ACGME or AOA accredited training program in CCEP OR EQUIVALENT PRACTICE EXPERIENCE /Training if training occurred prior to 1998, and/or current subspecialty certification or active participation in the examination process leading to certification within the timeframe determined by the certifying board in CCEP by the ABIM or completion of a CAQ in CCEP by the AOBIM.

Current Clinical Competence: Documentation of a minimum of 100 procedures in the last 2 years.

Renewal Criteria: Maintenance of subspecialty certification or active participation in the examination process leading to certification within timeframe determined by the certifying board in CCEP by the ABIM or completion of a CAQ in CCEP by the AOBIM AND A minimum of 50 procedures in the last two years.

FPPE: Direct observation of 1 device implantation and 1 EP/ablation And 5 retrospective chart reviews

Request	Clinical Cardiac Electrophysiology Core Privileges	Approve
<input type="checkbox"/>	Core privileges include evaluate, provide H&P, treat, and provide consultation (may include telehealth) to acute and chronically ill adolescent and adult patients with heart rhythm disorders, including the performance of invasive diagnostic and therapeutic cardiac electrophysiology procedures; including the following procedures and other procedures that are extensions of the same techniques and skills: <ul style="list-style-type: none"> • Atrial appendage occlusion device implantation • Intracardiac echo • Transseptal catheterization • Implantation and removal of defibrillators and pacemakers • Venous angioplasty • Interpretation of activation sequence mapping recordings, • Therapeutic catheter ablation procedures, including: Supraventricular tachycardia; Atrial Fibrillation requiring transseptal puncture; Ventricular Tachycardia) • Electrophysiologic studies +/- ablation for SVT including endocardial electrogram recording • Imaging studies including chest radiograph, tilt testing, ECGs and ECG recordings (all) 	<input type="checkbox"/>
<input type="checkbox"/>	Admitting Privileges (must request Active or Courtesy staff status)	<input type="checkbox"/>

Clinical Cardiac Electrophysiology Advanced Privileges

Request	Procedure	Initial Criteria	Renewal Criteria	FPPE	Approve
<input type="checkbox"/>	Implantation of Bi-ventricular devices that include a CS lead	A minimum of 15 procedures as primary operator in the last 2 years.	A minimum of 10 BiV cases in the last 2 years	Direct observation of the first case	<input type="checkbox"/>

ADDITIONAL PRIVILEGES

Request	Procedure	Initial Criteria	Renewal Criteria	FPPE	Approve
<input type="checkbox"/>	Outpatient Services at a Kaweah Health Clinic identified below. Privileges include performance of core privileges/procedures as appropriate to an outpatient setting and may include telehealth: <u>__Dinuba __Exeter __Lindsay __Tulare __Woodlake __SHWC – Willow __Specialty Clinic __Sequoia Cardiology Clinic</u>	Initial Core Criteria AND Contract for Outpatient Clinical services with Kaweah Delta Health Care District.	Maintain initial criteria	None	<input type="checkbox"/>
<input type="checkbox"/>	Admit, treat, or provide follow-up care for inpatients ages 14 years or younger. (excluding patients 6 months or ASA > 3)	Board Certification in Pediatric Medicine or Pediatric Cardiology	Minimum of 20 cases required in the past two 2 years	3 Chart Reviews	<input type="checkbox"/>

<input type="checkbox"/>	Administration of Procedural Sedation	Successful completion of Kaweah Health sedation exam	Successful completion of Kaweah Health sedation exam	None	<input type="checkbox"/>
<input type="checkbox"/>	Fluoroscopy and/or supervision of a technologist using fluoroscopy equipment	Current and valid CA Fluoroscopy supervisor and Operator Permit or a CA Radiology Supervisor and Operator Permit	Current and valid CA Fluoroscopy supervisor and Operator Permit or a CA Radiology Supervisor and Operator Permit	None	<input type="checkbox"/>

If reappointment criteria are not fully satisfied, the Cardiovascular Services Department Chair and Credentials Committee may consider other metrics to evaluate current competence such as patient outcome information from the Cath PCI National Cardiovascular Data Registry (NCDR), evaluation of OPPE data, feedback from the Cath Lab Medical Director, operator lifetime experience, and/or peer references from other cardiologists who work directly with the applicant.

Acknowledgment of Practitioner:

I have requested only those privileges for which by education, training, current experience and demonstrated performance I am qualified to perform and for which I wish to exercise and; I understand that:

- (a) In exercising any clinical privileges granted, I am constrained by any Hospital and Medical Staff policies and rules applicable generally and any applicable to the particular situation.
- (b) I may participate in the Kaweah Health Street Medicine Program, as determined by Hospital policy and Volunteer Services guidelines. As a volunteer of the program, Medical Mal Practice Insurance coverage is my responsibility
- (c) **Emergency Privileges** – In case of an emergency, any member of the medical staff, to the degree permitted by his/her license and regardless of department, staff status, or privileges, shall be permitted to do everything reasonably possible to save the life of a patient from serious harm.

Name: _____
Print

Signature: _____
Applicant Signature _____
Date

Signature: _____
Department of Cardiovascular Services Chair _____
Date

Methicillin-resistant Staphylococcus aureus (MRSA) Quality Focus Team Report Sept 2022

Quality Focus Team Members

Jag Batth - Chief Operating Officer (ET)

Kylie Jarrell – Admin Assistant Environmental Services, Laundry/Linen, Patient Transport Service (Recorder)

Tendai Zinyemba - Director of Environmental Services. Laundry/Linen, Patient Transport Service (Chair)

Shane Reynolds - Assistant Nurse Manager 4N (Co-Chair)

Amy Baker – Director of Renal Services

Sandy Volchko - Director of Quality & Patient Safety

Shawn Elkin – Infection Prevention & Control Manager

Joetta Denny – Infection Prevention

Kelvin Tran – Pharmacy

Gloria Dickerson – Clinical Educator

Johnny Mata – Respiratory Care Manager



[kaweahhealth.org](https://www.kaweahhealth.org)



MRSA- FY22 Goals

Our Mission

Health is our passion.
Excellence is our focus.
Compassion is our promise.

Our Vision

To be your world-class
healthcare choice, for life

Healthcare onset MRSA bloodstream infection rate that does not exceed a standardized infection ratio of 0.748 or (<0.63 cases a month/2.52 cases a quarter/7.57 cases a year)

We reported 12 MRSA BSI events (only 3 of which were related to COVID-19, during prior FY.

***based on July-Dec 2021 NHSN predicted**

**Standardized Infection Ratio (SIR) is the number of patients with a healthcare acquired infection (HAI) divided by the number of patients who were predicted to have an HAI. MRSA Bloodstream Infection is impacted by the number of inpatient days for a given time period.

MRSA- FY23 Goals

Healthcare onset MRSA bloodstream infection rate that does not exceed a standardized infection ratio of 0.726 or (<0.5 cases a month/1.5 cases a quarter/6 cases a year)

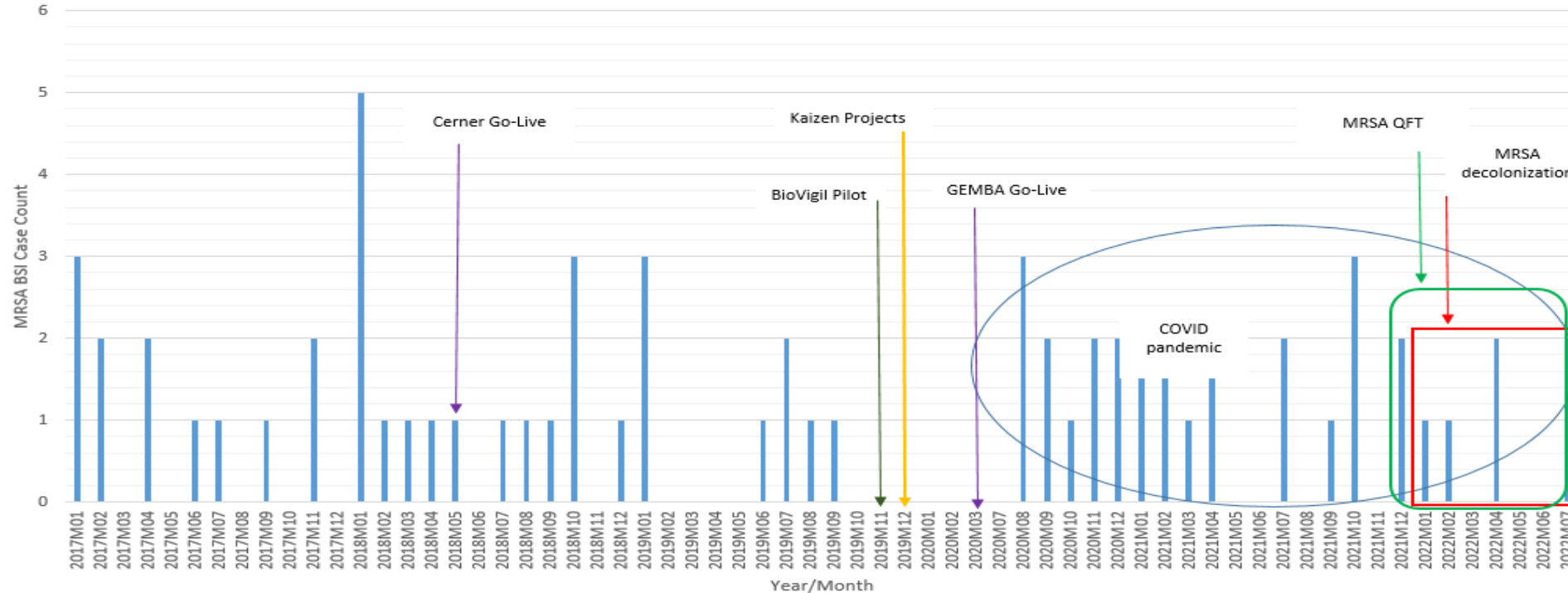
We reported 2 MRSA BSI events during the first 2 months of current FY (these events did not effect our standardized infection ratio).

***based on July-August 2022 NHSN predicted**

**Standardized Infection Ratio (SIR) is the number of patients with a healthcare acquired infection (HAI) divided by the number of patients who were predicted to have an HAI.
MRSA Bloodstream Infection is impacted by the number of inpatient days for a given time period.

Background Data – MRSA Blood Stream Infection events

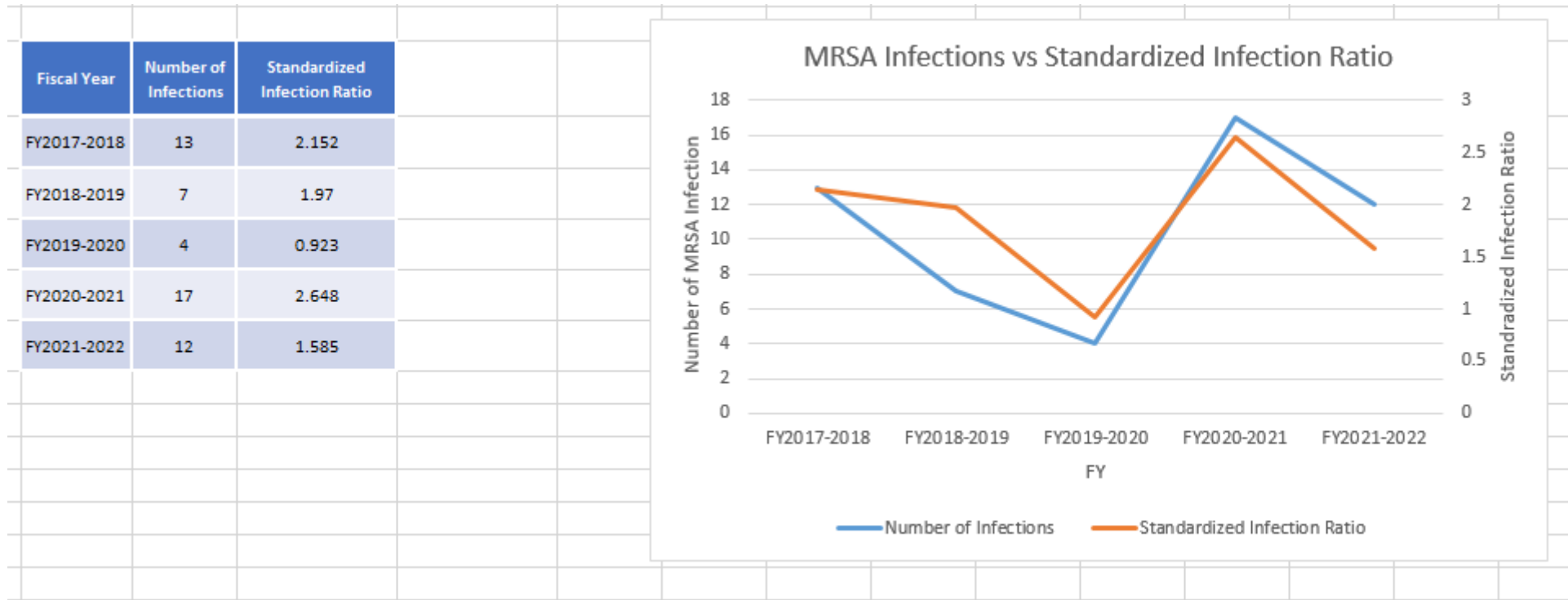
Number of MRSA Bloodstream Infection events at Kaweah Health from over calendar years 2017 through July 2022 with emphasis on implementation of MRSA Quality Focus Team and MRSA Nasal Decolonization Pilot Study.



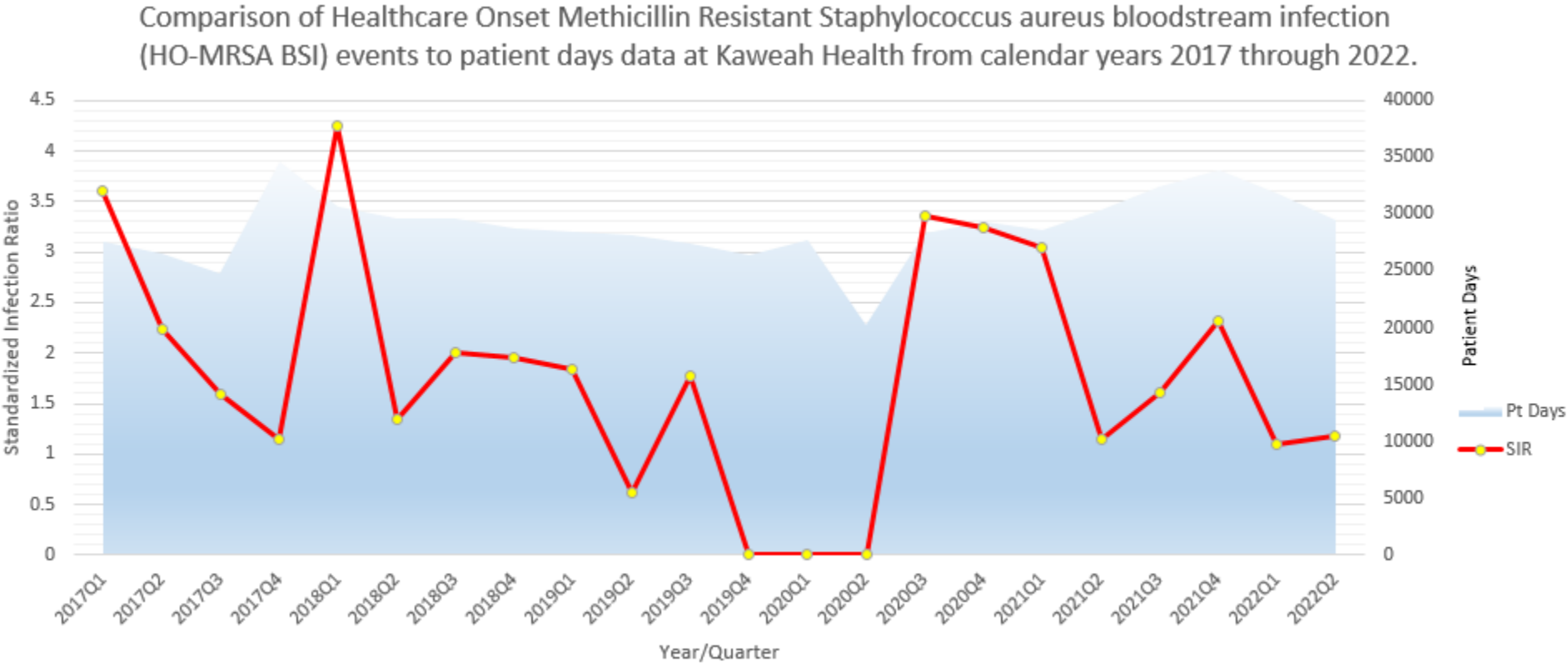
Fiscal Year	Number of Infections	Standardized Infection Ratio
FY2017-2018	13	2.152
FY2018-2019	7	1.970
FY2019-2020	4	0.923
FY2020-2021	17	2.648
FY2021-2022	12	1.585
FY2022-2023	2	0

Number of MRSA BSI events dipped during November 2019 through March of 2020 in part due to the electronic hand hygiene system pilot on 4N, and ICU and the added attention given to healthcare associated infections (e.g. CLABSI/CAUTI) with Kaizen Projects and initiation of GEMBA Rounds. The increase in MRSA BSI events after March 2019 was associated with the COVID-19 pandemic, extended lengths of stays, blood culturing practices, and source control of the primary infection site.

Background Data – MRSA Blood Stream Infections & Standardized Infection Ratio trend

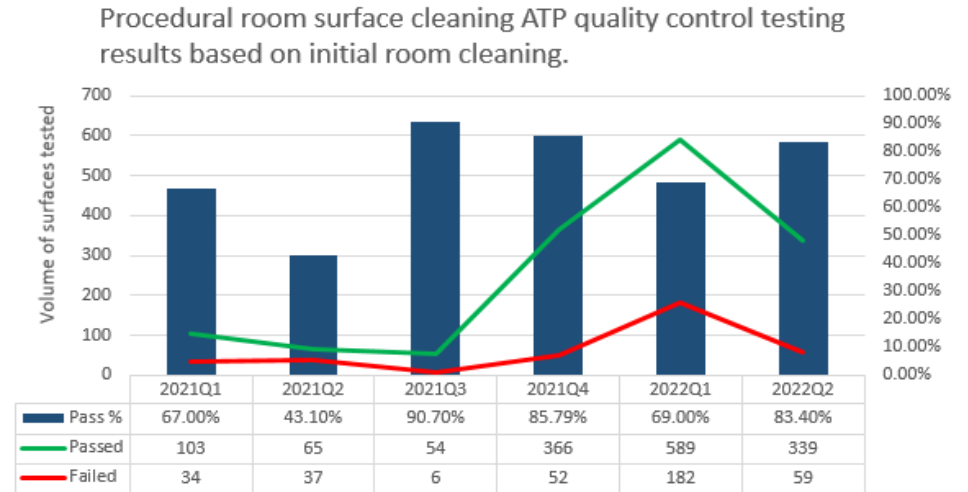
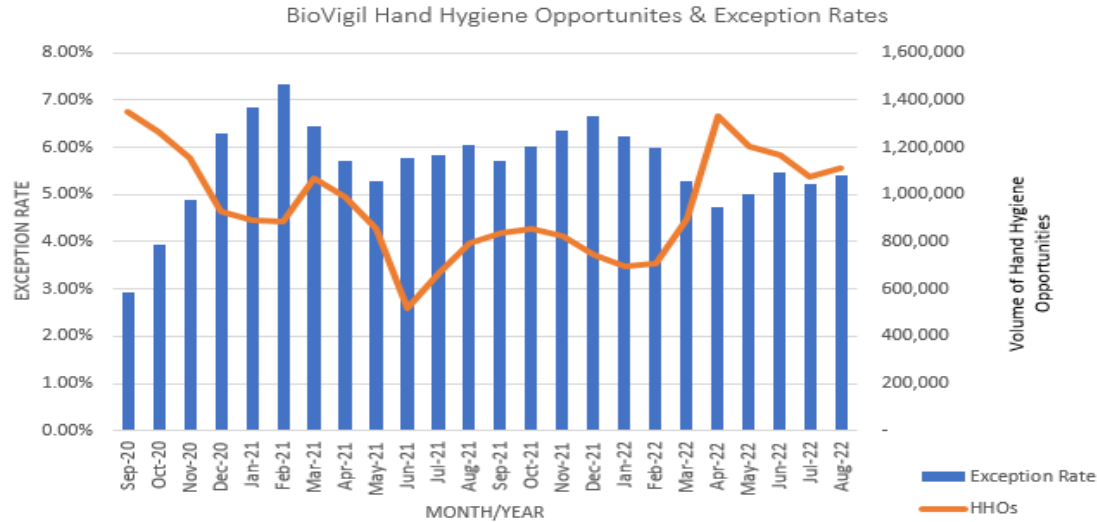


Background Data - MRSA Blood stream Infections vs Patient days

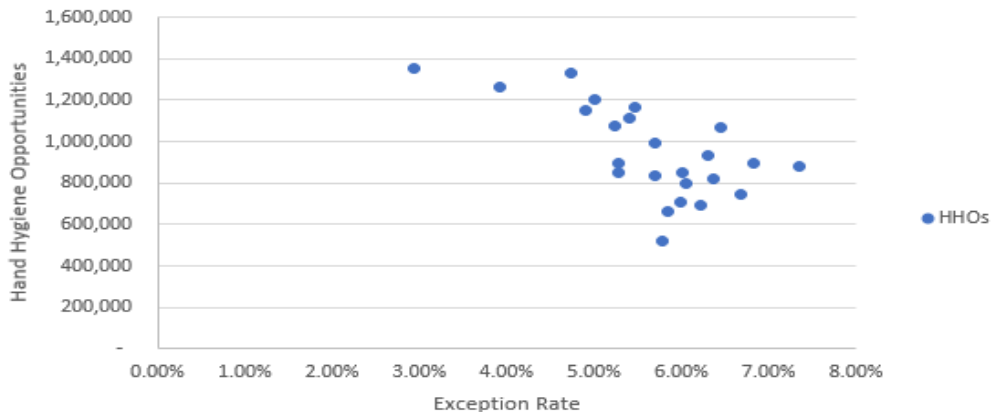


Key Takeaways: Based on data depicted above, there is a positive correlation between Standardized Infection Ratio vs. Patient days

Background Data - BioVigil Hand Hygiene Opportunities and ATP Testing



Comparison between hand hygiene opportunities and exception rate (overriding the BioVigil Badge).



Root Causes identified

Culturing Practices

- Late blood cultures when a patient presents with early evidence of infection. Example patient: receives urine culture in E.D. for urosepsis, then on day 4 into admission patient receives blood cultures that are positive for MRSA.
- Serial blood cultures that exceed 14 days. Evidence supports serial blood cultures for patients identified with MRSA septicemia until the first negative blood culture is identified. The first negative result sets the duration of continued antimicrobial therapy.
- Positive MRSA serial blood cultures that exceed 14 days are considered a new event and healthcare acquired.

Source Control

- Too many Kaweah Health MRSA bloodstream infection events are related to positive serial blood cultures that well exceed 14 days.
- In these cases endocarditis (Life-threatening inflammation of the inner lining of heart chambers and valves) or osteomyelitis (Inflammation or swelling that occurs in the bone) maybe a contributing factor to seeding of the bloodstream.
- For these events either required diagnostic testing to rule-in/out endocarditis wasn't performed, and/or osteomyelitis was not addressed with surgical intervention.
- In these situations, patients test positive for MRSA bloodstream infection for up to a month while on appropriate treatment for MRSA. The primary source continues to spread in the bloodstream, making treatment ineffective.

MRSA QFT- Key Strategies

- Improvement in MRSA screening/testing
- MRSA Decolonization Pilot (Mupirocin treatment/CHG bathing)
- BioVigil electronic hand hygiene surveillance system
- Clinic based 'Patient as observer' hand hygiene program
- Do You Disinfect Every time (D.U.D.E.) Campaign
- Environmental cleaning – quality metrics Adenosine Triphosphate (ATP) monitoring
- Targeted use of Electrostatic Disinfectant Sprayer that produces an electrical charge so that disinfectant attaches to surfaces directly and indirectly facing the sprayer, ensuring thorough coverage over surfaces

Quality Focus Team Recommendations

Strides have been made to better understand root-cause, and continuously assess impact of key strategies. The following are recommendations:

- Provider involvement is needed to help determine a process to effectively order/perform blood cultures (i.e. when treatment will be implemented or changed as a result of what is identified by culture).
- Provider involvement is needed to help devise a protocol to diagnostically determine the presence of endocarditis that is consistent with NHSN criteria.
- Provider involvement is needed to help determine a process by which source control can be better managed.

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Sepsis Quality Focus Team Report

October 2022
Board of Directors Report



Acronyms

- ALOS - Average Length of Stay
- BC – Blood Culture lab test
- Dx - Diagnosis
- ED – Emergency Department
- EM – Emergency Medicine GME Program
- FM – Family Medicine GME Program
- GMLOS – Geometric Length of Stay
- ICD10 – Billing Codes
- LA – Lactic Acid Lab Test
- RRT – Rapid Response Team
- SEP-1 – CMS Sepsis Bundle Measure
- VBG – Venous Blood Gas lab test
- VS – Vital Signs
- HR – Heart Rate
- PPR – Peripheral Pulse Rate
- APR – Apical Pulse Rate

SEP-1 Early Management Bundle Compliance



CA State Compliance 64% ~ National Compliance 60% ~ Top Performing Hospitals 79%

Percent of patients with sepsis that received “perfect care.” Perfect care is the right treatment at the right time.

Goal for FY22 = ≥75%

Kaweah Health Sepsis Quality Focus Team DASHBOARD		Goal	FY2019	FY2020	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	YTD
CMS SEP-1 Bundle Compliance																	
SEP-1 CMS % bundle compliance		75%	66.9%	74.6%	68%	75%	57%	77%	90%	82%	56%	81%	83%	91%	79%	64%	75%
Number of CMS compliant cases (n)		n/a	198	206	21	24	17	30	27	27	18	30	24	31	30	21	300
Total number CMS cases abstracted (d)		n/a	296	276	32	32	30	39	30	33	32	37	29	34	38	33	399
% Concurrent bundle compliant cases		75%	78%	77%	78%	77%	79%	76%	80%	76%	78%	82%	82%	83%	77%	76%	79%
Number of concurrent compliant cases (n)		n/a	646	785	46	58	46	45	64	51	70	32	59	67	51	67	656
Number of concurrent cases abstracted (d)		n/a	829	1013	59	75	58	59	80	67	90	39	72	81	68	87	835
Number of Non-Compliant CMS cases <i>with</i> coordinator		n/a			0	1	2	1	1	1	1	0	0	0	1	1	9
Number of Non-Compliant CMS cases <i>without</i> coordinator		n/a			10	9	11	7	2	5	13	7	5	3	8	12	92
% of Non-Compliant CMS cases <i>with</i> coordinator		n/a			0%	11%	18%	14%	50%	20%	8%	0%	0%	0%	13%	8%	12%
% of Non-Compliant CMS cases <i>without</i> coordinator		n/a			100%	89%	82%	86%	50%	80%	92%	100%	100%	100%	77%	92%	87%
KEY		>10% away from goal				Within 10% of goal			Within 5% of goal				Outperforming/meeting goal				

SEP-1 Early Management Bundle Compliance

CA State Compliance 64% ~ National Compliance 60% ~ Top Performing Hospitals 79%

Percent of patients with sepsis that received “perfect care.” Perfect care is the right treatment at the right time.



Kaweah Health

Sepsis Quality Focus Team DASHBOARD

CMS SEP-1 Bundle Element	Goal	FY2019	FY2020	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	YTD
3 hr SEP-1 Bundle % Compliance	95%	76.0%	78.6%	71%	84%	63%	85%	90%	85%	67%	84%	86%	94%	84%	73%	88%
3hr SEP-1 Bundle Total Patients abstracted (d)	n/a	296	276	32	32	30	39	30	33	32	37	29	34	38	33	399
% Antibiotics administered	95%	97.3%	95.7%	87%	94%	80%	92%	100%	94%	84%	92%	96%	97%	97%	97%	93%
% Blood Cultures drawn	95%	93.8%	92.0%	93%	97%	88%	97%	93%	90%	89%	97%	92%	100%	89%	88%	93%
% Lactic Acid drawn	95%	95.6%	97.9%	92%	97%	95%	97%	100%	100%	96%	100%	100%	97%	100%	97%	98%
% Fluid Resuscitation completed	95%	88.3%	90.7%	92%	89%	89%	91%	93%	100%	80%	89%	100%	100%	93%	82%	92%
6 hr bundle % Compliance	95%	85.4%	93.5%	92%	87%	86%	90%	100%	95%	83%	96%	87%	96%	92%	85%	91%
6hr SEP-1 Bundle Total Patients abstracted (d)	n/a	186	170	13	23	14	30	22	22	18	24	15	23	25	20	249
% Repeat LA drawn	95%	89.6%	94.0%	92%	87%	86%	90%	100%	100%	83%	96%	93%	96%	92%	90%	92%
% Reassessment completed	95%	92.9%	98.5%	100%	100%	100%	100%	100%	89%	100%	100%	100%	100%	100%	91%	91%
% Vasopressors initiated when indicated	95%	93.30%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Sepsis Alert Measures																
Total Number of Coordinator-Involved Alerts				387	584	635	528	589	700	848	458	736	796	615	617	7493
% of alerts that resulted in a time zero				15%	13%	9%	11%	14%	10%	11%	9%	10%	10%	11%	14%	11%
KEY	>10% away from goal			Within 10% of goal				Within 5% of goal				Outperforming/meeting goal				

FY23 Clinical Quality Goals

July-Aug 22
Higher is Better

FY23 Goal
PROPOSED

FY22

FY22 Goal

	July-Aug 22 Higher is Better	FY23 Goal PROPOSED	FY22	FY22 Goal
SEP-1 (% Bundle Compliance)	81%	≥ 77%	76%	≥ 75%

Our Mission

Health is our passion.
Excellence is our focus.
Compassion is our promise.

Our Vision

To be your world-class
healthcare choice, for life

Percent of patients with this serious infection complication that received “perfect care”. Perfect care is the right treatment at the right time for our sepsis patients.

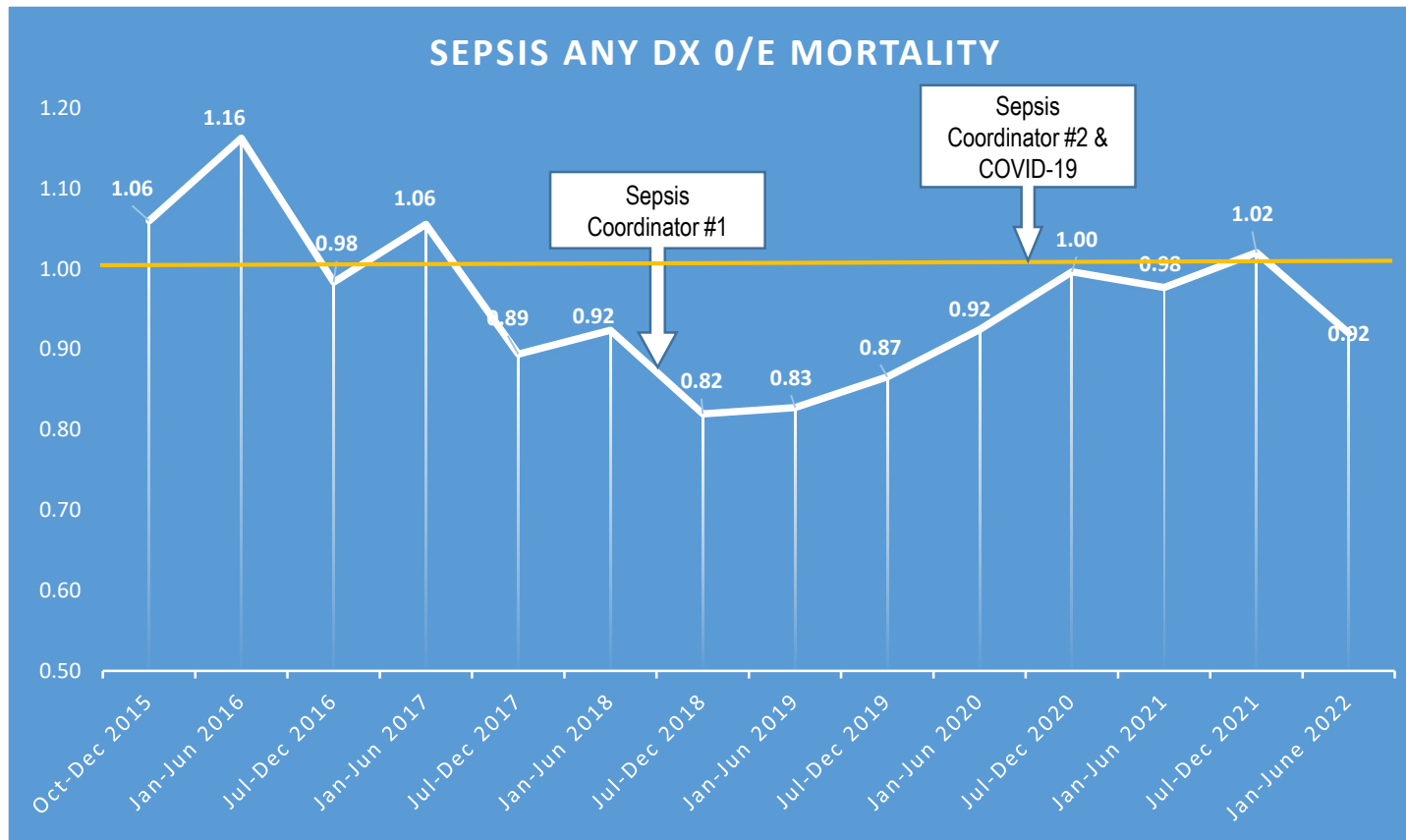
Root Causes & Improvement Strategies

Root Cause of SEP-1 Bundle Not Fully Implemented	Data	Potential/Actual QI Strategy Action								
<p>Do not know patient is septic because the alert did not fire</p> <ul style="list-style-type: none"> Alert suppressed for 48 hrs after initial alert Creatinine >2 not recognized by Cerner/in the alert algorithm Alert does not fire when a string of VS are documented all at once, it suppresses an abnormal VS(s) that requires patient evaluation Alert does not fire when multiple VS are entered with one value abnormal and the others are not Alert does not fire for providers (fires inappropriately such as when ED providers reestablished a relationship with an in-patient to back-document, or fires for triage provider after patient is in “back”) 	<p><u>SEPSIS ALERT EVALUATION</u></p> <p><u>Inpatient & ED Patients</u> Sensitivity – 0.57; Specificity – 0.95</p> <p><u>Inpatient ONLY</u> Sensitivity – 0.59; Specificity – 0.83</p> <table border="1"> <caption>SEP-1 Bundle Compliance</caption> <thead> <tr> <th>Fiscal Year</th> <th>Compliance Rate</th> </tr> </thead> <tbody> <tr> <td>FY2020</td> <td>67%</td> </tr> <tr> <td>FY2021</td> <td>75%</td> </tr> <tr> <td>FY2022</td> <td>75%</td> </tr> </tbody> </table>	Fiscal Year	Compliance Rate	FY2020	67%	FY2021	75%	FY2022	75%	<ul style="list-style-type: none"> Improve sensitivity and specificity of alert Suppress alert in ICU based on ICD10 sepsis dx – IN PROCESS Alert suppression (for RNs) changed from 48 hrs to 13 hrs (per shift) COMPLETE Evaluate the ability to color code sepsis alerts for worsening symptoms IN PROCESS
Fiscal Year	Compliance Rate									
FY2020	67%									
FY2021	75%									
FY2022	75%									
<p>Do not know the patient is septic because the RN did not evaluate the alert and execute provider notification process</p> <ul style="list-style-type: none"> Alert fatigue, accountability 	<ul style="list-style-type: none"> “6 Attributes Test” completed indicating that 4/4 RNs surveyed in different units were able to articulate the who, what, where, when, why and how of the provider notification process Provider notification data pending 	<ul style="list-style-type: none"> Root cause analysis indicates that options on the provider notification form need to be expanded. RNs not completing form because options for not notifying the provider do not include all applicable options. FORM REVISIONS COMPLETE, COMMUNICATE CHANGES TO STAFF, COMPLETE 								
<p>Provider not using order sets for known septic patients where bundle elements are easily accessed</p> <ul style="list-style-type: none"> Resident & provider knowledge Personal preference to go a la cart 	<p>Performance improved to 79% order set usage in the ED following EM GME simulation training (April-May 2022)</p> <table border="1"> <caption>ED Sepsis Order Set Usage</caption> <thead> <tr> <th>Period</th> <th>Usage Rate</th> </tr> </thead> <tbody> <tr> <td>July 2021-Mar 2022</td> <td>73%</td> </tr> <tr> <td>Apr-June 2022</td> <td>79%</td> </tr> </tbody> </table> <p>288/464</p>	Period	Usage Rate	July 2021-Mar 2022	73%	Apr-June 2022	79%	<ul style="list-style-type: none"> ED simulation training to cover SEP-1 elements for all EM residents; held 3/21/22. COMPLETE Revising lactic acid only” order in SEP-1 order set to a VBG based on provider feedback as non-use of order set due to workflow to get a full VBG vs only the lactic acid IN PROCESS FM simulation training to occur approx. 10/2022 IN PROCESS Including breakdown of order set usage by inpatient and ED and sharing with provider stakeholders COMPLETE Survey ED providers on reasons for not using order set to target strategies IN PROCESS, SURVEY COMPLETE 5/2022 PHYSICIAN STAKEHOLDERS REVIEWING RESULTS 		
Period	Usage Rate									
July 2021-Mar 2022	73%									
Apr-June 2022	79%									

Root Causes & Improvement Strategies

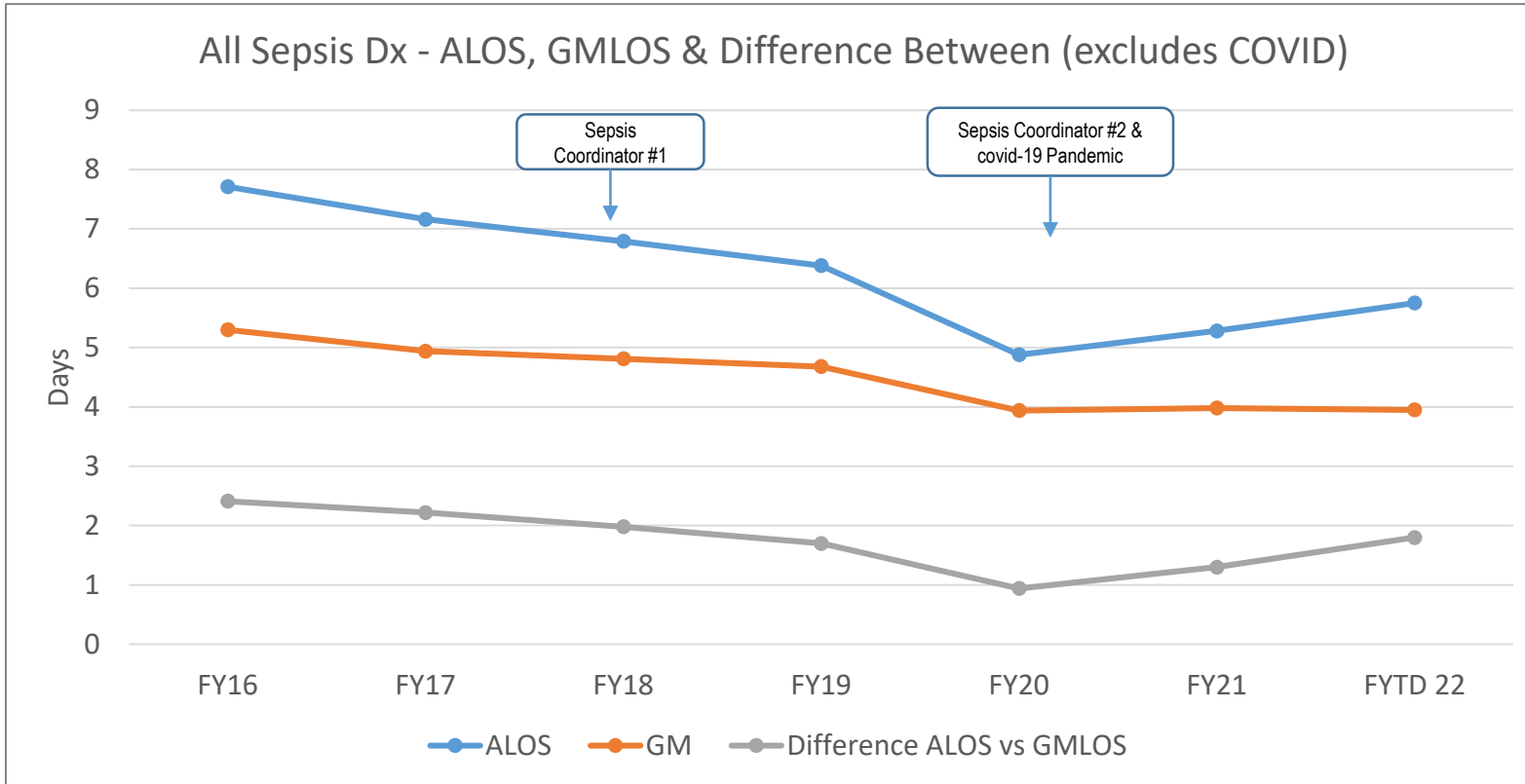
Root Cause of SEP-1 Bundle Not Fully Implemented	Data	Potential QI Strategy																
<p>Fluids (none ordered or insufficient volume)</p> <ul style="list-style-type: none"> • Contraindication to receiving more fluids • BP is normal, LA>2, still needs fluids • Not using order set - Staggering fluid resuscitation, see how pt responds and d/c fluids before needed amount is infused (pt doesn't need more and literature support is low grade) 	<table border="1"> <caption>SEP-1 Fluid Resuscitation Completed</caption> <thead> <tr> <th>Fiscal Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>FY2020</td> <td>88%</td> </tr> <tr> <td>FY2021</td> <td>91%</td> </tr> <tr> <td>FY2022</td> <td>92%</td> </tr> </tbody> </table>	Fiscal Year	Percentage	FY2020	88%	FY2021	91%	FY2022	92%	<ul style="list-style-type: none"> • Increase use of order sets • Lack of awareness of contraindication exclusions • Survey ED providers on reasons for not using order set to target strategies IN PROCESS, SURVEY COMPLETE 5/2022 PHYSICIAN STAKEHOLDERS REVIEWING RESULTS 								
Fiscal Year	Percentage																	
FY2020	88%																	
FY2021	91%																	
FY2022	92%																	
<p>Repeat lactic acid (LA) or blood culture (BC) not ordered</p> <ul style="list-style-type: none"> • Providers don't order repeat LA because the first result was not that high or elevation expected due to comorbid conditions • Provider orders "routine" so lab is not completed timely; there is no need to use the SEP-1 power plans since all the elements were completed in ED • Do not know the patient is septic <ul style="list-style-type: none"> • Patient not presenting in typical fashion, looking for other sources of infection • RNs not executing provider notification process consistently • RRT not called for abnormal VS/labs (RRT initiates bundle as indicated) • No one is closely identifying sepsis (no sepsis coordinator, lack of comprehensive patient oversight) 	<table border="1"> <caption>Repeat Lactic Acid Drawn</caption> <thead> <tr> <th>Fiscal Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>FY2020</td> <td>96%</td> </tr> <tr> <td>FY2021</td> <td>98%</td> </tr> <tr> <td>FY2022</td> <td>98%</td> </tr> </tbody> </table> <table border="1"> <caption>SEP-1 Blood Cultures Drawn</caption> <thead> <tr> <th>Fiscal Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>FY2020</td> <td>94%</td> </tr> <tr> <td>FY2021</td> <td>92%</td> </tr> <tr> <td>FY2022</td> <td>93%</td> </tr> </tbody> </table>	Fiscal Year	Percentage	FY2020	96%	FY2021	98%	FY2022	98%	Fiscal Year	Percentage	FY2020	94%	FY2021	92%	FY2022	93%	<ul style="list-style-type: none"> • Reflex order for any LA • Provider orders repeat LA "timed" or "STAT" (provider awareness) • Improvements to the workflow of lactic acid collection in ED to ensure timing meets bundle requirements (1E lab vs nurse draw issue) • Optimize alert and turn on for providers (see previous section) • Improve the RN provider notification process
Fiscal Year	Percentage																	
FY2020	96%																	
FY2021	98%																	
FY2022	98%																	
Fiscal Year	Percentage																	
FY2020	94%																	
FY2021	92%																	
FY2022	93%																	
<p>Patients sepsis not recognized because they present in atypical fashion OR SIRS and organ dysfunction not due to sepsis</p> <ul style="list-style-type: none"> • Order bundle elements a la cart as work up is completed • Sepsis left on the differential (not using dot phrase) 	<p>See order set usage data</p> <p>289/464</p>	<p>Education on dot phrase – included in simulation training. EM SIMULATION TRAINING COMPLETE, FM SIMULATION TRAINING SCHEDULED 10/2022</p>																

Sepsis Any Diagnosis - Outcomes Observed/Expected (o/e) Mortality



- Goal ≤ 1.0 which indicates that at least expected deaths do not exceed actual
- Significant change in how sepsis mortality is measured since o/e mortality includes septic patients with COVID-19 dx starting in 2020, but does risk adjust for COVID
- Sepsis o/e mortality is not a direct comparison pre and post pandemic
- Despite COVID-19 patient inclusion, o/e mortality remains at ≤ 1.0

Sepsis Any Diagnosis - Outcomes Length of Stay



- 25% decrease in ALOS from FY16 (ALOS=7.71) to FY22 (ALOS=5.75)
- 25% (0.6 days) in the difference between ALOS and GMLOS from FY16 (difference 2.41 days) to FYTD22 (difference 1.81 days).
- COVID-19 cases removed in FY20-22. SEP-1 bundle does not apply to COVID-19 patients.

Sepsis QFT Actions & Next Steps

- Key Improvement strategies in process:
 1. Frequent and recurring education and case reviews with GME Emergency Medicine
 2. Executing enduring Emergency Medicine and Family Medicine enduring (annual) GME Sepsis simulation training, with goal of multidisciplinary involvement
 3. Optimizing sepsis alert to reduce alert fatigue (ie. suppressing alerts for circumstances where patient is already known to be septic)
 4. Evaluate and improve the RN provider notification process for sepsis alerts

Kaweah Health earned:

- 5 stars in the treatment of sepsis 11 years in a row
- Critical Care Excellence Award* for 3 years in a row



*The Critical Care specialty award recognizes hospitals with superior clinical outcomes in treating pulmonary embolism, respiratory system failure, **sepsis**, and diabetic emergencies, representing the top 10% in the nation.

Questions?

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FY 2023 Strategic Plan








Quarter 1 Performance Report

October 26, 2022



[kaweahhealth.org](https://www.kaweahhealth.org)

SELECTING THE RIGHT ACHIEVEIT STATUS

STATUS	DEFINITION/HOW TO UTILIZE
	<p>Use this status when a plan item has a start date in the future. The system won't ask the assigned-to user for updates until the start date has passed</p>
	<p>Status given to a project that is running within budget, timeline, and expected results. Plan to discuss these projects at the end of your management meeting, if time allows, after you have addressed red and yellow items that require more attention.</p>
	<p>Status given when some aspect of the project could potentially derail or deserves special attention. E.g., You may be within budget, but can already foresee an issue with a vendor that might extend your timeline in the weeks ahead and potentially compromise your results. We call these items out to discuss how management can remove potential obstacles, or adjust parameters (budget, timeline, expected results) as needed.</p>
	<p>Status given when some aspect of the project has fallen dramatically behind, encountered a major setback, or ran significantly over budget. Plan to discuss these times at the beginning of your meeting and come prepared to offer potential solutions or remedial efforts.</p>
	<p>What can we learn from this successful plan item that we can apply to other areas of the business?</p>
	<p>This status is used for items that did not achieve a defined outcome or metric target.</p>
	<ol style="list-style-type: none"> 1. On Hold: select canceled for a project that will be re-started at a future date. Update the status, new start and due date, if applicable, and add a comment. 2. Canceled: select canceled for a project that is no longer being worked on and will not be restarted in the future. Update the status and add a comment.

Kaweah Health Strategic Plan: Fiscal Year 2023

Our Mission

Health is our passion.
 Excellence is our focus.
 Compassion is our promise.

Our Vision

To be your world-class healthcare choice, for life.

Our Pillars

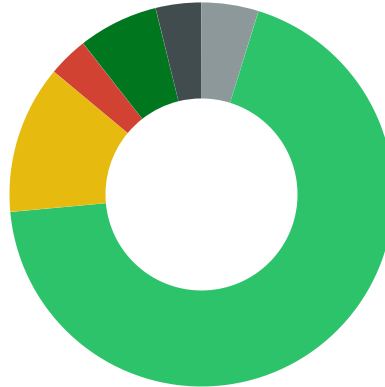
- Achieve outstanding community health.
- Deliver excellent service.
- Provide an ideal work environment.
- Empower through education.
- Maintain financial strength.

For a more detailed review of each individual Strategic Initiative use the hyperlinks below:

- [Empower Through Education](#)
- [Ideal Work Environment](#)
- [Strategic Growth and Innovation](#)
- [Organization Efficiency and Effectiveness](#)
- [Outstanding Health Outcomes](#)
- [Patient and Community Experience](#)

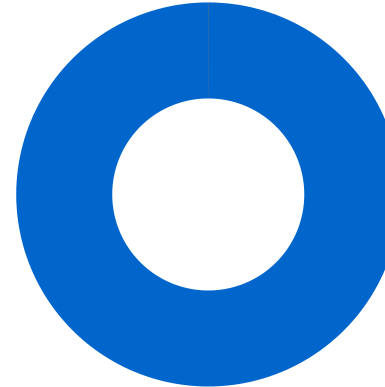
Kaweah Health Strategic Plan FY2023 Overview

Aggregate Status



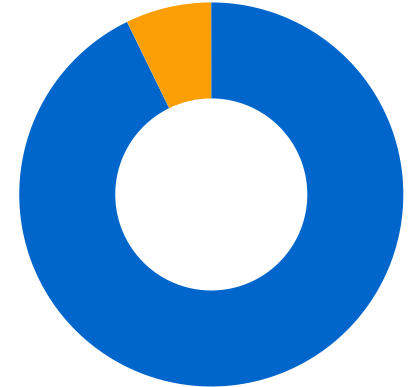
- 10 Not Started (5%)
- 143 On Track (69%)
- 26 Off Track (13%)
- 7 At Risk (3%)
- 14 Achieved (7%)
- 8 Canceled (4%)

Due Dates



- 208 Not Past Due (100%)
- 0 Past Due (0%)

Progress Updates



- 193 Up-to-date (93%)
- 15 Late (7%)

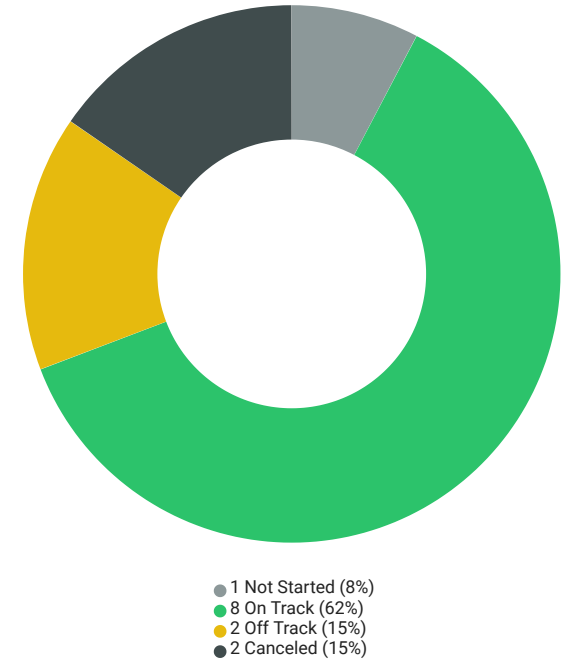
Empower Through Education

Objective: Implement initiatives to **develop the healthcare team** and **attract and retain** the very best talent in support of our mission.

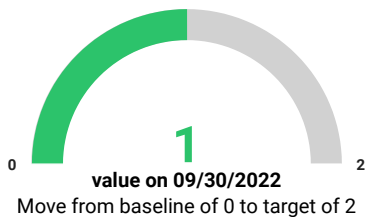
FY2023 Strategic Plan - Empower Through Education Strategies

#	Name	Description	Status	Assigned To
1.1	Expand Educational Offerings	Increase the expectations and participation of educational opportunities. Improve quality metrics through interdisciplinary educational opportunities.	On Track	Lacey Jensen
1.2	Improve Resiliency of the Kaweah Health Team	Increase caregiver support and promote wellness.	On Track	Dianne Cox
1.3	Increase and Improve Leadership Education	To increase the effectiveness of leadership, Kaweah Health will increase the number of mandatory and non-mandatory trainings, programs, and classes for leaders.	On Track	Lacey Jensen
1.4	Mentorship and Succession Planning	Develop consistent and sustainable succession planning and mentorship programs throughout Kaweah Health. Improve employee satisfaction through career ladder development.	Canceled	Dianne Cox
1.5	Increase Nursing Cohort Seats	Kaweah Health has grown larger and faster than the local educational organizations. More opportunities, need expansion starting with RN seats in our local schools.	On Track	Dianne Cox
1.6	Expand GME	Take advantage of available resources to allow for growth. Partner with Sierra View to expand GME services.	Off Track	Lori Winston

Objectives and Outcomes

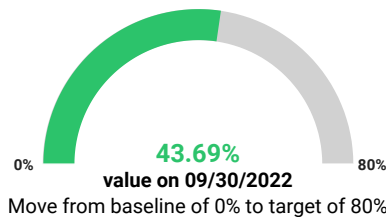


Launch interdisciplinary educational opportunitie...



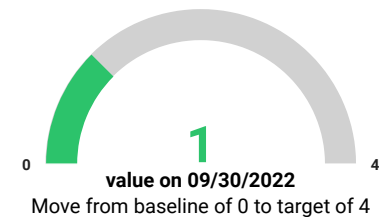
Last updated 09/30/2022
Showing data for: Jul 1 – Sep 30, 2022

ACGME Faculty Development



Last updated 09/30/2022
Showing data for: Jul 1 – Sep 30, 2022

Maintain quarterly Schwartz rounds



Last updated 09/23/2022
Showing data for: Jul 1 – Sep 30, 2022

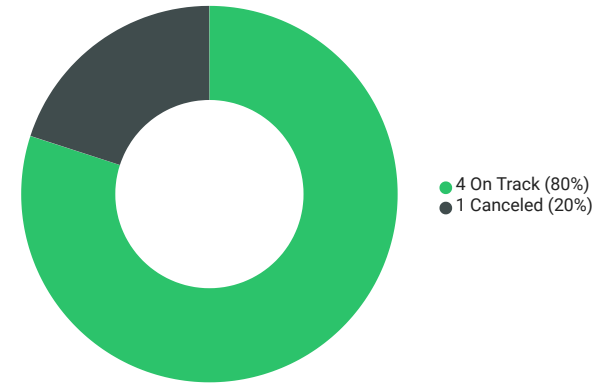
Ideal Work Environment

Objective: Foster and support healthy and desirable working environments for our Kaweah Health Teams

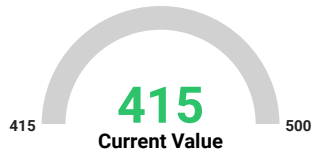
FY2023 Strategic Plan - Ideal Work Environment Strategies

#	Name	Description	Status	Assigned To
2.1	Employee Retention	Kaweah Health is facing the same challenges as many employers in the labor market and must make retention a top priority.	On Track	Dianne Cox
2.2	Kaweah Health Team Works Well Together	There is a need to continue to align the efforts of all Kaweah Health teams to ensure world class service.	On Track	Raleen Larez
2.3	Expand Volunteer Programs	Volunteer engagement has declined with the pandemic. Kaweah Health relies on a strong volunteer program to continue to spark career path engagement and to provide world class service.	On Track	Dianne Cox

Objectives and Outcomes

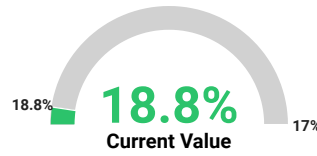


Expand Volunteer Programs



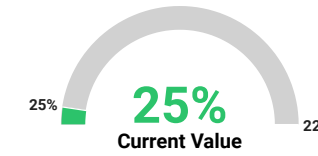
Move from baseline of 415 to target of 500
 Last updated 09/22/2022
 Showing data for: All Time

Decrease overall KH turnover rate



Move from baseline of 18.8% to target of 17%
 Last updated 09/22/2022
 Showing data for: All Time

Decrease nursing turnover rate



Move from baseline of 25% to target of 22%
 Last updated 09/22/2022
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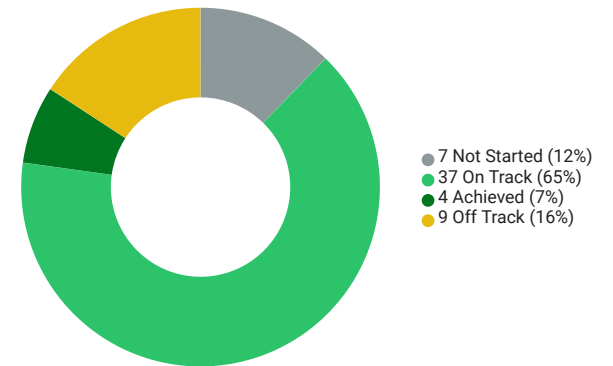
Strategic Growth and Innovation

Objective: *Grow intelligently* by expanding existing services, adding new services, and serving new communities. Find new ways to do things to **improve efficiency and effectiveness**.

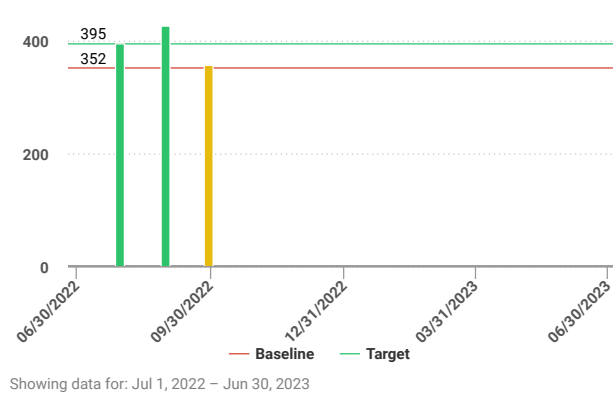
FY2023 Strategic Plan - Strategic Growth and Innovation Strategies

#	Name	Description	Status	Assigned To
3.1	Recruit and Retain Providers	Recruit and retain the best physicians and providers to address unmet community needs and to support Kaweah Health's growth.	Off Track	JC Palermo
3.2	Grow Inpatient Volumes in our Primary Service Area	Grow our inpatient volumes, particularly the surgical cases, with an emphasis on key service lines and our expanded service area.	On Track	Marc Mertz
3.3	Grow Outpatient Volumes	Increase access to outpatient care in locations that are convenient to our community.	Off Track	Ivan Jara
3.4	Modernize our Facilities	Update our facilities to create a better patient experience and to provide our employees and medical staff with a better work environment.	On Track	Marc Mertz
3.5	Improve Community Engagement	Continue and expand our efforts to engage our community so that we can better serve their health and wellness needs, and to gain the community's insights and support regarding our initiatives. Seek ways to expand our current reach and gain more widespread feedback and outreach	On Track	Marc Mertz
3.6	Innovation	Create, develop, and implement new processes, systems, or services, with the aim of improving efficiency, effectiveness, or competitive advantage	On Track	Marc Mertz
3.7	Expand Health Plan & Community Partnerships	Improve and strengthen relationships with health plans, community partners, and participate in local/state/federal programs and funding opportunities to improve access, quality, and outcomes for the community	On Track	Ivan Jara

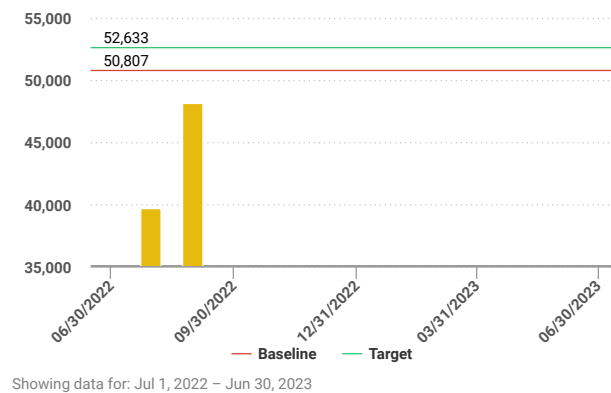
Objectives and Outcomes



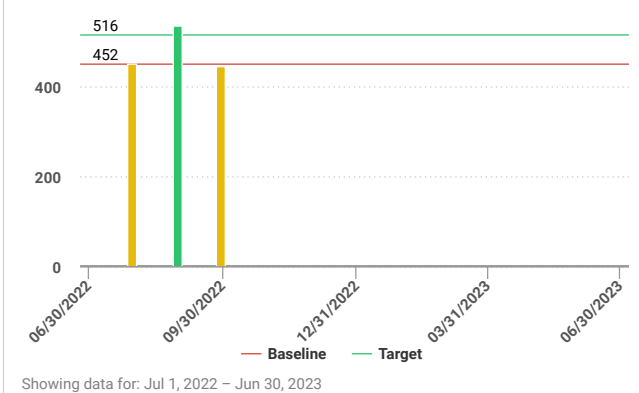
Perform 395 inpatient surgeries per month



See 52,633 ambulatory visits per month



Perform 516 monthly outpatient surgeries



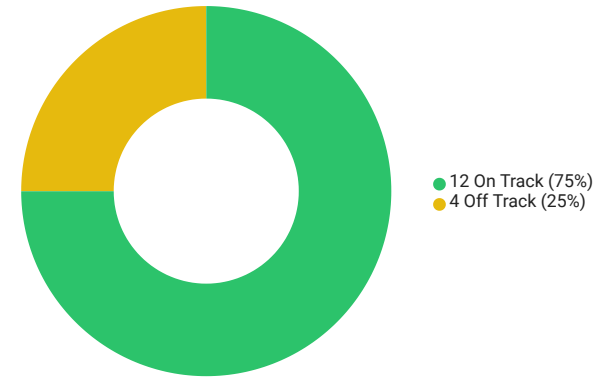
Organizational Efficiency and Effectiveness

Objective: Increase the efficiency and effectiveness of the Organization to reduce costs, lower length of stay and improve processes.

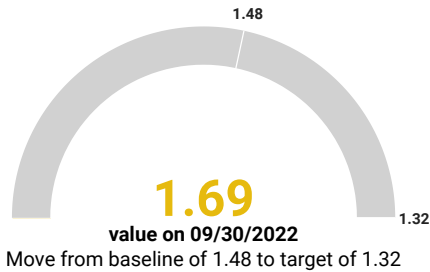
FY2023 Strategic Plan - Organization Efficiency and Effectiveness Strategies

#	Name	Description	Status	Assigned To
4.1	Patient Throughput and Length of Stay	Implement patient flow processes that are effective and efficient to improve patient throughput and lower the overall Length of Stay.	Off Track	Rebekah Foster
4.2	Operating Room Efficiency/Capacity	Improve Operating Room Efficiency, Capacity and Utilization to meet surgery volume needs.	On Track	Brian Piearcy
4.3	Supply Management and Standardization	Establish a process to identify revenue and cost savings opportunities across Kaweah Health.	On Track	Steve Bajari

Objectives and Outcomes

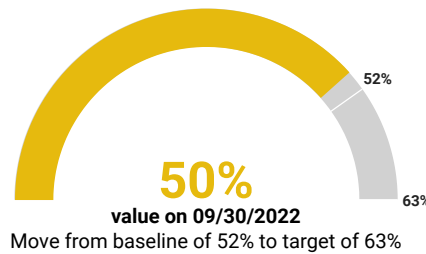


Inpatient Observed to Expected Length of Stay



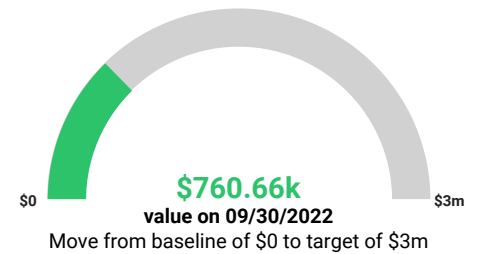
Last updated 09/30/2022
Showing data for: Sep 1 - 30, 2022

Overall OR Utilization



Last updated 09/30/2022
Showing data for: Sep 1 - 30, 2022

Identified Cost Savings and Revenue Opportunities



Last updated 09/30/2022
Showing data for: Jul 1 - Sep 30, 2022

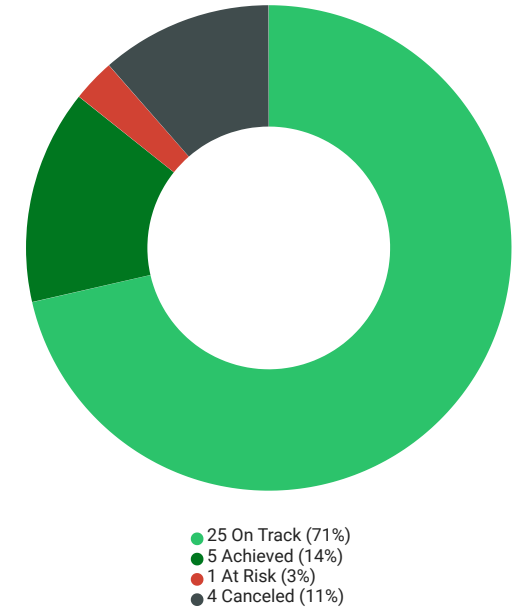
Outstanding Health Outcomes

Objective: To consistently *deliver high quality care* across the health care continuum.

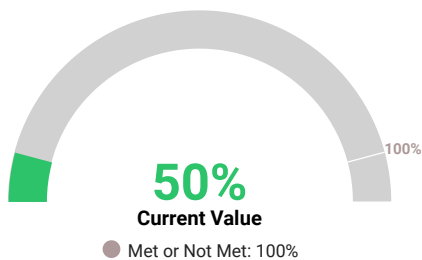
FY2023 Strategic Plan - Outstanding Health Outcomes Strategies

#	Name	Description	Status	Assigned To
5.1	Standardized Infection Ratio (SIR)	Over the next 3 years, achieve an "A" Leapfrog Safety Score and a CMS 5 Star Rating through the consistent application of best practices and innovative strategies.	On Track	Sandy Volchko
5.2	Sepsis Bundle Compliance (SEP-1)	Over the next 3 years, achieve an "A" Leapfrog Safety Score and a CMS 5 Star Rating through the consistent application of best practices and innovative strategies	On Track	Sandy Volchko
5.3	Mortality and Readmissions	Over the next 3 years, achieve an "A" Leapfrog Safety Score and a CMS 5 Star Rating through the consistent application of best practices and innovative strategies	On Track	Sandy Volchko
5.4	Team Round Implementation	Enhance coordination of care and culture among the health care team	On Track	Lori Winston
5.5	Quality Improvement Program (QIP) Reporting	Develop a comprehensive strategy to improve capture of quality data codes and improve QIP performance.	On Track	Sonia Duran-Aguilar
5.6	HUMANA Medicare Advantage (MA)	Maintain a 4 STAR Medicare Advantage Rating and > 80% HCC reassessment/PAF visit completion rate for HUMANA MA Lives assigned to Kaweah Health Rural Health Clinics, SHWC and KHMG	On Track	Sonia Duran-Aguilar
5.7	Diabetes Management	Optimize inpatient glycemic management	On Track	Sonia Duran-Aguilar

Objectives and Outcomes



Team Rounds Rollout to Valley Hospitalist and AC...



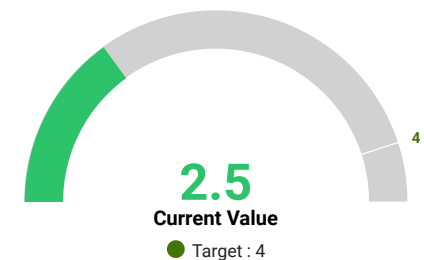
Last updated 09/30/2022
Showing data for: All Time

Meet QIP measure performance



Last updated 10/11/2022
Showing data for: All Time

Medicare Advantage STAR Rating for RHC/SHWC



Last updated 10/11/2022
Showing data for: All Time

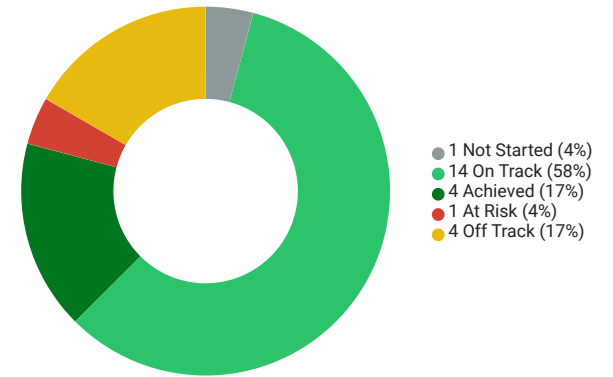
Patient and Community Experience

Objective: Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.

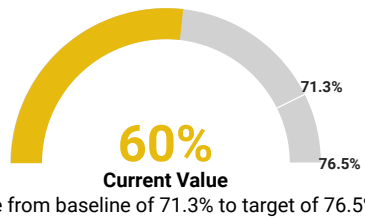
FY2023 Strategic Plan - Patient and Community Experience Strategies

#	Name	Description	Status	Assigned To
6.1	World-Class Service	Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.	On Track	Ed Largoza
6.2	Physician Communication	Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.	On Track	Ed Largoza
6.3	Nursing Communication	Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.	Off Track	Keri Noeske
6.4	Enhancement of Systems and Environment	Develop and implement strategies that provide our health care team the tools they need to deliver a world-class health care experience.	On Track	Ed Largoza

Objectives and Outcomes

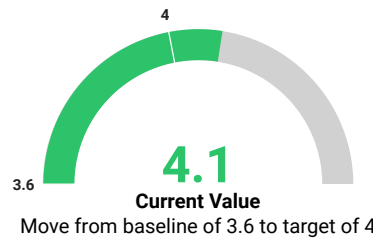


Achieve Overall Rating Goal on HCAHPS Survey



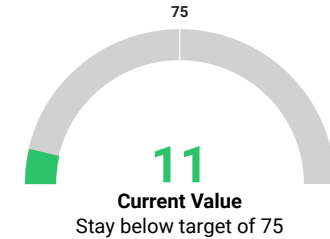
Last updated 09/30/2022
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Achieve Patient Feedback Score Goal on ED Survey



Last updated 09/30/2022
Showing data for: All Time

Decrease lost belongings by 25%



Last updated 09/30/2022
Showing data for: All Time



FY23 Strategic Plan - Outstanding Health Outcomes

Executive Summary

This is the first Board report for the Outstanding Health Outcomes pillar of the FY23 Strategic Plan. Given that it is early in the new fiscal year, some initiatives and measures have minimal data, while others are farther along in their journey. A new software tool has been adopted, which will help streamline and facilitate the process of tracking and reporting about the Strategic Plan. However, there are multiple software defects that we are working with the vendor to resolve, and these primarily impact how the graphs are displayed. Among other things, the scale and shading are not as they should be, though the target and actual values displayed are correct.

For FY23, there are several returning initiatives and measures, along with several new initiatives and measures. A brief overview of each follows.

Returning measures for FY23:

Catheter-Associated Urinary Tract Infection (CAUTI)

There were 2 CAUTI infections through the first two months of FY23, resulting in a Standard Infection Ratio (SIR) of 0.620 which is lower than our target SIR of ≤ 0.650 .

Central Line-Associated Bloodstream Infection (CLABSI)

There were 3 CLABSI infections through the first two months of FY23, resulting in a Standard Infection Ratio (SIR) of 1.301 which is higher than our target SIR of ≤ 0.589 .

Methicillin-Resistant Staphylococcus Aureus (MRSA)

There were 2 MRSA infections through the first two months of FY23, resulting in a Standard Infection Ratio (SIR) of 1.684 which is higher than our target SIR of ≤ 0.726 .

Sepsis Bundle Compliance (SEP-1)

Through two months of FY23, Sepsis Bundle Compliance is at 81%, which is higher than our target of $\geq 77\%$.

Mortality and Readmissions

Through Q1 of FY23, 7 of 9 measures are performing better than target, with 2 of 9 performing worse than target.

Team Round Implementation

For FY23, the goal is a process measure to incorporate Acute Care Trauma and Surgical Services (ACTSS) physicians on med surge units into the Team Round initiative.

