PALOMAR
POMERADO
HEALTH

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BOARD OF DIRECTORS AGENDA PACKET

September 17, 2007

The mission of Palomar Pomerado Health is to heal, comfort and promote health in the communities we serve.

A California Health Care District (Public Entity)

PALOMAR POMERADO HEALTH
BOARD OF DIRECTORS

Marcelo R. Rivera, MD, Chairman
Bruce G. Krider, MA, Vice Chairman
Linda C. Greer, RN, Secretary
T. E. Kleiter, Treasurer
Nancy L. Bassett, RN, MBA
Alan W. Larson, MD
Gary L. Powers
Michael H. Covert, President and CEO

Regular meetings of the Board of Directors are usually held on the second Monday of each month at 6:30 p.m., unless indicated otherwise
For an agenda, locations or further information call (858) 675-5106, or visit our website at www.pph.org

MISSION STATEMENT

The Mission of Palomar Pomerado Health is to:
Heal, Comfort, Promote Health in the Communities we Serve

VISION STATEMENT

Palomar Pomerado Health will be the health system of choice for patients, physicians and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services

CORE VALUES

Integrity
To be honest and ethical in all we do, regardless of consequences

Innovation and Creativity
To courageously seek and accept new challenges, take risks, and envision new and endless possibilities

Teamwork
To work together toward a common goal, while valuing our difference

Excellence
To continuously strive to meet the highest standards and to surpass all customer expectations

Compassion
To treat our patients and their families with dignity, respect and empathy at all times and to be considerate and respectful to colleagues

Stewardship
To inspire commitment, accountability and a sense of common ownership by all individuals

Affiliated Entities

Escondido Surgery Center * Palomar Medical Center * Palomar Medical Auxiliary & Gift Shop * Palomar Continuing Care Center * Palomar Pomerado Health Foundation * Palomar Pomerado Home Care * Pomerado Hospital * Pomerado Hospital Auxiliary & Gift Shop * San Marcos Ambulatory Care Center * Ramona Radiology Center * VRC Gateway & Parkway Radiology Center * Villa Pomerado

- Palomar Pomerado Health Concern* Palomar Pomerado Health Source*Palomar Pomerado North County Health Development, Inc.*
- North San Diego County Health Facilities Financing Authority*

PALOMAR POMERADO HEALTH
BOARD OF DIRECTORS
REGULAR MEETING AGENDA

Monday, September 17, 2007

Commences 6:30 p.m.

Pomerado Hospital
Meeting Room E
15615 Pomerado Road
Poway, California

Mission and Vision

"The mission of Palomar Pomerado Health is to heal, comfort and promote health in the communities we serve."

"The vision of PPH is to be the health system of choice for patients, physicians and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services."

			Time	Page
I.		**CALL TO ORDER**		
II.		**OPENING CEREMONY**	*2 min*	
	A.	Pledge of Allegiance		
III.		**PUBLIC COMMENTS**	5	
		(5 mins allowed per speaker with cumulative total of 15 min per group – for further details & policy see Request for Public Comment notices available in meeting room).		
IV.	*	**MINUTES**	*2*	
		Regular Board Meeting – August 13, 2007 *(separate cover)*		
		Special Board Meeting – August 23, 2007 *(separate cover)*		
V.	*	**APPROVAL OF AGENDA** *to accept the Consent Items as listed*	*5*	*1-167*
	A.	Consolidated Financial Statements		
	B.	Revolving Fund Transfers/Disbursements – July, 2007		
		1. Accounts Payable Invoices $30,111,407.00		
		2. Net Payroll 9,841,660.00		
		Total $39,953,067.00		
	C.	Ratification of Paid Bills		
	D.	July 2007 & YTD FY2008 Financial Report		
	E.	**Medical Director Services Agreement**		
		Escondido Pulmonary Medical Group – Critical Care, Respiratory Therapy,		

"In observance of the ADA (Americans with Disabilities Act), please notify us at 858-675-5106, 48 hours prior to the meeting so that we may provide reasonable accommodations"

Asterisks indicate anticipated action;
Action is not limited to those designated items.

Pulmonary Rehabilitation, Sleep Lab & Pulmonary Services

F. **Internal Medicine Consultant Agreement**
   - **Neighborhood Healthcare – POM Gero-Psychiatric Unit**

G. **PPH Board Policies review/approval per Governance Committee 8-17-07: QLT-06; 08; 11; 12; 13; 20; 22; 25; 30; 31; 33; and GOV-23; 29 and 37**

H. **PPH Board Policies referred by Governance Committee 8-17-07 to Finance Committee for review/approval:**
   (New) Development/Review of New Business Plans
   (Revised) Annual Budget Approval
   (Revised) Expenditure and Requisition Approval Authority

VI. PRESENTATIONS

A. Corporate Health Update *15*
   - Don Herip, MD, MPH, FACOEM
   - Sheila Brown, RN

VII. REPORTS

A. **Medical Staffs** *15*

* 1. Palomar Medical Center – *John J. Lilley, M.D., Chief of Staff.*
   a. Credentialing/Reappointments *168-182*

* 2. Escondido Surgery Center – *Marvin W. Levenson, M.D.*
   a. Credentialing/Reappointments *183-184*

* 3. Pomerado Hospital – *Benjamin Kanter, M.D.*
   a. Credentialing/Reappointments *185-186*
   b. Medical Staff Bylaws – Proposed Amendment *187*

B. **Administrative**

1. Chairman of Palomar Pomerado Health Foundation – *Al Stehly*

   a. Update on PPHF Activities *5* *Verbal Report*

2. Chairman of the Board – *Marcelo R. Rivera, M.D.* *10* *Verbal Report*

   a. ACHD Annual Meeting Sept 11-13 – *report by Chairman of ACHD Board,* PPH Director T. E. Kleiter
   b. * **Resolution No. 09.17.07 (01) – 11 -** Acknowledgement of Director Gary L. Powers (resignation) *188-190*
   c. Committee Appointments (Chairs and Alternates)
   d. AHA COG Sept 9-11, Washington, DC - Health for Life – Health Care Plan
   e. CHA's Position – supporting the Governor's Plan
   f. Acknowledgement of Richard C. Engel, MD, Interim Chief of Staff elect, PMC
   g. Other

Asterisks indicate anticipated action;
Action is not limited to those designated items.

3. President and CEO – *Michael H. Covert, FACHE* — *10* — *Verbal Report*

   a. Rehab Week Luncheon Sept 20 CCA, Escondido
   b. Wound Care Clinic Open House Sept 20, San Marcos
   c. ERTC update
   d. Premier Hospital Visit Sept 7
   e. Quarterly Reports from Executive Staff
      i. Lorie Shoemaker, Chief Nurse Executive
      ii. Sheila Brown Clinical Outreach
      iii. Gerald Bracht, Palomar Medical Center
      iv. Steve Gold, Pomerado Hospital

VIII. INFORMATION ITEMS *(Discussion by exception only)* — *191-233*

A. Strategic Plan	Strategic Planning
B. FY '07 Outcomes	Strategic Planning
C. Community Outreach Update	Community Relations
D. Marketing Community Update	Community Relations
E. Media Relations	Community Relations
F. Monthly Reports June and July, 2007	Community Relations
G. Annual Review of Quality Review Committee Bylaws	Governance
H. Review of Annual CEO Evaluation Survey; (and Annual Board Self-Evaluation "Peer Review" Survey) Instruments	Governance
I. Legislative/Governmental Relations Update	Governance
J. Round Table	Governance
K. Education Session	Facilities and Grounds
L. Project Updates	Facilities and Grounds
M. Next Meeting	Facilities and Grounds
N. PPH Preceptor & Mentoring Program	Human Resources
O. PPH E-Learning Programs	Human Resources
P. Smoke Free Environment	Human Resources
Q. Investing for Women/Fidelity	Human Resources
R. Grievance and Third Party Claims Activity Status	Human Resources
S. New/Revised Procedures regarding Financial Assistance	Finance
T. Financial Briefing Book Scorecard – June 2007	Finance

IX. COMMITTEE REPORTS -

A. **ad hoc CEO Evaluation Committee** – *Bruce G. Krider for Director Powers, Chair* — *5* — *Verbal report*

B. **Finance Committee** – *Director T. E. Kleiter, Chair* — *5* — *234-235*

* 1. **Approval: Resolution No. 09.17.07 (02) – 12 adopting Direction of Dissolution of Partnership – Escondido Surgery Center to formally Transfer Title of Partnership Assets to PPH and to formally Dissolve EASCI**

Asterisks indicate anticipated action;
Action is not limited to those designated items.

X. BOARD MEMBER COMMENTS/AGENDA ITEMS FOR NEXT MONTH

XI. ADJOURNMENT

Asterisks indicate anticipated action;
Action is not limited to those designated items.

PALOMAR POMERADO HEALTH
CONSOLIDATED DISBURSEMENTS
FOR THE MONTH OF
JULY 2007

07/01/07	TO	07/31/07	ACCOUNTS PAYABLE INVOICES	$30,111,407.00
07/13/07	TO	07/27/07	NET PAYROLL	$9,841,660.00
				$39,953,067.00

I hereby state that this is an accurate and total listing of all accounts payable, patient refund and payroll fund disbursements by date and type since the last approval.

CHIEF FINANCIAL OFFICER

APPROVAL OF REVOLVING, PATIENT REFUND AND PAYROLL FUND DISBURSEMENTS:

Treasurer, Board of Directors PPH _____

Secretary, Board of Directors PPH _____

This approved document is to be attached to the last revolving fund disbursement page of the applicable financial month for future audit review.

cc: M. Covert, G. Bracht, R. Hemker

July 2007 & YTD FY2008 Financial Report

TO: Board of Directors

FROM: Board Finance Committee
Tuesday, September 4, 2007

MEETING DATE: Monday, September 17, 2007

BY: Robert Hemker, CFO

Background: The Board Financial Reports (unaudited) for June 2007 and YTD FY2008 are submitted for the Board's approval.

Budget Impact: N/A

Staff Recommendation: Staff recommends approval.

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the Board Financial Reports (unaudited) for June 2007 and YTD FY2008.

Motion: X

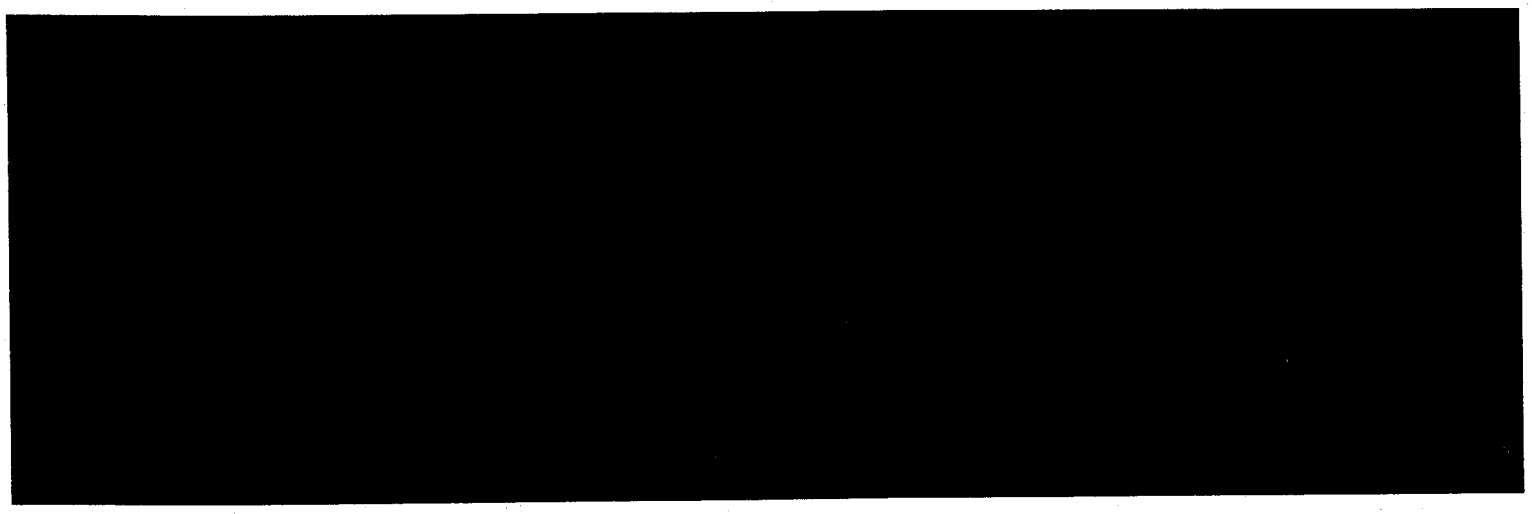
Individual Action:

Information:

Required Time:

Financial Statements

July 2007



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Board Financial Report
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PALOMAR
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July 2007 Financial Results
Executive Summary and Highlights

Statistics:

CONSOLIDATED	Jun	Jul	Jun vs Jul % Change	Jul Budget	Act vs Bud % Variance
Patient Days Acute	9,116	9,000	-1.3%	9,666	-6.9%
Patient Days SNF	6,103	6,453	5.7%	6,546	-1.4%
ADC Acute	303.86	290.32	-4.5%	311.82	-6.9%
ADC SNF	203.43	208.16	2.3%	211.16	-1.4%
Surgeries CVS Cases	14	7	-50.0%	12	-41.7%
Surgeries Total	1,003	1,001	-0.2%	984	1.7%
Number of Births	433	461	6.5%	466	-1.1%
NORTH					
Patient Days Acute	6,676	6,516	-2.4%	7,298	-10.7%
Patient Days SNF	2,459	2,681	9.0%	2,720	-1.4%
ADC Acute	222.53	210.19	-5.5%	235.43	-10.7%
ADC SNF	81.97	86.48	5.5%	87.74	-1.4%
SOUTH					
Patient Days Acute	2,440	2,484	1.8%	2,368	4.9%
Patient Days SNF	3,644	3,772	3.5%	3,826	-1.4%
ADC Acute	81.32	80.12	-1.5%	76.38	4.9%
ADC SNF	121.47	121.68	0.2%	123.42	-1.4%

[redacted]

PALOMAR POMERADO HEALTH
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July 2007 Financial Results
Executive Summary and Highlights (cont'd)

Balance Sheet:

Current Cash & Cash Equivalents decreased $55.2 million from $131.1 million in June to $75.9 million in July. This decrease is due to the reclass of funds to Board Designated for Funded Depreciation. Total Cash and Investments are $105.1 million, compared to $113.4 million at June 30, 2007. Days Cash on Hand went from 112 days in June to 101 in July.

Net Accounts Receivable increased to $87.9 million in July as compared to $85.3 million in June. Gross A/R days increased from 46.7 days in June to 52.4 days in July. July patient account collections including capitation are $30.2 million compared to budget of $33.1 million.

Construction in Progress increased $6.5 million from $122.0 million in June to $128.5 million in July. The increase is attributed to Pomerado Phase I construction costs $1.8 million, Building Expansion A & E Services and construction costs $1.3 million, and the purchase of a new office building located on Grand Avenue, Escondido $3.1 million.

Other Current Liabilities increased $12.4 million from $10.7 million to $23.1 million. This is due to the posting of deferred property tax for the new fiscal year of $13.5 million less the realized portion of $1.1 million.

July 2007 Financial Results
Executive Summary and Highlights (cont'd)

Income Statement:

Gross Patient Revenue reflects an unfavorable budget variance of $2.8 million. This unfavorable variance is composed of $4.6 million unfavorable volume variance and $1.8 million favorable rate variance.

Routine revenue (inpatient room and board) reflects an unfavorable $1.8 million budget variance.

Inpatient Ancillary revenue represents a $1.8 million unfavorable budget variance. North has a $3.2 million unfavorable variance. South has a $1.4 million favorable variance.

Outpatient revenue reflects a favorable budget variance of $0.8 million. North $1.3 million favorable variance is offset by South $0.1 million unfavorable variance and Outreach $0.4 million unfavorable variance.

Deductions from Revenue reflect a favorable variance of $1.4 million. This is due to lower-than-budgeted volume and budgeted gross revenue. Total Deductions from Revenue is 69.85 of gross revenue compared to a budget of 69.38%. Deductions from Revenue (excluding Bad Debt/Charity/Undocumented expenses) is 68.52% of Gross Revenue compared to budget of 65.03%.

[redacted]

July 2007 Financial Results
Executive Summary and Highlights (cont'd)

Income Statement (cont'd):

The net capitation reflects an unfavorable budget variance of $1.3 million. Cap Premium and Out of Network Claim Expense both show a favorable budget variance of $1.0 million and $0.4 million, respectively. Cap Valuation shows an unfavorable variance of $2.7 million due to using bill drop date instead of discharge date and an additional adjustment from recalculation.

Other Operating Revenue reflects an unfavorable budget variance of $557 thousand. Foundation and PPNC Health Development July budget is $294 thousand and $117 thousand, respectively. The July actual for both is $0. After the budget was prepared, the procedure to record funding requests changed. Instead of recording funding requests in revenue, it will be recorded as a reduction in expense. This unfavorable YTD variance in "Other Revenue" section will grow throughout the year. It will be offset by a favorable YTD variance in "Other Expense" section.

Also contributing to this variance is the Grant program for Welcome Home Baby and Home Health Outreach where the variances are unfavorable by $93,195 and $31,562 respectively.

Salaries, Wages & Contract Labor has a favorable budget variance of $547 thousand. This variance is mostly attributable to lower-than-budgeted volumes and staff flexing. The breakdown is as follows:

	Actual	Budget	Variance
Consolidated	16,158,669	16,705,972	547,303
North	9,227,329	9,653,518	426,189
South	4,020,633	3,908,693	(111,940)
Central	2,163,912	2,288,017	124,105
Outreach	746,795	855,744	108,949

[redacted]

July 2007 Financial Results
Executive Summary and Highlights (cont'd)

Income Statement (cont'd):

Benefits Expense has a favorable budget variance of $5 thousand. The Pension $84 thousand favorable variance and Other Benefits $103 thousand favorable variance is reduced by Health and Dental $124 thousand unfavorable variance and FICA $58 thousand unfavorable variance.

Supplies Expense reflects a favorable budget variance of $384 thousand. This favorable variance is composed of a $215 thousand favorable volume variance and $169 thousand favorable rate variance. The favorable variance is prosthesis at $170 thousand, pharmacy at $74 thousand and other general supplies at $140 thousand.

Prof Fees & Purchased Services reflect a favorable budget variance of $1.2 million.. The favorable variance of $0.9 million in professional fees is due to physician income guarantees not realized and consulting fees in both Design/Facility and Revenue Cycle. The favorable variance of $0.3 million in purchased services is due to purchased contracted services

Non-Operating Income reflects a favorable variance of $265 thousand in July. This is due to a favorable investment income variance of $140 thousand. Interest expense is favorable by $33 thousand.

Ratios & Margins:

All required bond covenant ratios were achieved in July 2007.

[redacted]

Balanced Scorecard
Financial Indicators
July 31, 2007

April	May	June	July					YTD 2008				
Actual	Actual	Actual	Actual	Budget / PY	Variance	% Actual to Budget		Actual	Budget	Variance	% Actual to Budget	Prior Year Actual
							PPH Indicators:					
9.9%	11.1%	7.0%	10.1%	9.1%	1.0%	[redacted]	OEBITDA Margin w/Prop Tax	10.1%	9.1%	1.0%	[redacted]	10.1%
$2,536.58	$2,585.86	$2,236.80	$2,720.58	$2,730.26	$ 9.68	[redacted]	Expenses/Wtd Day	2,720.58	$2,730.26	$ 9.68	[redacted]	2,546.07
$1,489.09	$1,513.14	$1,296.25	$1,618.11	$1,577.84	$ (40.27)	102.6%	SWB/Wtd Day	1,618.11	$1,577.84	$ (40.27)	102.6%	1,532.71
5.91	6.13	6.00	6.35	6.24	-0.11	101.8%	Prod FTE's/Adj Occupied Bed	6.35	6.24	(0.11)	101.8%	6.33
13,381	13,476	13,021	12,587	12,517	70	[redacted]	Weighted Patient Days	12,587	13,258	(671)	[redacted]	12,517
							PPH North Indicators:					
9.5%	10.7%	-6.6%	8.4%	10.3%	-1.9%	[redacted]	OEBITDA Margin w/Prop Tax	8.4%	10.3%	-1.9%	[redacted]	11.2%
$2,419.30	$2,478.25	$2,035.21	$2,661.58	$2,562.81	$ (98.77)	103.9%	Expenses/Wtd Day	2,661.58	$2,562.81	$ (98.77)	103.9%	2,428.82
$1,213.54	$1,257.06	$1,138.99	$1,357.29	$1,304.67	$ (52.62)	[redacted]	SWB/Wtd Day	1,357.29	$1,304.67	$ (52.62)	[redacted]	1,307.07
4.95	5.19	5.04	5.41	5.16	-0.25	[redacted]	Prod FTE's/Adj Occupied Bed	5.41	5.16	(0.25)	[redacted]	5.32
9,254	9,129	8,843	8,530	8,712	(182)	[redacted]	Weighted Patient Days	8,530	9,226	(696)	[redacted]	8,712
							PPH South Indicators:					
5.8%	10.3%	19.1%	10.5%	4.6%	5.9%	[redacted]	OEBITDA Margin w/Prop Tax	10.5%	4.6%	5.9%	[redacted]	5.0%
$2,400.62	$2,440.57	$2,208.01	$2,485.96	$2,594.17	$ 108.21	[redacted]	Expenses/Wtd Day	2,485.96	$2,594.17	$ 108.21	[redacted]	2,481.80
$1,222.30	$1,242.64	$1,137.60	$1,320.81	$1,303.06	$ (17.75)	101.4%	SWB/Wtd Day	1,320.81	$1,303.06	$ (17.75)	101.4%	1,328.81
5.24	5.32	5.26	5.48	5.52	0.04	[redacted]	Prod FTE's/Adj Occupied Bed	5.48	5.52	0.04	[redacted]	5.79
3,874	4,026	3,874	3,809	3,554	255	[redacted]	Weighted Patient Days	3,809	3,760	49	[redacted]	3,554

Weighted Patient Days is compared with Prior Year Actual

[redacted]

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Admissions – Acute

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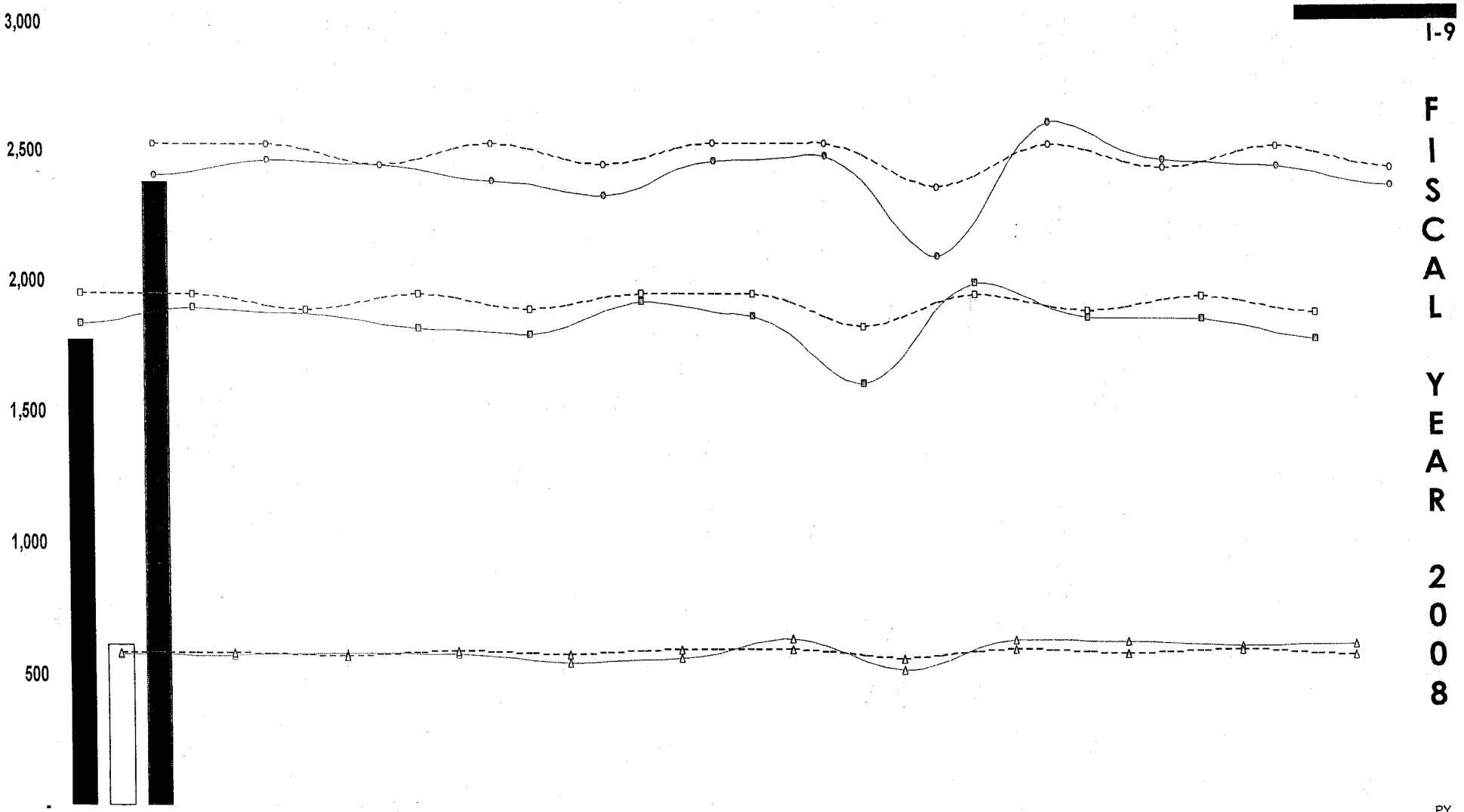

FISCAL YEAR 2008

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	1,770	-	-	-	-	-	-	-	-	-	-	-	1,770	1,948
POM	608	-	-	-	-	-	-	-	-	-	-	-	608	578
CON	2,378	-	-	-	-	-	-	-	-	-	-	-	2,378	2,526

Patient Days – Acute

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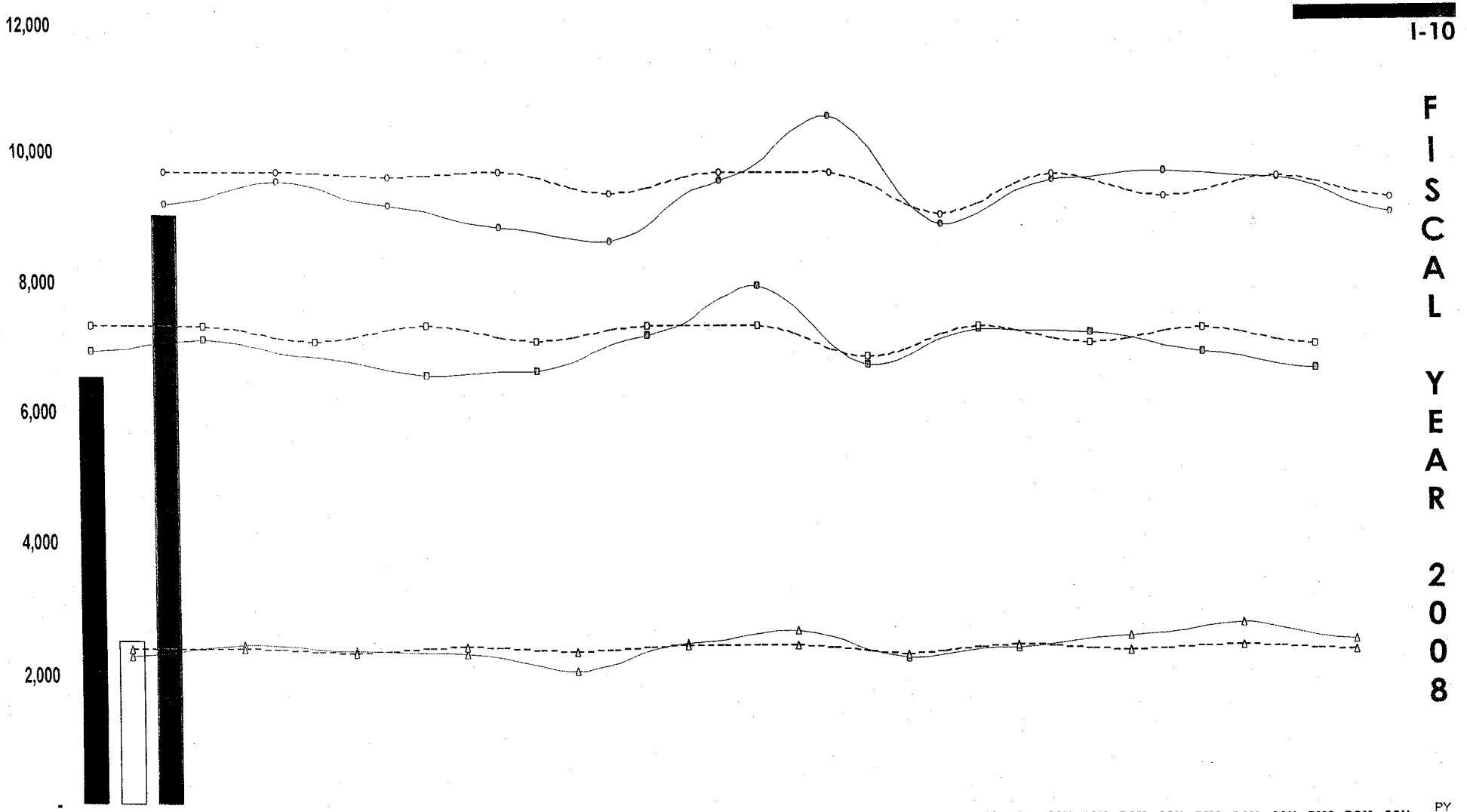

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	6,516	-	-	-	-	-	-	-	-	-	-	-	6,516	7,298
POM	2,484	-	-	-	-	-	-	-	-	-	-	-	2,484	2,368
CON	9,000	-	-	-	-	-	-	-	-	-	-	-	9,000	9,666

Average Daily Census – Acute

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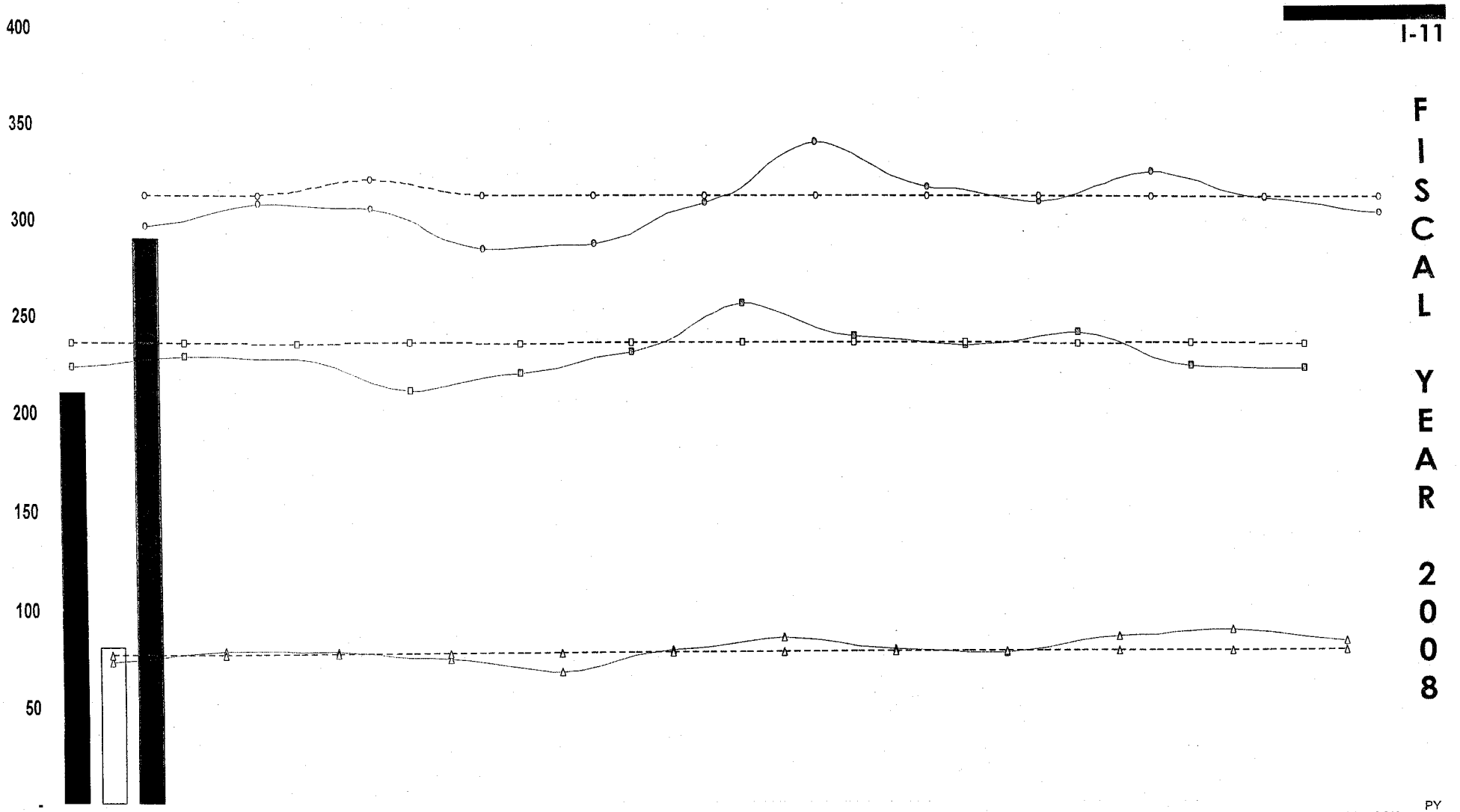