New measures for FY23:

Quality Incentive Pool (QIP) Program

QIP data is reported to the California Department of Health Care Services (DHCS) on an annual basis, every June 15. The patient population is primarily Medi-Cal Managed Care. Total funding available is \$10.1 million per year, with each of 20 measures valued at \$507,066. The start and end dates for the current QIP year are 1/1/2022 to 12/31/2022, and in addition to seeing patients in the clinics and documenting qualifying information, the following activities are underway to meet and preferably exceed the FY23 budget of 13 measures:

10/20/2022

- Collaboration between Population Health, HIM, Revenue Integrity, and ISS to increase Quality Data Code (QDC) capture is ongoing
- Completion of HealtheAnalytics **Fall Out Worklists** for 22 QIP Measures
 - 12 completed
 - 9 in validation with Population Health Team
 - 1 in refinement with ISS Business Intelligence Team
- Completion of HealtheAnalytics **Performance Dashboards** for 22 QIP measures
 - **NOTE: *Worklists must be completed to move forward with Performance Dashboards Completion***
 - 0 completed
 - 13 in validation with Population Health Team
 - 1 in development with ISS Business Intelligence Team
 - 8 not started

The strategy includes tracking and trying to meet 23 measures since underperforming measures can be exchanged for ones that are exceeding the target. Kaweah Health budgeted to meet 13 measures out of a total of 20 possible for Performance Year (PY 5) which is aligned with calendar year 2022. Three measures are currently being met, and with the aforementioned activities, there is confidence that the 13 budgeted measures will be met, and even more will be met if possible.

HUMANA Medicare Advantage (MA)

Given recent developments, it was decided to separate Humana % Provider Assessment Form (PAF) completion and Hierarchical Chronic Conditions (HCC) reassessment in the Rural Health Clinics (RHCs), Sequoia Health and Wellness Center (SHWC) and Kaweah Health Medical Group (KHMG) into two groups as follows:

- Humana % PAF completion and HCC reassessment for RHC & SHWC patients
- Humana % PAF completion and HCC reassessment for KHMG patients

The PAF is a lengthy assessment that allows for HCC assessment, gap closures, and corresponding documentation.

The RHCs and SHWC are on track to meet or exceed all 3 measures, and their current primary focus is PAF completion. KHMG is more at risk currently but can still meet all 3 measures with focused and prioritized activity. Addressing PAF completion, with HCC gap closures improves the Star rating, results in better patient care, and increases the dollars received by Kaweah Health for our Humana patient lives.

Inpatient Diabetes Management

A significant portion of Kaweah Health patients have diabetes. This new initiative will focus on inpatient diabetes management, and for FY23 it is a process measure to understand what we can and should focus on to better manage this condition for our inpatients, and to try to determine the cost savings that can be achieved by more efficient and effective care. The Diabetes Management workgroup has been formed and has begun meeting. The workgroup has determined that length of stay (LOS) cannot be reasonably measured for this patient population since many patients with diabetes are admitted for other reasons, and the workgroup has not determined yet what will be specifically targeted, so it is recommended to remove 5.7.5, 5.7.6, and 5.7.7 from the plan at this time.



FY 2023 Strategic Plan

Outstanding Health Outcomes

October 26, 2022



[kawahhealth.org](https://www.kawahhealth.org)








306/464



Kaweah Health

MORE THAN MEDICINE. LIFE.

SELECTING THE RIGHT ACHIEVEIT STATUS

STATUS	DEFINITION/HOW TO UTILIZE
	<p>Use this status when a plan item has a start date in the future. The system won't ask the assigned-to user for updates until the start date has passed</p>
	<p>Status given to a project that is running within budget, timeline, and expected results. Plan to discuss these projects at the end of your management meeting, if time allows, after you have addressed red and yellow items that require more attention.</p>
	<p>Status given when some aspect of the project could potentially derail or deserves special attention. E.g., You may be within budget, but can already foresee an issue with a vendor that might extend your timeline in the weeks ahead and potentially compromise your results. We call these items out to discuss how management can remove potential obstacles, or adjust parameters (budget, timeline, expected results) as needed.</p>
	<p>Status given when some aspect of the project has fallen dramatically behind, encountered a major setback, or ran significantly over budget. Plan to discuss these times at the beginning of your meeting and come prepared to offer potential solutions or remedial efforts.</p>
	<p>What can we learn from this successful plan item that we can apply to other areas of the business?</p>
	<p>This status is used for items that did not achieve a defined outcome or metric target.</p>
	<ol style="list-style-type: none"> 1. On Hold: select canceled for a project that will be re-started at a future date. Update the status, new start and due date, if applicable, and add a comment. 2. Canceled: select canceled for a project that is no longer being worked on and will not be restarted in the future. Update the status and add a comment.

Outstanding Health Outcomes - Standardized Infection Ratio (SIR) Champions: Sandy Volchko

Problem / Goals & Objectives

Problem Statement:

Healthcare acquired infections (HAIs) such as CAUTI, CLABSI and MRSA are often preventable complications of hospitalization. HAIs impact patient outcomes such as length of stay, can lead to death, and also increase costsof care.

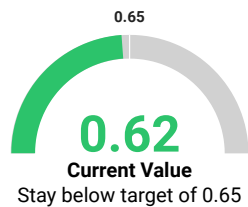
Goals and Objectives:

Reduce HAIs to the national 50th percentile in FYTD23 as reported by the Centers for Medicare and Medicaid Services

Plan

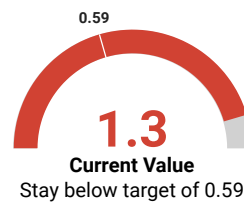
#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.1.1	CAUTI, CLABSI, MRSA Quality Focus Teams	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.1.2	Daily catheter and central line Gemba rounds	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.1.3	Culture of culturing	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.1.4	TPN Utilization	07/01/2022	06/30/2023	Sandy Volchko	Canceled	No longer a primary root cause of HAI
5.1.5	Bio-Vigil	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.1.6	MRSA Decolonization	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.1.7	Standardized Infection Ratio (SIR) CAUTI (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	On Track	Data through August (2 Infections)
5.1.8	Standardized Infection Ratio (SIR) CLABSI (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	At Risk	Data through August (3 Infections)
5.1.9	Standardized Infection Ratio (SIR) MRSA (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	At Risk	Data through August (2 Infections)

SIR CAUTI (CMS data - FYTD) ...



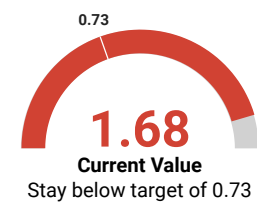
Last updated 10/13/2022
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SIR CLABSI (CMS data - FYTD) ...



Last updated 10/10/2022
Showing data for: All Time

SIR MRSA (CMS data - FYTD) ...



Last updated 10/10/2022
Showing data for: All Time

Outstanding Health Outcomes - Sepsis Bundle Compliance (SEP-1)

Champions: Sandy Volchko

Problem / Goals & Objectives

Problem Statement:

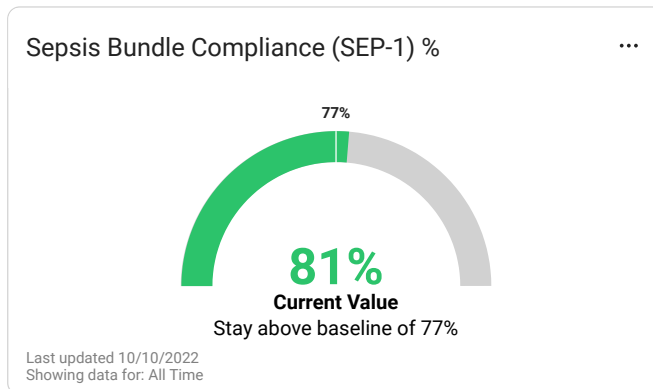
Non-compliance with SEP-1 bundle can lead to less than optimal outcomes for patients, such as increased mortality rates. SEP-1 is publically reported on CareCompare.gov and impacts public perception of care provided.

Goals and Objectives:

Increase SEP-1 bundle compliance to overall 77% compliance rate for FY23 through innovative improvement strategies based on root causes

Plan

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.2.1	SEPSIS Coordinators	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.2.2	SEPSIS Alerts-Required MD notifications	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.2.3	Quality Focus Team-RCAs/Fall out review	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.2.4	Sepsis Bundle Compliance (SEP-1) % FYTD	07/01/2022	06/30/2023	Sandy Volchko	On Track	Data through August



Outstanding Health Outcomes - Mortality and Readmissions Champions: Sandy Volchko

Problem / Goals & Objectives

Problem Statement:

Mortality and readmission rates for Heart Failure (HF), Pneumonia (PN), Chronic Obstructive Pulmonary Disease (COPD), and Acute Myocardial Infarction (AMI) are higher than desired rates.

Goals and Objectives:

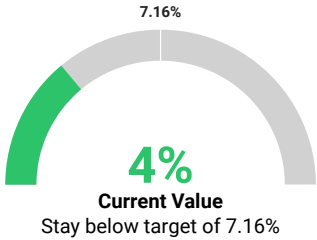
Reduce observed/expected mortality, through application of standardized best practices.

Plan

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.3.1	Enhanced diagnosis specific workgroups/committees	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.3.2	Standardized care based on evidence	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.3.3	Expand palliative medicine	07/01/2022	06/30/2023	Sandy Volchko	On Track	
5.3.4	Hospital Readmissions % AMI (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22
5.3.5	Hospital Readmissions % COPD (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22
5.3.6	Hospital Readmissions % HF (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	At Risk	3rd Quarter CY22
5.3.7	Hospital Readmissions % PN Viral/Bacterial (CMS data FYTD)	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22
5.3.8	Decrease Mortality Rates AMI FYTD	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22 - 0.00
5.3.9	Decrease Mortality Rates COPD FYTD	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22 - 0.00
5.3.10	Decrease Mortality Rates HF FYTD	07/01/2022	06/30/2023	Sandy Volchko	At Risk	3rd Quarter CY22
5.3.11	Decrease Mortality Rates PN Bacterial FYTD	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22 - 0.00
5.3.12	Decrease Mortality Rates PN Viral FYTD	07/01/2022	06/30/2023	Sandy Volchko	On Track	3rd Quarter CY22 - 0.00

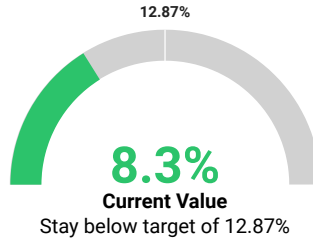
Outstanding Health Outcomes - Mortality and Readmissions **Champions: Sandy Volchko**

Hospital Readmissions % AMI (CMS data - FYTD) ...



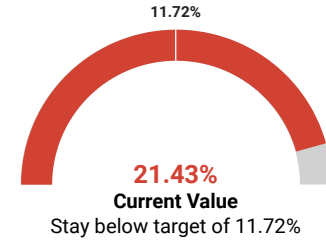
Last updated 10/10/2022
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Hospital Readmissions % COPD (CMS data - FYTD) ...



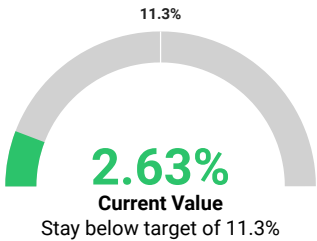
Last updated 10/10/2022
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Hospital Readmissions % HF (CMS data - FYTD) ...



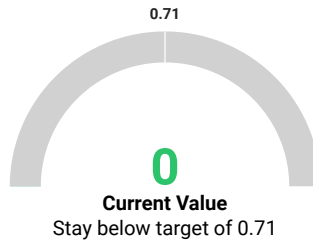
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Hospital Readmissions % PN Viral/Bacterial (CM... ...



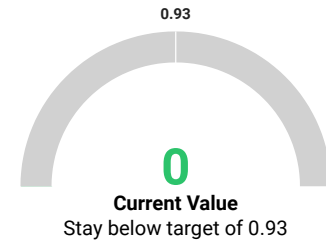
Last updated 10/10/2022
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Decrease Mortality Rates AMI FYTD ...



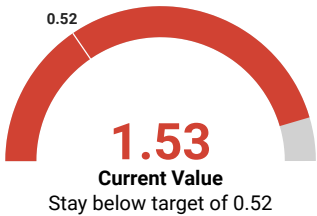
Last updated 10/10/2022
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Decrease Mortality Rates COPD FYTD ...



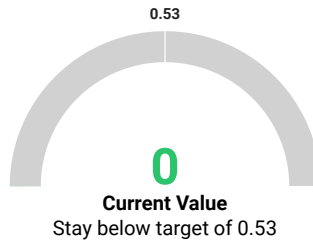
Last updated 10/10/2022
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Decrease Mortality Rates HF FYTD ...



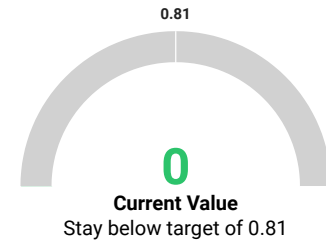
Last updated 10/10/2022
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Decrease Mortality Rates PN Bacterial FYTD ...



Last updated 10/10/2022
Showing data for: All Time

Decrease Mortality Rates PN Viral FYTD ...



Last updated 10/10/2022
Showing data for: All Time

Outstanding Health Outcomes - Team Round Implementation

Champions: Dr. Lori Winston and Emma Mozier

Problem / Goals & Objectives

Problem Statement:

Lack of clear communication between care providers create suboptimal work environment and can lead to increased length of stay, readmissions, and untoward patient health outcomes.

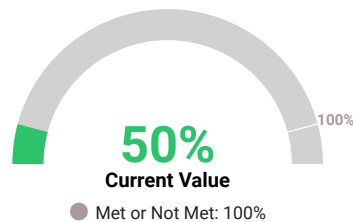
Goals and Objectives:

To design and pilot team rounds to improve work environment, patient care and outcomes by enhancing coordination of care, communication, and culture among the health care team.

Plan

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.4.1	Multidisciplinary rounding	07/01/2022	06/30/2023	Lori Winston	On Track	Dr. Winston to be included in ongoing meetings about this initiative to continue momentum and adding other provider groups
5.4.2	Explore the opportunity to develop as a Quality Improvement project to measure metrics for the unit including patient satisfaction, length of stay, adverse events, etc	07/01/2022	06/30/2023	Lori Winston	Achieved	A dashboard has been developed.
5.4.3	Develop brief documentation of the daily event	07/01/2022	06/30/2023	Lori Winston	Achieved	A Team Rounds checklist has been developed.
5.4.4	Identify expansion plan to more patient care units and physician groups	07/01/2022	06/30/2023	Lori Winston	On Track	
5.4.5	Roll out to Primary Care physician groups and Acute Care Trauma and Surgical Services (ACTSS) on med surge units.	07/01/2022	06/30/2023	Lori Winston	On Track	Goal: Rollout with Valley Hospitalist and ACTSS. Completed for Valley Hospitalist group (14 providers). Will meet with ACTSS team to develop plan for rollout.

Roll out to Primary Care physician groups and Acute Care Trauma and Surgical Services (ACTSS) on med surge... ⋮



Last updated 09/30/2022
Showing data for: All Time

Outstanding Health Outcomes - Quality Improvement Program (QIP) Reporting

Champions: Sonia Duran-Aguilar

Problem / Goals & Objectives

Problem Statement:

DHCS and CMS have removed allowances for manual data extraction and reporting for the Quality Incentive Pool (QIP) Program. Kaweah Health needs to improve capture of quality data codes to aid in achieving QIP performance.

Goals and Objectives:

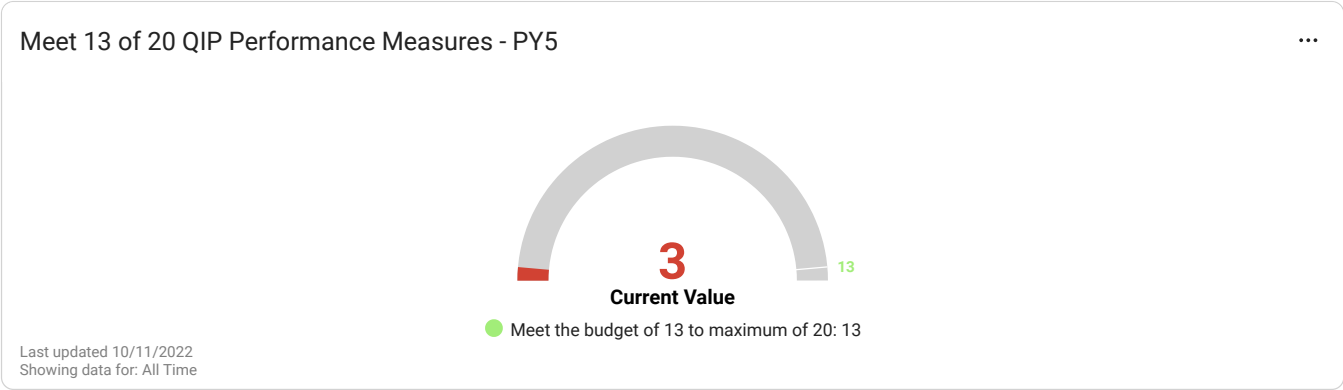
Quality Incentive Pool (QIP): achieve > 50th percentile across all 20 quality measures for Kaweah Health eligible patients.

Plan

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.5.1	Create Population Health Quality Data Coder Team	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Have interviewed and selected 2 Population Health Data Coders. Start dates in September 2022. 1 more position to fill. This is 66% completed.
5.5.2	Identify Key Stakeholders for Quality Improvement Documentation & Coding Workgroup	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	QIP Coding and Education Workgroup Kicked off 6/30/2022. CDI, HIM, Pop Health and Senior Consultants.
5.5.3	Prioritize QDCs required for 20 QIP measures	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Achieved	
5.5.4	Collaborate with CDI to educate MD/APP re: documentation requirements	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Kicked off workgroup 6/30/22-CDI to round with providers focusing on Adult BMI assessment and follow up and Tobacco Cessation Assesemen Follow up. HIM educated on what is required to drop appropriate ICD-10 codes.
5.5.5	Collaborate with HIM, Revenue Integrity, ISS to increase QDC capture	01/01/2022	12/31/2022	Sonia Duran-Aguilar	On Track	
5.5.6	Completion of HealtheAnalytics Fall Out Worklists for 20 QIP Measures	01/01/2022	12/31/2022	Sonia Duran-Aguilar	On Track	12 QIP HABO worklists have been completed 8 in Validation with Population Health Data Team 2 in Refinement with BI Development Team 1 Cancelled
5.5.7	Completion of HealtheAnalytics Fall Out Worklists for 20 QIP Measures Development of HealtheAnalytics Performance Dashboards	01/01/2022	12/31/2022	Sonia Duran-Aguilar	On Track	13 Performance Dashboards in Validation 1 in Progress/In Build (First Phase of Development, yet to enter validation) 8 not started 1 cancelled
5.5.8	Meet 13 of 20 QIP measure performance - PY5	01/01/2022	12/31/2022	Sonia Duran-Aguilar	At Risk	*** Utilizing Proxy Data out of Cozeva Population Health Platform. Population is Medi-Cal Managed Care Anthem BC and HealthNet January 1, 2022 through October 7, 2022. YTD Performing on 3 measures (DM A1C control <9%, HTN BP Control, Well Child Visits First 15 months) of 18 we can track in Cozeva. Population Health and ISS are working towards creating 23 QIP Cerner Dashboards that will allow us to better gauge QIP Performance

Outstanding Health Outcomes - Quality Improvement Program (QIP) Reporting

Champions: Sonia Duran-Aguilar



Outstanding Health Outcomes - HUMANA Medicare Advantage (MA)

Champions: Ryan Gates

Problem / Goals & Objectives

Problem Statement:

Kaweah Health needs to manage over 1,500 HUMANA Medicare Advantage (MA) assigned lives in the Rural Health Clinics and maintain a 4 STAR Medicare Advantage Rating.

Goals and Objectives:

Improve annual assessment of Hierarchical Chronic Conditions (HCCs) and closing quality gaps to maintain a 4 STAR Medicare Advantage Rating.

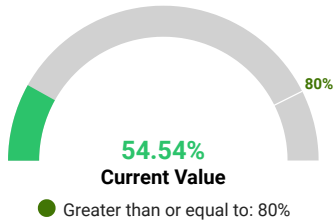
Complete $\geq 80\%$ HCC reassessment/PAF visit completion rate for HUMANA MA Lives assigned to Kaweah Health Rural Health Clinics, SHWC and KHMG.

Plan

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.6.1	Improve annual assessment of Hierarchical Chronic Conditions (HCCs) and closing quality gaps through:	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	HCC Score 1.051, with 5,427 Quality Gaps closed on 1539 HUMANA MA RHC patients
5.6.2	Medicare Advantage STAR Rating for RHC and SHWC	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Goal is 3.75, rounded up to 4. 5427 Quality Gaps have been closed on 1539 HUMANA MA patients; patient population grew from 1500 in August to 1539 in September
5.6.3	% PAF Completion in RHC and SHWC	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	800 PAFs have been completed out of a total 1539 patients. 1.051 HCC score, with 5,427 Quality Gaps closed.
5.6.4	% HCC Completion in RHC and SHWC	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	
5.6.5	Medicare Advantage STAR Rating for Humana lives - KHMG	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Goal is 3.75, rounded to 4
5.6.6	% PAF Completion in KHMG	07/01/2022	06/30/2023	Sonia Duran-Aguilar	At Risk	Primary focus at KHMG is HCC gap closures not PAF
5.6.7	% HCC Completion in KHMG	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Off Track	

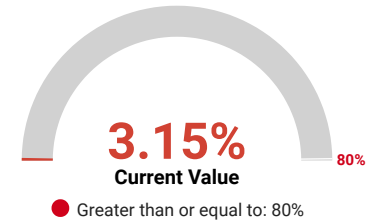
Outstanding Health Outcomes - HUMANA Medicare Advantage (MA) Champions: Ryan Gates

Humana % PAF Completion RHCs/SHWC



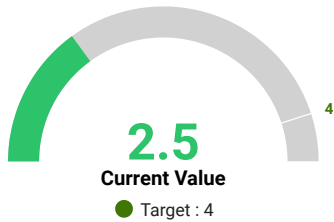
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Humana % PAF Completion KHMG



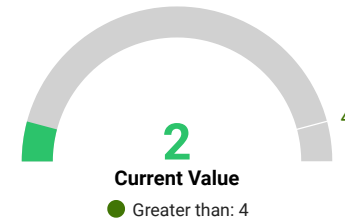
Last updated 10/18/2022
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Star Rating RHC and SHWC



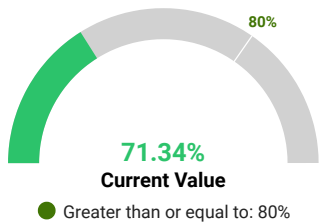
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Star Rating KHMG



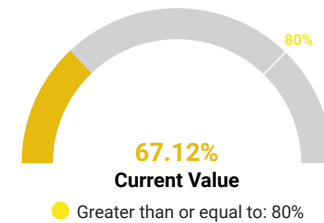
Last updated 10/18/2022
Showing data for: All Time

Humana % HCC Completion RHCs/SHWC



Last updated 10/18/2022
Showing data for: All Time

Humana % HCC Completion KHMG



Last updated 10/18/2022
Showing data for: All Time

Outstanding Health Outcomes - Inpatient Diabetes Management

Champions: Keri Noeske and Emma Camarena

Problem / Goals & Objectives

Problem Statement:

Lack of standardized management of inpatient diabetes

Goals and Objectives:

Optimize inpatient glycemic management using evidence-based practices to improve patient's glycemic control and reduce hypoglycemic events.

Plan

#	Name	Start Date	Due Date	Assigned To	Status	Last Comment
5.7.1	Review IP Diabetes Management data (AMION)	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Inpatient diabetes management NP is available 8am-5pm, 5 days a week
5.7.2	Identify IP metrics	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Continue to Explore
5.7.3	Identify benchmarks for Time to Target	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Achieved	No established benchmark
5.7.4	Identify benchmarks Hypoglycemic Events	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Achieved	Using SHM Benchmarks. Noncritical Care: 3.9% patient days less than 70mg/dL. Critical Care: 4.3% patient days less than 70mg/dL.
5.7.5	Monitor ongoing LOS data to explore potential impact of IP DM Management team on DM LOS	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Canceled	Not trackable. Recommendation to remove from the Plan.
5.7.6	Improve Time to Target	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Canceled	Recommendation to remove from the Plan.
5.7.7	Reduce Hypoglycemic events	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Canceled	Recommendation to remove from the Plan.
5.7.8	Validate Cost Savings	07/01/2022	06/30/2023	Sonia Duran-Aguilar	On Track	Emma and Dr. Gray to meet with the finance team to work on cost savings.
5.7.9	Identify key responsibilities of DM team	07/01/2022	06/30/2023	Sonia Duran-Aguilar	Achieved	<ul style="list-style-type: none"> • Provide daily focus on the development and maintenance of the Diabetes Care Model in partnership with key stakeholders • Review and monitor metrics using KH length of Stay data, Glucometrics and Society of Hospital Medicine (SHM) benchmarks • The Advance Nursing Practice Team partners with GME leadership and medical staff to foster collaboration and improvement • Respond to needs of nursing and medical staff with goals to Improve knowledge and skillset of nursing, pharmacist and medical staff through education, training, consultative services. • Inpatient Glycemic Management team (APN and Endocrinologist) <ul style="list-style-type: none"> o Help to optimize difficult to manage patients (i.e. Renal, recurrent hypoglycemia, insulin resistant, hyperglycemia >300, poor nutritional status) o Reduce rates of inpatient hypoglycemia/hyperglycemia to or below SHM benchmark o Reduce preventable readmissions of high-risk patients with diabetes o Partner with key stakeholders to improve perioperative glycemic management o Conduct clinical case review for outlier cases

Throughput/LOS

October 2022 Board Update



[kawahhealth.org](https://www.kawahhealth.org)

Draft Performance Scorecard

Leading Performance Metrics – Inpatient & Observation

Metric	Patient Type	Definition	Goal	Current Performance Compared to Baseline					
				Jan - Nov '21 Baseline (Monthly Average or Median)	May '22	Jun '22	Jul '22	Aug '22	Sep '22
Observation Average Length of Stay (Obs ALOS) <i>(Lower is better)</i>	Overall	Average length of stay (hours) for observation patients	37.9	44.01	49.35	50.43	52.05	66.00	58.82
Inpatient Average Length of Stay (IP ALOS) <i>(Lower is better)</i>	Overall		5.64	6.31	6.01	6.18	6.03	5.89	6.72
	Non-COVID	Average length of stay (days) for inpatient discharges	N/A	5.62	5.71	5.67	5.75	5.59	6.47
	COVID		N/A	10.63	17.60	13.47	7.94	8.93	10.38
Inpatient Observed-to-Expected Length of Stay <i>(Lower is better)</i>	Overall	Observed LOS / geometric mean length of stay for inpatient discharges	1.32	1.48	1.56	1.58	1.53	1.53	1.69
% of Discharges Before 12 PM <i>(Higher is better)</i>	Overall	% of inpatients discharged before 12 PM	35%	11.5%	13.6%	12.4%	13.0%	13.0%	13.6%
Surgical Backfill Volume <i>(Higher is better)</i>	Overall	Incremental inpatient elective surgical cases over baseline; pending established baseline	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Discharges	Overall	Count of IP & observation discharges	N/A	1,768	1,709	1,679	1,650	1,728	1,556
	Inpatient-Non-COVID	Count of non-COVID IP discharges	N/A	1,264	1,317	1,252	1,141	1,204	1,098
	Inpatient-COVID	Count of COVID IP discharges	N/A	197	35	87	170	120	76
	Observation	Count of observation discharges	N/A	307	357	340	339	404	382

*O/E LOS to be updated to include cases with missing DRG when available

Source: Encounter Data Excludes: Mother/Baby, Behavioral Health, and Pediatrics

Draft Performance Scorecard

Leading Performance Metrics – Emergency Department

Metric	Patient Type	Definition	Goal	Current Performance Compared to Baseline					
				Jan - Nov '21 Baseline (Monthly Average or Median)	May '22	Jun '22	Jul '22	Aug '22	Sep '22
ED Boarding Time <i>(Lower is better)</i>	Overall	Median time (minutes) for admission order written to check out for inpatients and observation patients	286	336	399	458	443	461	271
	Inpatients	Median time (minutes) for admission order written to check out for admitted patients	287	338	397	452	437	451	271
	Observation Patients	Median time (minutes) for admission order written to check out for observation patients	259	304	520	602	705	620	263
ED Admit Hold Volume <i>(Lower is better)</i>	Overall >4 Hours	Count of patients (volume) with ED boarding time \geq 4 hours	N/A	640	771	804	772	772	551
ED Average Length of Stay (ED ALOS) <i>(Lower is better)</i>	Overall	Median ED length of stay (minutes) for admitted and discharged patients	N/A	347	372	378	364	361	317
	Discharged Patients	Median ED length of stay (minutes) for discharged patients	214	268	294	300	299	290	260
	Inpatients	Median ED length of stay (minutes) for admitted inpatients	612	720	826	916	864	907	678
	Observation Patients	Median ED length of stay (minutes) for observation patients	577	679	1,086	1,164	1,079	1,085	759
ED Visits	Overall	Count of ED visits	N/A	5,594	5,930	6,124	6,388	6,487	5,925
	Discharged	Count of ED visits for discharged patients	N/A	3,998	4,356	4,585	4,842	4,936	4,502
	Inpatients	Count of ED Visits for admitted patients	N/A	1,216	1,212	1,164	1,180	1,136	1,045
	Observation Patients	Count of ED Visits for observation patients	N/A	380	362	375	366	415	378

*Previous month to be updated for admitted patients to align with exclusion criteria

Source: ED Encounter Data Excludes: Mother/Baby, Behavioral Health, and Pediatrics

Emergency Department (ED) to Inpatient Admission Process

Monthly Accomplishments:

- ED Case managers training and location
- Zone 6-fast track
- ED launch point auto update with bed status with Cap-man go live
- Flag-complex patients

Critical Issues/Barriers:

- Staffing limitations: nursing, case management, etc.; changing patient acuity and COVID patient volume; discrepancies between admission criteria between ED and inpatient providers; alignment of staff incentives and organizational goals

Observation Program

Monthly Accomplishments:

- Officially moved 2 South back to an observation unit starting 10/3/22-Phase 1
- Phase II

Critical Issues/Barriers:

- Retrain staff for Observation Level of Care

Patient Progression

Monthly Accomplishments:

- Moved CM staff to weekdays with reduced coverage. Working on remote access for CM staff to increase coverage again on the weekends with per diem staff.
- House Supervisor roles have now changed and we will be working with the new throughput team to develop roles and workflow to help with throughput.
- Physician Involvement
- D/C before noon
- Case Manager-Multi-task list

Critical Issues/Barriers:

- Staffing challenges

Transfer Center Operations

Monthly Accomplishments:

- Due to lower admit hold census, more transfers have been accepted to Kaweah.
- Have run into some challenges with Capacity Manager on reporting and pulling accurate numbers for transfer center. Continued work with Cerner on this issue.

Critical Issues/Barriers:

- On-call physician role and specialist role

Long Stay Committee

Monthly Accomplishments:

- Twice a week, 1 through 5 GMLOS and Long Stay Patients
- Case Manager Educator
- Risk Management has joined weekly long stay committee meetings to assist in removing barriers
- New workgroup initiated to focus on discharge delays and barriers related to consults

Critical Issues/Barriers:

- Issues placing patients with financials issues can take 6-12 months to place due to conservatorship. Dementia patients and Social Issues

FY 2021/2022 Community Engagement Recap

Community Engagement					
Group	# of Meetings		# of Community Participants		
Community Relations	10		6 attended regularly		
Healthcare for Today & Tomorrow	12		7 attended regularly		
Hospital of the Future	3		12-15 attended regularly		
Diversity Ambassadors	5		10-12 attended regularly		
Emergency Department Council	7		8 attended regularly		
Employee Ambassadors	7		15-20 attended regularly		
GOB Community Meetings	17		177 attended		
Faith Ambassadors	3		9 attended regularly		
Town Halls	1		58 attended live		
Speakers Bureau	12		<i>Rotary, Advisory Groups, Ambassadors, Church Group, NFW</i>		
Webinars					
Group	# of Meetings		# of Community Participants		
Community Engage Webinars	22		15-20 average attendance		
Employee Huddles	31		110-130 average attendance		
Kawah Internal Events					
Starlight Awards	31 Days of Holiday Cheer		Vaccine Clinics		
GME Mixer	Tulare Clinic Open House		Holiday Community Giving Drive		
Holiday Meals	Hospital Week		Nursing Week		
Veterans Day Celebration					
Kawah Community Events					
Sponsorship \$		# of Organizations Supported		# of KH reps at events	
\$103,680		65		210	
Organizations Supported:					
Visalia Sunset Rotary	Tulare Athletic Assoc	CHP Appreciation	V Chamber of Commerce	Family Services of TC	TCEDC
Salt & Light	CASA	V Emergency Aid	World Ag Expo	McKellar Farms	Downtown Visalians
Kiwanis West	V Breakfast Rotary	Creative Center	The Source	Relay for Life	V Youth Soccer
Imagine U	Northside Boxing Club	Child Abuse Council	Boys & Girls Club	Xmas Tree Auction	Sheriff Activities League
Running Wild	Wreaths Across America	Farm Bureau	Josh Perkins Foundation	Tulare Downtown Foundation	Toys for Tots
Tulare Hispanic Business Awards	Visalia Runners	Soroptimist	Cal Ripken	SRECS/TCEDC	ProYouth
Boy Scouts	Sequoia Softball	VUSD	Sequoia Kiwanis	Hands in the Community Golf	V Breakfast Lions Club
Foundation for Ag Ed	Food Link's Cinco De Mayo	Leadership Visalia	Sierra View Golf Classic	Woodlake Lions Rodeo	V County Center Rotary
Farmer Bobs World	V Sunset Rotary	Happy Trails Riding Academy	Visalia Rescue Mission	V Chamber of Commerce	Assistance League
United Way of Tulare County	Valley Caregivers Resource Center	Kiwanis Club of Tulare			
We did not participate in 7 events in the Fall of 2021 due to lack of staff available.					

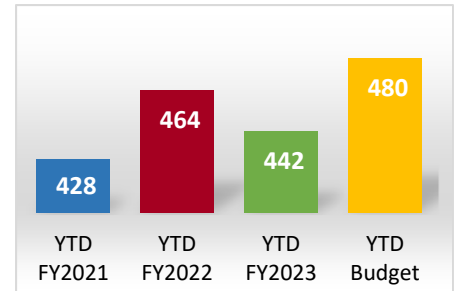
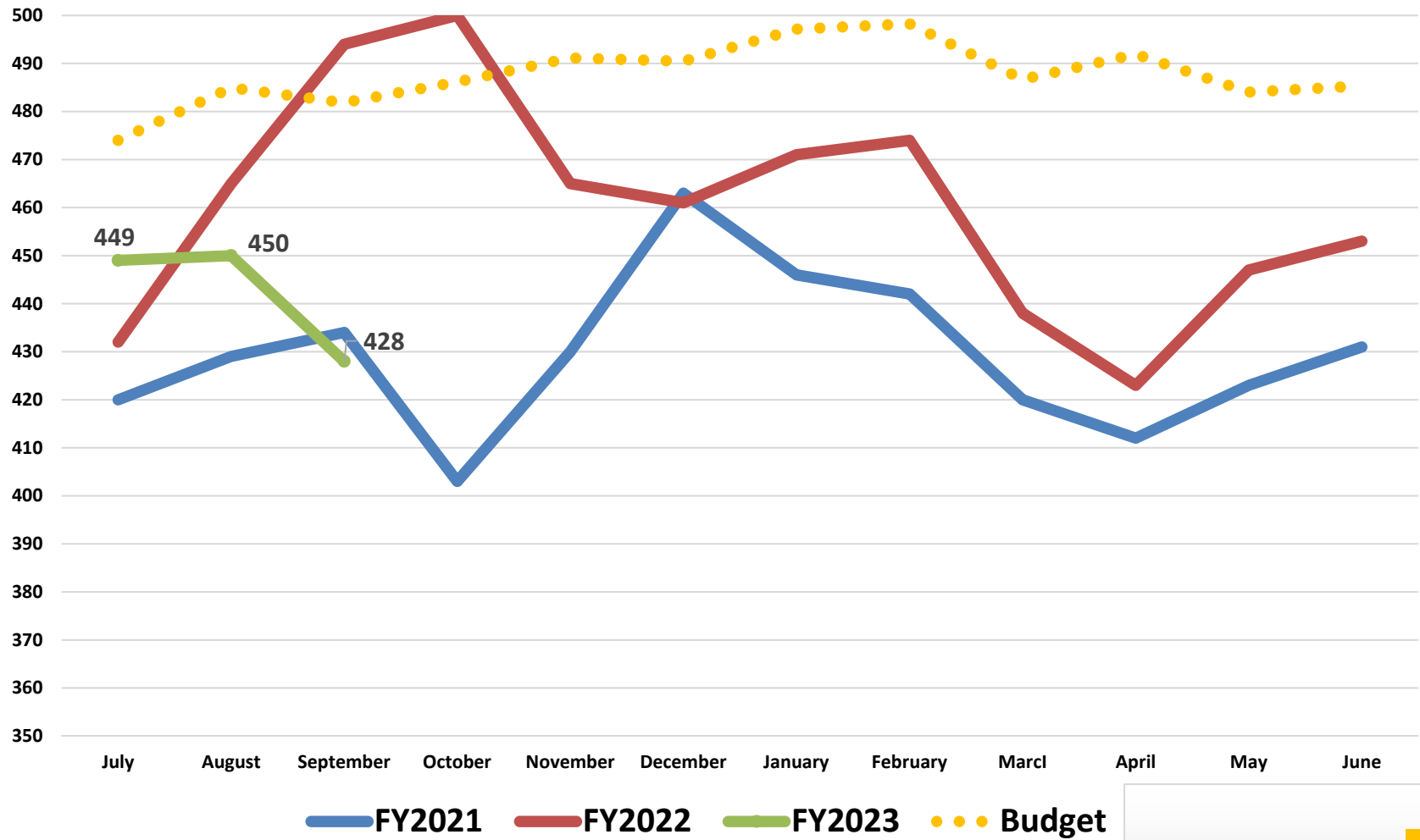
Blood Drives		
# of blood drives	# of units donated	
12	213	
Farmers Market		
7 external events		
4 internal events		
Food Trucks		
Recruited 19 new food truck vendors. Downtown Campus: Night shift daily, Day shift Wednesdays only West Campus: Tuesday/Thursday. VMC & South Campus: Twice a month		
Community Memberships:		
Visalia Chamber of Commerce	Tulare Chamber of Commerce	Exeter Chamber of Commerce
Dinuba Chamber of Commerce	Woodlake Chamber of Commerce	Tulare/Kings Hispanic Chamber
Kings Tulare Homeless Alliance	Tulare County Farm Bureau	
Service Club Membership		
County Center Rotary	Deborah Volosin	
Downtown Rotary	Marc Mertz, Liz Wynn, Gary Herbst, Diane Hayes	
Sunset Rotary	Laura Florez-McCusker	
Latino Rotary	Raymond Macareno	
Visalia Chamber Ambassadors	Carla Hernandez, Deborah Volosin, Raymond Macareno	
Tulare/Kings Hispanic Ambass	Deborah Volosin, Kelsie Davis, Raymond Macareno	
Tulare Sunrise Rotary	Miriam Garcia	
Visalia Pride Lions	Melinda Blankenship	
Visalia Noon Lions	Miriam Bermudez	
Soroptimist	Kelsie Davis, Brittany Taylor	
Networking for Women	Stefani Salierno, Kelsie Davis	
Community Board/Committees Representation		
Visalia Chamber of Commerce Board	Garth Gipson, Marc Mertz	
Downtown Rotary Board	Marc Mertz	
Riata Ranch International Board	Marc Mertz	
Tulare/Kings Counties Workforce Investment Board	Dianne Cox	
Kaweah Foundation Board	Ben Cripps, Deborah Volosin, Dee Sebert	
COS Board of Directors	Raymond Macareno	
VEDC Board	Deborah Volosin	
Industrial Roundtable	Deborah Volosin	
Mt. Whitney Academy of Health	Kelly Pierce	
Tulare County Vaccine Planning	Ryan Gates	
Senior Coalition	Stefani Salierno	
Boyd & Girls Club Board	Gary Herbst	
United Way Board of Directors	Laura Florez-McCusker, JC Palermo	
Tulare/Kings COVID Liaison	Deborah Volosin	

Make-A-Wish Foundation Regional Council	Deborah Volosin
Rotary Community Foundation Board	Deborah Volosin
Mineral King Preservation Society	Marc Mertz
CSET Board	Alma Torres
Tulare County Housing Authority	Raymond Macareno
Hands in the Community Board	Diana Saechao
Central California Blood Bank Board	Liz Wynn
The Adapted Athlete Board of Directors	Keri Noeske
Kaweah Helps	
Happy Trails	ProYouth Color Run
VEAC Food Handout	Imagine U Beautification
Restore Painting/Mural	
Total of Employees signed up for program – 120	

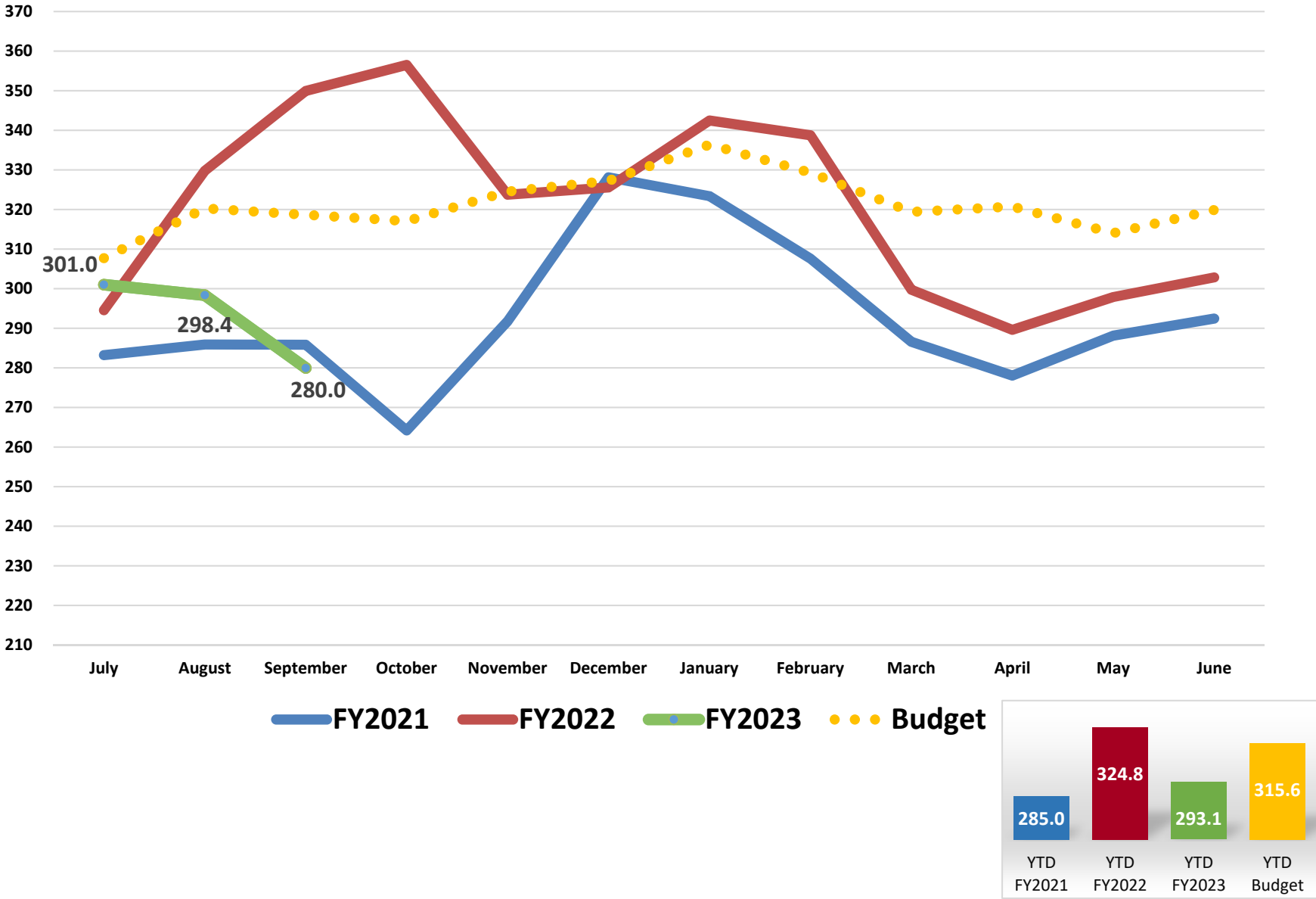
CFO Financial Report

Month Ending September 2022

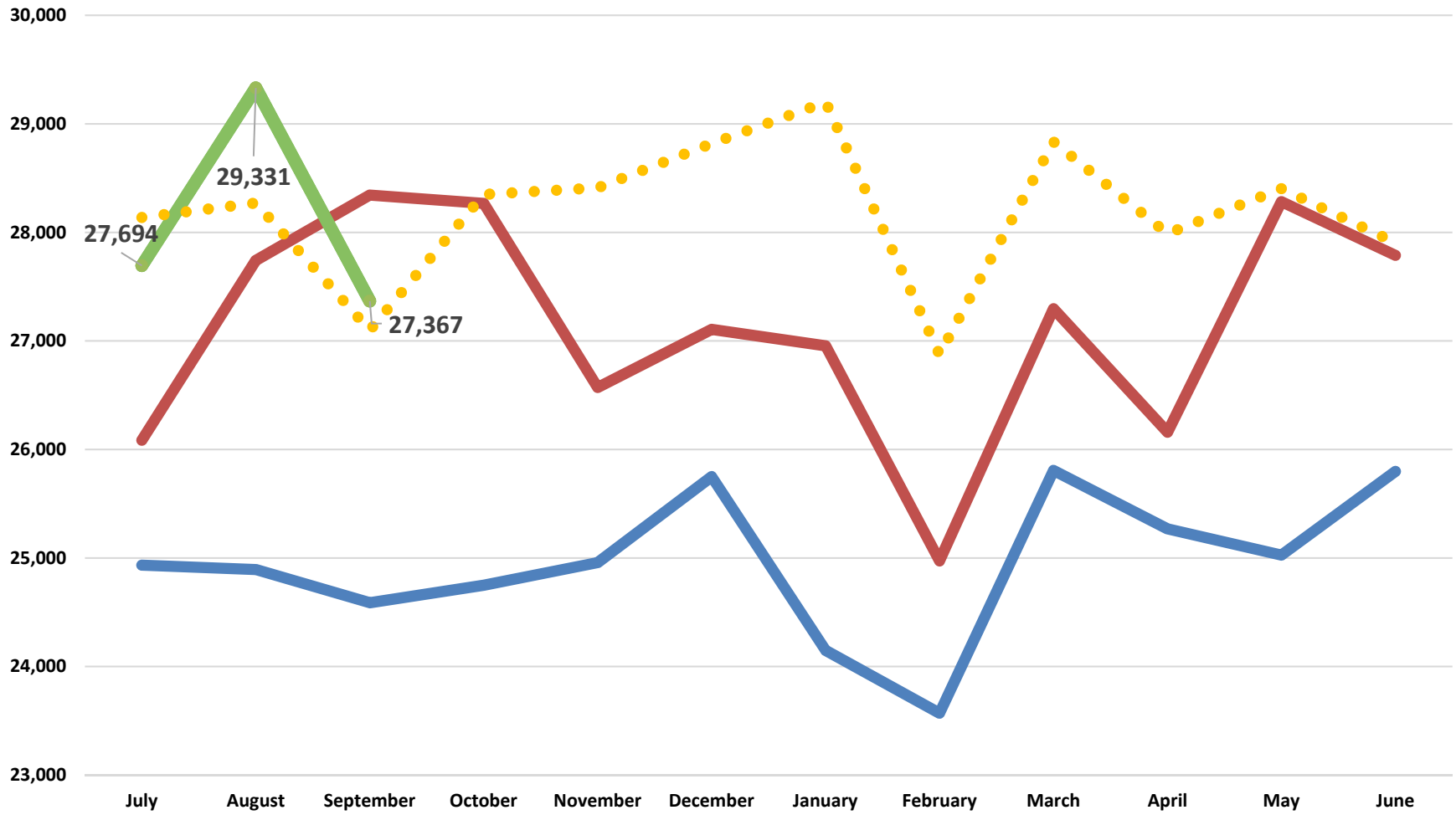
Average Daily Census



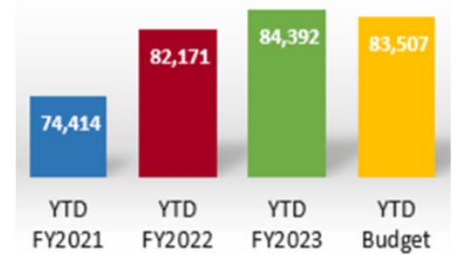
Medical Center – Avg. Patients Per Day



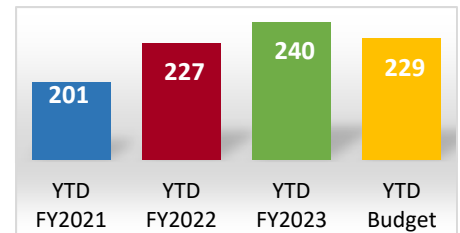
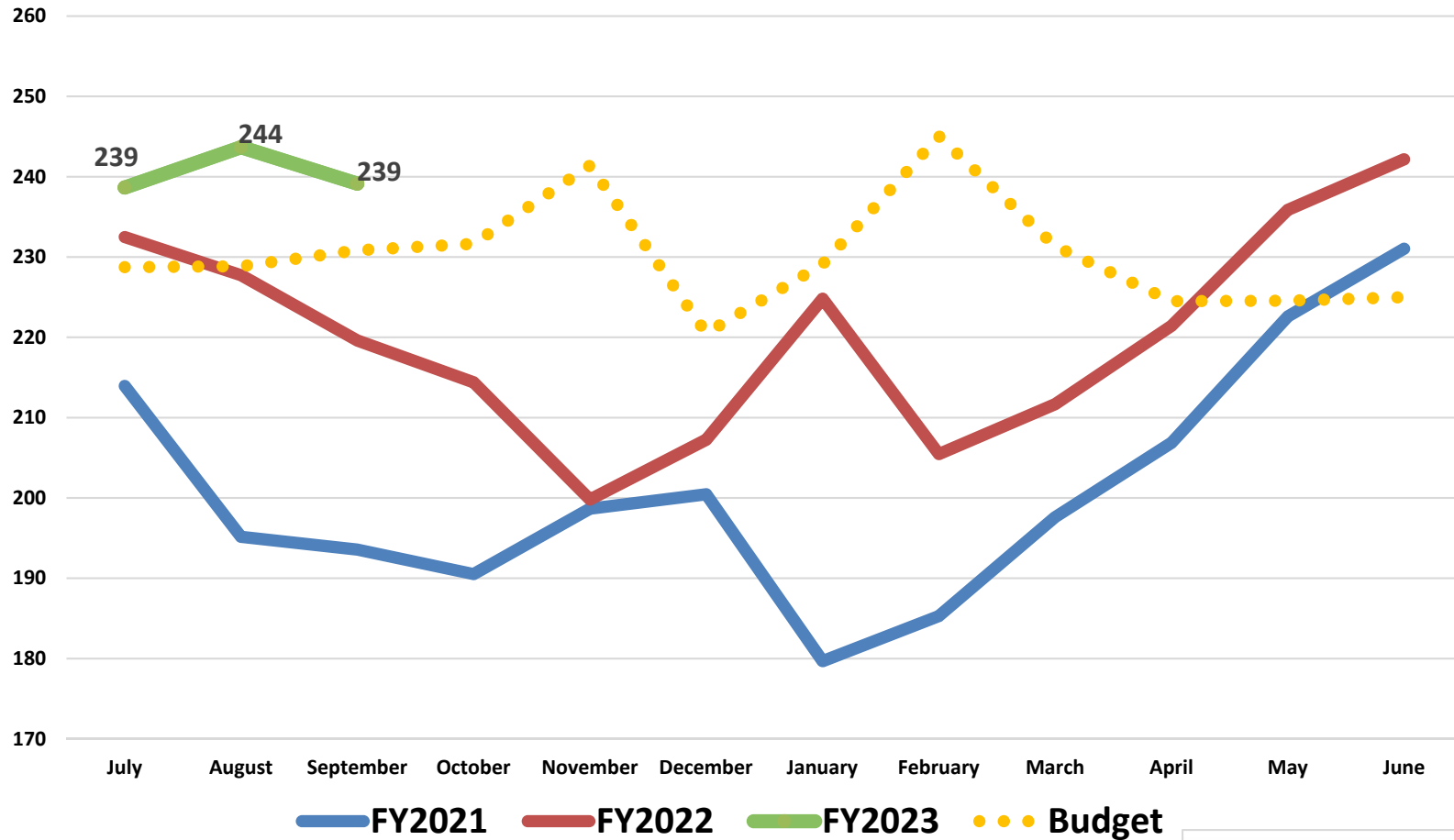
Adjusted Patient Days



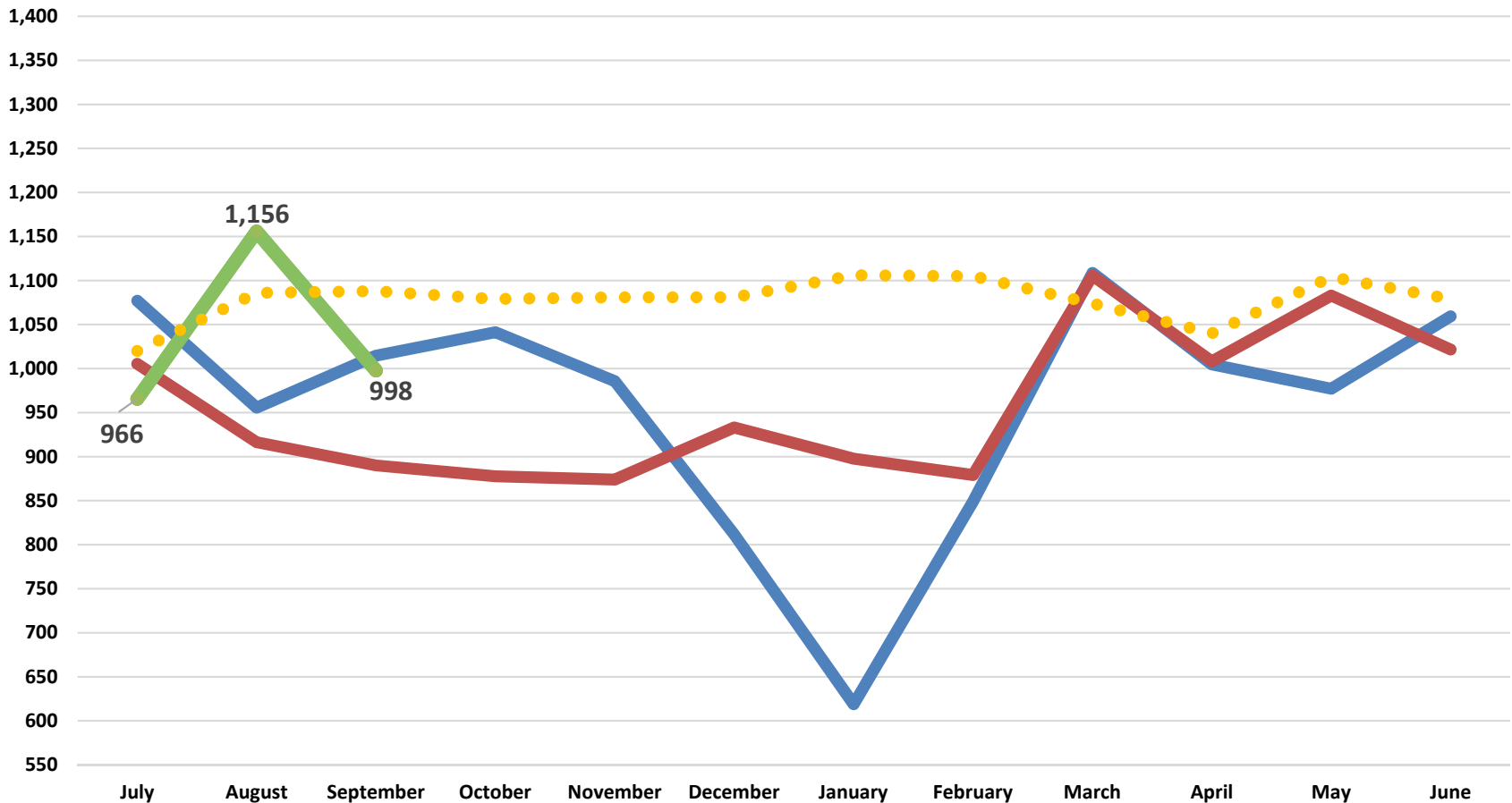
— FY2021
 — FY2022
 — FY2023
 ●● Budget



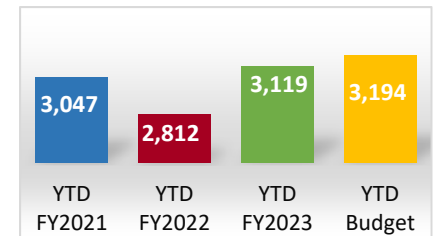
Emergency Dept – Avg Treated Per Day



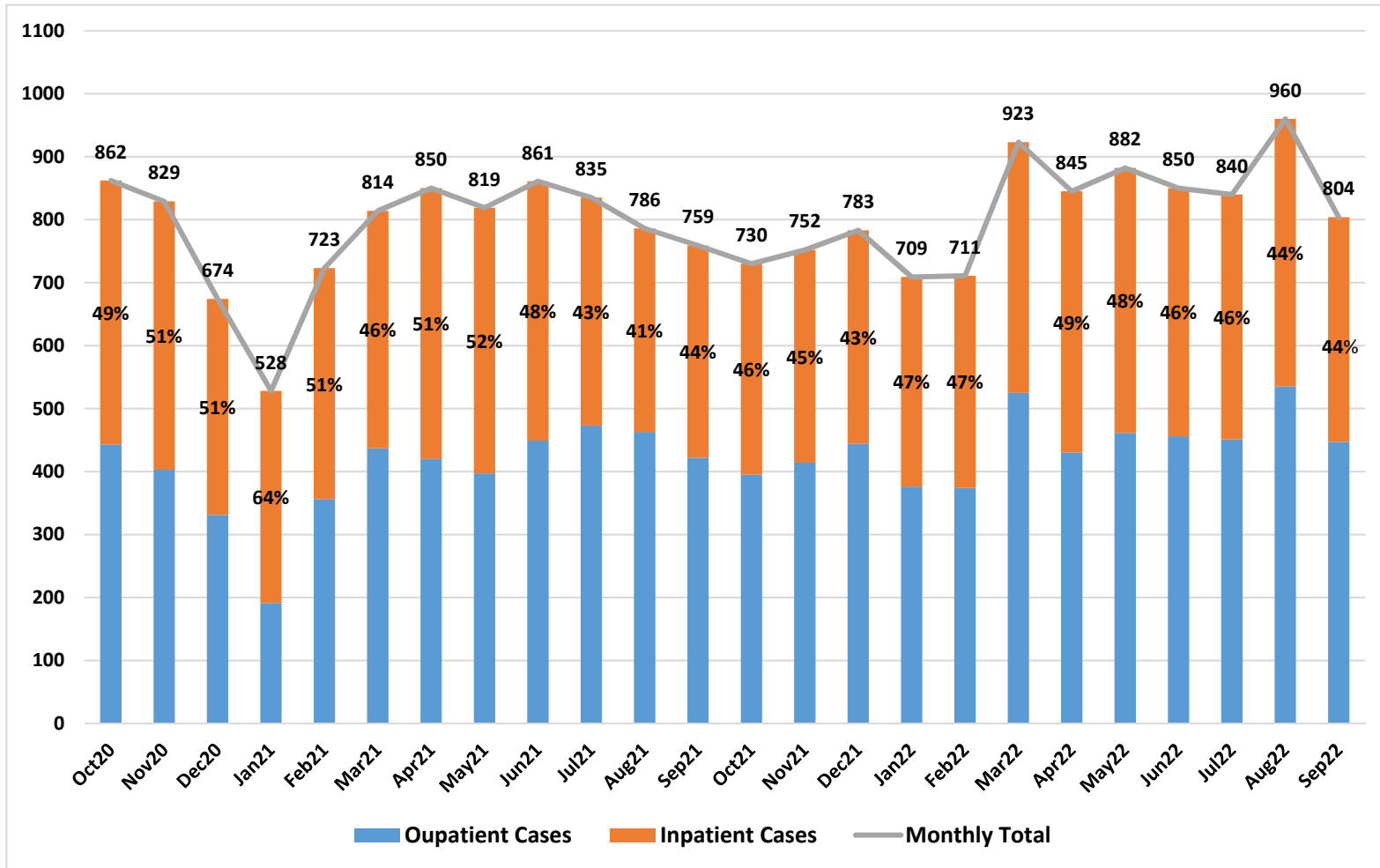
Surgery (IP & OP) – 100 Min Units



— FY2021
 — FY2022
 — FY2023
 ●●● Budget



Surgery Cases



Statistical Results – Fiscal Year Comparison (Sep)

Actual Results			Budget	Budget Variance	
Sep 2021	Sep 2022	% Change	Sep 2022	Change	% Change

Average Daily Census	495	426	(13.9%)	478	(53)	(11.0%)
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KDHCD Patient Days:

Medical Center	10,498	8,399	(20.0%)	9,560	(1,161)	(12.1%)
Acute I/P Psych	1,183	1,236	4.5%	1,530	(294)	(19.2%)
Sub-Acute	802	857	6.9%	819	38	4.6%
Rehab	598	481	(19.6%)	581	(100)	(17.2%)
TCS-Ortho	287	312	8.7%	366	(54)	(14.8%)
TCS	438	521	18.9%	470	51	10.9%
NICU	478	448	(6.3%)	450	(2)	(0.4%)
Nursery	552	514	(6.9%)	575	(61)	(10.6%)

Total KDHCD Patient Days	14,836	12,768	(13.9%)	14,351	(1,583)	(11.0%)
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Total Outpatient Volume	48,450	44,250	(8.7%)	46,593	(2,343)	(5.0%)
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Statistical Results – Fiscal Year Comparison (Jul-Sep)

	Actual Results			Budget	Budget Variance	
	FYTD 2022	FYTD 2023	% Change	FYTD 2023	Change	% Change
Average Daily Census	464	442	(4.7%)	477	(35)	(7.4%)
KDHCD Patient Days:						
Medical Center	29,852	26,979	(9.6%)	29,028	(2,049)	(7.1%)
Acute I/P Psych	3,383	3,703	9.5%	4,681	(978)	(20.9%)
Sub-Acute	2,450	2,628	7.3%	2,465	163	6.6%
Rehab	1,598	1,613	0.9%	1,727	(114)	(6.6%)
TCS-Ortho	1,073	1,104	2.9%	1,198	(94)	(7.8%)
TCS	1,114	1,529	37.3%	1,504	25	1.7%
NICU	1,561	1,377	(11.8%)	1,480	(103)	(7.0%)
Nursery	1,614	1,610	(0.2%)	1,793	(183)	(10.2%)
Total KDHCD Patient Days	42,645	40,543	(4.9%)	43,876	(3,333)	(7.6%)
Total Outpatient Volume	142,969	136,909	(4.2%)	142,886	(5,977)	(4.2%)

Other Statistical Results – Fiscal Year Comparison (Sep)

	Actual Results				Budget	Budget Variance	
	Sep 2021	Sep 2022	Change	% Change	Sep 2022	Change	% Change
Adjusted Patient Days	28,344	27,367	(978)	(3.4%)	27,093	274	1.0%
Outpatient Visits	48,450	44,250	(4,200)	(8.7%)	46,593	(2,343)	(5.0%)
Home Health Visits	2,719	3,195	476	17.5%	2,950	245	8.3%
Surgery Minutes-General & Robotic (I/P & O/P)	936	1,075	139	14.9%	1,150	(75)	(6.5%)
ED Total Registered	6,686	7,253	567	8.5%	6,925	328	4.7%
Endoscopy Procedures (I/P & O/P)	500	504	4	0.8%	619	(115)	(18.6%)
OB Deliveries	415	403	(12)	(2.9%)	400	3	0.8%
Radiology/CT/US/MRI Proc (I/P & O/P)	16,622	16,068	(554)	(3.3%)	16,011	57	0.4%
Dialysis Treatments	1,504	1,451	(53)	(3.5%)	1,541	(90)	(5.8%)
KHMG RVU	31,598	30,292	(1,306)	(4.1%)	34,005	(3,713)	(10.9%)
Physical & Other Therapy Units	18,238	17,411	(827)	(4.5%)	18,573	(1,162)	(6.3%)
Cath Lab Minutes (IP & OP)	307	289	(18)	(5.9%)	386	(97)	(25.1%)
O/P Rehab Units	20,985	19,343	(1,642)	(7.8%)	19,330	13	0.1%
Radiation Oncology Treatments (I/P & O/P)	1,948	1,762	(186)	(9.5%)	2,206	(444)	(20.1%)
Hospice Days	4,102	3,701	(401)	(9.8%)	4,283	(582)	(13.6%)
RHC Registrations	10,852	9,413	(1,439)	(13.3%)	10,710	(1,297)	(12.1%)
GME Clinic visits	1,165	1,003	(162)	(13.9%)	1,300	(297)	(22.8%)
Urgent Care - Demaree	3,546	2,854	(692)	(19.5%)	2,488	366	14.7%
Infusion Center	422	299	(123)	(29.1%)	422	(123)	(29.1%)
Urgent Care - Court	6,943	4,292	(2,651)	(38.2%)	3,910	382	9.8%

Other Statistical Results – Fiscal Year Comparison (Jul-Sep)

	Actual Results				Budget	Budget Variance	
	FY 2022	FY 2023	Change	% Change	FY 2023	Change	% Change
Adjusted Patient Days	82,177	84,401	2,223	2.7%	83,473	928	1.1%
Outpatient Visits	142,969	136,909	(6,060)	(4.2%)	142,886	(5,977)	(4.2%)
Surgery Minutes-General & Robotic (I/P & O/P)	2,961	3,304	343	11.6%	3,359	(55)	(1.6%)
ED Total Registered	21,217	22,448	1,231	5.8%	21,110	1,338	6.3%
Endoscopy Procedures (I/P & O/P)	1,517	1,572	55	3.6%	1,847	(275)	(14.9%)
Home Health Visits	8,505	8,794	289	3.4%	8,968	(174)	(1.9%)
Physical & Other Therapy Units	54,453	54,633	180	0.3%	56,935	(2,302)	(4.0%)
OB Deliveries	1,234	1,218	(16)	(1.3%)	1,223	(5)	(0.4%)
Radiology/CT/US/MRI Proc (I/P & O/P)	50,445	49,279	(1,166)	(2.3%)	49,099	180	0.4%
KHMG RVU	97,301	92,835	(4,466)	(4.6%)	100,675	(7,840)	(7.8%)
Cath Lab Minutes (IP & OP)	977	912	(65)	(6.7%)	1,183	(271)	(22.9%)
Radiation Oncology Treatments (I/P & O/P)	6,163	5,738	(425)	(6.9%)	7,007	(1,269)	(18.1%)
RHC Registrations	30,653	28,474	(2,179)	(7.1%)	31,660	(3,186)	(10.1%)
Dialysis Treatments	4,842	4,475	(367)	(7.6%)	4,623	(148)	(3.2%)
O/P Rehab Units	60,944	55,759	(5,185)	(8.5%)	59,956	(4,197)	(7.0%)
Hospice Days	12,667	11,497	(1,170)	(9.2%)	12,849	(1,352)	(10.5%)
Urgent Care - Demaree	10,788	9,047	(1,741)	(16.1%)	7,088	1,959	27.6%
GME Clinic visits	3,619	2,985	(634)	(17.5%)	3,700	(715)	(19.3%)
Infusion Center	1,311	924	(387)	(29.5%)	1,311	(387)	(29.5%)
Urgent Care - Court	19,953	14,043	(5,910)	(29.6%)	10,810	3,233	29.9%

Sep Financial Comparison (000's)

	Actual Results		Budget	Budget Variance	
	Sep 2021	Sep 2022	Sep 2022	Change	% Change
Operating Revenue					
Net Patient Service Revenue	\$57,879	\$48,168	\$56,377	(\$8,209)	(14.6%)
Other Operating Revenue	15,513	17,304	18,058	(754)	(4.2%)
Total Operating Revenue	73,391	65,472	74,435	(8,963)	(12.0%)
Operating Expenses					
Employment Expense	38,332	39,158	37,499	1,659	4.4%
Other Operating Expense	37,116	38,324	37,524	800	2.1%
Total Operating Expenses	75,448	77,483	75,023	2,459	3.3%
Operating Margin	(\$2,056)	(\$12,010)	(\$588)	(\$11,422)	
Stimulus Funds	0	0	255	(255)	
Operating Margin after Stimulus	(\$2,056)	(\$12,010)	(\$333)	(\$11,677)	
Non Operating Revenue (Loss)	(388)	(3,901)	355	(4,256)	
Excess Margin	(\$2,445)	(\$15,911)	\$22	(\$15,933)	

Operating Margin %	(2.8%)	(18.3%)	(0.8%)
OM after Stimulus%	(2.8%)	(18.3%)	(0.4%)
Excess Margin %	(3.3%)	(25.8%)	0.0%
Operating Cash Flow Margin %	1.5%	(13.4%)	3.8%

YTD (July-Sep) Financial Comparison (000's)

	Actual Results FYTD Jul-Sep		Budget FYTD	Budget Variance	FYTD
	FYTD2022	FYTD2023	FYTD2023	Change	% Change
Operating Revenue					
Net Patient Service Revenue	\$159,094	\$155,501	\$168,755	(\$13,254)	(7.9%)
Other Operating Revenue	47,009	53,089	55,220	(2,131)	(3.9%)
Total Operating Revenue	206,103	208,590	223,975	(15,385)	(6.9%)
Operating Expenses					
Employment Expense	104,444	122,599	114,234	8,366	7.3%
Other Operating Expense	106,795	114,550	112,585	1,965	1.7%
Total Operating Expenses	211,240	237,150	226,819	10,331	4.6%
Operating Margin	(\$5,136)	(\$28,559)	(\$2,844)	(\$25,716)	
Stimulus Funds	0	97	510	(413)	
Operating Margin after Stimulus	(\$5,136)	(\$28,462)	(\$2,334)	(\$26,129)	
Nonoperating Revenue (Loss)	746	(3,119)	1,098	(4,217)	
Excess Margin	(\$4,390)	(\$31,582)	(\$1,236)	(\$30,346)	

Operating Margin %	(2.5%)	(13.7%)	(1.3%)
OM after Stimulus%	(2.5%)	(13.6%)	(1.0%)
Excess Margin %	(2.1%)	(15.4%)	(0.5%)
Operating Cash Flow Margin %	2.2%	(9.0%)	3.3%

September Financial Comparison (000's)

	Actual Results			Budget	Budget Variance	
	Sep 2021	Sep 2022	% Change	Sep 2022	Change	% Change
Operating Revenue						
Net Patient Service Revenue	\$57,879	\$48,168	(16.8%)	\$56,377	(\$8,209)	(14.6%)
Supplemental Gov't Programs	4,286	4,943	15.3%	5,088	(145)	(2.8%)
Prime/QIP Program	667	743	11.4%	732	10	1.4%
Premium Revenue	5,163	5,972	15.7%	6,459	(487)	(7.5%)
Management Services Revenue	3,523	3,313	(6.0%)	3,366	(53)	(1.6%)
Other Revenue	1,873	2,334	24.6%	2,413	(79)	(3.3%)
Other Operating Revenue	15,513	17,304	11.5%	18,058	(754)	(4.2%)
Total Operating Revenue	73,391	65,472	(10.8%)	74,435	(8,963)	(12.0%)
Operating Expenses						
Salaries & Wages	31,883	28,455	(10.8%)	29,166	(711)	(2.4%)
Contract Labor	1,721	7,067	310.7%	2,346	4,722	201.3%
Employee Benefits	4,728	3,636	(23.1%)	5,987	(2,351)	(39.3%)
Total Employment Expenses	38,332	39,158	2.2%	37,499	1,659	4.4%
Medical & Other Supplies	11,942	11,642	(2.5%)	10,737	904	8.4%
Physician Fees	7,736	8,814	13.9%	9,043	(229)	(2.5%)
Purchased Services	1,680	1,556	(7.4%)	1,622	(66)	(4.1%)
Repairs & Maintenance	2,425	2,516	3.8%	2,548	(32)	(1.2%)
Utilities	696	1,061	52.4%	850	210	24.7%
Rents & Leases	487	537	10.1%	641	(104)	(16.3%)
Depreciation & Amortization	2,636	2,640	0.2%	2,834	(194)	(6.8%)
Interest Expense	499	589	18.1%	591	(2)	(0.4%)
Other Expense	1,641	1,825	11.2%	2,091	(266)	(12.7%)
Humana Cap Plan Expense	3,642	3,777	3.7%	3,242	534	16.5%
Management Services Expense	3,733	3,370	(9.7%)	3,325	44	1.3%
Total Other Expenses	37,116	38,324	3.3%	37,524	800	2.1%
Total Operating Expenses	75,448	77,483	2.7%	75,023	2,459	3.3%
Operating Margin	(\$2,056)	(\$12,010)	484.1%	(\$588)	(\$11,422)	1942.1%
Stimulus Funds	0	0	0.0%	255	(255)	
Operating Margin after Stimulus	(\$2,056)	(\$12,010)	484.1%	(\$333)	(\$11,677)	
Nonoperating Income						
Nonoperating Revenue (Loss)	(388)	(3,901)	904.4%	355	(4,256)	
Excess Margin	(\$2,445)	(\$15,911)	550.9%	\$22	(\$15,933)	
Operating Margin %	(2.8%)	(18.3%)		(0.8%)		
OM after Stimulus%	(2.8%)	(18.3%)		(0.4%)		

YTD Financial Comparison (000's)

	Actual Results FYTD Jul-Sept			Budget FYTD	Budget Variance	FYTD
	FYTD2022	FYTD2023	% Change	FYTD2023	Change	% Change
Operating Revenue						
Net Patient Service Revenue	\$159,094	\$155,501	(2.3%)	\$168,755	(\$13,254)	(7.9%)
Supplemental Gov't Programs	12,860	15,027	16.8%	15,603	(576)	(3.7%)
Prime/QIP Program	2,000	2,228	11.4%	2,246	(18)	(0.8%)
Premium Revenue	15,490	17,800	14.9%	19,378	(1,578)	(8.1%)
Management Services Revenue	9,992	10,042	0.5%	10,321	(279)	(2.7%)
Other Revenue	6,667	7,993	19.9%	7,672	321	4.2%
Other Operating Revenue	47,009	53,089	12.9%	55,220	(2,131)	(3.9%)
Total Operating Revenue	206,103	208,590	1.2%	223,975	(15,385)	(6.9%)
Operating Expenses						
Salaries & Wages	87,556	87,067	(0.6%)	88,855	(1,788)	(2.0%)
Contract Labor	4,195	20,056	378.0%	7,068	12,987	183.7%
Employee Benefits	12,693	15,477	21.9%	18,311	(2,834)	(15.5%)
Total Employment Expenses	104,444	122,599	17.4%	114,234	8,366	7.3%
Medical & Other Supplies	34,542	32,901	(4.8%)	32,020	881	2.8%
Physician Fees	24,185	27,291	12.8%	27,052	239	0.9%
Purchased Services	4,148	5,613	35.3%	4,972	641	12.9%
Repairs & Maintenance	6,923	7,239	4.6%	7,668	(429)	(5.6%)
Utilities	2,124	2,775	30.6%	2,480	295	11.9%
Rents & Leases	1,481	1,587	7.2%	1,796	(208)	(11.6%)
Depreciation & Amortization	7,902	7,947	0.6%	8,501	(554)	(6.5%)
Interest Expense	1,699	1,766	3.9%	1,812	(46)	(2.5%)
Other Expense	4,558	5,469	20.0%	6,411	(942)	(14.7%)
Humana Cap Plan Expense	9,617	12,012	24.9%	9,677	2,335	24.1%
Management Services Expense	9,616	9,951	3.5%	10,197	(247)	(2.4%)
Total Other Expenses	106,795	114,550	7.3%	112,585	1,965	1.7%
Total Operating Expenses	211,240	237,150	12.3%	226,819	10,331	4.6%
Operating Margin	(\$5,136)	(\$28,559)	(456.0%)	(\$2,844)	(\$25,716)	
Stimulus Funds	0	97	100.0%	510	(413)	
Operating Margin after Stimulus	(\$5,136)	(\$28,462)	454.1%	(\$2,334)	(\$26,129)	
Nonoperating Income						
Nonoperating Revenue (Loss)	746	(3,119)	(518.2%)	1,098	(4,217)	
Excess Margin	(\$4,390)	(\$31,582)	619.4%	(\$1,236)	(\$30,346)	
Operating Margin %	(2.8%)	(13.7%)		(1.3%)		
OM after Stimulus%	(2.8%)	(13.6%)		(1.0%)		

Kaweah Health Medical Group

Fiscal Year Financial Comparison (000's)

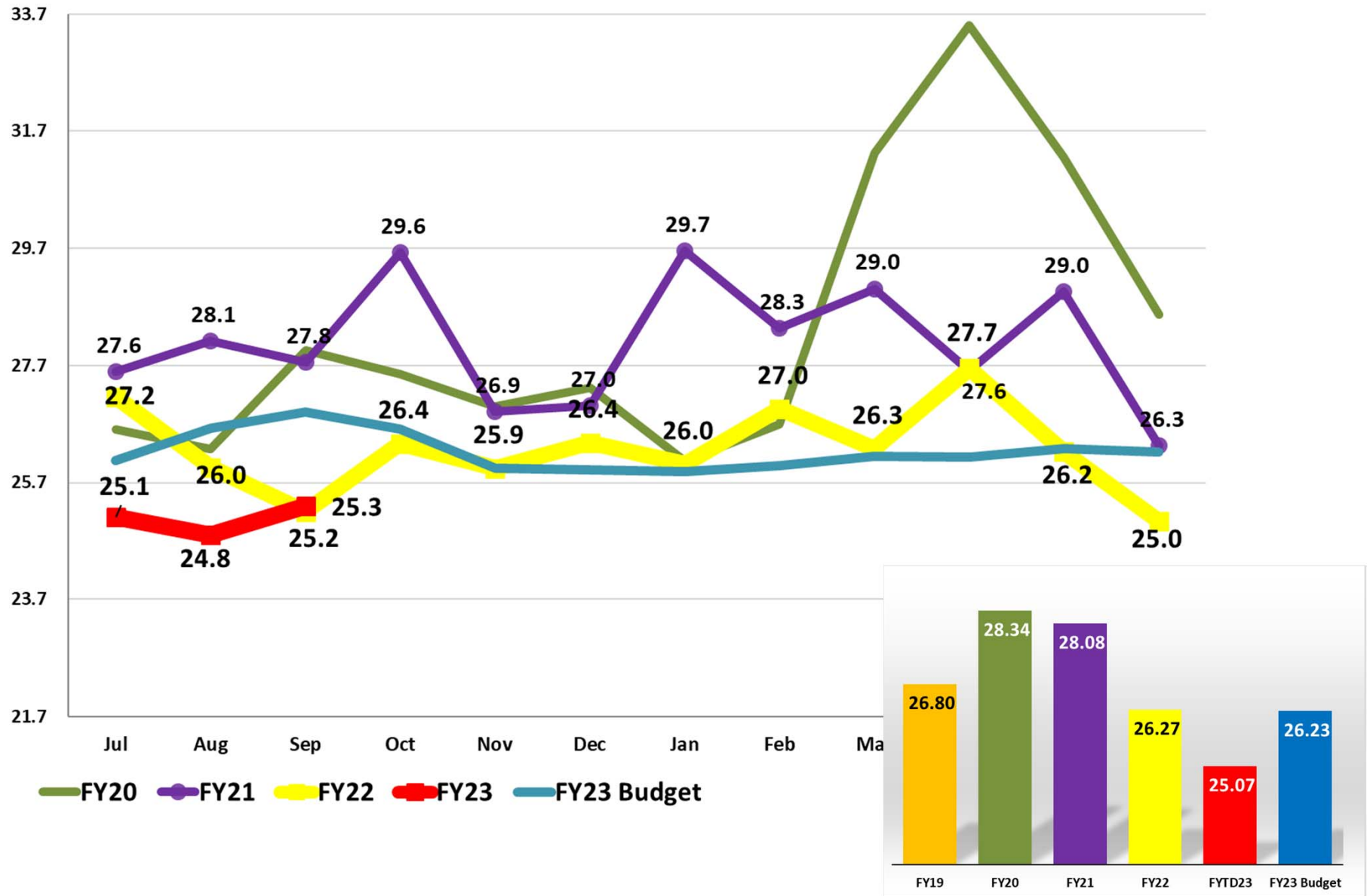
	Actual Results FYTD July – Sep			Budget FYTD	Budget Variance	FYTD
	Sep 2021	Sep 2022	% Change	Sep 2022	Change	% Change
Operating Revenue						
Net Patient Service Revenue	\$11,154	\$11,668	4.6%	\$12,327	(\$659)	(5.3%)
Other Revenue	183	178	(2.6%)	298	(120)	(40.2%)
Other Operating Revenue	183	178	(2.6%)	298	(120)	(40.2%)
Total Operating Revenue	11,337	11,846	4.5%	12,625	(779)	(6.2%)
Operating Expenses						
Salaries & Wages	2,888	2,987	3.4%	3,205	(219)	(6.8%)
Employee Benefits	464	599	29.3%	657	(57)	(8.7%)
Total Employment Expenses	3,352	3,586	7.0%	3,826	(276)	(7.1%)
Medical & Other Supplies	1,866	1,999	7.1%	1,743	256	14.7%
Physician Fees	6,327	6,757	6.8%	7,272	(515)	(7.1%)
Purchased Services	229	216	(5.4%)	267	(50)	(18.8%)
Repairs & Maintenance	535	661	23.7%	698	(37)	(5.3%)
Utilities	130	176	35.0%	165	11	6.6%
Rents & Leases	625	641	2.6%	665	(24)	(3.7%)
Depreciation & Amortization	199	168	(15.5%)	193	(25)	(12.7%)
Interest Expense	0	0	(100.0%)	0	0	0%
Other Expense	292	309	5.9%	459	(150)	(32.7%)
Total Other Expenses	10,203	10,928	7.1%	11,462	(534)	(4.7%)
Total Operating Expenses	13,555	14,514	7.1%	15,324	(810)	(5.3%)
Stimulus Funds	0	0	0.0%	0	0	0.0%
Excess Margin	(\$2,218)	(\$2,668)	(20.3%)	(\$2,698)	\$31	1.1%

Excess Margin %	(19.6%)	(22.5%)	(21.4%)
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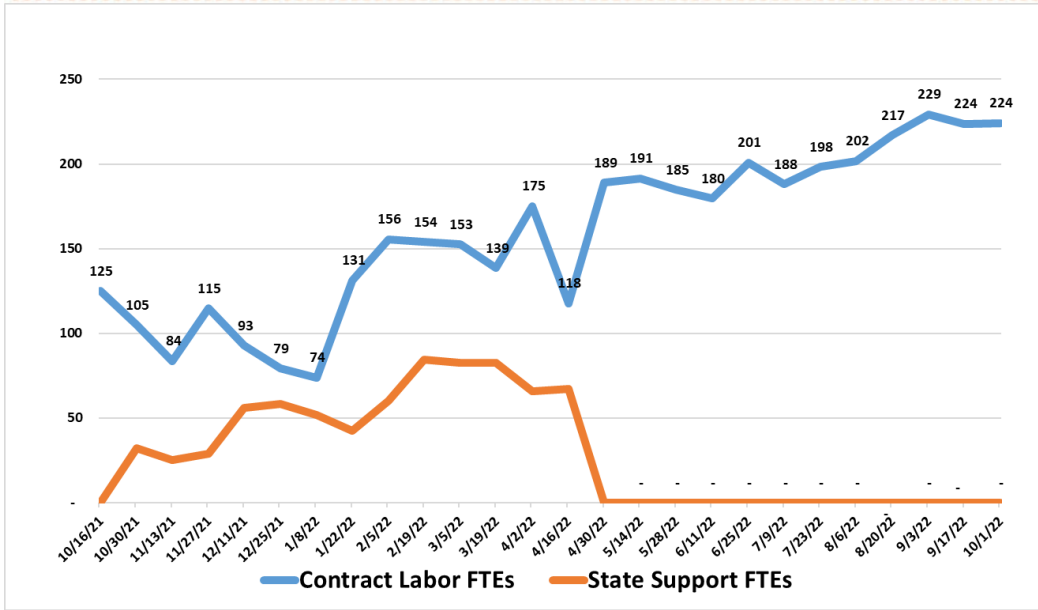
Month of September - Budget Variances

- **Net Patient Revenues:** Net patient revenue was under budget by \$8.2M (14.6%) in September. This decrease was due to the impact of 11.4% lower than anticipated inpatient volume and 5% lower outpatient volume. There was also a decrease in the acuity of the inpatients resulting in 8% lower case mix than prior year.
- **Salaries and Contract Labor:** The \$4M unfavorable variance is primarily due to the amount of contract labor utilized during the month which represents approximately \$2.4M. During September, shift bonuses were \$599K and unbudgeted COVID supplemental sick pay \$309K. There was also a \$776K reduction budgeted due to the anticipated reduction in our length of stay that has not yet materialized. The productivity ratios are still favorable in terms of worked hours per volume but higher than prior month.
- **Medical and Other Supplies:** In September, there was \$378K related to COVID supplies and an inventory adjustment for prior periods.
- **Humana Cap Plan expenses:** Third party claims for our Humana Medicare Advantage lives were \$534K higher than expected in September.

Productivity: Worked Hours/Adjusted Patient Days



Contract Labor Full Time Equivalents (FTEs)



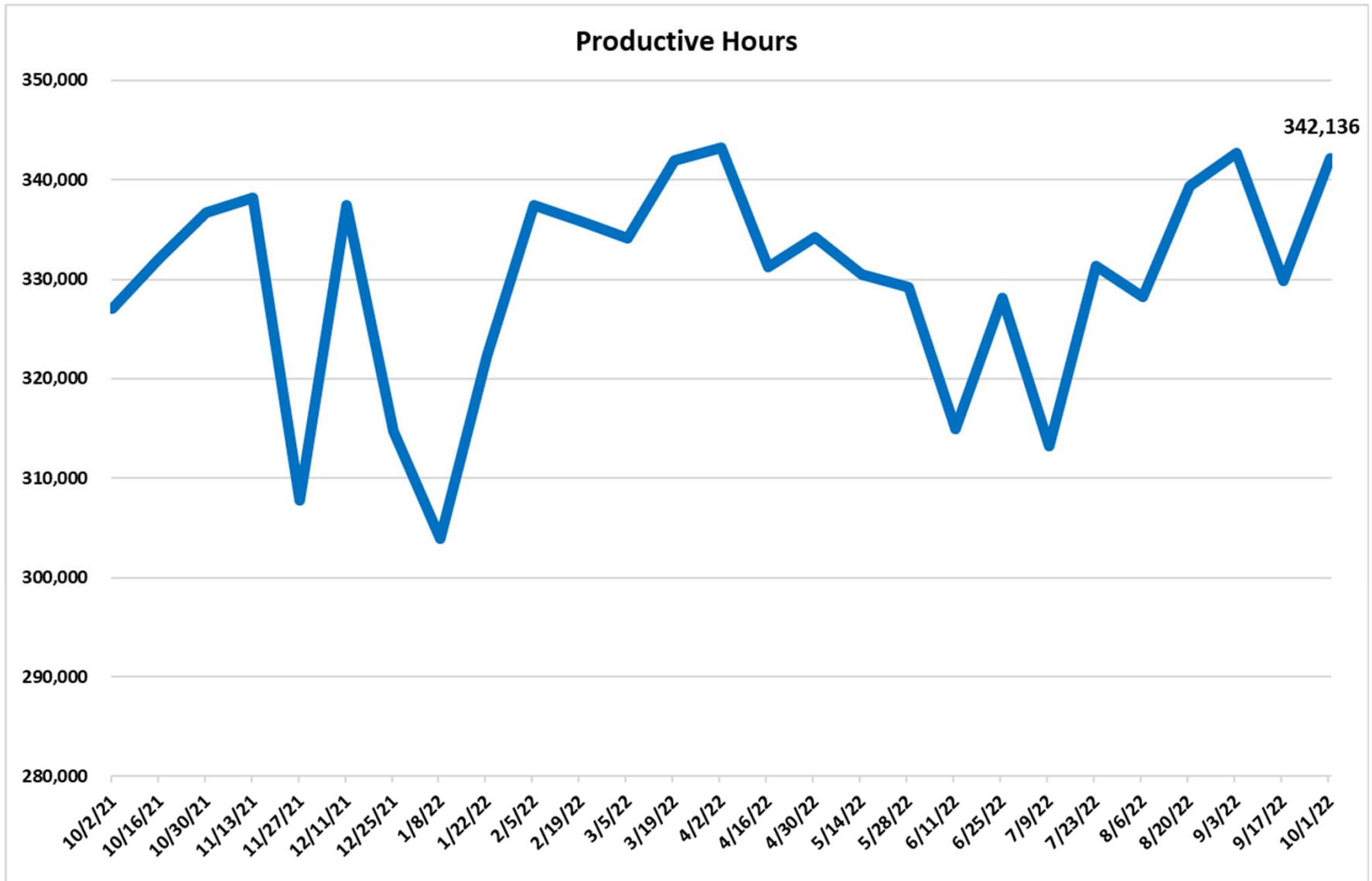
Example of Opportunity				
	Contract Labor FTE's	Rate	Monthly Impact	Annual
Reduce Contract Rate by \$50/hr				
Current	224	\$180	\$6,988,800	\$83,865,600
Proposed	224	\$130	\$5,047,467	\$60,569,600
Impact	0	\$50	\$1,941,333	\$23,296,000
	FTEs	Rate: Premium portion	Monthly Impact	Annual
Replace 60 Contract Labor with Internal				
60 Travelers to be replaced	60	\$130	\$1,352,000	\$16,224,000
60 RN's	60	\$55	\$572,000	\$6,864,000
Impact	0	\$75	\$780,000	\$9,360,000
345/464	Combined Impact			\$32,656,000

Trended Financial Comparison (000's)

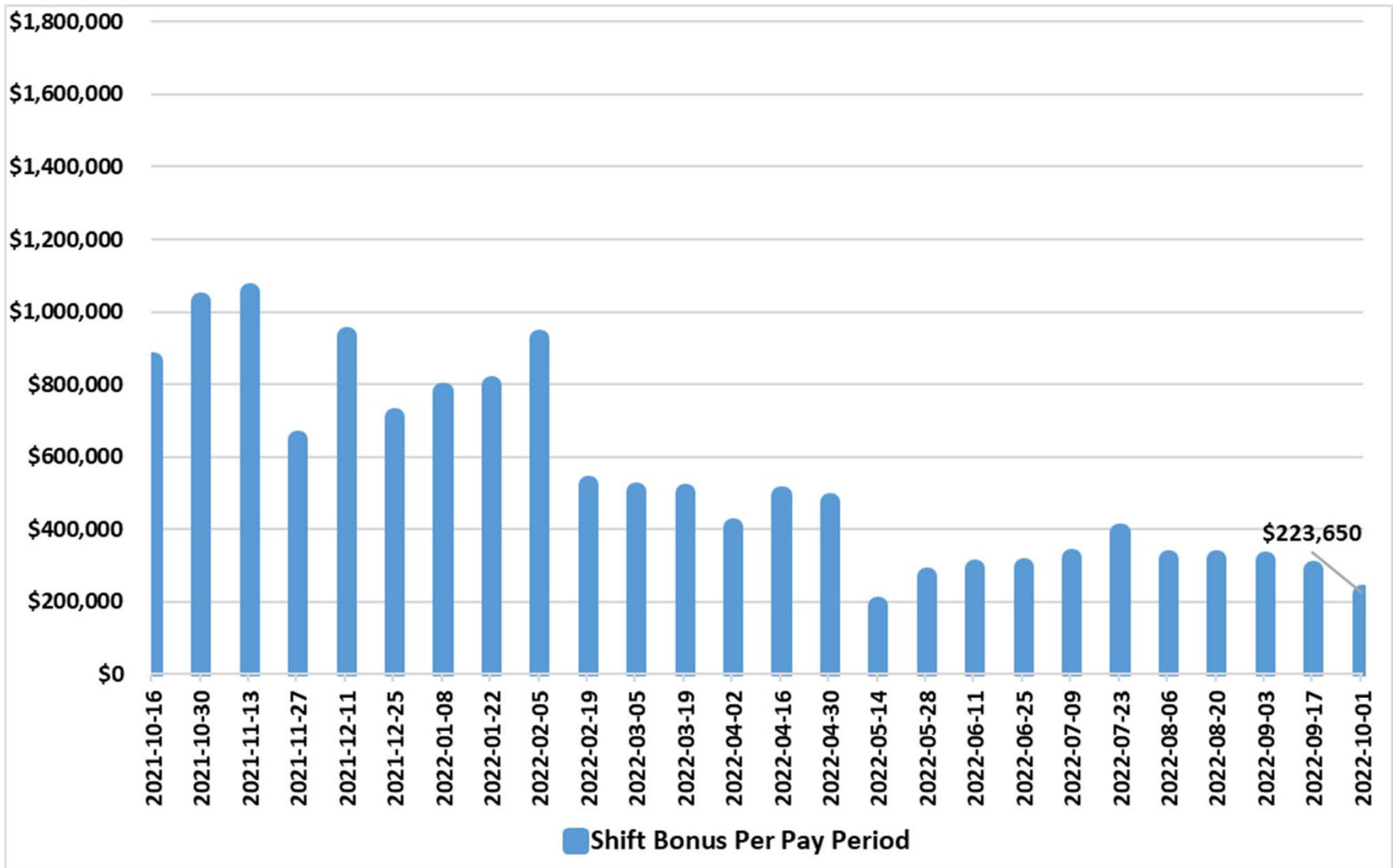
Kaweah Delta Health Care District Trended Income Statement (000's)

	Adjusted Patient Days												
	28,344	28,267	26,571	27,106	26,955	24,973	27,296	26,159	28,283	27,788	27,688	29,148	27,367
	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22
Operating Revenue													
Net Patient Service Revenue	\$57,879	\$55,674	\$54,846	\$51,115	\$56,862	\$47,933	\$52,555	\$49,729	\$56,673	\$50,790	\$52,368	\$54,965	\$48,168
Supplemental Gov't Programs	4,286	4,383	11,778	10,297	4,383	5,579	5,192	6,983	4,383	8,334	5,042	5,042	4,943
Prime Program	667	667	667	667	3,285	667	667	667	3,282	3,282	743	743	743
Premium Revenue	5,163	5,156	5,054	5,173	5,272	6,574	5,772	9,112	5,948	5,943	5,901	5,927	5,972
Management Services Revenue	3,523	3,137	2,690	2,921	2,536	2,910	2,988	2,885	2,813	3,188	2,932	3,797	3,313
Other Revenue	1,873	2,250	1,974	2,300	1,993	1,796	1,990	3,789	2,126	2,743	3,495	2,164	2,334
Other Operating Revenue	15,513	15,592	22,162	21,358	17,469	17,526	16,609	23,436	18,552	23,490	18,113	17,672	17,304
Total Operating Revenue	73,391	71,266	77,008	72,473	74,331	65,459	69,164	73,165	75,225	74,280	70,480	72,637	65,472
Operating Expenses													
Salaries & Wages	31,883	30,538	28,408	29,967	29,407	27,297	30,503	28,987	28,998	27,936	29,176	29,435	28,455
Contract Labor	1,721	1,872	1,745	3,238	4,958	3,882	1,299	5,784	7,813	6,650	5,864	7,124	7,067
Employee Benefits	4,728	4,217	3,481	4,161	4,566	4,923	6,119	6,057	3,229	16,653	6,279	5,563	3,636
Total Employment Expenses	38,332	36,627	33,634	37,366	38,931	36,102	37,920	40,828	40,040	51,239	41,319	42,122	39,158
Medical & Other Supplies	11,942	11,714	10,623	10,687	10,913	10,406	11,180	10,685	11,914	7,187	9,593	11,666	11,642
Physician Fees	7,736	9,674	10,261	9,479	9,210	8,812	9,045	8,829	9,329	9,538	8,892	9,585	8,814
Purchased Services	1,680	1,683	1,565	1,745	1,261	1,511	1,304	1,914	2,038	1,758	2,937	1,120	1,556
Repairs & Maintenance	2,425	2,702	2,330	2,331	2,324	2,588	2,251	2,204	2,380	2,358	2,237	2,486	2,516
Utilities	696	860	760	654	753	736	723	753	794	822	715	999	1,061
Rents & Leases	487	474	522	505	528	525	515	519	585	517	510	540	537
Depreciation & Amortization	2,636	2,634	2,636	2,631	2,614	2,634	2,583	2,649	2,610	3,460	2,657	2,650	2,640
Interest Expense	499	501	500	498	655	671	671	671	826	700	589	589	589
Other Expense	1,641	1,563	1,557	1,804	2,110	1,731	2,019	1,907	2,812	2,528	1,631	2,013	1,825
Humana Cap Plan Expenses	3,642	3,982	3,130	2,902	2,327	2,617	5,196	3,413	2,850	2,407	4,404	3,831	3,777
Management Services Expense	3,734	2,988	2,628	2,462	2,570	2,835	3,003	3,380	2,268	3,227	2,921	3,660	3,370
Total Other Expenses	37,116	38,774	36,512	35,698	35,266	35,066	38,491	36,924	38,405	34,502	37,087	39,139	38,324
Total Operating Expenses	75,448	75,402	70,146	73,064	74,197	71,168	76,412	77,752	78,445	85,742	78,406	81,261	77,483
Operating Margin	(\$2,057)	(\$4,136)	\$6,862	(\$591)	\$134	(\$5,709)	(\$7,247)	(\$4,588)	(\$3,220)	(\$11,461)	(\$7,926)	(\$8,623)	(\$12,010)
Stimulus Funds	\$0	\$137	\$6,542	\$0	\$0	\$93	\$9,345	\$0	\$0	\$3,028	\$97	\$0	\$0
Operating Margin after Stimulus	(\$2,057)	(\$3,999)	\$13,404	(\$591)	\$134	(\$5,616)	\$2,098	(\$4,588)	(\$3,220)	(\$8,433)	(\$7,829)	(\$8,623)	(\$12,010)
Nonoperating Revenue (Loss)	(388)	595	587	2,495	568	693	(9,815)	(568)	(436)	(3,356)	455	326	(3,901)
Excess Margin	(\$2,445)	(\$3,404)	\$13,991	\$1,904	\$702	(\$4,924)	(\$7,718)	(\$5,156)	(\$3,656)	(\$11,789)	(\$7,374)	(\$8,297)	(\$15,911)

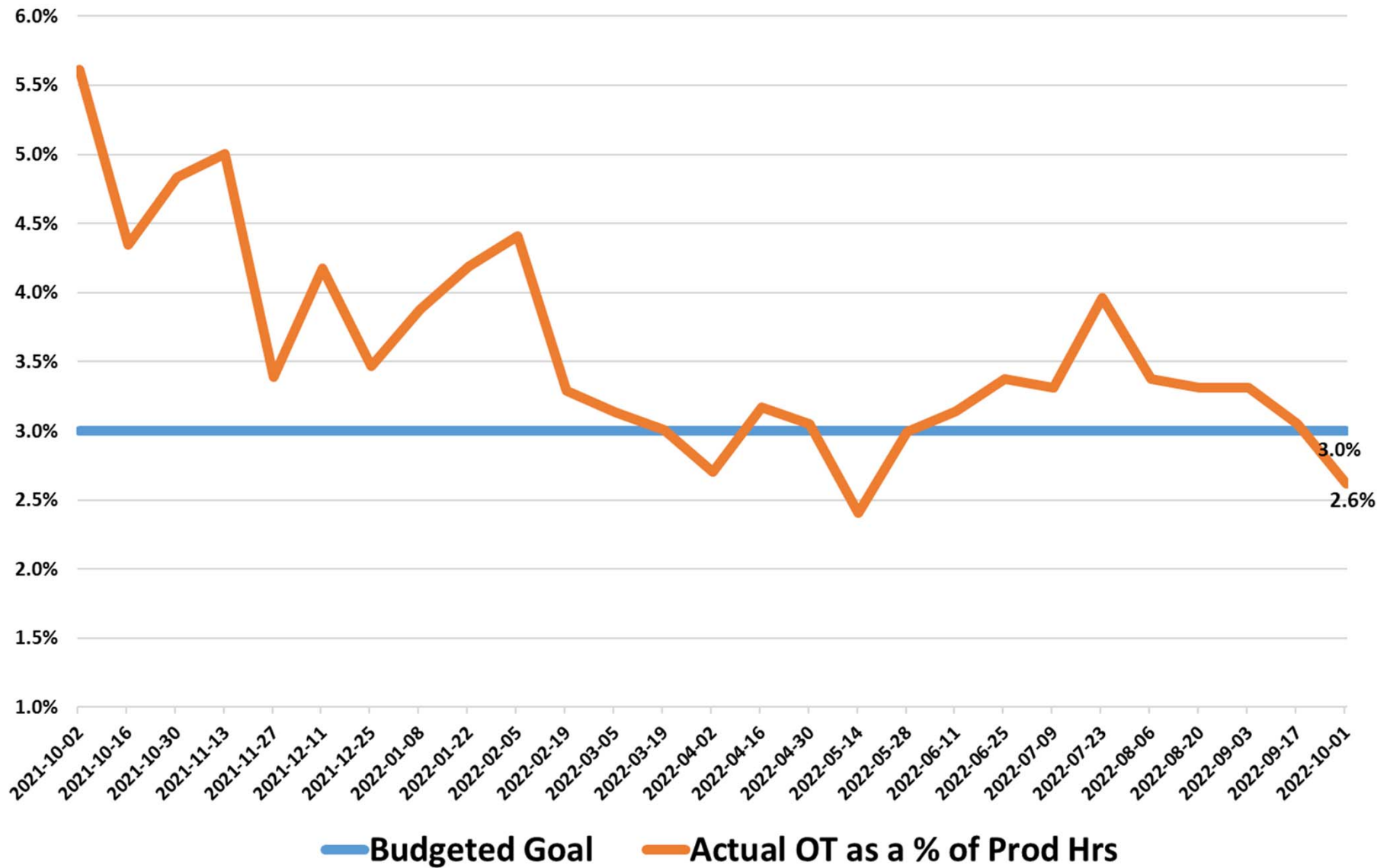
Productive Hours



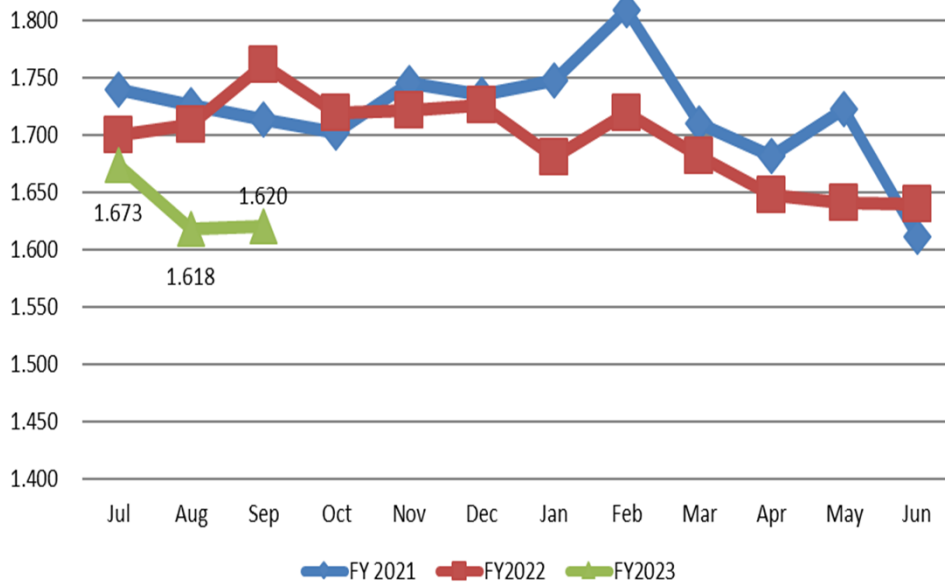
Shift Bonus



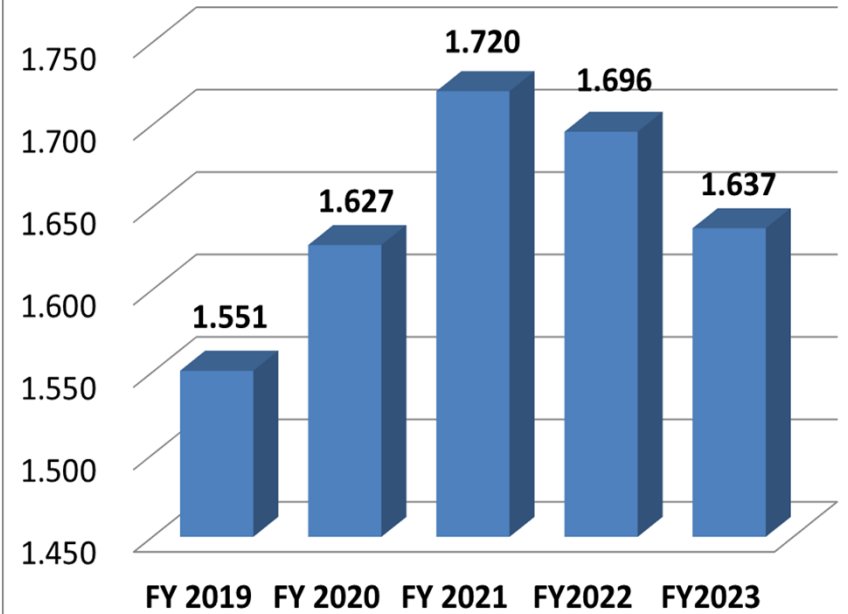
Overtime as a % of Productive Hours and \$



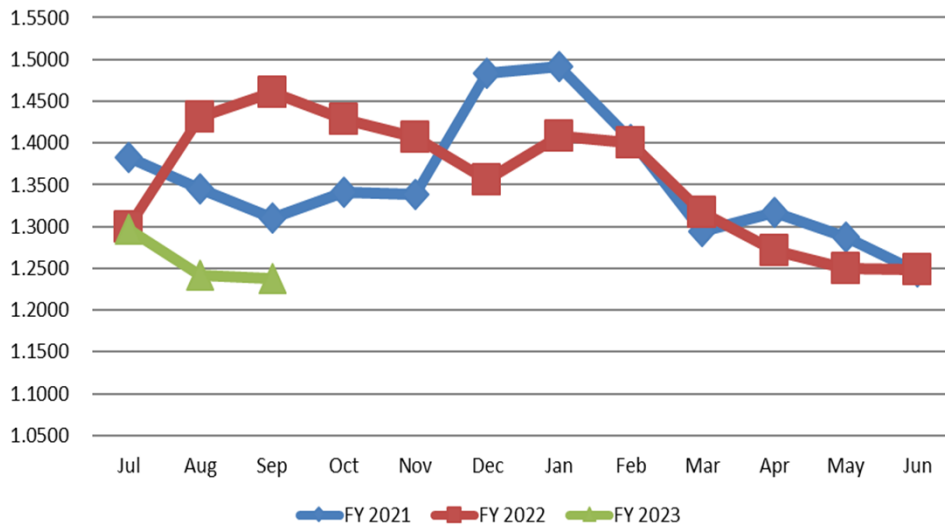
Case Mix Index w/o Normal Newborns



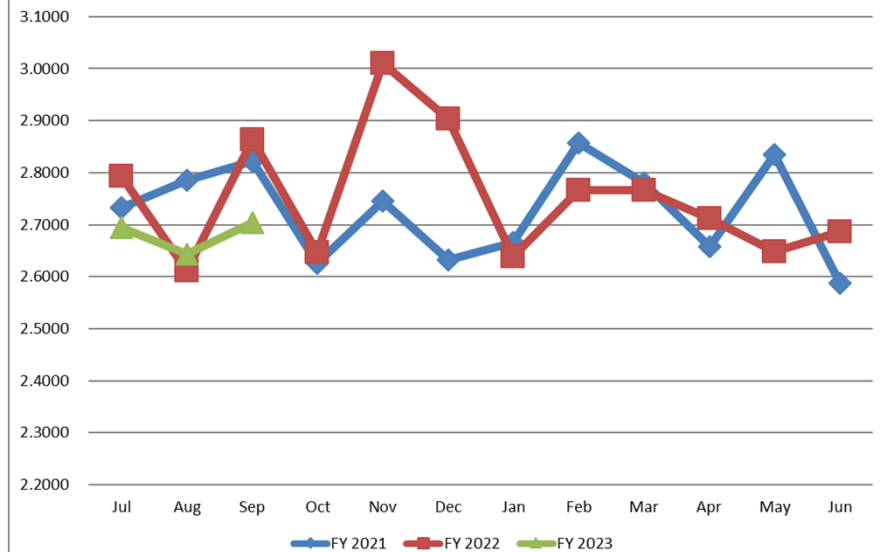
Case Mix Index w/o Normal Newborns - All



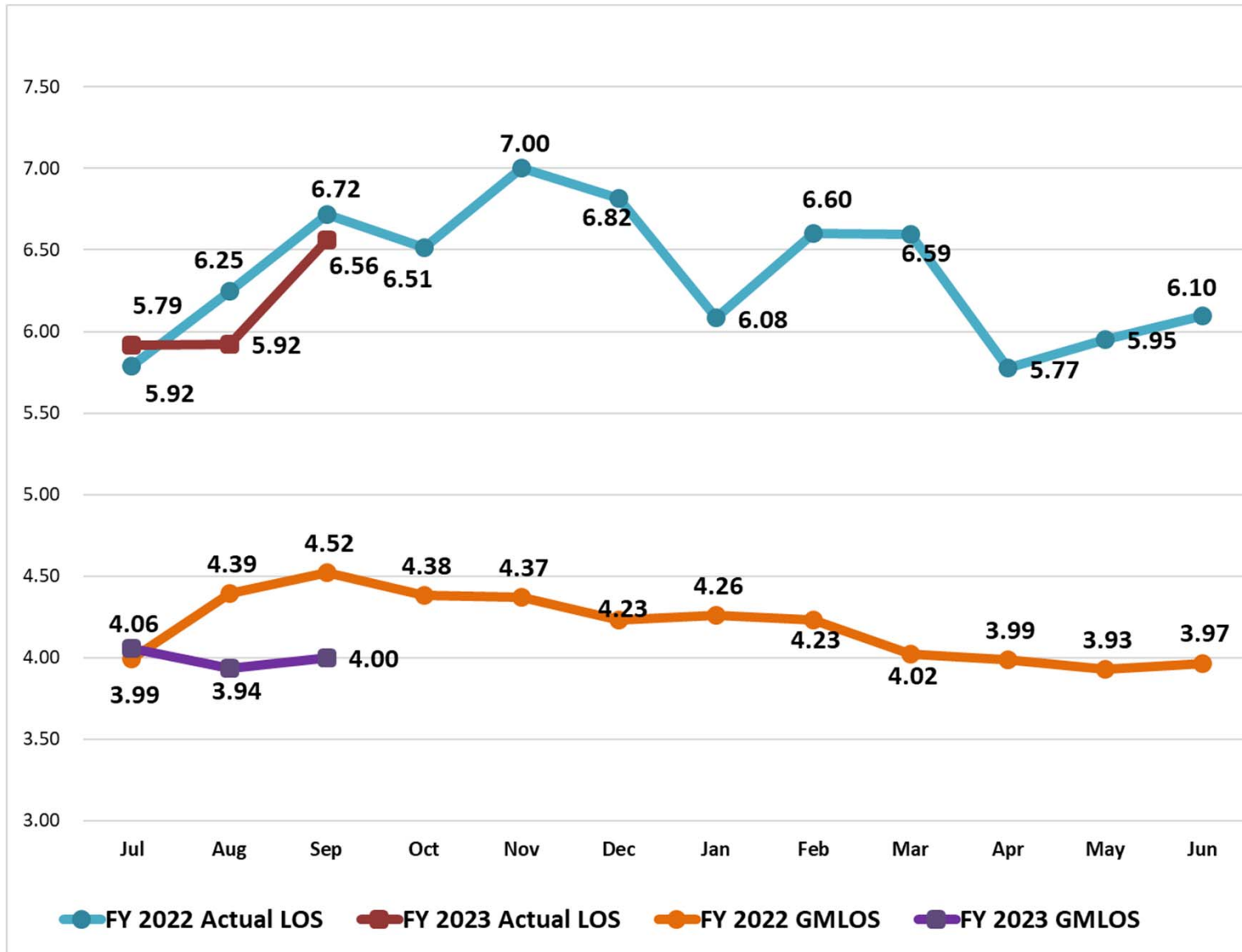
Case Mix **Medical** w/o Normal Newborns



Case Mix Index **Surgical** w/o Normal Newborns



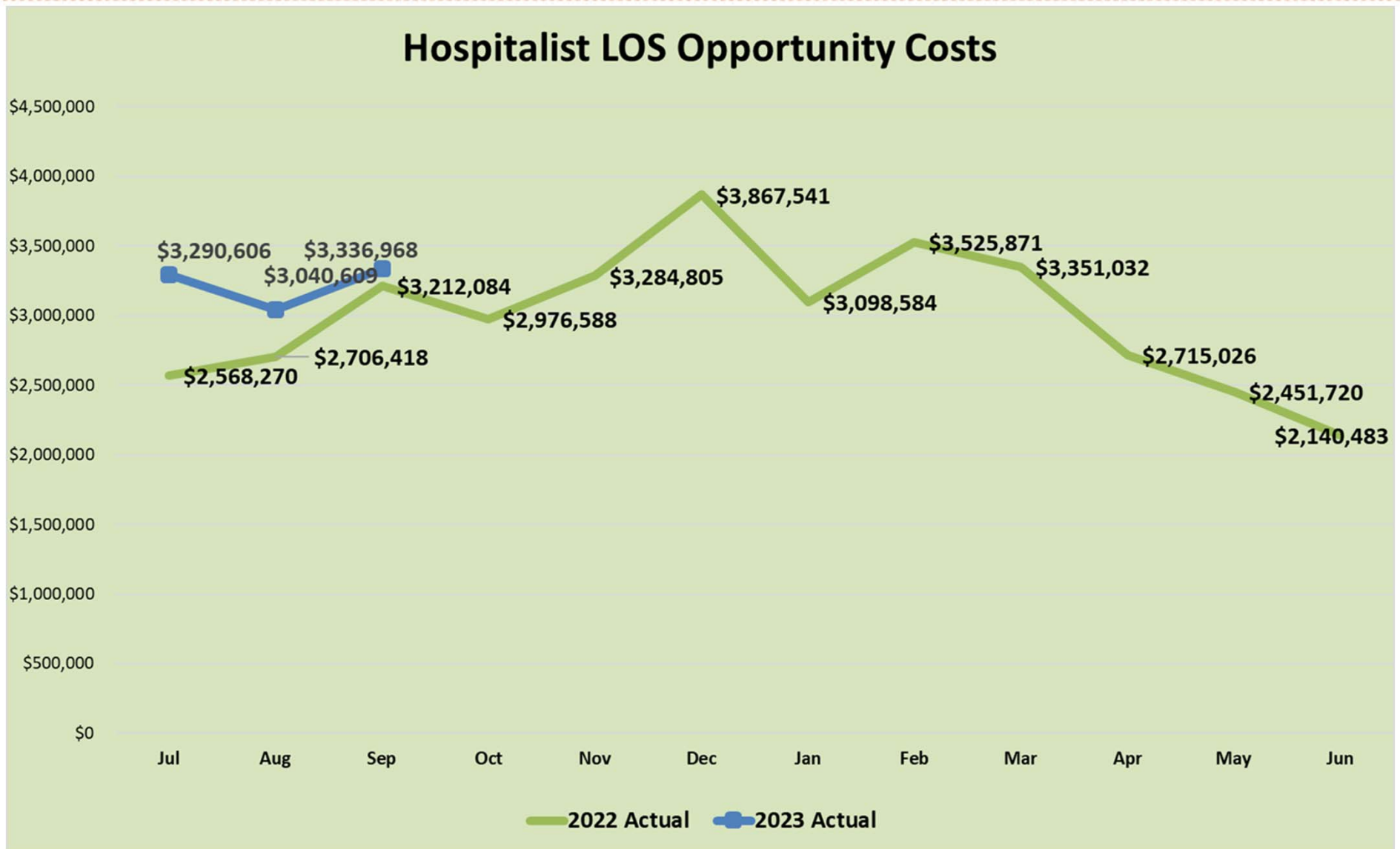
Average Length of Stay versus National Average (GMLOS)



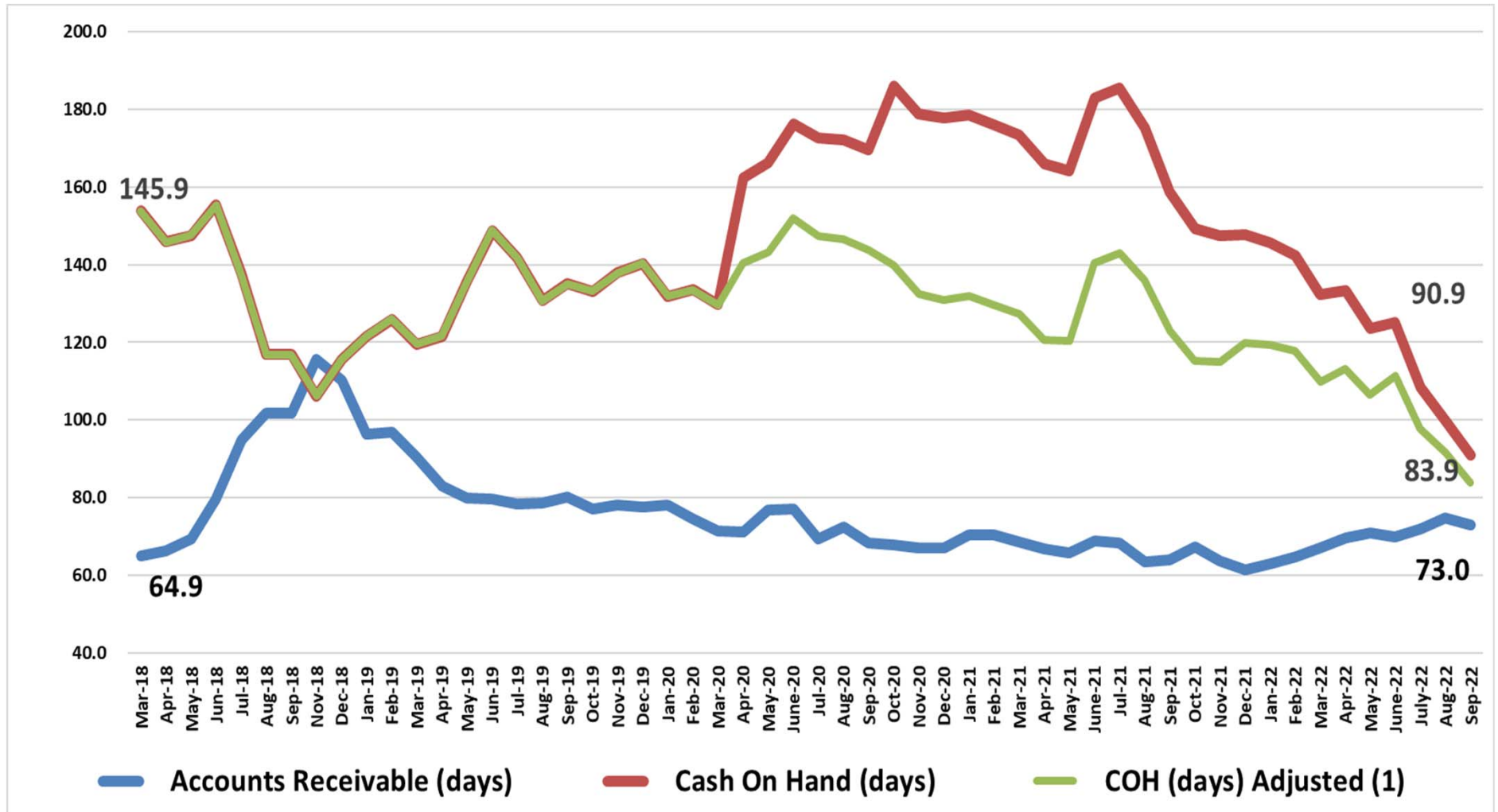
Average Length of Stay versus National Average (GMLOS)

	Including COVID Patients			Excluding COVID Patients			Gap Diff	%
	ALOS	GMLOS	GAP	ALOS	GMLOS	GAP		
Mar-20	5.20	4.04	1.16	5.17	4.03	1.14	0.02	2%
Apr-20	5.30	4.25	1.05	5.20	4.17	1.03	0.02	1%
May-20	5.25	4.16	1.09	4.74	4.06	0.68	0.40	37%
Jun-20	5.61	4.11	1.50	4.98	3.95	1.03	0.47	31%
Jul-20	5.61	4.32	1.29	5.01	4.05	0.96	0.33	25%
Aug-20	5.70	4.23	1.47	5.00	3.95	1.05	0.42	28%
Sep-20	5.93	4.17	1.76	5.33	4.00	1.33	0.43	24%
Oct-20	5.21	4.09	1.12	4.98	3.98	1.00	0.12	10%
Nov-20	5.66	4.21	1.45	5.40	4.07	1.33	0.12	8%
Dec-20	6.32	4.50	1.82	5.16	3.97	1.19	0.63	34%
Jan-21	7.07	4.72	2.35	5.61	4.15	1.46	0.90	38%
Feb-21	6.73	4.37	2.36	5.64	4.01	1.63	0.73	31%
Mar-21	5.76	4.07	1.69	5.04	3.92	1.12	0.57	34%
Apr-21	5.40	3.97	1.43	5.22	3.89	1.33	0.10	7%
May-21	5.57	4.00	1.57	5.34	3.92	1.42	0.15	10%
Jun-21	5.75	3.90	1.85	5.67	3.88	1.79	0.06	3%
Jul-21	5.79	3.99	1.80	5.68	3.94	1.74	0.06	3%
Aug-21	6.24	4.39	1.85	5.95	4.05	1.90	(0.05)	-3%
Sep-21	6.71	4.52	2.19	5.88	4.08	1.80	0.39	18%
Oct-21	6.51	4.38	2.13	5.34	4.00	1.34	0.79	37%
Nov-21	7.00	4.37	2.63	5.75	3.95	1.80	0.83	32%
Dec-21	6.81	4.23	2.58	6.11	3.98	2.13	0.45	17%
Jan-22	6.08	4.26	1.82	5.96	3.97	1.99	(0.17)	-9%
Feb-22	6.60	4.23	2.37	5.86	3.82	2.04	0.33	14%
Mar-22	6.59	4.02	2.57	5.66	3.89	1.77	0.80	31%
Apr-22	5.77	3.99	1.78	5.65	3.97	1.68	0.10	6%
May-22	5.94	3.92	2.02	5.58	3.87	1.71	0.31	15%
Jun-22	6.10	3.96	2.14	5.61	3.87	1.74	0.40	19%
Jul-22	5.91	4.06	1.85	5.64	3.89	1.75	0.10	5%
Aug-22	5.89	3.91	1.98	5.55	3.79	1.76	0.22	11%
Sep-22	6.56	4.00	2.56	6.30	3.92	2.38	0.18	7%
Average	6.02	4.17	1.85	5.48	3.97	1.52	0.33	18%

Opportunity Cost of Reducing LOS to National Average - \$82M FY22



Trended Liquidity Ratios



(1) Adjusted for Medicare accelerated payments and the deferral of employer portion of FICA as allowed by the CARES act.

KAWEAH DELTA HEALTH CARE DISTRICT

RATIO ANALYSIS REPORT

SEPTEMBER 30, 2022

	Current Month Value	Prior Month Value	June 30, 2022 Unaudited Value	2020 Moody's Median Benchmark		
				Aa	A	Baa
LIQUIDITY RATIOS						
Current Ratio (x)	2.2	2.3	1.9	1.5	1.7	1.8
Accounts Receivable (days)	73.0	74.7	69.4	47.2	46.3	45.9
Cash On Hand (days)	90.9	100.0	125.0	334.8	261.4	207.2
Cushion Ratio (x)	12.9	14.2	17.4	45.9	28.8	19
Average Payment Period (days)	51.2	49.5	63.0	100.5	89.4	95.2
CAPITAL STRUCTURE RATIOS						
Cash-to-Debt	106.4%	116.9%	137.6%	285.0%	200.8%	149.7%
Debt-To-Capitalization	32.7%	31.9%	31.3%	24.8%	31.7%	40.1%
Debt-to-Cash Flow (x)	(2.8)	(3.8)	8.5	2.4	3	3.9
Debt Service Coverage	(4.4)	(3.2)	1.4	7.5	5.2	3.7
Maximum Annual Debt Service Coverage (x)	(4.5)	(3.3)	1.4	6.6	4.4	3
Age Of Plant (years)	14.8	14.9	14.0	10.6	11.8	12.9
PROFITABILITY RATIOS						
Operating Margin	(13.6%)	(11.5%)	(4.2%)	2.2%	1.4%	0.6%
Excess Margin	(13.6%)	(10.9%)	(2.9%)	6.3%	4.8%	3.0%
Operating Cash Flow Margin	(9.0%)	(6.9%)	0.5%	7.4%	7.6%	6.2%
Return on Assets	(13.3%)	(10.8%)	(2.8%)	4.4%	3.8%	2.8%

KAWEAH DELTA HEALTH CARE DISTRICT

CONSOLIDATED INCOME STATEMENT (000's)

FISCAL YEAR 2022 & 2023

Fiscal Year	Operating Revenue			Operating Expenses					Operating Expenses Total	Operating Income	Non-Operating Income	Net Income	Operating Margin %	Excess Margin
	Net Patient Revenue	Other Operating Revenue	Operating Revenue Total	Personnel Expense	Physician Fees	Supplies Expense	Other Operating Expense							
2022														
Jul-21	51,502	15,035	66,537	32,678	7,922	9,596	15,217	65,413	1,124	582	1,706	1.7%	2.5%	
Aug-21	49,714	16,024	65,737	33,434	8,527	13,004	15,414	70,379	(4,642)	990	(3,651)	(7.1%)	(5.5%)	
Sep-21	57,879	15,513	73,391	38,332	7,736	11,942	17,438	75,448	(2,056)	(388)	(2,445)	(2.8%)	(3.3%)	
Oct-21	55,674	15,592	71,266	36,627	9,674	11,714	17,386	75,402	(4,136)	732	(3,403)	(5.8%)	(4.7%)	
Nov-21	54,846	22,162	77,008	33,634	10,261	10,623	15,629	70,146	6,862	7,129	13,991	8.9%	16.6%	
Dec-21	51,115	21,796	72,911	37,366	9,479	10,687	15,532	73,064	(153)	2,057	1,904	(0.2%)	2.5%	
Jan-22	56,862	17,469	74,331	38,931	9,210	10,913	15,143	74,197	134	568	702	0.2%	0.9%	
Feb-22	47,933	17,525	65,458	36,102	8,812	10,406	15,848	71,168	(5,710)	787	(4,924)	(8.7%)	(7.4%)	
Mar-22	52,555	16,609	69,164	37,920	9,045	11,180	18,266	76,412	(7,247)	(470)	(7,717)	(10.5%)	(11.2%)	
Apr-22	49,729	23,436	73,165	40,828	8,829	10,685	17,410	77,752	(4,588)	(568)	(5,156)	(6.3%)	(7.1%)	
May-22	56,673	18,552	75,225	40,040	9,329	11,914	17,162	78,445	(3,220)	(436)	(3,656)	(4.3%)	(4.9%)	
Jun-22	50,790	24,505	75,295	51,319	9,413	8,179	19,029	87,941	(12,646)	126	(12,520)	(16.8%)	(16.6%)	
2022 FY Total	\$ 635,270	\$ 224,218	\$ 859,488	\$ 457,212	\$ 108,238	\$ 130,842	\$ 199,474	\$ 895,766	\$ (36,278)	\$ 11,108	\$ (25,170)	(4.2%)	(2.9%)	
2023														
Jul-22	52,368	18,113	70,480	41,319	8,892	9,593	18,601	78,406	(7,926)	552	(7,374)	(11.2%)	(10.4%)	
Aug-22	54,965	17,672	72,637	42,122	9,585	11,666	17,888	81,261	(8,623)	326	(8,297)	(11.9%)	(11.4%)	
Sep-22	48,168	17,304	65,472	39,158	8,814	11,642	17,869	77,483	(12,010)	(3,901)	(15,911)	(18.3%)	(25.8%)	
2023 FY Total	\$ 155,501	\$ 53,089	\$ 208,590	\$ 122,599	\$ 27,291	\$ 32,901	\$ 54,359	\$ 237,150	\$ (28,559)	\$ (3,022)	\$ (31,582)	(13.7%)	(15.4%)	
FYTD Budget	168,755	55,730	224,485	114,234	27,052	32,020	53,513	226,819	(2,334)	1,098	(1,236)	(1.0%)	(0.5%)	
Variance	\$ (13,254)	\$ (2,641)	\$ (15,895)	\$ 8,366	\$ 239	\$ 881	\$ 845	\$ 10,331	\$ (26,226)	\$ (4,120)	\$ (30,346)			
Current Month Analysis														
Sep-22	\$ 48,168	\$ 17,304	\$ 65,472	\$ 39,158	\$ 8,814	\$ 11,642	\$ 17,869	\$ 77,483	\$ (12,010)	\$ (3,901)	\$ (15,911)	(18.3%)	(25.8%)	
Budget	56,377	18,313	74,690	37,499	9,043	10,737	17,744	75,023	(333)	355	22	(0.4%)	0.0%	
Variance	\$ (8,209)	\$ (1,009)	\$ (9,218)	\$ 1,659	\$ (229)	\$ 904	\$ 125	\$ 2,459	\$ (11,677)	\$ (4,256)	(15,933)			

KAWEAH DELTA HEALTH CARE DISTRICT

FISCAL YEAR 2022 & 2023

Fiscal Year	Patient Days	ADC	Adjusted	I/P Revenue %	DFR &	Net Patient	Personnel	Physician	Supply	Total	Personnel	Physician	Supply	Total	
			Patient Days		Bad Debt %	Revenue/ Ajusted Patient Day	Expense/ Ajusted Patient Day	Fees/ Ajusted Patient Day	Expense/ Ajusted Patient Day	Expense/ Net Patient Revenue	Fees/ Net Patient Revenue	Expense/ Net Patient Revenue	Operating Expense/ Net Patient Revenue		
2022															
Jul-21	13,388	432	26,085	51.3%	76.2%	1,974	1,253	304	368	2,508	63.4%	15.4%	18.6%	127.0%	
Aug-21	14,421	465	27,742	52.0%	77.3%	1,792	1,205	307	469	2,537	67.3%	17.2%	26.2%	141.6%	
Sep-21	14,836	495	28,344	52.3%	75.0%	2,042	1,352	273	421	2,662	66.2%	13.4%	20.6%	130.4%	
Oct-21	15,518	501	28,267	54.9%	75.8%	1,970	1,296	342	414	2,667	65.8%	17.4%	21.0%	135.4%	
Nov-21	13,969	466	26,571	52.6%	74.8%	2,064	1,266	386	400	2,640	61.3%	18.7%	19.4%	127.9%	
Dec-21	14,305	461	27,106	52.8%	76.4%	1,886	1,378	350	394	2,695	73.1%	18.5%	20.9%	142.9%	
Jan-22	14,611	471	26,955	54.2%	74.3%	2,109	1,444	342	405	2,753	68.5%	16.2%	19.2%	130.5%	
Feb-22	13,263	474	24,973	53.1%	75.8%	1,919	1,446	353	417	2,850	75.3%	18.4%	21.7%	148.5%	
Mar-22	13,570	438	27,296	49.7%	76.7%	1,925	1,389	331	410	2,799	72.2%	17.2%	21.3%	145.4%	
Apr-22	12,698	423	26,159	48.5%	77.0%	1,901	1,561	338	408	2,972	82.1%	17.8%	21.5%	156.4%	
May-22	13,858	447	28,283	49.0%	74.6%	2,004	1,416	330	421	2,774	70.7%	16.5%	21.0%	138.4%	
Jun-22	13,603	453	27,788	49.0%	77.7%	1,828	1,847	339	294	3,165	101.0%	18.5%	16.1%	173.1%	
2022 FY Total	168,040	460	325,602	51.6%	75.9%	1,951	1,404	332	402	2,751	72.0%	17.0%	20.6%	141.0%	
2023															
Jul-22	13,913	449	27,694	50.2%	75.6%	1,891	1,492	321	346	2,831	78.9%	17.0%	18.3%	149.7%	
Aug-22	13,952	450	29,331	47.6%	76.4%	1,874	1,436	327	398	2,771	76.6%	17.4%	21.2%	147.8%	
Sep-22	12,768	426	27,367	46.7%	77.4%	1,760	1,431	322	425	2,831	81.3%	18.3%	24.2%	160.9%	
2023 FY Total	40,633	442	84,401	48.1%	76.4%	1,842	1,453	323	390	2,810	78.8%	17.6%	21.2%	152.5%	
FYTD Budget	43,876	477	83,473	52.6%	75.1%	2,022	1,369	324	384	2,687	67.7%	16.0%	19.0%	134.4%	
Variance	(3,243)	(35)	927	(4.4%)	1.3%	(179)	84	(1)	6	122	11.1%	1.5%	2.2%	18.1%	
Current Month Analysis															
Sep-22	12,768	426	27,367	46.7%	77.4%	1,760	1,431	322	425	2,831	81.3%	18.3%	24.2%	160.9%	
Budget	14,351	478	27,093	53.0%	75.1%	2,081	1,384	334	396	2,741	66.5%	16.0%	19.0%	133.1%	
Variance	(1,583)	(53)	274	(6.3%)	2.2%	(321)	47	(12)	29	90	14.8%	2.3%	5.1%	27.8%	

**KAWEAH DELTA HEALTH CARE DISTRICT
CONSOLIDATED STATEMENTS OF NET POSITION (000's)**

	Sep-22	Aug-22	Change	% Change	Jun-22 (Unaudited)
ASSETS AND DEFERRED OUTFLOWS					
CURRENT ASSETS					
Cash and cash equivalents	\$ 3,076	\$ 9,831	\$ (6,755)	-68.71%	\$ 21,693
Current Portion of Board designated and trusted assets	16,568	15,136	1,432	9.46%	14,121
Accounts receivable:					
Net patient accounts	137,773	138,397	(624)	-0.45%	135,696
Other receivables	32,296	28,029	4,267	15.22%	28,575
	170,069	166,426	3,643	2.19%	164,271
Inventories	14,281	14,290	(8)	-0.06%	14,025
Medicare and Medi-Cal settlements	67,448	62,346	5,102	8.18%	58,996
Prepaid expenses	15,400	15,501	(101)	-0.65%	13,050
Total current assets	286,842	283,530	3,312	1.17%	286,157
NON-CURRENT CASH AND INVESTMENTS -					
less current portion					
Board designated cash and assets	215,700	231,356	(15,657)	-6.77%	266,148
Revenue bond assets held in trust	11	22	(11)	-50.69%	8
Assets in self-insurance trust fund	938	1,042	(104)	-9.98%	1,040
Total non-current cash and investments	216,649	232,421	(15,772)	-6.79%	267,197
CAPITAL ASSETS					
Land	17,542	17,542	-	0.00%	17,542
Buildings and improvements	425,551	425,551	-	0.00%	425,542
Equipment	325,116	325,116	-	0.00%	325,209
Construction in progress	21,540	17,772	3,768	21.20%	15,620
	789,749	785,981	3,768	0.48%	783,912
Less accumulated depreciation	466,856	464,290	2,566	0.55%	459,223
	322,893	321,691	1,202	0.37%	324,689
Property under capital leases -					
less accumulated amortization	(526)	(468)	(58)	12.31%	(353)
Total capital assets	322,367	321,223	1,144	0.36%	324,337
OTHER ASSETS					
Property not used in operations	1,571	1,575	(4)	-0.27%	1,584
Health-related investments	4,175	4,311	(136)	-3.17%	4,620
Other	12,894	12,833	61	0.47%	12,511
Total other assets	18,640	18,720	(80)	-0.43%	18,715
Total assets	844,499	855,894	(11,396)	-1.33%	896,405
DEFERRED OUTFLOWS					
Total assets and deferred outflows	(35,321)	(35,284)	(37)	0.11%	(35,209)
	\$ 809,177	\$ 820,610	\$ (11,433)	-1.39%	\$ 861,196

KAWEAH DELTA HEALTH CARE DISTRICT
CONSOLIDATED STATEMENTS OF NET POSITION (000's)

	Sep-22	Aug-22	Change	% Change	Jun-22
					(Unaudited)
LIABILITIES AND NET ASSETS					
CURRENT LIABILITIES					
Accounts payable and accrued expenses	\$ 53,533	\$ 49,926	\$ 3,607	7.23%	\$ 62,935
Accrued payroll and related liabilities	64,120	63,425	694	1.09%	74,165
Long-term debt, current portion	9,901	9,901	-	0.00%	11,814
Total current liabilities	127,554	123,252	4,302	3.49%	148,914
LONG-TERM DEBT, less current portion					
Bonds payable	239,598	239,604	(7)	0.00%	239,618
Capital leases	68	68	-	0.00%	72
Notes payable	7,816	7,816	-	0.00%	7,816
Total long-term debt	247,481	247,488	(7)	0.00%	247,506
NET PENSION LIABILITY	(32,484)	(32,374)	(110)	0.34%	(32,154)
OTHER LONG-TERM LIABILITIES	31,745	31,501	244	0.78%	30,622
Total liabilities	374,296	369,866	4,430	1.20%	394,887
NET ASSETS					
Invested in capital assets, net of related debt	76,235	75,127	1,107	1.47%	76,362
Restricted	33,361	32,622	740	2.27%	31,905
Unrestricted	325,285	342,995	(17,709)	-5.16%	358,041
Total net position	434,881	450,744	(15,863)	-3.52%	466,309
Total liabilities and net position	\$ 809,177	\$ 820,610	\$ (11,433)	-1.39%	\$ 861,196

OPERATION: BACK IN BLACK

\$47M	Revenue Cycle	Contracts/ Underpmts	Supplies/ Contracted Services	Through-put	Humana MA	Provider Related	Employee Related	
Impact	\$2.5M	\$8M	\$4M	\$8.6M	\$10M	\$1M	\$12.7M	
Director Owner	Frances Carrera	Kim Ferguson	Steve Bajari	Rebekah Foster / Kassie Waters	Lori Mulliniks /Sonia Duran- Aguilar	Assigned Physician Director	All Directors \$2.7M Efficiency/\$4M Contract	
Executive Owner	Malinda Tupper	Malinda Tupper	Malinda Tupper/Jag Batth	Jag Batth/Keri Noeske	Ryan Gates/Paul Scholfield	Ben Cripps/Exec Team	Malinda/Keri/Dianne	
BOD meeting #1	Oct	Aug	Jul	Monthly	Nov	Dec	Jan	
BOD meeting #2	Feb	Dec	Nov	Monthly	Mar	April	May	
How	Initiatives	Initiatives	Initiatives	Initiatives	Initiatives	Focus Contracts-Ben	Reduce Hours	
	Collections - focus	Contracts	Key Director Champions	Chartis Plan	KHMG Plan	Contractual Opportunities	- Productivity/monitoring	
	Appeal Accountability	Underpayments	Molly Niederreiter, Christine Aleman, James, McNulty, Lawrence Headley, Tendai Zinyemba John Leal, Tony Reyes, Jill Anderson Kaweah Shares			Performance/Collections	- Close Services	
	Denial prevention	IGT negotiations						- Reduce utilization
	Service line focus						Provider Documentation Committee: Dr. Boone	Reduce Rates
	Charge Capture						Gail Robinson, Keith Adams, Teresa Boyce,	Pay Practices- unsch OT..
	Self Pay Collections						Malinda/ Keri/Jag/Ryan	Reduce Contract Labor: *Retention efforts
							*Contract Invoice Recon	
							*Shift bonus -increase usage/lower rate	
							*Patient Assignments	
							*Reduction in Force	

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

<u>Board designated funds</u>	<u>CUSIP</u>	<u>Maturity Date</u>	<u>Yield</u>	<u>Investment Type</u>	<u>G/L Account</u>	<u>Amount</u>	<u>Total</u>
LAIF			1.60	Various		1,118,375	
CAMP			2.97	CAMP		30,360,963	
PFM	31846V203		2.47	Money market		609,168	
Allspring	31846V203		2.47	Money market		110,169	
PFM	3136AEGQ4	27-Dec-22	2.28	U.S. Govt Agency	FNMA	125,114	
Torrey Pines Bank		5-Mar-23	0.35	CD	Torrey Pines Bank	3,060,718	
PFM	22552G3C2	17-Mar-23	0.59	CD	Credit Suisse Ag CD	665,000	
Allspring	345102NR4	8-Apr-23	0.30	Municipal	Foothill Ca	850,000	
PFM	459058JV6	20-Apr-23	0.13	Supra-National Agen	Intl Bk	620,000	
PFM	023135BQ8	3-Jun-23	0.80	MTN-C	Amazon Com Inc	445,000	
PFM	69371RQ82	8-Jun-23	0.80	MTN-C	Paccar Financial Mtn	140,000	
PFM	73358W4V3	1-Jul-23	1.09	Municipal	Port Auth NY	245,000	
PFM	24422EVH9	5-Jul-23	0.70	MTN-C	John Deere Mtn	230,000	
PFM	24422EVH9	5-Jul-23	0.70	MTN-C	John Deere Mtn	295,000	
PFM	3135G05G4	10-Jul-23	0.25	U.S. Govt Agency	FNMA	1,710,000	
PFM	3137FKK39	25-Jul-23	3.20	ABS	FHLMC	10,612	
Allspring	14575TDX7	1-Aug-23	0.98	Municipal	Carson Ca Redevel Ag	300,000	
Allspring	250433TX7	1-Aug-23	1.30	Municipal	Desert Sands Ca	315,000	
Allspring	697511FA6	1-Aug-23	0.58	Municipal	Palomar Ca	700,000	
Allspring	916544ES4	1-Aug-23	0.68	Municipal	Upper Santa Clara	1,100,000	
PFM	157411TJ8	1-Aug-23	2.00	Municipal	Chaffey Ca	265,000	
PFM	797272QN4	1-Aug-23	2.00	Municipal	San Diego Ca Community	165,000	
PFM	874857KJ3	1-Aug-23	1.97	Municipal	Tamalpais Ca Union	370,000	
PFM	362569AC9	21-Aug-23	0.74	ABS	GM Fin Auto Lease	29,111	
PFM	798135H51	1-Sep-23	2.13	Municipal	San Jose Ca Ref	765,000	
PFM	89236TFN0	20-Sep-23	3.45	MTN-C	Toyota Motor	550,000	
PFM	02665WCQ2	10-Oct-23	3.63	MTN-C	American Honda Mtn	395,000	
PFM	65480EAD3	16-Oct-23	0.00	ABS	Nissann Auto Lease	71,591	
PFM	110122DT2	13-Nov-23	0.54	MTN-C	Bristol Myers Squibb	280,000	
PFM	91282CAW1	15-Nov-23	0.25	U.S. Govt Agency	US Treasury Bill	1,000,000	
PFM	91282CAW1	15-Nov-23	0.25	U.S. Govt Agency	US Treasury Bill	350,000	
PFM	459058JM6	24-Nov-23	0.25	Supra-National Agen	Intl Bk	1,265,000	
PFM	3137BTU25	25-Nov-23	3.06	U.S. Govt Agency	FHLMC	386,033	
PFM	3137EAF2	4-Dec-23	0.25	U.S. Govt Agency	FHLMC	595,000	
Allspring	650009R88	1-Jan-24	2.12	Municipal	New York ST	585,000	
PFM	91282CBE0	15-Jan-24	0.13	U.S. Govt Agency	US Treasury Bill	910,000	
PFM	693475AV7	23-Jan-24	3.50	MTN-C	PNC Financial	395,000	
PFM	05591RAC8	25-Jan-24	0.40	ABS	BMW Auto Leasing LLC	145,454	
PFM	6174468W2	25-Jan-24	0.53	MTN-C	Morgan Stanley	335,000	
Allspring	69371RR24	2-Feb-24	0.35	MTN-C	Paccar Financial Mtn	1,000,000	
Allspring	6374HEU2	8-Feb-24	0.35	MTN-C	National Rural	1,400,000	
PFM	9128286G0	29-Feb-24	2.38	U.S. Govt Agency	US Treasury Bill	1,470,000	
PFM	58933YAU9	7-Mar-24	2.90	MTN-C	Merck Co Inc.	405,000	
PFM	904764BG1	7-Mar-24	3.25	MTN-C	Unilever Capital	200,000	
PFM	46647PBZ8	16-Mar-24	0.70	MTN-C	JP Morgan	215,000	
Allspring	808513BN4	18-Mar-24	0.75	MTN-C	Schwab Charles	1,625,000	
PFM	808513BN4	18-Mar-24	0.75	MTN-C	Schwab Charles	90,000	
Allspring	92343VGF5	22-Mar-24	0.75	MTN-C	Verizon	730,000	
PFM	3136AJB54	25-Mar-24	3.35	U.S. Govt Agency	FNMA	250,078	
Allspring	61772BAA1	5-Apr-24	0.73	MTN-C	Morgan Stanley	700,000	
PFM	61772BAA1	5-Apr-24	0.73	MTN-C	Morgan Stanley	230,000	
PFM	20030NCR0	15-Apr-24	3.70	MTN-C	Comcast Corp	395,000	
Allspring	06406RAS6	26-Apr-24	0.50	MTN-C	Bank of Ny Mtn	1,000,000	
PFM	06406RAS6	26-Apr-24	0.50	MTN-C	Bank of Ny Mtn	170,000	
Allspring	9128286R6	30-Apr-24	2.25	U.S. Govt Agency	US Treasury Bill	500,000	
PFM	912828X70	30-Apr-24	2.00	U.S. Govt Agency	US Treasury Bill	1,285,000	
Allspring	97705MUJ2	1-May-24	0.36	Municipal	Wisconsin ST	1,320,000	
Allspring	977100HH2	1-May-24	0.43	Municipal	Wisconsin ST	500,000	
Allspring	023135BW5	12-May-24	0.45	MTN-C	Amazon Com Inc	875,000	
PFM	023135BW5	12-May-24	0.45	MTN-C	Amazon Com Inc	250,000	
Allspring	91412HKY8	15-May-24	0.58	Municipal	University Ca	1,000,000	
PFM	91324PEB4	15-May-24	0.55	MTN-C	JP Morgan	195,000	
PFM	912828WJ5	15-May-24	2.50	U.S. Govt Agency	US Treasury Bill	950,000	
PFM	912828WJ5	15-May-24	2.50	U.S. Govt Agency	US Treasury Bill	425,000	
PFM	380144AC9	20-May-24	0.00	ABS	GM Fin Auto Lease	444,997	
PFM	40428HTA0	24-May-24	3.75	MTN-C	HSBC USA Inc	415,000	
PFM	04636NAC7	28-May-24	0.70	MTN-C	Astrazeneca LP	300,000	
Allspring	684100AC4	1-Jun-24	0.59	Municipal	Orange Ca	500,000	
Allspring	891371AT3	1-Jun-24	0.64	Municipal	Torrance Ca	1,450,000	
Allspring	546486BU4	15-Jun-24	0.52	Municipal	Louisiana ST	500,000	
PFM	91282CCG4	15-Jun-24	0.25	U.S. Govt Agency	US Treasury Bill	865,000	
Allspring	9128286Z8	30-Jun-24	1.75	U.S. Govt Agency	US Treasury Bill	1,000,000	
Allspring	284035AC6	1-Jul-24	0.63	Municipal	El Segundo Ca	510,000	
Allspring	544647BF6	1-Jul-24	5.00	Municipal	Los Angeles Calif Ca	1,500,000	
PFM	040654XU4	1-Jul-24	1.96	Municipal	Arizona ST	675,000	
PFM	20772KJW0	1-Jul-24	2.00	Municipal	Connecticut ST	150,000	
PFM	977123X60	1-Jul-24	0.62	Municipal	Wisconsin ST	470,000	
PFM	65479CAD0	15-Jul-24	0.00	MTN-C	Nissan Auto	59,116	
PFM	91159HHX1	30-Jul-24	2.40	MTN-C	US Bancorp	415,000	
PFM	574193TQ1	1-Aug-24	0.51	Municipal	Maryland ST	355,000	
PFM	797272QP9	1-Aug-24	2.05	Municipal	San Diego Ca Community	80,000	
PFM	798306WN2	1-Aug-24	0.70	Municipal	San Juan Ca	195,000	
PFM	874857KK0	1-Aug-24	2.02	Municipal	Tamalpais Ca Union	305,000	
PFM	02665WDY4	9-Aug-24	0.75	ABS	American Honda Mtn	190,000	
PFM	05565EBU8	12-Aug-24	0.75	ABS	BMW US Cap LLC	120,000	
PFM	05565EBU8	12-Aug-24	0.75	ABS	BMW US Cap LLC	220,000	