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	210	-	-	-	-	-	-	-	-	-	-	-	210	235
POM	80	-	-	-	-	-	-	-	-	-	-	-	80	76
CON	290	-	-	-	-	-	-	-	-	-	-	-	290	312

Patient Days

PALOMAR POMERADO HEALTH
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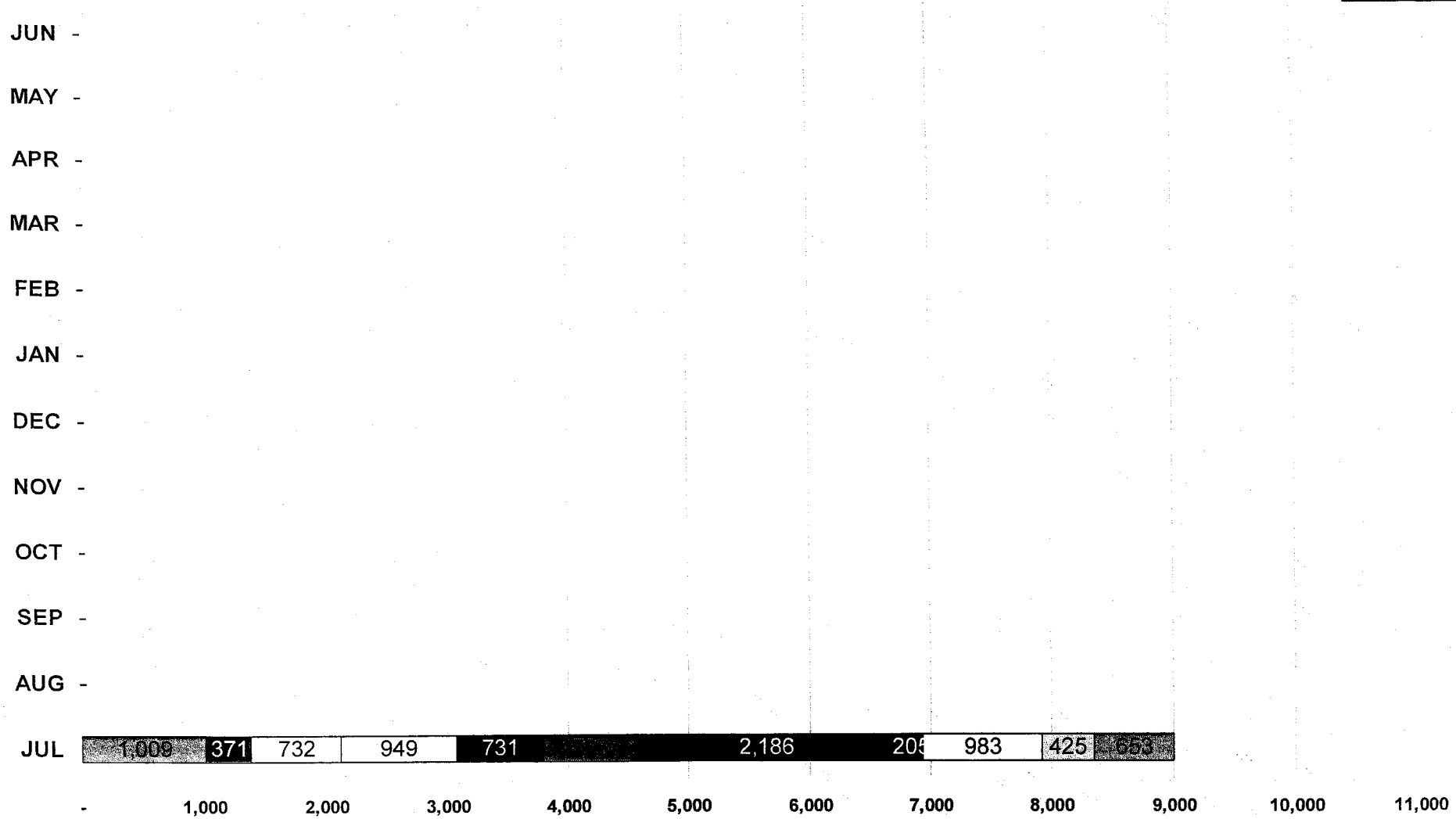
FISCAL YEAR 2008



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	6,516	-	-	-	-	-	-	-	-	-	-	-	6,516	7,298
POM	2,484	-	-	-	-	-	-	-	-	-	-	-	2,484	2,368
CON	9,000	-	-	-	-	-	-	-	-	-	-	-	9,000	9,666

Surgeries (In-Patient)

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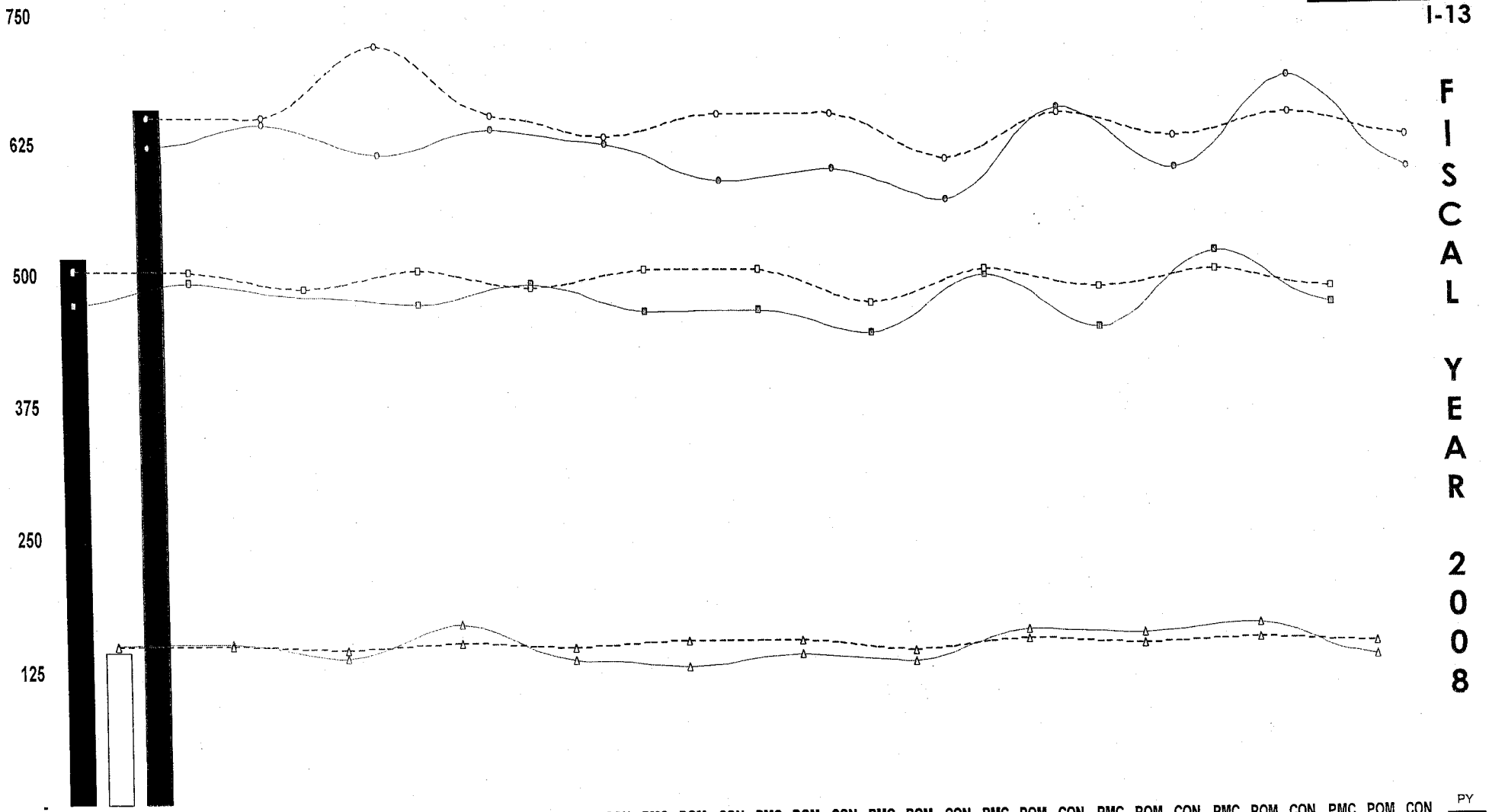

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	516	-	-	-	-	-	-	-	-	-	-	-	516	502
POM	143	-	-	-	-	-	-	-	-	-	-	-	143	148
CON	659	-	-	-	-	-	-	-	-	-	-	-	659	650

Surgeries (Out-Patient)

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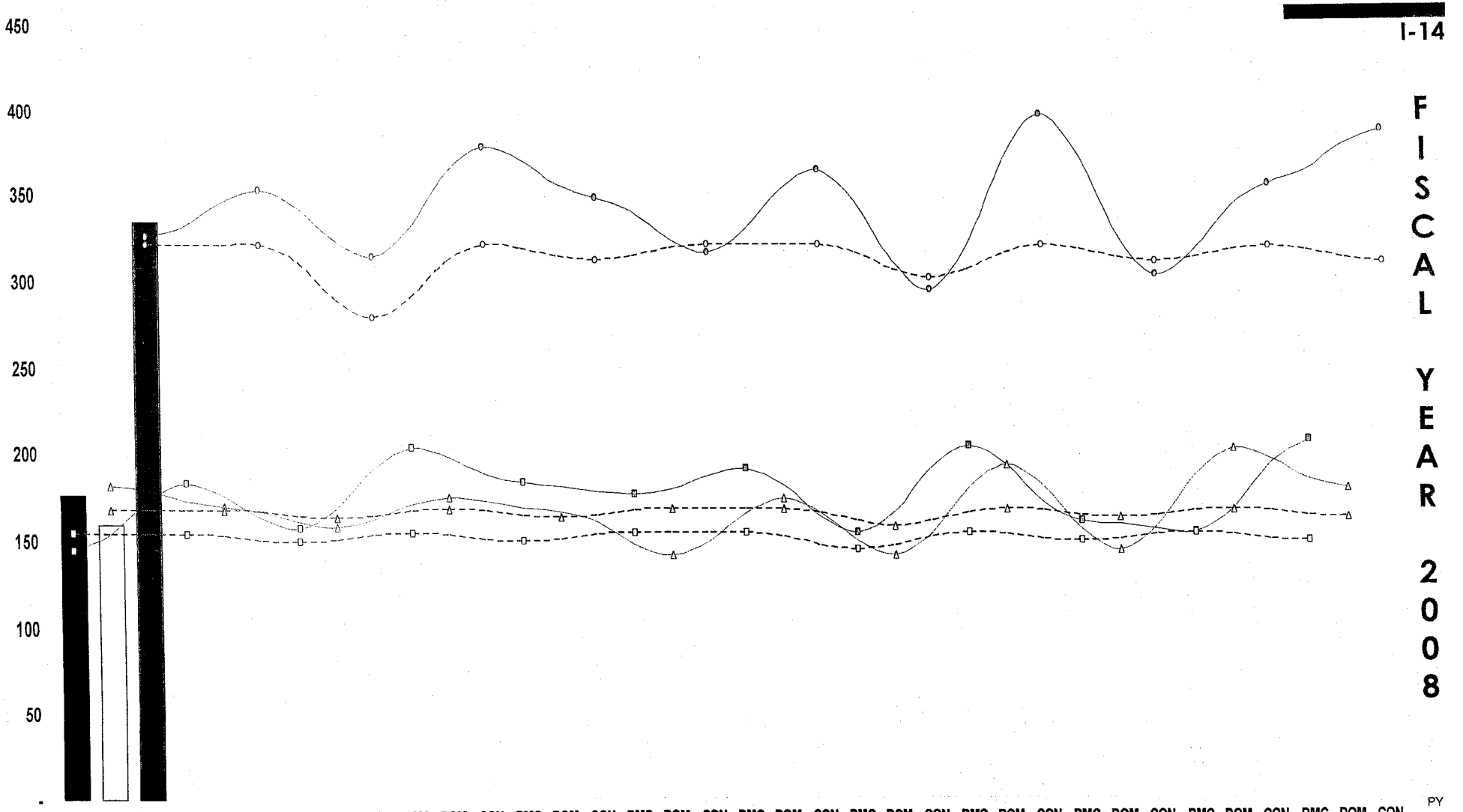

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	176	-	-	-	-	-	-	-	-	-	-	-	176	154
POM	159	-	-	-	-	-	-	-	-	-	-	-	159	168
CON	335	-	-	-	-	-	-	-	-	-	-	-	335	322

Surgeries – CVS (PMC)

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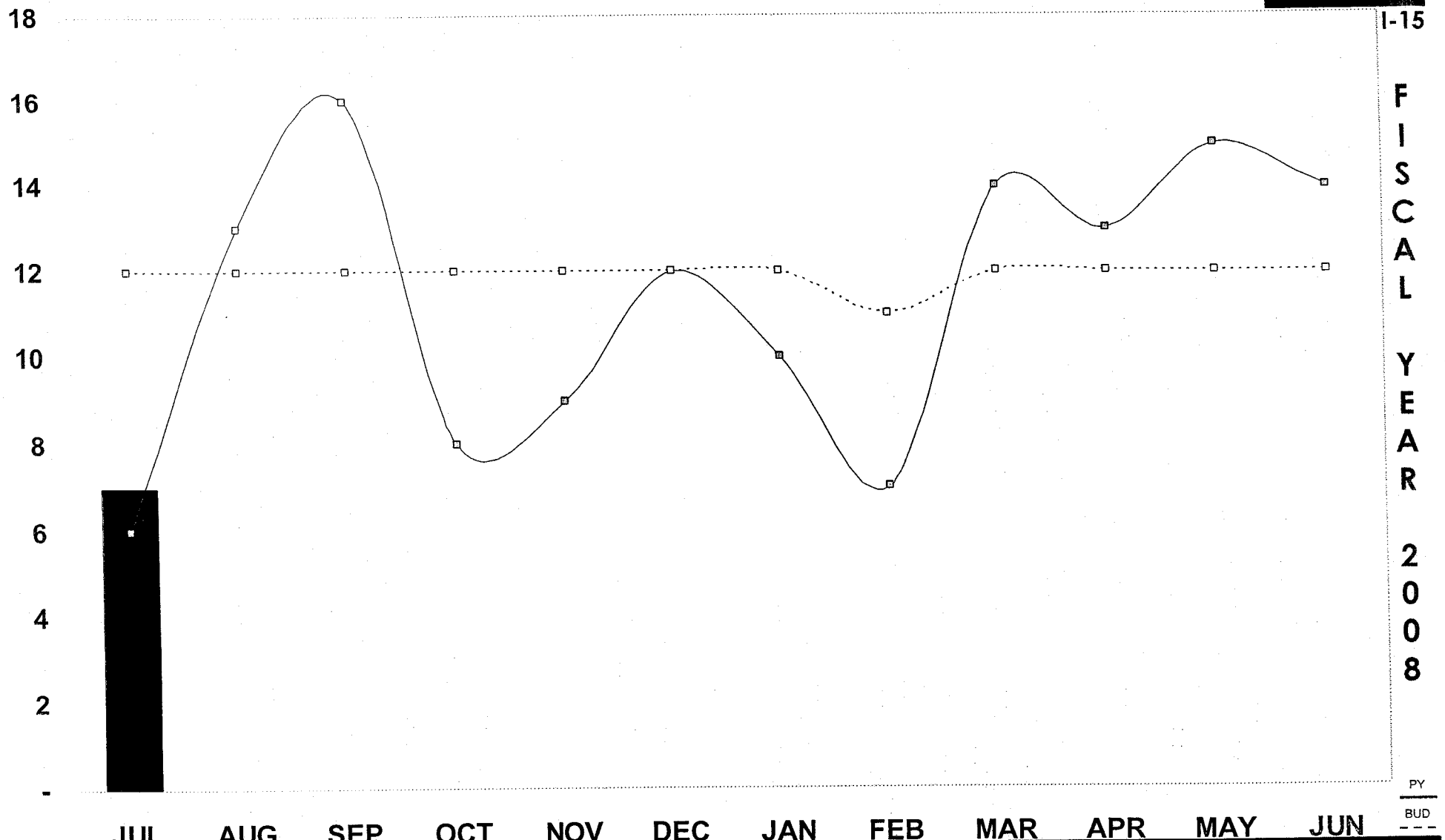
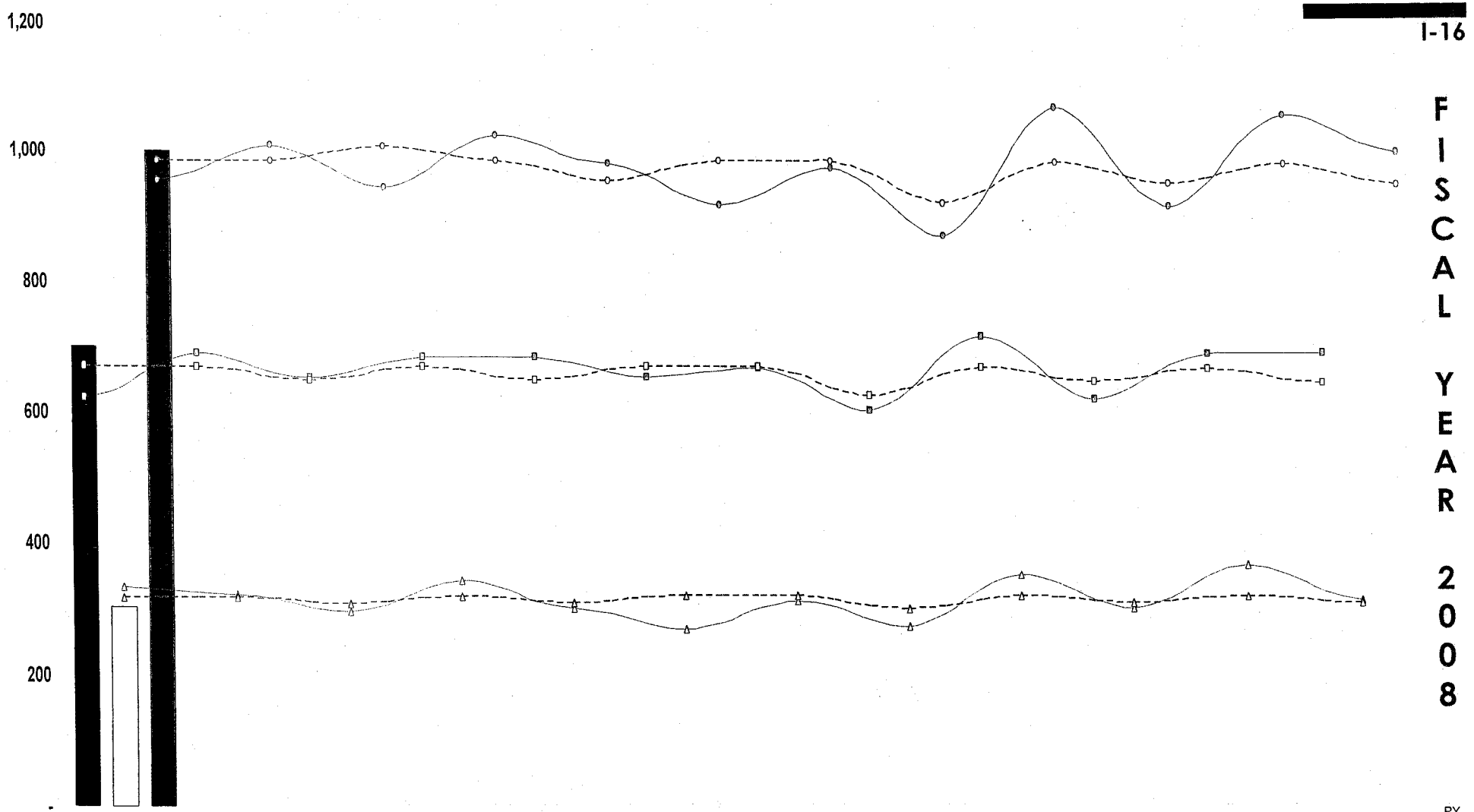


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	7	-	-	-	-	-	-	-	-	-	-	-	7	12

Total Surgeries

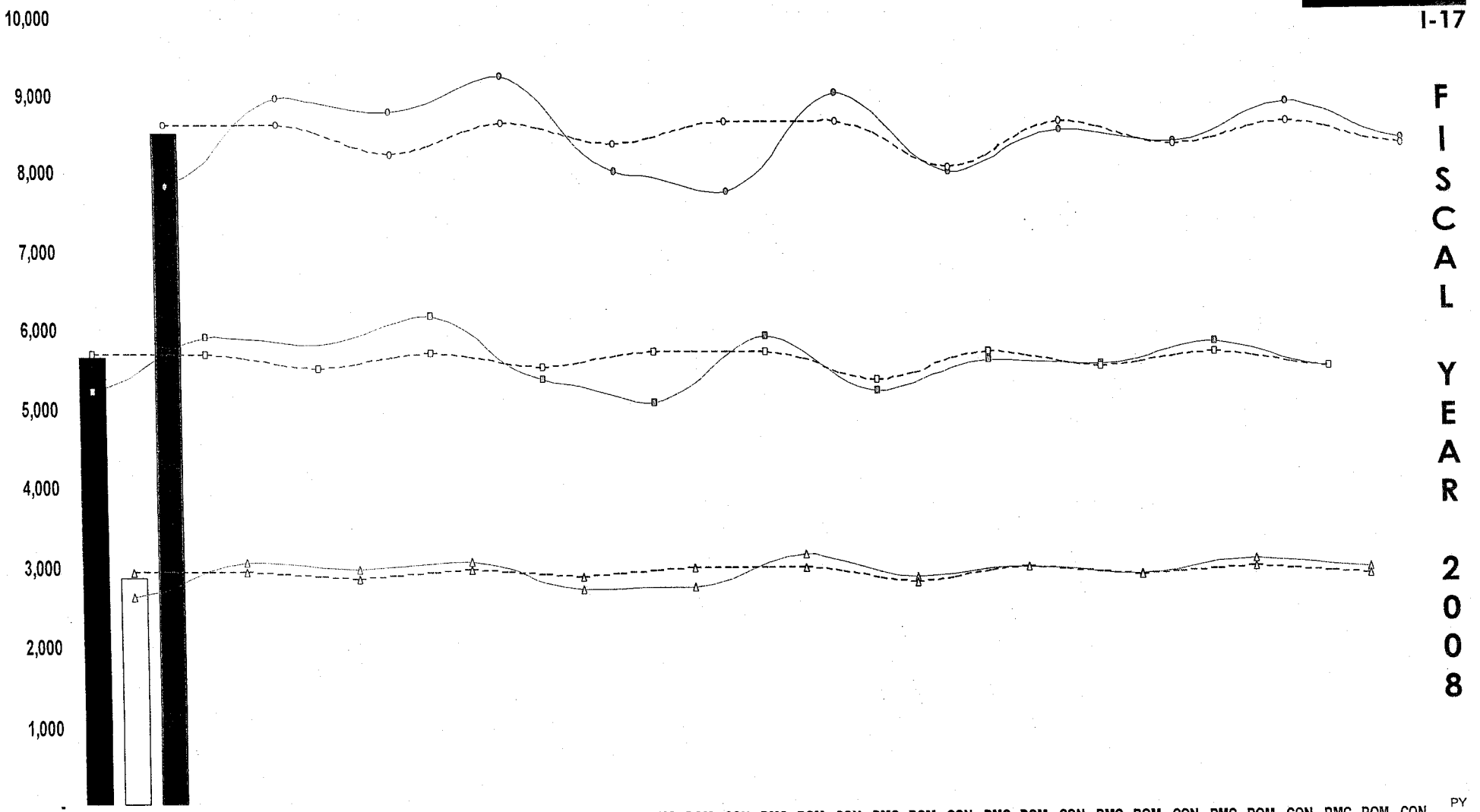
PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	699	-	-	-	-	-	-	-	-	-	-	-	699	668
POM	302	-	-	-	-	-	-	-	-	-	-	-	302	316
CON	1,001	-	-	-	-	-	-	-	-	-	-	-	1,001	984

Outpatient Registration

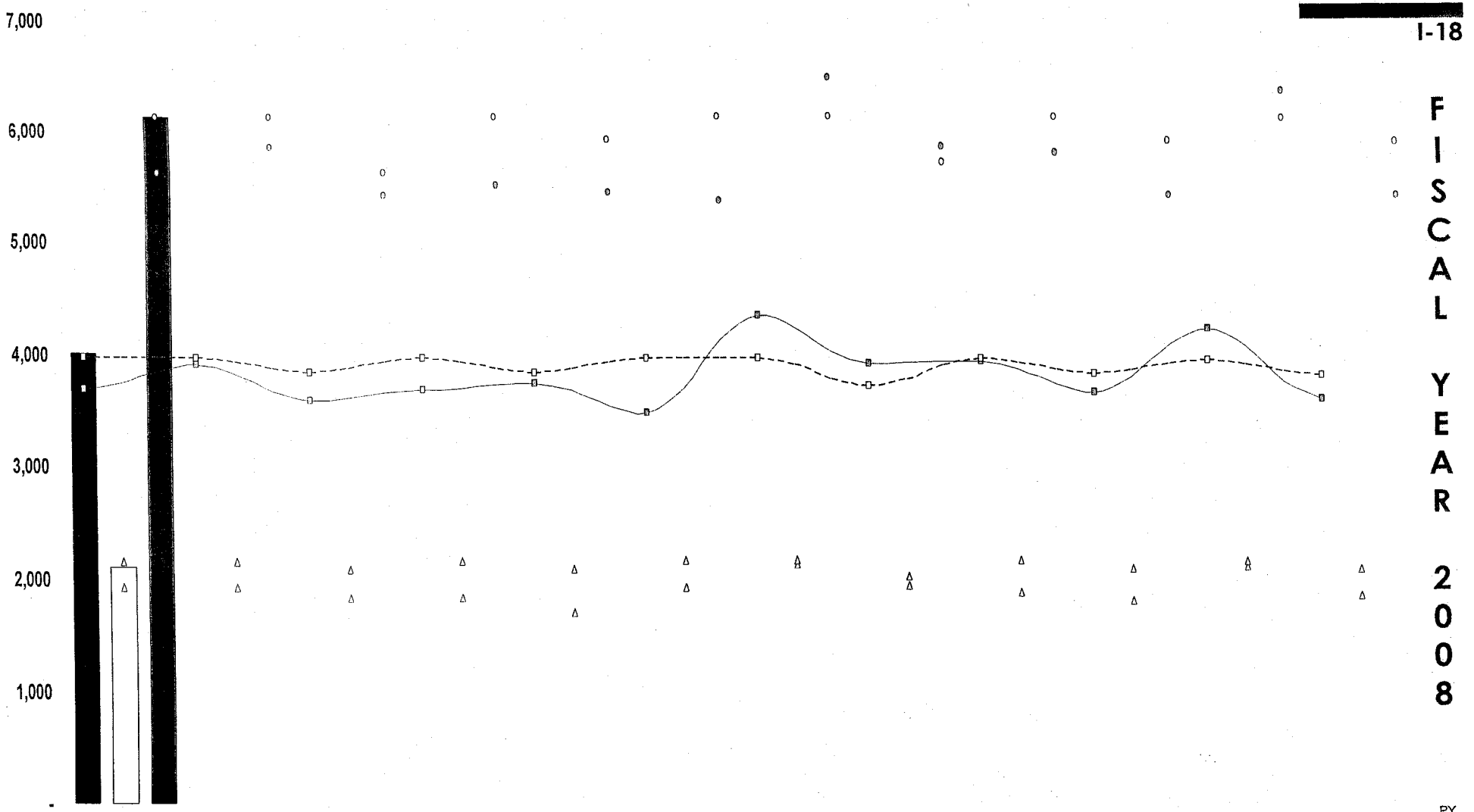
PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	5,645	-	-	-	-	-	-	-	-	-	-	-	5,645	5,674
POM	2,850	-	-	-	-	-	-	-	-	-	-	-	2,850	2,920
CON	8,495	-	-	-	-	-	-	-	-	-	-	-	8,495	8,594

ER Visits includes Trauma

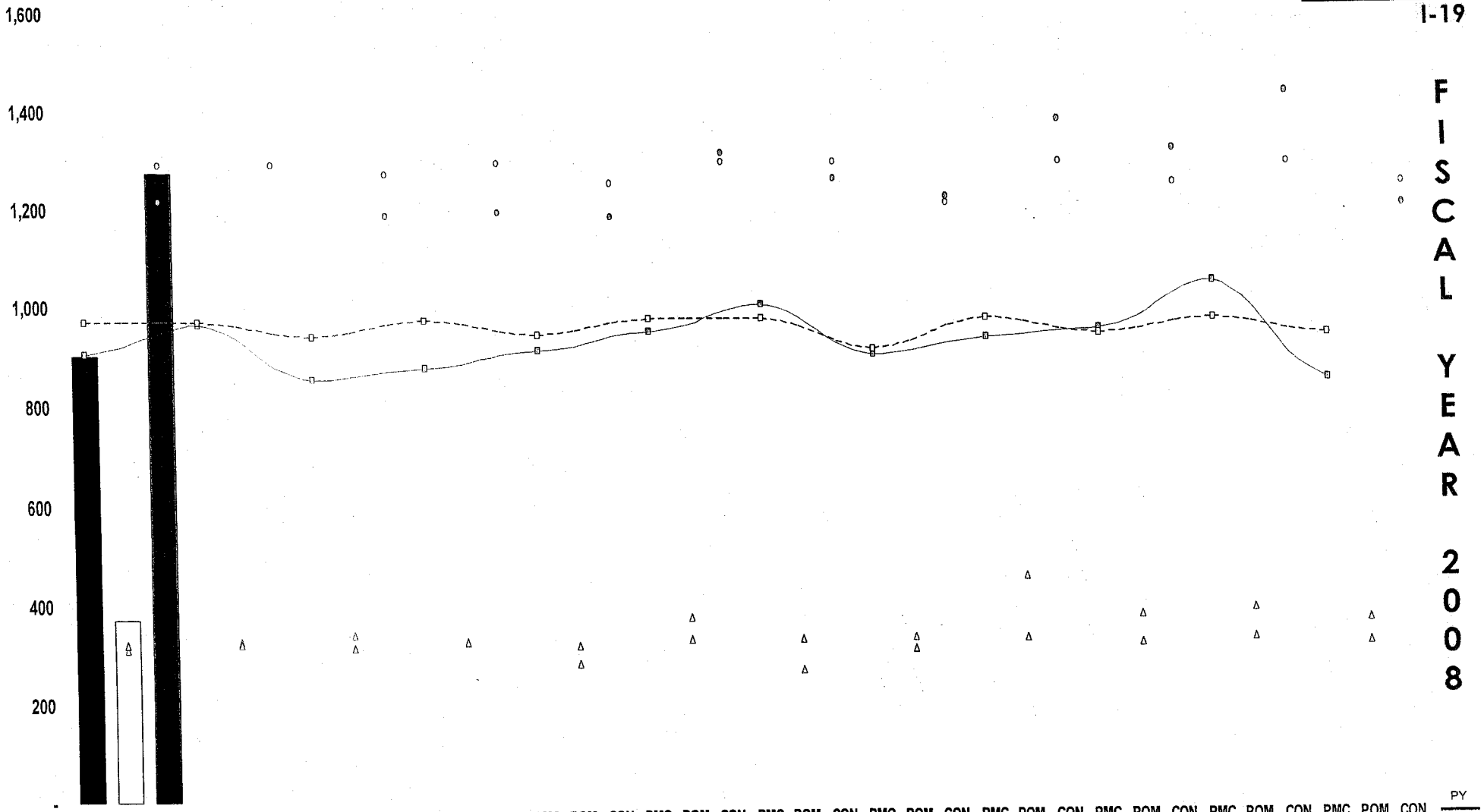
PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	4,014	-	-	-	-	-	-	-	-	-	-	-	4,014	3,974
POM	2,110	-	-	-	-	-	-	-	-	-	-	-	2,110	2,151
CON	6,124	-	-	-	-	-	-	-	-	-	-	-	6,124	6,125