**KAWEAH DELTA HEALTH CARE DISTRICT
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PFM	904764BN6	12-Aug-24	0.63	MTN-C	Unilever Capital	100,000
PFM	438516BW5	15-Aug-24	2.30	MTN-C	Honeywell	330,000
PFM	69371RQ25	15-Aug-24	2.15	MTN-C	Paccar Financial Mtn	210,000
Allspring	30231GBC5	16-Aug-24	2.02	MTN-C	Exxon Mobil	1,320,000
PFM	254687FK7	30-Aug-24	1.75	MTN-C	Walt Disney Co	780,000
PFM	24422EVU0	10-Sep-24	0.63	MTN-C	Deere John Mtn	85,000
Allspring	14913R2P1	13-Sep-24	0.60	MTN-C	Caterpillar Finl Mtn	500,000
PFM	641062AU8	14-Sep-24	0.61	MTN-C	Nestle Holdings	640,000
PFM	4581X0DZ8	23-Sep-24	0.50	Supra-National Agen	Inter Amer Bk	870,000
PFM	912828YH7	30-Sep-24	1.50	U.S. Govt Agency	US Treasury Bill	425,000
PFM	89237VAB5	15-Oct-24	0.70	ABS	Toyota Auto Recvs	163,430
PFM	43813KAC6	18-Oct-24	0.37	ABS	Honda Auto	247,297
PFM	06406RAL1	24-Oct-24	2.10	MTN-C	Bank of NY	150,000
PFM	09661RAD3	25-Oct-24	0.00	ABS	BMW Vehicle Owner	74,105
PFM	06406RAX5	25-Oct-24	0.85	MTN-C	Bank of Ny Mtn	390,000
PFM	172967MT5	30-Oct-24	0.78	MTN-C	Citigroup Inc	445,000
Allspring	912828YM6	31-Oct-24	1.50	U.S. Govt Agency	US Treasury Bill	650,000
PFM	912828YM6	31-Oct-24	1.50	U.S. Govt Agency	US Treasury Bill	1,500,000
PFM	605581MZ7	1-Nov-24	0.57	Municipal	Mississippi ST	300,000
Allspring	14913Q3B3	8-Nov-24	2.15	MTN-C	Caterpillar Finl Mtn	600,000
PFM	14913Q3B3	8-Nov-24	2.15	MTN-C	Caterpillar Finl Mtn	850,000
Allspring	912828YV6	30-Nov-24	1.50	U.S. Govt Agency	US Treasury Bill	175,000
PFM	912828YV6	30-Nov-24	1.50	U.S. Govt Agency	US Treasury Bill	1,000,000
Allspring	46647PAY2	5-Dec-24	4.02	MTN-C	JP Morgan	1,050,000
Allspring	07330NAT2	6-Dec-24	2.15	MTN-C	Branch Banking Trust	1,300,000
Allspring	91282CDN8	15-Dec-24	1.00	U.S. Govt Agency	US Treasury Bill	550,000
PFM	44933FAC0	15-Dec-24	0.00	ABS	Hyundai Auto	133,340
Allspring	912828YY0	31-Dec-24	1.75	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	3135G0X24	7-Jan-25	1.63	U.S. Govt Agency	FNMA	1,510,000
Allspring	24422EVC0	9-Jan-25	2.05	MTN-C	John Deere Mtn	500,000
PFM	21688AAS1	10-Jan-25	1.38	Supra-National Agen	Cooperatieve	440,000
Allspring	91282CDS7	15-Jan-25	1.13	U.S. Govt Agency	US Treasury Bill	3,300,000
Allspring	90331HPL1	21-Jan-25	2.05	MTN-C	US Bank NA	1,400,000
Allspring	38141GZH0	24-Jan-25	1.76	MTN-C	Goldman Sachs	725,000
PFM	3137FUZN7	25-Jan-25	0.53	U.S. Govt Agency	FHLMC	71,382
PFM	63743HFC1	7-Feb-25	1.88	MTN-C	National Rural Mtn	125,000
PFM	3137EAEF0	12-Feb-25	1.50	U.S. Govt Agency	FHLMC	1,000,000
PFM	89236TGT6	13-Feb-25	1.80	MTN-C	Toyota Motor	420,000
PFM	66989HAP3	14-Feb-25	1.75	MTN-C	Novartis Capital	425,000
PFM	92290BAA9	20-Feb-25	0.00	MTN-C	Verizon Owner	400,372
Allspring	24422EWB1	7-Mar-25	2.13	MTN-C	Deere John Mtn	550,000
PFM	771196BT8	10-Mar-25	2.13	MTN-C	Roche Holding Inc	730,000
PFM	14315FAD9	15-Mar-25	0.00	ABS	Carmax Auto Owner	145,484
Allspring	072024XB3	1-Apr-25	0.88	Municipal	Bay Area Toll	250,000
PFM	369550BK3	1-Apr-25	3.25	MTN-C	General Dynamics	395,000
Allspring	023135CE4	13-Apr-25	3.00	MTN-C	Amazon Com Inc	500,000
PFM	3130AJHU6	14-Apr-25	0.50	U.S. Govt Agency	FHLB	1,340,000
PFM	437076CM2	15-Apr-25	2.70	MTN-C	Home Depot Inc	65,000
PFM	3135G03U5	22-Apr-25	0.63	U.S. Govt Agency	FNMA	1,530,000
PFM	06406RBC0	25-Apr-25	3.50	MTN-C	Bank of NY	425,000
Allspring	797412DM2	1-May-25	0.74	Municipal	San Diego County	300,000
PFM	172967MX6	1-May-25	0.98	MTN-C	Citigroup Inc	440,000
PFM	037833DT4	11-May-25	1.13	MTN-C	Apple, Inc	655,000
Allspring	91282CEQ0	15-May-25	2.75	U.S. Govt Agency	US Treasury Bill	980,000
PFM	91412HFM0	15-May-25	0.93	Municipal	University Calf Ca	185,000
Allspring	45866FAT1	23-May-25	3.65	MTN-C	Intercontinental	725,000
PFM	3137BKRJ1	25-May-25	3.33	U.S. Govt Agency	FHLMC	855,000
Allspring	20772KNW5	1-Jun-25	0.92	Municipal	Connecticut ST	400,000
PFM	438516CB0	1-Jun-25	1.35	MTN-C	Honeywell	220,000
PFM	291011BG8	1-Jun-25	3.15	MTN-C	Emerson Electric Co	265,000
PFM	438516CB0	1-Jun-25	1.35	MTN-C	Honeywell	180,000
PFM	46647PCH7	1-Jun-25	0.82	MTN-C	JP Morgan	725,000
PFM	46647PCH7	1-Jun-25	0.82	MTN-C	JP Morgan	275,000
Allspring	3135G04Z3	17-Jun-25	0.50	U.S. Govt Agency	FNMA	2,000,000
PFM	3135G04Z3	17-Jun-25	0.50	U.S. Govt Agency	FNMA	1,800,000
Allspring	912828ZW3	30-Jun-25	0.25	U.S. Govt Agency	US Treasury Bill	350,000
PFM	241271AD6	1-Jul-25	1.26	Municipal	Florida ST	600,000
PFM	977123X78	1-Jul-25	0.77	Municipal	Wisconsin ST	440,000
Allspring	3137EAEU9	21-Jul-25	0.38	U.S. Govt Agency	FHLMC	1,500,000
PFM	32262XAD6	21-Jul-25	0.50	ABS	GM Financial	100,000
PFM	3137EAEU9	21-Jul-25	0.38	U.S. Govt Agency	FHLMC	520,000
Allspring	91282CAB7	31-Jul-25	0.25	U.S. Govt Agency	US Treasury Bill	1,275,000
PFM	91282CAB7	31-Jul-25	0.25	U.S. Govt Agency	US Treasury Bill	185,000
Allspring	801747AD8	1-Aug-25	2.17	Municipal	Santa Cruz Ca	400,000
PFM	025816CY3	1-Aug-25	3.95	MTN-C	American Express Co	230,000
PFM	54438CYK2	1-Aug-25	0.77	Municipal	Los Angeles Ca	335,000
PFM	798306WP7	1-Aug-25	0.85	Municipal	San Juan Ca	190,000
Allspring	43811JAC1	15-Aug-25	0.00	ABS	Honda Auto Rec Own	1,350,000
PFM	194162AM5	15-Aug-25	3.10	MTN-C	Colgate Palmolive	140,000
PFM	14316HAC6	15-Aug-25	0.78	ABS	Carmax Auto Owner	177,784
PFM	50117TAC5	15-Aug-25	0.62	ABS	Kubota Credit	195,000
Allspring	3135G05X7	25-Aug-25	0.38	U.S. Govt Agency	FNMA	1,500,000
Allspring	3130AK5E2	4-Sep-25	0.38	U.S. Govt Agency	FHLB	525,000
Allspring	47788UAC6	15-Sep-25	0.36	ABS	John Deere Owner	685,000
PFM	44933LAC7	15-Sep-25	0.00	ABS	Hyundai Auto	190,000

**KAWEAH DELTA HEALTH CARE DISTRICT
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PFM	002824BM1	15-Sep-25	3.88	MTN-C	Abbott Laboratories	195,000
Allspring	3137EAEX3	23-Sep-25	0.00	U.S. Govt Agency	FHLMC	750,000
PFM	3137EAEX3	23-Sep-25	0.00	U.S. Govt Agency	FHLMC	835,000
Allspring	06051GJG5	25-Sep-25	0.98	MTN-C	Bk of America	1,300,000
Allspring	742718FL8	29-Oct-25	0.55	MTN-C	Procter Gamble Co	1,300,000
Allspring	91282CAT8	31-Oct-25	0.25	U.S. Govt Agency	US Treasury Bill	770,000
PFM	50117XAE2	17-Nov-25	0.56	ABS	Kubota Credit	165,000
Allspring	91282CAZ4	30-Nov-25	0.38	U.S. Govt Agency	US Treasury Bill	1,200,000
Allspring	91282CAZ4	30-Nov-25	0.38	U.S. Govt Agency	US Treasury Bill	1,350,000
PFM	14316NAC3	15-Dec-25	0.00	ABS	Carmax Auto Owner	123,660
PFM	91282CBC4	31-Dec-25	0.38	U.S. Govt Agency	US Treasury Bill	445,000
PFM	9128CBC4	31-Dec-25	0.38	U.S. Govt Agency	US Treasury Bill	950,000
PFM	9128285T3	31-Dec-25	2.63	U.S. Govt Agency	US Treasury Bill	2,000,000
PFM	9128CBH3	31-Jan-26	0.38	U.S. Govt Agency	US Treasury Bill	1,000,000
Allspring	857477BR3	6-Feb-26	1.75	MTN-C	State Street Corp	350,000
Allspring	857477BR3	6-Feb-26	1.75	MTN-C	State Street Corp	650,000
PFM	38141GX58	12-Feb-26	0.86	MTN-C	Goldman Sachs	205,000
PFM	912828P46	15-Feb-26	1.63	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	14314QAC8	17-Feb-26	0.00	ABS	Carmax Auto Owner	285,000
PFM	91282CBQ3	28-Feb-26	0.50	U.S. Govt Agency	US Treasury Bill	1,500,000
PFM	857477BM4	30-Mar-26	2.90	MTN-C	State Street Corp	420,000
Allspring	91282CBT7	31-Mar-26	0.75	U.S. Govt Agency	US Treasury Bill	675,000
PFM	9128CBT7	31-Mar-26	0.38	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	06051GKM0	2-Apr-26	3.38	MTN-C	Bank of America	250,000
PFM	06051GFX2	19-Apr-26	3.50	MTN-C	Bank of America	295,000
Allspring	95000U2X0	25-Apr-26	3.91	MTN-C	Wells Fargo co	800,000
Allspring	46647PCZ7	26-Apr-26	4.08	MTN-C	JP Morgan	250,000
Allspring	91282CBW0	30-Apr-26	0.75	U.S. Govt Agency	US Treasury Bill	1,900,000
Allspring	91282CBW0	30-Apr-26	0.75	U.S. Govt Agency	US Treasury Bill	450,000
Allspring	91282CBW0	30-Apr-26	0.75	U.S. Govt Agency	US Treasury Bill	1,000,000
Allspring	91282CBW0	30-Apr-26	0.75	U.S. Govt Agency	US Treasury Bill	1,875,000
PFM	91282CBW0	30-Apr-26	0.75	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	91282CBW0	30-Apr-26	0.75	U.S. Govt Agency	US Treasury Bill	435,000
PFM	459200JZ5	15-May-26	3.30	MTN-C	IBM Corp	410,000
PFM	04636NAA1	28-May-26	1.20	MTN-C	Astrazeneca LP	265,000
PFM	91282CCF6	31-May-26	0.75	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	9128286X3	31-May-26	2.13	U.S. Govt Agency	US Treasury Bill	1,200,000
Allspring	14316HAD4	15-Jun-26	0.91	ABS	Carmax Auto Owner	1,750,000
PFM	14317DAC4	15-Jun-26	0.00	ABS	Carmax Auto Owner	550,000
Allspring	89236TJK2	18-Jun-26	1.13	MTN-C	Toyota Motor	1,400,000
Allspring	91282CCJ8	30-Jun-26	0.88	U.S. Govt Agency	US Treasury Bill	1,850,000
PFM	91282CCJ8	30-Jun-26	0.88	U.S. Govt Agency	US Treasury Bill	750,000
PFM	91282CCJ8	30-Jun-26	0.88	U.S. Govt Agency	US Treasury Bill	240,000
Allspring	03255LKA6	1-Jul-26	1.89	Municipal	Anaheim Ca Pub	1,000,000
PFM	544647FC9	1-Jul-26	1.46	Municipal	Los Angeles Ca	270,000
PFM	931142EM1	8-Jul-26	3.05	MTN-C	Walmart INC	205,000
PFM	43815PAC3	20-Jul-26	0.00	ABS	Honda Auto Rec Own	130,000
PFM	06406RBJ5	24-Jul-26	4.41	MTN-C	Bank of NY Mtn	55,000
PFM	89788MAH5	28-Jul-26	4.26	MTN-C	Truist Financial Mtn	275,000
PFM	91282CCP4	31-Jul-26	0.63	U.S. Govt Agency	US Treasury Bill	280,000
PFM	91282CCP4	31-Jul-26	0.63	U.S. Govt Agency	US Treasury Bill	600,000
Allspring	380130AF1	20-Aug-26	5.40	ABS	GM Fin Atmbl Lease	1,365,000
PFM	91282CCW9	31-Aug-26	0.75	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	14913R2Q9	14-Sep-26	1.15	MTN-C	Caterpillar Finl Mtn	220,000
Allspring	34528QHFA	15-Sep-26	2.44	MTN-C	Ford Credit	1,750,000
Allspring	91282CCZ2	30-Sep-26	0.88	U.S. Govt Agency	US Treasury Bill	1,210,000
Allspring	9128CCZ2	30-Sep-26	0.88	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	91282CCZ2	30-Sep-26	0.88	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	46625HRV4	1-Oct-26	2.95	MTN-C	JP Morgan	415,000
Allspring	91282CDG3	31-Oct-26	1.13	U.S. Govt Agency	US Treasury Bill	800,000
PFM	025816CM9	4-Nov-26	0.02	MTN-C	American Express Co	445,000
PFM	539830BH1	15-Nov-26	3.55	MTN-C	Lockheed Martin	203,000
Allspring	02582JRR2	16-Nov-26	0.90	MTN-C	American Express Cr	1,750,000
PFM	14041NFY2	16-Nov-26	0.00	ABS	Capital One Multi	640,000
Allspring	91282CDK4	30-Nov-26	1.13	U.S. Govt Agency	US Treasury Bill	1,100,000
Allspring	91282CDK4	30-Nov-26	1.13	U.S. Govt Agency	US Treasury Bill	900,000
PFM	91282CDK4	30-Nov-26	1.25	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	91282CDK4	30-Nov-26	1.25	U.S. Govt Agency	US Treasury Bill	200,000
PFM	91282CDK4	30-Nov-26	1.25	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	91282CDQ1	31-Dec-26	1.25	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	91282CDQ1	31-Dec-26	1.25	U.S. Govt Agency	US Treasury Bill	1,000,000
PFM	02665WDJ7	8-Jan-27	2.35	MTN-C	American Honda Mtn	220,000
PFM	24422EWA3	11-Jan-27	1.70	MTN-C	Deere John Mtn	220,000
Allspring	87612EBM7	15-Jan-27	1.95	MTN-C	Target Corp	900,000
PFM	87612EBM7	15-Jan-27	1.95	MTN-C	Target Corp	115,000
PFM	87612EBM7	15-Jan-27	1.95	MTN-C	Target Corp	215,000
Allspring	912828Z78	31-Jan-27	1.50	U.S. Govt Agency	US Treasury Bill	650,000
Allspring	912828Z78	31-Jan-27	1.50	U.S. Govt Agency	US Treasury Bill	750,000
PFM	00724PAC3	1-Feb-27	2.15	MTN-C	Adobe Inc	220,000
PFM	3130AKYH3	10-Feb-27	0.83	U.S. Govt Agency	FHLB	710,000
PFM	654106AJ2	27-Mar-27	2.75	MTN-C	Nike Inc	215,000
Allspring	91282CEF4	31-Mar-27	2.50	U.S. Govt Agency	US Treasury Bill	1,280,000

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

Allspring	91282CEF4	31-Mar-27	2.50	U.S. Govt Agency	US Treasury Bill	550,000
Allspring	91282CEF4	31-Mar-27	2.38	U.S. Govt Agency	US Treasury Bill	1,500,000
PFM	14318MAD1	15-Apr-27	0.00	ABS	Carmax Auto Owner	600,000
PFM	437076CA8	15-Apr-27	2.50	MTN-C	Home Depot Inc	220,000
Allspring	91282CEN7	30-Apr-27	2.88	U.S. Govt Agency	US Treasury Bill	970,000
PFM	912828ZN3	30-Apr-27	0.50	U.S. Govt Agency	US Treasury Bill	250,000
PFM	91282CEN7	30-Apr-27	2.88	U.S. Govt Agency	US Treasury Bill	800,000
Allspring	665859AW4	10-May-27	4.00	MTN-C	Northern Tr Corp Sr	800,000
PFM	665859AW4	10-May-27	4.00	MTN-C	Northern Tr Corp Sr	250,000
Allspring	14041NGA3	15-May-27	7.10	ABS	Capital One Multi	1,750,000
PFM	912828X88	15-May-27	2.38	U.S. Govt Agency	US Treasury Bill	925,000
PFM	459200KH3	15-May-27	1.70	MTN-C	IBM Corp	230,000
PFM	91324PEG3	15-May-27	3.70	MTN-C	Unitedhealth Group	85,000
Allspring	254683CS2	17-May-27	3.32	MTN-C	Discover Card Exe	1,750,000
PFM	14043GAD6	17-May-27	4.14	ABS	Capital One Prime	265,000
PFM	02582JJT8	17-May-27	2.39	MTN-C	American Express Co	655,000
PFM	254683CS2	17-May-27	0.00	MTN-C	Discover Card Exe	305,000
PFM	693475AT2	19-May-27	3.15	MTN-C	PNC Financial	215,000
PFM	89788MAC6	19-May-27	3.15	MTN-C	Truist Financial Mtn	240,000
Allspring	91282CET4	31-May-27	2.63	U.S. Govt Agency	US Treasury Bill	2,000,000
Allspring	91282CEW7	20-Jun-27	3.00	U.S. Govt Agency	US Treasury Bill	175,000
Allspring	576004HD0	15-Jul-27	3.68	Municipal	Massachusetts St	1,000,000
PFM	91282CFB2	31-Jul-27	2.75	U.S. Govt Agency	US Treasury Bill	1,675,000
Allspring	010878BF2	1-Aug-27	3.46	Municipal	Alameda Cnty Ca	500,000
PFM	458140BY5	5-Aug-27	3.75	MTN-C	Intel Corp	420,000
Allspring	91282CFH9	31-Aug-27	3.13	U.S. Govt Agency	US Treasury Bill	930,000
PFM	931142EX7	9-Sep-27	3.95	MTN-C	Walmart INC	420,000
PFM	254683CP8	15-Sep-28	0.00	MTN-C	Discover Card Exe	495,000
PFM	89238EAC0	20-Jul-32	0.00	ABS	Toyota Lease Owner	235,000
PFM	91282CAZ4	1-Nov-25	0.38	U.S. Govt Agency	US Treasury Bill	500,000

\$ 215,901,352

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

	Maturity Date	Yield	Investment Type	G/L Account	Amount	Total
<u>Self-insurance trust</u>						
Wells Fargo Bank			Money market	110900	1,312,186	
Wells Fargo Bank			Fixed income - L/T	152300	<u>1,086,461</u>	2,398,648
<u>2015A revenue bonds</u>						
US Bank			Principal/Interest payment fund	142115	<u>209,181</u>	209,181
<u>2015B revenue bonds</u>						
US Bank			Principal/Interest payment fund	142116	1,382,163	
US Bank			Project Fund	152442	<u>7,873</u>	1,390,036
<u>2017C revenue bonds</u>						
US Bank			Principal/Interest payment fund	142118	<u>3,218,342</u>	3,218,342
<u>2020 revenue bonds</u>						
Signature Bank			Project Fund	152446	2,800	
US Bank			Principal/Interest payment fund	142113	<u>400,651</u>	403,451
<u>2014 general obligation bonds</u>						
LAIF			Interest Payment fund	152440	<u>1,788,007</u>	1,788,007
<u>Operations</u>						
Wells Fargo Bank	(Checking)	0.16	Checking	100000	(1,883,885)	
Wells Fargo Bank	(Savings)	0.16	Checking	100500	<u>(2,406,104)</u>	(4,289,988)
<u>Payroll</u>						
Wells Fargo Bank	(Checking)	0.16	Checking	100100	(64,461)	
Wells Fargo Bank	(Checking)	0.16	Checking	100201	753,758	
Wells Fargo Bank	(Checking)	0.16	Checking	100200	14,500	
Wells Fargo Bank	(Checking)		Checking	100205	963	
Bancorp	(Checking)		Checking	100202	<u>(82,952)</u>	(3,668,181)
					621,807	
Total investments					\$	<u>221,640,835</u>

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

Kaweah Delta Medical Foundation

Wells Fargo Bank	Checking	100050		\$ 6,011,549
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Sequoia Regional Cancer Center

Wells Fargo Bank (Medical)	Checking	100535	(39,577)	\$ (39,577)
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Kaweah Delta Hospital Foundation

VCB Checking	Investments	100501	539,483	
Various	S/T Investments	142200	7,379,782	
Various	L/T Investments	142300	12,267,204	
Various	Unrealized G/L	142400	(355,510)	
				\$ 19,830,959

Summary of board designated funds:

Plant fund:

Uncommitted plant funds	\$ 144,179,289		142100	
Committed for capital	38,500,390		142100	
		182,679,680		
GO Bond reserve - L/T	1,992,658		142100	
401k Matching	6,773,719		142100	
Cost report settlement - current	2,135,384		142104	
Cost report settlement - L/T	1,312,727		142100	
		3,448,111		
Development fund/Memorial fund	104,184		112300	
Workers compensation - current	5,625,000		112900	
Workers compensation - L/T	15,278,000		113900	
		20,903,000		
		\$ 215,901,352		

Investment summary by institution:

	Total Investments	%	Trust Accounts	Surplus Funds	%
Bancorp	\$ (82,952)	0.0%		(82,952)	0.0%
CAMP	30,360,963	13.7%		30,360,963	14.3%
Local Agency Investment Fund (LAIF)	1,118,375	0.5%		1,118,375	0.5%
Local Agency Investment Fund (LAIF) - GOB Tax Rev	1,788,007	0.8%	1,788,007	-	0.0%
Allspring	92,430,169	41.7%	2,398,648	90,031,521	42.4%
PFM	88,931,128	40.1%		88,931,128	41.9%
Torrey Pines Bank	3,060,718	1.4%		3,060,718	1.4%
Wells Fargo Bank	(1,186,581)	-0.5%		(1,186,581)	-0.6%
Signature Bank	2,800	0.0%	2,800		0.0%
US Bank	5,218,210	2.4%	5,218,210		0.0%
Total investments	\$ 221,640,835	100.0%	\$ 9,407,665	212,233,171	100.0%

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

<u>Investment summary of surplus funds by type:</u>		<u>Investment Limitations</u>
Negotiable and other certificates of deposit	\$ 3,725,718	63,670,000 (30%)
Checking accounts	(3,668,181)	
Local Agency Investment Fund (LAIF)	1,118,375	75,000,000
CAMP	30,360,963	
Medium-term notes (corporate) (MTN-C)	54,597,488	63,670,000 (30%)
U.S. government agency	88,292,606	
Municipal securities	21,340,000	
Money market accounts	719,337	42,447,000 (20%)
Commercial paper	-	53,058,000 (25%)
Asset Backed Securities	12,551,866	42,447,000 (20%)
Supra-National Agency	3,195,000	63,670,000 (30%)
	<u>\$ 212,233,171</u>	

Return on investment:

Current month	<u><u>1.18%</u></u>
Year-to-date	<u><u>0.63%</u></u>
Prospective	<u><u>1.71%</u></u>
LAIF (year-to-date)	<u><u>1.29%</u></u>
Budget	<u><u>1.65%</u></u>

Fair market value disclosure for the quarter ended September 30, 2022 (District only):

	<u>Quarter-to-date</u>	<u>Year-to-date</u>
Difference between fair value of investments and amortized cost (balance sheet effect)	N/A	(12,108,485)
Change in unrealized gain (loss) on investments (income statement effect)	\$ (3,804,365)	(3,804,365)

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

Investment summary of CDs:

Credit Suisse Ag CD	\$ 665,000
Torrey Pines Bank	3,060,718
	<u>\$ 3,725,718</u>

Investment summary of asset backed securities:

American Honda Mtn	\$ 190,000
BMW Vehicle Owner	74,105
BMW Auto Leasing LLC	145,454
BMW US Cap LLC	340,000
Capital One Multi	2,390,000
Capital One Prime	265,000
Carmax Auto Owner	3,631,928
FHLMC	10,612
GM Fin Atmbl Lease	1,365,000
Gm Fin Auto Lease	474,108
Gm Financial	100,000
Honda Auto	247,297
Honda Auto Rec Own	1,480,000
Hyundai Auto	323,340
John Deere Owner	685,000
Kubota Credit	360,000
Nissann Auto Lease	71,591
Toyota Auto Recvs	163,430
Toyota Lease Owner	235,000
	<u>\$ 12,551,866</u>

KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022

Investment summary of medium-term notes (corporate):

Abbott Laboratories	\$ 195,000
Adobe Inc	\$ 220,000
Amazon Com Inc	2,070,000
American Express Co	1,330,000
American Express Cr	1,750,000
American Honda Mtn	615,000
Apple, Inc	655,000
Astrazeneca LP	565,000
Bank of America	545,000
Bank of NY	575,000
Bank of NY Mtn	1,615,000
Bk of America	1,300,000
Branch Banking Trust	1,300,000
Bristol Myers Squibb	280,000
Caterpillar Finl Mtn	2,170,000
Citigroup Inc	885,000
Colgate Palmolive	140,000
Comcast Corp	395,000
Deere John Mtn	855,000
Discover Card Exe	2,550,000
Emerson Electric Co	265,000
Exxon Mobil	1,320,000
Ford Credit	1,750,000
General Dynamics	395,000
Goldman Sachs	930,000
Home Depot Inc	285,000
Honeywell	730,000
HSBC USA Inc	415,000
IBM Corp	640,000
Intel corp	420,000
Intercontinental	725,000
John Deere Mtn	1,025,000
JP Morgan	3,125,000
Lockheed Martin	203,000
Merck Co Inc.	405,000
Morgan Stanley	1,265,000
National Rural	1,400,000
National Rural Mtn	125,000
Nestle Holdings	640,000
Nike Inc	215,000
Nissan Auto	59,116
Northern Tr Corp Sr	1,050,000
Novartis Capital	425,000
Paccar Financial Mtn	1,350,000
PNC Financial	610,000
Procter Gamble Co	1,300,000
Roche Holding Inc	730,000
Schwab Charles	1,715,000
State Street Corp	1,420,000
Target Corp	1,230,000
Toyota Motor	2,370,000
Truist Financial Mtn	515,000
Unilever Capital	300,000
Unitedhealth Group	85,000
US Bancorp	415,000
US Bank NA	1,400,000
Verizon	730,000
Verizon Owner	400,372
Walmart INC	625,000
Walt Disney Co	780,000
Wells Fargo co	800,000
	<u>\$ 54,597,488</u>

Investment summary of U.S. government agency:

Federal National Mortgage Association (FNMA)	\$ 10,425,191
Federal Home Loan Bank (FHLB)	2,575,000
Federal Home Loan Mortgage Corp (FHLMC)	6,512,415
US Treasury Bill	68,780,000
	<u>\$ 88,292,606</u>

**KAWEAH DELTA HEALTH CARE DISTRICT
SUMMARY OF FUNDS
September 30, 2022**

Investment summary of municipal securities:

Arizona ST	\$ 675,000
Alameda Cnty Ca	\$ 500,000
Anaheim Ca Pub	1,000,000
Bay Area Toll	250,000
Carson Ca Redev Ag	300,000
Chaffey Ca	265,000
Connecticut ST	550,000
Desert Sands Ca	315,000
El Segundo Ca	510,000
Florida ST	600,000
Foothill Ca	850,000
Los Angeles Ca	605,000
Los Angeles Calif Ca	1,500,000
Louisiana ST	500,000
Maryland ST	355,000
Massachusetts St	1,000,000
Mississippi ST	300,000
New York ST	585,000
Orange Ca	500,000
Palomar Ca	700,000
Port Auth NY	245,000
San Diego Ca Community	245,000
San Diego County	300,000
San Jose Ca Ref	765,000
San Juan Ca	385,000
Santa Cruz Ca	400,000
Tamalpais Ca Union	675,000
Torrance Ca	1,450,000
University Ca	1,000,000
University Calif Ca	185,000
Upper Santa Clara	1,100,000
Wisconsin ST	2,730,000
	<u>\$ 21,340,000</u>

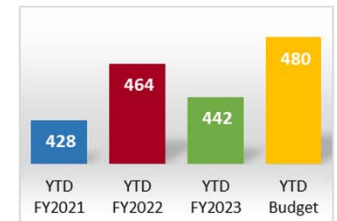
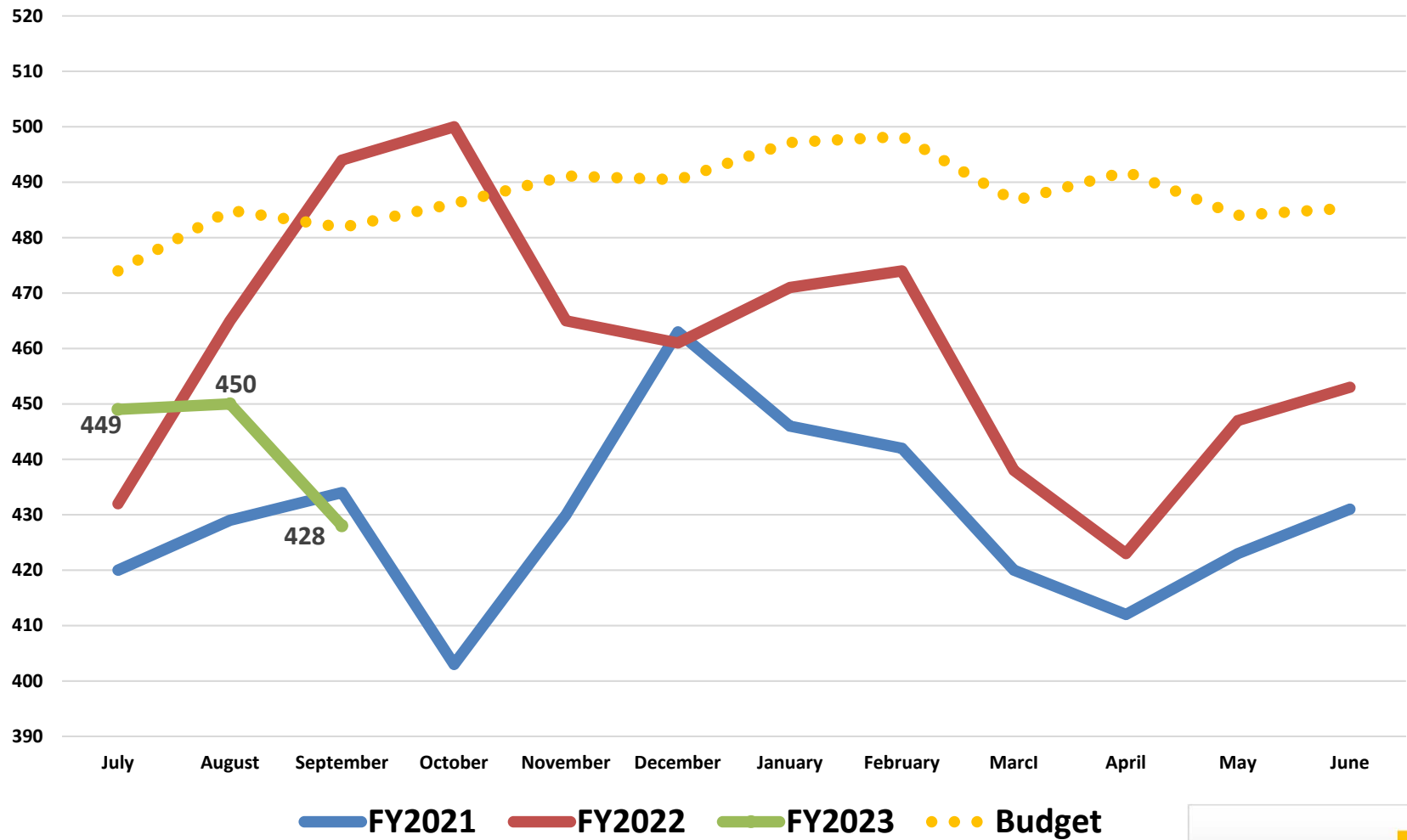
Investment summary of Supra-National Agency:

Cooperative	\$ 440,000
Inter Amer Bk	870,000
Intl Bk	1,885,000
	<u>\$ 3,195,000</u>

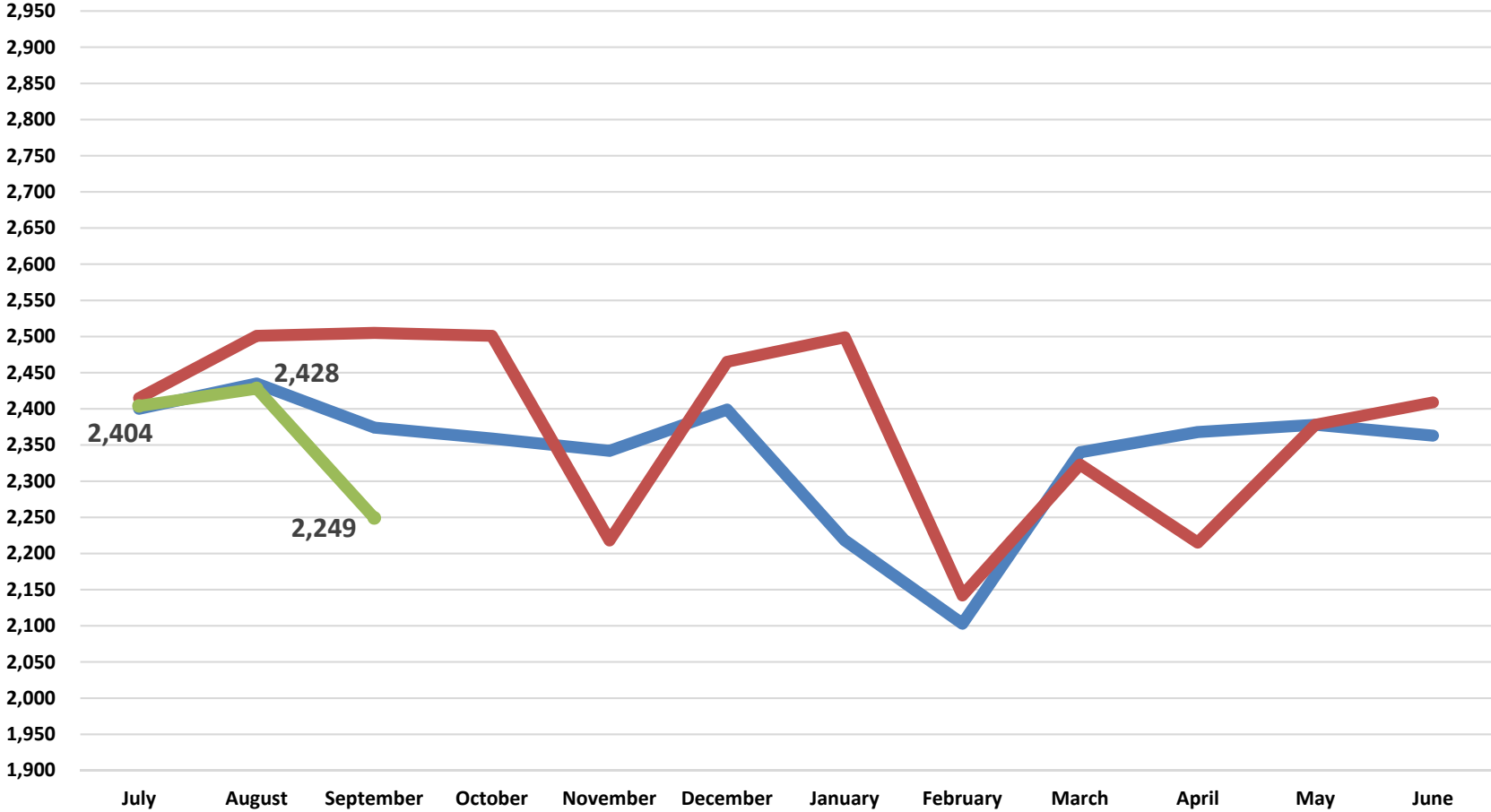
Statistical Report

October 2022

Average Daily Census



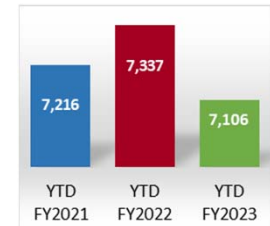
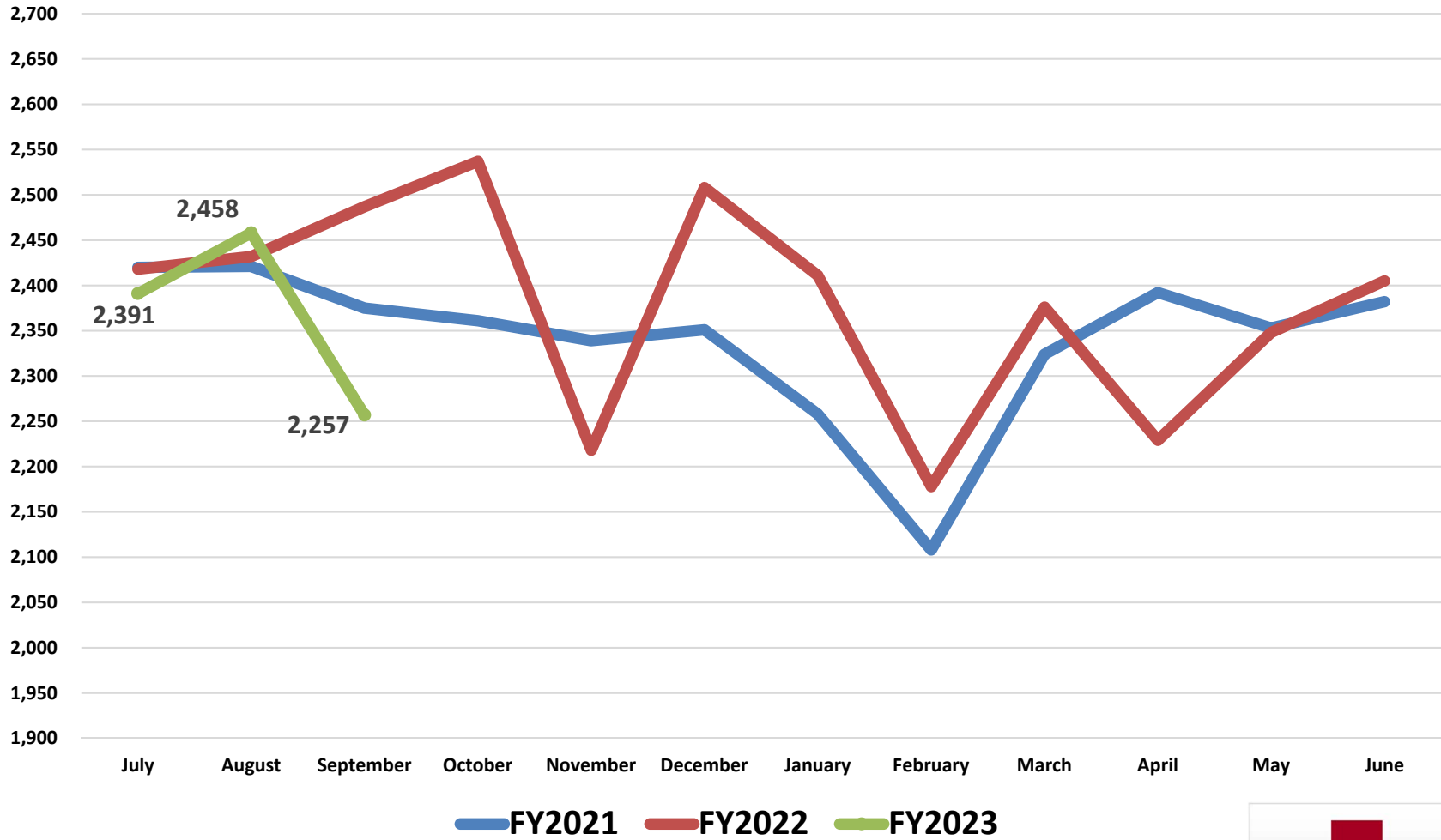
Admissions



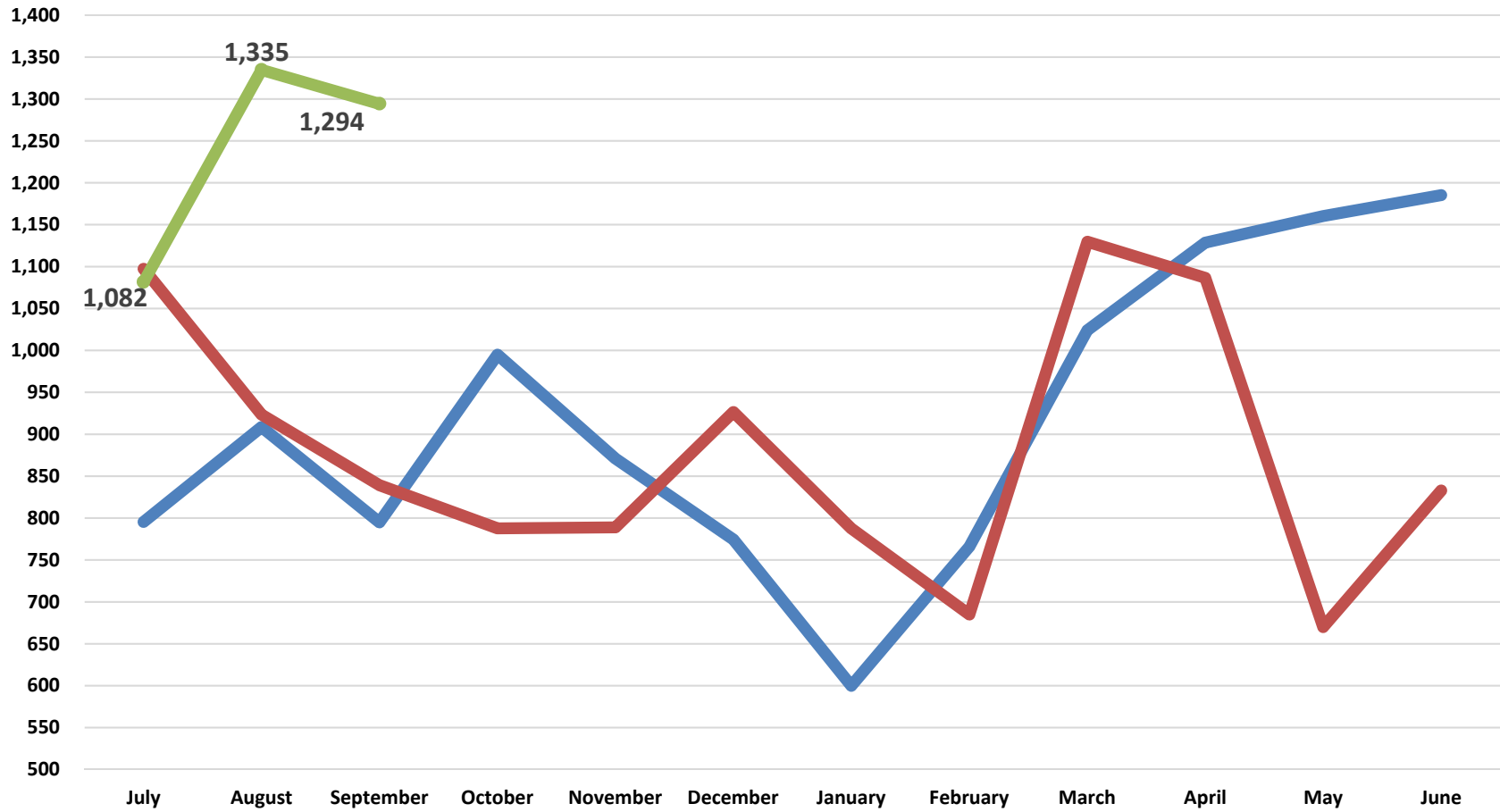
— FY2021 — FY2022 — FY2023



Discharges



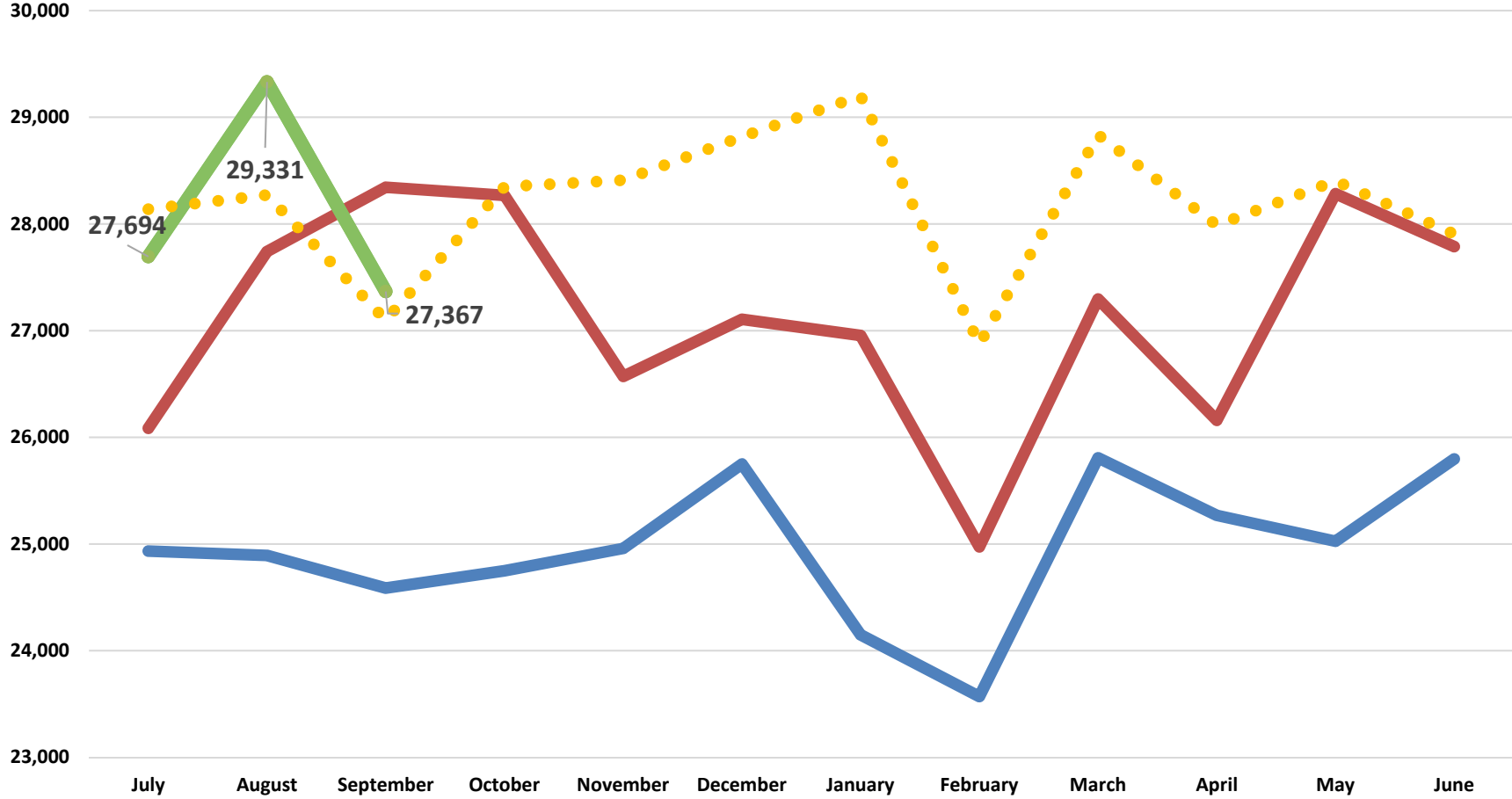
Observation Days



— FY2021 — FY2022 — FY2023



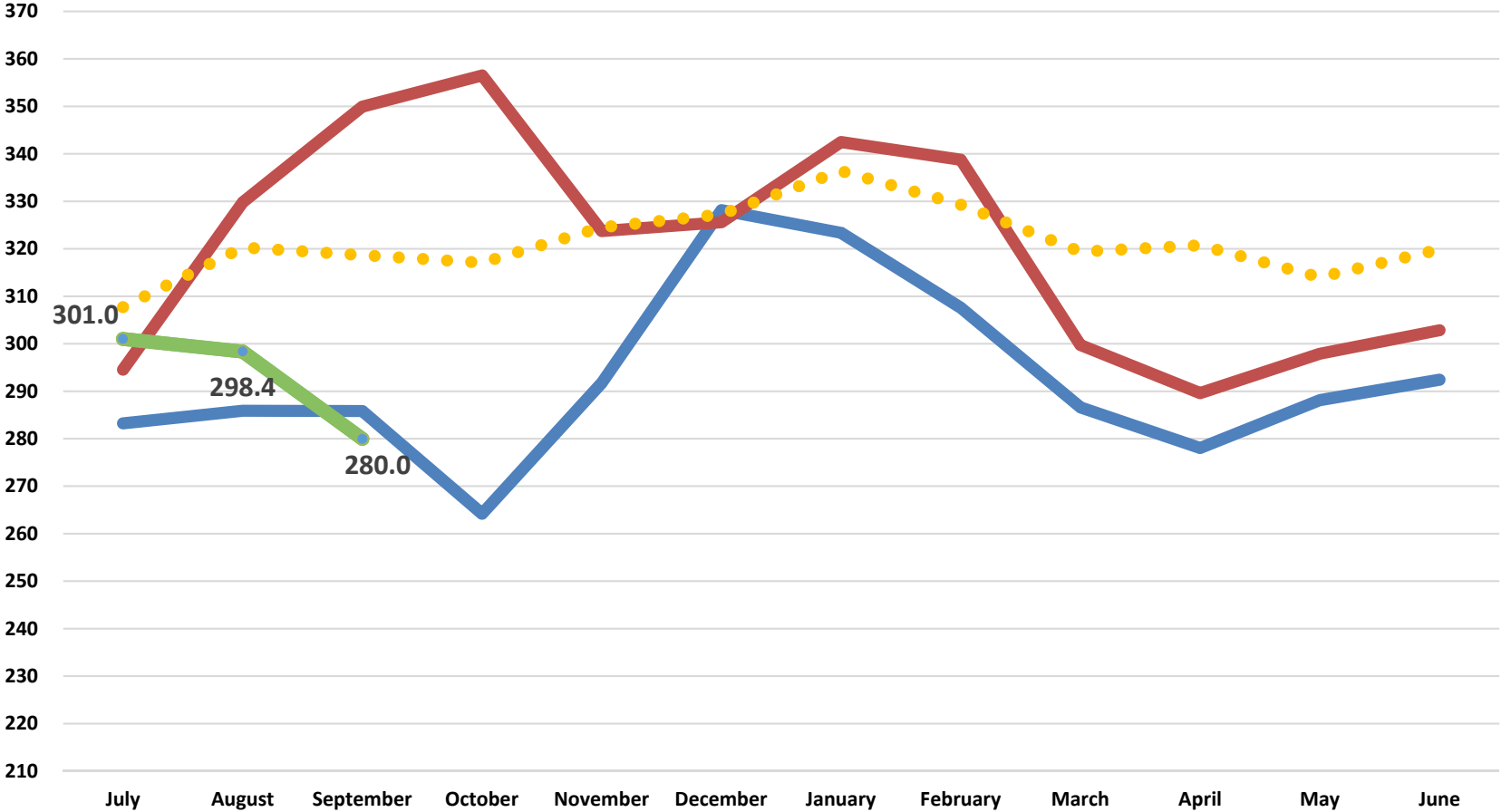
Adjusted Patient Days



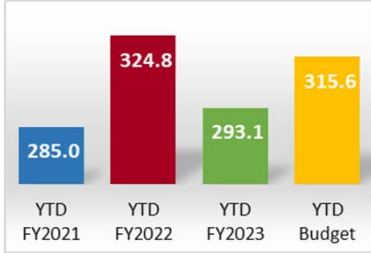
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



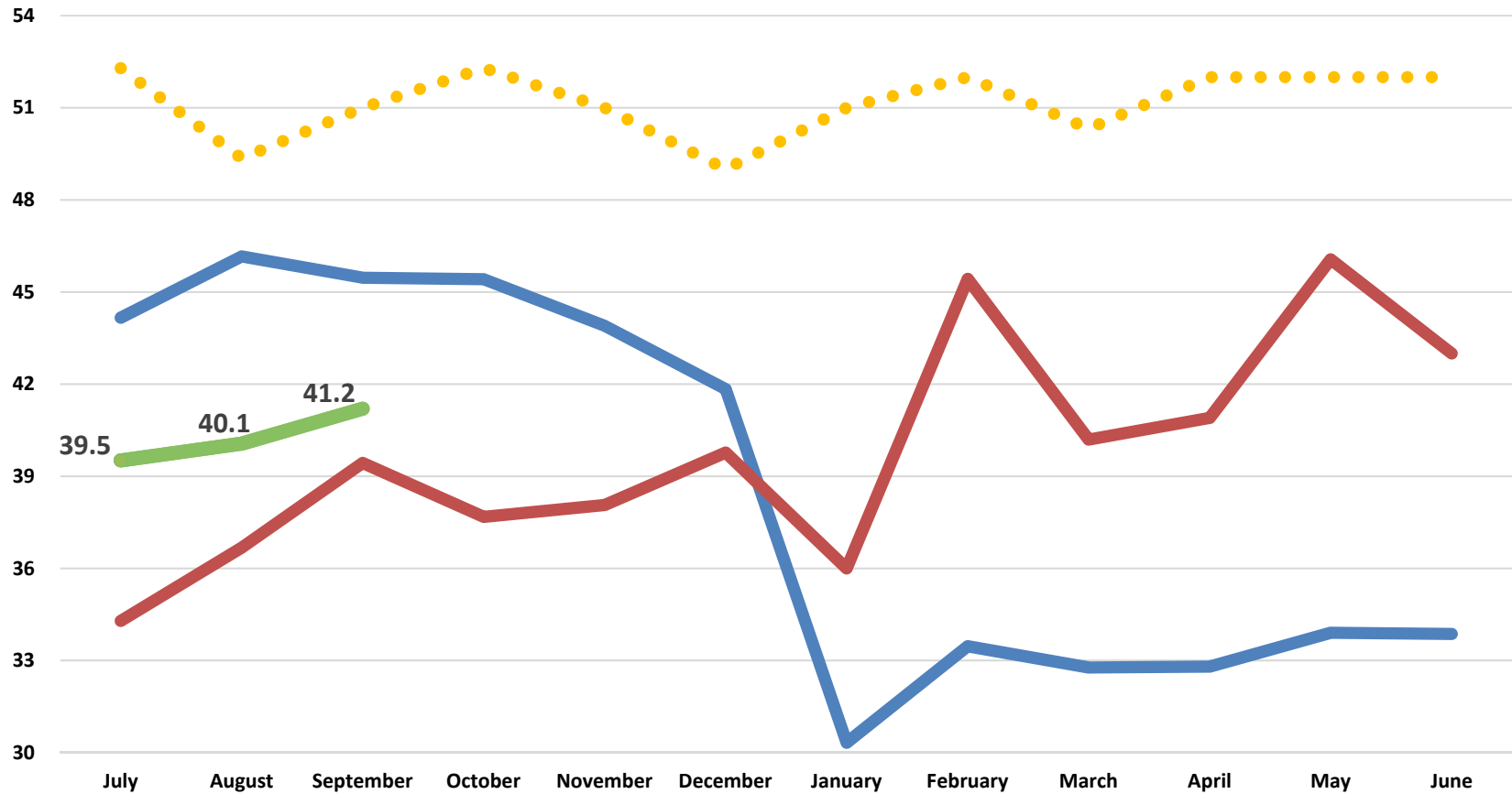
Medical Center – Avg. Patients Per Day



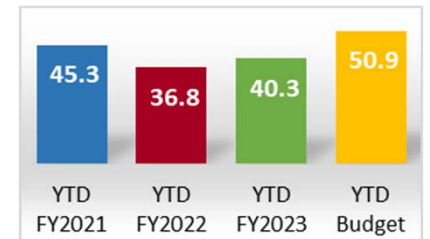
—●— **FY2021**
 —●— **FY2022**
 —●— **FY2023**
 ●●● **Budget**



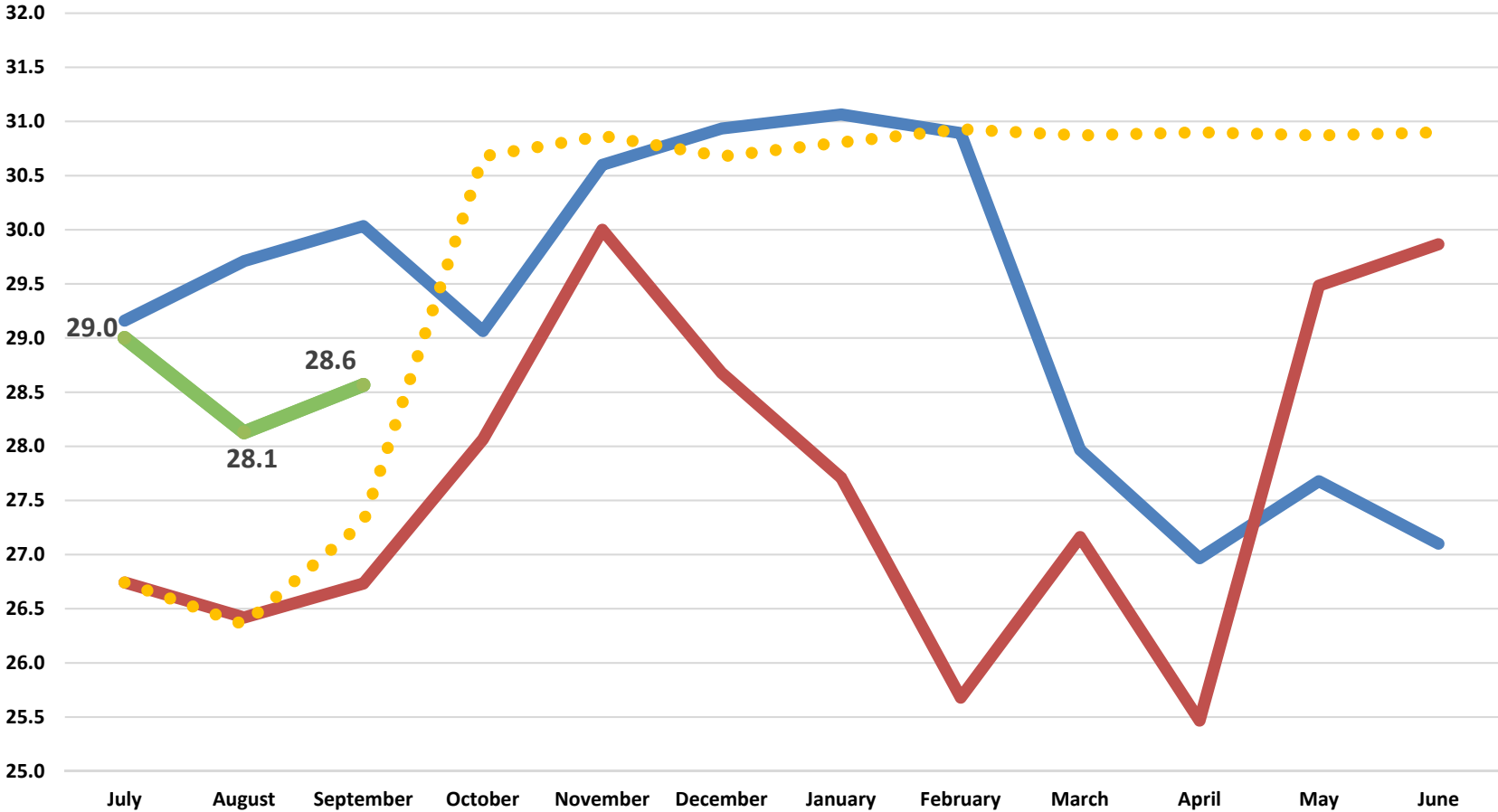
Acute I/P Psych - Avg. Patients Per Day



— FY2021
 — FY2022
 — FY2023
 ●●● Budget



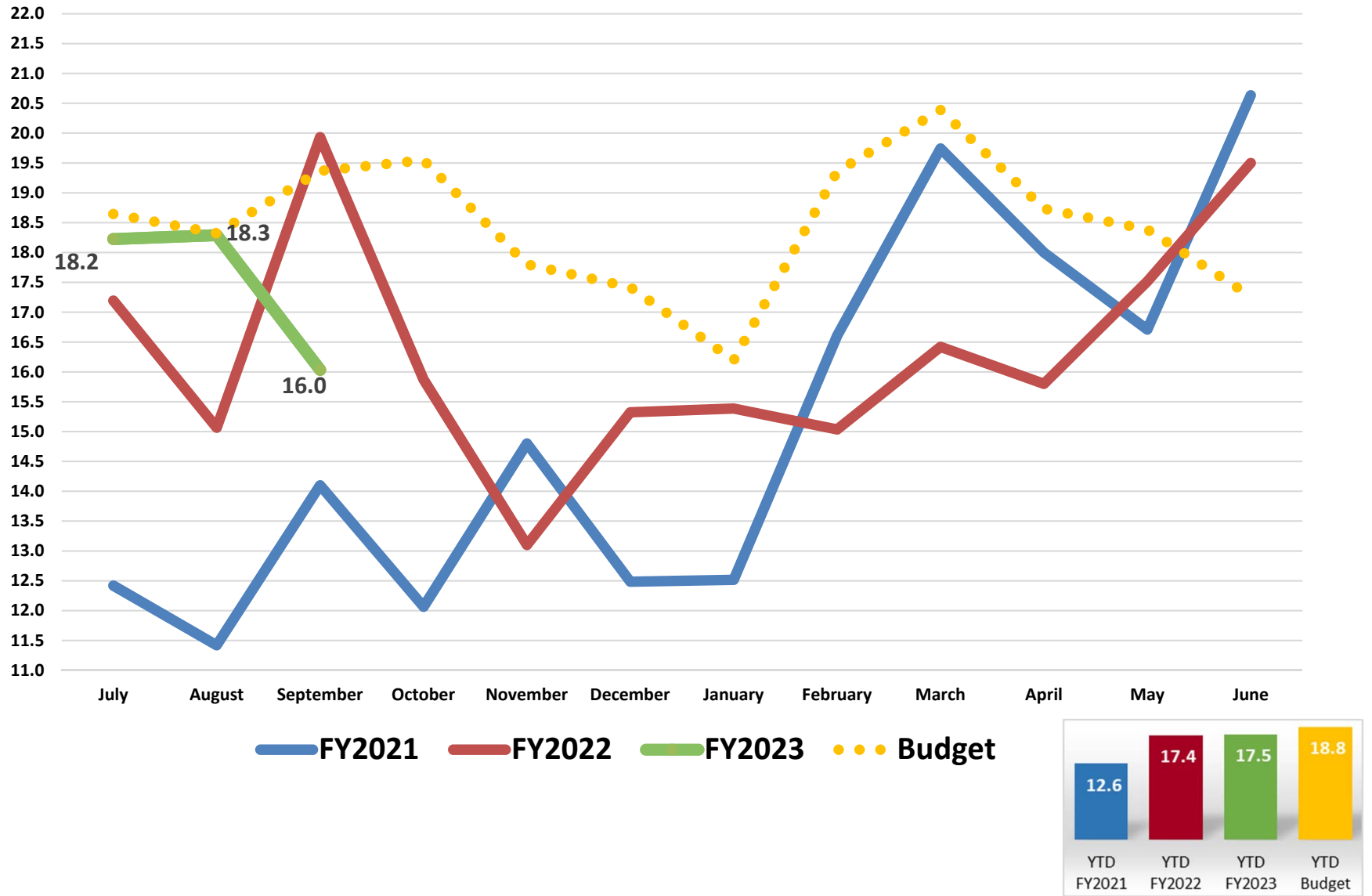
Sub-Acute - Avg. Patients Per Day



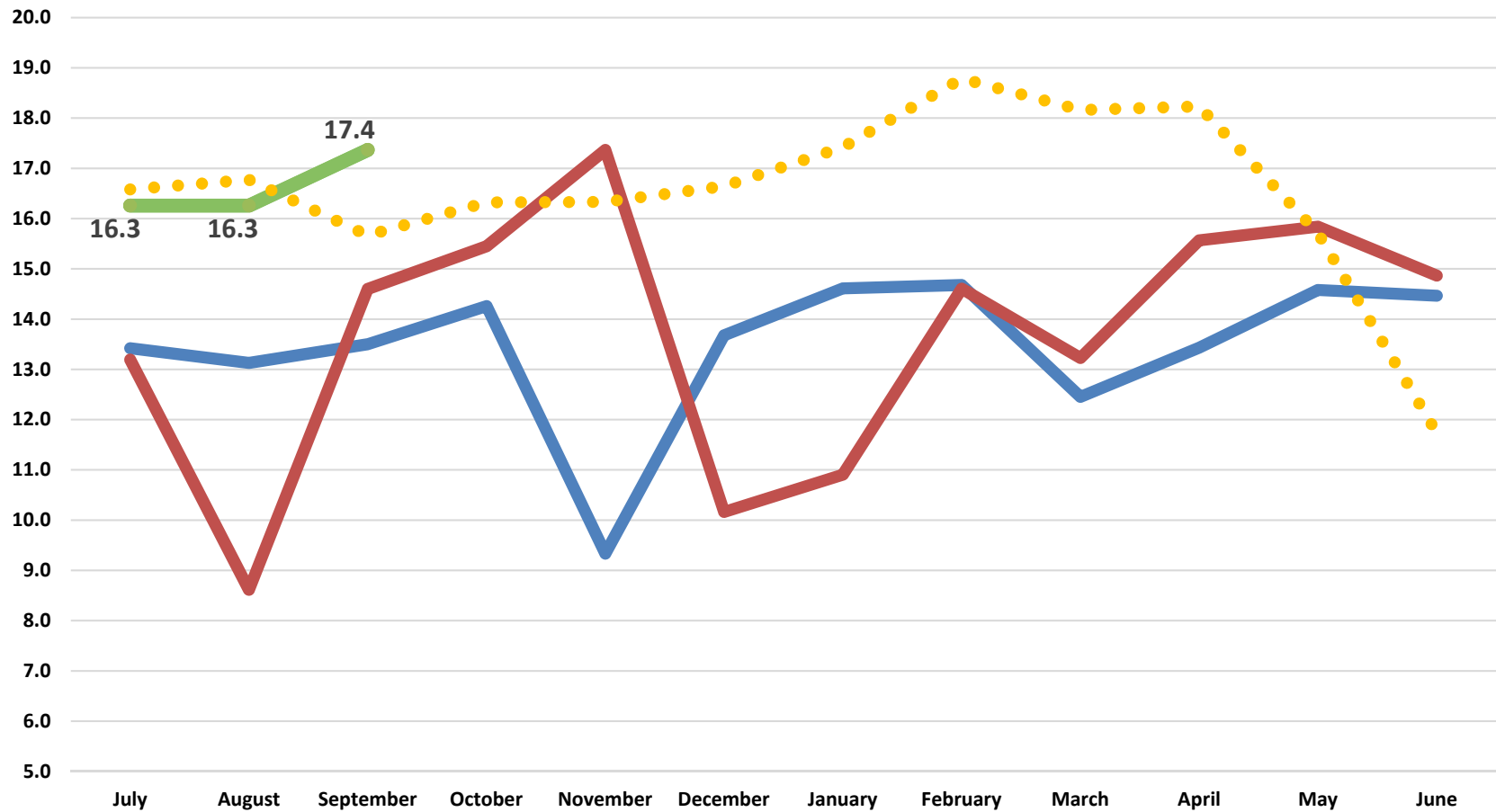
—●— **FY2021**
 —●— **FY2022**
 —●— **FY2023**
 ●●● **Budget**