ER Admissions includes Trauma

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

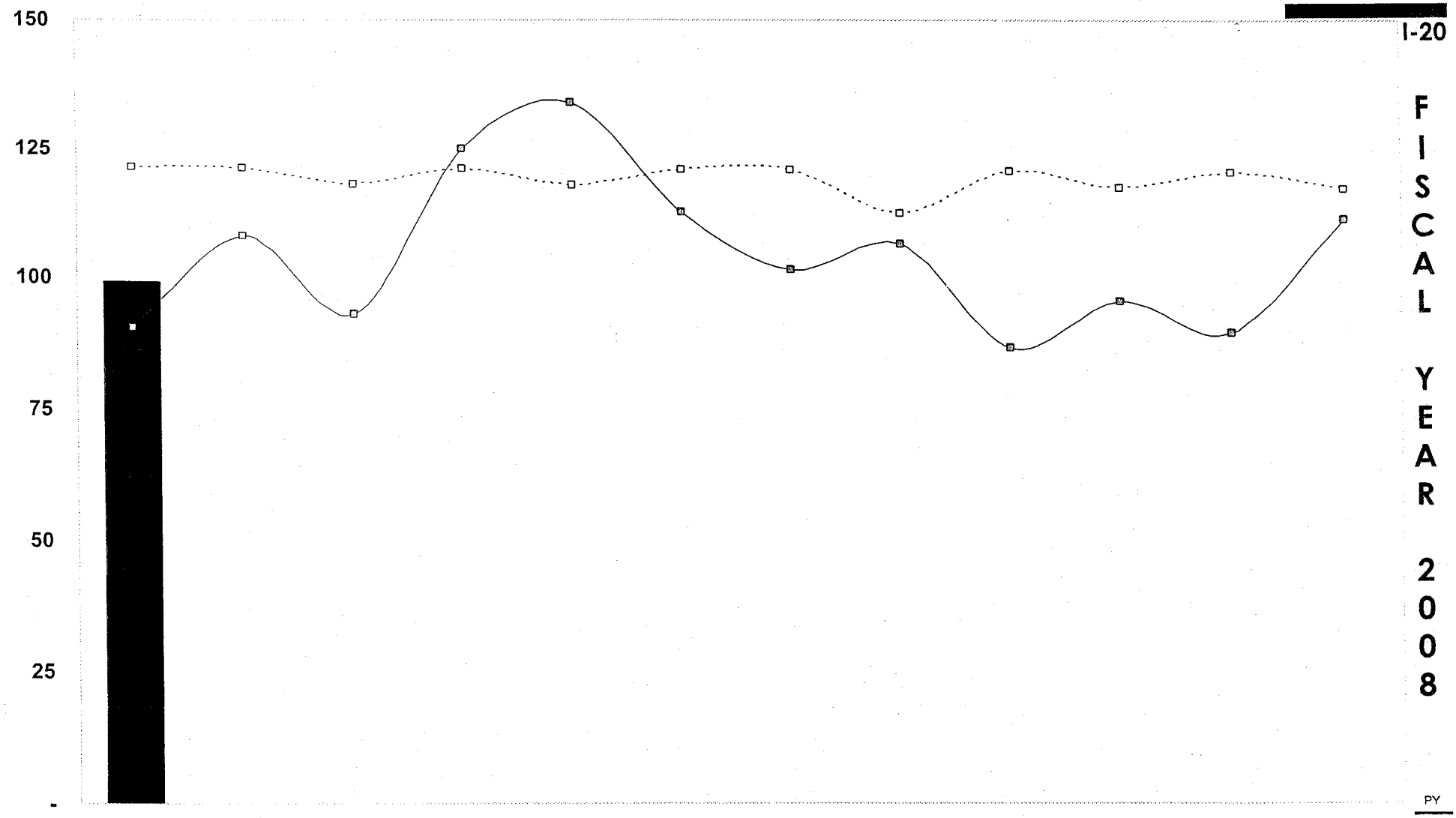


FISCAL YEAR 2008

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	902	-	-	-	-	-	-	-	-	-	-	-	902	969
POM	371	-	-	-	-	-	-	-	-	-	-	-	371	321
CON	1,273	-	-	-	-	-	-	-	-	-	-	-	1,273	1,290

Trauma Cases (PMC)

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

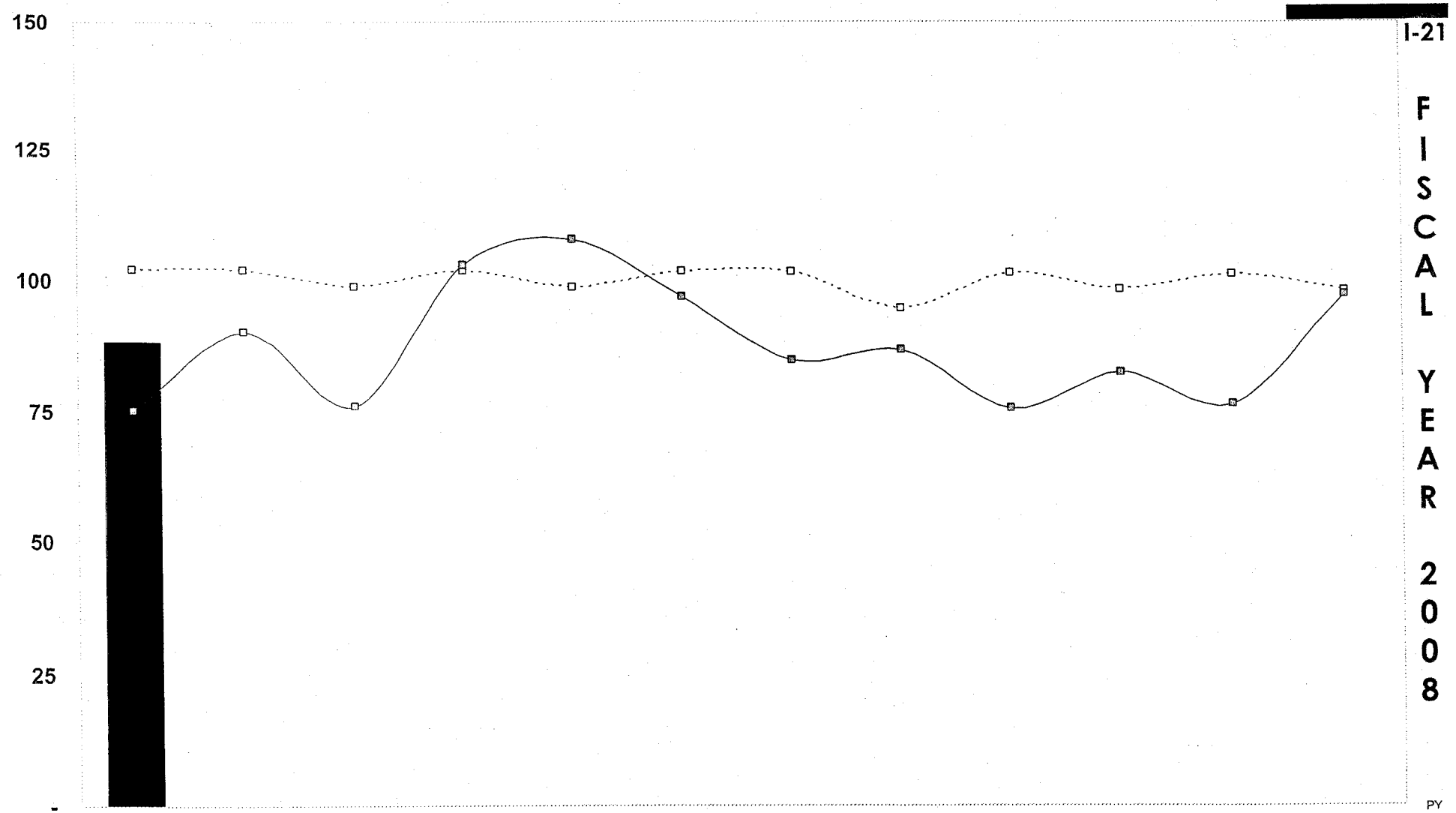


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	99	-	-	-	-	-	-	-	-	-	-	-	99	121

Trauma Admissions (PMC)

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

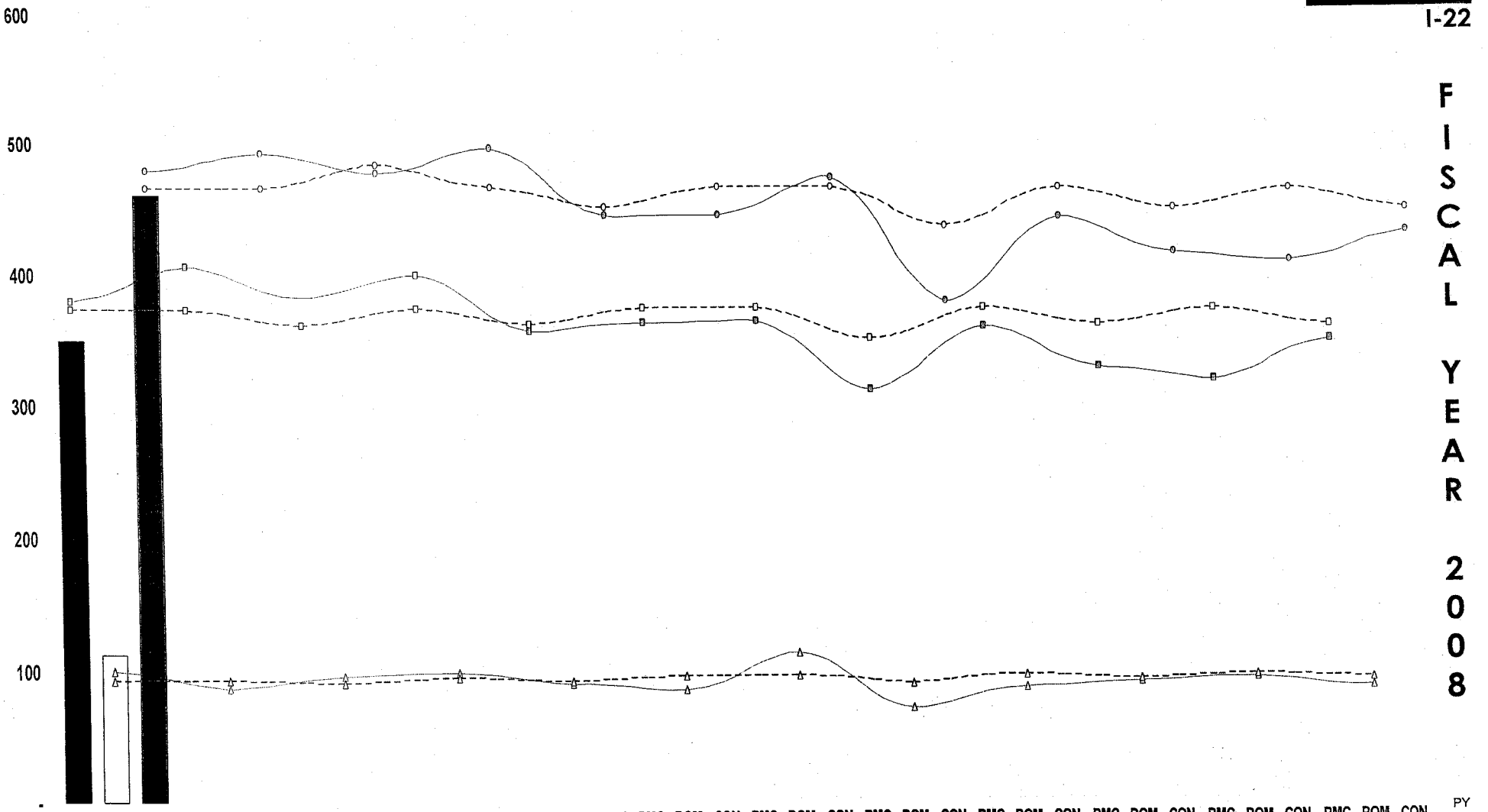
I-21



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	88	-	-	-	-	-	-	-	-	-	-	-	88	102

Deliveries

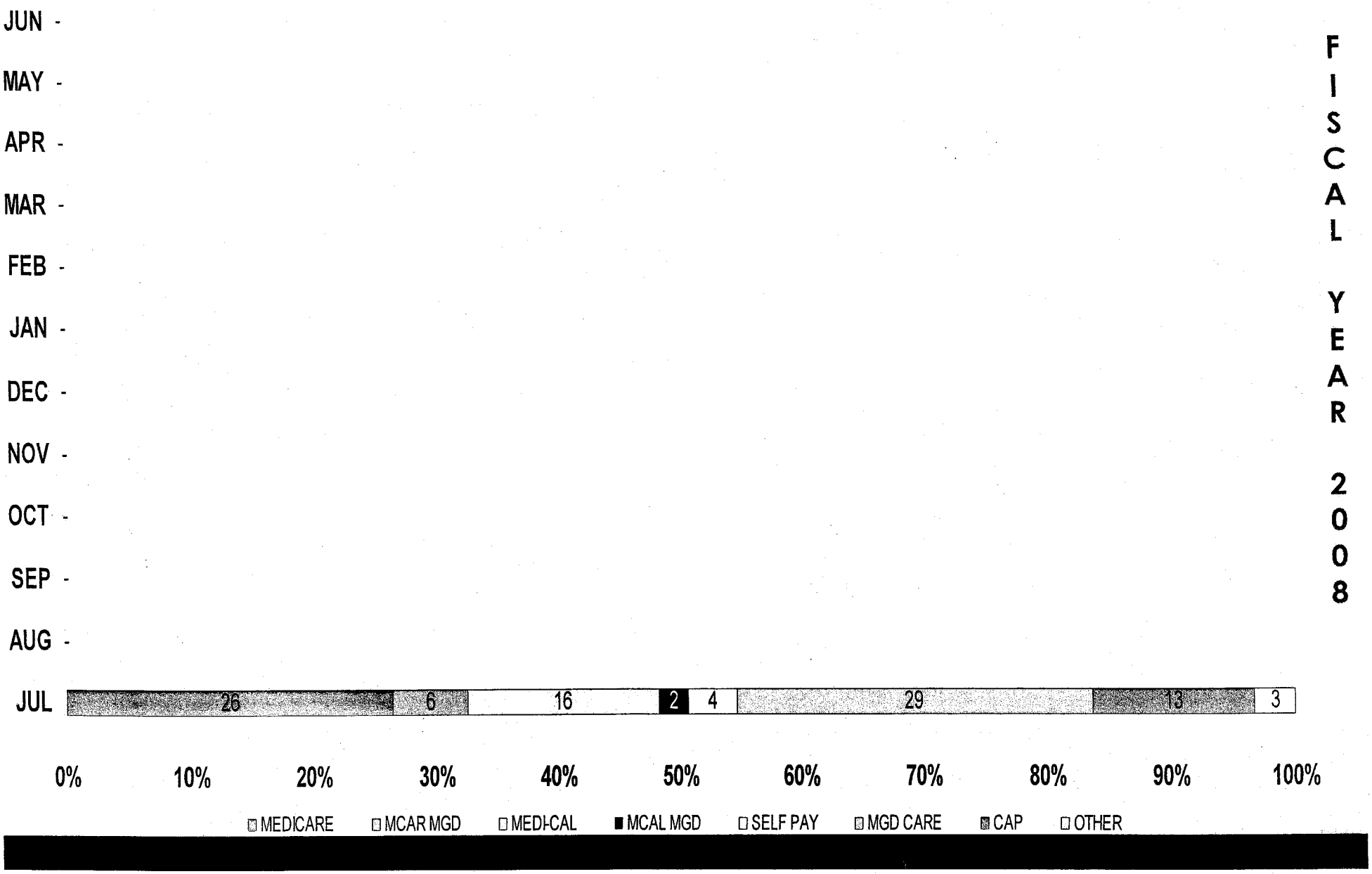
PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	349	-	-	-	-	-	-	-	-	-	-	-	349	373
POM	112	-	-	-	-	-	-	-	-	-	-	-	112	93
CON	461	-	-	-	-	-	-	-	-	-	-	-	461	466

Payor Mix based on Gross Revenue

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

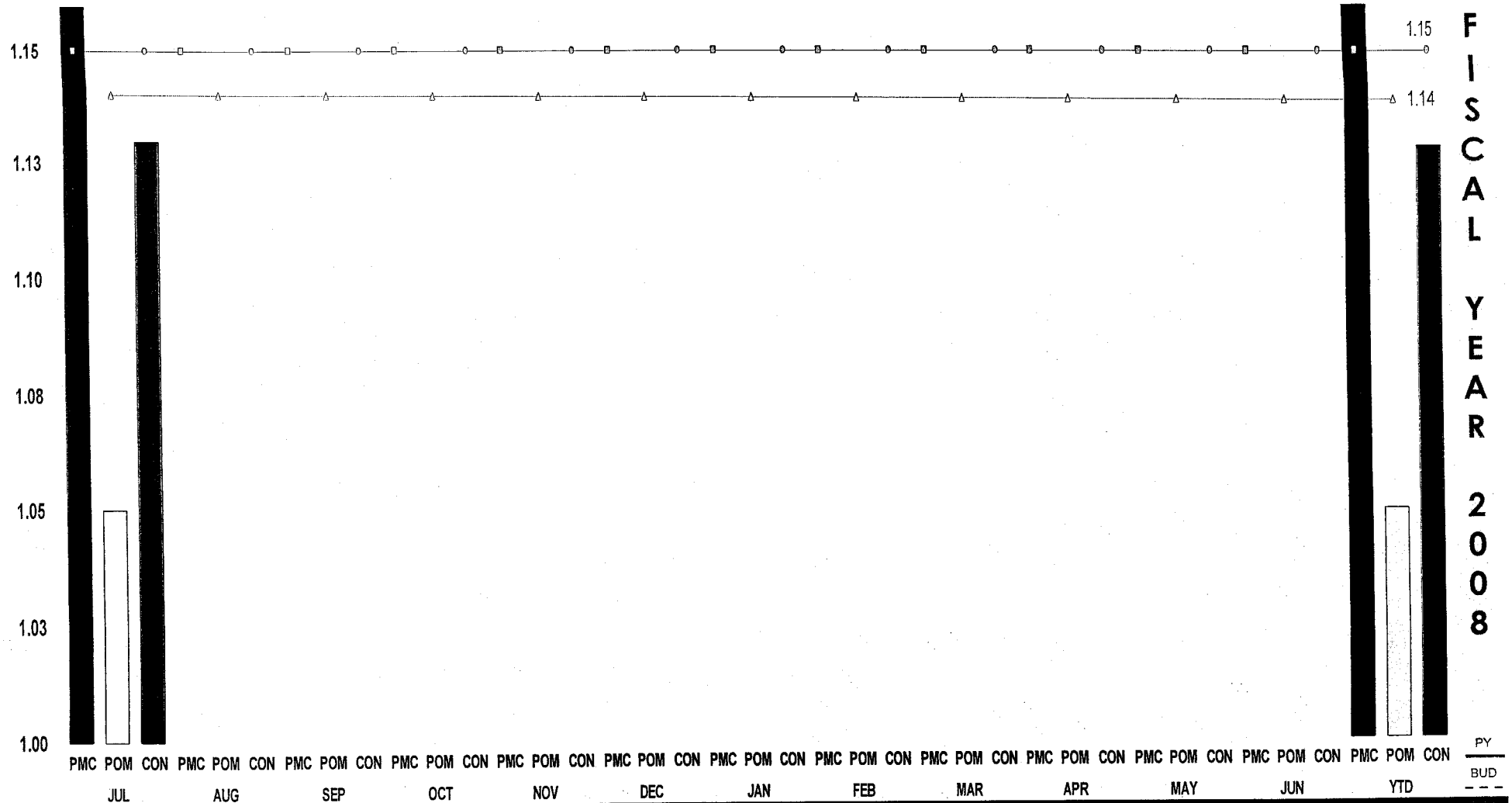


FISCAL YEAR 2008

Case Mix Index

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

I-24

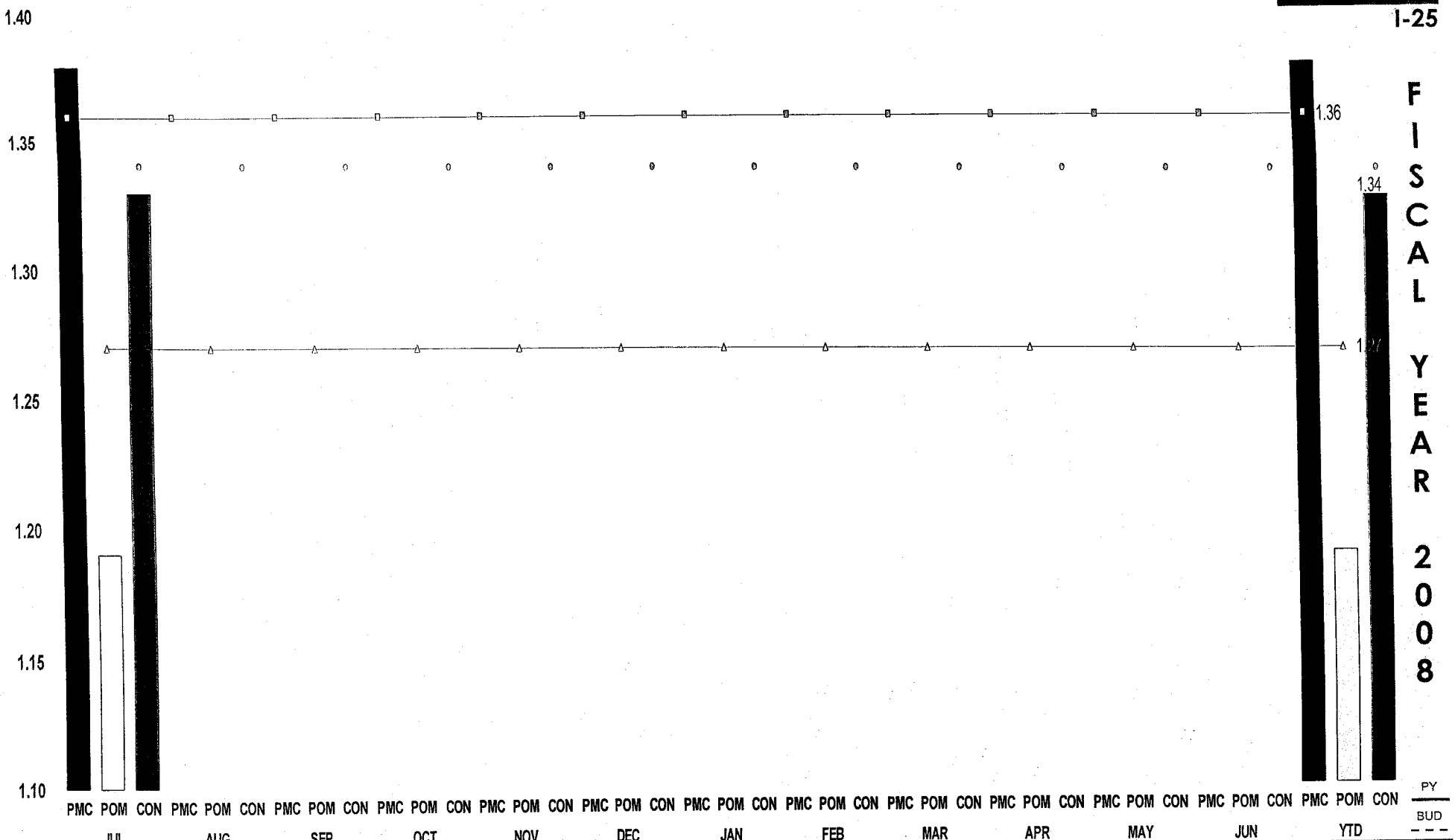


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
PMC	1.16	-	-	-	-	-	-	-	-	-	-	-	1.16
POM	1.05	-	-	-	-	-	-	-	-	-	-	-	1.05
CON	1.13	-	-	-	-	-	-	-	-	-	-	-	1.13

Case Mix Index by Region – Excludes Deliveries

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

I-25

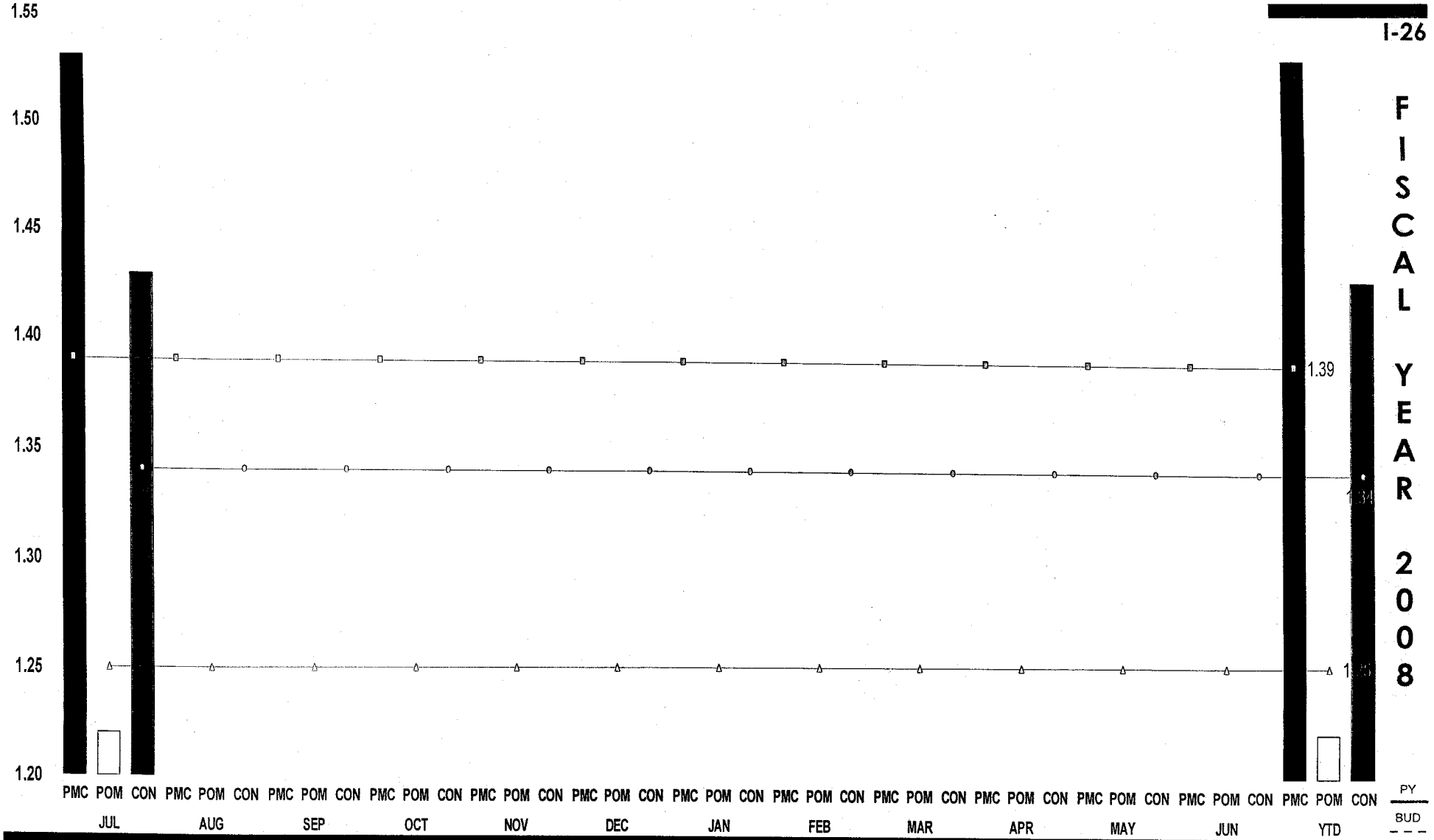


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
PMC	1.38	-	-	-	-	-	-	-	-	-	-	-	1.38
POM	1.19	-	-	-	-	-	-	-	-	-	-	-	1.19
CON	1.33	-	-	-	-	-	-	-	-	-	-	-	1.33

Case Mix Index by Region – Medicare

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

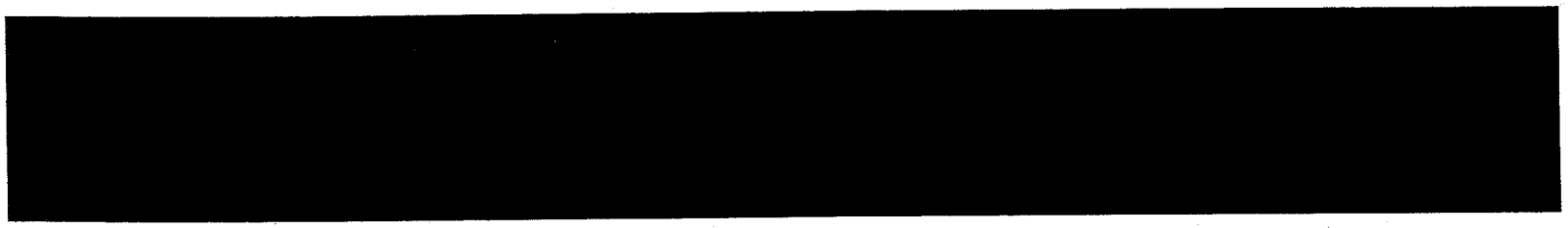
I-26



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
PMC	1.53	-	-	-	-	-	-	-	-	-	-	-	1.53
POM	1.22	-	-	-	-	-	-	-	-	-	-	-	1.22
CON	1.43	-	-	-	-	-	-	-	-	-	-	-	1.43

Summary of Key Indicators and Results
July 2007

	ACTUAL	BUDGET	VARIANCE	FY 2007
ADMISSIONS - Acute:				
Palomar Medical Center	1,770	1,948	(178)	1,832
Pomerado Hospital	608	578	30	570
Total:	2,378	2,526	(148)	2,402
ADMISSIONS - SNF:				
Palomar Medical Center	50	50	-	59
Pomerado Hospital	48	47	1	45
Total:	98	97	1	104
PATIENT DAYS - Acute:				
Palomar Medical Center	6,516	7,298	(782)	6,919
Pomerado Hospital	2,484	2,368	116	2,261
Total:	9,000	9,666	(666)	9,180
PATIENT DAYS- SNF:				
Palomar Medical Center	2,681	2,720	(39)	2,737
Pomerado Hospital	3,772	3,826	(54)	3,898
Total:	6,453	6,546	(93)	6,635



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Summary of Key Indicators and Results
July 2007 (cont'd)

	ACTUAL	BUDGET	VARIANCE	FY 2007
WEIGHTED PATIENT DAYS				
Palomar Medical Center	8,530	9,226	(696)	8,712
Pomerado Hospital	3,809	3,760	49	3,554
Other Activities	248	272	(24)	251
Total:	12,587	13,258	(671)	12,517
ADJUSTED DISCHARGES				
Palomar Medical Center	2,316	2,464	(148)	2,293
Pomerado Hospital	890	867	23	833
Other Activities	77	90	(13)	76
Total:	3,283	3,421	(138)	3,202
AVERAGE LENGTH OF STAY- Acute:				
Palomar Medical Center	3.68	3.75	(0.07)	3.81
Pomerado Hospital	4.04	4.10	(0.06)	4.01
Total:	3.77	3.83	(0.06)	3.86
AVERAGE LENGTH OF STAY - SNF:				
Palomar Medical Center	62.35	55.51	6.84	52.63
Pomerado Hospital	85.73	81.40	4.33	97.45
Total:	74.17	68.19	5.98	72.12

[redacted]

PALOMAR POMERADO HEALTH
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Summary of Key Indicators and Results
July 2007 (cont'd)

	ACTUAL	BUDGET	VARIANCE	FY 2007
EMERGENCY ROOM VISITS & TRAUMA CASES:				
Palomar Medical Center	4,014	3,974	40	3,685
Pomerado Hospital	2,110	2,151	(41)	1,930
Total:	6,124	6,125	(1)	5,615
EMERGENCY & TRAUMA ADMISSIONS:				
Palomar Medical Center	902	969	(67)	905
Pomerado Hospital	371	321	50	311
Total:	1,273	1,290	(17)	1,216
SURGERIES:				
Palomar Medical Center	699	668	31	621
Pomerado Hospital	302	316	(14)	332
Total:	1,001	984	17	953
BIRTHS:				
Palomar Medical Center	349	373	(24)	379
Pomerado Hospital	112	93	19	100
Total:	461	466	(5)	479

PALOMAR
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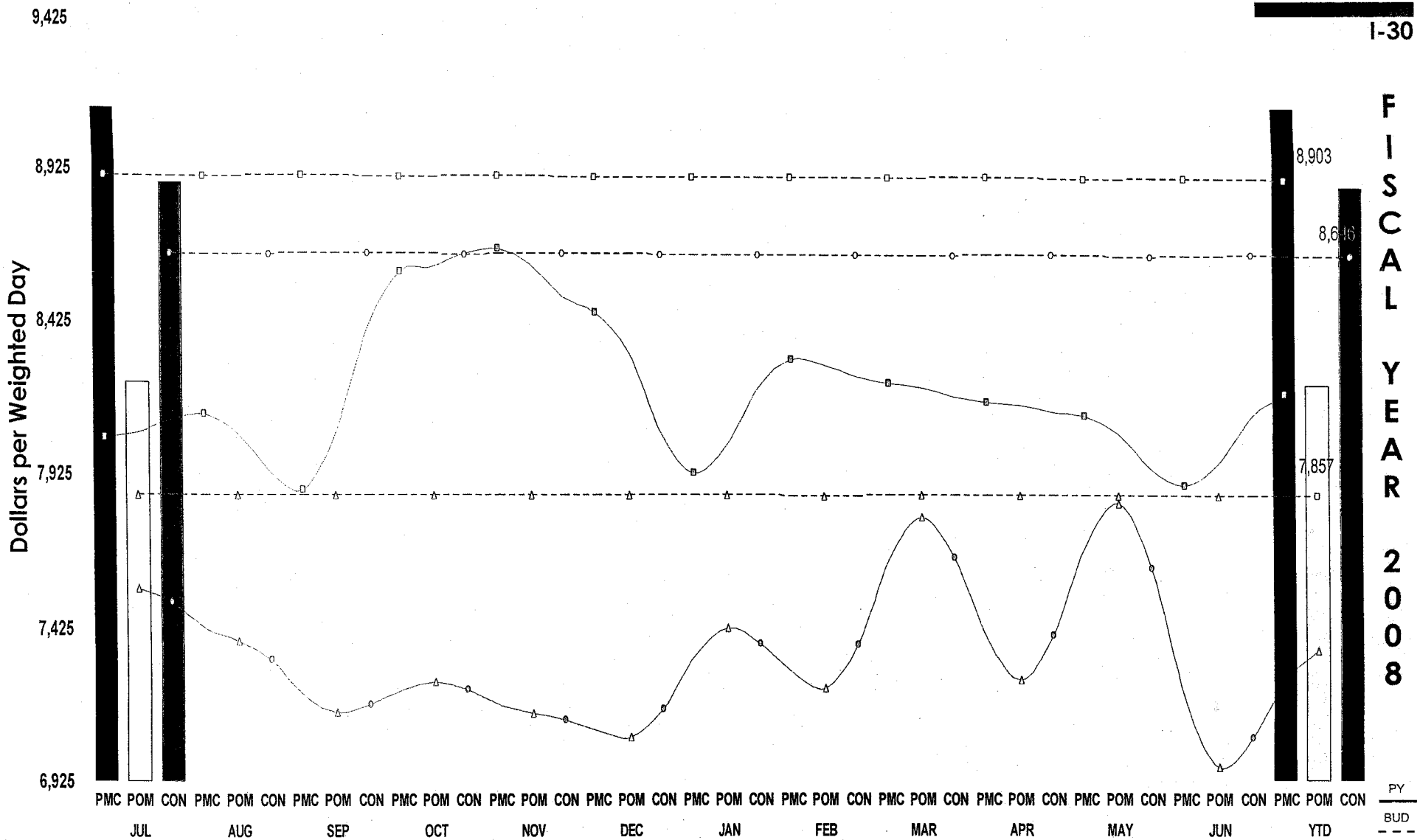
Gross Patient Revenue per Weighted Patient Days

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

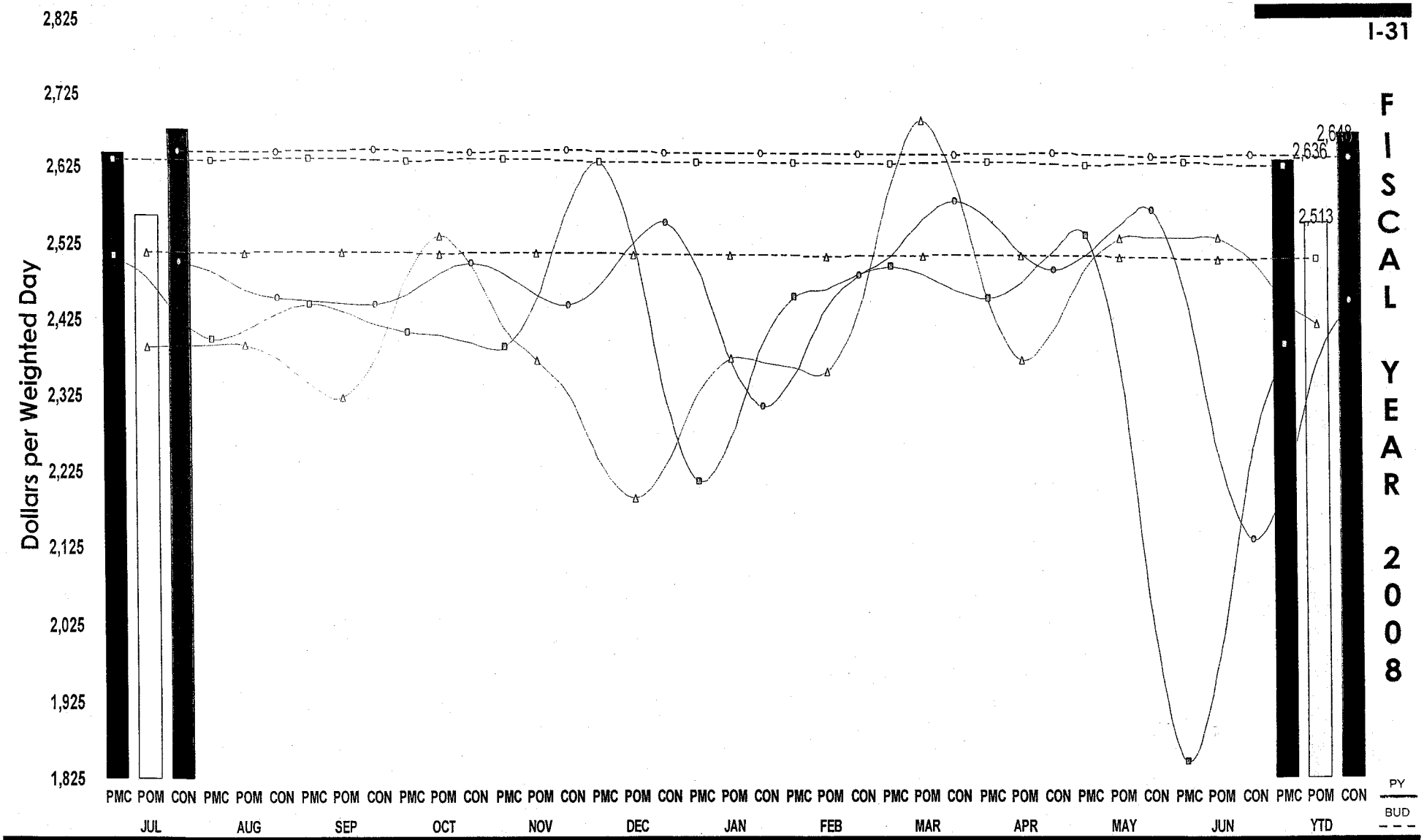
I-30



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	9,130	-	-	-	-	-	-	-	-	-	-	-	9,130	8,903
POM	8,222	-	-	-	-	-	-	-	-	-	-	-	8,222	7,857
CON	8,880	-	-	-	-	-	-	-	-	-	-	-	8,880	8,646

Net Patient Revenue per Weighted Patient Days

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

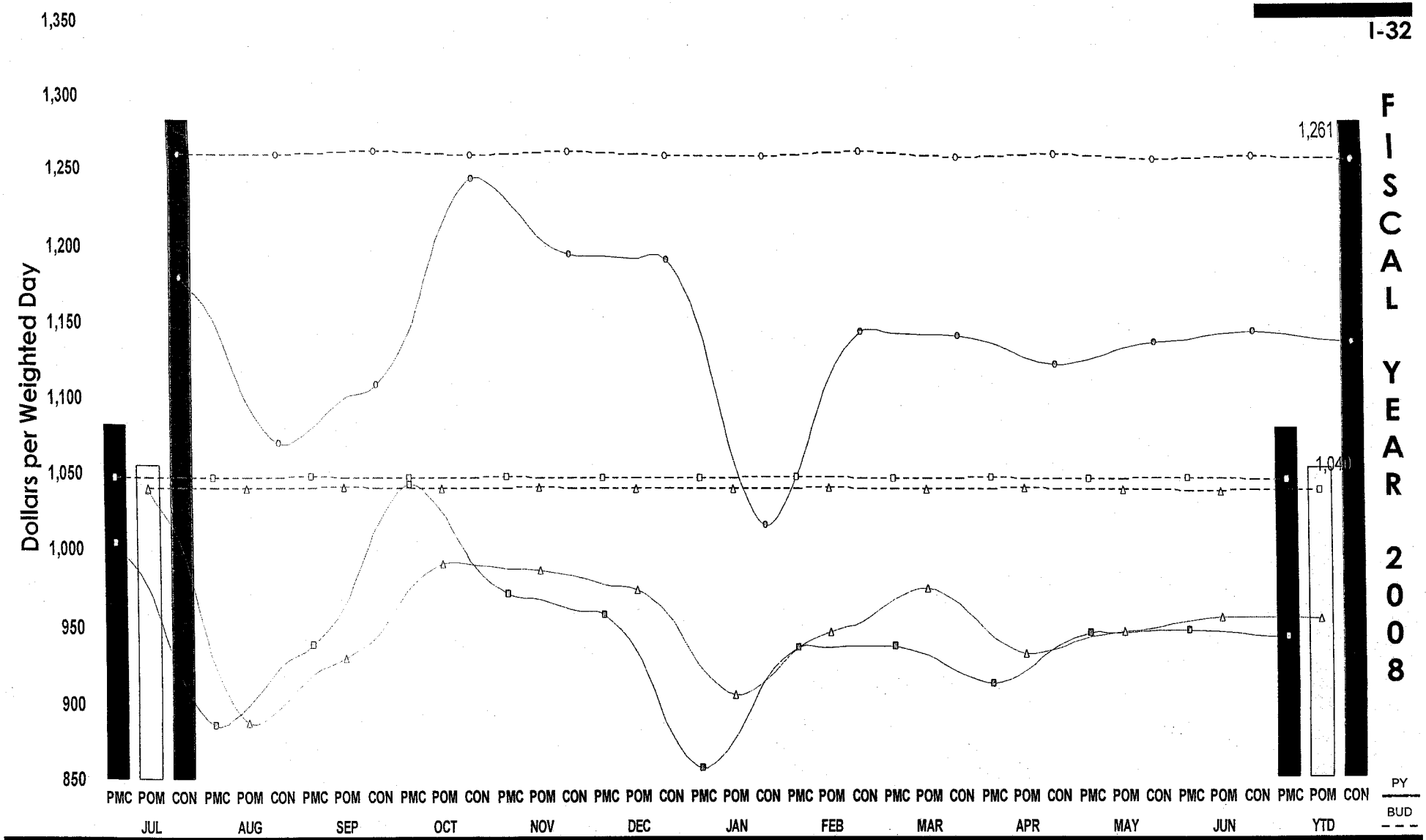


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	2,644	-	-	-	-	-	-	-	-	-	-	-	2,644	2,636
POM	2,562	-	-	-	-	-	-	-	-	-	-	-	2,562	2,513
CON	2,678	-	-	-	-	-	-	-	-	-	-	-	2,678	2,648

Salaries per Weighted Patient Days

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

I-32

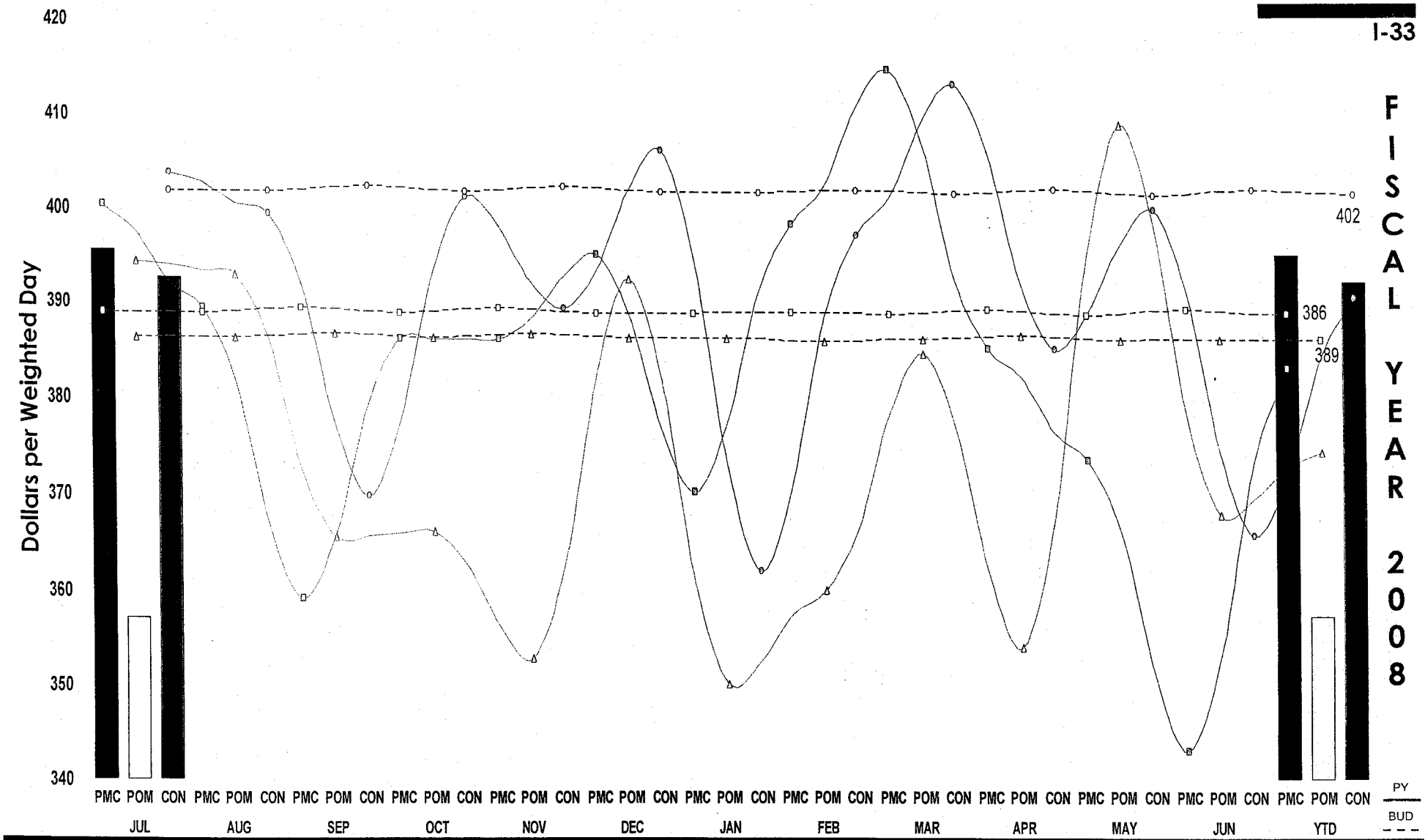


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	1,082	-	-	-	-	-	-	-	-	-	-	-	1,082	1,047
POM	1,056	-	-	-	-	-	-	-	-	-	-	-	1,056	1,040
CON	1,284	-	-	-	-	-	-	-	-	-	-	-	1,284	1,261

16

Supplies per Weighted Patient Days

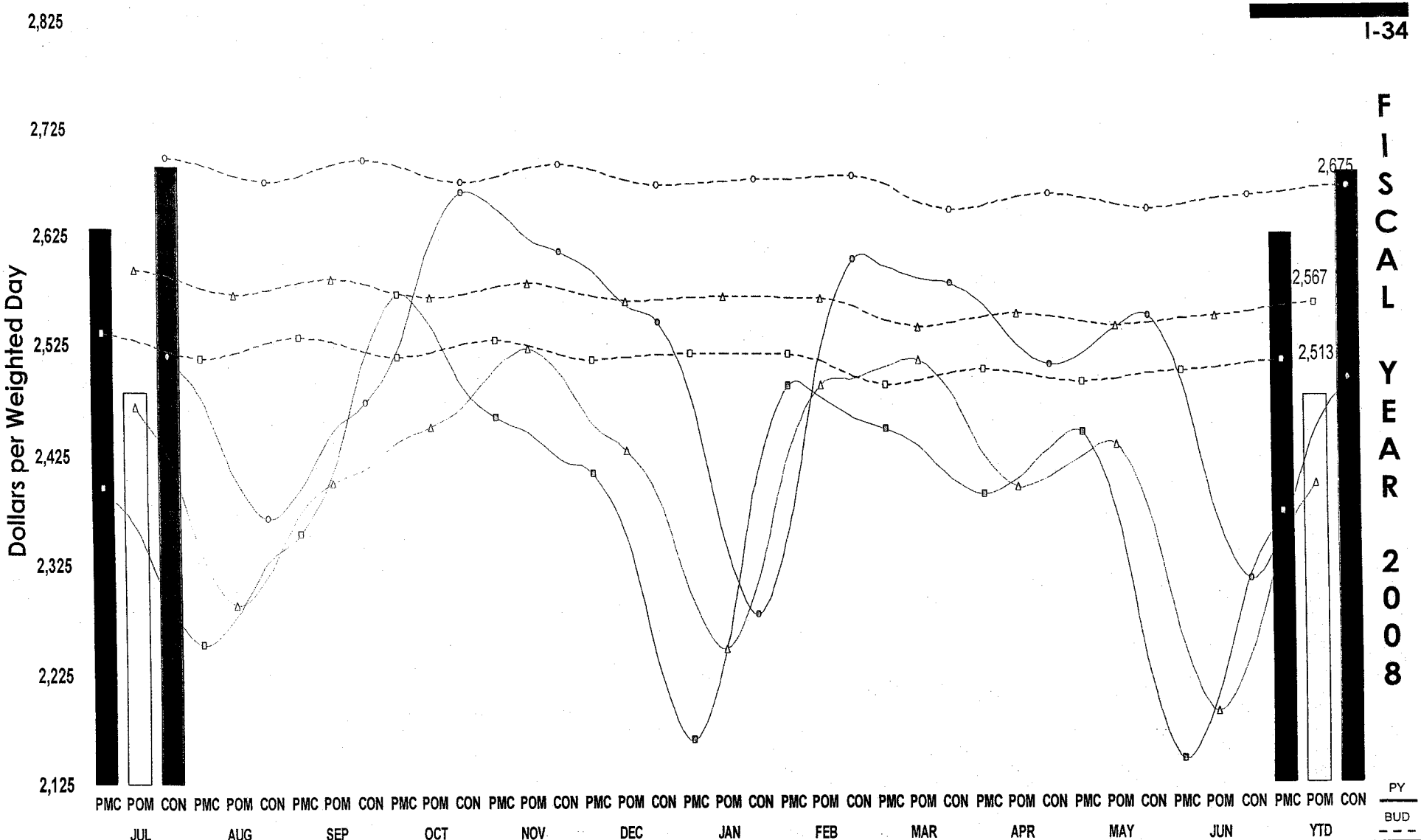
PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	396	-	-	-	-	-	-	-	-	-	-	-	396	389
POM	357	-	-	-	-	-	-	-	-	-	-	-	357	386
CON	393	-	-	-	-	-	-	-	-	-	-	-	393	402

Total Expenses per Weighted Patient Days

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



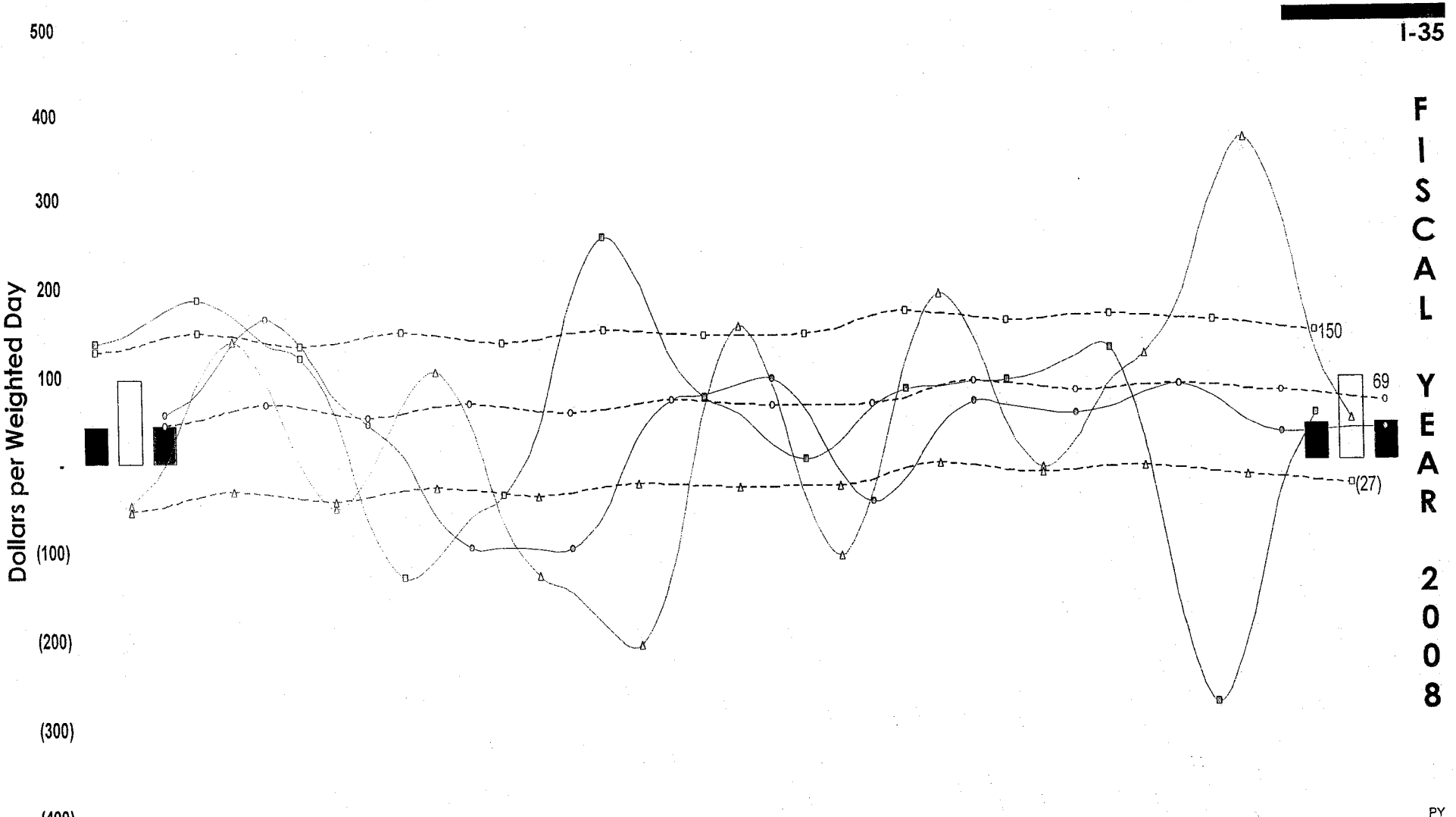
	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	2,632	-	-	-	-	-	-	-	-	-	-	-	2,632	2,535
POM	2,482	-	-	-	-	-	-	-	-	-	-	-	2,482	2,594
CON	2,689	-	-	-	-	-	-	-	-	-	-	-	2,689	2,698

IC

Net Operating Income per Weighted Patient Days

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

I-35

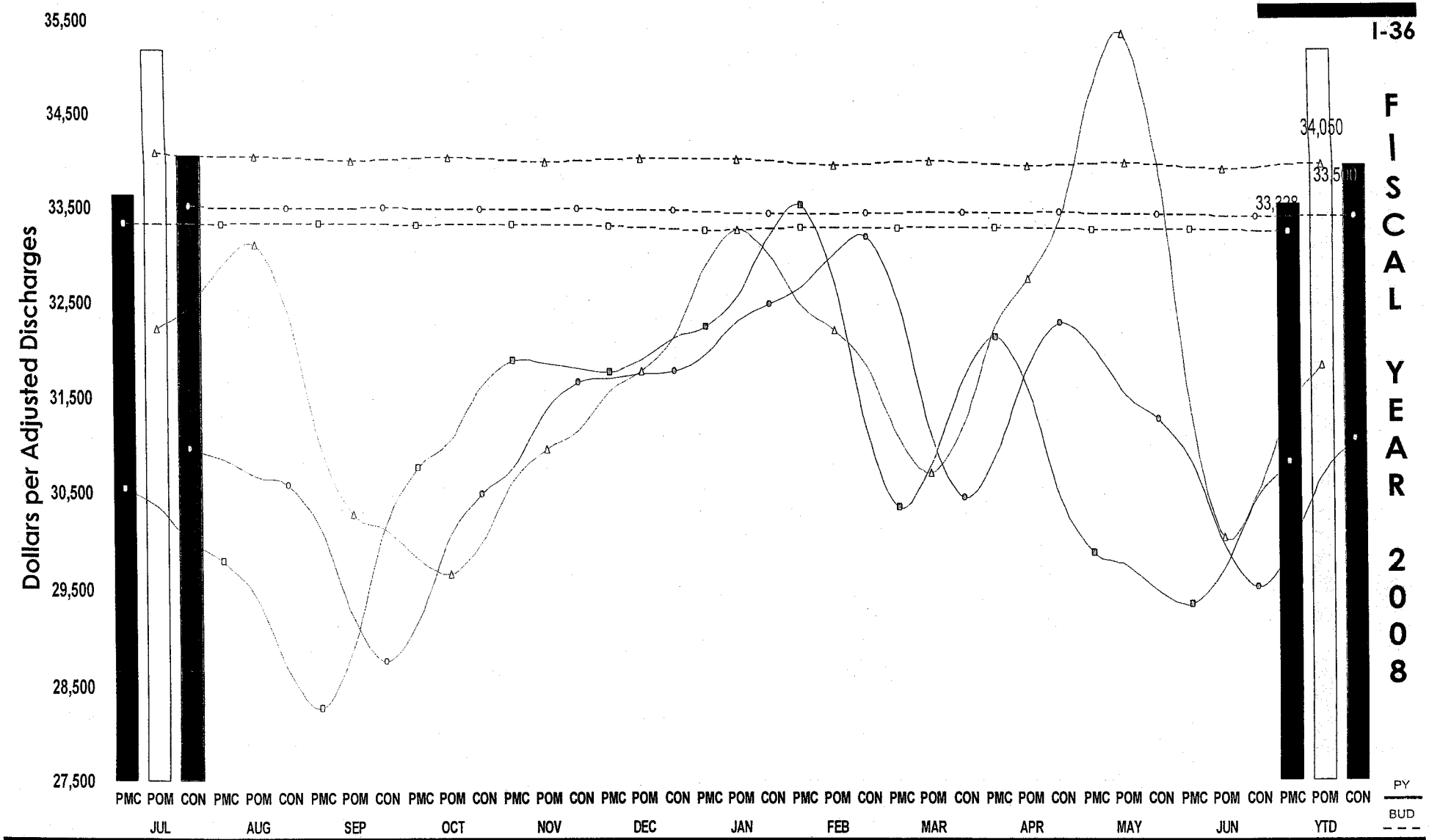


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	43	-	-	-	-	-	-	-	-	-	-	-	43	127
POM	96	-	-	-	-	-	-	-	-	-	-	-	96	(55)
CON	45	-	-	-	-	-	-	-	-	-	-	-	45	44

Gross Patient Revenue per Adjusted Discharges

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

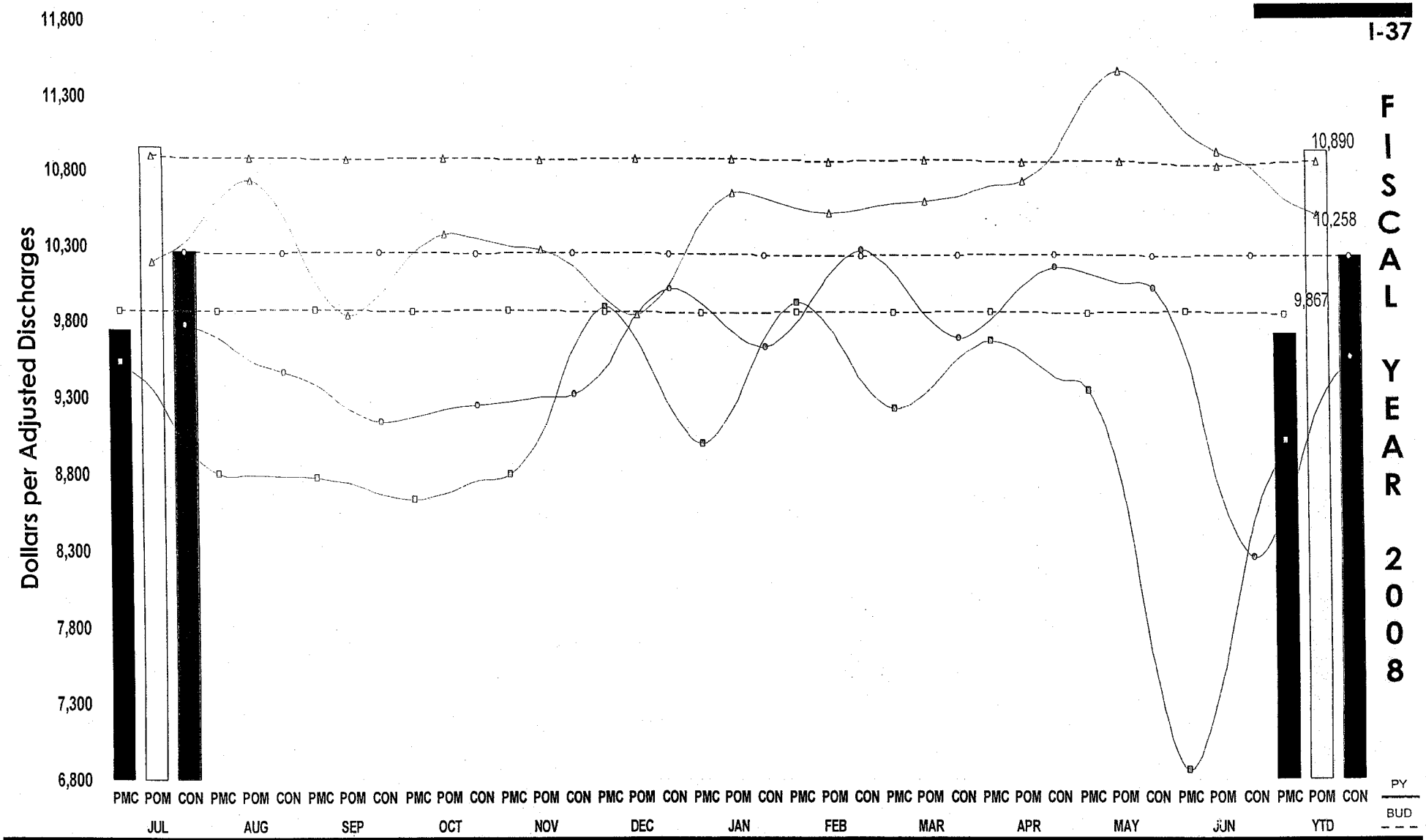
I-36



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	33,628	-	-	-	-	-	-	-	-	-	-	-	33,628	33,329
POM	35,188	-	-	-	-	-	-	-	-	-	-	-	35,188	34,073
CON	34,046	-	-	-	-	-	-	-	-	-	-	-	34,046	33,504

Net Patient Revenue per Adjusted Discharges

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

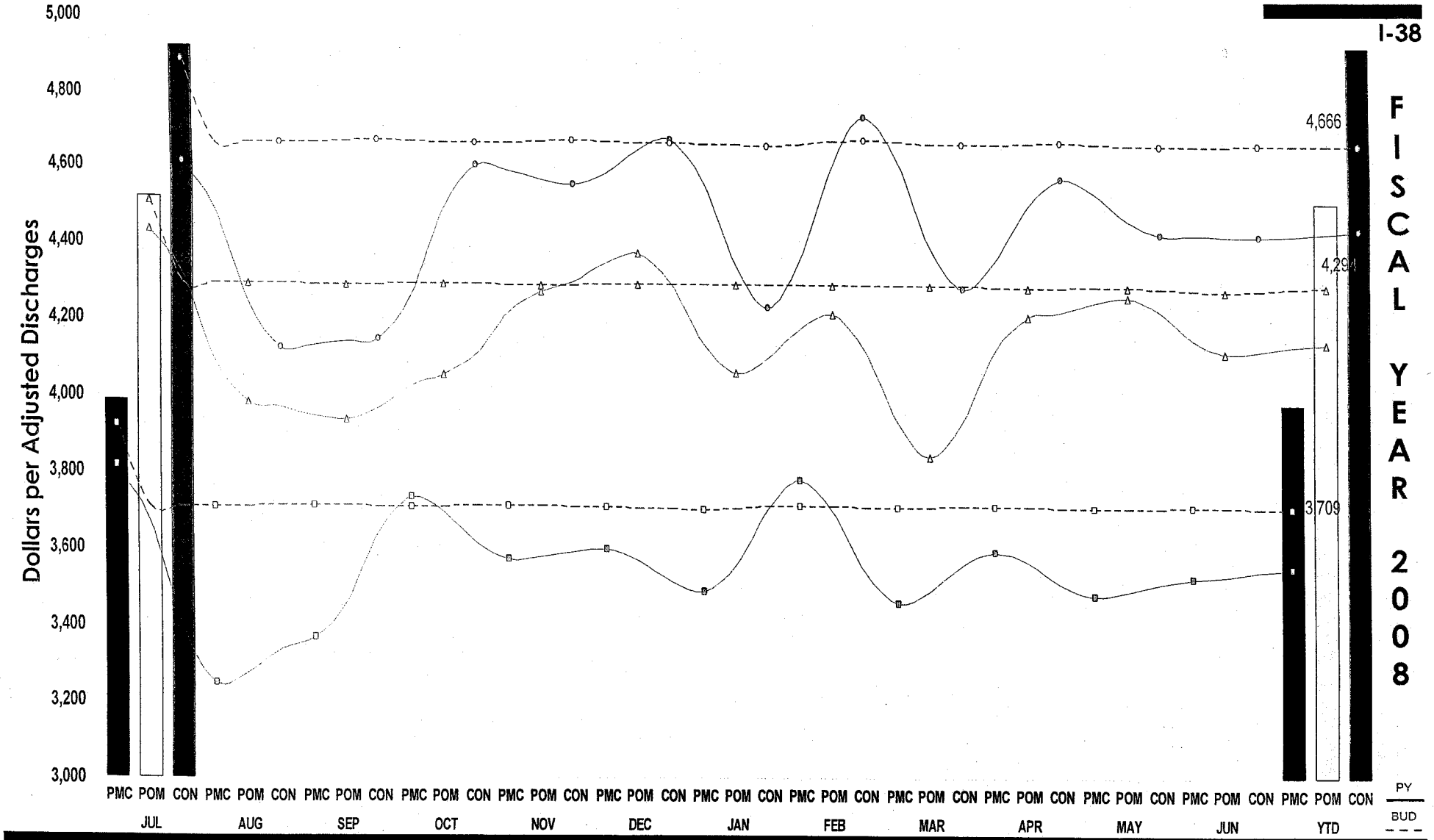


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	9,737	-	-	-	-	-	-	-	-	-	-	-	9,737	9,866
POM	10,963	-	-	-	-	-	-	-	-	-	-	-	10,963	10,898
CON	10,266	-	-	-	-	-	-	-	-	-	-	-	10,266	10,258