Rehabilitation Hospital - Avg. Patients Per Day



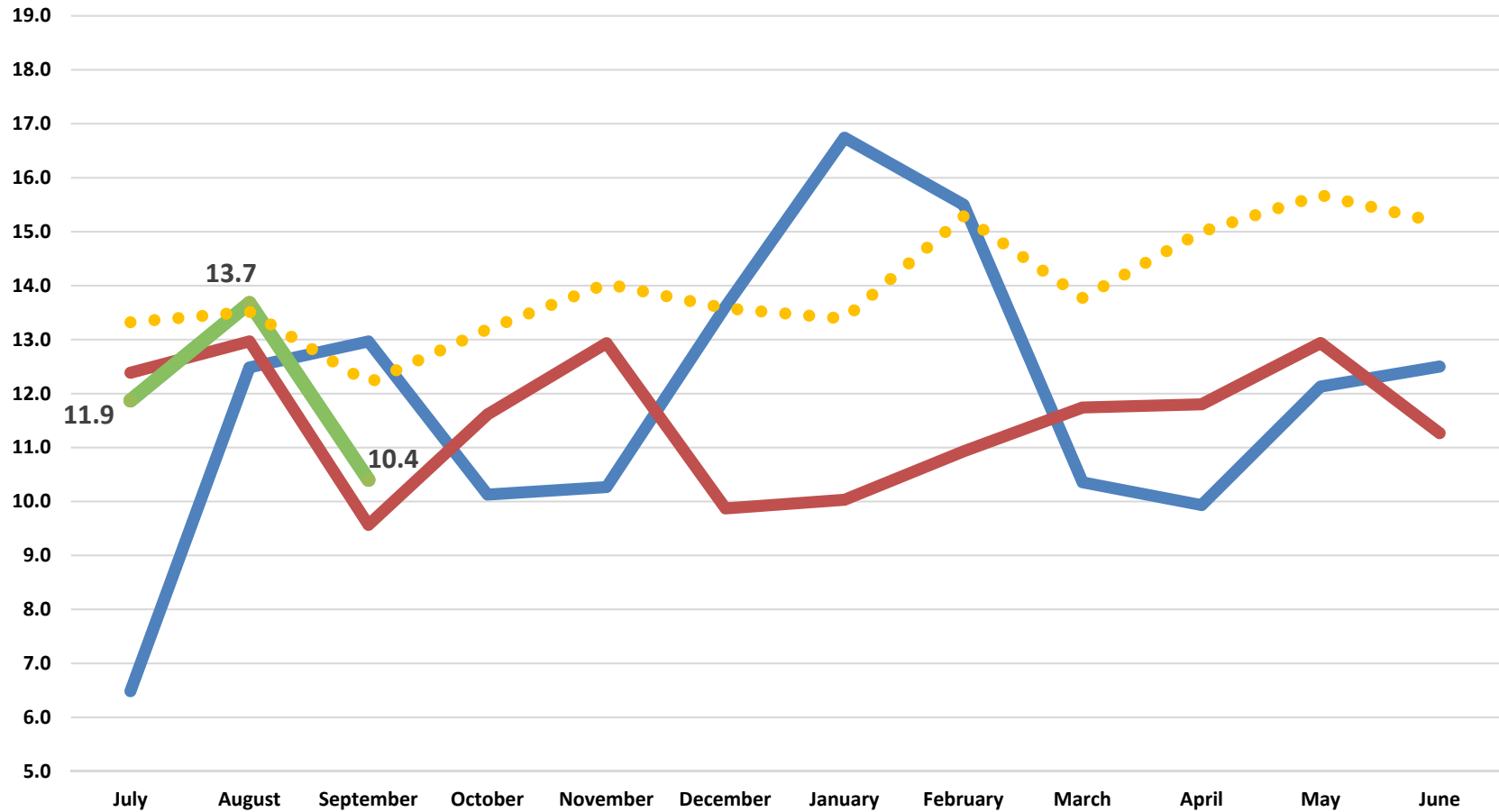
Transitional Care Services (TCS) - Avg. Patients Per Day



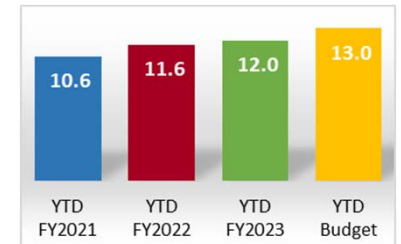
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



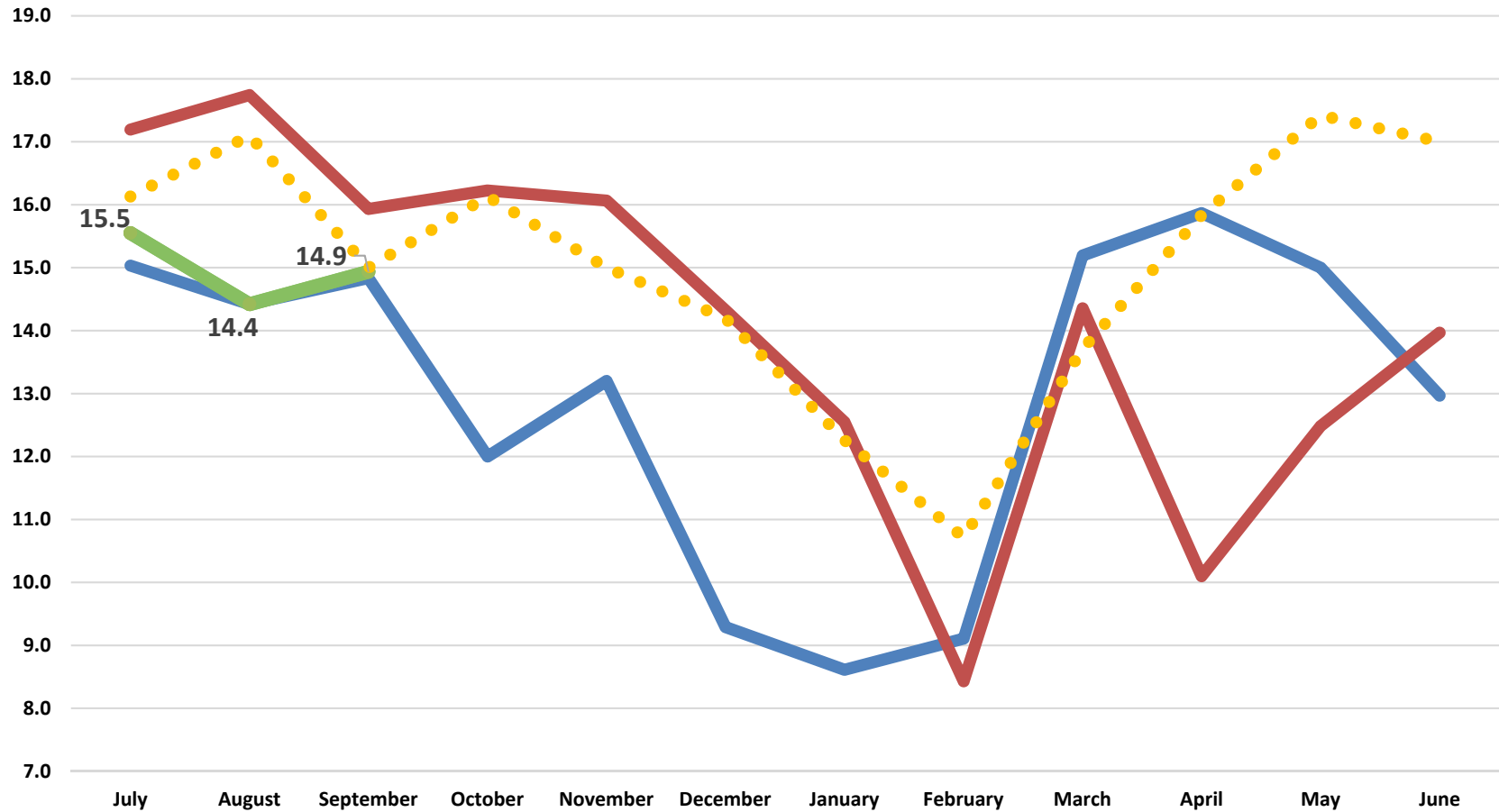
TCS Ortho - Avg. Patients Per Day



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



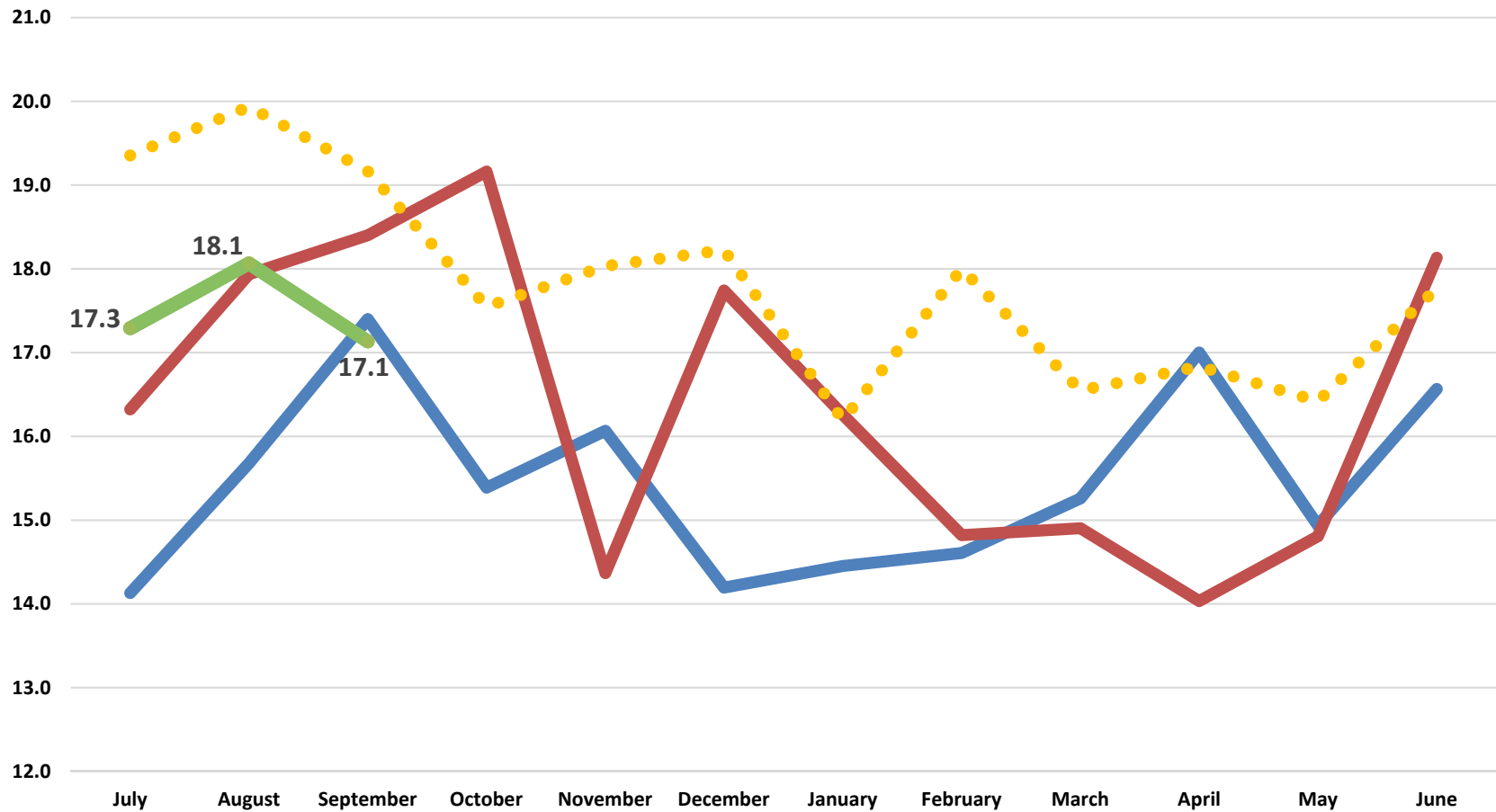
NICU - Avg. Patients Per Day



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



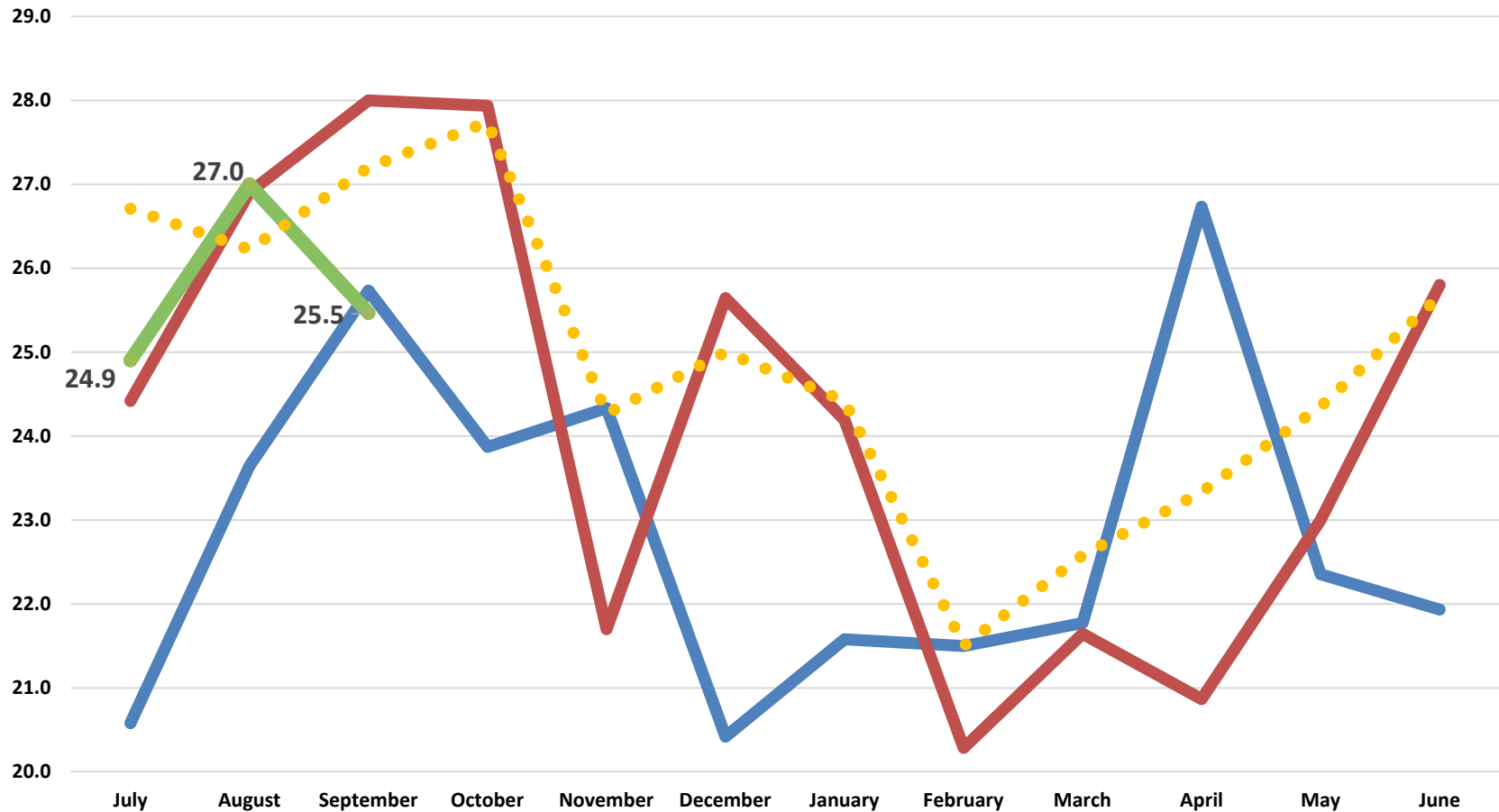
Nursery - Avg. Patients Per Day



— FY2021
 — FY2022
 — FY2023
 ••• Budget

15.7	17.6	17.5	19.5
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

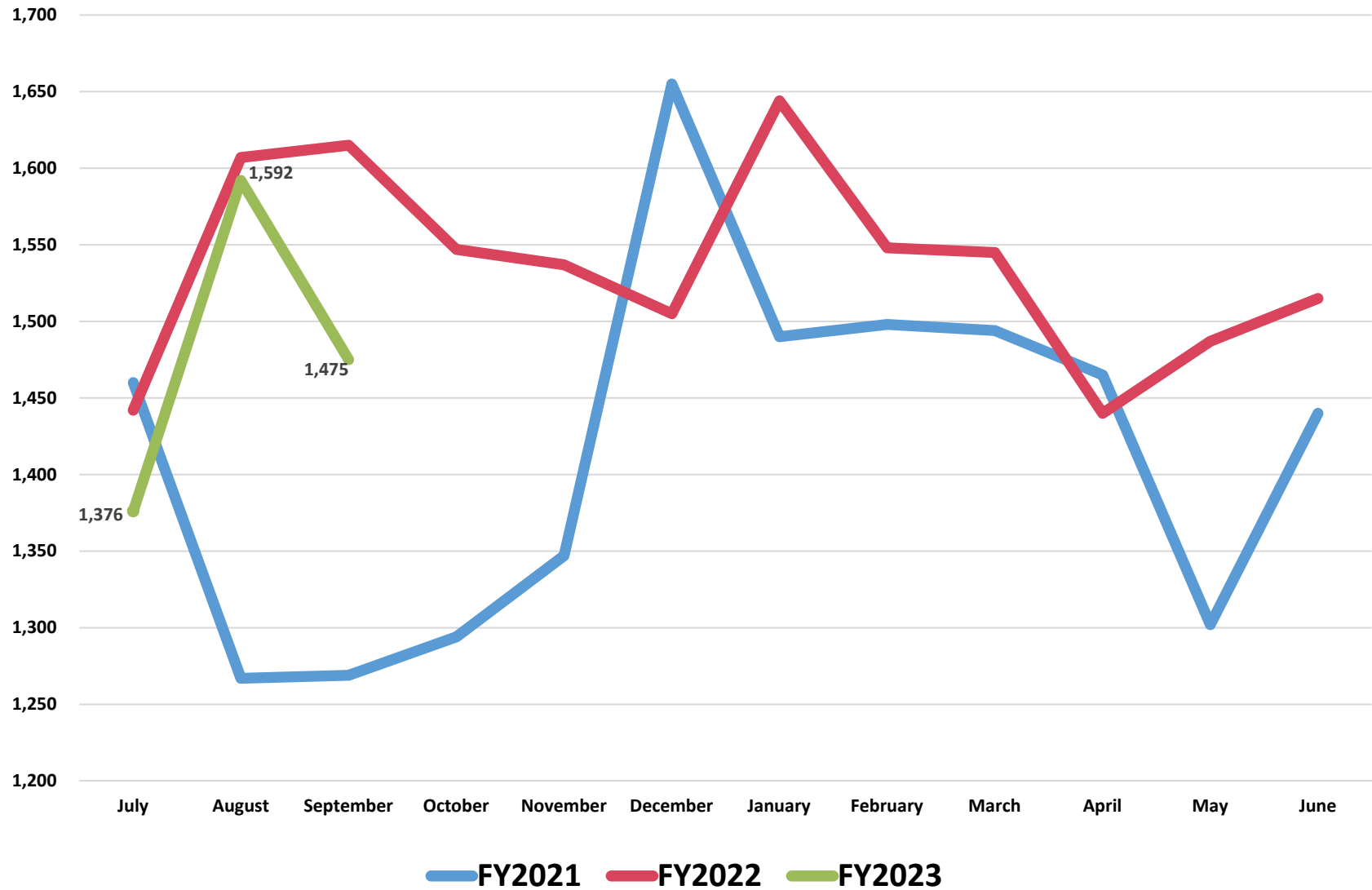
Obstetrics - Avg. Patients Per Day



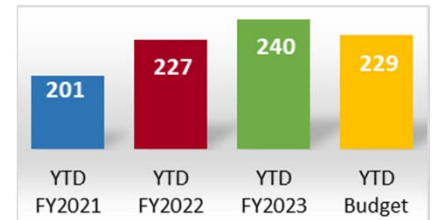
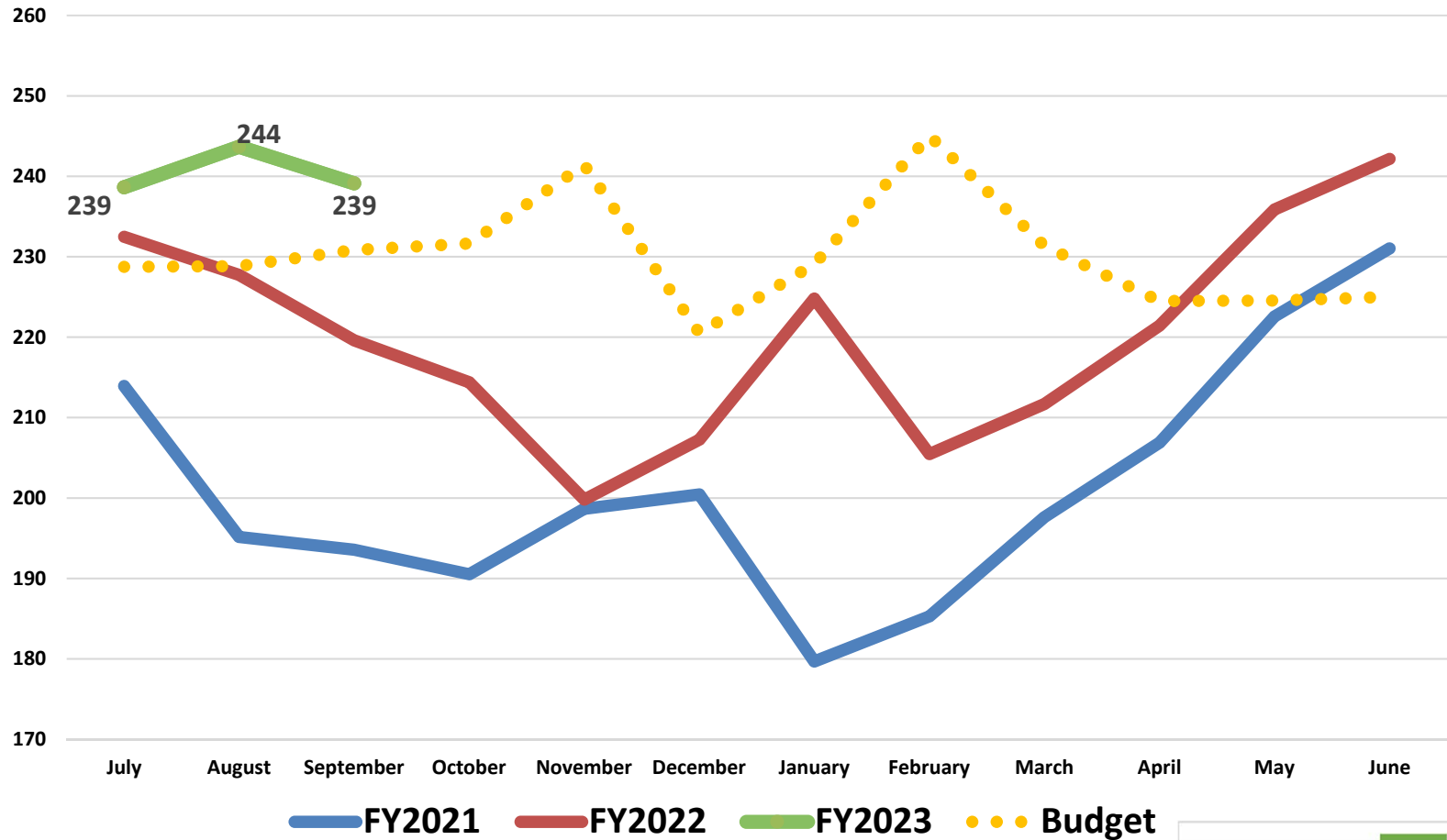
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



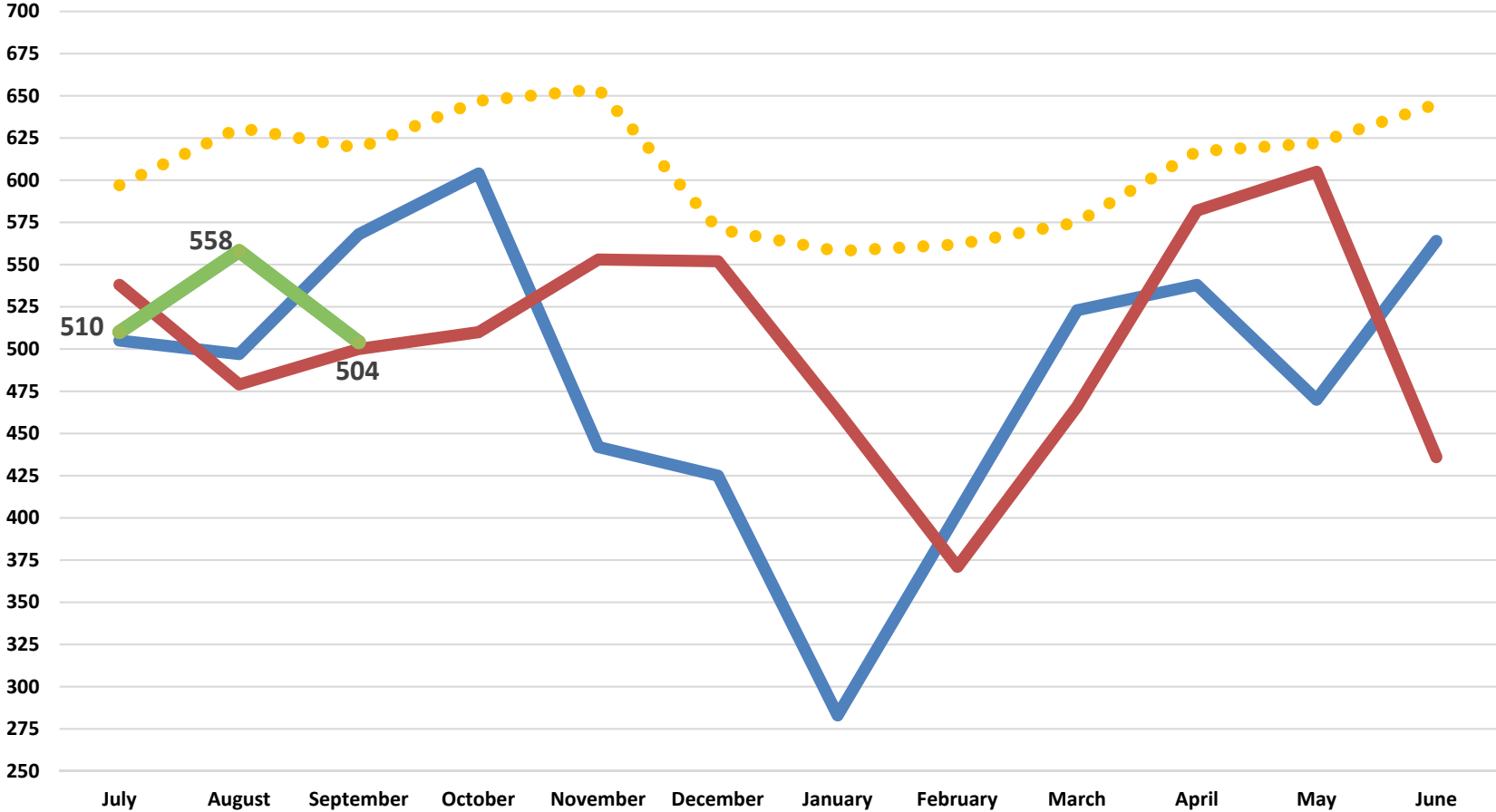
Outpatient Registrations per Day



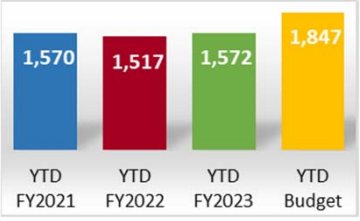
Emergency Dept – Avg Treated Per Day



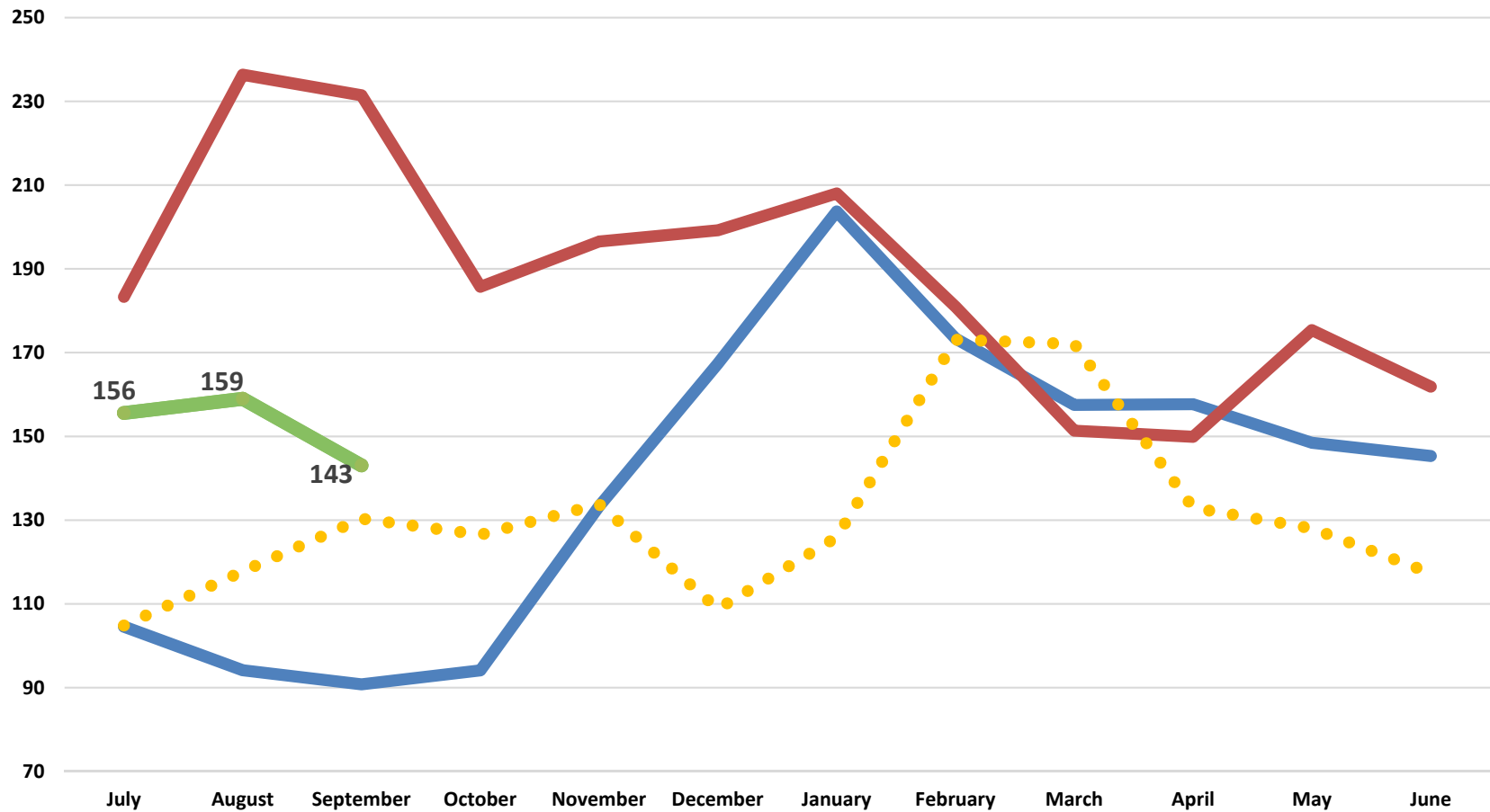
Endoscopy Procedures



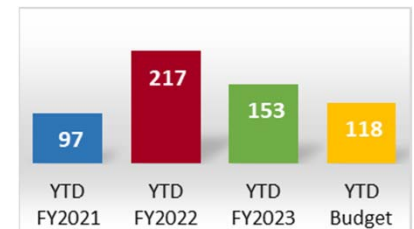
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



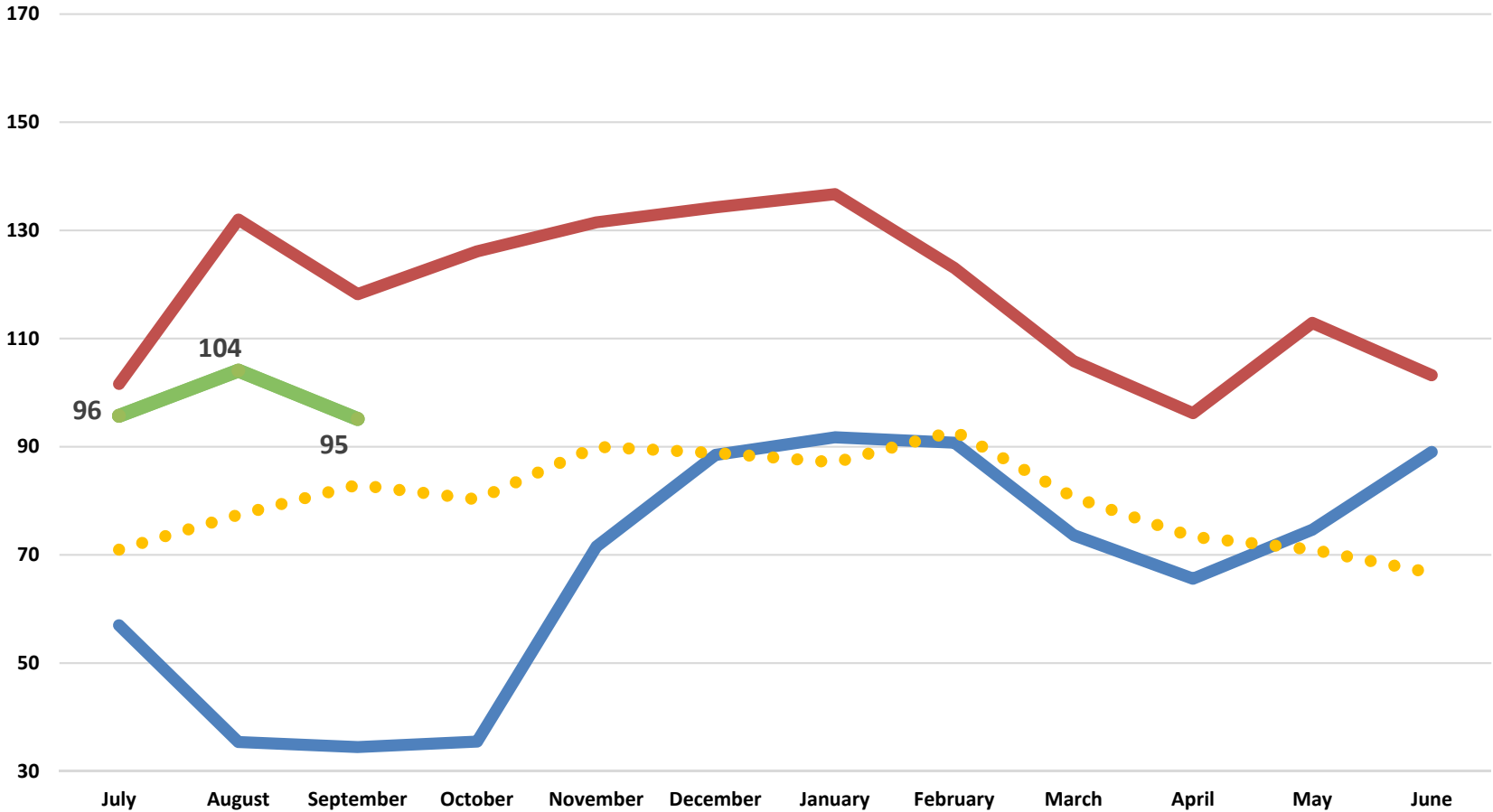
Urgent Care – Court Average Visits Per Day



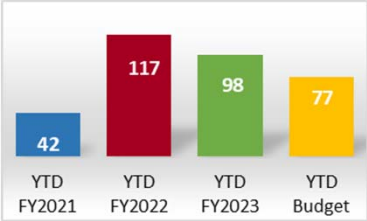
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



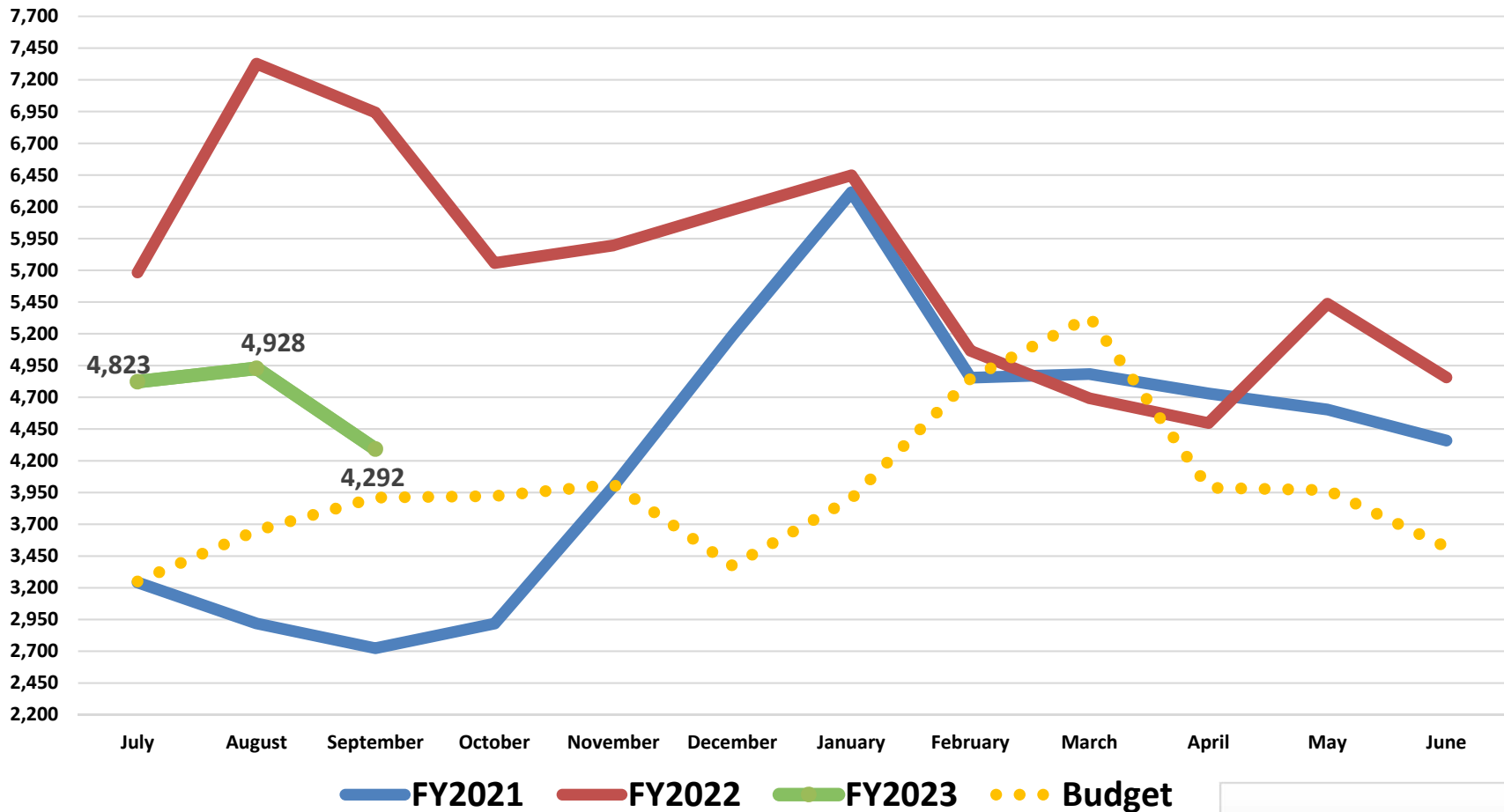
Urgent Care – Demaree Average Visits Per Day



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget

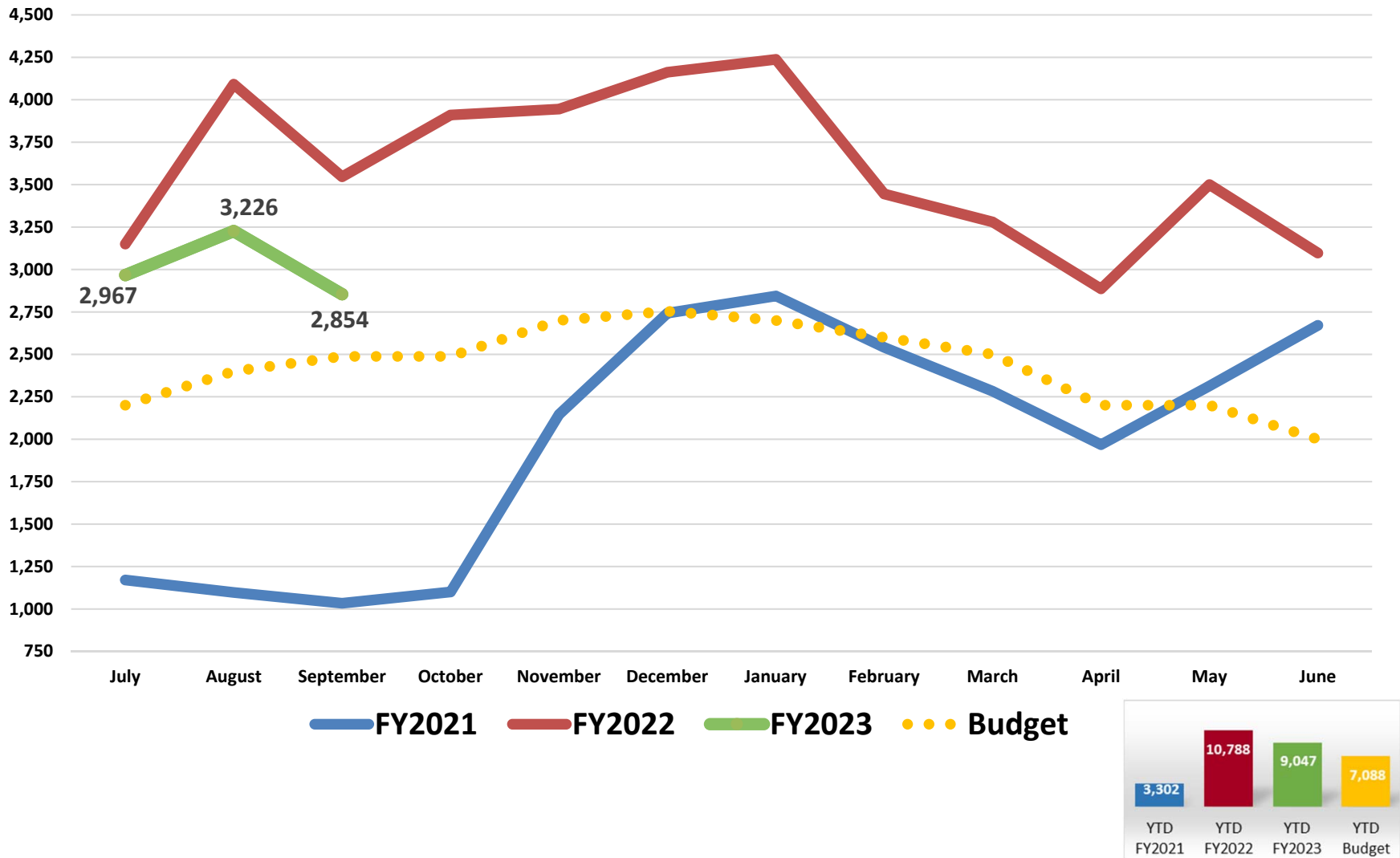


Urgent Care – Court Total Visits

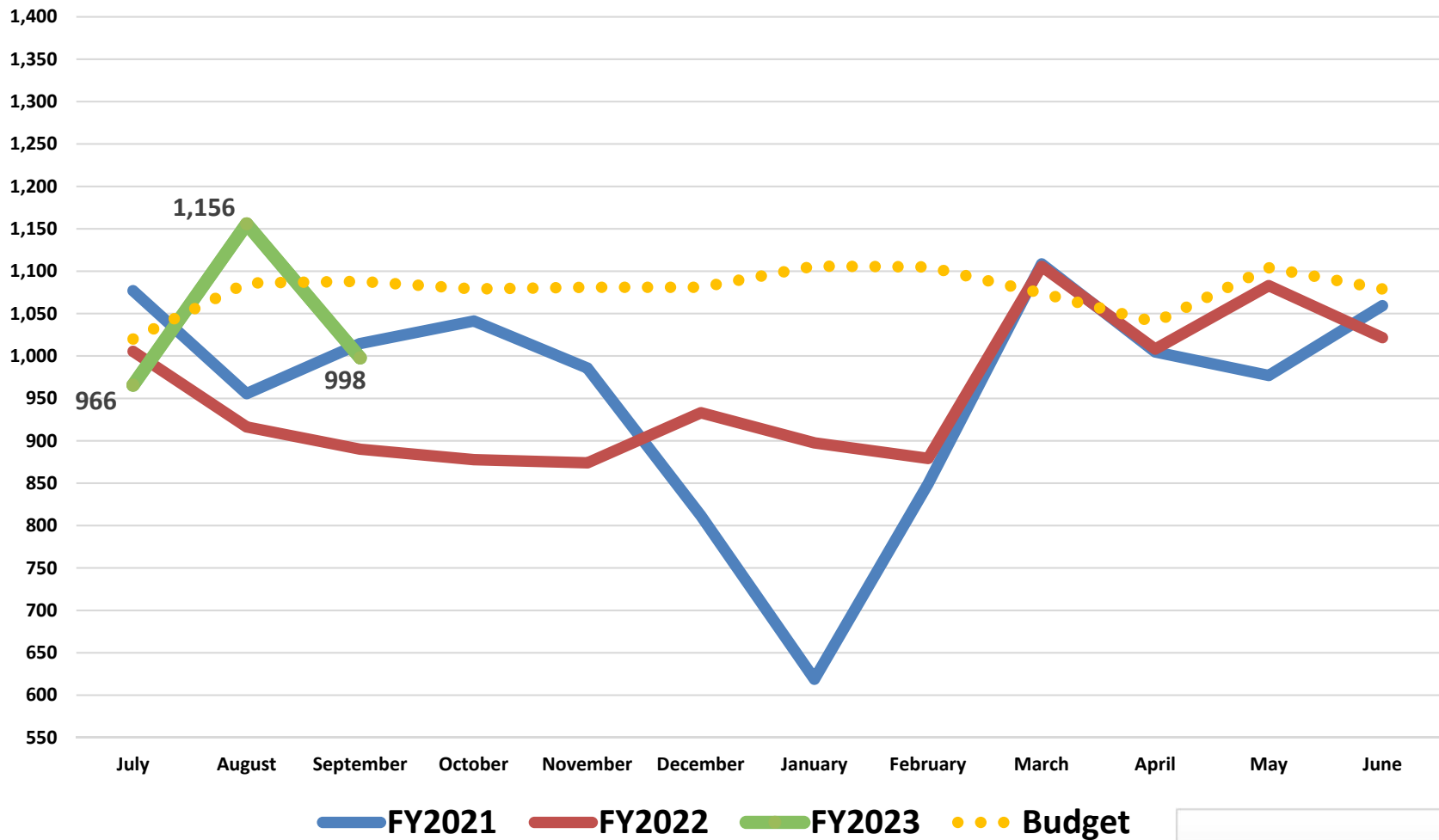


8,885	19,953	14,043	10,810
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

Urgent Care – Demaree Total Visits

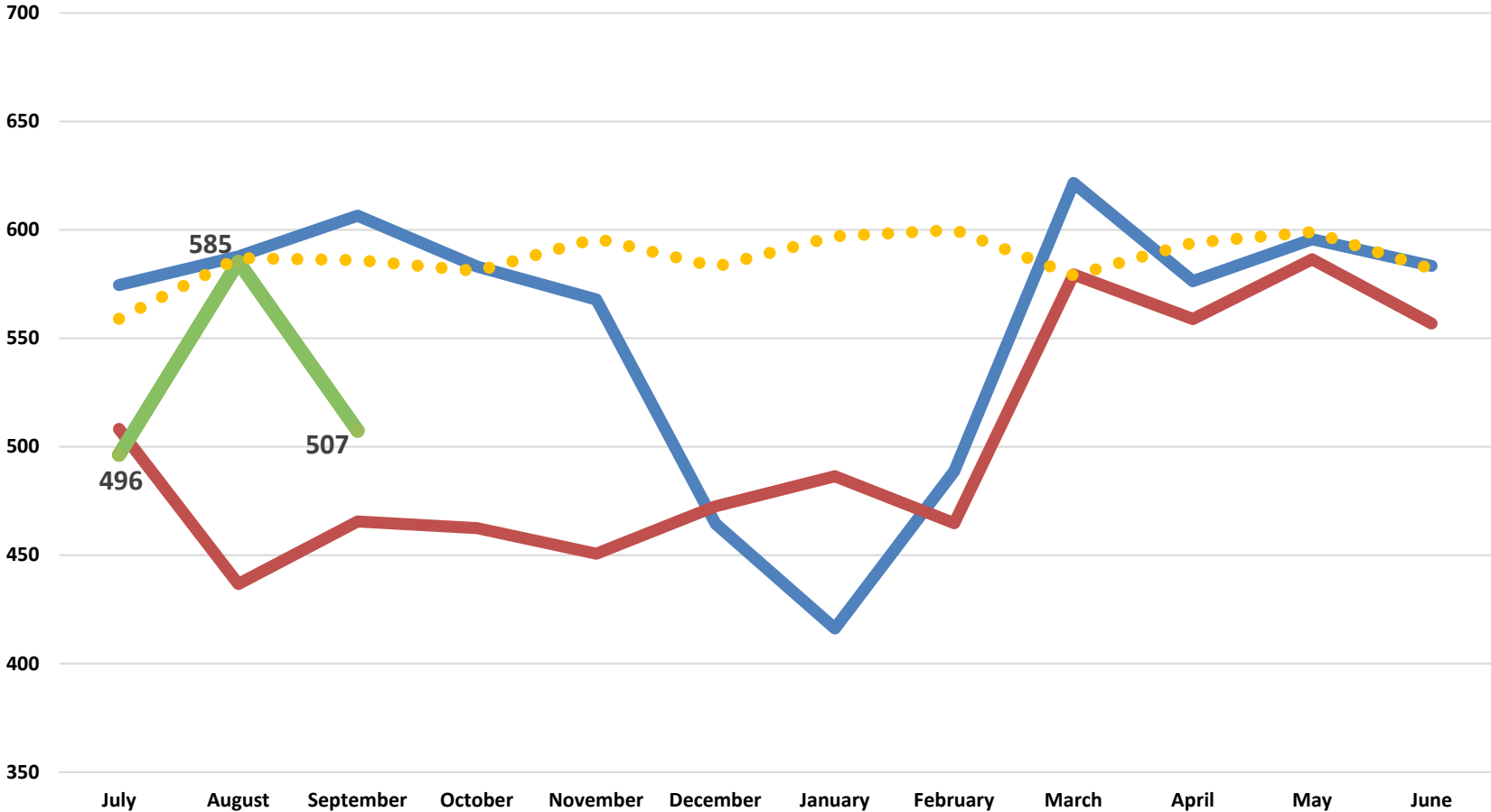


Surgery (IP & OP) – 100 Min Units



3,047	2,812	3,119	3,194
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

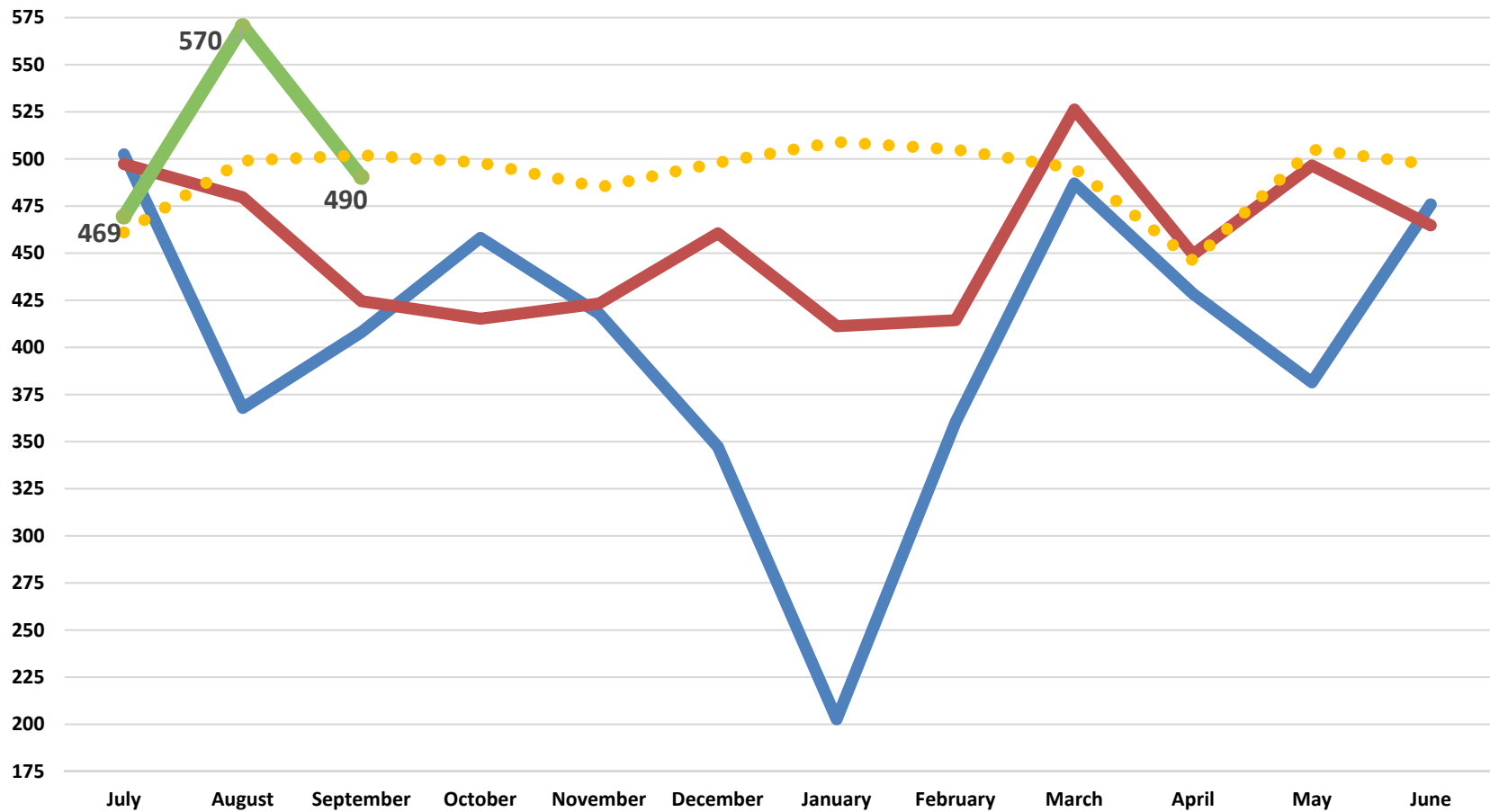
Surgery (IP Only) – 100 Min Units



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



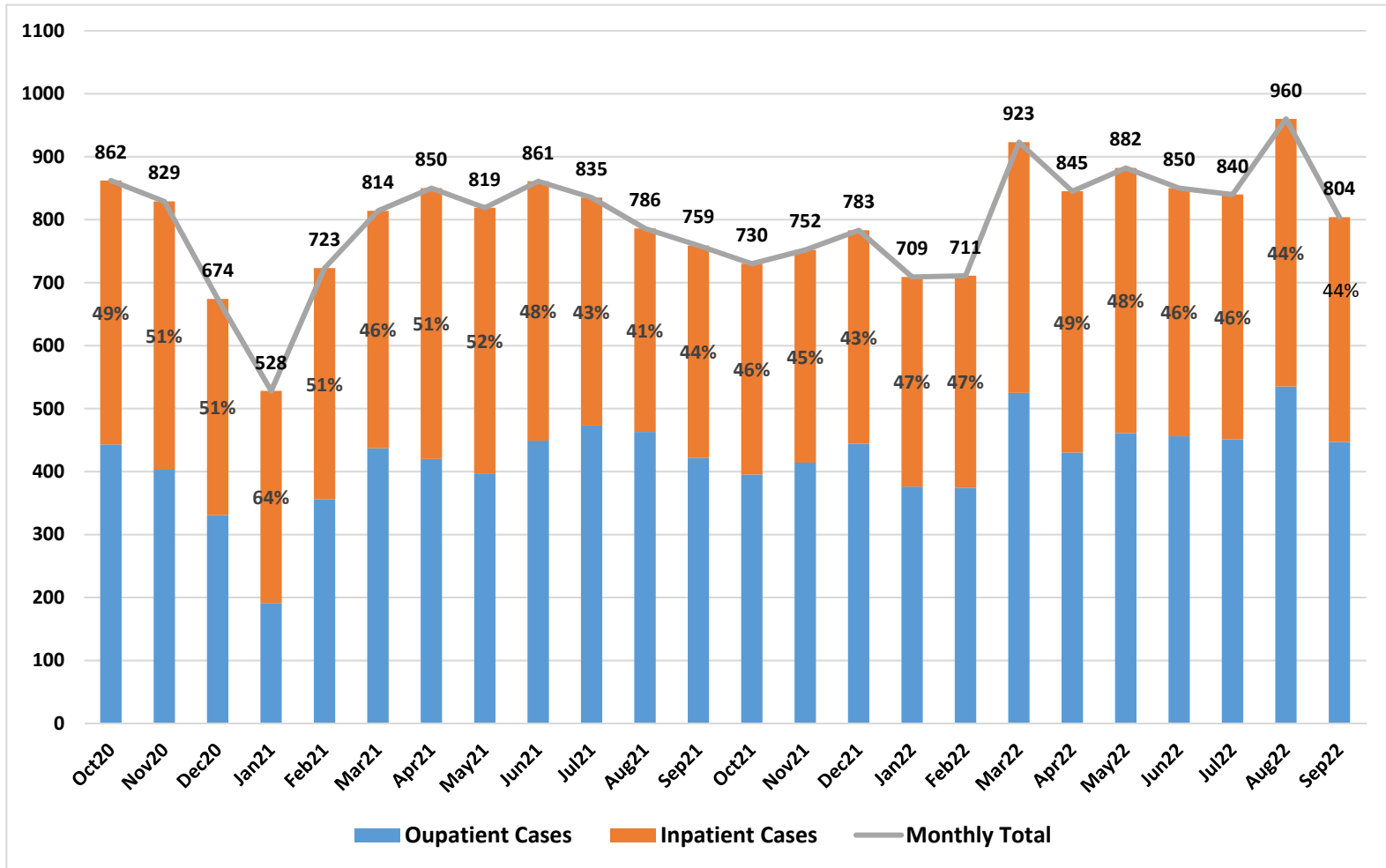
Surgery (OP Only) – 100 Min Units



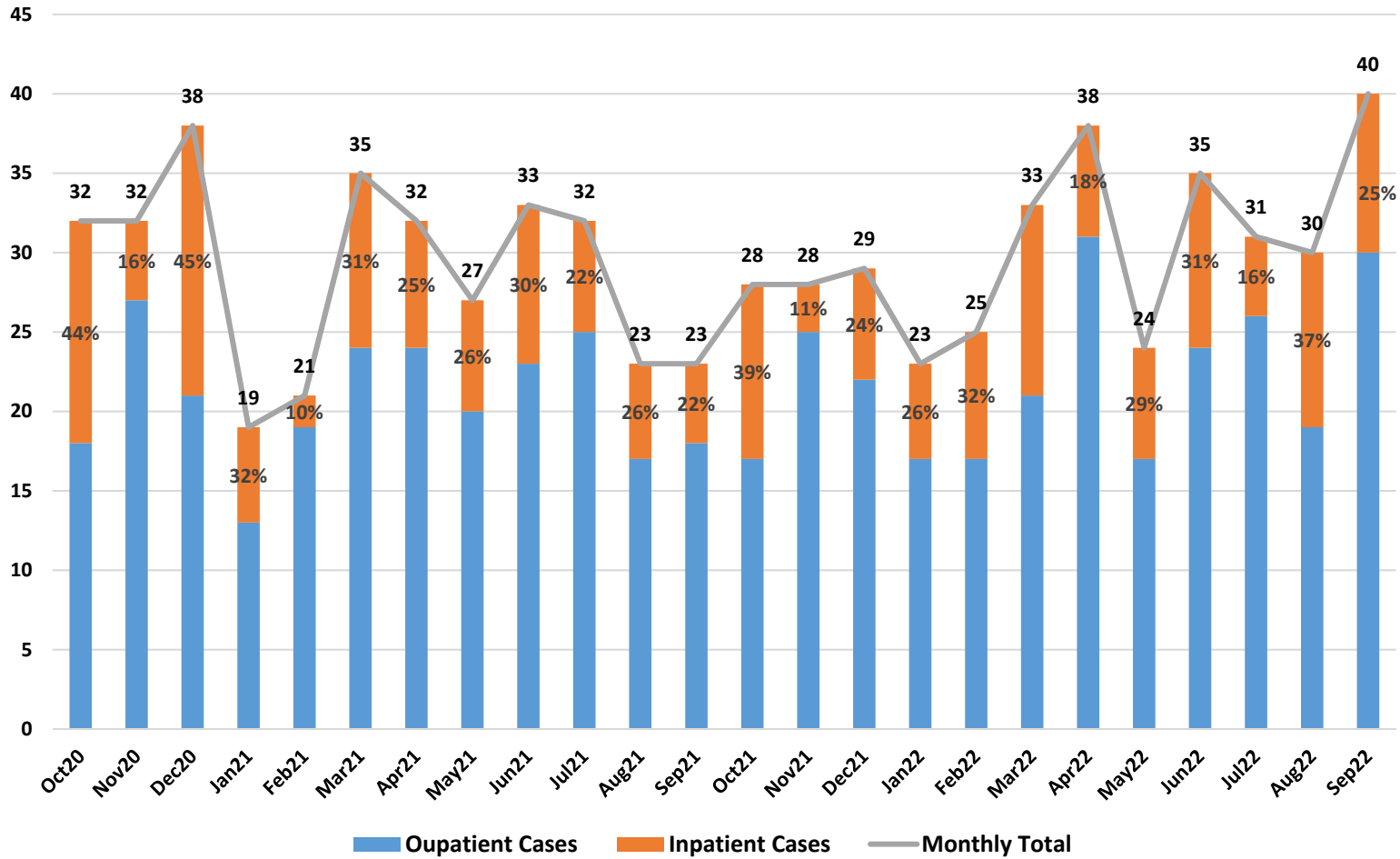
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



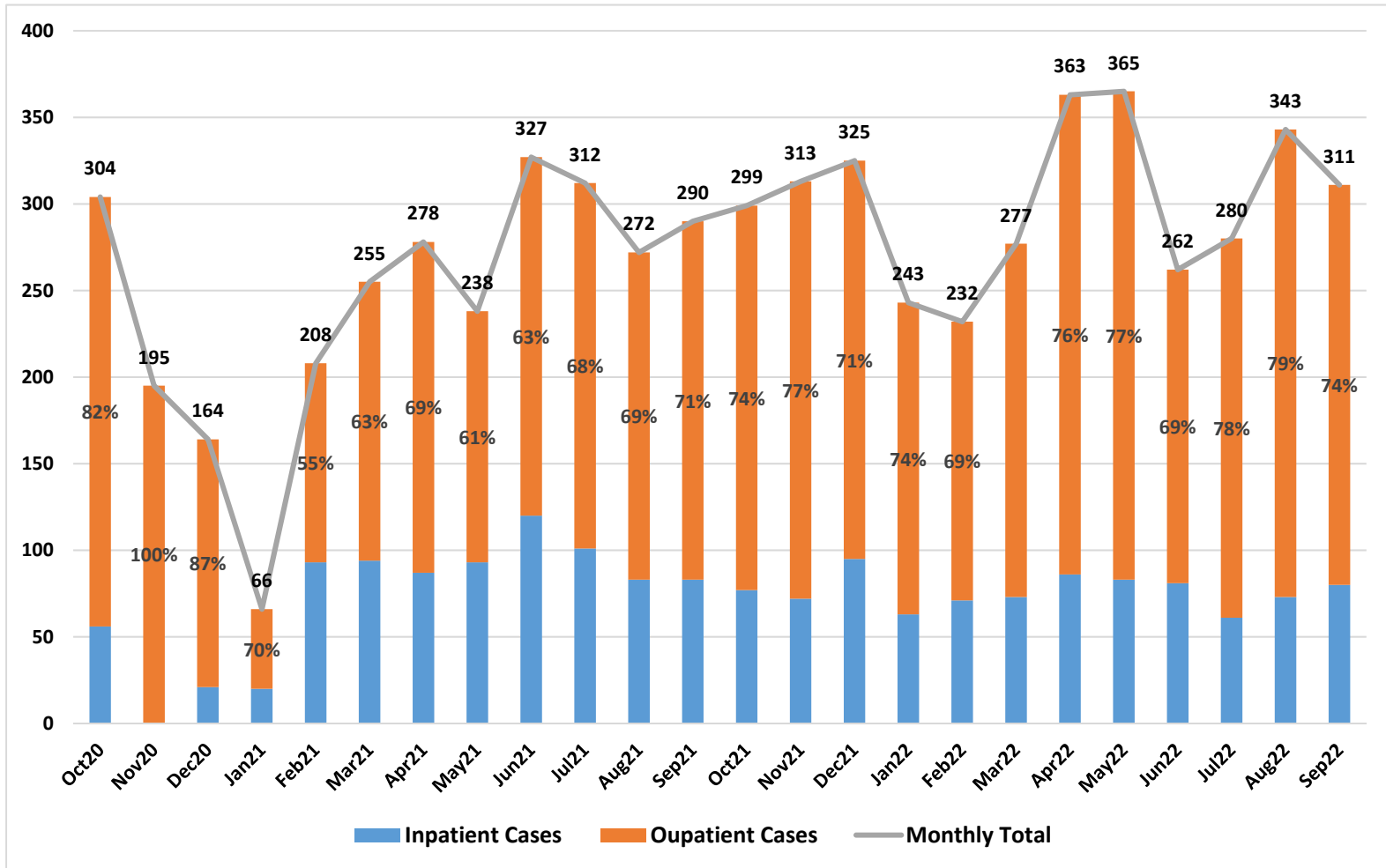
Surgery Cases



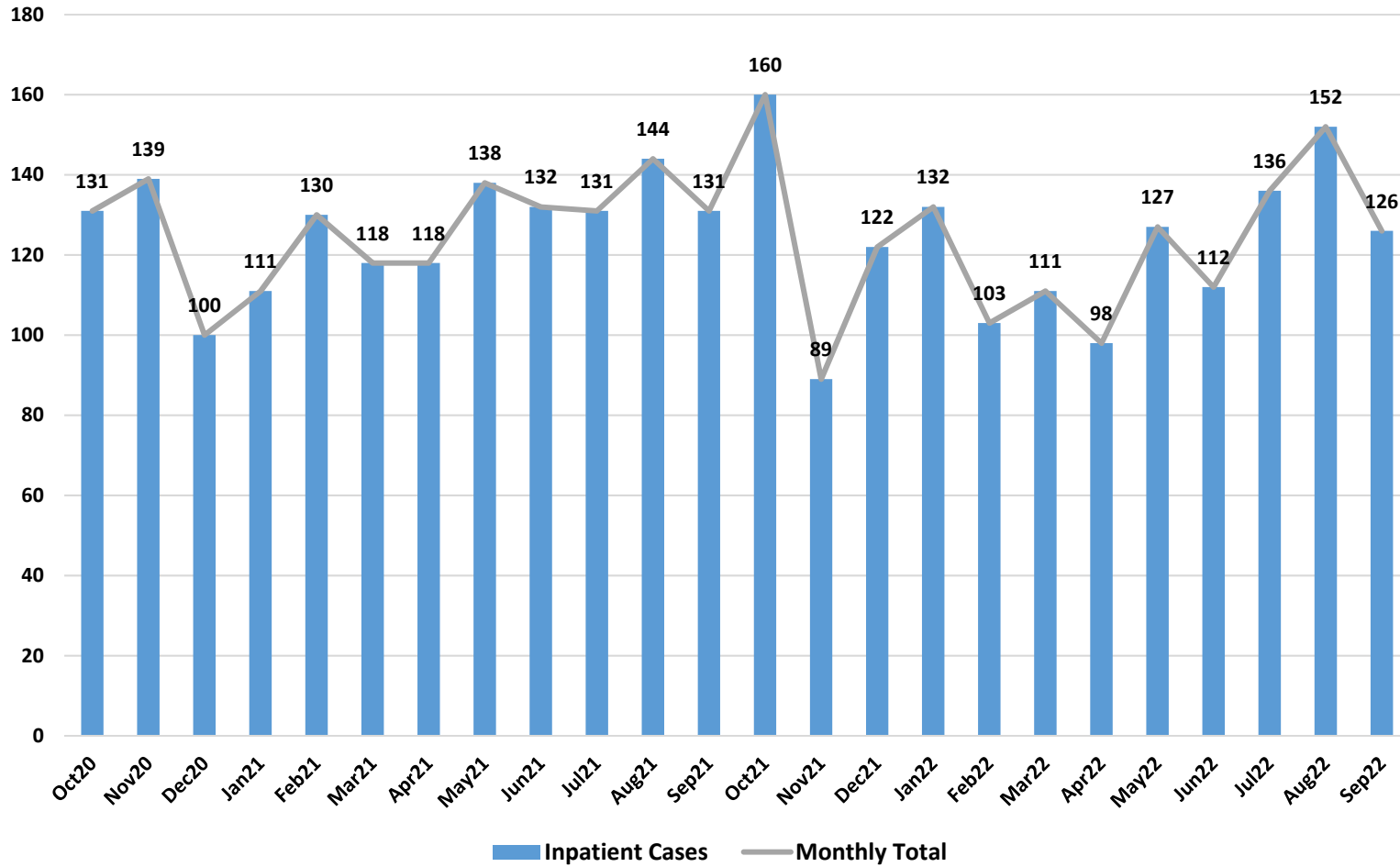
Robotic Cases



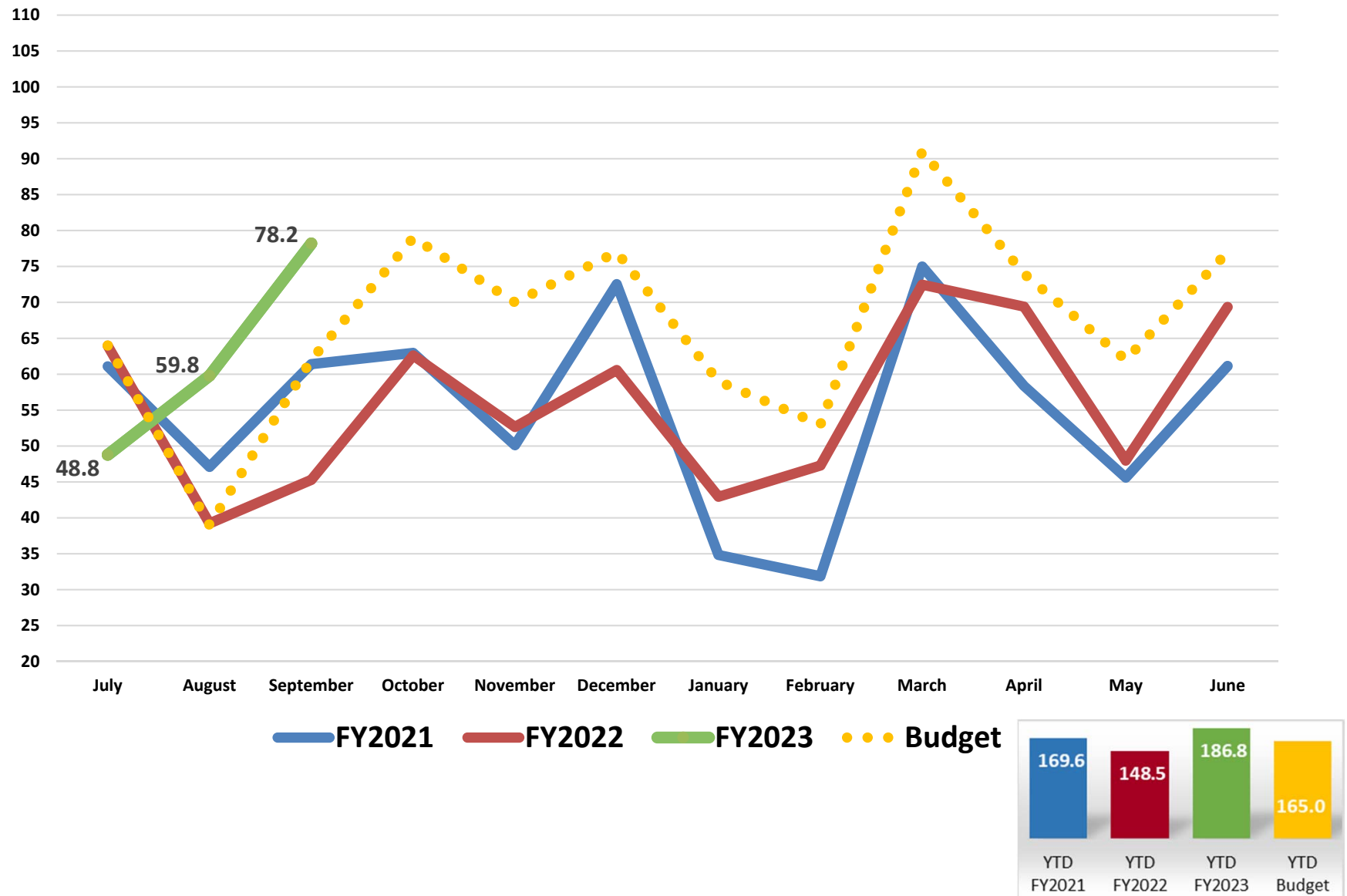
Endo Cases (Endo Suites)