Salaries per Adjusted Discharges

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

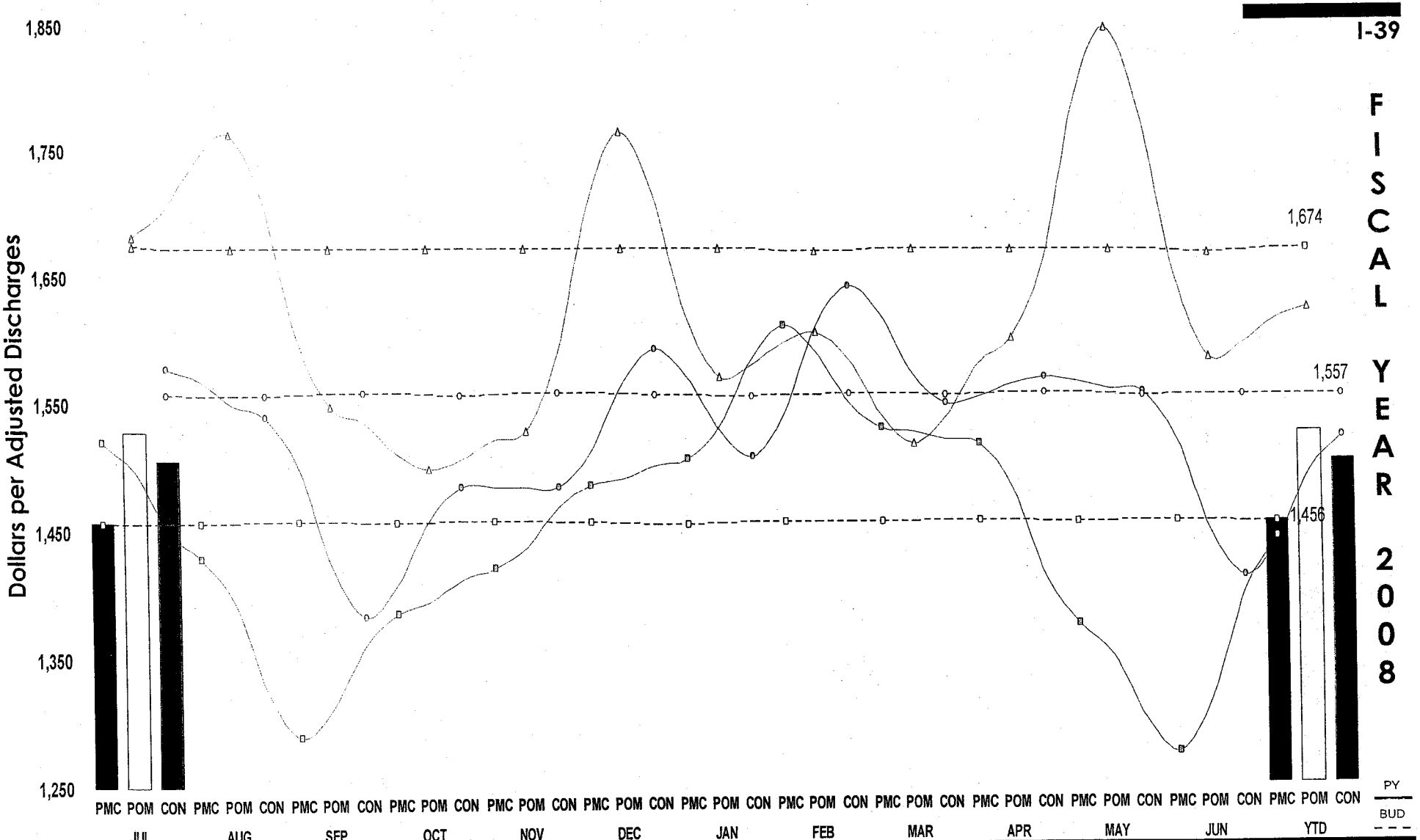
I-38



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	3,984	-	-	-	-	-	-	-	-	-	-	-	3,984	3,918
POM	4,518	-	-	-	-	-	-	-	-	-	-	-	4,518	4,508
CON	4,922	-	-	-	-	-	-	-	-	-	-	-	4,922	4,883

Supplies per Adjusted Discharges

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

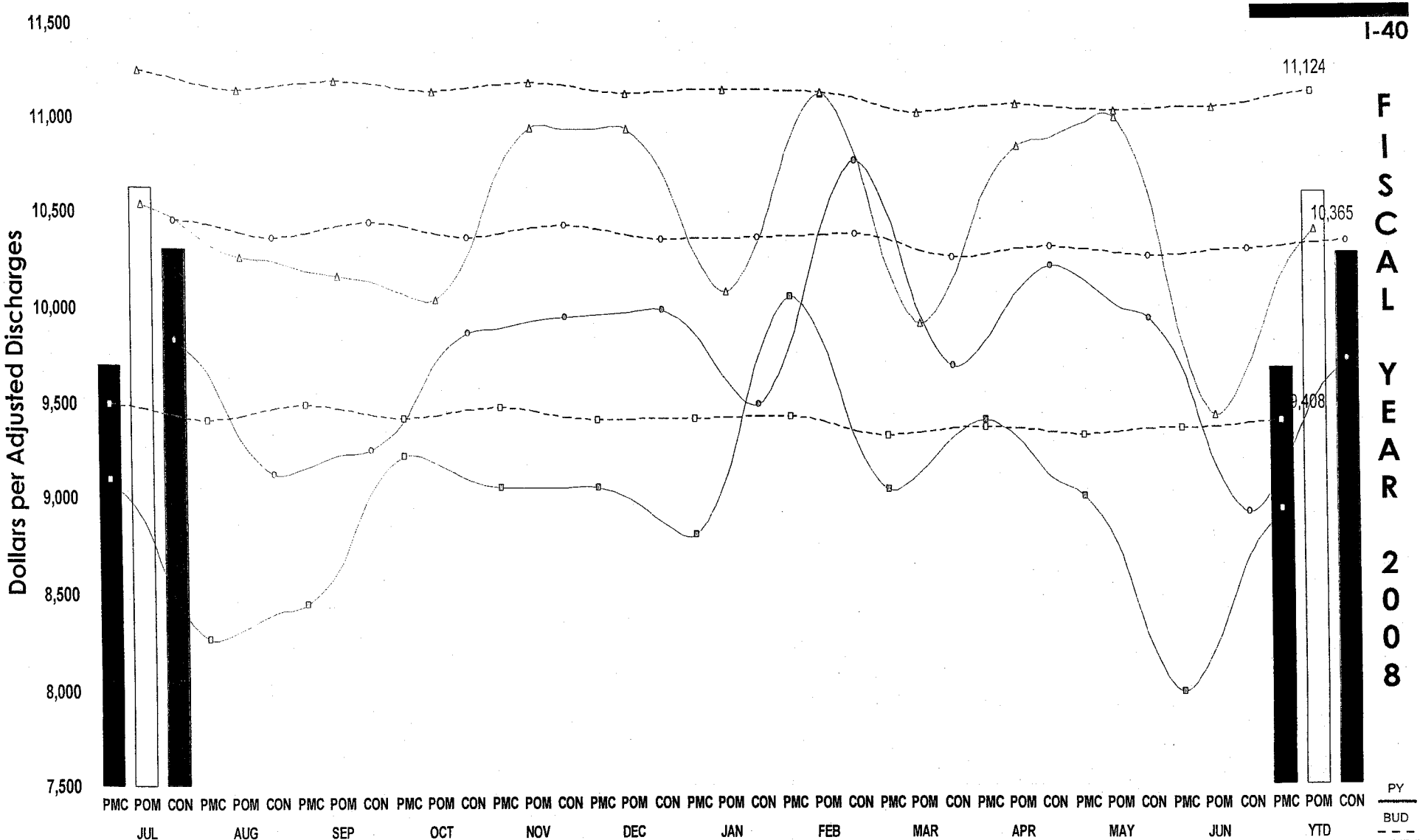


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	1,457	-	-	-	-	-	-	-	-	-	-	-	1,457	1,456
POM	1,528	-	-	-	-	-	-	-	-	-	-	-	1,528	1,675
CON	1,506	-	-	-	-	-	-	-	-	-	-	-	1,506	1,557

Total Expenses per Adjusted Discharges

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

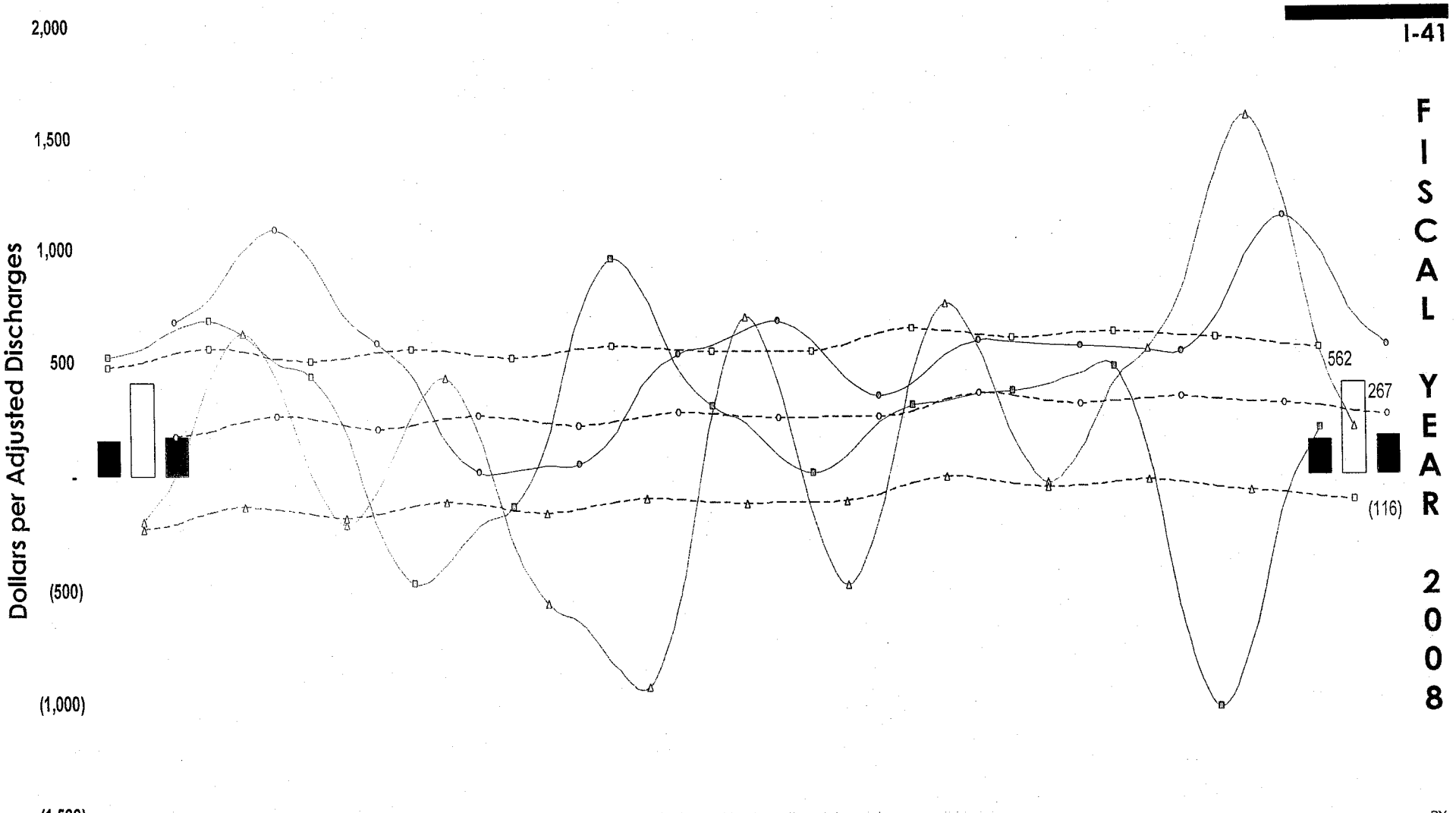
I-40



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	9,693	-	-	-	-	-	-	-	-	-	-	-	9,693	9,492
POM	10,622	-	-	-	-	-	-	-	-	-	-	-	10,622	11,250
CON	10,309	-	-	-	-	-	-	-	-	-	-	-	10,309	10,455

Net Operating Income per Adjusted Discharges

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD	Bud YTD
PMC	158	-	-	-	-	-	-	-	-	-	-	-	158	475
POM	411	-	-	-	-	-	-	-	-	-	-	-	411	(236)
CON	171	-	-	-	-	-	-	-	-	-	-	-	171	171

Key Variance Explanations
July 2007

	Actual	Budget	Variance
Adjusted Discharges	**3,283**	**3,421**	**(138)**
(Contractual %)	68.79%	69.48%	
Gross Patient Revenue:	**111,773,221**	**114,616,558**	**(2,843,337)**
Contractuals:	**76,887,685**	**79,630,009**	**2,742,324**
Net Capitation:	**(1,181,565)**	**107,136**	**(1,288,701)**
Retro 2006 Premium Adj and Copay Recal			1,200,000
Valuation increased by using Bill Drop date instead of Discharge Date			(1,400,000)
Valuation Recal (Jan-Jun 07)			(1,480,000)
OON expense decreased by Cap loss			730,000
Reversal of IBNR over D&T max			(450,000)
Other Operating Revenue:	**701,388**	**1,258,134**	**(556,746)**
PPH Foundation			(294,835)
PPNC Health Development			(116,864)
Welcome Home Baby			(93,195)
Home Health Outreach			(31,562)
Salaries & Wages:	**15,337,320**	**15,955,133**	**617,813**
Volume variance			643,615
Productivity			(25,802)
Benefits:	**4,208,437**	**4,212,966**	**4,529**
Health and Dental			(123,842)
FICA			(58,017)
Worker's Compensation			(16,238)
Pension			84,461
Other Benefits			117,388
Contract Labor:	**821,349**	**750,839**	**(70,510)**

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Key Variance Explanations
July 2007 (cont'd)

	Actual	Budget	Variance
Professional Fees:	**1,993,996**	**2,883,882**	**889,886**
Physician Income Guarantees Not Realized			253,496
Design/Facility Consulting Fees			241,000
Revenue Cycle Mgmt Jacobus Consulting Fees			183,286
WHB Other Pro Fees (for First Five Commission Subcontractors)			67,599
IT Consulting			58,287
Supplies:	**4,942,769**	**5,326,861**	**384,092**
Rate variance			214,881
Volume variance			169,211
Purchased Services:	**2,297,560**	**2,643,404**	**345,844**
Repairs & maintenance			(178,521)
Contracting-Triage			(63,352)
Other			587,717
Depreciation:	**1,787,630**	**1,774,857**	**(12,773)**
Other Direct Expenses:	**2,455,357**	**2,217,336**	**(238,021)**
Insurance (malpractice)			(600,000)
PPH Foundation			261,551
Other			100,428
Net Income From Operations	**560,941**	**586,542**	**(25,601)**

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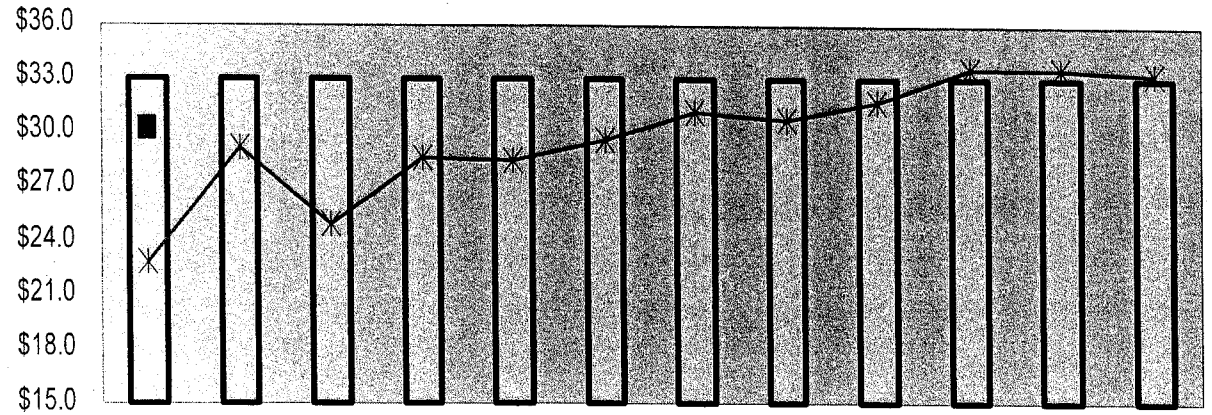
PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

PBS Monthly Collections
in Millions



	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March	April	May	June
FY08 Goal	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1	$33.1
Pr. Yr Actual	$22.8	$29.1	$24.9	$28.6	$28.5	$29.7	$31.1	$30.8	$31.7	$33.6	$33.6	$33.3
Curr. Yr Actual	$30.2											

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health
Consolidated Balance Sheet
As of July 31, 2007

	Current Month	Prior Month	Prior Fiscal Year End
Assets			
Current Assets			
Cash on Hand	$7,718,264	$5,261,349	$5,261,349
Cash Marketable Securities	68,153,794	125,846,582	125,846,582
Total Cash & Cash Equivalents	75,872,058	131,107,931	131,107,931
Patient Accounts Receivable	180,505,171	160,552,740	160,552,740
Allowance on Accounts	-92,564,648	-75,255,899	-75,255,899
Net Accounts Receivable	87,940,523	85,296,841	85,296,841
Inventories	7,096,351	7,041,272	7,041,272
Prepaid Expenses	3,123,868	2,071,008	2,071,008
Other	19,897,063	4,959,948	4,959,948
Total Current Assets	193,929,863	230,477,000	230,477,000
Non-Current Assets			
Restricted Assets	182,053,867	181,107,440	181,107,440
Restricted by Donor	296,184	296,184	296,184
Board Designated	28,952,972	-17,999,058	-17,999,058
Total Restricted Assets	211,303,023	163,404,566	163,404,566
Property Plant & Equipment	372,297,900	373,271,092	373,271,092
Accumulated Depreciation	-224,076,752	-222,304,232	-222,304,232
Construction in Process	128,482,248	121,922,826	121,922,826
Net Property Plant & Equipment	276,703,396	272,889,686	272,889,686
Investment in Related Companies	1,795,017	1,790,449	1,790,449
Deferred Financing Costs	4,842,781	4,877,002	4,877,002
Other Non-Current Assets	3,255,281	3,255,281	3,255,281
Total Non-Current Assets	497,899,498	446,216,984	446,216,984
Total Assets	$691,829,361	$676,693,984	$676,693,984

	Current Month	Prior Month	Prior Fiscal Year End
Liabilities			
Current Liabilities			
Accounts Payable	$30,178,435	$31,565,407	$31,565,407
Accrued Payroll	14,719,107	15,324,611	15,324,611
Accrued PTO	12,470,515	12,638,138	12,638,138
Accrued Interest Payable	2,292,550	1,906,574	1,906,574
Current Portion of Bonds	13,220,000	13,220,000	13,220,000
Est Third Party Settlements	53,461	-1,584,197	-1,584,197
Other Current Liabilities	23,071,607	10,609,707	10,609,707
Total Current Liabilities	96,005,675	83,680,240	83,680,240
Long Term Liabilities			
Bonds & Contracts Payable	294,741,869	294,723,824	294,723,824
General Fund Balance			
Unrestricted	271,832,674	315,992,799	315,992,799
Restricted for Other Purpose	296,184	296,184	296,184
Board Designated	28,952,972	-17,999,058	-17,999,058
Total Fund Balance	301,081,830	298,289,925	298,289,925
Total Liabilities / Fund Balance	$691,829,361	$676,693,984	$676,693,984

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

PALOMAR POMERADO HEALTH
CONSOLIDATED
JULY 2007

	Actual	Budget	Variance	Variance Volume	Variance Rate/Eff	$/Wtg Pt Day Actual	$/Wtg Pt Day Budget	$/Wtg Pt Day Variance
Statistics:								
Admissions - Acute	2,378	2,526	(148)					
Admissions - SNF	98	97	1					
Patient Days - Acute	9,000	9,666	(666)					
Patient Days - SNF	6,453	6,546	(93)					
ALOS - Acute	3.77	3.83	(0.06)					
ALOS - SNF	74.17	68.19	5.98					
Weighted Patients Days	12,587	13,258	(671)					
Revenue:								
Gross Revenue	$ 111,773,221	$ 114,616,558	$ (2,843,337) U	$ (5,800,853)	$ 2,957,516	$ 8,880.05	$ 8,645.09	$ 234.97
Deductions from Rev	(78,069,250)	(79,522,873)	1,453,623 F	4,024,728	(2,571,105)	(6,202.37)	(5,998.10)	(204.27)
Net Patient Revenue	33,703,971	35,093,685	(1,389,714) U	(1,776,125)	386,411	2,677.68	2,646.98	30.70
Other Oper Revenue	701,388	1,258,134	(556,746) U	(63,675)	(493,071)	55.72	94.90	(39.17)
Total Net Revenue	34,405,359	36,351,819	(1,946,460) U	(1,839,800)	(106,660)	2,733.40	2,741.88	(8.47)
Expenses:								
Salaries, Wages & Contr Labor	16,158,669	16,705,972	547,303 F	845,505	(298,202)	1,283.76	1,260.07	(23.69)
Benefits	4,208,437	4,212,966	4,529 F	213,222	(208,693)	334.35	317.77	(16.58)
Supplies	4,942,769	5,326,861	384,092 F	269,598	114,494	392.69	401.78	9.10
Prof Fees & Purch Svc	4,291,556	5,527,286	1,235,730 F	279,741	955,989	340.95	416.90	75.95
Depreciation	1,787,630	1,774,857	(12,773) U	89,827	(102,600)	142.02	133.87	(8.15)
Other	2,455,357	2,216,811	(238,546) U	112,195	(350,741)	195.07	167.21	(27.87)
Total Expenses	33,844,418	35,765,277	1,920,858 F	1,810,115	110,744	2,688.84	2,697.64	8.80
Net Inc Before Non-Oper Income	560,941	586,542	(25,602) U	(29,685)	4,084	44.57	44.24	0.32
Property Tax Revenue	1,125,000	1,125,000	- -	(56,937)	56,937	89.38	84.85	4.52
Non-Operating Income	331,466	66,318	265,148 F	(3,356)	268,504	26.33	5.00	21.33
Net Income (Loss)	$ 2,017,407	$ 1,777,860	$ 239,546 F	$ (89,979)	$ 329,526	$ 160.28	$ 134.10	$ 26.18
Net Income Margin	5.8%	4.7%	1.1%					
OEBITDA Margin w/o Prop Tax	6.8%	6.2%	0.6%					
OEBITDA Margin with Prop Tax	10.1%	9.1%	1.0%					

F= Favorable variance
U= Unfavorable variance

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

PALOMAR POMERADO HEALTH
CONSOLIDATED
JULY 2007

	Actual	Budget	Variance		Variance Volume	Variance Rate/Eff	$/Wtg Pt Day Actual	$/Wtg Pt Day Budget	$/Wtg Pt Day Variance
Statistics:									
Admissions - Acute	2,378	2,526	(148)						
Admissions - SNF	98	97	1						
Patient Days - Acute	9,000	9,666	(666)						
Patient Days - SNF	6,453	6,546	(93)						
ALOS - Acute	3.77	3.83	(0.06)						
ALOS - SNF	74.17	68.19	5.98						
Adjusted Discharges	3,283	3,421	(138)						
Revenue:									
Gross Revenue	$ 111,773,221	$ 114,616,558	$ (2,843,337)	U	$ (4,623,527)	$ 1,780,190	$34,046.06	$ 33,503.82	$ 542.24
Deductions from Rev	(78,069,250)	(79,522,873)	1,453,623	F	3,207,880	(1,754,257)	(23,779.85)	(23,245.51)	(534.35)
Net Patient Revenue	33,703,971	35,093,685	(1,389,714)	U	(1,415,647)	25,933	10,266.21	10,258.31	7.90
Other Oper Revenue	701,388	1,258,134	(556,746)	U	(50,752)	(505,994)	213.64	367.77	(154.13)
Total Net Revenue	34,405,359	36,351,819	(1,946,460)	U	(1,466,399)	(480,061)	10,479.85	10,626.08	(146.23)
Expenses:									
Salaries, Wages & Contr Labor	16,158,669	16,705,972	547,303	F	673,904	(126,601)	4,921.92	4,883.36	(38.56)
Benefits	4,208,437	4,212,966	4,529	F	169,947	(165,418)	1,281.89	1,231.50	(50.39)
Supplies	4,942,769	5,326,861	384,092	F	214,881	169,211	1,505.56	1,557.11	51.54
Prof Fees & Purch Svc	4,291,556	5,527,286	1,235,730	F	222,966	1,012,764	1,307.21	1,615.69	308.49
Depreciation	1,787,630	1,774,857	(12,773)	U	71,596	(84,369)	544.51	518.81	(25.70)
Other	2,455,357	2,216,811	(238,546)	U	89,424	(327,970)	747.90	648.00	(99.90)
Total Expenses	33,844,418	35,765,277	1,920,858	F	1,442,738	478,121	10,308.99	10,454.63	145.64
Net Inc Before Non-Oper Income	560,941	586,542	(25,602)	U	(23,661)	(1,940)	170.86	171.45	(0.59)
Property Tax Revenue	1,125,000	1,125,000	-	-	(45,381)	45,381	342.67	328.85	13.82
Non-Operating Income	331,466	66,318	265,148	F	(2,675)	267,823	100.96	19.39	81.58
Net Income (Loss)	$ 2,017,407	$ 1,777,860	$ 239,546	F	$ (71,717)	$ 311,264	$ 614.50	$ 519.69	$ 94.81
Net Income Margin	5.8%	4.7%	1.1%						
OEBITDA Margin w/o Prop Tax	6.8%	6.2%	0.6%						
OEBITDA Margin with Prop Tax	10.1%	9.1%	1.0%						

F= Favorable variance
U= Unfavorable variance

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

PALOMAR POMERADO HEALTH
CONSOLIDATED
July 2007 vs. July 2006

	July 07	July 06	Variance	Variance Volume	Variance Rate/Eff	$/Wtg Pt Day Actual	$/Wtg Pt Day Budget	$/Wtg Pt Day Variance
Statistics:								
Admissions - Acute	2,378	2,402	(24)					
Admissions - SNF	98	104	(6)					
Patient Days - Acute	9,000	9,180	(180)					
Patient Days - SNF	6,453	6,635	(182)					
ALOS - Acute	3.77	3.86	(0.09)					
ALOS - SNF	74.17	72.12	2.05					
Weighted Pt Days	12,587	12,517	70					
Revenue:								
Gross Revenue	$ 111,773,221	$ 99,141,914	$ 12,631,307 F	$ 554,441	$ 12,076,866	$ 8,880.05	$ 7,920.58	$ 959.47
Deductions from Rev	(78,069,250)	(67,846,129)	(10,223,121) U	(379,422)	(9,843,699)	(6,202.37)	(5,420.32)	(782.05)
Net Patient Revenue	33,703,971	31,295,785	2,408,186 F	175,018	2,233,168	2,677.68	2,500.26	177.42
Other Oper Revenue	701,388	872,741	(171,353) U	4,881	(176,234)	55.72	69.72	(14.00)
Total Net Revenue	34,405,359	32,168,526	2,236,833 F	179,899	2,056,934	2,733.40	2,569.99	163.42
Expenses:								
Salaries, Wages & Contr Labor	16,158,669	15,474,327	(684,342) U	(86,539)	(597,803)	1,283.76	1,236.26	(47.49)
Benefits	4,208,437	3,710,570	(497,867) U	(20,751)	(477,116)	334.35	296.44	(37.91)
Supplies	4,942,769	5,053,134	110,365 F	(28,259)	138,624	392.69	403.70	11.01
Prof Fees & Purch Svc	4,291,556	3,957,884	(333,672) U	(22,134)	(311,538)	340.95	316.20	(24.75)
Depreciation	1,787,630	1,647,189	(140,441) U	(9,212)	(131,229)	142.02	131.60	(10.43)
Other	2,455,357	1,626,284	(829,073) U	(9,095)	(819,978)	195.07	129.93	(65.14)
Total Expenses	33,844,418	31,469,388	(2,375,030) U	(175,989)	(2,199,041)	2,688.84	2,514.13	(174.71)
Net Inc Before Non-Oper Income	560,941	699,138	(138,197) U	3,910	(142,107)	44.57	55.86	(11.29)
Property Tax Revenue	1,125,000	1,054,166	70,834 F	5,895	64,939	89.38	84.22	5.16
Non-Operating Income	331,466	427,875	(96,409) U	2,393	(98,802)	26.33	34.18	(7.85)
Net Income (Loss)	$ 2,017,407	$ 2,181,179	$ (163,772) U	$ 12,198	$ (175,970)	$ 160.28	$ 174.26	$ (13.98)
Net Income Margin	5.8%	6.5%	-0.7%					
OEBITDA Margin w/o Prop Tax	6.8%	6.9%	-0.1%					
OEBITDA Margin with Prop Tax	10.1%	10.1%	0.0%					

F= Favorable variance
U= Unfavorable variance

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

PALOMAR POMERADO HEALTH
CONSOLIDATED
July 2007 vs. July 2006

	July 07	July 06	Variance	Variance Volume	Variance Rate/Eff	$/Wtg Pt Day Actual	$/Wtg Pt Day Budget	$/Wtg Pt Day Variance
Statistics:								
Admissions - Acute	2,378	2,402	(24)					
Admissions - SNF	98	104	(6)					
Patient Days - Acute	9,000	9,180	(180)					
Patient Days - SNF	6,453	6,635	(182)					
ALOS - Acute	3.77	3.86	(0.09)					
ALOS - SNF	74.17	72.12	2.05					
Adjusted Discharges	3,283	3,202	81					
Revenue:								
Gross Revenue	$ 111,773,221	$ 99,141,914	$ 12,631,307 F	$ 2,507,962	$ 10,123,345	$34,046.06	$ 30,962.50	$ 3,083.57
Deductions from Rev	(78,069,250)	(67,846,129)	(10,223,121) U	(1,716,282)	(8,506,839)	(23,779.85)	(21,188.67)	(2,591.18)
Net Patient Revenue	33,703,971	31,295,785	2,408,186 F	791,680	1,616,506	10,266.21	9,773.82	492.39
Other Oper Revenue	701,388	872,741	(171,353) U	22,077	(193,430)	213.64	272.56	(58.92)
Total Net Revenue	34,405,359	32,168,526	2,236,833 F	813,757	1,423,076	10,479.85	10,046.39	433.47
Expenses:								
Salaries, Wages & Contr Labor	16,158,669	15,474,327	(684,342) U	(391,449)	(292,893)	4,921.92	4,832.71	(89.21)
Benefits	4,208,437	3,710,570	(497,867) U	(93,865)	(404,002)	1,281.89	1,158.83	(123.06)
Supplies	4,942,769	5,053,134	110,365 F	(127,828)	238,193	1,505.56	1,578.12	72.55
Prof Fees & Purch Svc	4,291,556	3,957,884	(333,672) U	(100,121)	(233,551)	1,307.21	1,236.07	(71.14)
Depreciation	1,787,630	1,647,189	(140,441) U	(41,668)	(98,773)	544.51	514.43	(30.09)
Other	2,455,357	1,626,284	(829,073) U	(41,140)	(787,933)	747.90	507.90	(240.00)
Total Expenses	33,844,418	31,469,388	(2,375,030) U	(796,071)	(1,578,959)	10,308.99	9,828.04	(480.95)
Net Inc Before Non-Oper Income	560,941	699,138	(138,197) U	17,686	(155,883)	170.86	218.34	(47.48)
Property Tax Revenue	1,125,000	1,054,166	70,834 F	26,667	44,167	342.67	329.22	13.45
Non-Operating Income	331,466	427,875	(96,409) U	10,824	(107,233)	100.96	133.63	(32.66)
Net Income (Loss)	$ 2,017,407	$ 2,181,179	$ (163,772) U	$ 55,177	$ (218,949)	$ 614.50	$ 681.19	$ (66.69)
Net Income Margin	5.8%	6.5%	-0.7%					
OEBITDA Margin w/o Prop Tax	6.8%	6.9%	-0.1%					
OEBITDA Margin with Prop Tax	10.1%	10.1%	0.0%					

F= Favorable variance
U= Unfavorable variance

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PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Statement of Cash Flows

Fiscal Year 2008	July
CASH FLOWS FROM OPERATING ACTIVITIES:	
Income (Loss from operations)	560,441
Adjustments to reconcile change in net assets to net cash provided by operating activities:	
Depreciation Expense	1,787,630
Provision for bad debts	837,390
Changes in operating assets and liabilities:	
Patient accounts receivable	(3,481,071)
Property Tax and other receivables	(15,263,032)
Inventories	(55,079)
Prepaid expenses and Other Non-Current assets	(1,057,428)
Accounts payable	(1,386,982)
Accrued comp	(773,127)
Estimated settlement amounts due third-party payors	1,637,658
Other current liabilities	13,586,900
Net cash provided by operating activities	(3,606,700)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Net (purchases) sales on investments	9,794,331
Interest (Loss) received on investments	621,603
Investment in affiliates	268,349
Net cash used in investing activities	10,684,283
CASH FLOWS FROM NON CAPITAL FINANCING ACTIVITIES:	
Receipt of G.O. Bond Taxes	107,948
Receipt of District Taxes	147,175
Net cash used in activities	255,123
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Acquisition of property plant and equipment	(4,875,791)
Proceeds from sale of asset	0
G.O. Bond Interest paid	0
Revenue Bond Interest paid	0
Proceeds from issuance of debt	0
Payments of LT Debt	0
Net cash used in activities	(4,875,791)
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	2,456,915
CASH AND CASH EQUIVALENTS - Beginning of period	5,261,349
CASH AND CASH EQUIVALENTS - End of period	7,718,264

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PALOMAR POMERADO HEALTH

SPECIALIZING IN YOU

PALOMAR POMERADO HEALTH
BOND COVENANT RATIOS

CUSHION RATIO	Jun-06	Jun-07	Jul-07
Cash and Cash Equivalents	112,036,430	131,107,931	75,872,058
Board Designated Reserves	9,267,526	(17,999,058)	28,952,972
Trustee-held Funds	12,170,183	151,337,563	152,055,656
Total	133,474,139	264,446,436	256,880,686
Divided by:			
Max Annual Debt Service (Bond Year 2008)	10,697,594	16,972,692	16,972,692
CUSHION RATIO	**12.5**	**15.6**	**15.1**
REQUIREMENT	**1.5**	**1.5**	**1.5**
	Achieved	**Achieved**	**Achieved**

DAYS CASH ON HAND	Jun-06	Jun-07	Jul-07
Cash and Cash Equivalents	112,036,430	131,107,931	75,872,058
Board Designated Reserves	9,267,526	(17,999,058)	28,952,972
Total	121,303,956	113,108,873	104,825,030
Divide Total by Average Adjusted Expenses per Day			
Total Expenses	364,120,335	388,181,714	33,844,418
Less: Depreciation	18,737,467	19,482,444	1,787,630
Adjusted Expenses	345,382,868	368,699,270	32,056,788
Number of days in period	365	365	31
Average Adjusted Expenses per Day	946,254	1,010,135	1,034,090
DAYS CASH ON HAND	**128**	**112**	**101**
REQUIREMENT	**90**	**80**	**80**
	Achieved	**Achieved**	**Achieved**

Net Income Available for Debt Service	Jun-06	Jun-07	Jul-07
Excess of revenue over expenses Cur Mo.	1,315,850	3,795,437	2,017,407
Excess of revenues over expenses YTD (General Funds)	11,558,633	22,806,500	2,017,407
ADD:			
Depreciation and Amortization	18,737,467	19,482,444	1,787,630
Interest Expense	4,405,929	3,441,118	399,083
Net Income Available for Debt Service	34,702,029	45,730,062	4,204,120
Aggregate Debt Service			
1993 Insured Refunding Revenue Bonds	3,639,772	0	0
1999 Insured Refunding Revenue Bonds	6,950,508	8,249,916	687,574
2006 Certificates of Participation		4,373,342	624,763
Aggregate Debt Service	10,590,280	12,623,258	1,312,337
Net Income Available for Debt Service	**3.28**	**3.62**	**3.20**
Required Coverage	**1.15**	**1.15**	**1.15**
	Achieved	**Achieved**	**Achieved**

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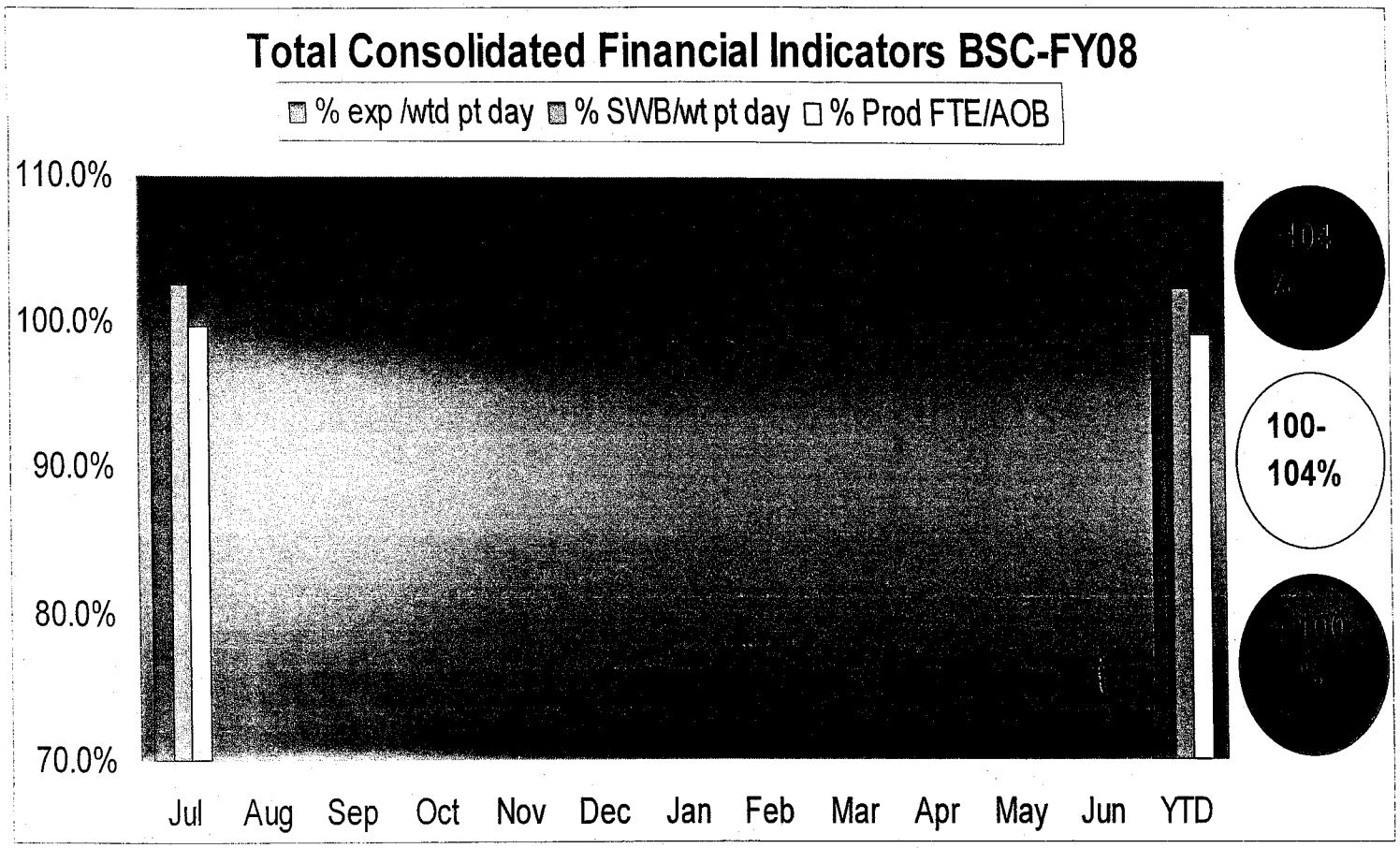

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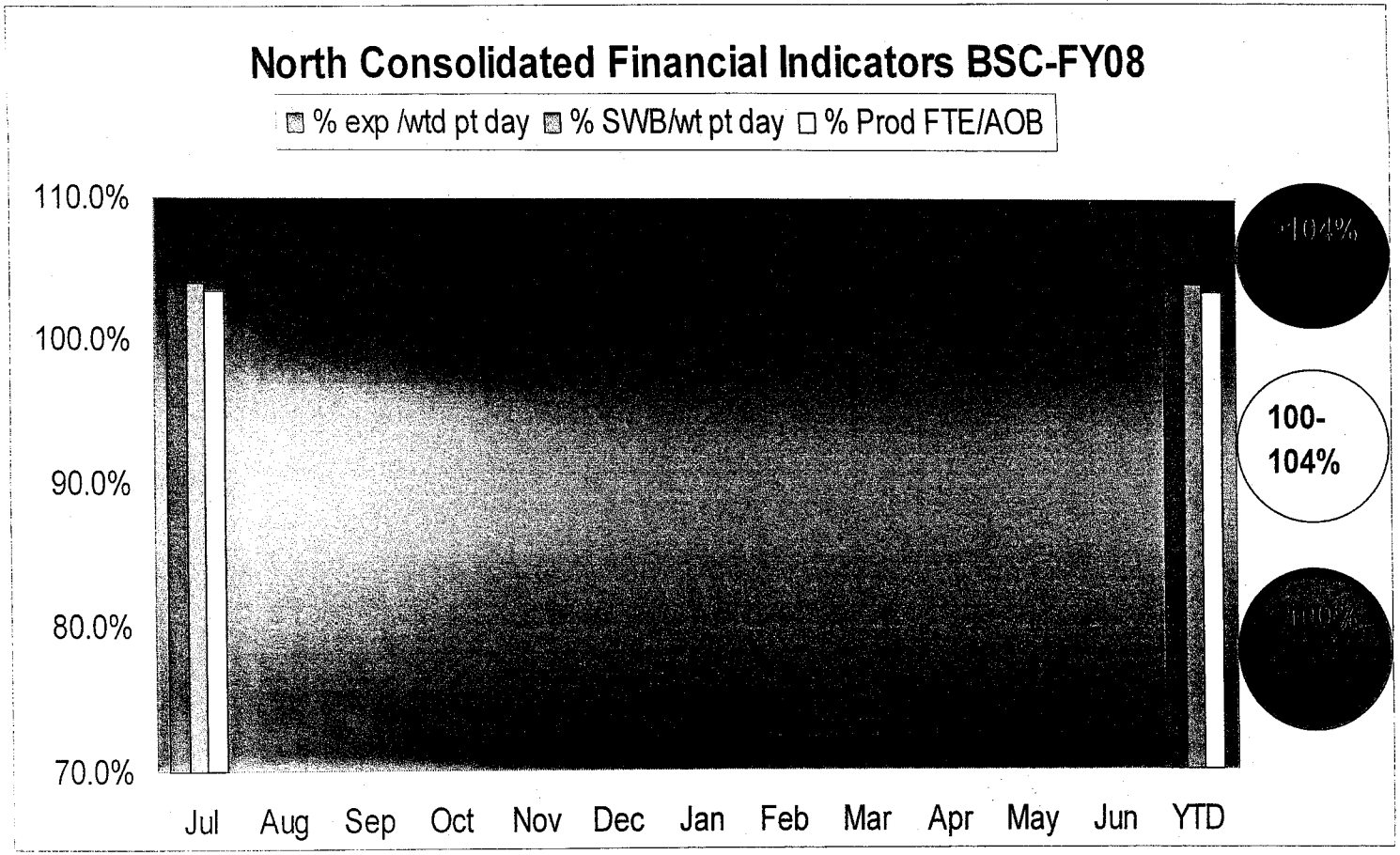

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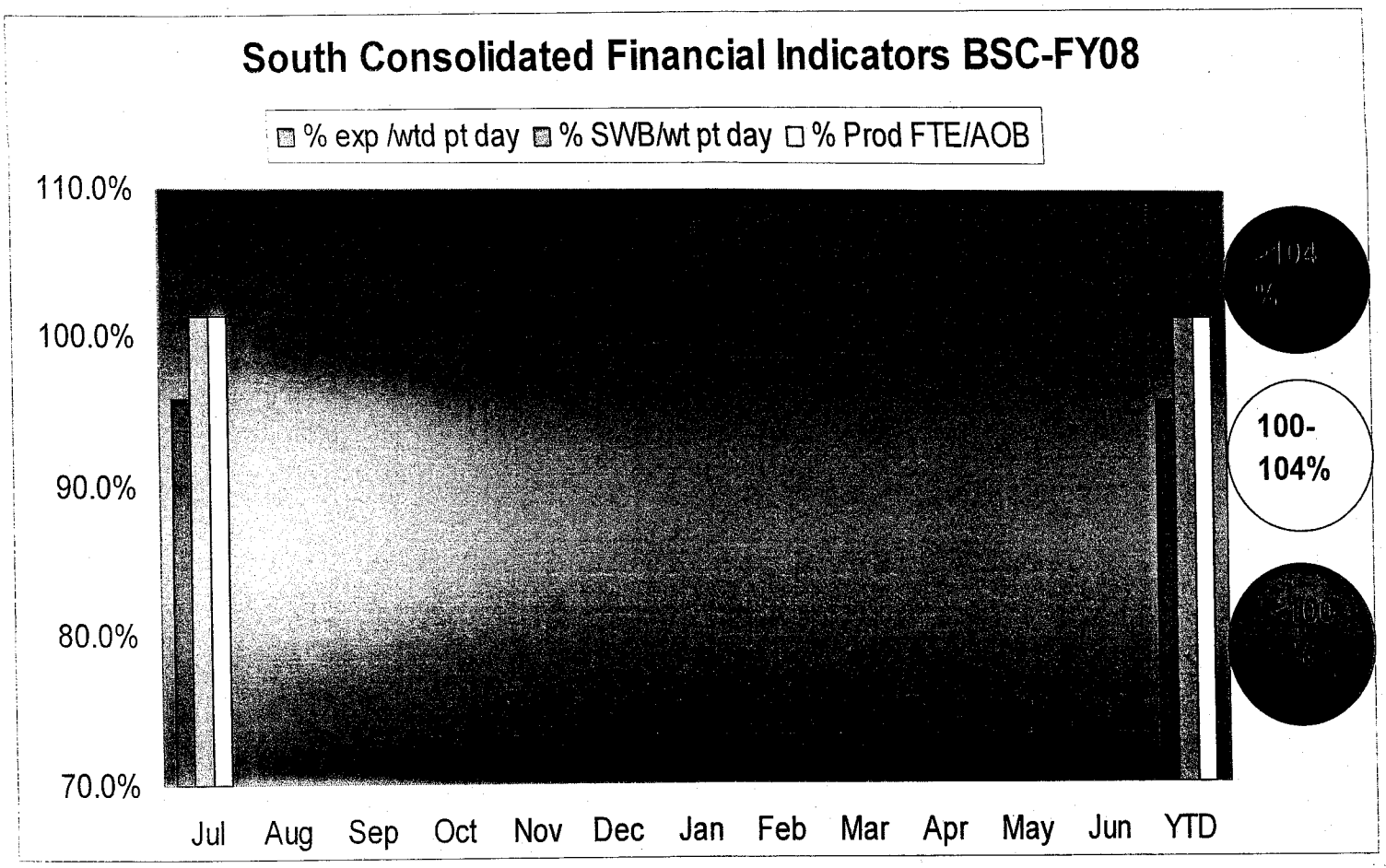

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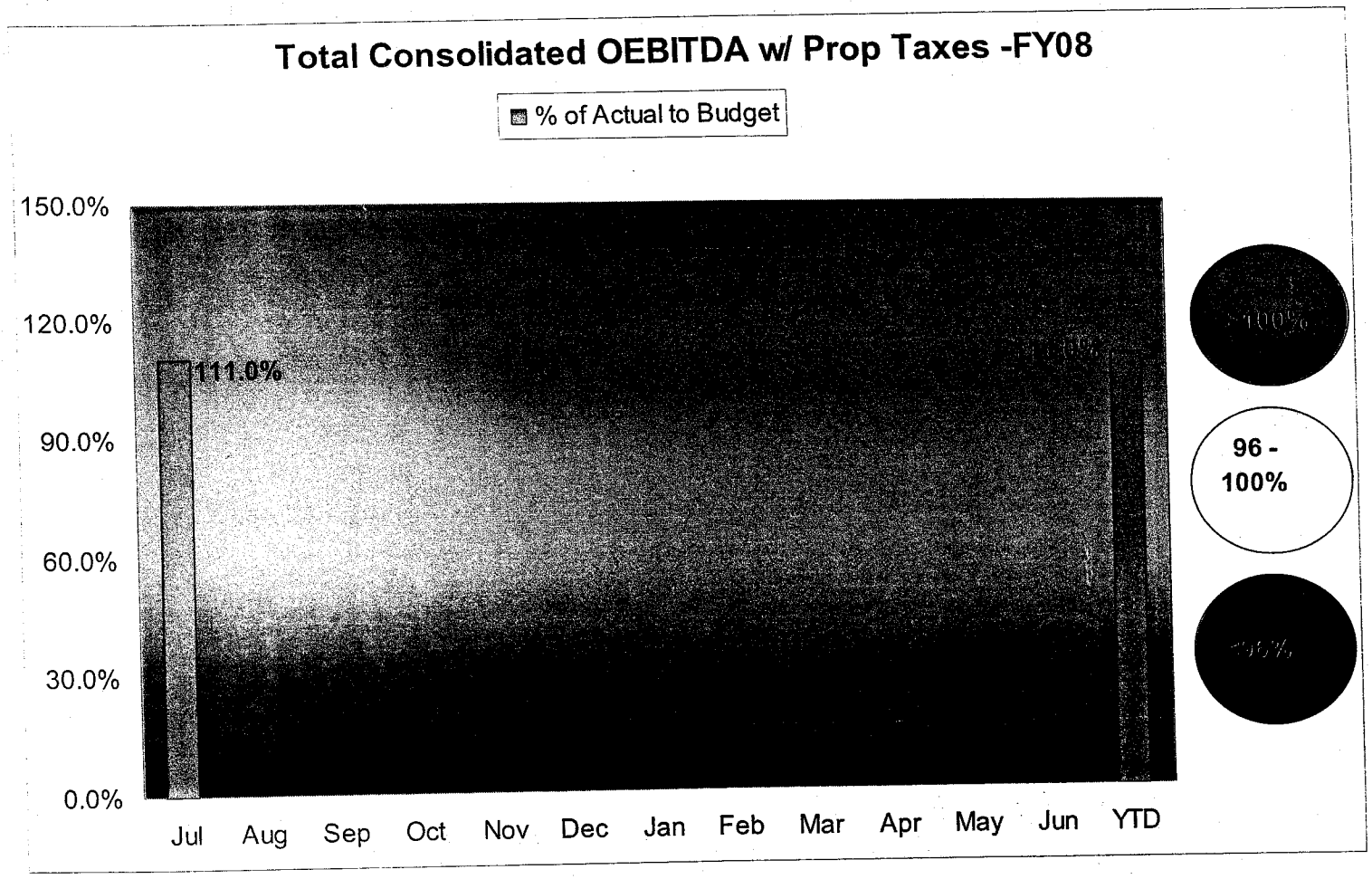

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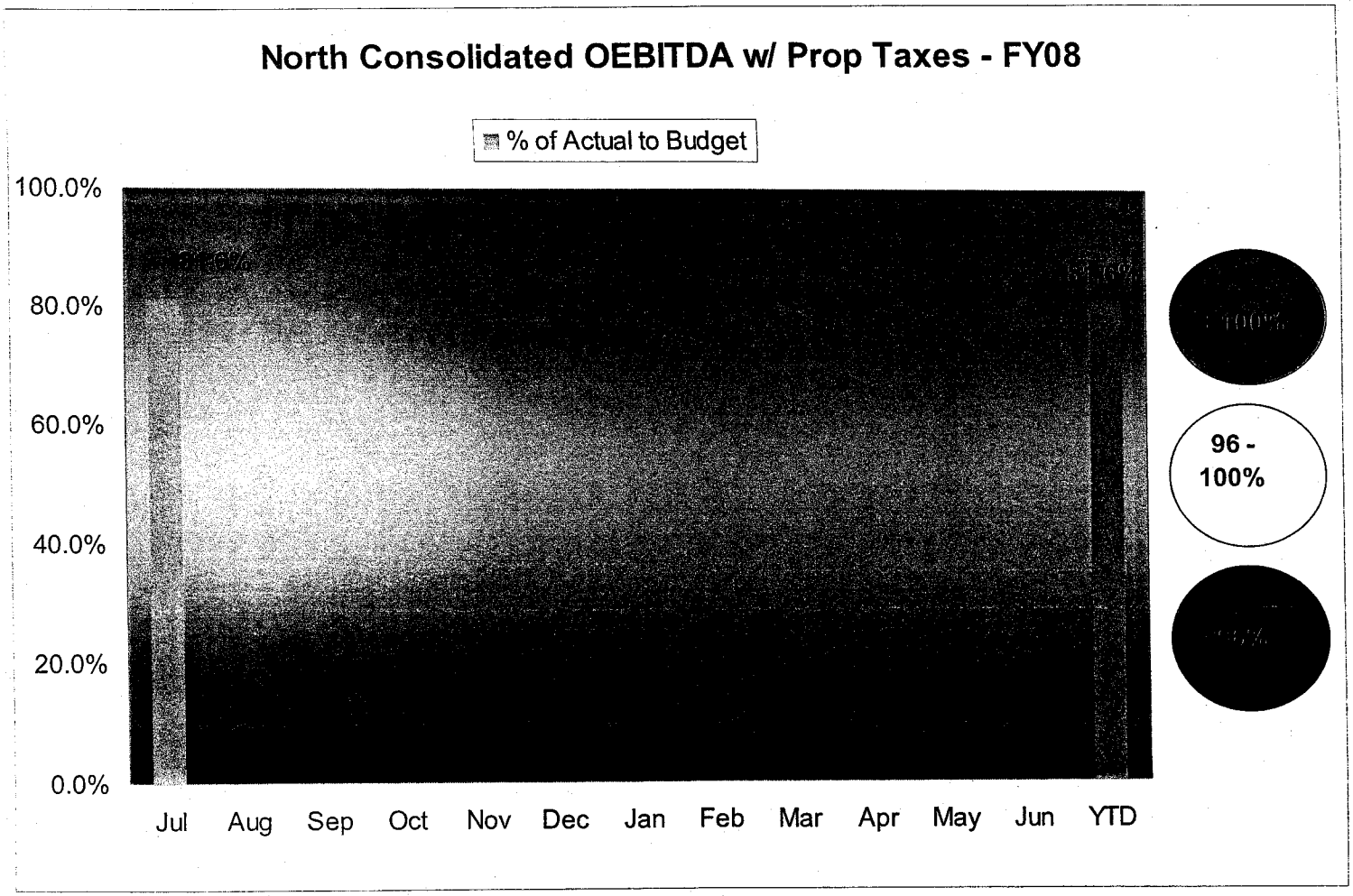

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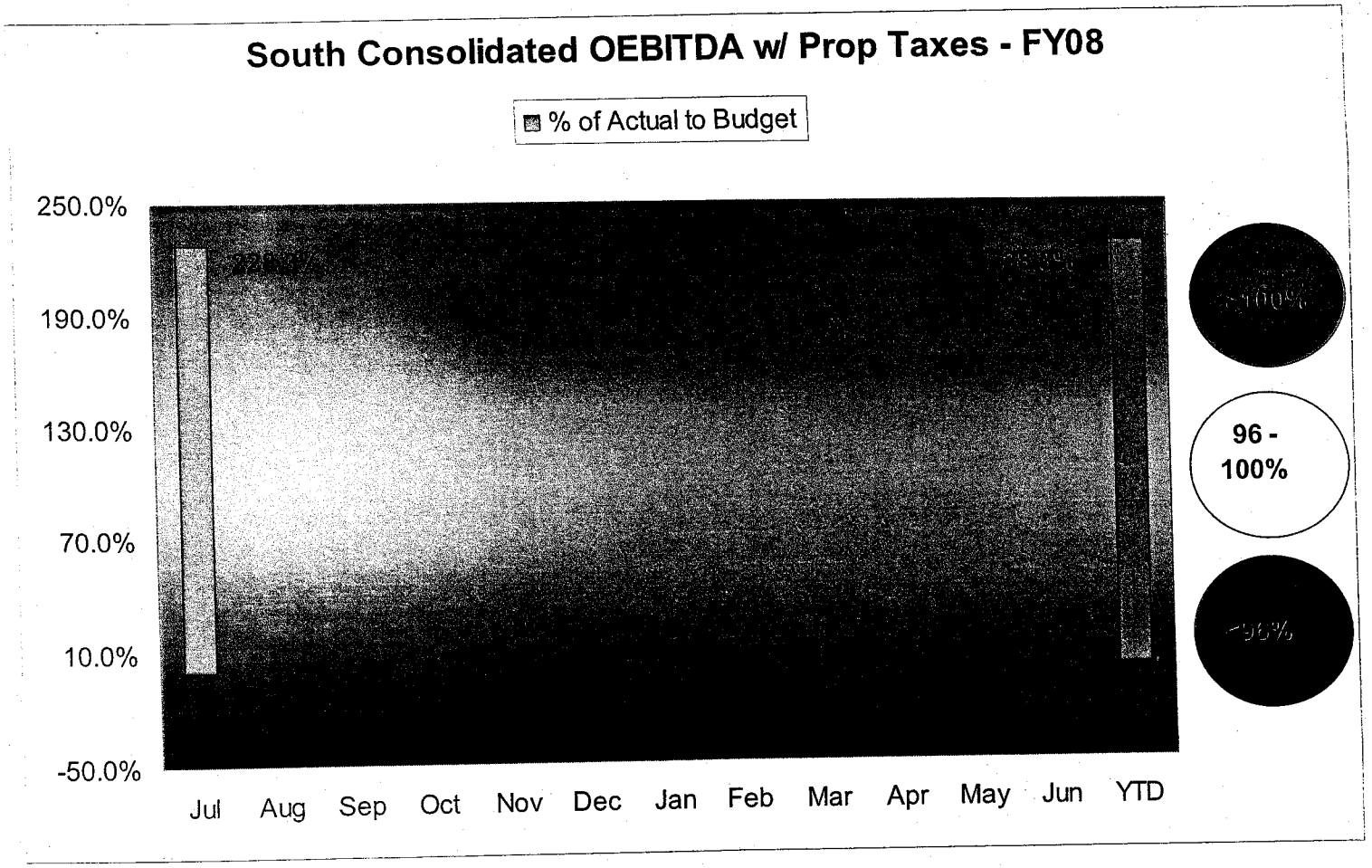

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Revenue Cycle Key Indicators Trending Report

The purpose of this report is to provide a summary comparative of the Current month, to the Prior Month, Prior Year End, and Same

	Source	Most Recent Month End	Prior Month	Prior Month	Current Fiscal Year Year-to-Date	Most Recent Year End	Prior Year Y-T-D	Change from Prior Month
Period Ending		7/31/2007	6/30/2007	5/31/2007	7/31/2007	6/30/2007	7/31/2006	
Days in Period		31	30	31	31	365	31	
Revenue								
Gross for Month (Month to Date)		109,075,942	96,600,123	$ 105,651,623	$ 34,904,301	$ 1,205,732,433	$ 96,891,295	$ 12,475,819
Net Revenue	Financials	34,904,301	26,425,401	33,836,703	34,904,301	371,016,682	30,335,272	$ 8,478,900
Net:Gross %	Financials	32.0%	27.4%	32.0%	100.0%	30.8%	31.3%	5%
Last 3 Month Daily Average (Gross)	Financials	3,383,997	3,423,402	3,425,521	1,125,945	3,303,377	3,125,526	(39,405)
Last 3 Month Daily Average (Net)	Financials	1,034,417	1,084,192	1,067,150	1,125,945	1,016,484	978,557	(49,774)
Cash Collections								
Month to Date	Cash Rpt	30,206,037	33,327,834	$ 33,633,457	$ 30,206,037	$ 357,733,249	$ 22,825,722	$ (3,121,797)
Month to Date Goal	Cash Rpt	32,940,934	29,880,107	29,880,107	32,940,934	358,561,284	29,880,107	3,060,827
Over (under) Goal		(2,734,897)	3,447,727	$ 3,753,350	$ (2,734,897)	$ (828,035)	$ (7,054,385)	$ (6,182,624)
% of Goal	Calc	91.7%	112%	113%	91.7%	99.8%	76.4%	-20%
Point of Service Collections	Cash 10 days	$ 259,551	$ 281,626	$ 278,822	$ 259,551	$ 3,244,728	$ 256,014	$ (22,075)
Month to Date Goal	Cash 10 days	297,000	272,145	272,145	4,725,000	3,265,740	272,145	24,855
Over (under) Goal		$ (37,449)	$ 9,481	$ 6,677	$ (4,465,449)	$ (21,012)	$ (16,131)	$ (46,930)
% of Goal	Calc	87.4%	103%	102%	5.5%	99.4%	94.1%	-16%
Accounts Receivable								
0-30	AR Comp	$ 82,051,803	$ 73,718,929	$ 76,748,530		$ 73,718,929	$ 81,271,894	$ 8,332,874
31-60	AR Comp	28,187,224	19,857,146	27,600,592		19,857,146	27,557,841	8,330,078
61-90	AR Comp	16,736,720	13,499,609	20,107,145		13,499,609	13,550,557	3,237,111
91-180	AR Comp	26,960,335	26,694,468	31,281,514		26,694,468	23,964,040	265,867
Over 180	AR Comp	21,357,821	21,653,269	28,006,331		21,653,269	28,340,001	(295,448)
Total	Calc	$ 175,293,903	$ 155,423,421	$ 183,744,112		$ 155,423,421	$ 174,684,333	$ 19,870,482
A/R Days (Gross)	Calc	51.80	45.40	53.64		47.05	55.89	6.40
% of AR aged over 180 days	calc	12.2%	13.9%	15.2%		14%	16.2%	
Number of Accounts	ATB	61,890	61,809	76,039				81
Credit Balance Accounts:								
Dollars	ATB	$ (5,082,562)	$ (3,955,501)	$ (7,314,948)		$ (3,955,501)		$ (1,127,061)
Number of Accounts	ATB	2,114	1,642	9,957		$ 1,642.00		472

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Revenue Cycle Key Indicators Trending Report

The purpose of this report is to provide a summary comparative of the Current month, to the Prior Month, Prior Year End, and Same

	Source	Most Recent Month End	Prior Month	Prior Month	Current Fiscal Year Year-to-Date	Most Recent Year End	Prior Year Y-T-D	Change from Prior Month
Period Ending		7/31/2007	6/30/2007	5/31/2007	7/31/2007	6/30/2007	7/31/2006	
Days in Period		31	30	31	31	365	31	
Accounts Receivable by Major Payer								
Medicare	AR Comp	$ 32,376,461	$ 31,212,504	$ 34,406,197		$ 31,212,504	$ 39,672,582	$ 1,163,957
Last 3 months daily average revenue	Lawson	956,013	965,874	1,001,018		965,874	838,995	(9,861)
Gross Days revenue outstanding	Calc	33.87	32.32	34.37		32.32	47.29	1.55
MediCal (Includes M-Cal HMO)	AR Comp	31,440,704	23,655,071	23,441,370		23,655,071	24,238,390	7,785,633
Last 3 months daily average revenue	Lawson	553,913	522,046	586,936		522,046	481,317	31,867
Gross Days revenue outstanding	Calc	56.76	45.31	39.94		45.31	50.36	11.45
Comm/Managed Care (Incl Mcare HMO)	AR Comp	80,947,010	72,445,182	87,784,940		72,445,182	75,750,310	8,501,828
Last 3 months daily average revenue	Lawson	1,706,627	1,679,046	1,694,504		1,679,046	1,552,385	27,580
Gross Days revenue outstanding	Calc	47.43	43.15	51.81		43.15	48.80	4.28
Self-Pay	AR Comp	30,529,728	28,110,665	38,111,605		28,110,665	35,023,052	2,419,063
Last 3 months daily average revenue	Lawson	139,183	165,713	140,944		165,713	161,440	(26,531)
Gross Days revenue outstanding	Calc	219.35	169.63	270.40		169.63	216.94	49.72
Bad Debt Write-offs								
M-T-D Amount net of Recovery	Adj Rpt	939,542	11,923,986	$ 2,260,242	939,542		$ 1,301,173	$ (10,984,443)
% of Gross Revenue (Target < 2%)		0.9%	12.3%	2.1%	2.7%		1.3%	-11.5%
Charity & Undocumented Write-offs	Adj Rpt							
M-T-D Amount		953,499	3,784,487	$ 1,330,331	0		$ 423,757	$ (2,830,988)
% of Gross Revenue (Target < 2%)		0.9%	3.9%	1.3%	0.0%		0.4%	-3.0%
Denial & Other Admin Adjustments	Adj Rpt							
M-T-D Amount		467,382	771,144	$ 264,153	-		$ 149,098	$ (303,762)
% of Gross Revenue (Target < 1%)		0.4%	0.8%	0.3%	0.0%		0.2%	-0.4%

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Revenue Cycle Key Indicators Trending Report

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	Source	Most Recent Month End	Prior Month	Prior Month	Current Fiscal Year Year-to-Date	Most Recent Year End	Prior Year Y-T-D	Change from Prior Month
Period Ending		7/31/2007	6/30/2007	5/31/2007	7/31/2007	6/30/2007	7/31/2006	
Days in Period		31	30	31	31	365	31	
Discharged Not Final Billed (DNFB)								
DNFB Action Required								
HIM (Waiting for Coding)	DNFB Rpt	$ 4,285,067	$ 6,249,765	$ 4,584,967	4,285,067			$ (1,964,698)
PBS (Correction required)	DNFB Rpt	920,196	18,284	356,709	920,196			901,912
Other holds requiring correction	DNFB Rpt	-	-	120,286	-			-
Total Action Required		5,205,263	6,268,049	5,061,962	5,205,263			(1,062,786)
# of AR Days action Required		1.54	1.83	1.48	1.54			-0.29
DNFB No Action Required								
4 Day Standard Delay	DNFB Rpt	$ 22,693,400	$ 22,948,148	$ 21,443,733	22,693,400			$ (254,748)
Other	DNFB Rpt	518,698	664,451	2,381,159	518,698			(145,753)
Total No Action Required		23,212,098	23,612,599	23,824,892	23,212,098			(400,501)
Total DNFB		$ 28,417,361	$ 29,880,648	$ 28,886,854	28,417,361			$ (1,463,287)
Total Days in DNFB		8.40	8.73	8.43	8.40			(0.33)
Late Charges								
Late Charges from Date of Service 5 to 20 Days								
Number of line items		8,244	7,531	7,030	$ 8,244			713
Dollar amount of Charges		675,398	1,093,899	663,842	$ 675,398			$ (418,501)
Dollar amount of Credits		(361,624)	(681,315)	(391,848)	$ (361,624)			$ 319,690
Net Dollar Amount		313,774	412,585	271,994	$ 313,774			$ (98,811)
Absolute Dollar Amount		$ 1,037,023	$ 1,775,214	$ 1,055,690	$ 1,037,023			$ (738,191)
Late Charges from Date of Service > 21 Days								
Number of line items		28,876	34,621	20,720	$ 28,876			(5,745)
Dollar amount of Charges		402,554	1,527,843	990,626	$ 402,554			$ (1,125,289)
Dollar amount of Credits		(1,546,665)	(3,325,012)	(1,264,113)	$ (1,546,665)			$ 1,778,347
Net Dollar Amount		(1,144,111)	(1,797,169)	(273,488)	$ (1,144,111)			$ 653,058
Absolute Dollar Amount		$ 1,546,665	$ 3,325,012	$ 2,254,739	$ 1,546,665			$ (1,778,347)
Denials:								
		(All Denials)	(All Denials)	(All Denials)		(All Denials)		
Inventory of open denials (# encounters)		1,219	1,219	817		1,219		0
Inventory of open denials (Dollars at Risk)		$ 21,403,453	$ 21,403,453	$ 14,313,961		$ 21,403,453		$ -

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PALOMAR POMERADO HEALTH
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Weekly Flash Report

August 07	Jul27-Aug2	Aug3-9	Aug10-16	Aug17-23	MTD Total	MTD Budget	% Variance
ADC (Acute)	273	301	310	326	302	312	(3.03)
PMC	199	226	225	245	224	235	(4.93)
POM	74	74	85	81	79	76	2.81
PCCC	87	87	87	88	87	88	(0.80)
VP	125	126	126	126	126	123	1.83
Patient Days (Acute)	1909	2104	2169	2284	8,466	8,731	(3.03)
PMC	1391	1583	1577	1716	6,267	6,592	(4.93)
POM	518	521	592	568	2,199	2,139	2.81
PCCC	610	608	606	613	2,437	2,457	(0.80)
VP	874	880	880	885	3,519	3,456	1.83
Discharges	515	551	513	596	2,175	2,282	(4.67)
PMC	381	425	391	432	1,629	1,759	(7.42)
POM	134	126	122	164	546	522	4.58
Number of Surgeries	231	217	239	239	926	889	4.19
PMC	150	155	151	173	629	603	4.25
POM	81	62	88	66	297	285	4.06
Number of Births	101	98	105	110	414	421	(1.64)
PMC	80	77	78	87	322	337	(4.42)
POM	21	21	27	23	92	84	9.52
Outpatient Visits (inc. Lab)	1999	2038	1962	1968	7,967	7,762	2.64
PMC	1394	1357	1287	1290	5,328	5,125	3.96
POM	605	681	675	678	2,639	2,637	0.06
ER Visits	1654	1676	1703	1713	6,746	6,697	0.73
PMC	1134	1153	1181	1188	4,656	4,465	4.29
POM	520	523	522	525	2,090	2,233	(6.39)

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PALOMAR POMERADO HEALTH
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Weekly Flash Report (cont'd)

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PALOMAR POMERADO HEALTH
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PALOMAR POMERADO HEALTH
MEDICAL DIRECTORSHIP AGREEMENT
ESCONDIDO PULMONARY MEDICAL GROUP, INC.