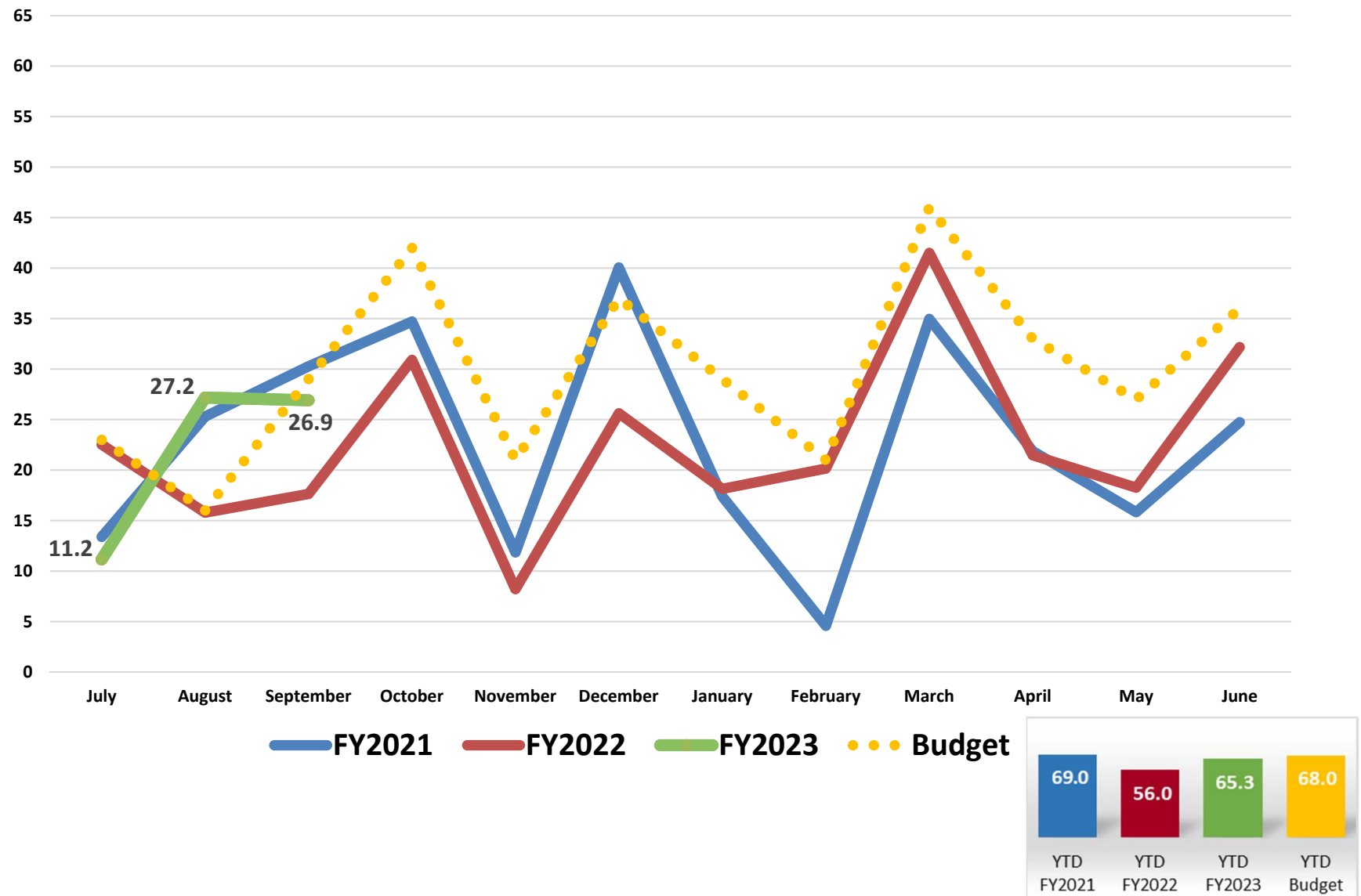
OB Cases



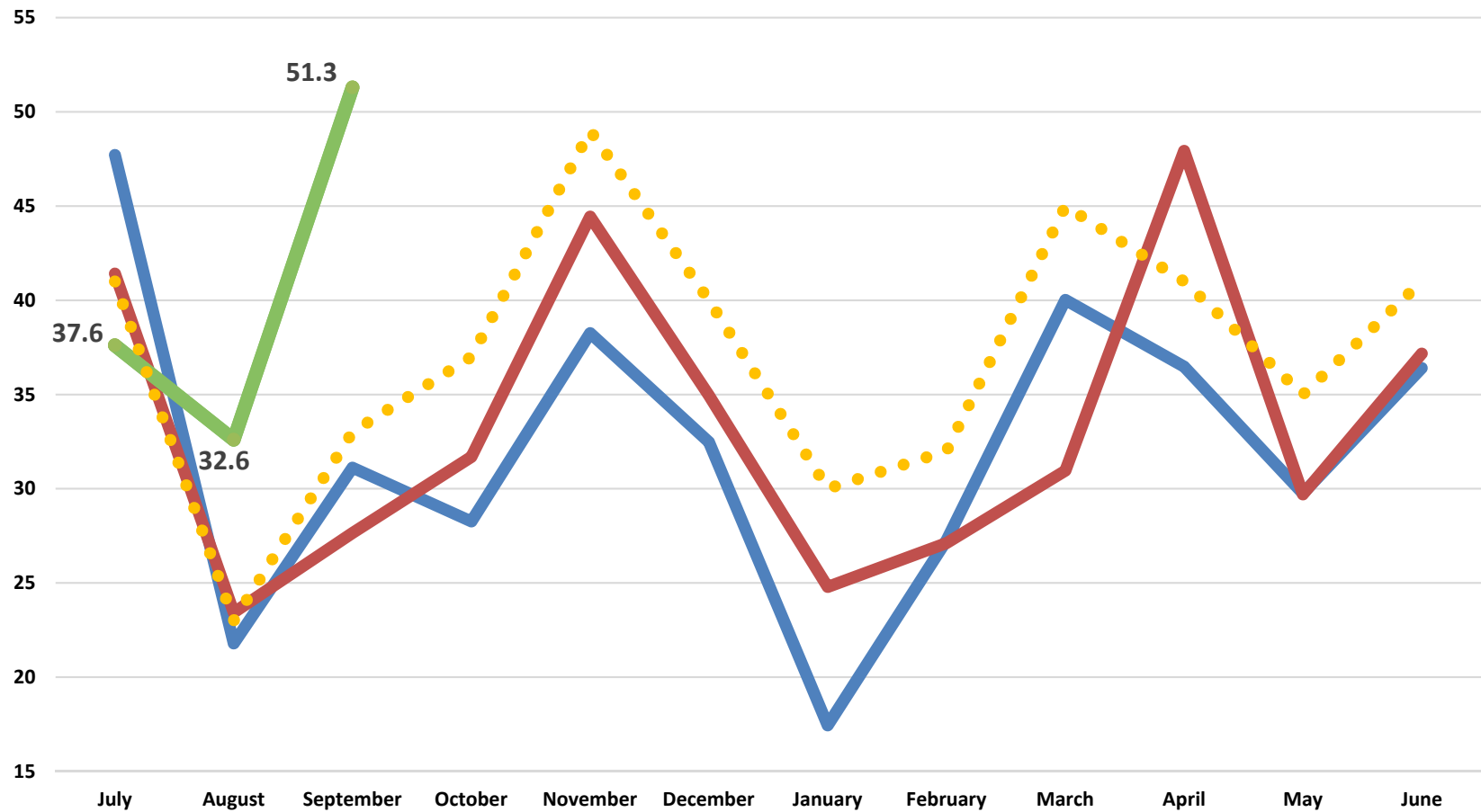
Robotic Surgery (IP & OP) – 100 Min Units



Robotic Surgery (IP Only) – 100 Min Units



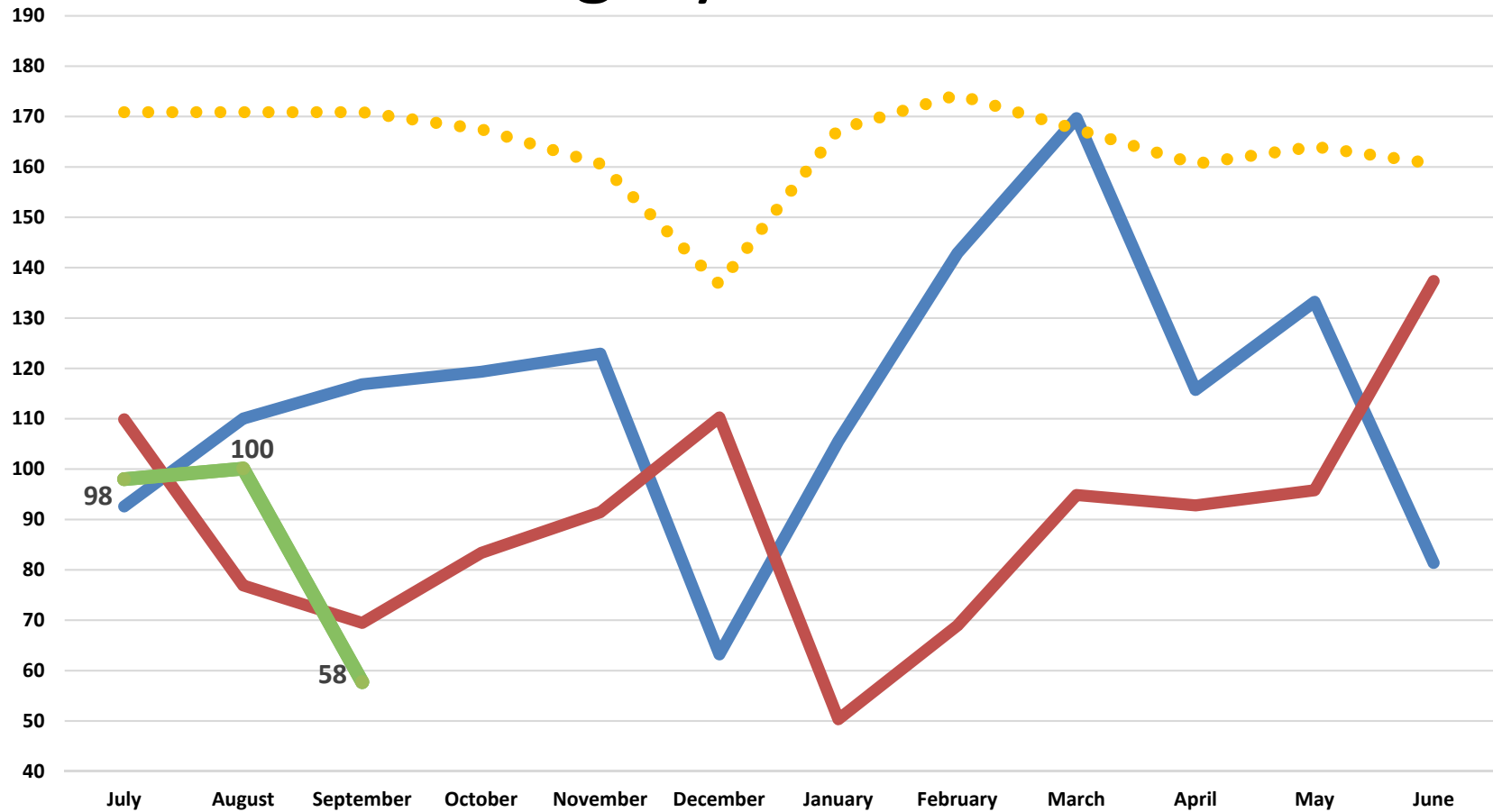
Robotic Surgery (OP Only) – 100 Min Units



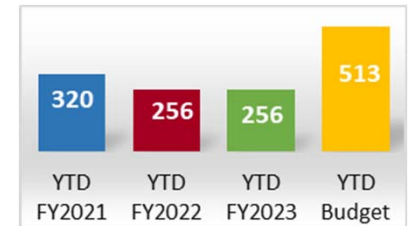
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



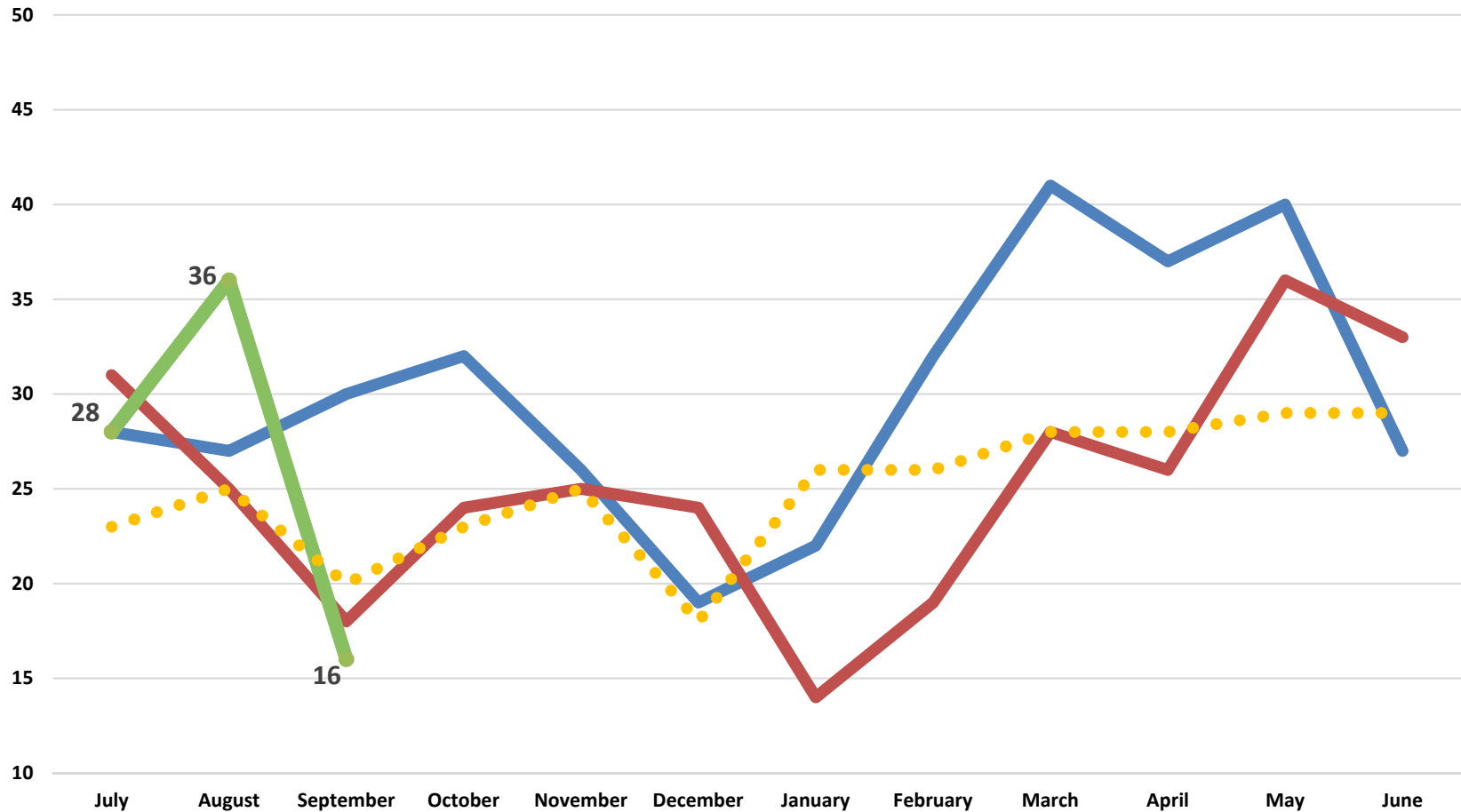
Cardiac Surgery – 100 Min Units



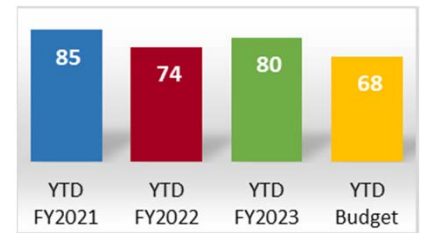
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



Cardiac Surgery – Cases

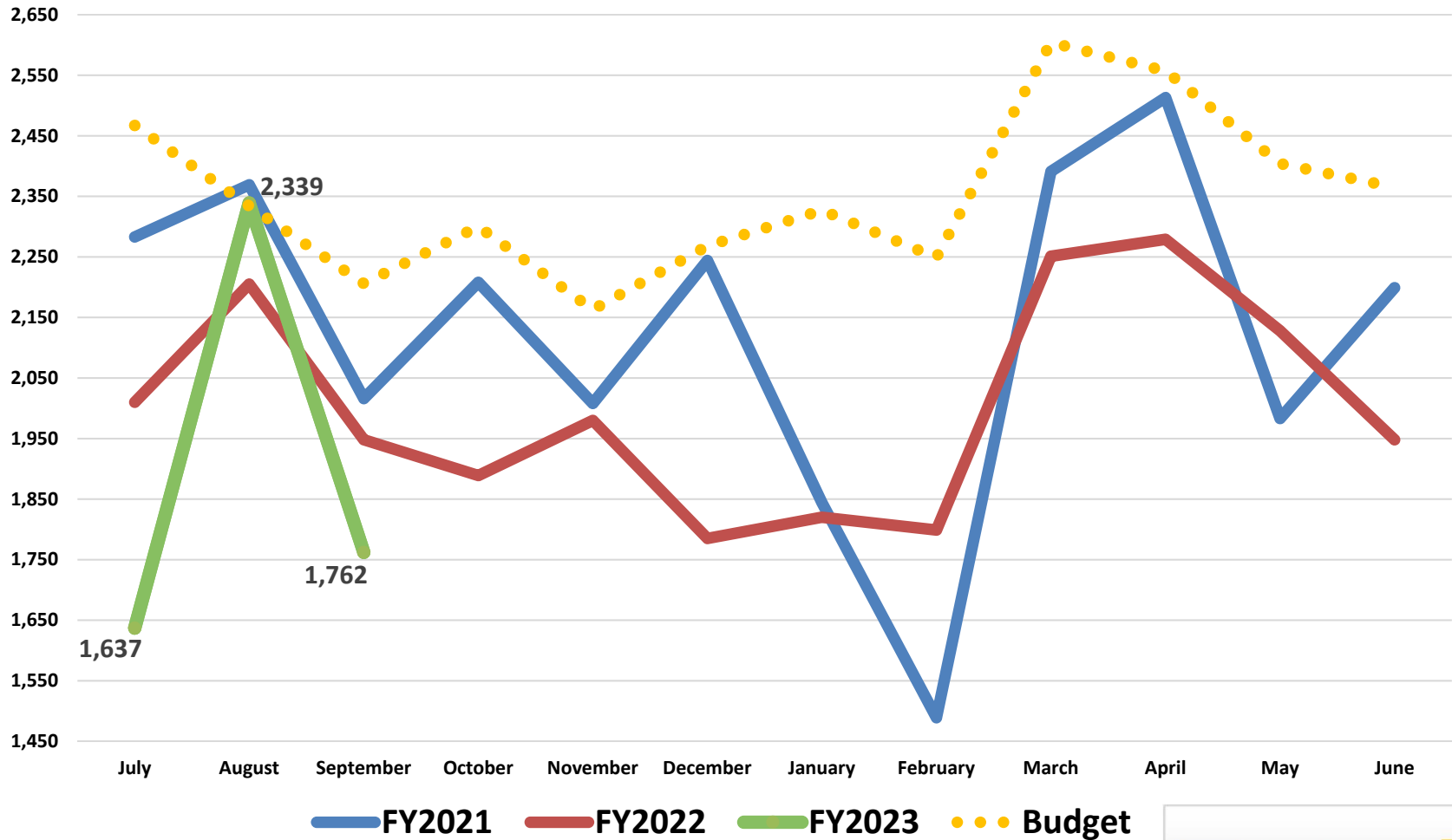


—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



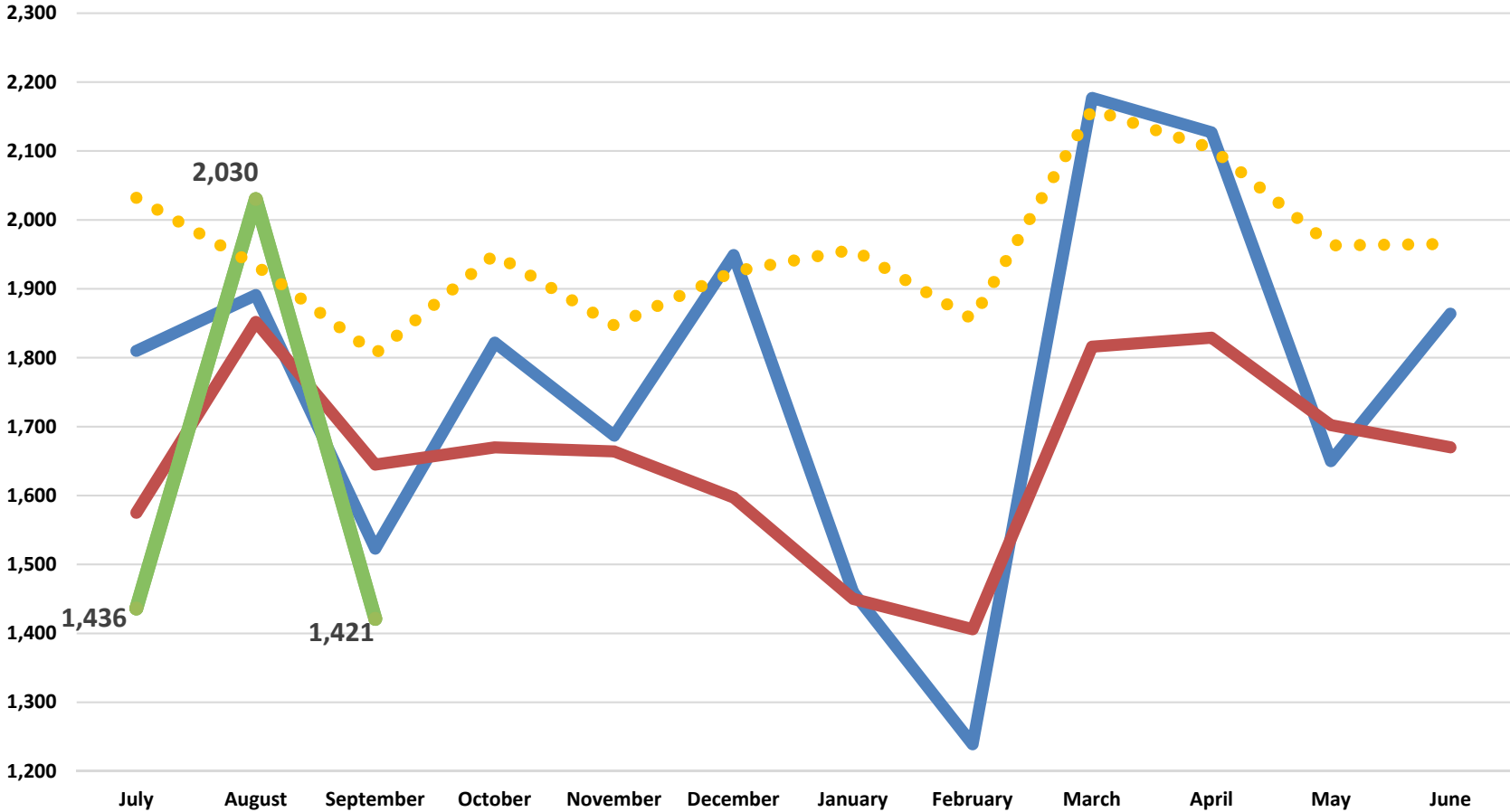
Radiation Oncology Treatments

Hanford and Visalia



6,668	6,163	5,738	7,007
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

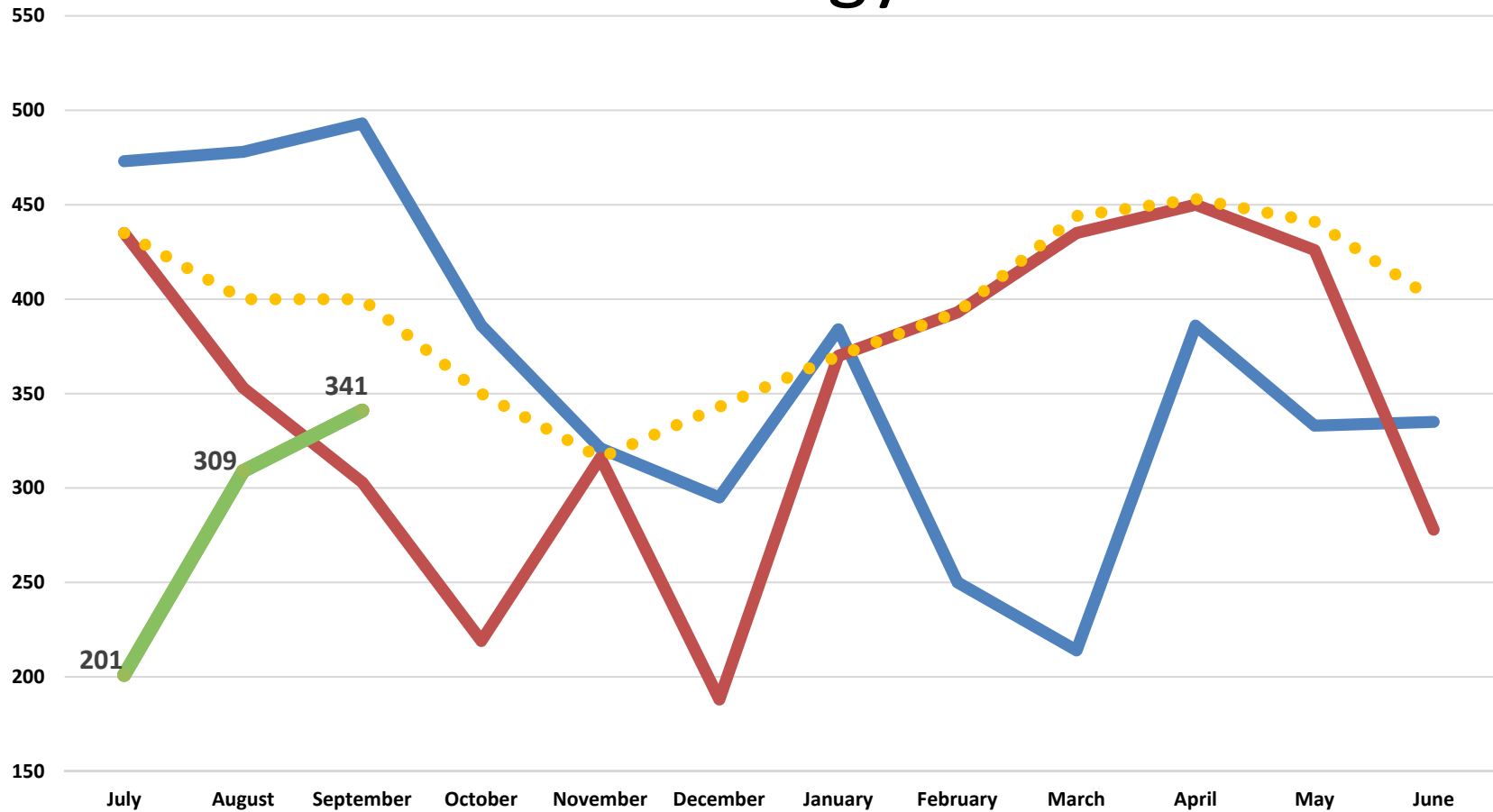
Radiation Oncology - Visalia



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



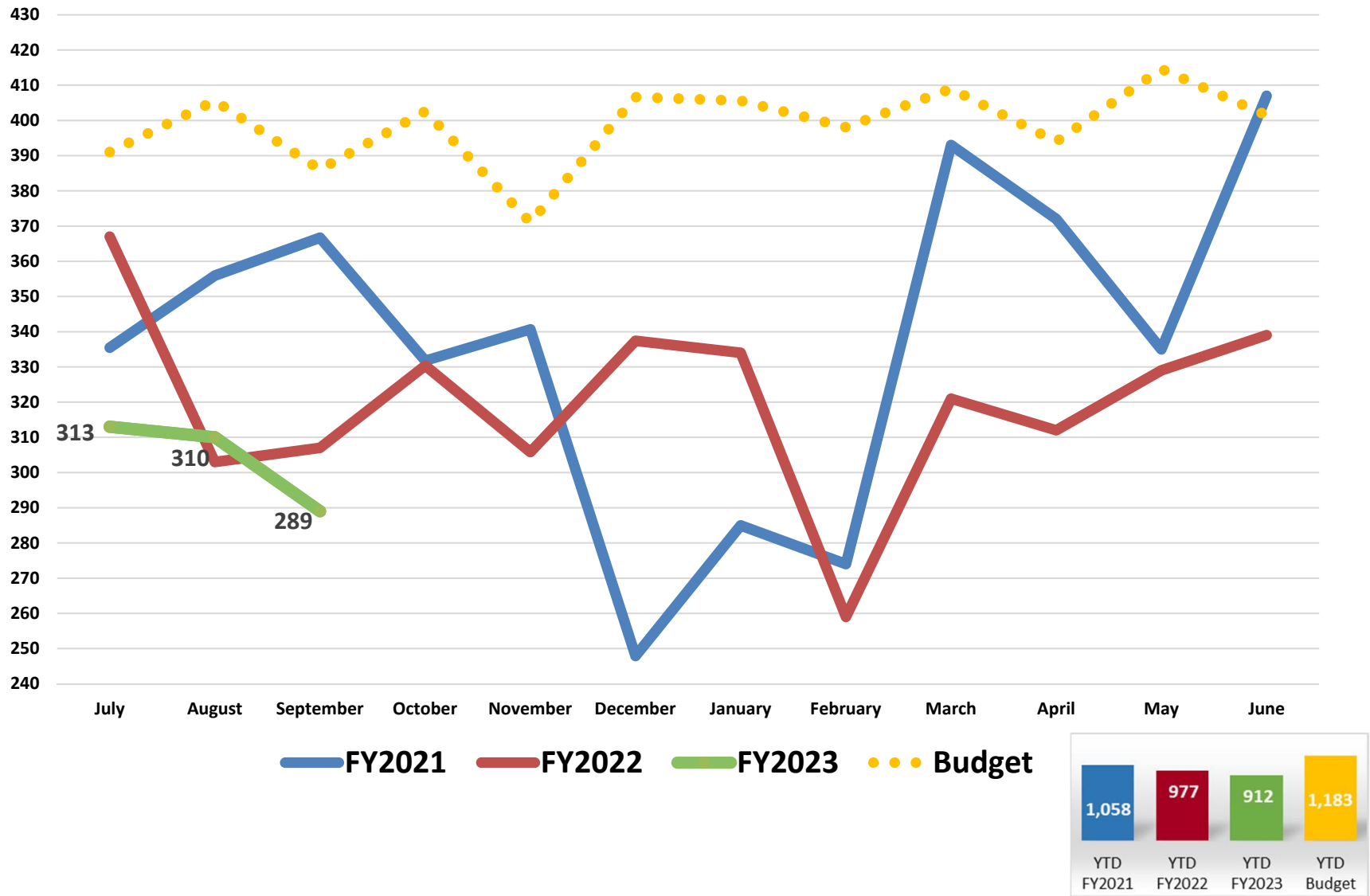
Radiation Oncology - Hanford



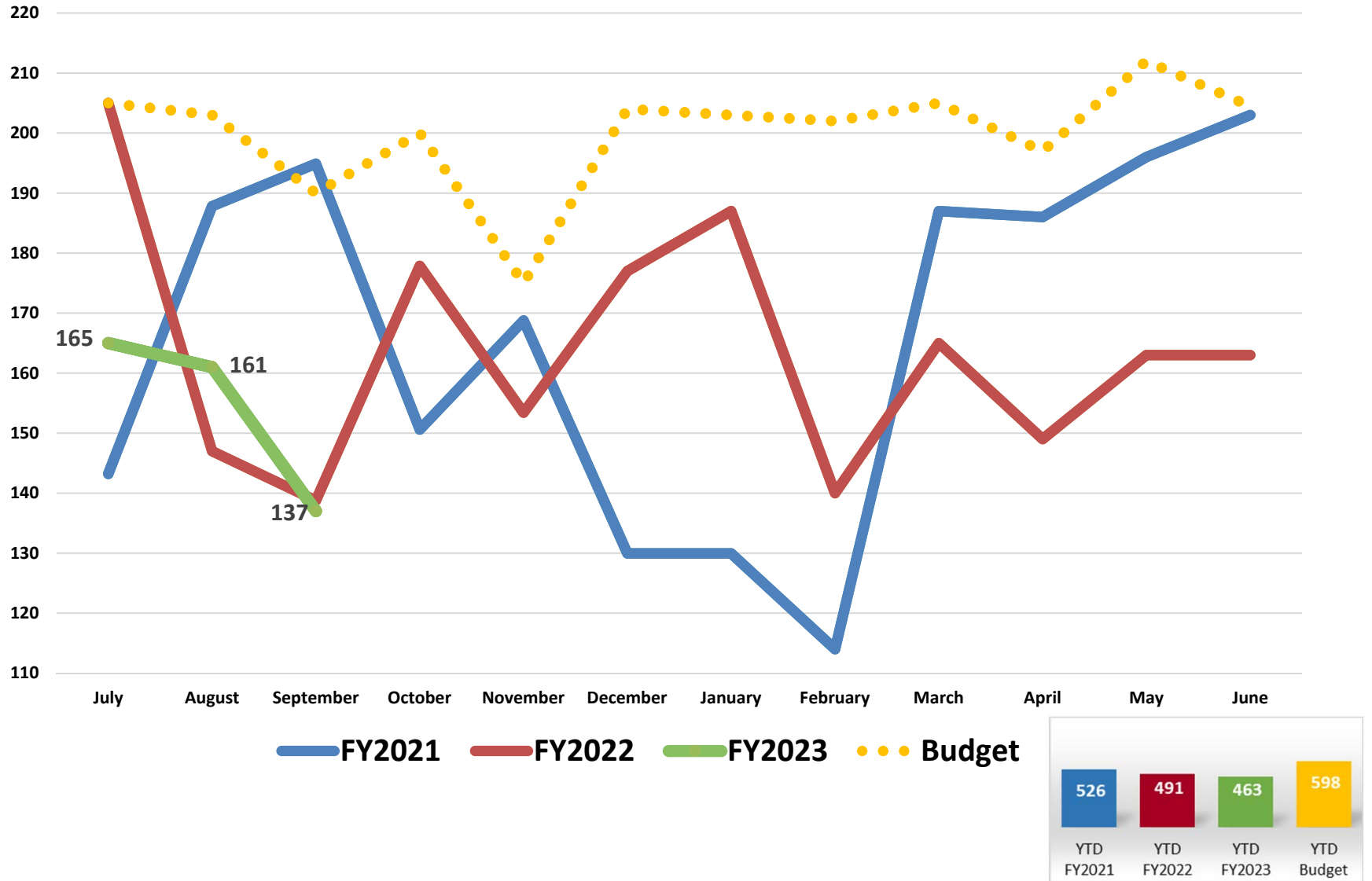
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



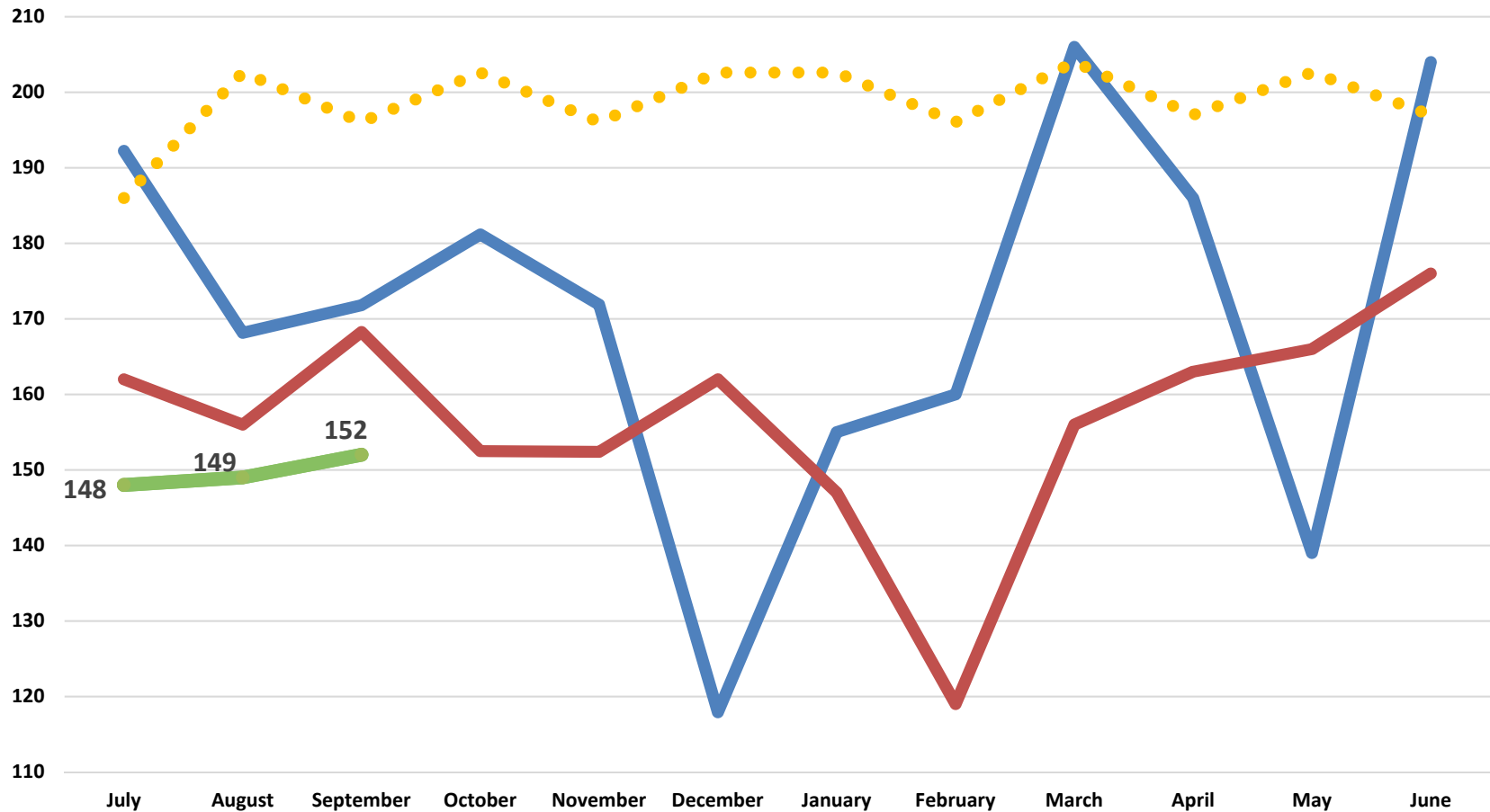
Cath Lab (IP & OP) – 100 Min Units



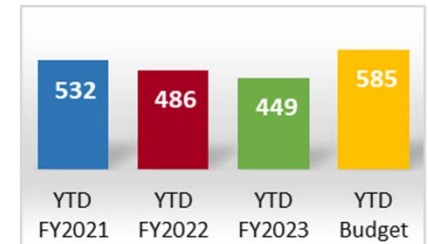
Cath Lab (IP Only) – 100 Min Units



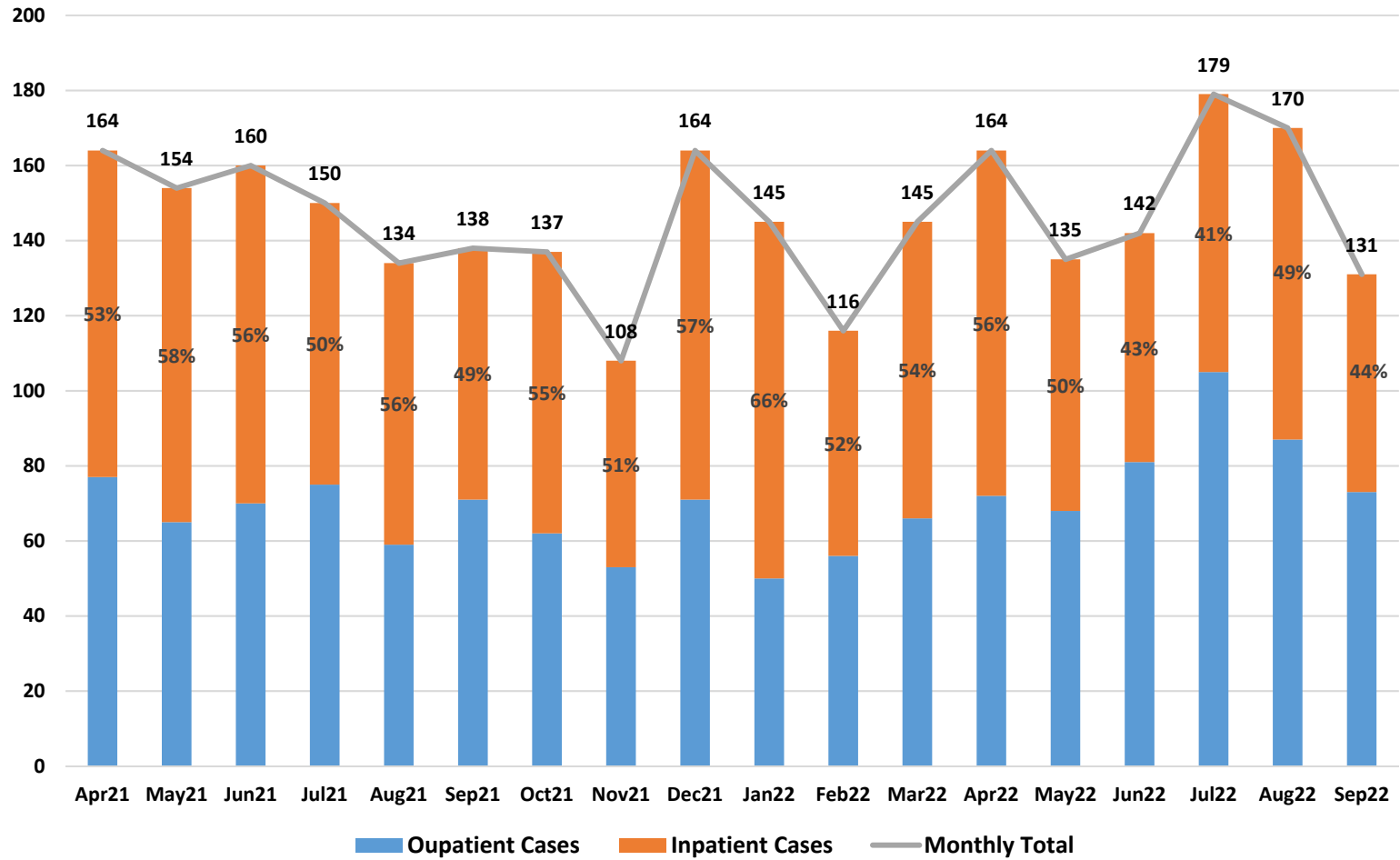
Cath Lab (OP Only) – 100 Min Units



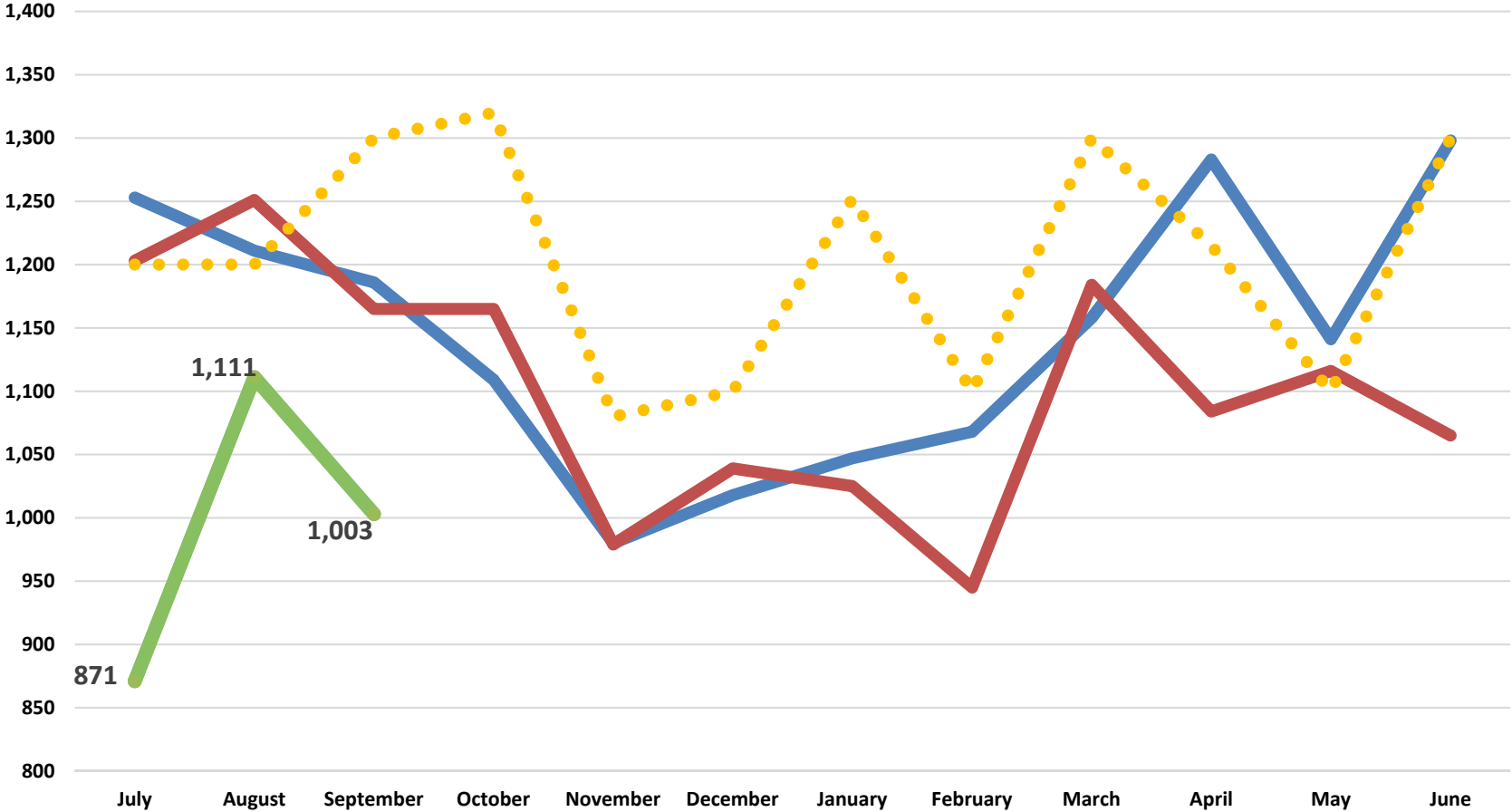
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



Cath Lab (IP & OP) - Patients



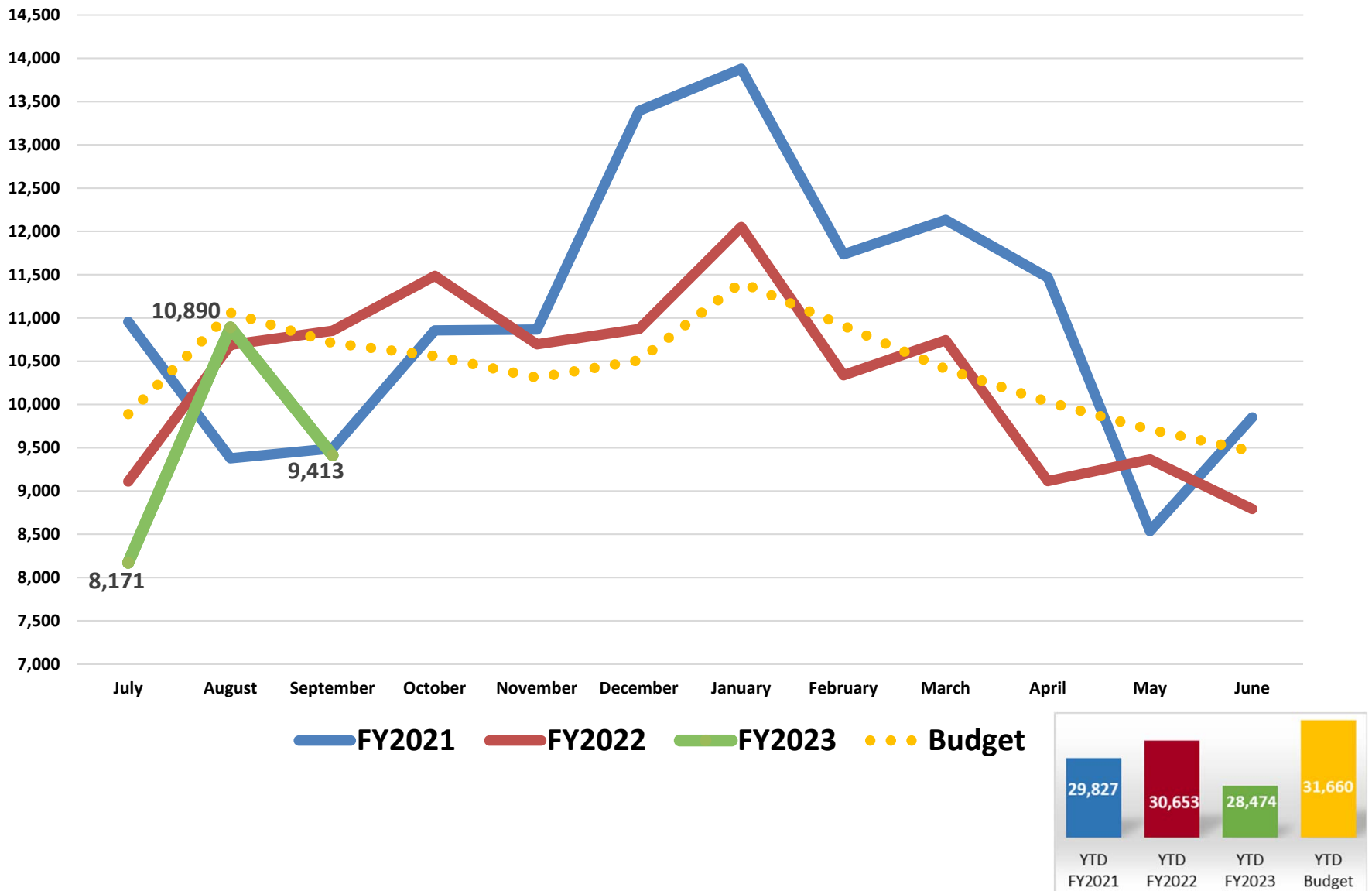
GME Family Medicine Clinic Visits



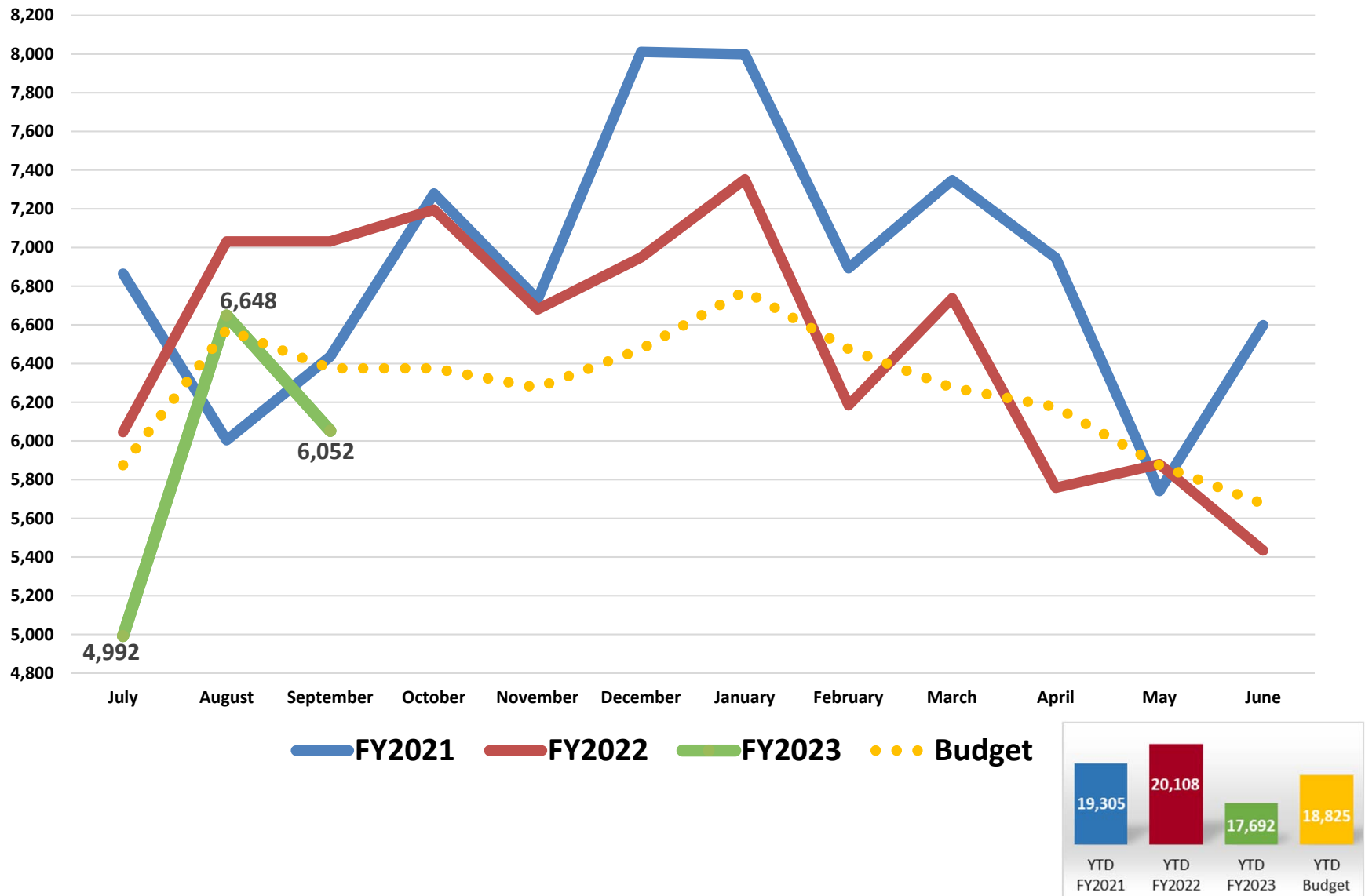
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



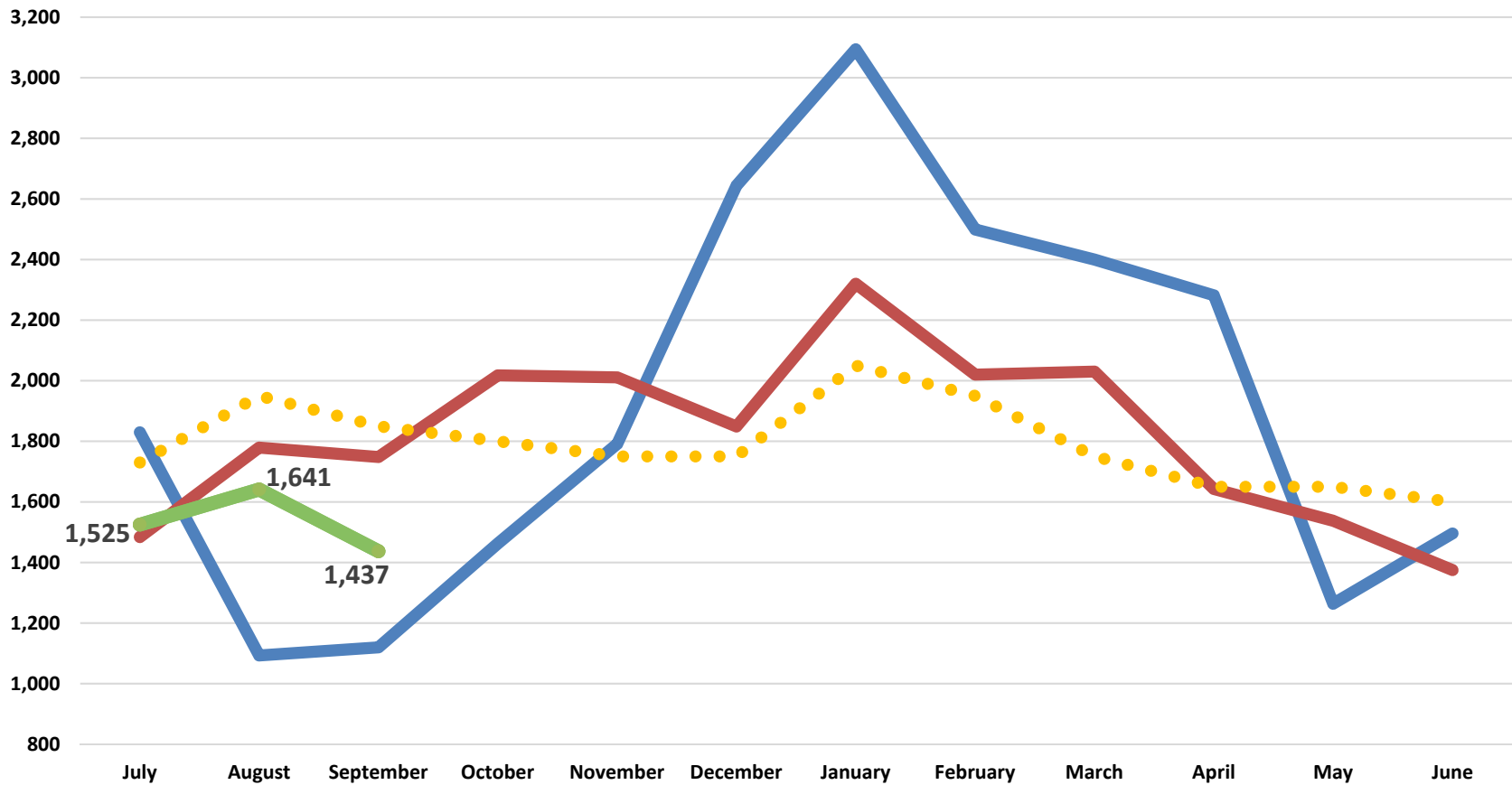
Rural Health Clinic Registrations



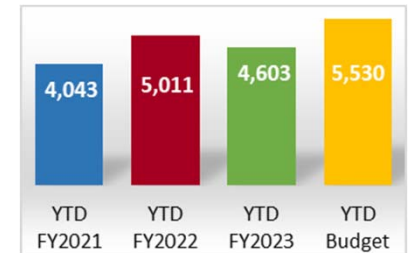
Exeter RHC - Registrations



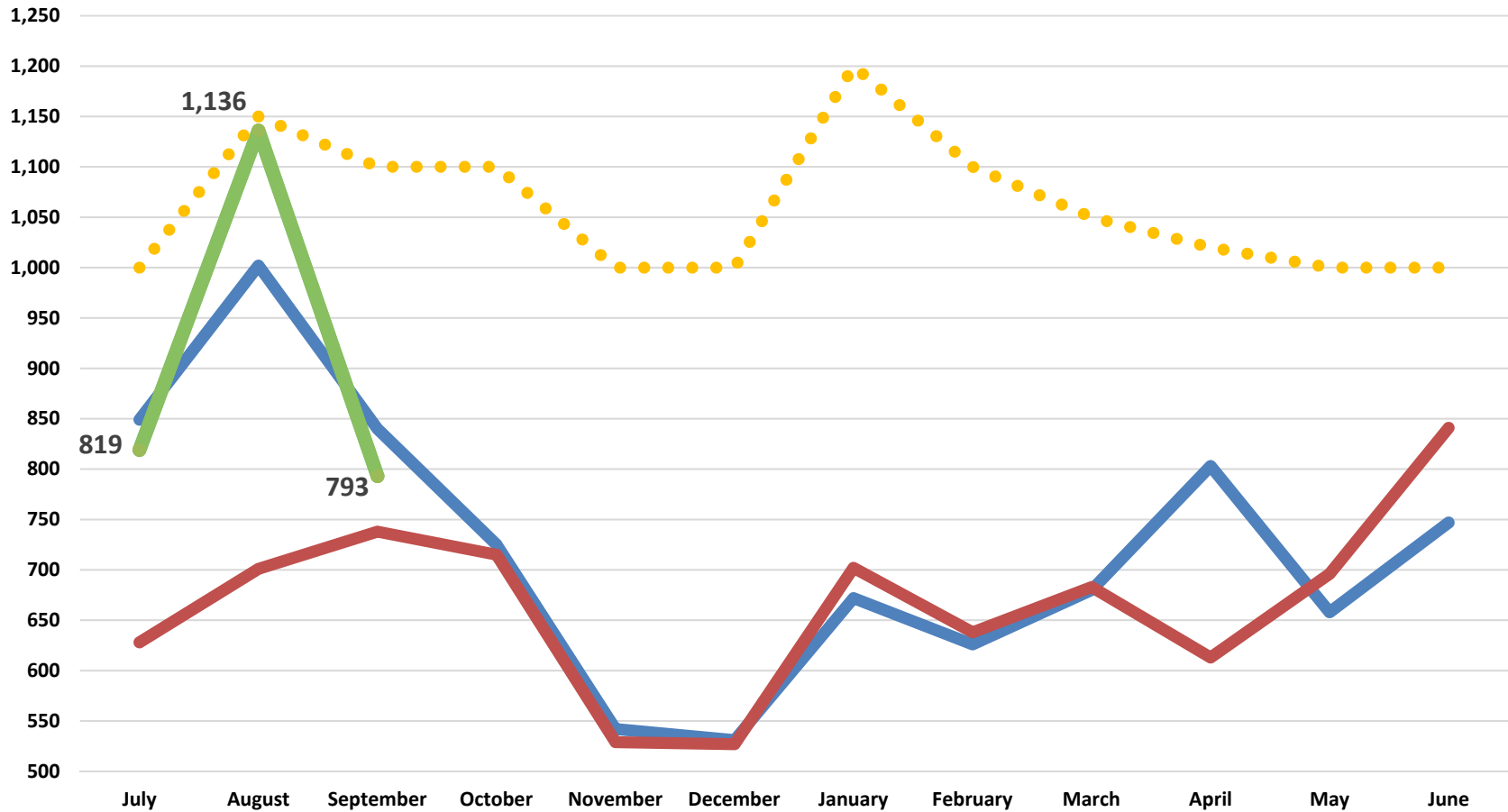
Lindsay RHC - Registrations



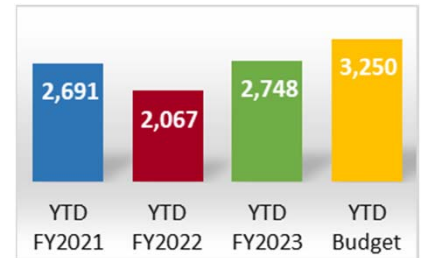
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