TO: Board of Directors

FROM: Board Finance Committee
Tuesday, September 4, 2007

MEETING DATE: Monday, September 17, 2007

BY: Gerald E. Bracht, Administrative Officer

BACKGROUND:

Escondido Pulmonary Medical Group, Inc., has provided medical direction and oversight to PPH's critical care units, respiratory/pulmonary care services, pulmonary rehab services and sleep lab for a number of years. The group's physicians have been instrumental in developing and implementing clinical protocols, conducting multidisciplinary patient rounds and performing retrospective chart reviews to improve patient care. This agreement combines the five separate medical director agreements previously held by physicians of the group into a single group agreement. The group will identify a specific physician of the group qualified to serve as the medical director for each of the programs and services covered under this agreement. That physician will be responsible for executing the duties as defined for each program and service in the agreement with continuity of oversight provided by the entire group.

This agreement represents an agreement for three years with two one-year options for renewal.

BUDGET IMPACT: $77,667 for remainder of fiscal year at maximum projected hours

STAFF RECOMMENDATION: Approval

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the three-year **(August 1, 2007 to July 31, 2010)** Agreement with two one-year options **(August 1, 2010 to July 31, 2011, and August 1, 2011 to July 31, 2012)** with Escondido Pulmonary Medical Group, Inc., for Medical Directorship for Critical Care, Respiratory Therapy, Pulmonary Rehabilitation, the Sleep Lab and Pulmonary Services at Palomar Medical Center and Pomerado Hospital.

Motion: X

Individual Action:

Information:

Required Time:

PALOMAR POMERADO HEALTH - AGREEMENT ABSTRACT

Section Reference	Term/Condition	Term/Condition Criteria
Preamble	TITLE	Medical Directorship Agreement
Preamble	AGREEMENT DATE	September 1, 2007
Preamble	PARTIES	1) PPH 2) Escondido Pulmonary Medical Group, Inc.
Recitals F	PURPOSE	To provide clinical oversight of PPH's critical care units, respiratory/pulmonary care services, pulmonary rehab services and sleep lab.
Exhibit 1,1 a-d	SCOPE OF SERVICES	Duties as defined in the Director Services in the agreement.
	PROCUREMENT METHOD	☐ **Request For Proposal** ☒ **Discretionary**
5.1	TERM	September 1, 2007 through August 31, 2010
5.1	RENEWAL	Two independent one year renewal options.
5.3 5.2	TERMINATION	- Either party may terminate with 90 days written notice without cause after the first 12 months of the agreement. - Either party may terminate immediately for cause as defined in the agreement.
2.1	COMPENSATION METHODOLOGY	Hourly rate based on submission of time sheet indicating number of hours of service provided.
	BUDGETED	☒ **YES** ☐ **NO - IMPACT:** $77,667 for remainder of fiscal year at maximum projected hours
	EXCLUSIVITY	☒ **NO** ☐ **YES – EXPLAIN:**
	JUSTIFICATION	Regulatory requirements call for Medical Staff oversight for the programs and services.
	AGREEMENT NOTICED	☒ **YES** ☐ **NO – METHODOLOGY & RESPONSE:** Announced at Medical Executive Committee
	ALTERNATIVES/IMPACT	Possible integration with a hospital intensivist service. No such service presently exists. No other Board certified Internal Medicine Pulmonary Disease//Critical Care Medicine qualified physicians on staff.
Exhibit 1.1 a-d	DUTIES	☒ **Provision for Staff Education** ☒ **Provision for Medical Staff Education** ☒ **Provision for participation in Quality Improvement** ☒ **Provision for participation in budget process development**
	COMMENTS	
	APPROVALS REQUIRED	☒ VP ☒ CFO ☒ CEO ☒ BOD Committee 4/25/02 ☒ BOD

DRAFT

MEDICAL DIRECTORSHIP AGREEMENT

by and between

Palomar Pomerado Health ("Hospital")

and

Escondido Pulmonary Medical Group ("Group")

September 1, 2007

DRAFT

MEDICAL DIRECTORSHIP AGREEMENT

THIS MEDICAL DIRECTORSHIP AGREEMENT (this **"Agreement"**) is entered into as of September 1, 2007, by and between Palomar Pomerado Health ("PPH"), a local health care district organized pursuant to Division 23 of California Health and Safety Code (**"Hospital"**), and Escondido Pulmonary Medical Group, Inc., a California professional medical corporation (**"Group"**). Hospital and Group are sometimes referred to in this Agreement individually as a **"Party"** or, collectively, as the **"Parties."**

RECITALS

A. Hospital owns and operates Palomar Medical Center and Pomerado Hospital, general acute care hospitals located at 555 East Valley Parkway, Escondido, California and 15615 Pomerado Road, Poway, California, respectively, in which it operates Critical Care Departments, Respiratory Therapy Departments, Pulmonary Rehabilitation Services, Sleep Laboratory Services and Pulmonary Services (collectively, the ***"Departments/Services"***) under its acute care licenses.

B. Group's partners, employee(s), and contracting physician(s) are licensed to practice medicine in the State of California and are members in good standing of Hospital's medical staff (the **"Medical Staff"**).

C. Group's physicians (**"Medical Director"**) are Shareholders of Group and are board certified for the practice of medicine in one or more of the medical specialties of Internal Medicine, Pulmonary Disease, and Critical Care (the **"Specialty"**).

D. Hospital desires that Group, through Medical Director, provide medical and administrative oversight with respect to the **Departments/Services**, and believes that delivery of high quality clinical services can be achieved if Group assumes such responsibility as set forth in this Agreement.

E. Medical Director have the following qualifications and expertise to provide the services described in this Agreement: Demonstrated experience in clinical leadership on the medical staffs and active participation with the Department's/Service's staff on quality and performance improvement activities in the areas where Director Services are to be provided.

F. Hospital has considered the following factors in determining the necessity and amount of compensation payable to Group pursuant to this Agreement:

1. PPH desires to retain Medical Director as an independent contractor to provide certain administrative and clinical services in the operation of the Department and has determined that this proposed arrangement with Group will enhance the Department's/Service's organization, procedure standardization, economic efficiency, professional proficiency, and provide other benefits to enhance coordination and cooperation among the Department's/Service's providers and users.

2. PPH engaged Kaufman Strategic Advisors, LLC in March 2007 to conduct an independent third party market survey to determine the fair market value of the administrative and clinical services to be provided by Group.

G. PPH and Group acknowledge and agree that this Agreement shall supercede the agreements, if any, previously entered into by the parties for the provision of Administrative Services.

H. It is the intent of both PPH and Group that the terms and conditions of this Agreement, and the manner in which services are to be performed hereunder, fulfill and comply with all applicable requirements of any applicable "safe harbor" or exception to Stark I and II including, but in no way limited to, the applicable requirements set forth in regulations promulgated by the Department of Health and Human Services, Office of Inspector General, and in the Ethics in Patient Referral Act.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
GROUP'S OBLIGATIONS

1.1 Director Services. Group shall designate, in writing, the name of Medical Director for each of the Departments/Services provided for under this agreement and cause Medical Director to serve as medical director of the Department's/Service's and ensure that Medical Director perform the medical director services set forth on Exhibit 1.1a through Exhibit 1.1c (**"Director Services"**) upon the terms and subject to the conditions set forth in this Agreement. Hospital shall approve or disapprove of Group's designated Medical Director in Hospital's sole discretion. Medical Director shall ensure that all Director Services are performed when and as needed, but shall also perform any Director Services when and as requested by Hospital from time to time.

1.2 Time Commitment. Medical Director shall devote whatever time is necessary to ensure the operation of a high-quality Department/Service; provided, however, that Medical Director shall perform Director Services a minimum of hours as set forth in Exhibit 1.1a through Exhibit 1.1d. Medical Director shall allocate time to Director Services as reasonably requested by Hospital from time to time.

1.3 Availability. On or before the first (1st) day of each month, Group shall inform Hospital of Medical Director's schedule and availability to perform Director Services during that month. Group and Medical Director shall use their respective best efforts to adjust such schedule of availability if reasonably requested by Hospital in order to meet Hospital's needs for Director Services.

1.4 Personal Services; Absences. This Agreement is entered into by Hospital in reliance on the professional and administrative skills of Medical Director. Except as otherwise provided in this Agreement, Medical Directors shall be solely responsible for performing Director Services and otherwise fulfilling the terms of this Agreement; provided, however, that if Medical Director is temporarily unable to provide Director Services due to illness, disability, continuing education responsibilities, or vacation, Group shall designate a qualified replacement to provide Director Services pursuant to this Agreement. Such temporary replacement must be approved in writing by Hospital prior to the replacement providing Director Services. Group shall ensure that any such designated replacement meets any and all qualifications, obligations and requirements of Medical Director under this Agreement. Group shall be solely responsible for compensating and making any tax filings or withholdings with respect to any designated replacement providing Director Services on Medical Director's behalf. If the length of Medical Director's absence is anticipated by Hospital to be or actually is longer than sixty (60) calendar days, the person who provides Director Services in Medical Director's absence shall execute a written document agreeing to be bound by this Agreement. Except in the event of absence due to illness or disability, Hospital shall have the right to approve the length of Medical Director's absence, and any unapproved absence shall constitute a breach of this Agreement. Nothing in this Section shall be deemed to limit in any way Hospital's right to terminate this Agreement in accordance with Section 5.2.

1.5 Time Reports. Medical Director shall maintain monthly time reports that provide a true and accurate accounting of the time spent each day by Medical Director in providing Director Services. Such reports shall be substantially in the form attached as Exhibit 1.5. Medical Director shall submit all time reports to Hospital's designated Administrative Director for Departments/Services no later than the tenth (10th) day of each month for Director Services provided by Medical Directors during the immediately preceding month.

1.6 Medical Staff. Medical Director shall be a member in good standing in the "active staff" category of Hospital's medical staff (the **"Medical Staff"**) and hold all clinical privileges at Hospital necessary for the performance of Medical Director's obligations under this Agreement. If, as of the Effective Date (as defined in Section 5.1), Medical Director is not a member in good standing in the "active staff" category of the Medical Staff or does not hold all clinical privileges at Hospital necessary for the performance of Medical Director's obligations hereunder, Medical Director shall have a reasonable amount of time, which in no event shall exceed thirty (30) days from the Effective Date, to obtain such membership and/or clinical privileges; provided that Hospital may immediately terminate this Agreement if Hospital determines that Medical Director is not diligently pursuing such membership and/or clinical privileges in accordance with the normal procedures set forth in the Medical Staff bylaws. Medical Director may obtain and maintain medical staff privileges at any other hospital or health care facility.

1.7 Professional Qualifications. Medical Director shall be duly licensed and qualified to practice medicine in the State of California. Medical Director shall be board certified in the Specialty as required for the respective Department/Service for which Director Services are provided as set forth in Exhibit 1.7.

POMERADO HOSPITAL
INTERNAL MEDICINE CONSULTANT – GERO-PSYCHIATRIC UNIT
NEIGHBORHOOD HEALTHCARE

TO: Board of Directors

FROM: Board Finance Committee
Tuesday, September 4, 2007

DATE: Monday, September 17, 2007

BY: Sheila Brown, R.N., M.B.A., Chief Clinical Outreach Officer
Susan Linback, R.N., M.B.A., Service Line Administrator, Behavioral Health

BACKGROUND: This is a request to approve the Internal Medicine Consultant Agreement with Neighborhood Healthcare. Neighborhood Healthcare will provide the Internal Medicine H&P and follow-up medicine coverage for the Pomerado Hospital Gero-Psychiatric Unit that Dr. Pereira had been providing. By nature of their age, this Senior patient population exhibits concomitant medical conditions, and a medical H&P and follow-up by an internal medicine physician is a necessary component in the comprehensive evaluation and treatment of these patients. This unit provides inpatient psychiatric assessment and treatment for a vulnerable Senior population.

A Letter of Intent was signed pending finalization of this Agreement, which became effective April 1, 2007.

BUDGET IMPACT: No Budget Impact

STAFF RECOMMENDATION: Approval

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the three-year **(April 1, 2007 to March 31, 2010)** Internal Medicine Consultant Agreement with Neighborhood Healthcare for Internal Medicine H&P and follow-up medicine coverage for the Pomerado Hospital Gero-Psychiatric Unit.

Motion: X

Individual Action:

Information:

Required Time:

PALOMAR POMERADO HEALTH - AGREEMENT ABSTRACT

Section Reference	Term/Condition	Term/Condition Criteria
	TITLE	Internal Medicine Consultant Agreement – Pomerado Hospital Gero-Psychiatric Unit Neighborhood Healthcare
	AGREEMENT DATE	April 1, 2007
	PARTIES	1) PPH 2) Neighborhood Healthcare
Recitals E	PURPOSE	To provide Medical oversight for Pomerado Hospital's Gero-Psychiatric Unit
Exhibit A	SCOPE OF SERVICES	Neighborhood Healthcare will provide Internal Medicine coverage for the Pomerado Hospital Gero-Psychiatric Unit. During the transition from a Medical-Psychiatric to a Gero-Psychiatric Unit, the Senior patient population continues to have concomitant medical complications and a medical H&P and follow-up by an internal medicine physician is necessary.
	PROCUREMENT METHOD	☐ **Request for Proposal** ■ **Discretionary**
5.1	TERM	April 1, 2007 through March 31, 2010
	RENEWAL	N/A
5.2 5.3 5.5	TERMINATION	a. Immediately for cause b. Not less than 30 days of written notice without cause
2.1	COMPENSATION METHODOLOGY	Monthly payment on or before the 15th of each month with supporting documentation of the prior month's time records.
	BUDGETED	■ YES ☐ NO - IMPACT: None.
	EXCLUSIVITY	■ NO ☐ YES – EXPLAIN:
	JUSTIFICATION	Medical H&P and follow-up is a community standard for Gero-Psychiatric inpatients.
	POSITION NOTICED	■ YES ☐ NO METHODOLOGY & RESPONSE: Posted in Medical Staff Offices for 30 days
	ALTERNATIVES/IMPACT	Proceeding without this arrangement would cause lack of medical support for medically compromised Senior patients on the Gero-Psychiatric Unit.
Exhibit B	DUTIES	■ PROVISION FOR STAFF EDUCATION ■ PROVISION FOR MEDICAL STAFF EDUCATION ■ PROVISION FOR PARTICIPATION IN QUALITY IMPROVEMENT
	COMMENTS	
	APPROVALS REQUIRED	■ Officer ■ CFO ■ CEO ■ BOD Finance Committee ■ BOD

INTERNAL MEDICINE CONSULTANT AGREEMENT

by and between

PALOMAR POMERADO HEALTH,
a local health care district

and

NEIGHBORHOOD HEALTHCARE.

April 1, 2007

INTERNAL MEDICINE CONSULTANT AGREEMENT

THIS INTERNAL MEDICINE CONSULTANT AGREEMENT ("Agreement") is entered into as of April 1, 2007, by and between Palomar Pomerado Health, a local health care district organized under Division 23 of the California Health and Safety Code (**"PPH"**), and Neighborhood Healthcare, ("Group"). PPH and Group are sometimes referred to in this Agreement individually as a "Party" or, collectively, as the "Parties."

RECITALS

A. Among other things, PPH owns and operates an acute care hospital facility, known as Pomerado Hospital, located at 15615 Pomerado Road, Poway, California 92064 ("PPH Facility").

B. Group is a medical group composed of physicians ("Practitioner") who are licensed to practice medicine in the State of California, board certified for the practice of medicine in the specialty of Internal Medicine (the "Specialty"), and a member in good standing of PPH's medical staff (the "Medical Staff").

C. PPH desires to engage Group as an independent contractor to provide medical oversight with respect to the Pomerado Hospital Gero Psychiatric Unit ("Program") and believes that the following can be achieved if Practitioner assumes such responsibility as set forth in this Agreement: This will enhance the organization, procedure standardization, economic efficiency, professional proficiency, and provide other benefits to enhance coordination and cooperation among providers and user of the Program.

D. All Practitioners provided by Group will have the following qualifications and expertise to provide the services described in this Agreement: eligibility for Board Certification in Internal Medicine.

E. PPH Facility has considered the following factors in determining the necessity and amount of compensation payable to Group pursuant to this Agreement:

1. The nature of Practitioner's duties set forth in Exhibit A, which is attached hereto and incorporated herein.

2. Practitioner's qualifications as described herein.

3. The difficulty in obtaining a qualified physician to provide the services described in this Agreement.

4. The benefits to PPH Facility and the surrounding community resulting from Group's performance of the services described in this Agreement.

5. The economic conditions locally and in the health care industry generally.

AGREEMENT

THE PARTIES AGREE AS FOLLOWS:

ARTICLE I.
GROUP'S OBLIGATIONS

1.1 Group Services. Group, through its Practitioners shall provide to PPH Facility those services set forth in Exhibit A (**"Practitioner Services"**), upon the terms and subject to the conditions set forth in this Agreement. Group shall ensure that all Practitioner Services are performed when and as needed, but shall also perform any Practitioner Services when and as requested by PPH Facility from time to time.

1.2 Time Commitment. Group shall devote whatever time is necessary to ensure high-quality medical services for the Gero Psychiatric Unit; provided, however, that Group shall perform Practitioner Services a maximum of twenty (20) hours per month. Group shall allocate time to Practitioner Services as reasonably requested by PPH Facility from time to time.

1.3 Availability. On or before the first (1st) day of each month, Group shall inform PPH Facility of Practitioner's schedule and availability to perform Practitioner Services during that month. Group shall use its best efforts to adjust such schedule of availability if reasonably requested by PPH Facility in order to meet the needs of PPH Facility for Practitioner Services.

1.4 Personal Services; Absences. This Agreement is entered into by PPH Facility in reliance on the professional and administrative skills of Group and its Practitioners. Except as otherwise provided in this Agreement, Group shall be solely responsible for performing Practitioner Services and otherwise fulfilling the terms of this Agreement; provided, however, that if Practitioner is temporarily unable to provide Practitioner Services due to illness, disability, continuing education responsibilities, or vacation, subject to the prior written approval of PPH Facility, Group may select a designee Physician to perform the duties of Practitioner in the Practitioner's absence. The designee shall meet all of the same qualifications as specified herein for Practitioner and Practitioner shall ensure that any such designated replacement meets any and all qualifications, obligations and requirements of Practitioner under this Agreement. Group shall be solely responsible for compensating and making any tax filings or withholdings with respect to any designated replacement providing Practitioner Services on Practitioner's behalf. If the length of Practitioner's absence is anticipated by PPH Facility to be or actually is longer than sixty (60) calendar days, the person who provides Practitioner Services in Practitioner's absence shall execute a written document in form and substance acceptable to PPH agreeing to be bound by this Agreement. Except in the event of absence due to illness or disability, PPH shall have the right to approve the length of Practitioner's absence and any unapproved absence shall constitute a breach of this Agreement. Nothing in this Section shall be deemed to limit in any way PPH's right to terminate this Agreement in accordance with Section 5.2.

The Practitioner who will provide service under this Agreement is Daniel Harrison, M.D.

Governance Committee Review of PPH Policies

TO: Board of Directors

MEETING DATE: September 17, 2007

FROM: Governance Committee Meeting August 17, 2007

BY: Jim Neal, Director Corporate Compliance & Integrity

BACKGROUND: Reviewed and approved revisions of current Board Policies listed below. In attendance were: Directors Gary Powers (Chair), Linda Greer, Nancy Bassett , together with CEO, Michael Covert, Gustavo Friedrichsen, Bob Hemker, Janine Sarti and Jim Neal. Board approval is sought.

Policies for approval:

- QLT-06 EMTALA, Reporting Violations
- QLT-08 EMTALA, Transfer Policy
- QLT-11 Infection Control
- QLT-12 Information Management
- QLT-13 Medical Staff
- QLT-20 Admissions Criteria: Home Health
- QLT-22 Clinical Records: Home Health
- QLT-25 Emergency Care: Home Health
- QLT-30 Personal Qualifications and Competency: Home Health
- QLT-31 Plan of Care/Plan of Treatment: Home Health
- QLT-33 Reassessment Policy: Home Health
- GOV-23 Smoking Policy
- GOV-29 Compliance Program Policy
- GOV-37 Strategic Planning Policy

BUDGET IMPACT: None

STAFF RECOMMENDATIONS: Staff Recommended approval

COMMITTEE RECOMMENDATION: Board approval requested for the above listed revised policies.

Motion: X

Individual Action:

Information:

Third-Quarter Review of Policies
Annual Review Cycle
September 17, 2007

Quarterly Review Chart of Reviewed and Approved Policies.
As of this date PPH is not current with the Policy Review Cycle. GOV- 35 Physician Recruitment and Retention was due the second quarter. The policy is currently being reviewed by in-house legal. This report meets the reporting requirements of GOV-15

QLT-06 EMTALA: Reporting Violations
Change Summery: No changes.

QLT-08 EMTALA: Transfer Policy
Change Summery: No changes.

QLT-11 Infection Control
Change Summery: This was a total rewrite of this policy to bring it in compliance with new Joint Commission requirements.

QLT-12 Information Management
Change Summery: This was a total rewrite of this policy to bring it in compliance with new Joint Commission requirements.

QLT-13 Medical Staff
Change Summery: This was a total rewrite of this policy to bring it in compliance with new Joint Commission requirements.

QLT-20 Admission Criteria: Home Health
Change Summery: No changes.

QLT-22 Clinical Records: Home Health
Change Summery: No changes.

QLT-25 Emergency Care: Home Health
Change Summery: Updated locations for disaster evacuation for the different areas of Home Health.

QLT-30 Personal Qualifications and Competency: Home Health
Change Summery: Removed education requirements throughout the document and corrected licensure requirements.

QLT-31 Plan of Care -- Plan of Treatment: Home Health
Change Summery: No changes.

QLT-33 Reassessment Policy: Home Health
Change Summery: No changes.

Review of Policy
Recommended by Staff

HR-12 Smoking Policy (Was GOV-23 Smoking Policy)
Change Summery: This policy was modified by the Board HR Committee even though this was a Governance Committee Policy, and took it directly to the board where was approved. This policy with changes are for information purposes only. Governance Committee has shifted the smoking Policy back to HR Committee as HR-12 "Smoking Policy".

GOV-29 Compliance Program Policy
Change Summery: Under Section III.R, added "Organizational Structure" which reflects the Compliance Department reporting to the Board Governance Committee on a quarterly basis and to the Board of Directors on an annual basis and makes the compliance Officer a nonvoting member of this Committee.. There will need to be a bylaw change reflecting this report to the governance committee.

GOV-37 Strategic Planning Policy
Change Summery: This policy is a first draft of the new policy.

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-06

EMTALA: Reporting Violations

September 10, 2007

Change Summery

1. Reviewed the current Health and Safety Code; §§ 1262.8 and 1367 – 1374; 42 CFR § 489 and the JCAHO "Hospital Accreditation Standards" for compliance.
2. There were no significant changes required.

POLICY

IN
LUCIDOC FORMAT

Palomar Pomerado Health

Policy

Reporting Violations

EMTALA | QLT-06 formerly 3585 | (Rev: 3)**In preparation**

Applicable to:
PMC - 20
POM - 30

Affected Departments:
Emergency Services

I. PURPOSE:

To describe the mechanisms of PPH to comply with EMTALA regulations.

II. DEFINITIONS:

III. TEXT / STANDARDS OF PRACTICE:

It is the policy of PPH to comply with state and federal law mandating the reporting of suspected violations of patient screening and transfer requirements.

A. The facility must file with the State Department of Health Services annual reports that shall describe the aggregate number of transfers made and received, according to the individual's insurance status, and reasons for transfers.

B. Violations on the Part of a PPH Facility:
   1. The facility's obligations regarding the individual transfer laws are set forth in policies and procedures regarding transfers and medical screening examinations.
   2. Any member of the nursing staff, administrative staff, or medical staff of PPH who has any reason to suspect a violation of these policies in the facility's capacity as a receiving facility shall immediately report such violation to Hospital Administration.
   3. Any member of the nursing staff, administrative staff, or medical staff of PPH who has any reason to suspect a violation of these policies in the facility's capacity as a transferring hospital shall immediately report such violation to Hospital Administration.
   4. Members of the nursing staff, or medical staff of PPH shall be provided with a copy of the policies and procedures regarding patient transfers and advised that all hospitals are required to comply with federal and state laws regarding emergency transfers, as set forth in those policies.
   5. Appropriate hospital personnel shall immediately investigate any suspect transfer, whether to or from the hospital.

C. Violations on the Part of Another Facility:
   1. A violation in this context means that a hospital has denied care, limited care, discharged the patient, or transferred the patient to a PPH facility under the following conditions:
      a. The patient arrives at a PPH facility.
      b. The patient has an Emergency Medical Condition as defined by the law.
      c. The patient presented at **Another Hospital** prior to the PPH facility; and
      d. One or more of the following **Appears to be True**:
         i. The patient was refused examination at the prior hospital.
         ii. The patient was refused treatment at the prior hospital.
         iii. The patient was discharged in unstable condition without the patient's consent, or there was a certification by a physician that the risks of transfer to the PPH facility were outweighed by the benefits of transfer.
         iv. The patient was transferred to a PPH facility without prior acceptance.
         v. The patient's condition was misrepresented to a PPH facility to obtain acceptance for transfer.
         vi. The patient was transferred by private vehicle or with inadequate personnel and equipment to safeguard the patient, provided the patient did not refuse ambulance transfer after receiving an explanation of the risks of private transfer.
         vii. The patient was transferred without medical records accompanying the patient, unless the patient's medical condition was such that it would have been unreasonable to delay the transfer to obtain the records.
         viii. The patient was transferred as a result of a failure or refusal of an on-call specialist to attend the

patient.

2. Any member of the nursing staff, administrative staff, or medical staff of PPH who has reason to suspect a violation on the part of another facility will complete a Quality Review Report and submit to the office of Risk Management prior to the completion of the shift upon which the patient was received by this facility.
3. The Risk Manager will review the report and obtain such factual information as is reasonably necessary to validate or explain the incident and prepare a report to the Administrator.
4. The Administrator will evaluate the facts and will report each incident where it appears that a violation may have occurred.
5. The Risk Manager will maintain a file of all EMTALA-related incidents and all notifications to HCFA for a minimum of five years from the date of incident.

D. This policy will be reviewed and updated as required or at least every two years.

IV. **ADDENDUM:**

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version)3		Kim Colonnelli, RN, MA, Director of Emergency and Trauma Services	Routine BOD review.
(Changes)2	03/07/2005	Kim Colonnelli, RN, MA, Director of Emergency and Trauma Services	Regular review and revision
(Changes)1	12/17/2001	Jane Frincke	Original Version

Authorized Promulgating Officers: (03/07/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	1	
JCAHO CAMH Standard	Patient Rights and Organization Ethics	
JCAHO CAMH Standard	Emergency Medicine Treatment Active Labor Act	

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-08

EMTALA: Transfer Policy

September 10, 2007

PK

Change Summery

1. Reviewed the current Health and Safety Code; §§ 1262.8 and 1367 – 1374; 42 CFR § 489 and the JCAHO "Hospital Accreditation Standards" for compliance.
2. There were no significant changes required.

POLICY

IN
LUCIDOC FORMAT

Palomar Pomerado Health

Policy

Transfer Policy

EMTALA

QLT-08 formerly 8464

(Rev: 3)**In preparation**

Applicable to:
PMC - 20
POM - 30

Affected Departments:
Emergency Services

I. PURPOSE:

A. To describe the mechanisms for PPH to maintain compliance with EMTALA regulations.

B. It is the policy of PPH that patient transfers will be governed by the following principles:

1. Patients who are stable and not suffering from an Emergency Medical Condition may be transferred at their request or upon the direction of their physician consistent with the procedures below. PPH shall discourage potentially unstable patients from being transferred via private vehicle.
2. Patients who are not stable will receive care within the capabilities of this hospital, its staff and physicians and shall not be transferred except when:
3. A physician has certified that the medical benefits reasonably expected from the treatment at another facility outweigh the risks to the individual's medical condition involved in transferring the patient. This may occur, for example, when the treatment required by the patient is not within the hospital's capabilities and more specialized facilities or personnel are available at another hospital; or
4. The patient or the patient's Legally Responsible Person requests the transfer and acknowledges the risks and benefits of the transfer, as described below.

II. DEFINITIONS:

A. **Emergency Medical Condition** means:

1. A medical condition manifesting itself by acute symptoms or sufficient severity such that the absence of prompt and appropriate medical attention could result in one of the following:
   a. Placing the health or safety of the patient or unborn child in jeopardy.
   b. Serious impairment to bodily functions.
   c. Serious dysfunction of any bodily organ or part.
2. The following conditions are declared to be emergency conditions by statute and regulation:
   a. Pregnancy with contractions present when: there is inadequate time to effect a safe transfer to another hospital before delivery; or the transfer may pose a threat to the health or safety of the woman or her unborn child.
   b. Acute pain rising to the level of the general definition of Emergency Medical Condition.
   c. Psychiatric disturbances.
   d. Symptoms of substance abuse, including alcohol.

B. **Labor** means the process of childbirth beginning with the latent or early phase of labor and continuing through the delivery of the placenta. A woman is in true labor unless a physician or qualified individual certifies that she is not.

C. **Legally Responsible Person** means one of the following:

1. A parent or guardian of a minor.
2. An Attorney-in-Fact appointed by the patient pursuant to a valid Durable Power of Attorney for Health Care when the individual lacks decision-making capacity.
3. A conservator with medical decision-making authority for an incompetent adult.
4. A person appointed by a court order authorizing treatment.

D. If none of the foregoing are available, the individual's closest available family member or, under appropriate circumstances as determined by PPH, a close friend.

E. **Stabilized** or **to Stabilize** means:

1. With respect to an Emergency Medical Condition:
   a. That no material deterioration of the condition is likely, within reasonable medical probability, to result from or occur during the transfer of an individual from the facility; or
   b. To provide such medical treatment of the condition as is necessary to assure, within reasonable medical probability that no material deterioration of the condition is likely to result from or occur

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during the transfer of the individual from the facility; or

2. With respect to a pregnant woman who is having contractions and who cannot be safely transferred, that the woman has delivered the child and the placenta.

F. **Transfer** means: The movement (including the discharge) of an individual outside the facility at the direction of any person employed by (or affiliated or associated, directly or indirectly, with) the facility, but does not include such a movement of an individual who either:

1. Has been declared dead
2. Leaves the facility without permission.

G. **Capacity** means the ability of the hospital to accommodate the individual requesting examination or treatment of a transfer patients. Capacity encompasses such things as the number and availability of qualified staff, beds and equipment, and the hospital's past practices of accommodating additional patients in excess of its occupancy limits.

III. TEXT / STANDARDS OF PRACTICE:

A. **Transfer of Patient Without Emergency Medical Condition**:

1. The physician, together with any consulting specialty physician, must determine that the patient does not suffer from an emergency medical condition and that the patient is stabilized
2. The patient (or other patient representative) will be notified of the proposed transfer. The patient/representative will be asked to sign the Release of Patient Requesting Transfer form.
3. The patient retains the right to refuse necessary stabilizing treatment and further exam as well as to refuse a transfer to another facility. If the patient refuses, the PPH will inform the patient of the risks and benefits of the transfer and request the patient sign the "Informed Consent to Refuse Treatment" form.
4. The physician will speak with the receiving hospital physician to assure acceptance of the patient by the receiving facility. PPH staff or transferring physician will also make arrangements with an authorized employee of the accepting hospital that the patient meets the hospital's criteria, and that the hospital has the personnel and equipment necessary to treat the patient.
5. Copies of the pertinent medical records and appropriate diagnostic test results, which are reasonably available, shall be transferred with the patient. The records transferred shall include the Transfer Summary Form, signed by the physician.

B. **Inter-Facility Transfers**:

1. For patients transferred to another PPH facility, the Inter- Facility Transfer Form will be completed and sent with the patient upon transfer, along with copies of the patient's record.
2. Staff will notify Patient and Family Services as necessary.