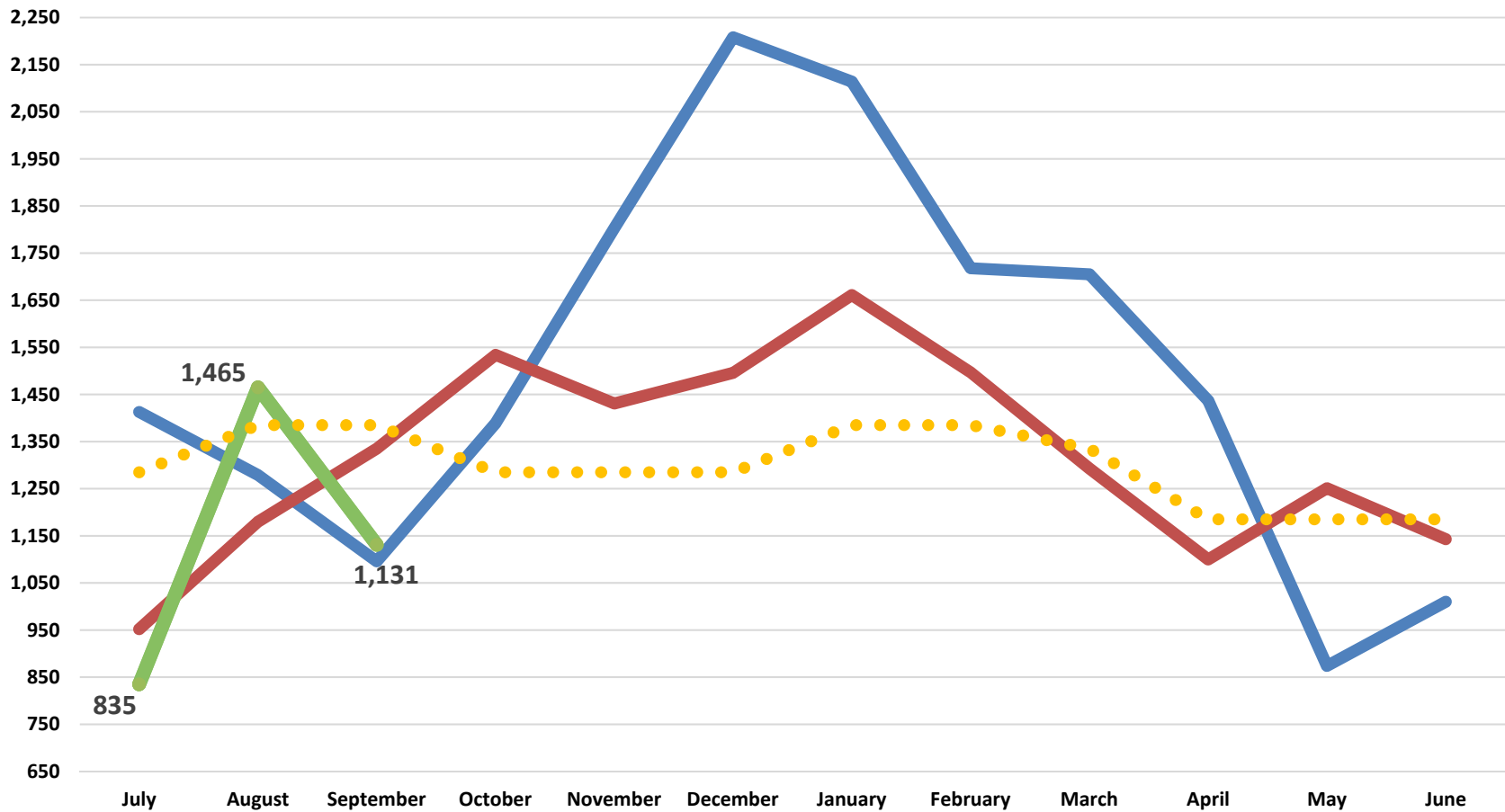
Woodlake RHC - Registrations



— FY2021
 — FY2022
 — FY2023
 ●●● Budget



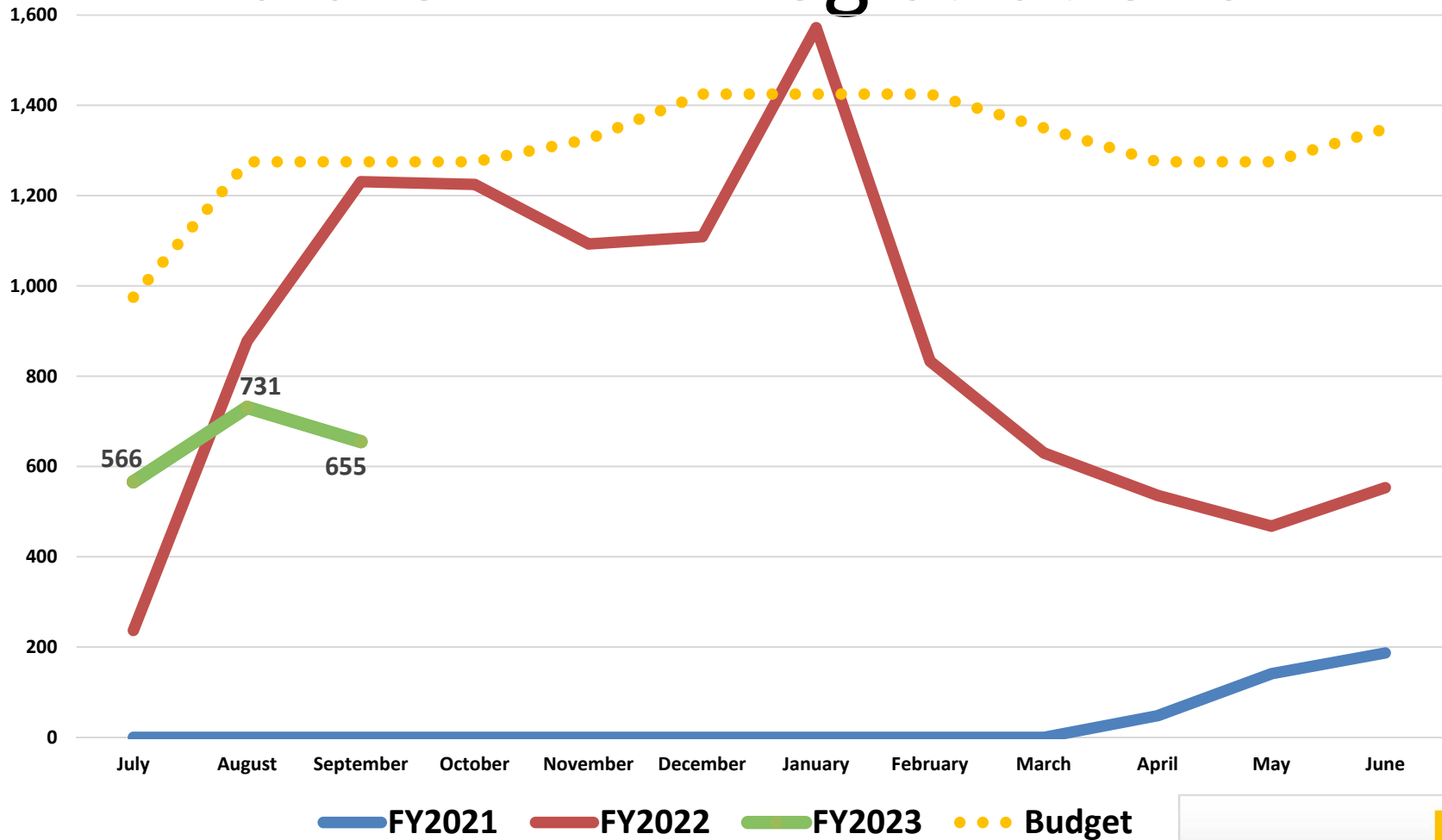
Dinuba RHC - Registrations



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget

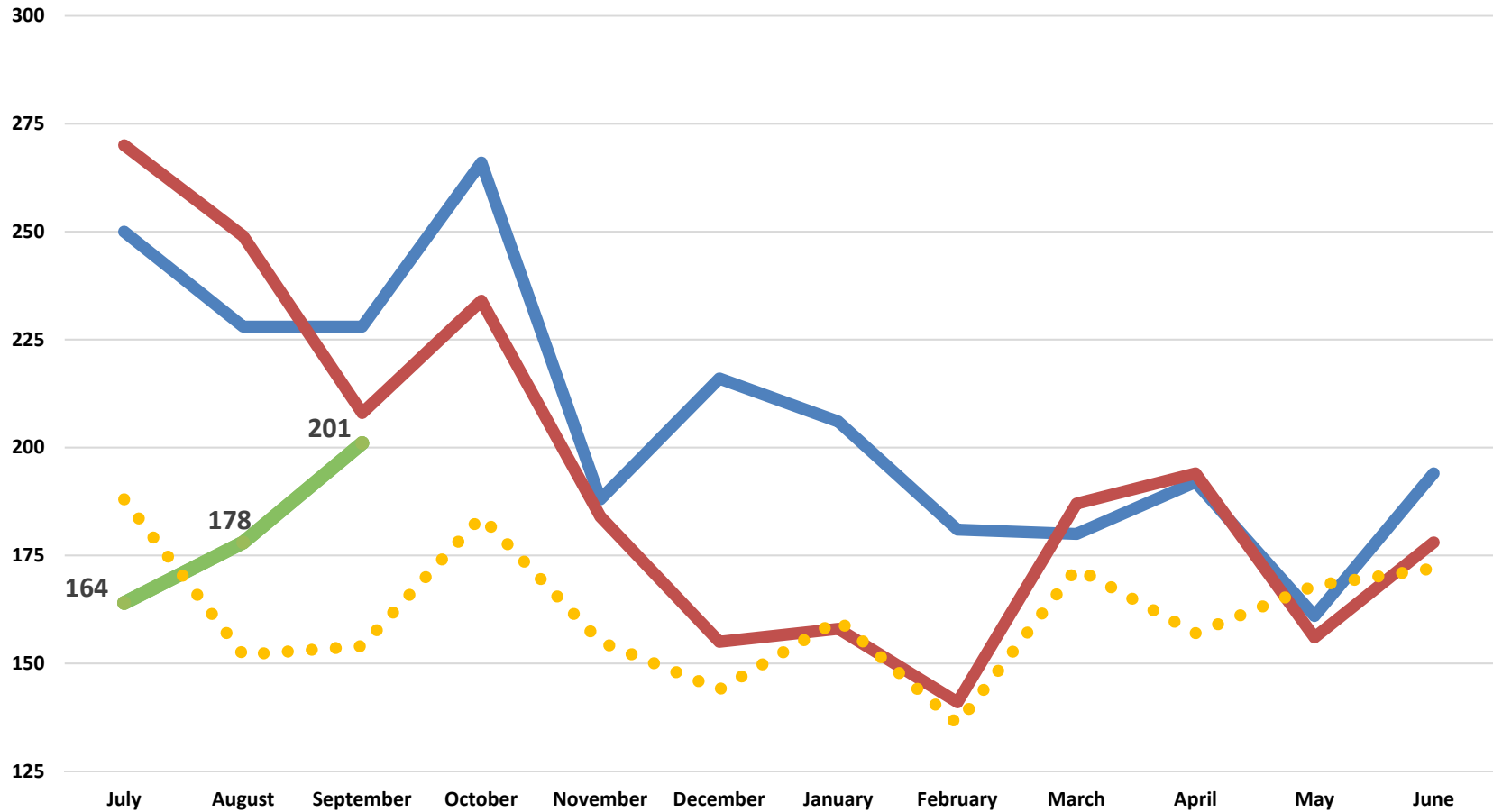


Tulare RHC - Registrations

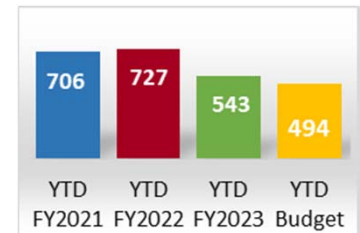


YTD	YTD	YTD	YTD
FY2021	FY2022	FY2023	Budget
-	2,346	1,952	3,525

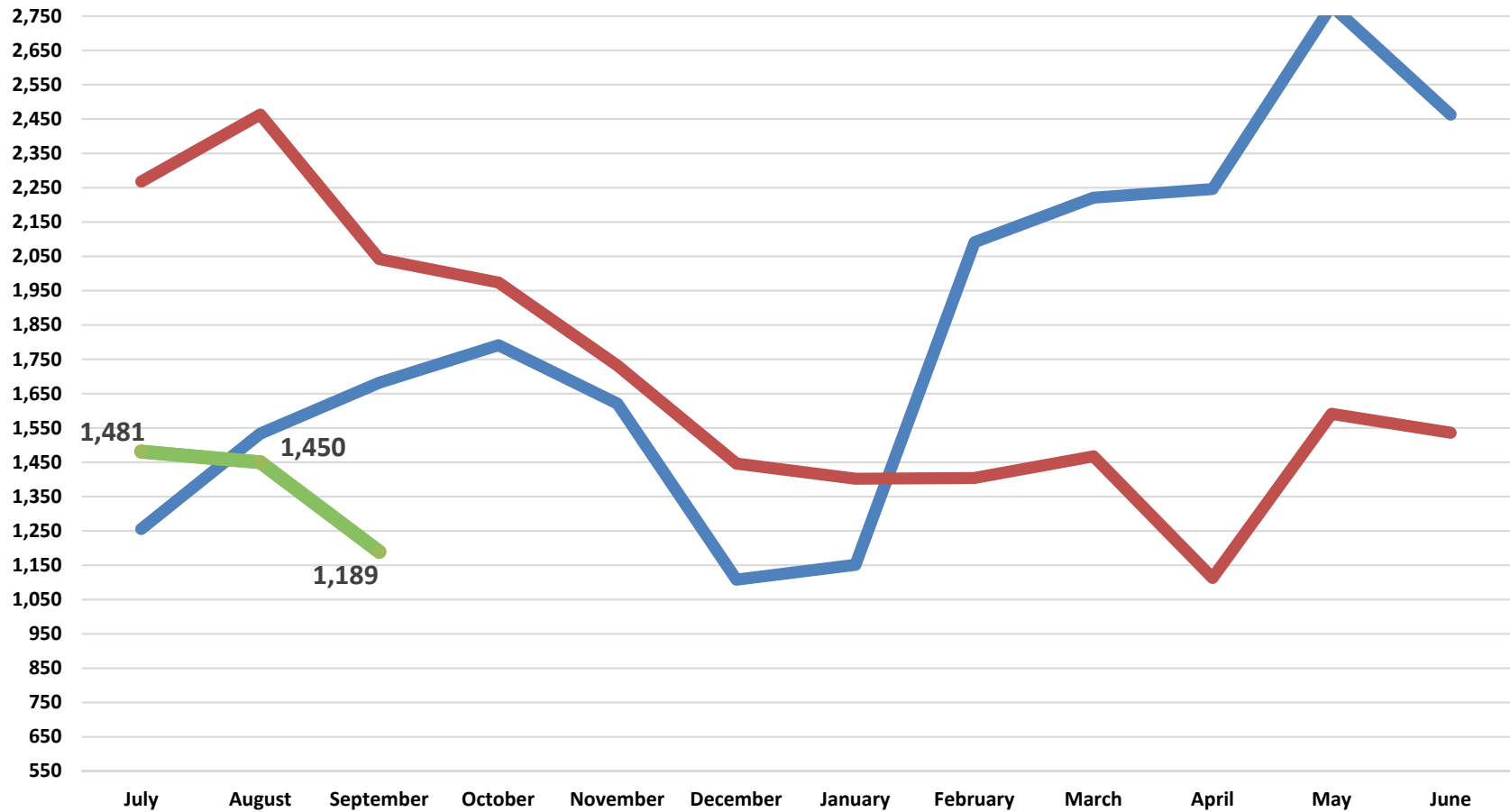
Neurosurgery Clinic - Registrations



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



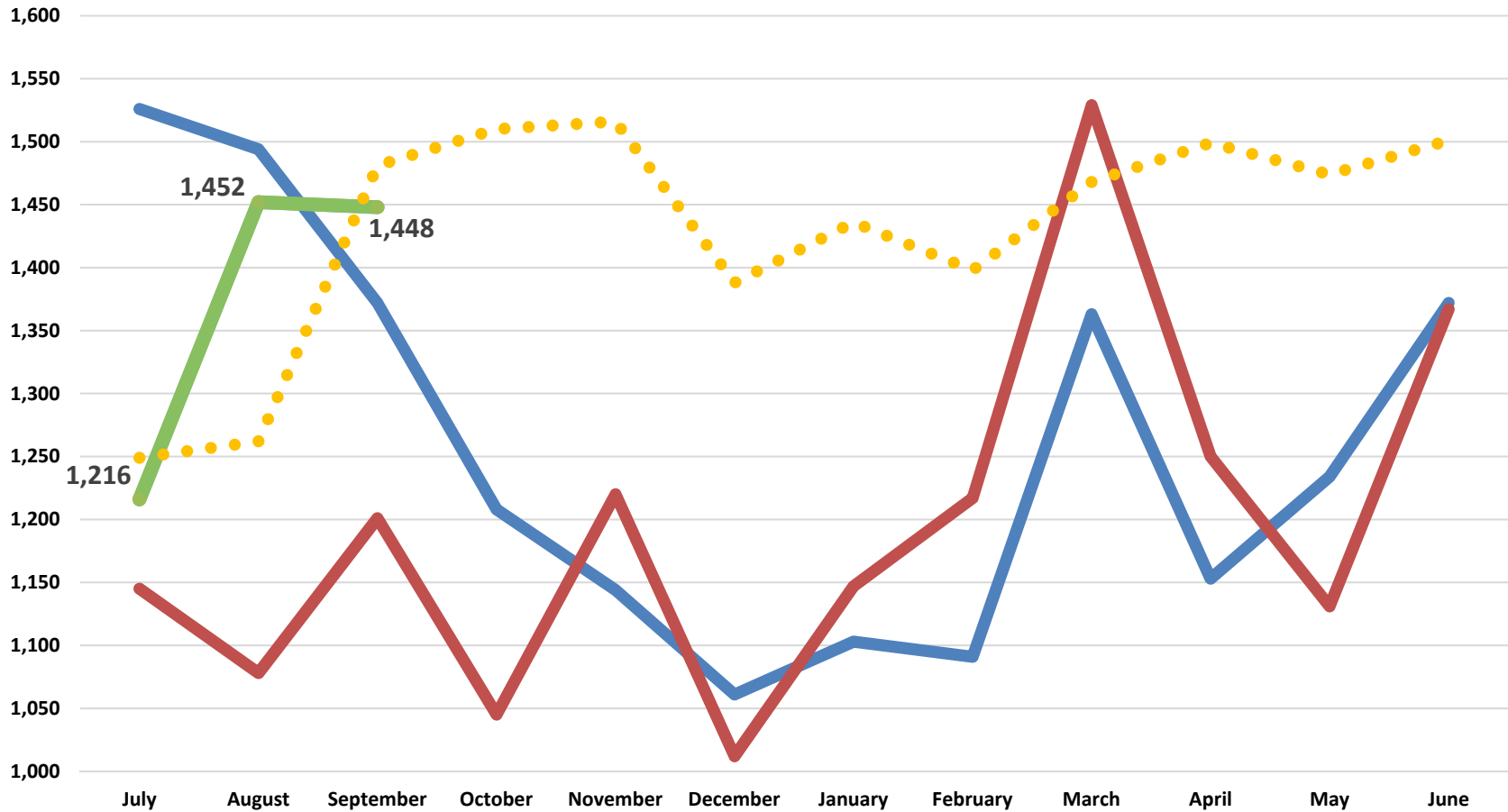
Neurosurgery Clinic - wRVU's



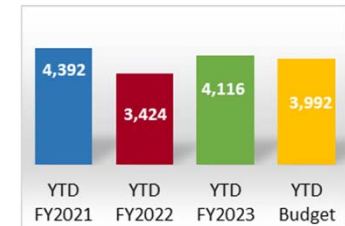
— FY2021 — FY2022 — FY2023



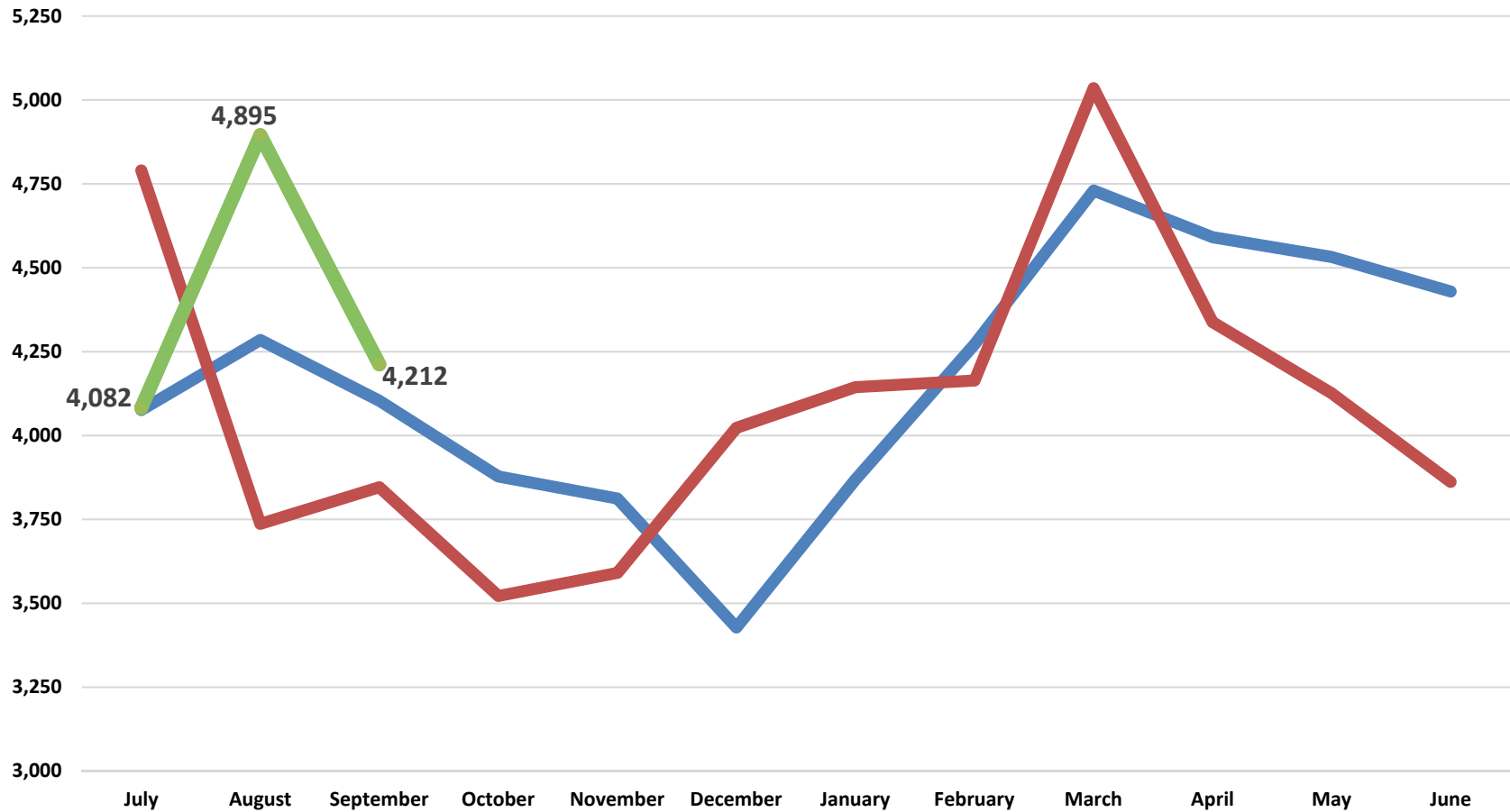
Sequoia Cardiology - Registrations



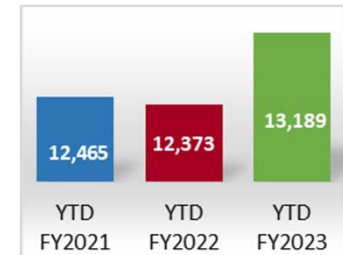
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



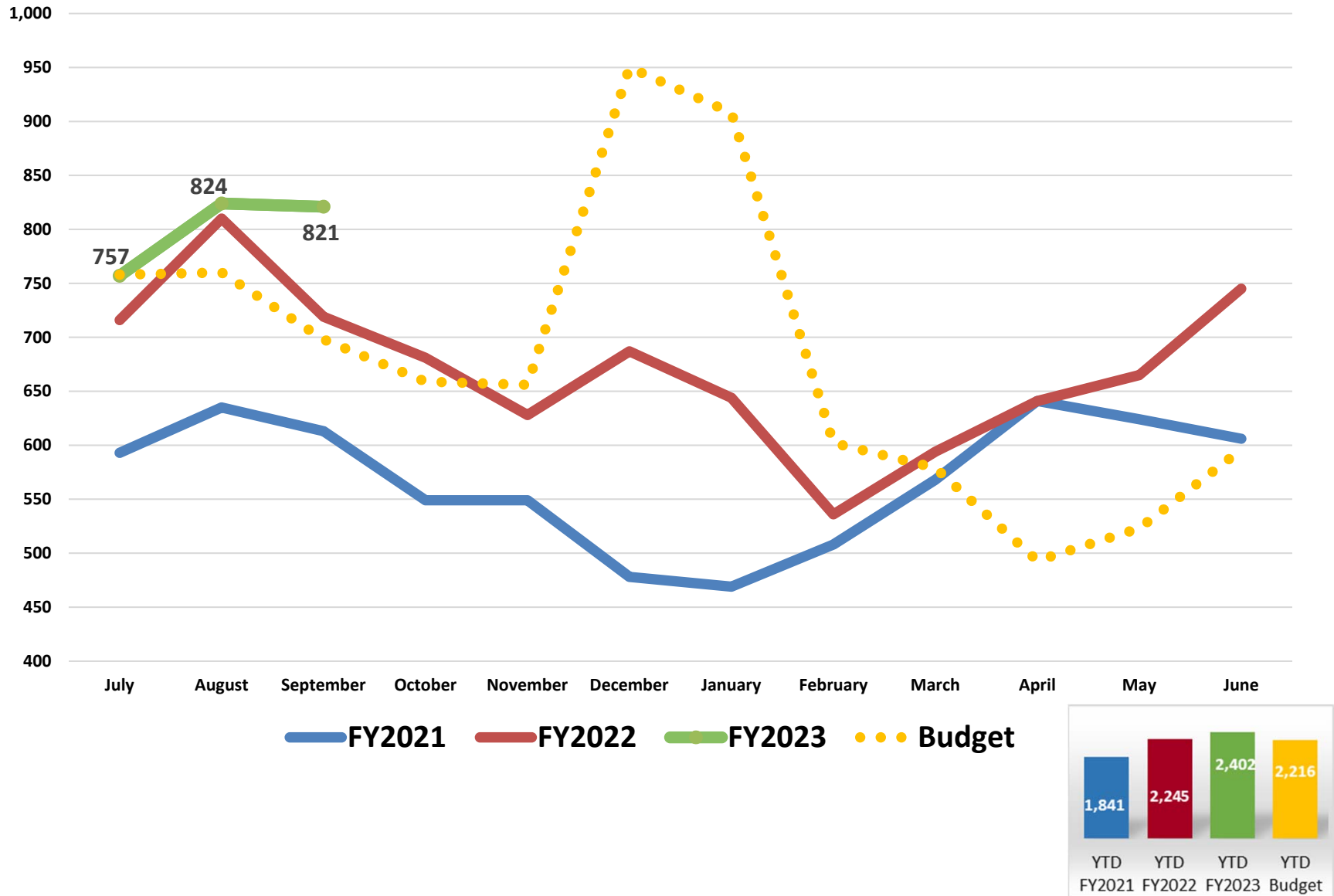
Sequoia Cardiology – wRVU's



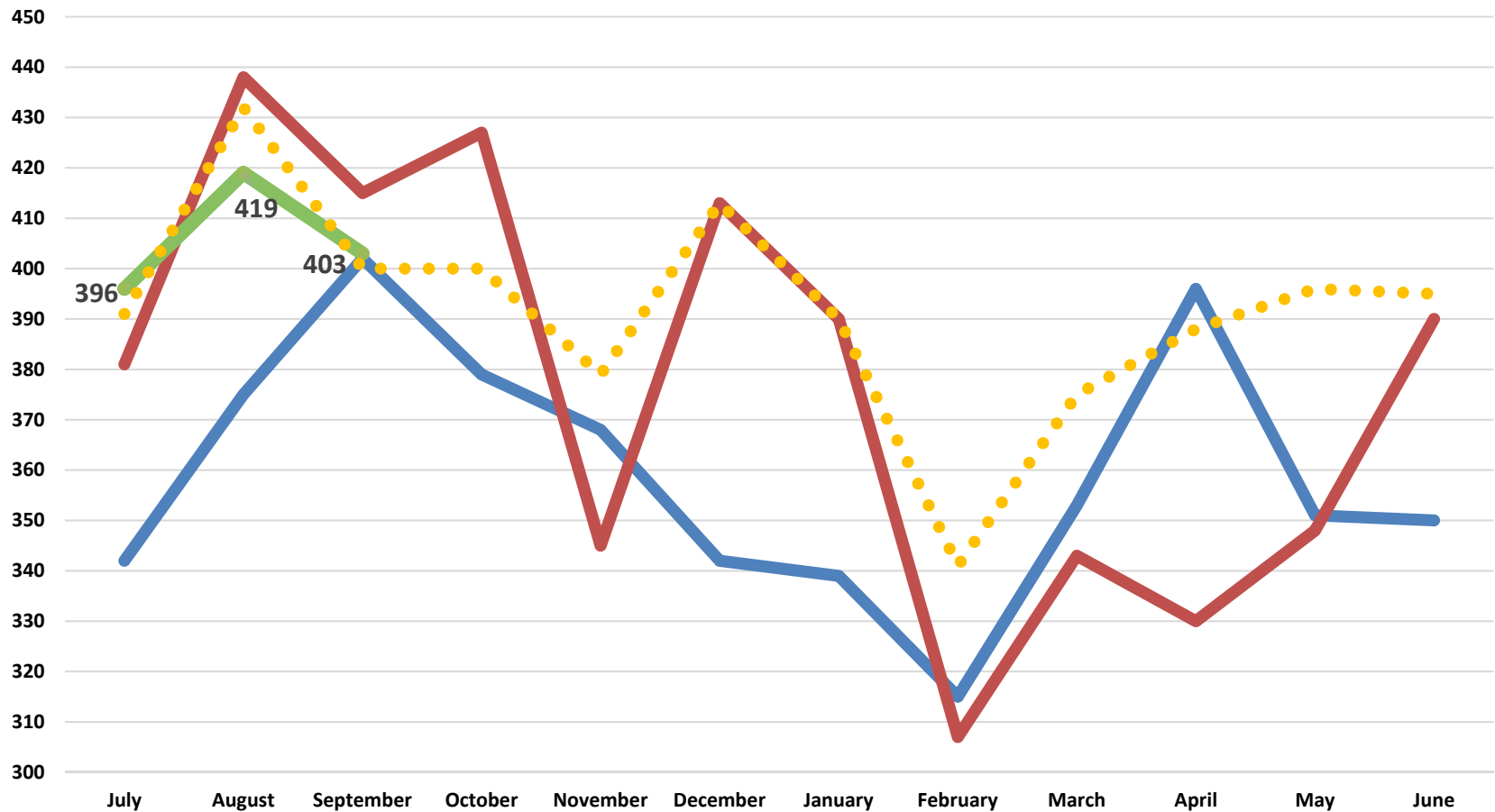
— FY2021 — FY2022 — FY2023



Labor Triage Registrations



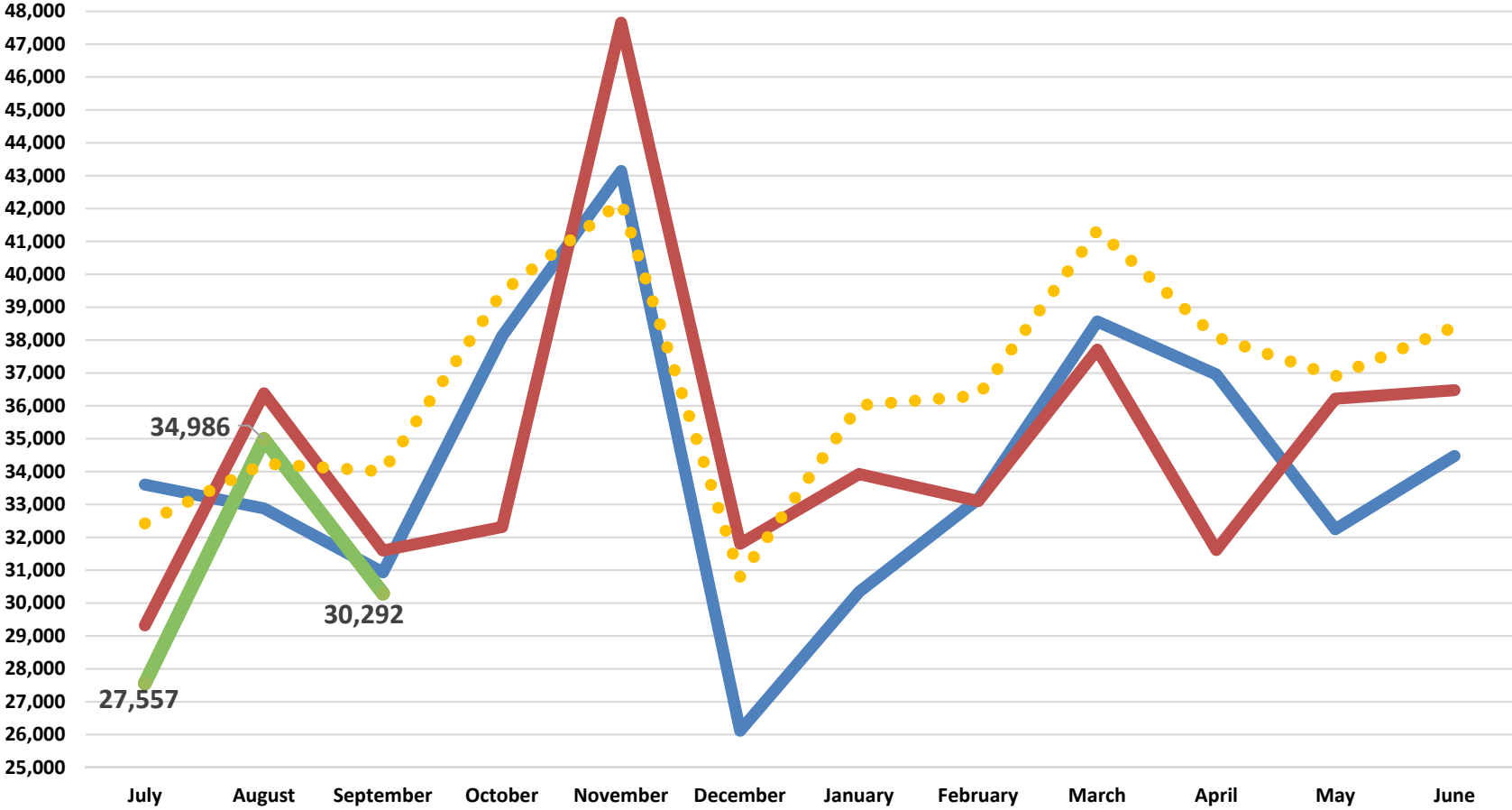
Deliveries



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



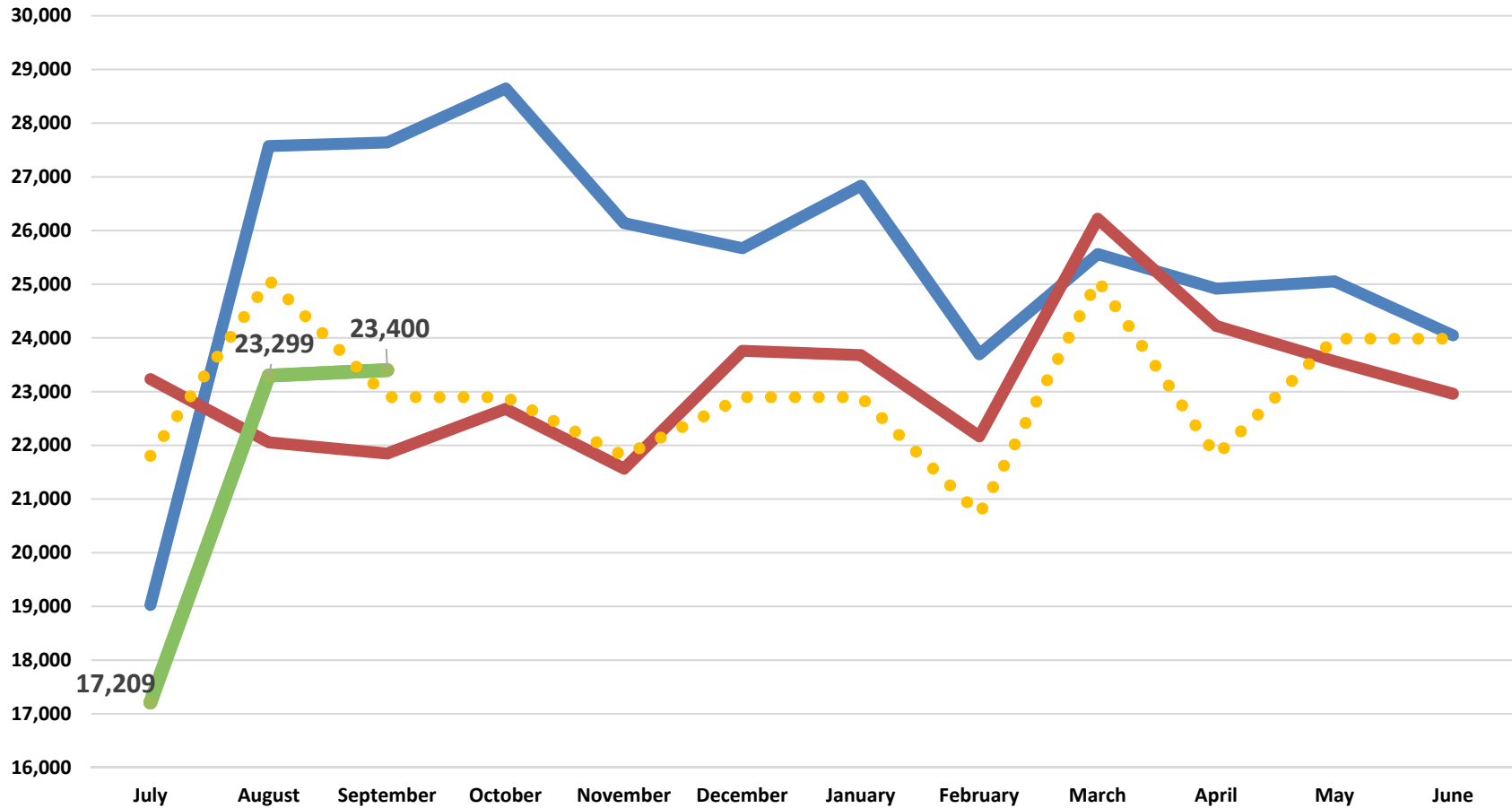
KHMG RVU's



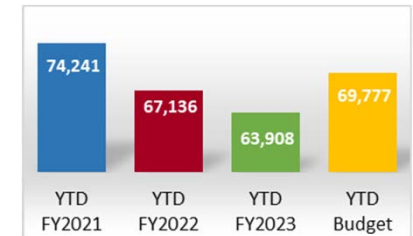
— FY2021 — FY2022 — FY2023 ••• Budget



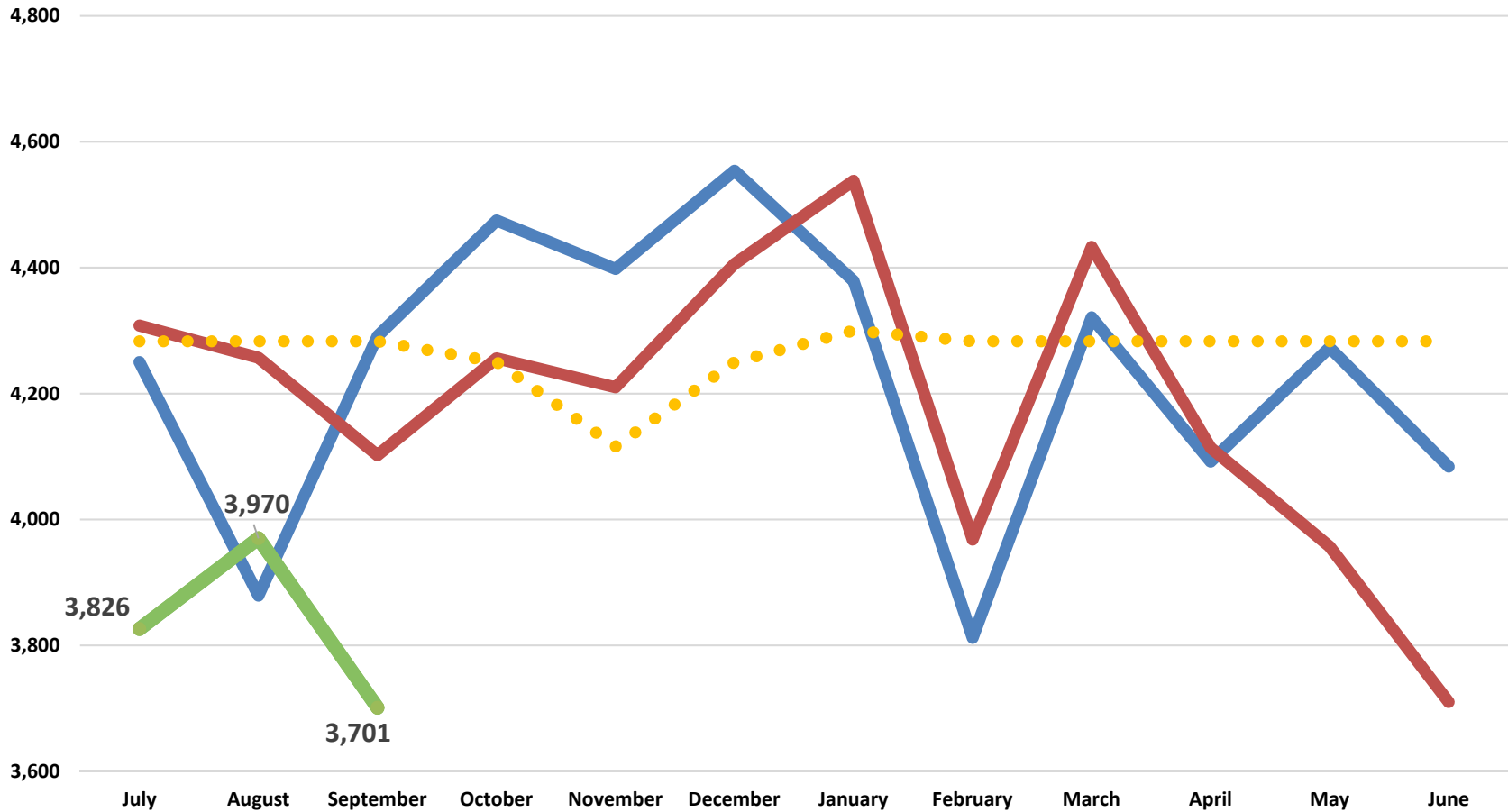
Home Infusion Days



—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



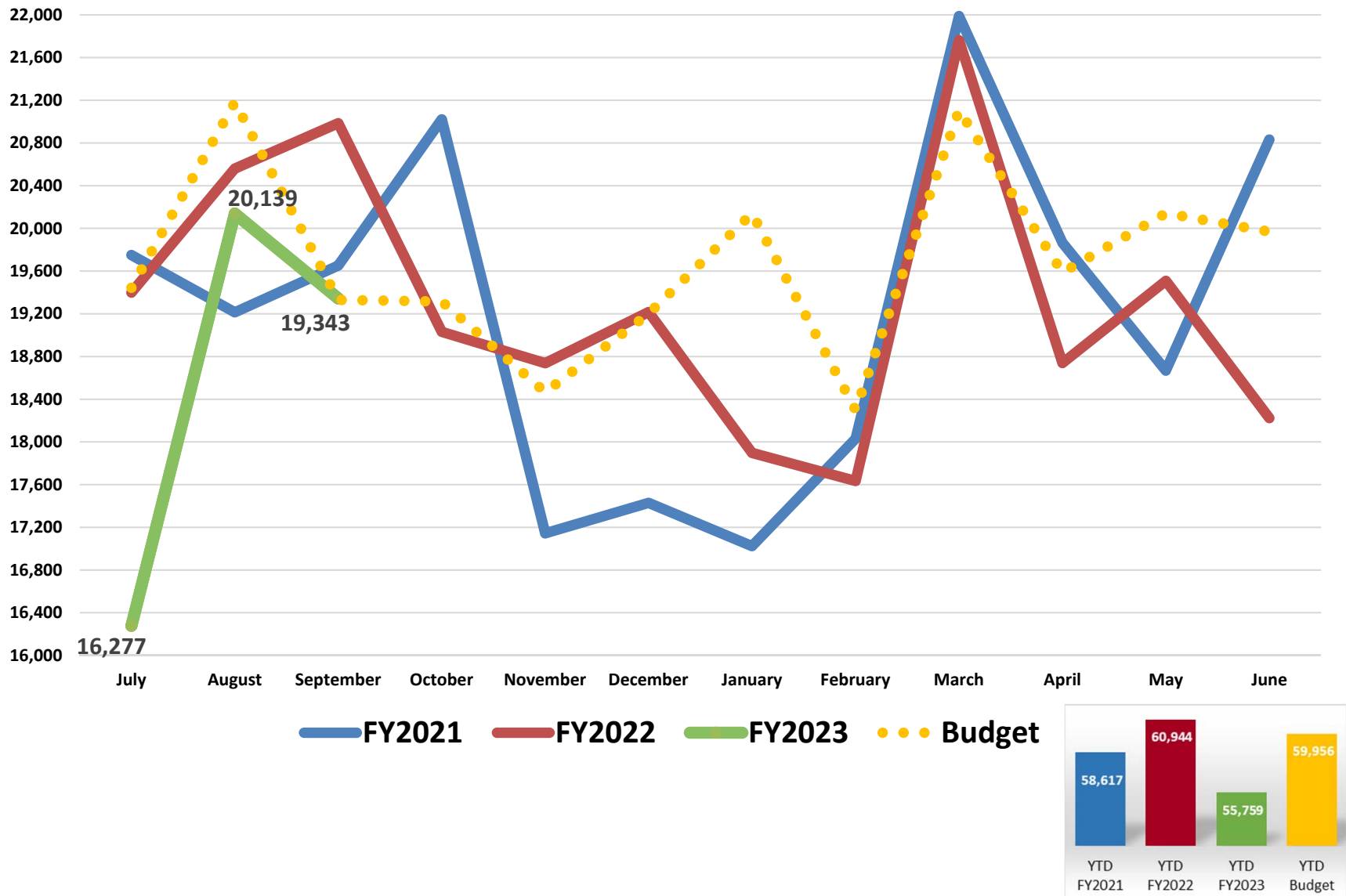
Hospice Days



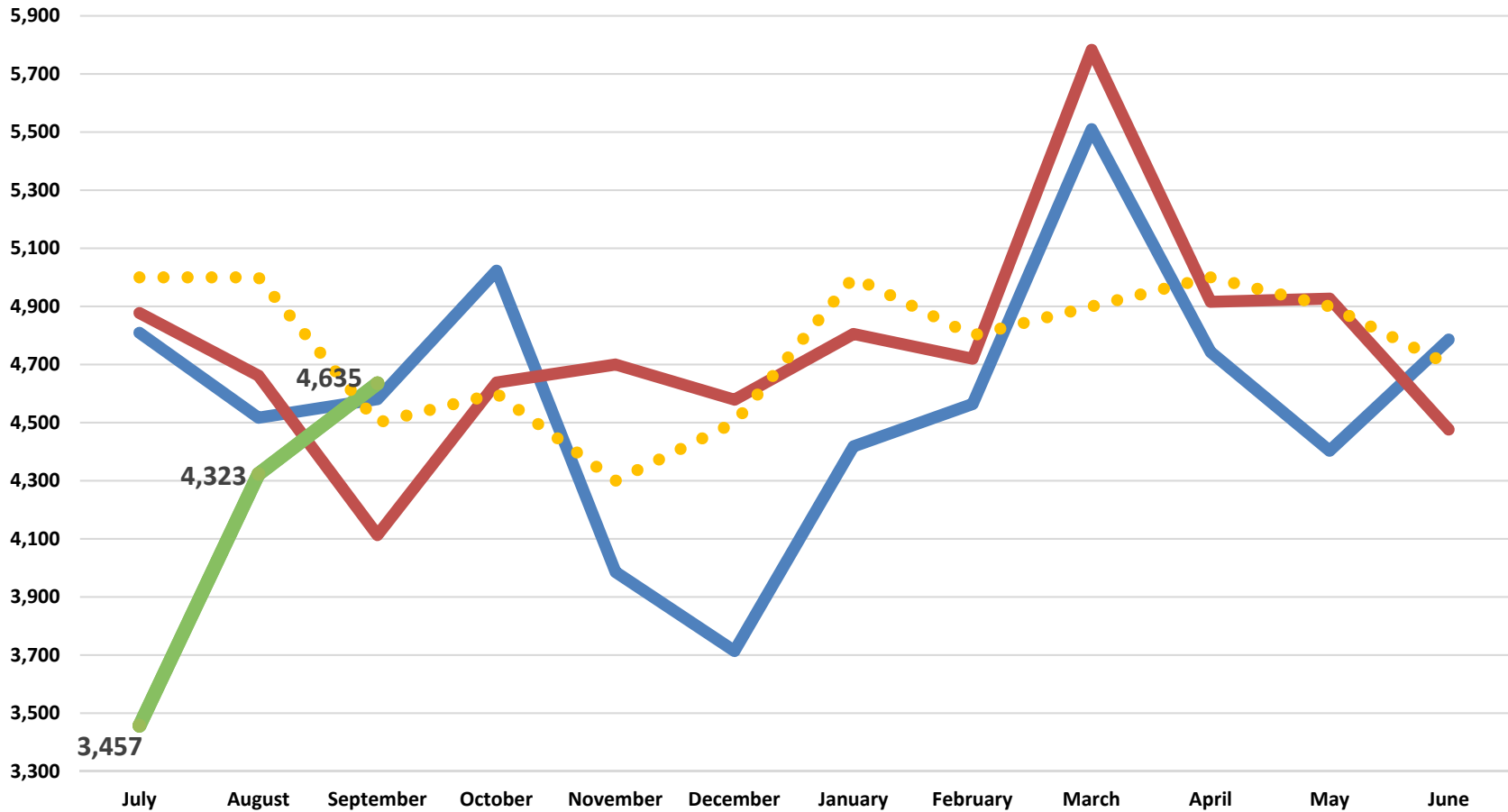
—●— **FY2021**
 —●— **FY2022**
 —●— **FY2023**
 ●●● **Budget**



All O/P Rehab Services Across District



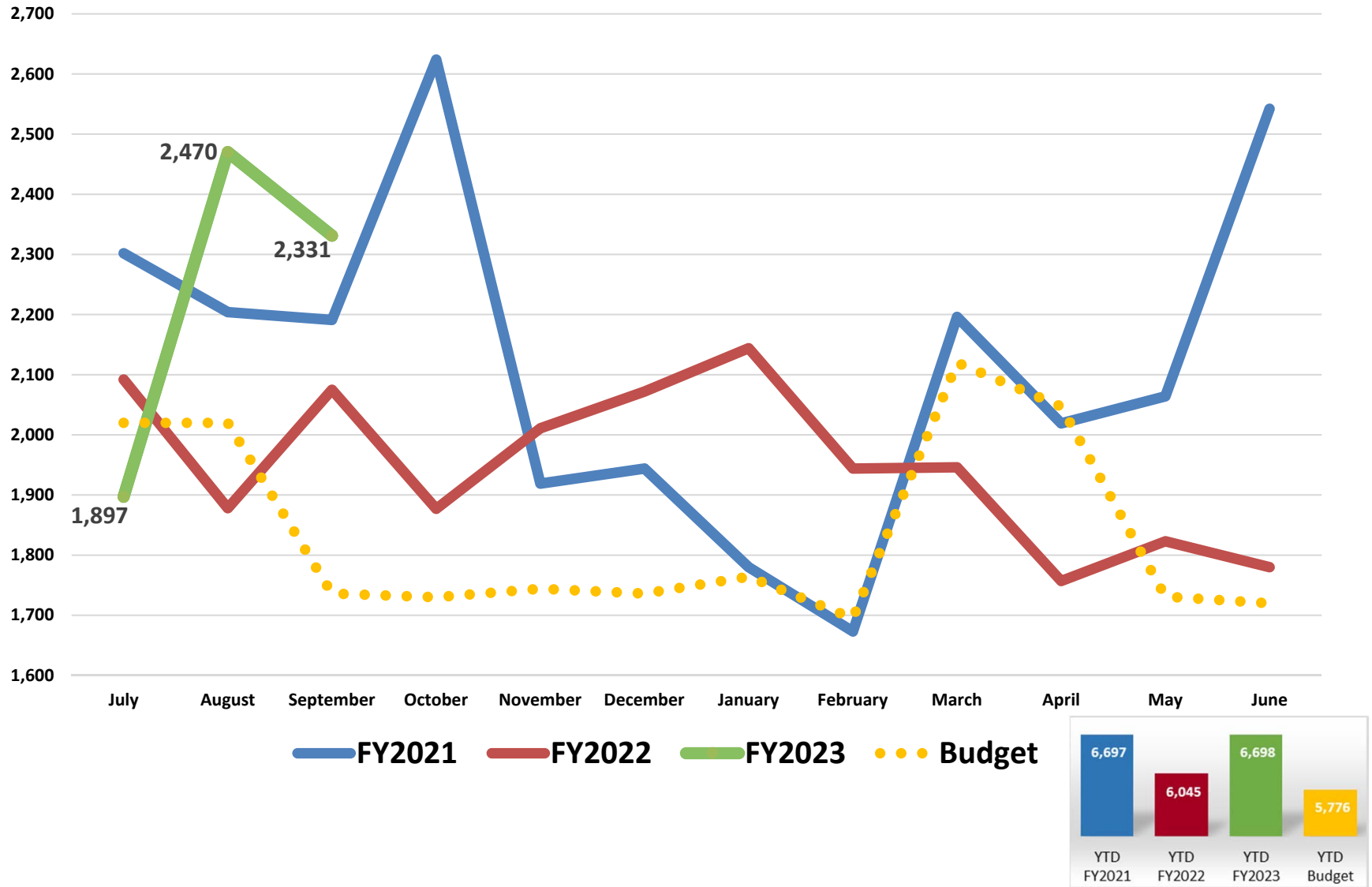
O/P Rehab Services



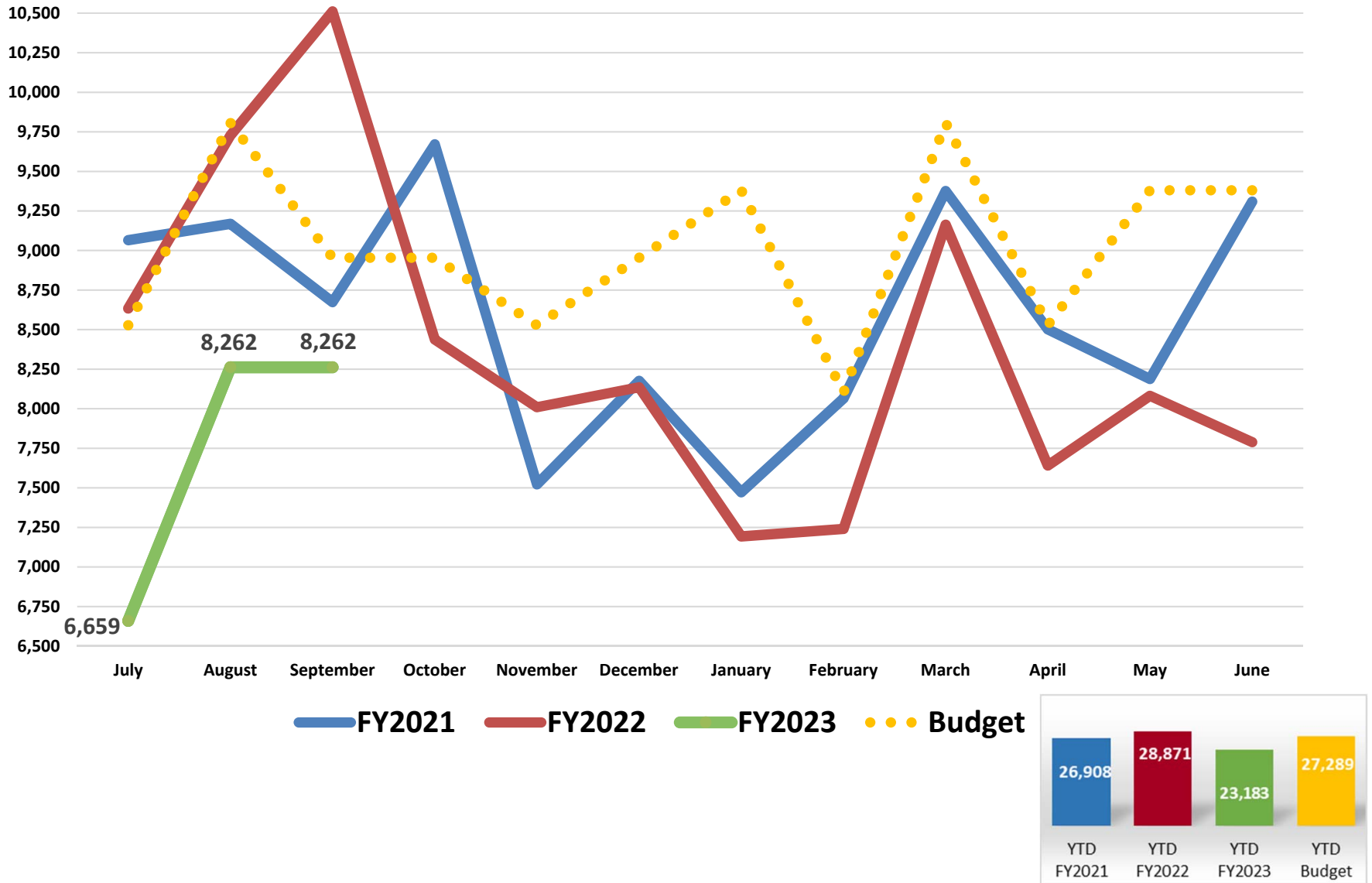
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget

13,907	13,652	12,415	14,500
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

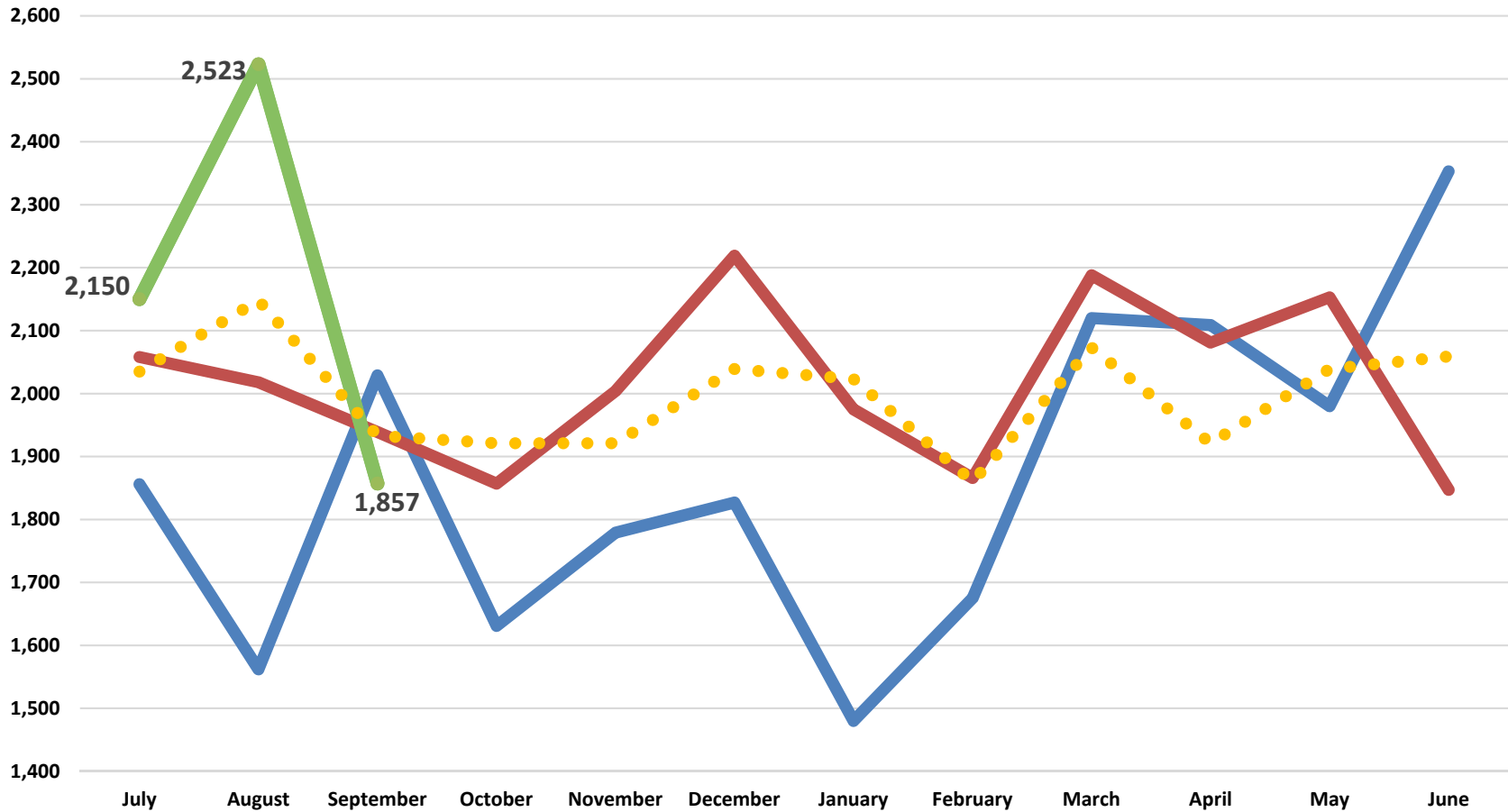
O/P Rehab - Exeter



O/P Rehab - Akers



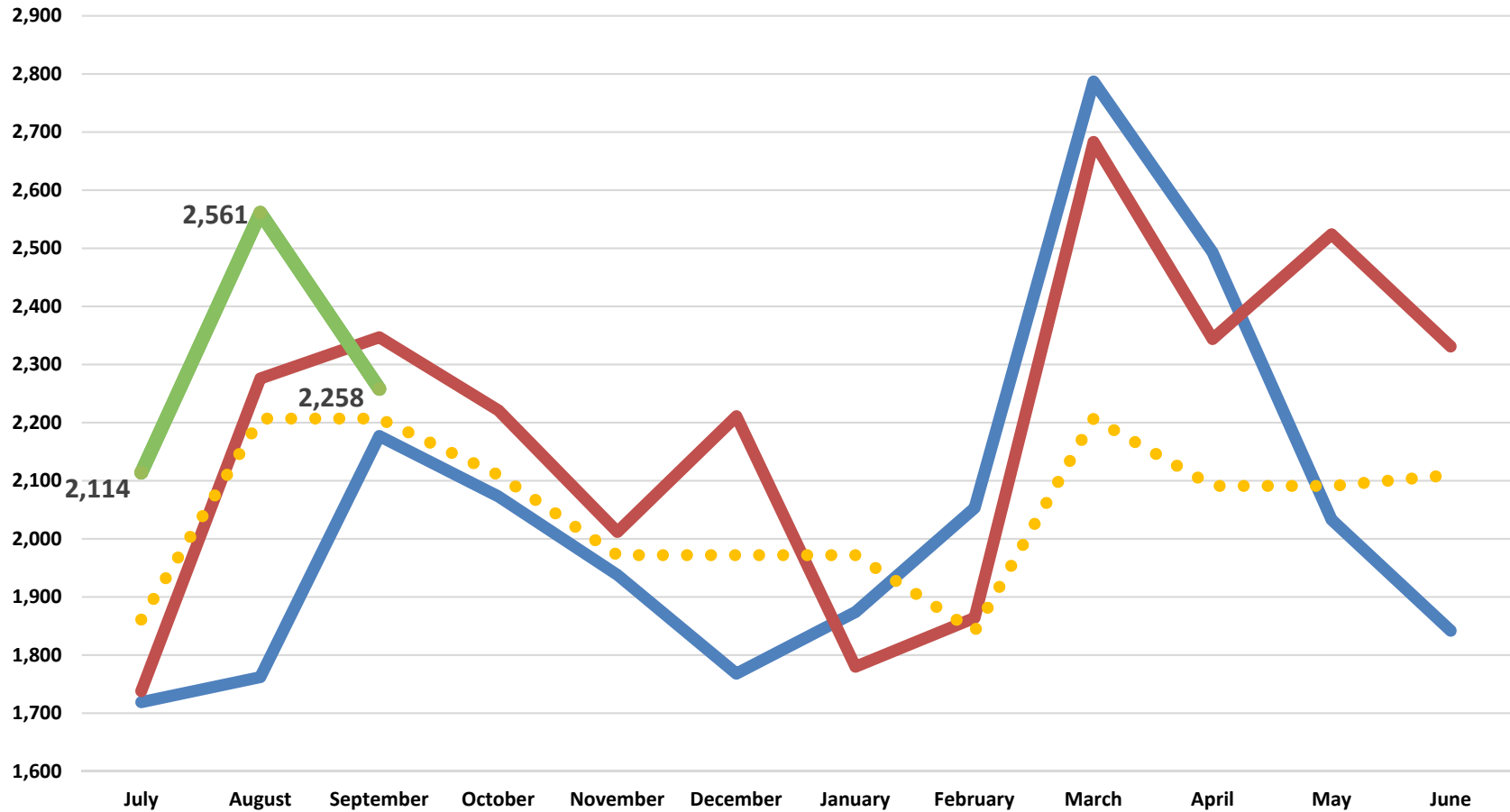
O/P Rehab - LLOPT



—●— **FY2021**
 —●— **FY2022**
 —●— **FY2023**
 ●●● **Budget**

5,447	6,015	6,530	6,116
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

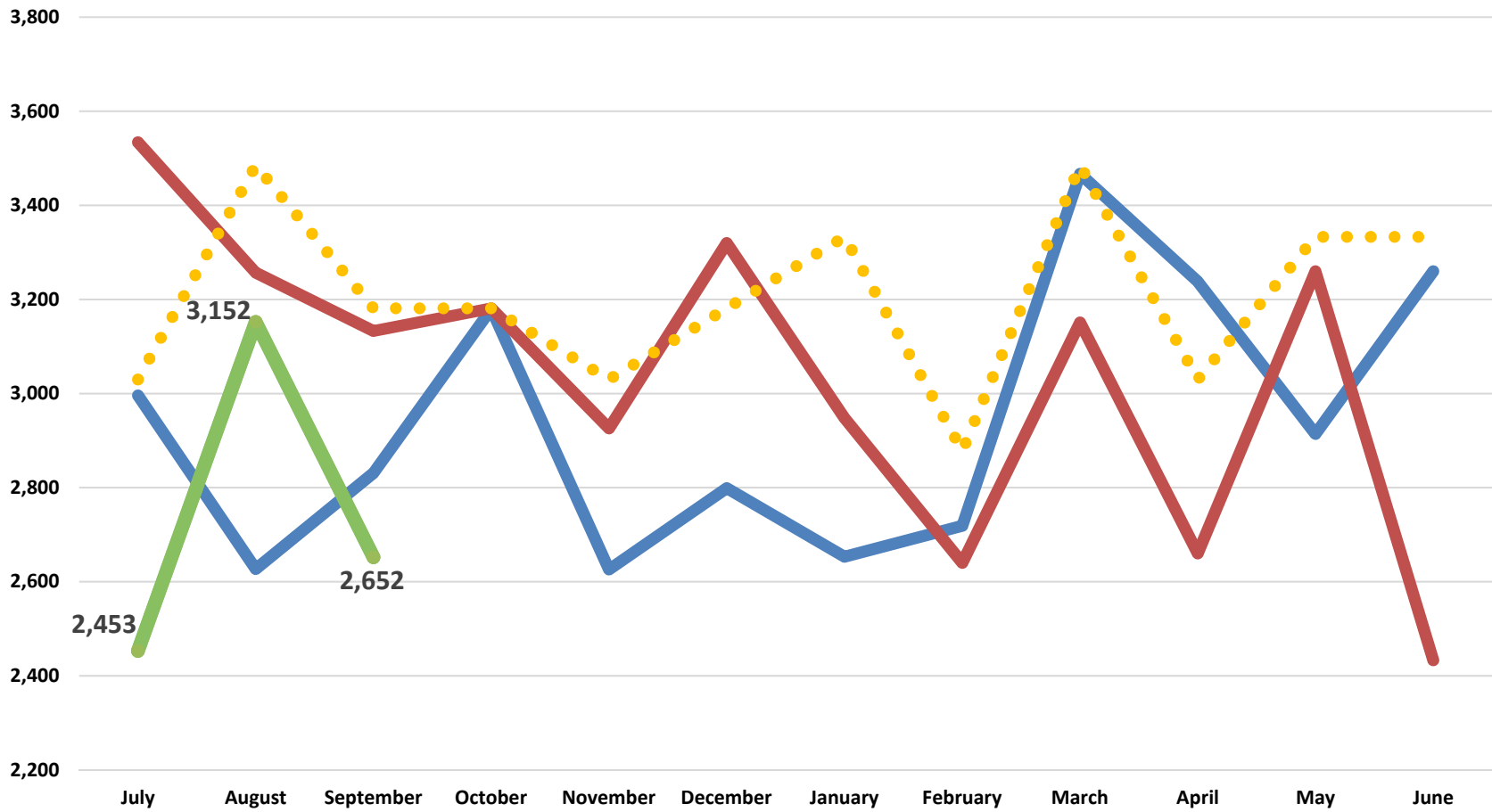
O/P Rehab - Dinuba



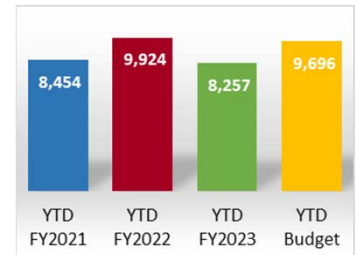
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



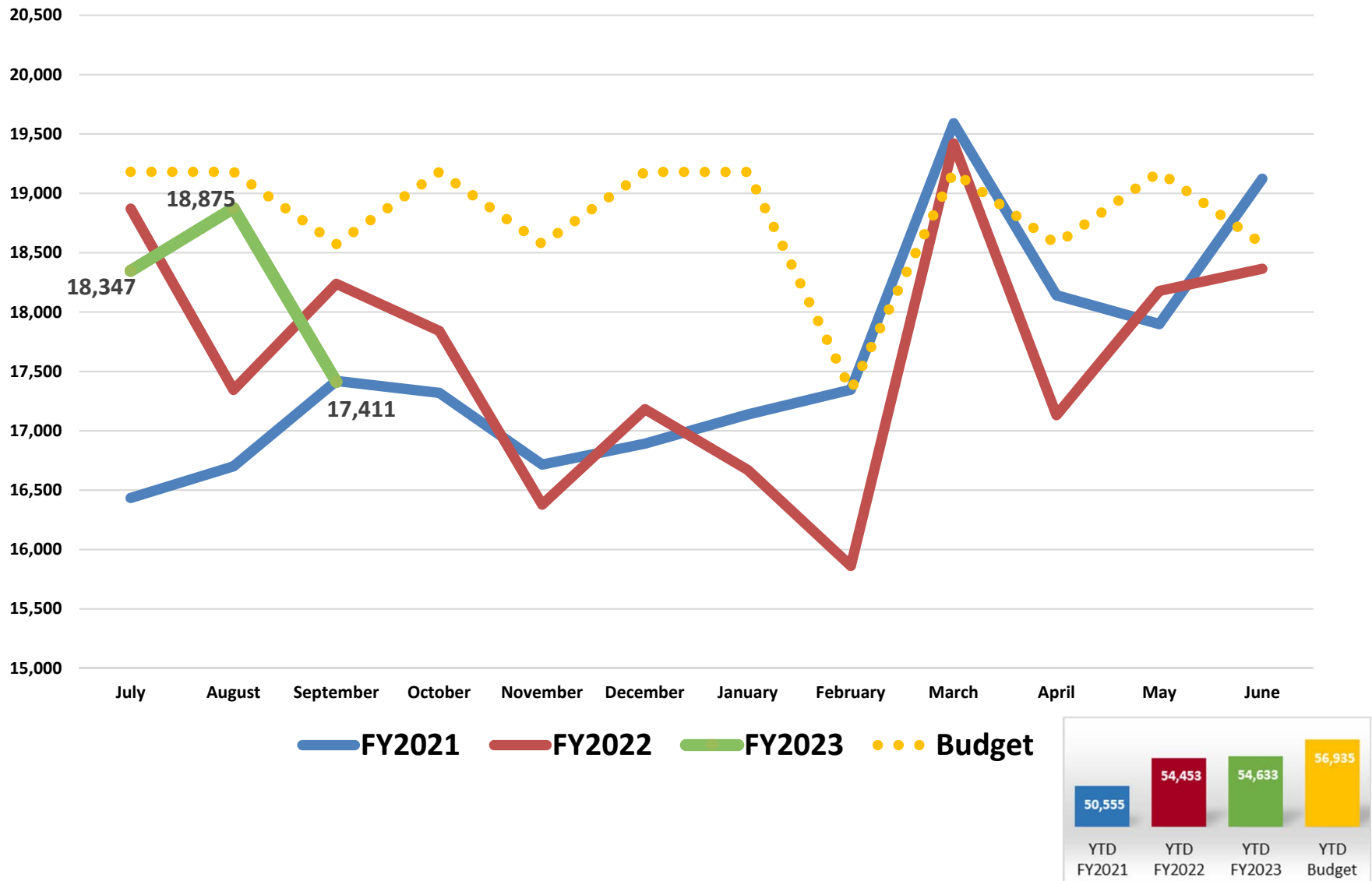
Therapy - Cypress Hand Center



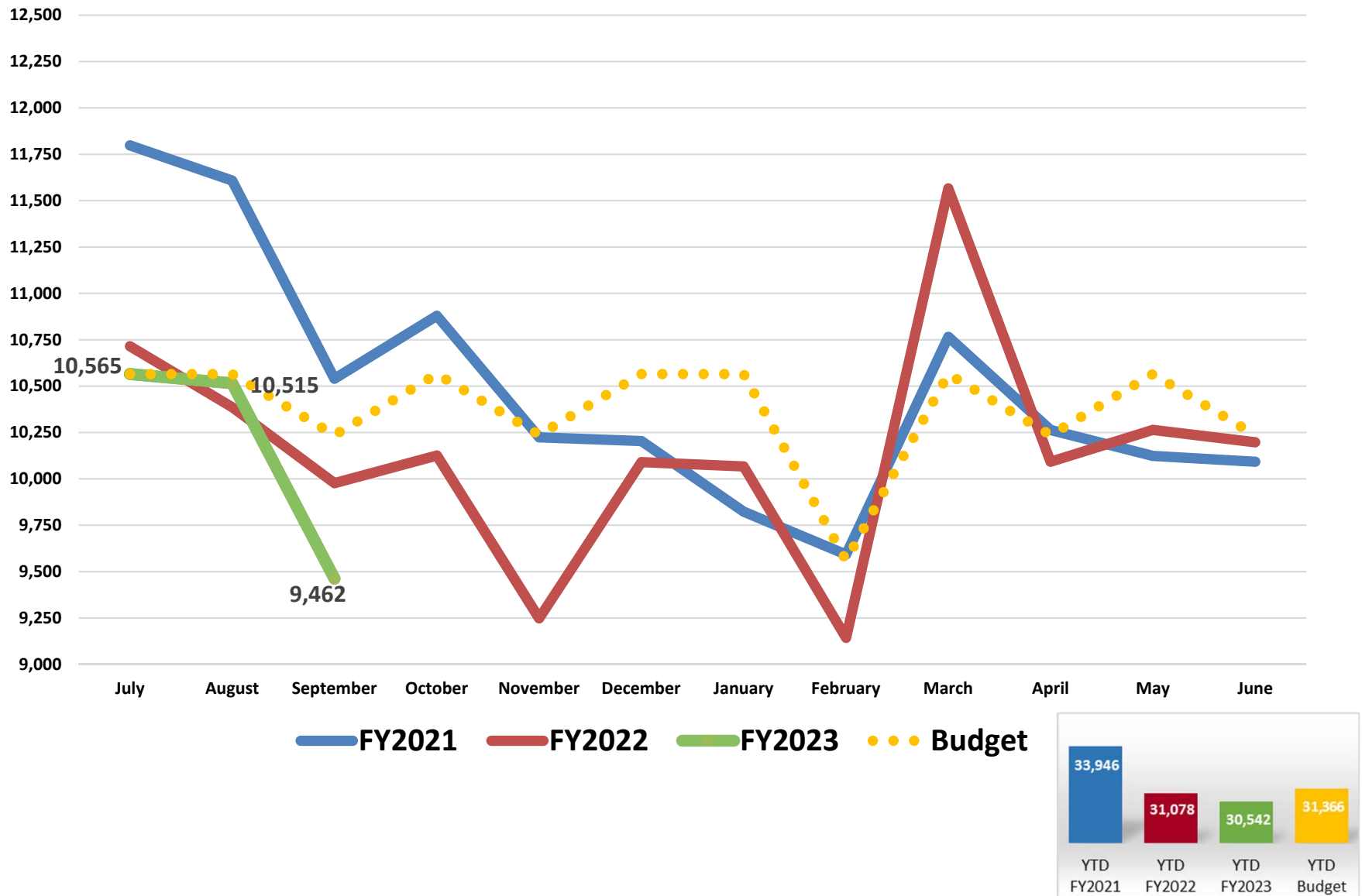
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



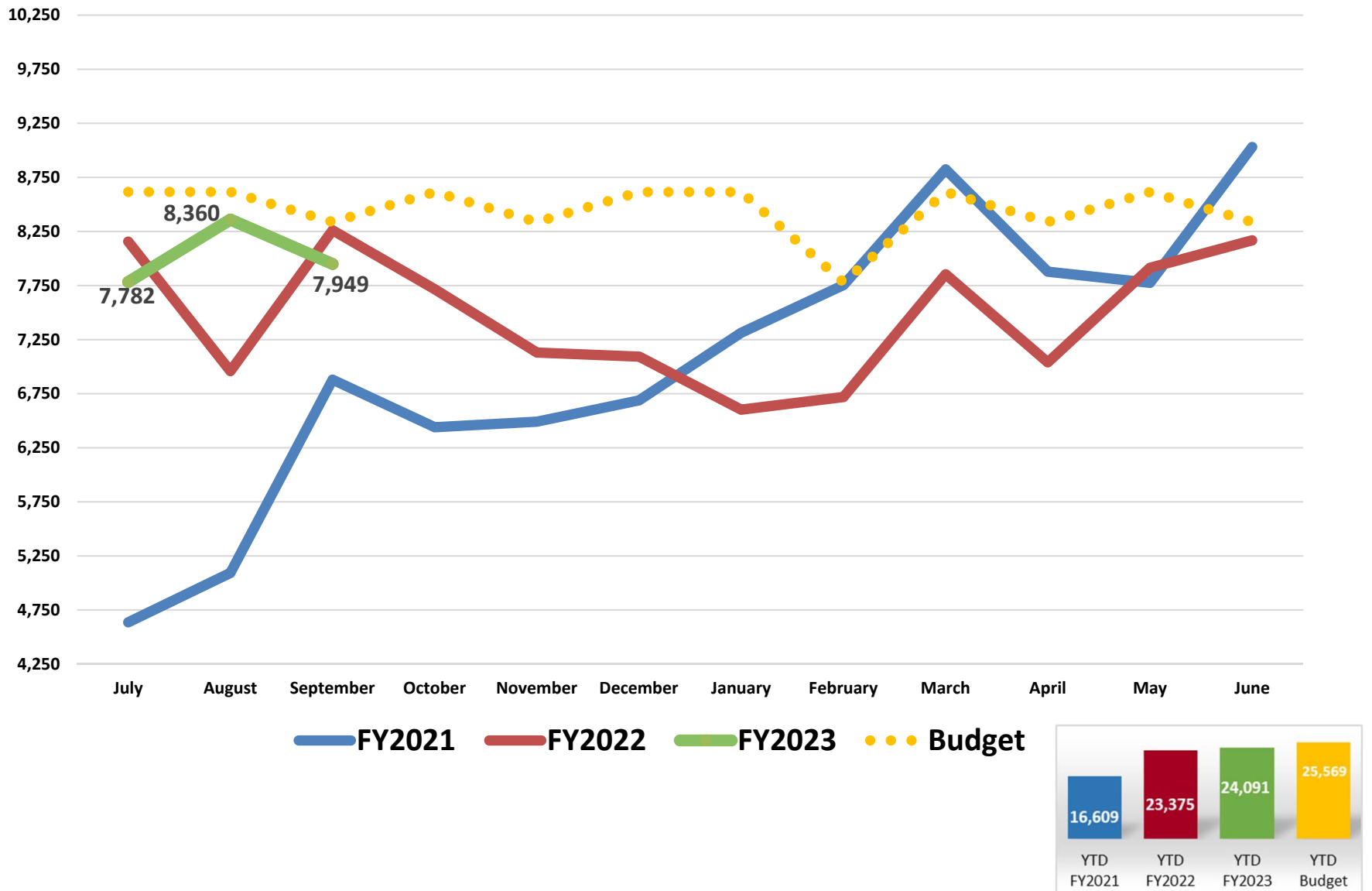
Physical & Other Therapy Units (I/P & O/P)



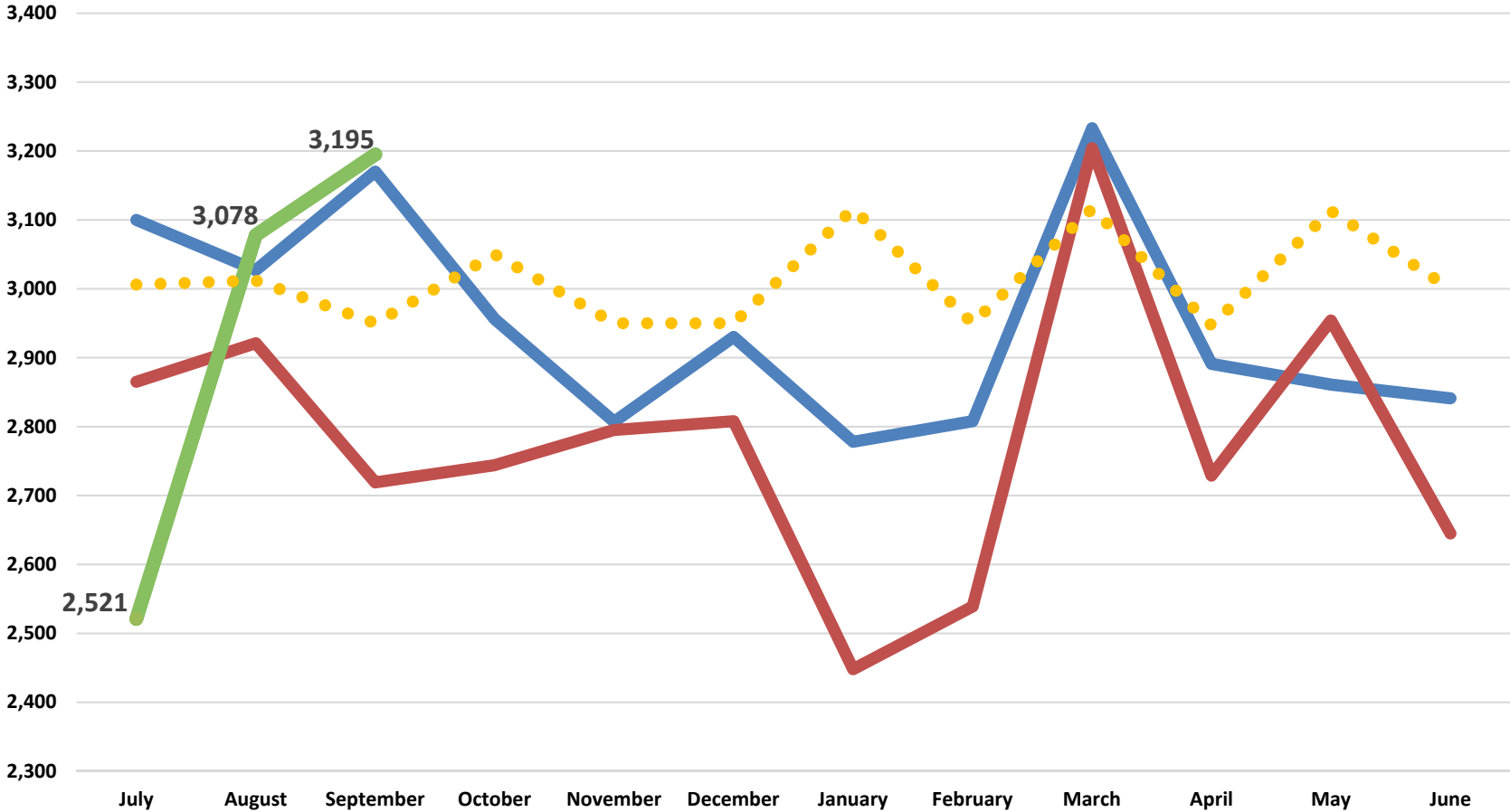
Physical & Other Therapy Units (I/P & O/P)-Main Campus



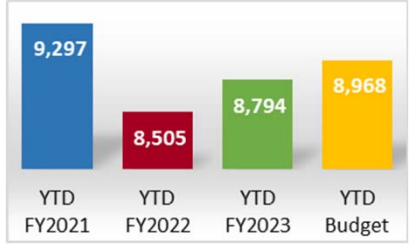
Physical & Other Therapy Units (I/P & O/P)-KDRH & South Campus



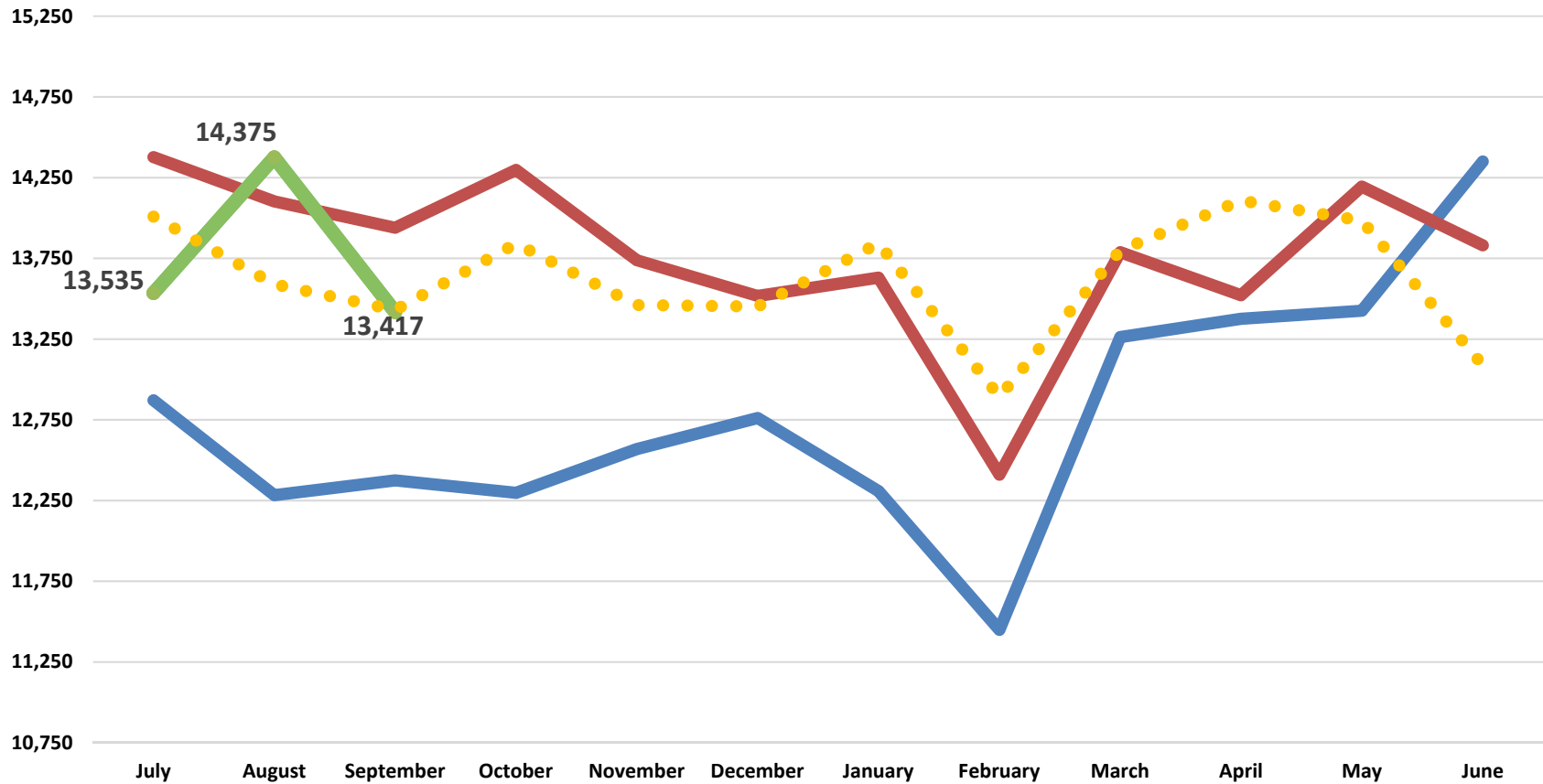
Home Health Visits



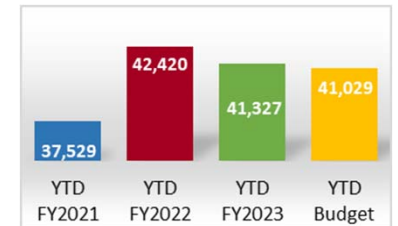
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



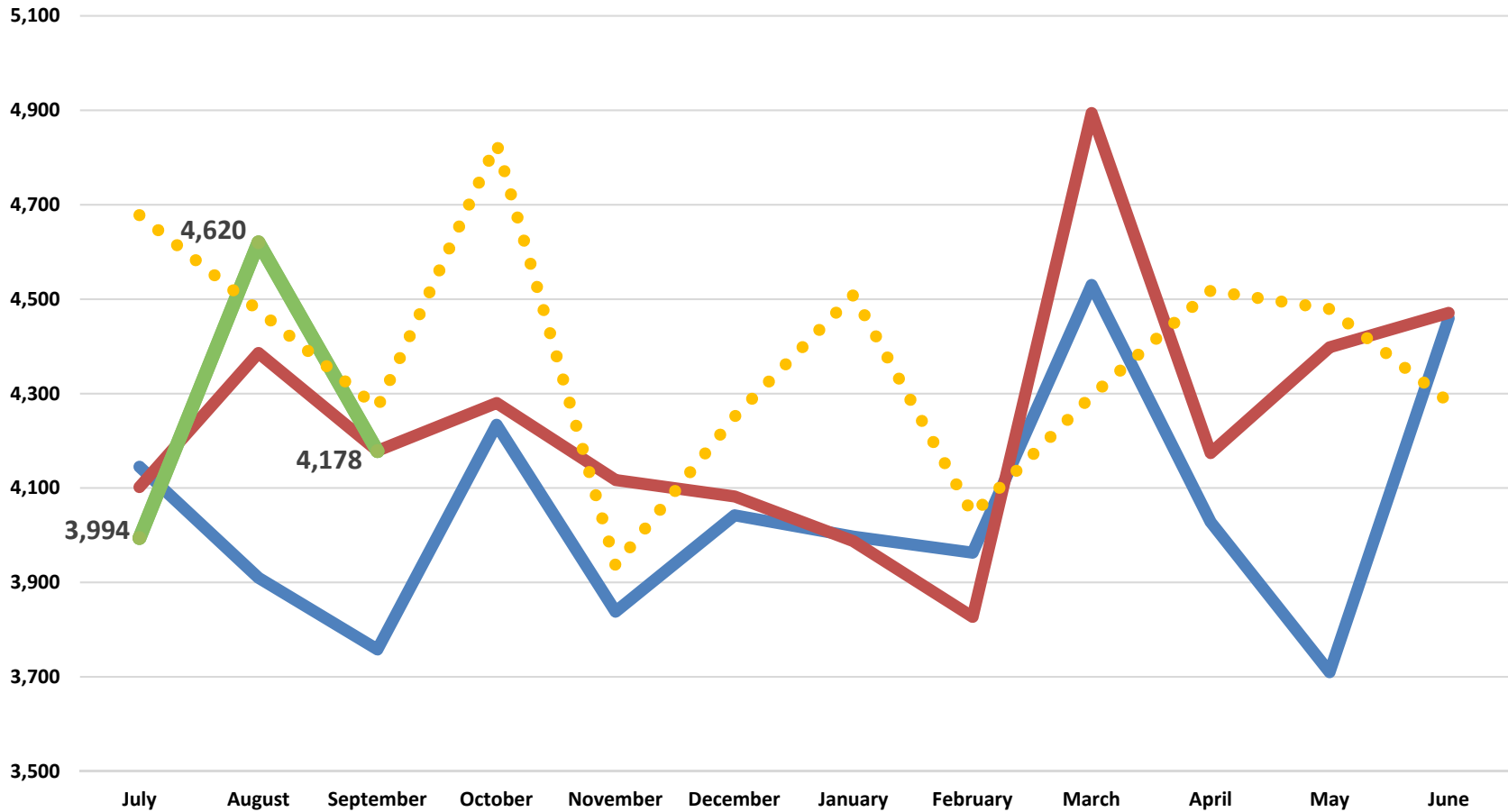
Radiology – Main Campus



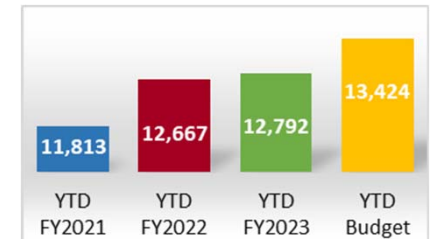
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



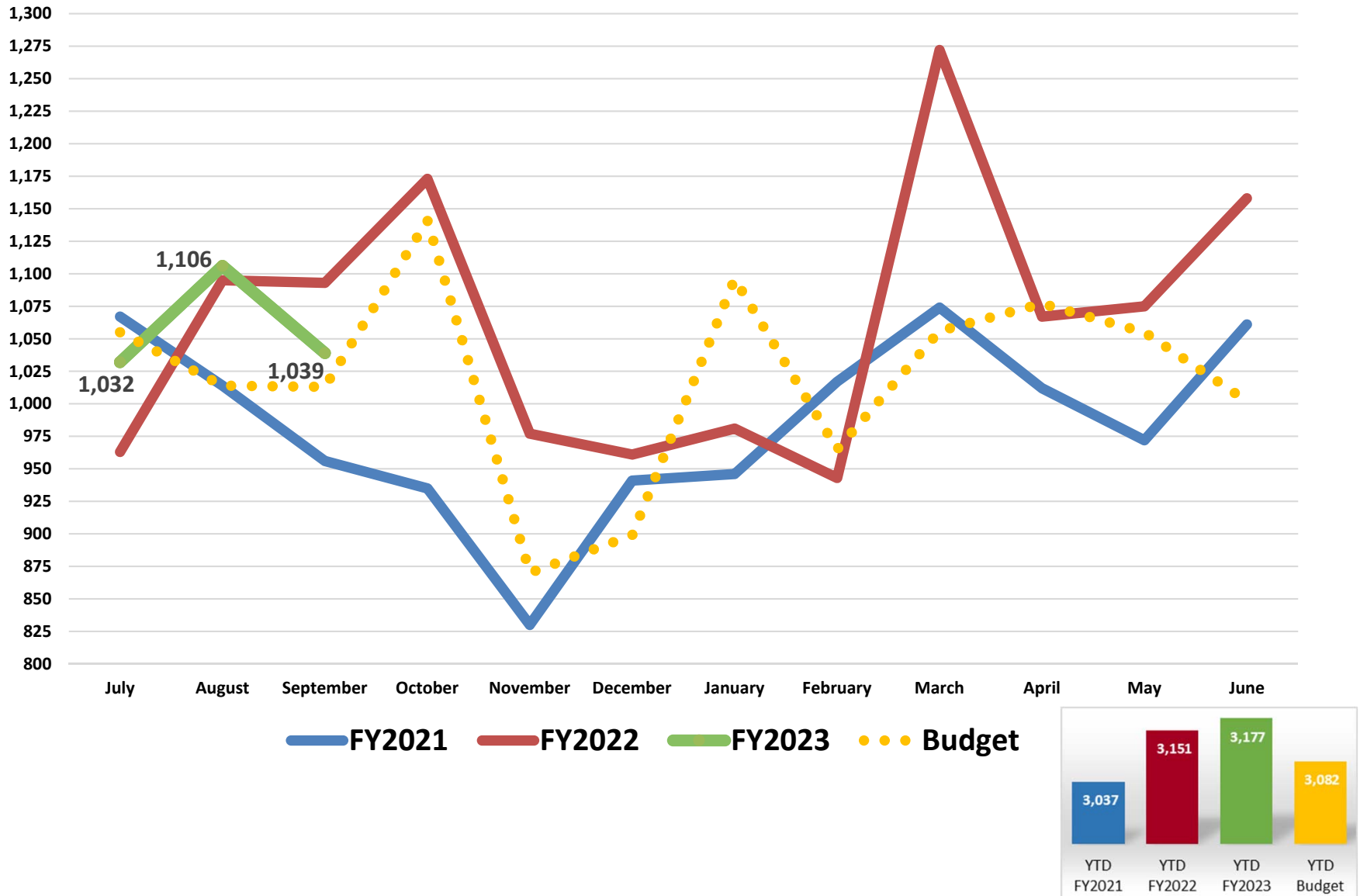
Radiology – West Campus Imaging



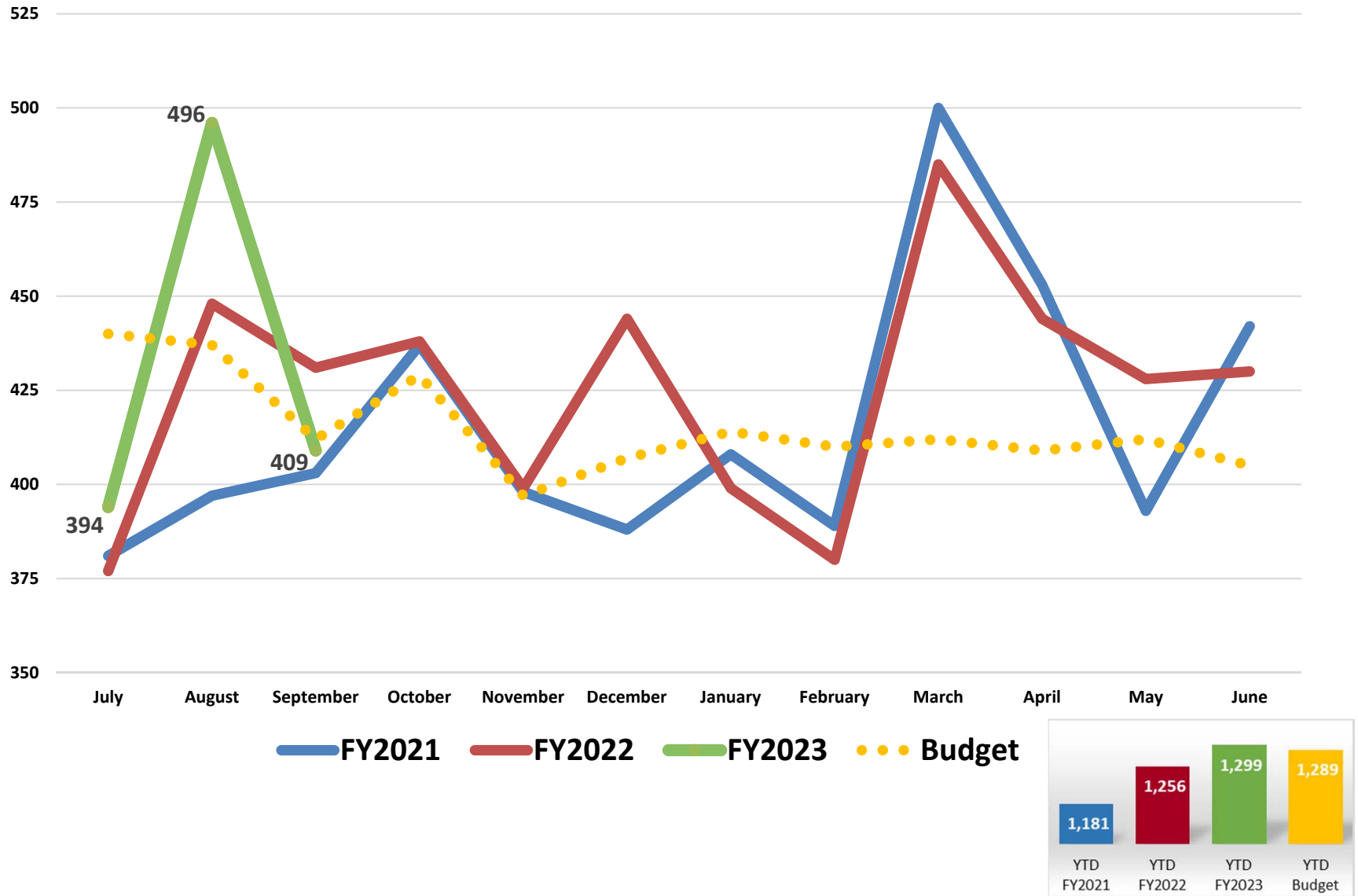
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



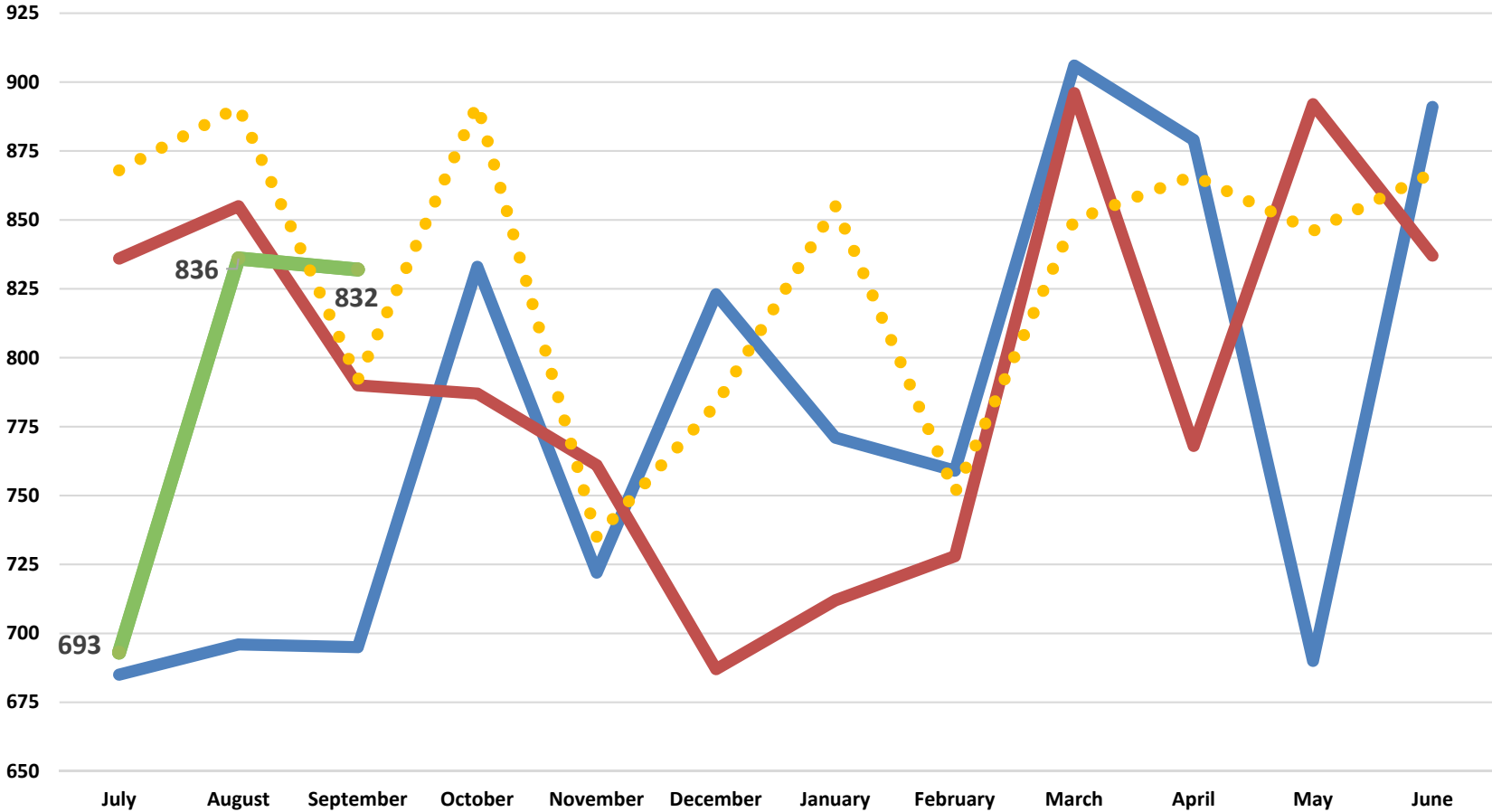
West Campus – Diagnostic Radiology



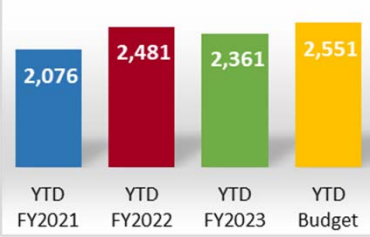
West Campus – CT Scan



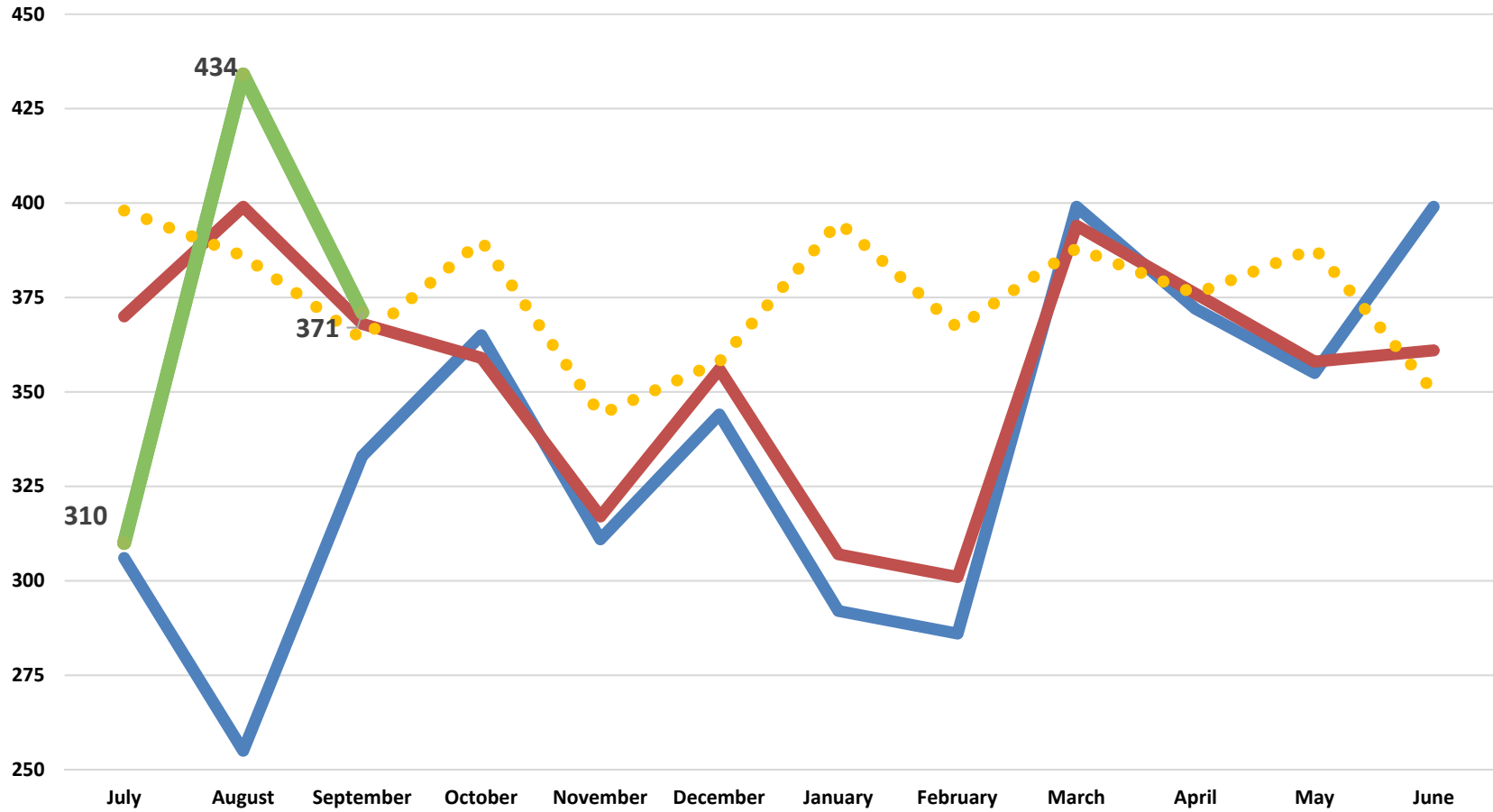
West Campus - Ultrasound



— FY2021
 — FY2022
 — FY2023
 ●●● Budget



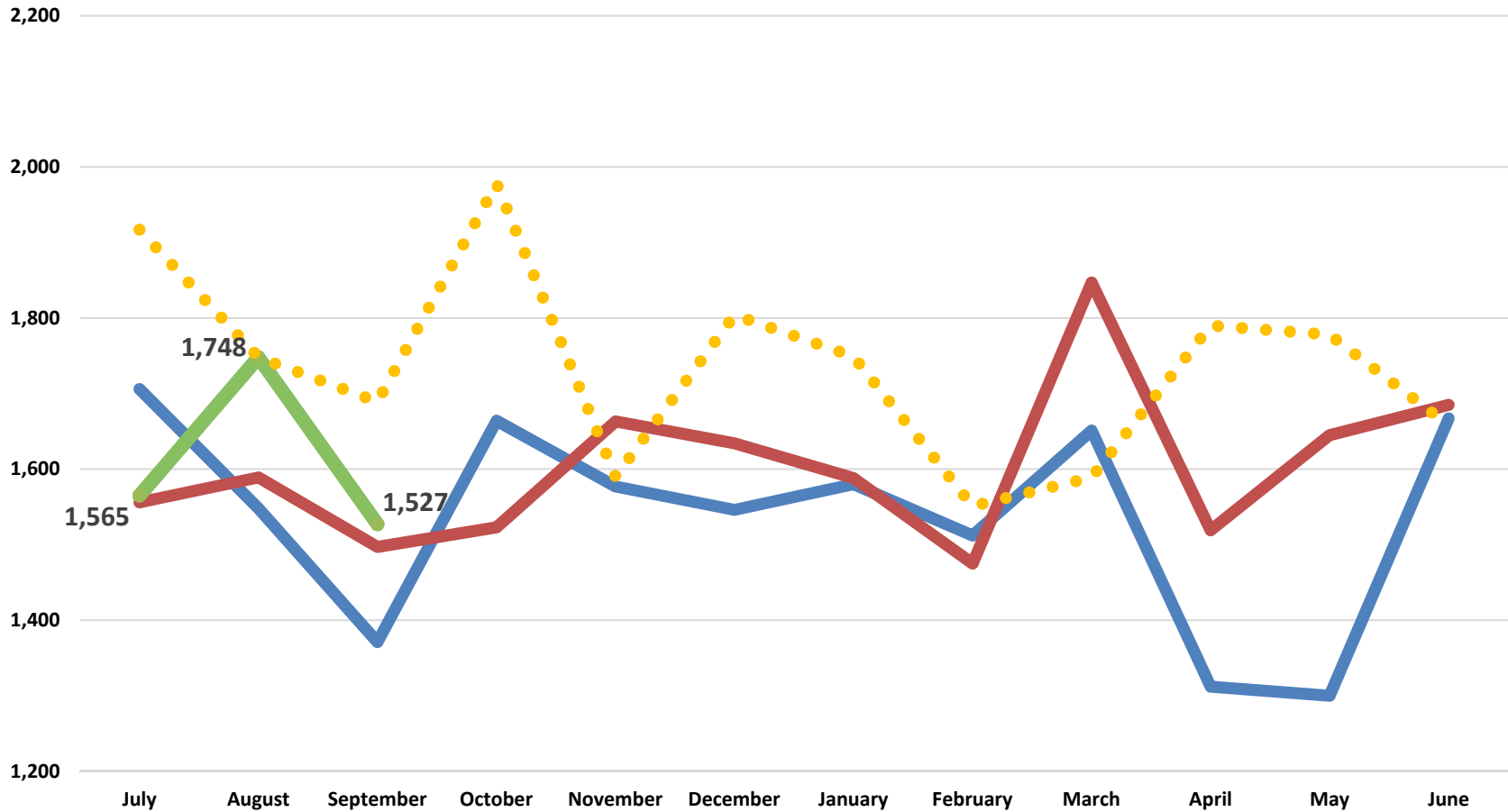
West Campus - MRI



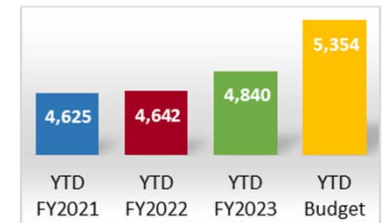
—● FY2021
 —● FY2022
 —● FY2023
 ●●● Budget

894	1,137	1,115	1,148
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

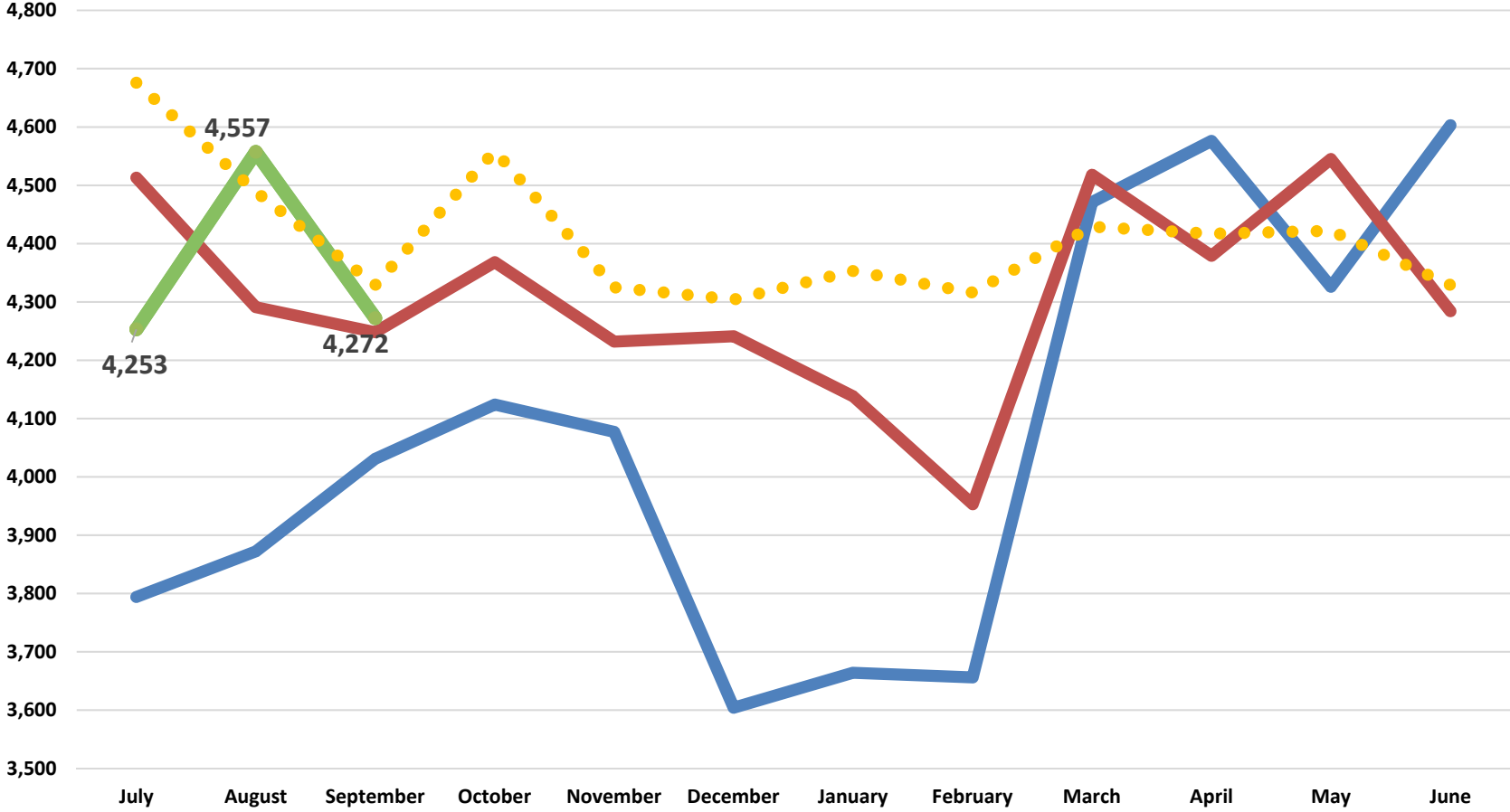
West Campus – Breast Center



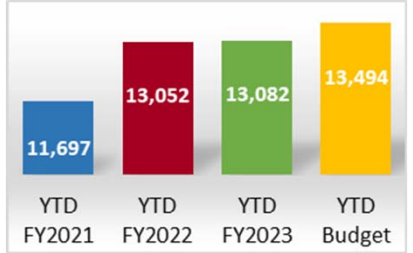
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



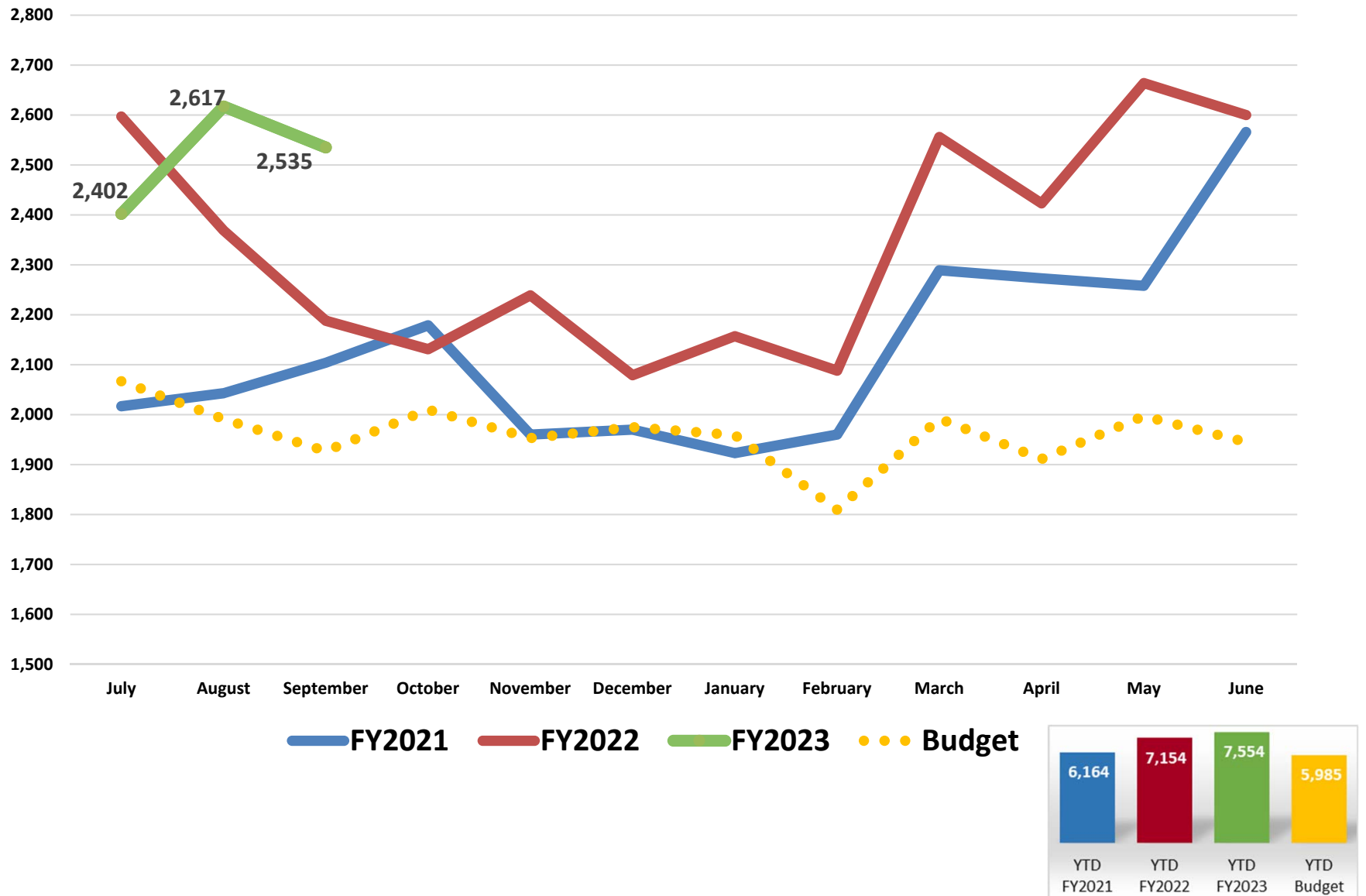
Radiology all areas – CT



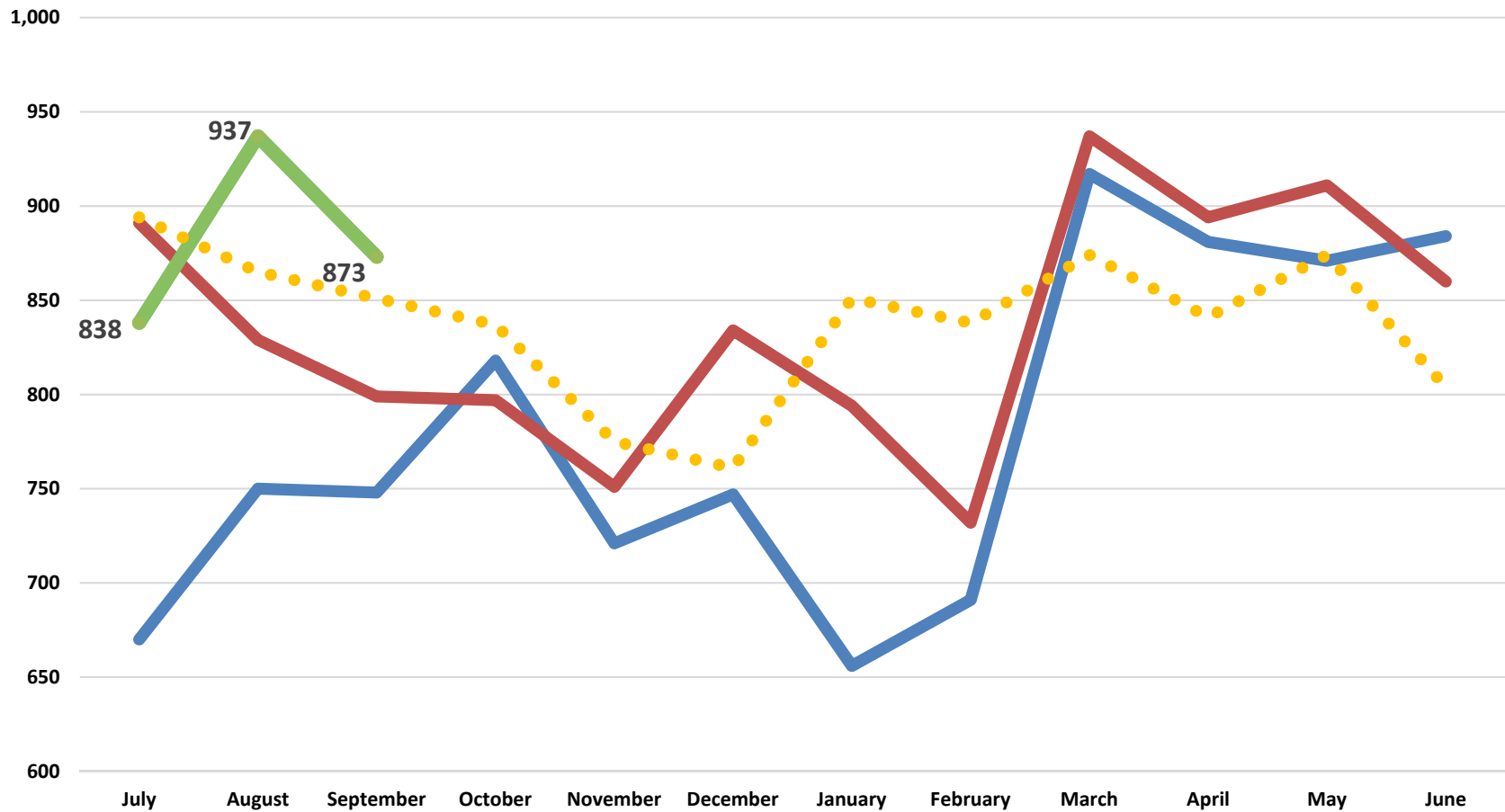
— FY2021
 — FY2022
 — FY2023
 ●●● Budget



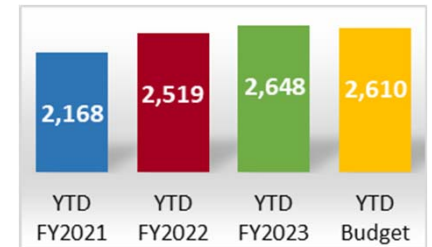
Radiology all areas – Ultrasound



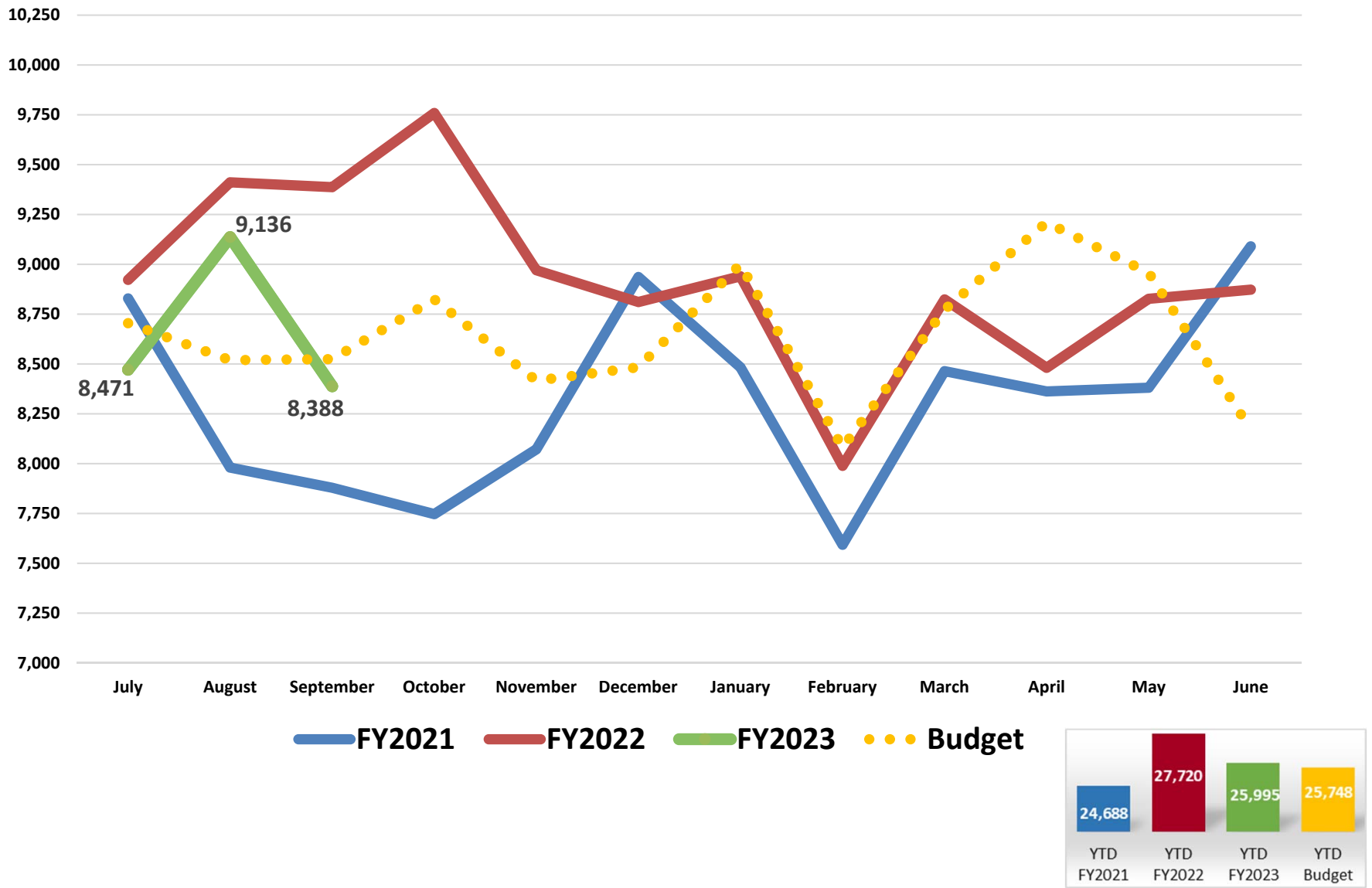
Radiology all areas – MRI



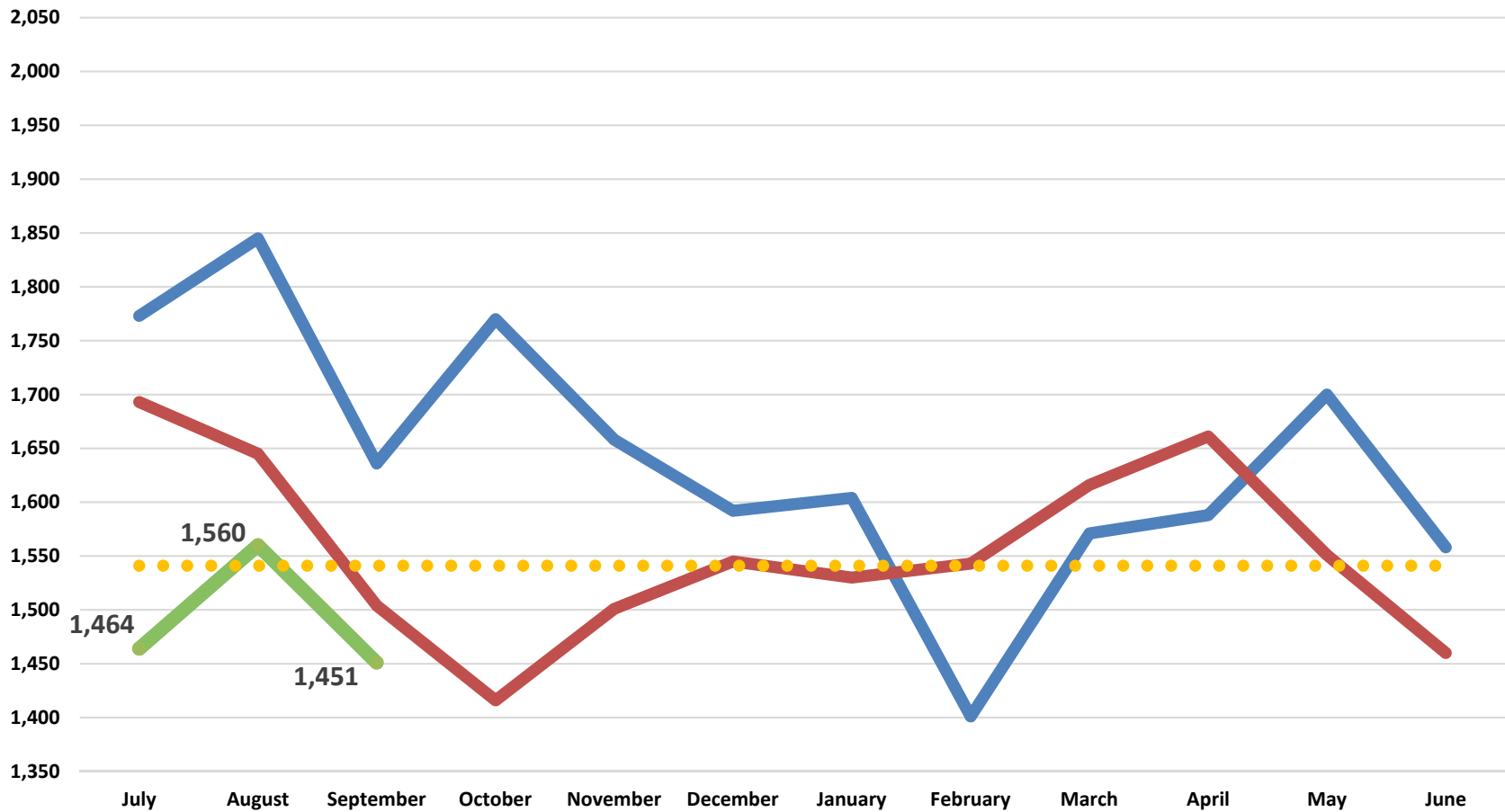
—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget



Radiology Modality – Diagnostic Radiology



Chronic Dialysis - Visalia

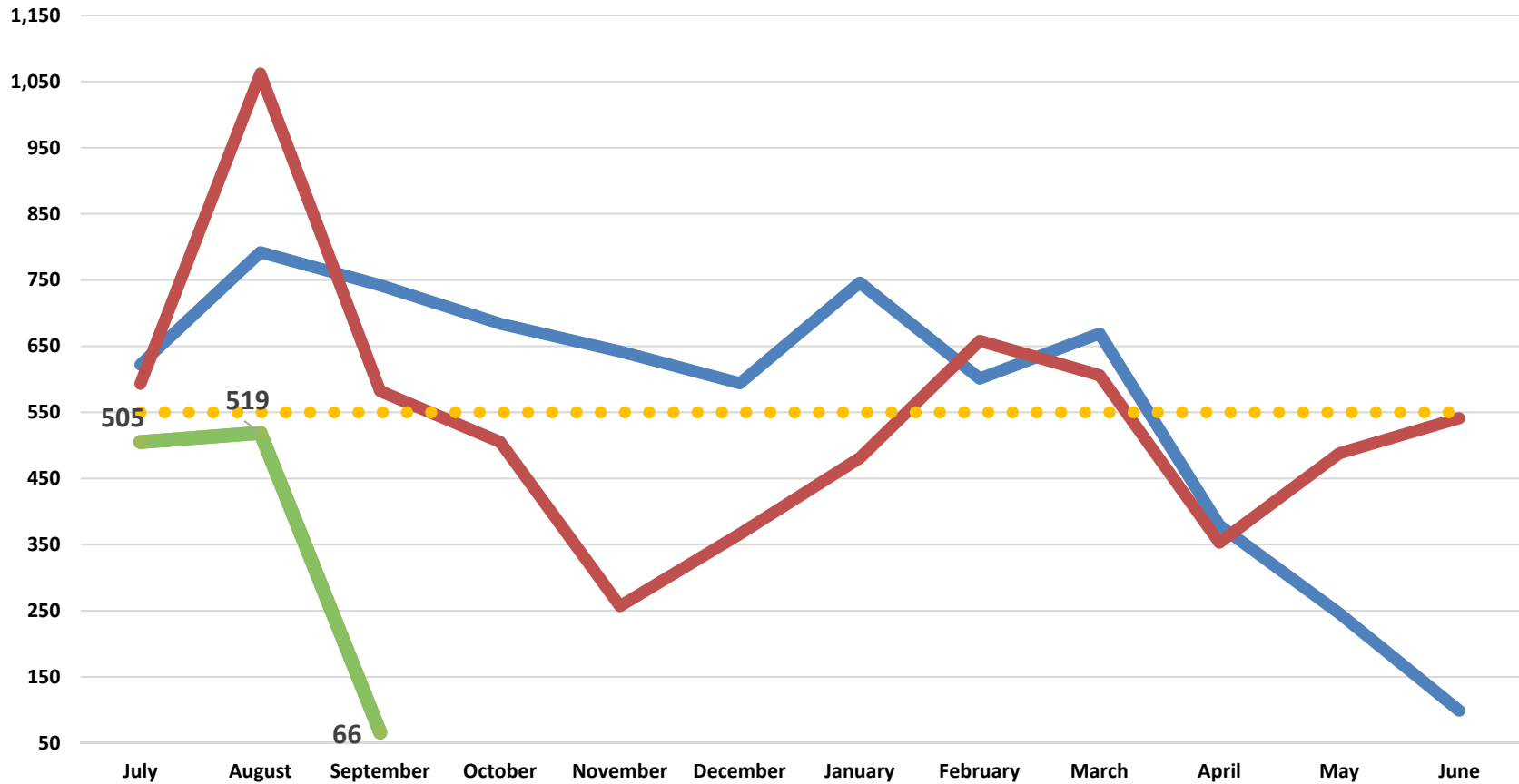


— FY2021
 — FY2022
 — FY2023
 ●●● Budget



CAPD/CCPD – Maintenance Sessions

(Continuous peritoneal dialysis)

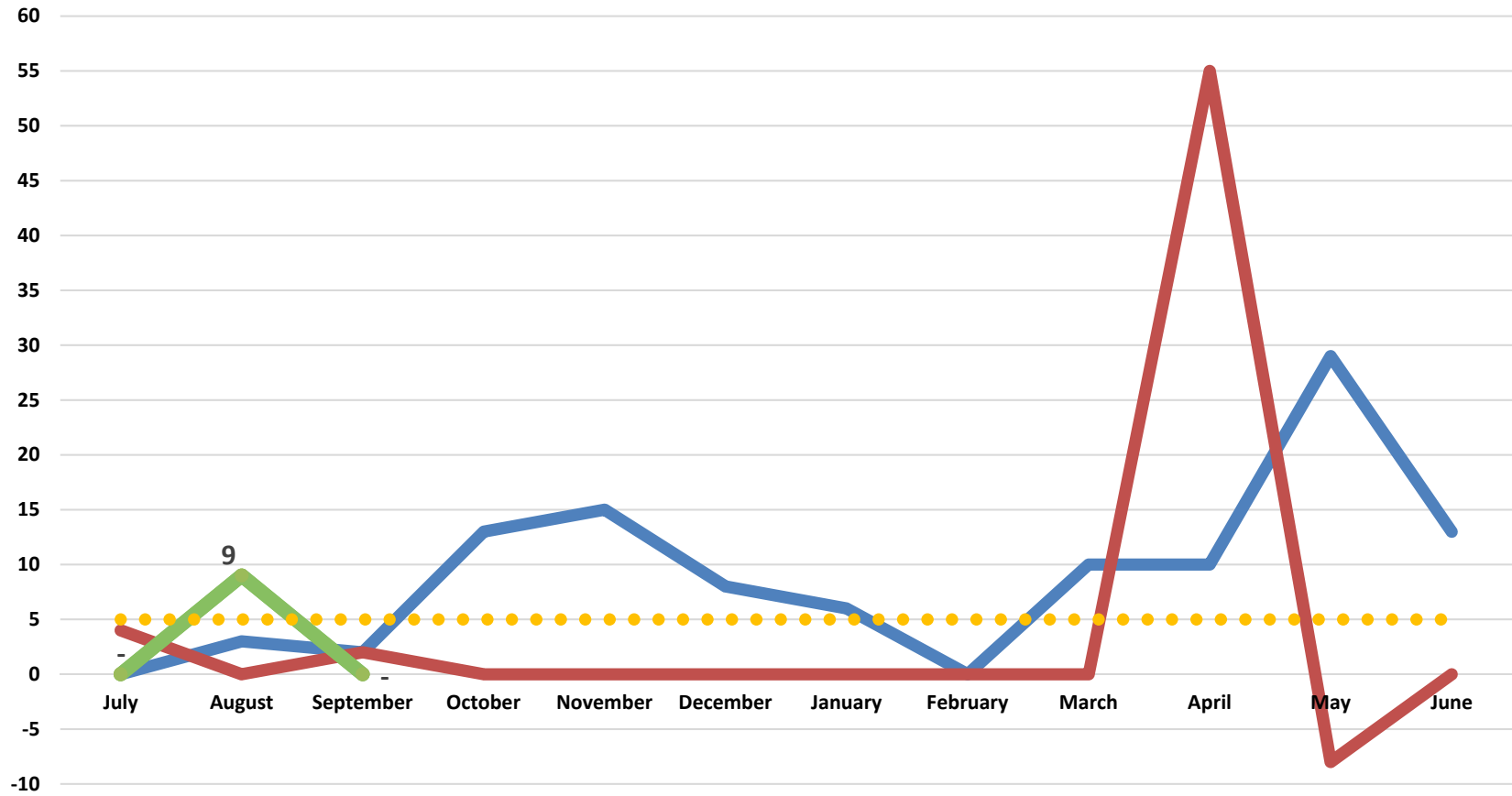


—●— FY2021
 —●— FY2022
 —●— FY2023
 ●●● Budget

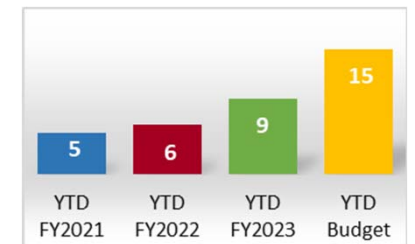


CAPD/CCPD – Training Sessions

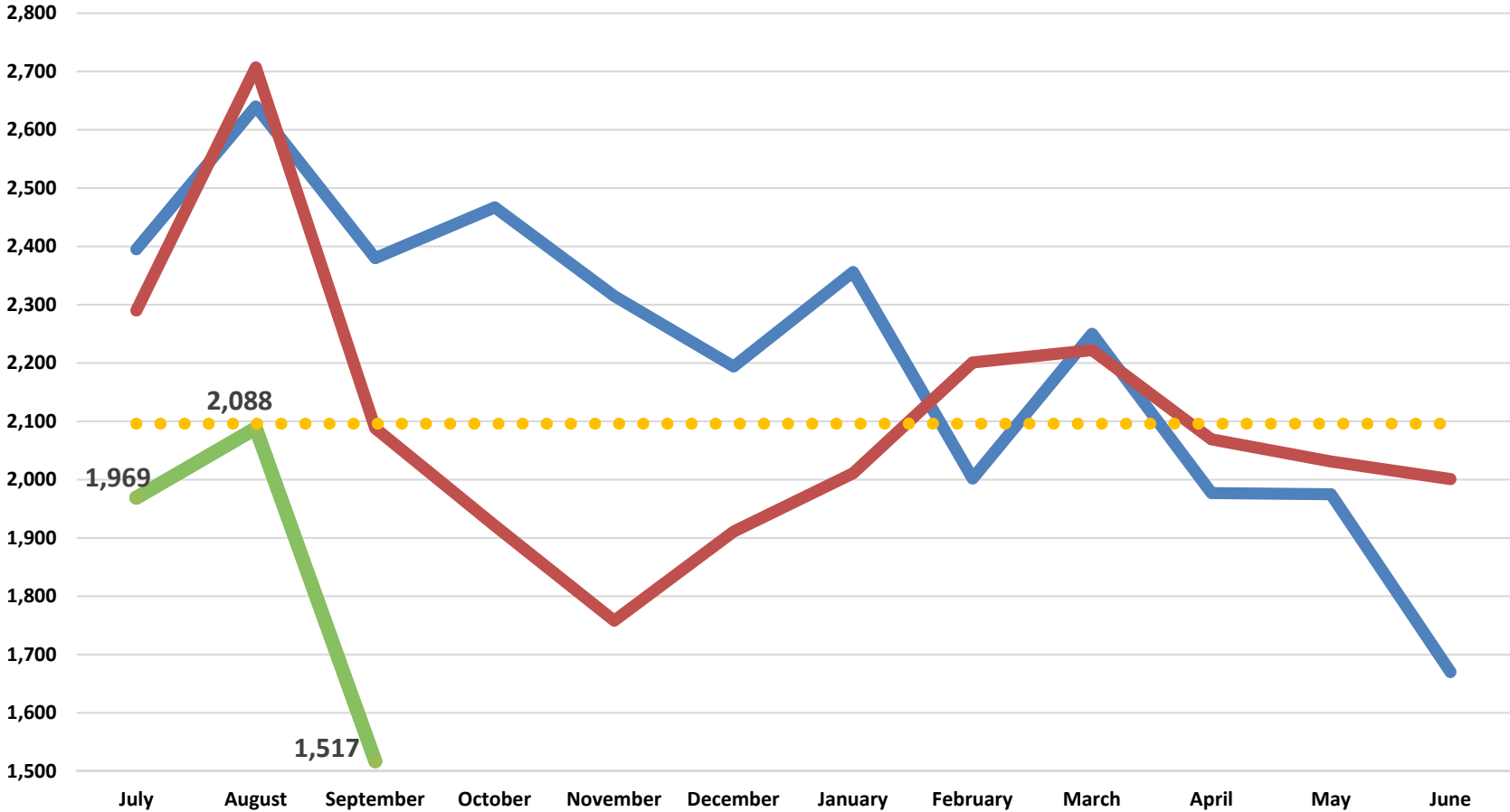
(Continuous peritoneal dialysis)



— FY2021 — FY2022 — FY2023 ••• Budget



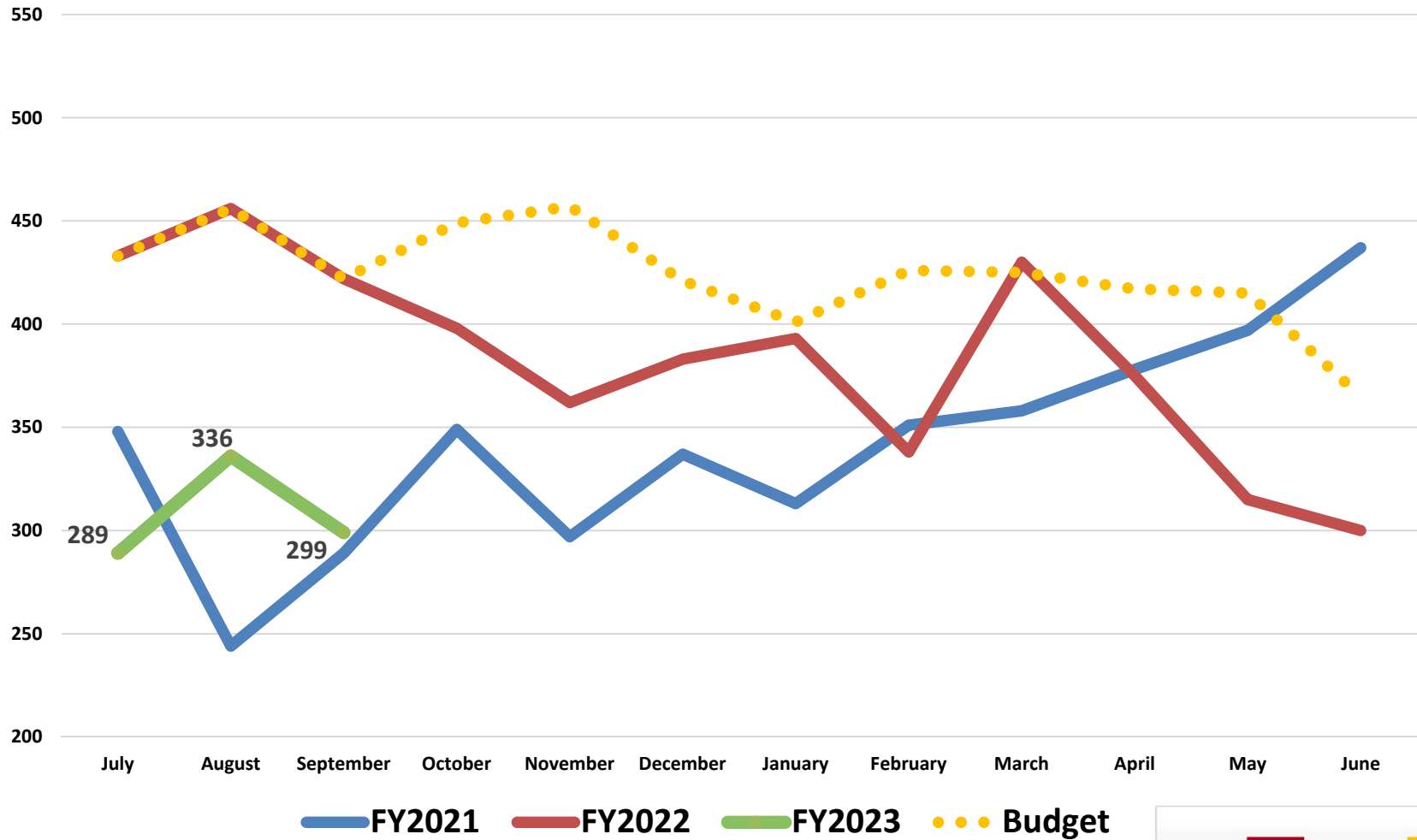
All CAPD & CCPD



— FY2021
 — FY2022
 — FY2023
 ●●● Budget

7,415	7,085	5,574	6,288
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

Infusion Center – Outpatient Visits



881	1,311	924	1,311
YTD FY2021	YTD FY2022	YTD FY2023	YTD Budget

**OPERATION
BACK IN
BLACK**

Revenue Cycle

Revenue Cycle - Initiatives

Original goal \$2.5M and Current projection \$5.4M

- Revenue Integrity
 - Improve Clean Claim Rate (Billing)
- Patient Access
 - Up- Front Collection
 - Self-Pay Focus
- Patient Financial Services
 - Cash
 - Denials

Revenue Integrity

GOAL: Increase Clean Claim Rate (Billing)

Staffing

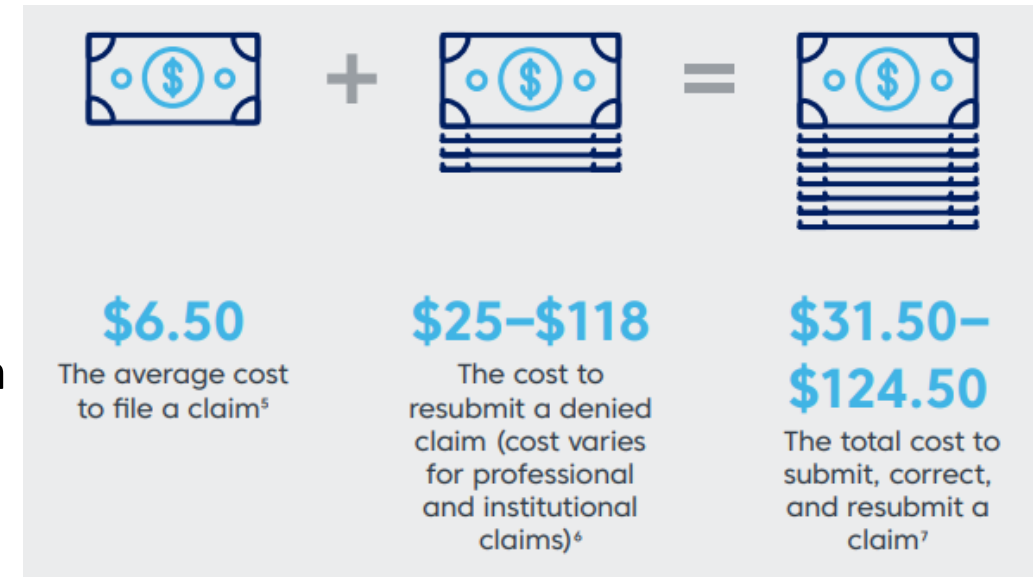
- Reorganized staff to improve focus on preventing billing errors and billing delays

Increase focus on Billing

- Average 69,000 claims at \$250M a month
- 5% improvement equals \$960K a year
- Identify rejections and payer opportunities
- Reduce labor costs
- Increase Clean Claim Rate which converts to timely cash

Cross Department Collaboration

- Trends reviewed with departments to prevent errors



Patient Access

GOAL: Increase Point of Service Collections

Increase point of service collections

- Robust pre-registration collections for scheduled services
- Clear and concise patient estimates
- Monitor daily to challenge staff and recognize top collector

New- Financial Counseling for uninsured/underinsured patients

- Dedicated Financial Counselor in the Emergency Department
- Estimated lift \$860K based on current volume
- Reduction of Collection Fees from Third Party vendor

Kaweah Imaging Center

- Support the increase of Radiology patient services
- Estimated \$670K based on current volume



Point of Service
Collection Chance



After Discharge
Collection Chance

*2014 Academy of Healthcare

Patient Financial Services

GOAL: Increase Cash and Reduce Denials

What has changed?

Terminated agreement with third-party vendor who supported collection efforts

- Brought back in-house July 01, 2022 (FY 23)
- 20 additional staff members on-boarded
- Cost neutral due to terminated agreement with Third Party
- Anticipate to reduce denials and improve collections by \$300K a month

Questions?

Thank you and have a Great day!!