C. **Transfer of Patient with Emergency Medical Condition**:

1. If a patient has an Emergency Medical Condition that has not been stabilized, the patient may be transferred only if the transfer is carried out in accordance with the procedures set forth below. The patient may be transferred:
   a. The patient or the patient's Legally Responsible Person acting on the patient's behalf is first fully informed of the risks of the transfer and possible benefits of the transfer, the alternatives (if any) to the transfer and of the facility's obligations to provide either further examination and treatment sufficient to stabilize the individual's emergency medical condition, or an appropriate transfer. Then the transfer may occur if the individual or Legally Responsible Person:
      i. Makes a request to transfer to another medical facility, stating the reasons for the request; and
      ii. Acknowledges the request and his or her awareness of the risks and benefits of the transfer, by signing the certification Patient with Emergency Medical Condition on the Transfer Summary Form; or;
   b. With certification: The attending physician who has personally examined the patient must certify that, based upon the information available at the time, the medical benefits reasonably expected from the provision of emergency medical treatment at another facility outweigh the increased risks to the individual's medical condition involved in transferring the patient. The patient must be hemodynamically stable and have a secure airway prior to such transfer.
2. A representative of the receiving facility must confirm that:
   a. The receiving facility has available space and qualified personnel to treat the individual; and:
   b. The receiving facility has agreed to accept transfer of the individual and to provide appropriate medical treatment.
3. The physician or qualified medical person shall ensure that a completed Transfer Summary, signed by the physician, or by the qualified medical person in consultation with the physician, accompanies the individual If another physician has assumed significant responsibility for the care of the individual, that physician shall also sign the Transfer Summary.

4. The transfer shall be affected through qualified personnel and transportation equipment, as determined by the physician, including the use of necessary and medically appropriate life support measures during the transfer.
5. The facility shall attempt to obtain the consent of the individual or, where applicable, the individual's Legally Responsible Person, both orally and in writing, to the proposed transfer, explaining the reasons thereof. An acknowledgment of such consent shall be obtained by asking the individual or the Legally Responsible Person to sign the certification Patient with Emergency Medical Condition on the Transfer Summary Form. If an individual's physical or mental condition is such that it is not possible to obtain the consent of the individual, and the individual is unaccompanied, the facility shall make a reasonable effort to locate a Legally Responsible Person in order to notify that person of the intended transfer.
6. Copies of all of the patient's medical records and appropriate diagnostic test results that are reasonably available shall be transferred with the patient. If an on- call physician has refused or failed to appear within a reasonable time after being requested to provide necessary stabilizing treatment, the facility shall provide the name and address of that physician to the receiving facility.

D. This policy will be reviewed and updated as required or at least every two years.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version)3		Kim Colonnelli, RN, MA, Director of Emergency and Trauma Services	Routine BOD review.
(Changes)2	03/08/2005	Kim Colonnelli, RN, MA, Director of Emergency and Trauma Services	Regular review and revision
(Changes)1	12/17/2001	Jane Frincke	Original Version [Reviewed on 03/02/2004 by Jane Frincke: Extended review to 03/02/2007]

Authorized Promulgating Officers: (03/08/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	1	
JCAHO CAMH Standard	Patient Rights and Organization Ethics	
JCAHO CAMH Standard	Emergency Medicine Treatment Active Labor Act	

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-11

Infection Control

September 10, 2007

an

Change Summery

1. Reviewed the current Joint Commission requirements, Government Code and Administrative Code for compliance.
2. This was a total rewrite of this policy to bring it in compliance with new Joint Commission requirements.

NEW POLICY

IN
LUCIDOC FORMAT

Palomar Pomerado Health Policy

Infection Control

Source Documents QLT-11 formerly IC-01 (Rev: 2)**Official**

Applicable to:
ESC - 56
HH - 54
PCCC - 21
PMC - 20
POM - 30
Villa Pom - 31

Affected Departments:
All Departments

I. PURPOSE:

To provide directions to the employees of PPH from the Board of Directors for surveillance, prevention and the control of infections based on the risk that the hospital faces related to the acquisition and transmission of infectious disease.

DEFINITIONS:

II. TEXT / STANDARDS OF PRACTICE:

A. The infection control program requires the direct involvement of hospital leadership due to the broad scope and depth of the program. Only with leadership involvement can the appropriate scope of the IC program be determined and appropriately resourced. Therefore the hospital:

1. incorporates its infection control program as a major component of its safety and performance improvement programs.
2. performs an ongoing assessment to identify its risks for the acquisition and transmission of infectious agents.
3. uses an epidemiological approach that consists of surveillance, data collection, and trend identification.
4. effectively implements infection prevention and control processes.
5. educates and collaborates with hospital-wide leaders to effectively participate in the design and implementation of the IC program.
6. integrates its efforts with health care and community leaders to the extent practicable, recognizing that infection prevention and control is a community-wide effort.
7. must plan for responding to infections that could potentially overwhelm its resources so that it can remain a viable community resource,

B. This policy will be reviewed and updated as required or at least every year.

III. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 2	03/08/2005	Lorie Shoemaker, Chief Nurse Executive, PPH	lkr replacing 4 references to "nosocomial" to "healthcare-associated". dxb3.
(Changes) 1	12/17/2001	Dr. Valentino Tesoro, SVP Quality and Clinical Effectiveness	Original Version

VI.

Authorized Promulgating Officers: (03/08/2005) Dr. Marcelo R Rivera, Director, PPH Board

07

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Infection Control	
Hospital Accreditation Standards 2007	Surveillance, Prevention and Control of Infection	Pg.:239-240.
JCAHO CAMH Standard	Surveillance, Prevention, and Control of Infection	
JCAHO CAMH Standard	Fire Prevention	
JCAHO CAMH Standard	CDC	
JCAHO CAMH Standard	CoP	
JCAHO CAMH Standard	Title 22	

PALOMARPOMERADO HEALTH

BOARD POLICY

QLT-12

Information Management

September 10, 2007

Change Summery

1. Reviewed the current Joint Commission requirements, Government Code and Administrative Code for compliance.
2. This was a total rewrite of this policy to bring it in compliance with new Joint Commission requirements.

NEW POLICY

IN
LUCIDOC FORMAT

PALOMARPOMERADO HEALTH

BOARD POLICY

QLT-13

Medical Staff

September 10, 2007

Change Summery

1. Reviewed the current Joint Commission requirements, Government Code and Administrative Code for compliance.
2. This was a total rewrite of this policy to bring it in compliance with new Joint Commission requirements.

I. PURPOSE:

To provide directions to the medical staff of PPH from the Board of Directors for the active participation of the medical staff in measuring, assessing and improving the performance of the PPH organizations in which they practice.

II. DEFINITIONS:

III. TEXT / STANDARDS OF PRACTICE:

A. The hospital has an organized, self-governing medical staff that provides oversight of care, treatment, and services provided by practitioners who are credentialed and privileged through the medical staff process.

1. The medical staff is responsible for creating and maintaining a set of bylaws that define its role within the context of the clinical setting and its responsibilities in the oversight of care, treatment, and services.
2. The medical staff bylaws and rules and regulations create a framework within which the medical staff members can act with a reasonable degree of freedom and confidence.
3. The medical staff is responsible for the ongoing evaluation of the competency of practitioners who are privileged, delineating the scope of privileges that will be granted to practitioners and providing leadership in performance improvement activities within the organization
4. Physician assistants and advanced practice registered nurses who are not licensed independent practitioners may be privileged through the medical staff process.
5. Medical practice is within the framework of clinically relevant and scientifically valid standards, guidelines and criteria and according to applicable state/federal rules and regulations and the Bylaws/Regulations of the Medical Staff
6. The hospitals governing body has the ultimate authority and responsibility for the oversight and delivery of health care rendered by licensed independent practitioners, and other practitioners credentialed and privileged through the medical staff process or any equivalent process.
7. The Board of Directors and the medical staff define medical staff membership criteria
8. The medical staff defines the criteria to determine which licensed independent practitioner members are eligible to participate in the oversight of the delivery of care provided to patients.
9. Membership is not synonymous with privileges.

B. The Board of Directors will periodically obtain consultation to ensure medical practice is consistent with current advancing technology.

C. This policy will be reviewed and updated as required or at least every year.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 2	03/07/2005	Lorie Shoemaker, Chief Nurse Executive, PPH	LKR updating text; dxb3.
(Changes) 1	12/17/2001	Dr. Valentino Tesoro, SVP Quality and Clinical Effectiveness	Original Version

VI.

Authorized Promulgating Officers: (03/07/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	1	
Hospital Accreditation Standards 2007	Medical Staff	Pg. 355
JCAHO CAMH Standard	CoP	
JCAHO CAMH Standard	CMA	
JCAHO CAMH Standard	Title 22	

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-20

Admission Criteria

September 10, 2007

Change Summery

1. Reviewed the current JCAHO Standards, Health and Safety Code; Government Code, Civil Code and Administrative Code for compliance.
2. There were no significant changes to this policy.

POLICY

IN
LUCIDOC FORMAT

InC

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health

Policies, HH only

Admission Criteria

QLT-20

Policy

(Rev: 3)**Official**

Applicable to:
HH - 54

Affected Departments:

I. PURPOSE:

To identify the criteria for admission to Palomar Pomerado Home Care (PPHC).

II. DEFINITIONS:

For the purposes of this policy, the following definitions apply:

A. **Homebound Status (Medicare)**
In general, a patient will be considered to be homebound if the patient has a condition due to an illness or injury that restricts the patient's ability to leave his or her place of residence except with the aid of supportive devices such as crutches, canes, wheelchairs, and walkers, or the assistance of another person or if leaving home is medically contraindicated. The condition of these patients should be such that there exists a normal inability to leave the home and, consequently, leaving home would require a considerable and taxing effort.

B. **Medicare Qualifying Service**
Skilled Nursing, Physical Therapy, Speech Therapy.

C. **Intermittent Service (Medicare)**
A patient must have a medically predictable recurring need for skilled nursing, physical therapy or speech therapy.

D. **Reasonable and Necessary**
The determination by the physician considering that the service by its nature requires the skills of a licensed nurse or registered therapist to be provided safely and effectively even if it can be taught to the patient. This is in consideration of the inherent complexity of the service, the condition of the patient and the accepted standards of medical, nursing and rehabilitation practices.

E. **Duplication of Service**
If it is determined that the services furnished by the home health agency are duplicative of services furnished by an assisted living facility (also called personal care homes, group homes, etc.) when provision of such care is required of the facility under State licensure requirements, claims for such services should be denied under § 1862(a)(1)(A) of the Act.

III. TEXT / STANDARDS OF PRACTICE:

A. Criteria for admission to PPHC include the following:

1. PPHC is organized to safely and effectively deliver home care services to patients in their place of residence. PPHC accepts patients for services based on an expectation that the patient needs can be met and that continuity of care can be provided. Patients may be self referred or referred by physician, discharge planner, friend, or family member.
2. The patient/client and if necessary a competent caregiver available, is willing to be trained and able to participate in the plan of care, comply with the therapeutic regimen and agree that the patient/client should receive care at home. If the patient requires shift care there needs to be a family member or a trained and competent caregiver to assume care in the event the agency is unable to staff a shift.
3. Both the patient/client and the physician (if applicable) understand the scope of home care services and agree to work cooperatively with the agency. The agency has adequate and qualified personnel and resources to provide the services required; this includes the ability to provide care to patients in all age groups, and nationalities with language needs considered.
4. The physical facilities and resources in the patient's residence, school and/or community environments are adequate for proper and safe care. For a private duty shift case:
   a. Physical facilities and resources in the patient's home, school; and or community environments will be adequate for proper and safe care to the client and staff member.
   b. The patient has a family member or significant other trained and competent to assume care

in the event the agency is unable to staff a shift.

c. The patient/family agrees to keep privately owned medical and emergency equipment appropriately calibrated and maintained for safe and accurate delivery of nursing care.

5. There is a plan to meet medical emergencies.
6. There is a reasonable expectation that payment will be received or there is a payment source (private pay, insurance, MediCal, Medicare, etc.).
7. Authorization number (if applicable) is obtained.
8. The patient resides in the geographical area served by the agency.
9. If all parties agree that the patient is an acceptable candidate for services, a more complete evaluation will occur. The subsequent evaluation will intensively consider the following admission criteria:
   a. Current medical status, including the:
      i. Patient's current diagnosis(es) and medical problems.
      ii. Patient's current medical history.
      iii. Patient's past medical history.
      iv. Pertinent physical findings, including any physical limitations.
      v. Pertinent laboratory test results.
   b. For infusion cases:
      i. Appropriateness of the choice of drug(s) chosen for the patient.
      ii. Appropriateness of the dose, route, and frequency of administration for the patient.
      iii. Availability of suitable venous access, where appropriate.
10. Criteria for admission under Medicare home health services also includes:
    a. The patient must be homebound as required by the payor.
    b. The patient must require skilled qualifying services.
    c. The care needed must be intermittent (part time).
    d. The care must be a medical necessity (must be under the care of a physician).
    e. The care must be reasonable and necessary.
    f. There is no duplication of services.
11. PPHC will not accept for service any patient known to be in an unsafe environment (either for patient/client or agency staff) or any case in which specialized care is required and specialty-prepared staff are not available. If the patient/client does not meet admission criteria, the patient/client is referred to alternate services and the referral source and physician (if applicable) are notified.

History:

A. The previous revision dates are 12/03/01, 02/11/02, 08/27/03, and 08/24/04.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 3	05/30/2006	Lucia A Nolan, Admin Partner Home Health	
(Changes) 2	09/28/2005	Lucia A Nolan, Admin Partner Home Health	Removed Christine Greenstein's name from the list of authorized Promulgating Officers
(Changes) 1	02/11/2002	Elissa Hamilton	The previous revision date is: 12/03/01.

Authorized Promulgating Officers:

(05/22/2006) Sheila Brown, RN, MBA, Chief Clinical Outreach Officer
(05/22/2006) Elissa Hamilton

(05/30/2006) James Neal, Director of Corporate Integrity
(05/23/2006) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Assessment of Patients	
Source Documents	Care of Patients	
Source Documents	Continuum of Care	

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-22

Clinical Records

September 10, 2007

Change Summery

1. Reviewed the current JCAHO Standards, Health and Safety Code; Government Code, Civil Code and Administrative Code for compliance.
2. There were no significant changes to this policy.

POLICY

IN
LUCIDOC FORMAT

PALOMAR POMERADO HEALTH SPECIALIZING IN YOU

Palomar Pomerado Health Policy

Policies, HH only

Clinical Records

QLT-22 (Rev: 2)**Official**

Applicable to: **Affected Departments:**

I. PURPOSE:

A detailed and accurate account of the care and services provided to the patient. The agency shall establish a clinical record for each patient accepted onto services and will maintain the record in the home care office.

II. DEFINITIONS:

Clinical record contains past and current findings in accordance with accepted professional standards and maintained for every patient receiving home care services.

III. TEXT / STANDARDS OF PRACTICE:

A. The agency shall establish and maintain for each patient accepted for care, a health record which shall include the following information.

1. Name, sex, address, phone number, and date of birth; the name of any legally authorized representative; and the name and phone number of the family member to be contacted in the event of an emergency or death.
2. Date of admission.
3. Name, address, and telephone number of the attending physician or other licensed and legally authorized person whose orders or recommendations are being implemented by the home health agency.
4. Patient's initial assessment with reason for admission, patient's height and weight, dietary restrictions, allergies and known adverse reactions for food or medications.
5. Specific and appropriate notes on the care and services provided - signed and dated.
6. Comprehensive medication information and use.
7. Plan of treatment, plan of care, or plan for personal care services and notation of conditions and diagnosis in its entirety.
8. Care planning activities based on the patient's problems and needs including copies of summary reports sent to the attending physician.
9. Patient and family education.
10. Authenticated, legible, and complete physicians orders, as required by law and regulation.
11. Transfer forms, health history, or copies of any records received from transferring organization.
12. Evidence of consent for care and service authorization forms.
13. All diagnostic and therapeutic procedures, treatments, laboratory and X-Ray reports.
14. The patient's response to care and services.
15. Findings of the patient's reassessment.
16. Referrals to internal or external care providers and community agencies with documentation of relevant communication regarding the patient.
17. Documentation that a list of patient rights has been made available to each patient, patient's representative, or next of kin.
18. Discharge summary including date of discharge, reason for termination of service and the patient's medical and health status at discharge.

B. Clinical documentation shall be signed and incorporated into the patient's health record at least every seven working days.

C. Each patients health record shall be:

1. Permanent, either typewritten or legibly written in black ink and capable to being photocopied.
2. Current and kept in sufficient detail to identify the patient's health status for health care providers.
3. Be readily available for review upon request of the attending physician or other prescriber; any authorized employee, agent or officer of the agency; authorized representatives of PPH; insurance

companies; health care service plans or worker carries; or any other person authorized by law or regulation.

D. Each Clinical Record will be maintained both in hard copy and electronic format on PC/Laptop/Handheld device to assure the security and privacy of data to be in compliance with HIPAA requirements. (refer to Procedure HH0048)
E. PPHC shall perform a quarterly review of a stratified sample of patient clinical records. The evaluation shall be accomplished by a group of qualified appropriate health professionals representing the scope of the program.
F. The clinical record review will be a sample of both concurrent and retrospective clinical records to determine whether established policies are followed in furnishing services directly, and is representative of the diagnosis of patients treated and services rendered.
G. The review of the patient's clinical record shall be based on a sample of five percent of the total patient census with a minimum of twenty records and a maximum of 100 records every six months.
H. The review will be performed by a qualified health professional of equivalent or higher training than the care provider.
I. The review will be documented and maintained on file. It is performed against a pre-set criteria of practice for each discipline providing care. Criteria of practice shall include:
    1. Appropriateness of the level of care provided to protect the health and safety of patients.
    2. Timeliness of the provision of care.
    3. Adequacy of the care to meet patients' needs.
    4. Appropriateness of the specific services provided.
    5. Whether the standards of practice for patient care were observed.
    6. Accessibility to care.
    7. Continuity of care.
    8. Privacy and confidentiality of care.
    9. Safety of care environment.
    10. Participation in care by patient and family.
J. The results of the review of clinical records shall be incorporated into the quality management system quarterly and reported to the Director at least quarterly.
K. The Quality Manager will provide statistical data of findings to be incorporated in the annual program evaluation.
L. The Director of the Agency is responsible for the prompt implementation of the Quality Manager's recommendation.
M. The Agency will support and assist the Quality Manager by furnishing information, facilitating case review, conducting studies and maintaining records.
N. Medical records shall be selected by a random sample procedure and shall include short-term, long-term, problem, active and discharged patients.

IV. **ADDENDUM:**

Reference to Clinical Record Procedures for:

A. Protection and Retention.
B. Contents.
C. Process.
D. Charting.

V. **DOCUMENT / PUBLICATION HISTORY:**

The previous revision date is: 05/30/01.

VI. **CROSS-REFERENCE DOCUMENTS:**

VII. **7, IM.7.2, IM.7.3, IM.8**

CoP 484.48

TITLE 22 74735, 74742

Electronic Signature Policy, # HH-030

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 2	08/30/2004	Elissa Hamilton	[Reviewed on 1/13/2006 by Lucia Nolan: Extended review to 1/13/2007] [Reviewed on 1/13/2006 by Lucia Nolan: Set next review date to 3/27/2006]
(Changes) 1	02/11/2002	Elissa Hamilton	The previous revision date is: 05/30/01.

Authorized Promulgating Officers:

(08/30/2004) Sheila Brown, RN, MBA, Chief Clinical Outreach Officer
(unsigned) Christine Greenstein
(unsigned) James Neal, Director of Corporate Integrity
(unsigned) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Related Documents	Electronic Signature Policy, # HH-030	
Related Documents	CoP 484.48	
Related Documents	TITLE 22 74735, 74742	

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-25

Emergency Care – Disaster Preparedness

September 10, 2007

Change Summery

1. Reviewed the current Joint Commission , Government Code and Administrative Code for compliance.
2. Updated locations for disaster evacuation for the different areas of Home Health.

POLICY

IN
LUCIDOC FORMAT

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health Policy

Emergency Care - Disaster Preparedness

Policies, HH only QLT-25 (Rev: 4)**In preparation**

Applicable to: HH - 54

Affected Departments: Policies, HH only

I. PURPOSE:

To provide continued care and service in the event of an emergency that would threaten interruption of patient/client services. To clarify responsibility in medical emergency situations in patient homes or agency office.

II. DEFINITIONS:

A. **Emergency** means a sudden and unexpected turn of events calling for immediate action.

B. **Disaster** County of San Diego defines a disaster as : Fire , Earthquake , Flood or Explosion.

C. **Command Center** primary location for coordination of Home Health disaster activities.

1. Home Health conference room, 1540 East Valley Parkway Suite 200, Escondido, 92027
2. Albertson's parking lot- 1541 East Valley Parkway, Escondido, 92027
3. California Center for the Arts - 340 N. Escondido Blvd, Escondido, 92025

III. TEXT / STANDARDS OF PRACTICE:

A. If a home health employee encounters a patient or person who is in need of emergency assistance, the employee should stay with them if possible but summon help. EMS may be utilized by calling 911. Individuals needing medical attention will be treated within the capabilities of that location which may include calling the patient's physician and/or 911.

B. CPR and/or First Aid will be rendered within the capabilities of the responder(s).

C. In the event of a major fire/emergency/disaster, the first available supervisor/manager,*or designee* to be informed of the situation,*or the first staff member on-site* will immediately set-up the command center to initiate and direct the disaster plan (located in the Environmental Safety and Management Manual VOL II).

D. In the event of natural disasters where travel is possible, staff members are expected to report to the command center. If travel is unsafe, staff will report by phone if possible. If the agency is affected, the command center will be Albertson's parking lot - behind Acapulco restaurant or the California Center for the Arts parking lot along Escondido Blvd .

E. In the event that agency personnel are not able to function due to illness, strike, natural disaster, epidemic, public unrest, or damage to facility, the agency director, manager, nursing supervisor, or designee will determine which visits are unable to be postponed. Another agency within the same geographical area will be requested to do those visits if possible.

F. If the above efforts are not successful the agency supervisor, manager, director,*or designee* will contact local law enforcement personnel for transportation assistance. The staff member living in closest proximity to the patient will be assigned to make the visit with transportation assist by the local law enforcement agency. If it is determined after communication with the law enforcement personnel that a visit cannot be safely made, the patient's physician will be contacted, and a

course of action determined. The agency will attempt to contact the Command Center at Palomar Hospital (760) 739-3000 x3325 to contact other emergency workers who may potentially contact or visit needy patients.

G. The Command Center at Home Health will be the conference room at the home health office if deemed safe, otherwise:

a. Home Care Building - Conference Room
b. Albertson's parking lot - behind Acapulco's
c. California Center for the Arts - parking lot along side of Escondido Blvd.

(There are 5 key roles that will be designated during a "Code Yellow:"

H.

1. Incident Commander:

Takes charge at the time; organizes and directs the Home Health command center, gives overall direction for disaster /emergency activities, recovery operations and, if needed, authorize evacuation.

2. Recorder:

Provides clerical support for the Incident Commander; records and logs all of the activities on the activity log and action plan.

3. Logistics Chief:

Oversees the acquisition of supplies and services necessary to carry out the "Code Yellow": at the Home Health facility; oversees and arranges all transportation requirements is also in charge of all security and communications for the Home Health departments.

4. Planning Chief:

Organizes and directs distribution of critical information to chiefs and employees; responsible for the manpower pool of employees and volunteers; receives request from Palomar Medical center (PMC) and assigns staff; function as the contact person between the PMC command Center and Home Health.

5. Operations Chief:

Triages patient status at Home Care and utilizes the triage report forms; coordinates resources (staffing/supplies) for needs of existing patients; coordinates with Planning Chief regarding new incoming referrals to Home Health from Palomar Pomerado Health (PPH).

I. **All Staff**:

In the event of a major disaster/emergency it is the responsibility of all staff to:

a. Report their status by phone or in person to the office.
b. Depending upon the severity of the disaster, the employee will be directed to report to the following locations in this order:
   i. Home Care Building - 1540 East Valley Parkway Suite 200, Escondido, 92027

ii. Albertson's parking lot 1541 East Valley Parkway, Escondido, 92027

iii. California Center for the Arts parking lot along side of Escondido Blvd

c. Accept whatever duties are assigned by the leaders at the Home Health Office Command Center.

J. Field Staff are responsible to:

0. Contact their patients by phone to briefly assess and prioritize their current needs (TRIAGE). Communicate the information to the Operations Chief.
1. Categorize patients into the possible treatment categories:
   a. Category III:

      Needs immediate attention, rescue and evacuation procedure needed. Operation Chief to determine course of action, i.e.: 911 if functional

   b. Category II:

      Requires assistance or treatment soon but can wait safely for 24-48 hours.

   c. Category I:

      Is unaffected at this time by Emergency and is capable or care without support of others for some time.

2. Call the office and report patient findings.

K. The Home Care red phones are the telephone back-up system:

0. The red phones are connected to direct lines from the phone company.
1. If we lose our "phone switch" (our regular phone system), the red phones may still be functional.
2. If the regular phone has no dial tone, pick up the red phone and check for a dial tone.
3. Then, to call another phone: call the full 7 digit phone number listed, with the area code if necessary. (The regular 4-digit extension of the red phone is not the same as its 7 digit number for emergencies)
4. **Red phones** - Locations:
   . Reception area/Department Secretary (Certified)..... 760-747-0179
   a. Work Area (Certified)..... 760-747-1007
   b. Maternal/Infant Program Supervisor's Office (Certified) 760-747-0540
   c. Education/QA near window (Certified).....760-747-0554
   d. Private Duty back office on top of file cabinet.....760-747-0561

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description

(this version) 4		Jessica Castillo	Addresses added and Definition of Disaster listed per the Professional Advisory committee.
(Changes) 3	06/02/2006	Lucia A Nolan, Admin Partner Home Health	
(Changes) 2	08/01/2005	Lucia A Nolan, Admin Partner Home Health	Removed Christine Greenstein's name from the list of authorized Promulgating Officers
(Changes) 1	02/11/2002	Elissa Hamilton	The previous revision date is: 10/18/01.

VI.

Authorized Promulgating Officers:	(unsigned) Sheila Brown, RN, MBA, Chief Clinical Outreach Officer (unsigned) James Neal, Director of Corporate Integrity (unsigned) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Environment of Care Management	

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at . http://www.lucidoc.com/cgi/doc-gw.pl/ref/pphealth:10540$4

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-30

Personnel Qualifications and Competetency
Home Health

September 10, 2007

Change Summery

1. Reviewed the current Joint Commission , Government Code and Administrative Code for compliance.
2. Removed education requirements throughout the document and corrected licensure requirements.

POLICY

IN
LUCIDOC FORMAT

Palomar Pomerado Health Policy

Personnel Qualifications and Competency

Policies, HH only QLT-30 (Rev: 4)**Draft**

Applicable to: HH - 54

Affected Departments: Policies, HH only

I. PURPOSE:

To provide and establish qualifications and for performance standards and competency for clinical staff providing care to patients/clients.

II. DEFINITIONS:

For the purposes of this policy, the following definitions apply:

A. **Personnel Qualifications** means the established clinical qualifications and performance standards needed by the individual disciplines to provide care to patients.

B. **Competency** means the state of having adequate and sufficient skills and ability to perform the necessary components of the job.

III. TEXT / STANDARDS OF PRACTICE:

A. Registered Nurses perform initial comprehensive nursing assessments and reassessments; develop, implement and evaluates the plan of care; administer intravenous medications and therapies; regulates ventilators; perform all skilled nursing services; and educates patients and families.
Licensure Requirement:
California RN License

1. Psychiatric nurses require advanced training in caring for patients with psychiatric illnesses.
2. Maternal/child/peds nurses require advanced training in caring for high-risk mothers/infants as well as postpartum care of early discharge mothers and infants.
3. Infusion therapy nurses require training in the administration of antibiotic therapy, parenteral and enteral nutrition, pain management therapy and hydration therapy.
4. Respiratory and pulmonary nurses require advanced training as a clinical nurse in respiratory illnesses.
5. Enterostomal therapy nurses require advanced practice and training in enterostomal therapy.

B. Licensed Vocational Nurses:
Licensure Requirement:
California LVN License

1. Perform under the direction of a registered nurse and may implement the plan of care which has been developed by a registered nurse.
2. A licensed vocational nurse may conduct physical assessments on follow up visits and provide feedback to the RN and MD regarding patient progress towards goals.
3. Must have 1 year of acute care experience within the last 5 years.
4. LVN's may perform skilled nursing services but may not: Administer any IV medications or administer IV therapies through a central line.
5. A licensed vocational nurse may administer IV therapies through a peripheral line if IV certified and only as allowed by the CA LVN Nurse Practice Act.

C. Physical Therapist:
Licensure Requirement:
California Physical Therapist License

1. Performs initial physical therapy assessments and reassessments.
2. Develops and implements the therapy plan of care.
3. Performs skilled services with specific focus on the client's functional limitations.

4. Minimum experience 1 year.

D. Physical Therapy Assistant:
Licensure Requirement:
California Physical Therapy Assistant *License*

1. Administers physical therapy care programs as directed by a registered physical therapist.
2. May conduct a physical assessment on follow-up visits and provide feedback to the PT and MD regarding patient progress towards goals.
3. May not perform initial assessments or reassessments, *develop or modify the plan of care.*
4. *May not establish a discharge plan.*

E. Occupational Therapist:
Licensure Requirement:
California Occupational Therapist License

1. Performs initial occupational therapy assessments and reassessments.
2. Develops and implements the therapy plan of care.
3. Performs skilled services with specific focus on the client's activities of daily living.
4. Minimum experience 1 year.

F. Speech Pathologist:
Licensure Requirement:
California Speech Therapist License

1. Performs initial speech therapy assessments and reassessments.
2. Develops and implements the therapy plan of care.
3. Performs skilled services with specific focus on the client's oral/motor speech, swallowing, auditory language, visual language, written language, language processing and cognitive processing.
4. Minimum experience 1 year.

G. Medical Social Worker:
Licensure Requirement:
California Clinical social Work License (Preferred)

1. Performs psychosocial assessments including the client's living arrangements, financial status, provision of basic needs, adjustment to disability and support systems.
2. Facilitates client's ability to participate in the plan of care.
3. Provides referral to community resources, as appropriate to enhance the client's adjustment and compliance with the plan of care.
4. Minimum experience 1 year.

H. Home Health Aide Services:
Licensure Requirement:
California Home Health Aide Certification

Certified Home Health Aide/Certified Nursing Assistants:

1. Provides personal care and support services under nursing or therapy supervision pursuant to a plan of care prescribed by the patient's physician.
2. May not administer medications.

I. Competency is assessed upon hire through a review of the employee's experience and education. In addition, the orientation process provides an opportunity for direct observation of skills, both formally and informally, in the classroom and in the patients' homes. Employees complete skills self-assessment checklists on hire (as appropriate). Written tests are required of Certified Nursing Assistants, Certified Home Health Asides and Licensed Vocational Nurses.

J. To assure their basic proficiency, PPHC will evaluate the competency of all Certified Home Health Aides through skills testing upon hire. Certified Home Health Aides will be re-evaluated for competency on a yearly basis thereafter. In addition, Certified Home Health Aides will be regularly evaluated during scheduled supervision in patient/client homes.

K. On an ongoing basis, employee competency is assessed through attendance and skills performance at in-services and education in-services and by utilizing feedback from patients, nursing supervisors and other managers. Palomar Pomerado Home Care will provide educational programs at regular intervals to home care employees. These in-services will be relevant to home care issues. Continuing education units may be offered for these in-services. Inservice education classes will be based on employee need, employee or management suggestions, patient/client population or introduction of new equipment or programs. Employee input as to current topics of interest is desired and encouraged.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY:

The previous revision date is: 10/10/01.

VI. CROSS-REFERENCE DOCUMENTS:

COP 484.4, 484.16

TITLE 22 74721

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 4		Jessica Castillo	Document being revised per the PAC request to remove explanation of schooling for the LVN and to change the number of years expierience required to one.
(Changes) 3	03/23/2006	Lucia A Nolan, Admin Partner Home Health	Updated sec III. C.4 and F.4
(Changes) 2	08/01/2005	Lucia A Nolan, Admin Partner Home Health	Removed Christine Greenstein's name from the list of authorized Promulgating Officers
(Changes) 1	02/11/2002	Elissa Hamilton	The previous revision date is: 10/10/01.

VI.

Authorized Promulgating Officers:	(unsigned) Sheila Brown, RN, MBA, Chief Clinical Outreach Officer (unsigned) Elissa Hamilton (unsigned) James Neal, Director of Corporate Integrity (unsigned) Dr. Marcelo R Rivera, Director, PPH Board	**Reviewers**	Neal, James

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	1	

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-31

Plan of Care – Plan of treatment
Home Health

September 10, 2007

Change Summery

1. Reviewed the current JCAHO Standards, Health and Safety Code; Government Code, Civil Code and Administrative Code for compliance.
2. There were no significant changes to this policy.

POLICY

IN
LUCIDOC FORMAT

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health

Policies, HH only

Policy

Plan of Care - Plan of Treatment

QLT-31

(Rev: 2)**Official**

Applicable to:
HH - 54

Affected Departments:
Policies, HH only

I. PURPOSE:

To assure that plans of care/plans of treatment are individualized to each patient and that each patient participates in the planning of his/her care.

II. DEFINITIONS:

For the purposes of this policy, the following definitions apply:

A. **Plan of treatment (POT)** is the typed documentation of the Plan of Care that is sent to the Physician for signature. It is also referred to as the '485'. This is the document that the Department of Health Services and Medicare Conditions of Participation refer to as the physician's plan of care.

B. **Plan of Care (POC)** is the individual discipline care plan that is developed on admission and updated a minimum of every 60 days or as the patient's condition changes.

III. TEXT / STANDARDS OF PRACTICE:

A. An individualized plan of care/plan of treatment shall be established for each patient/client accepted for home care services. It will be incorporated into the clinical record and will be reviewed and revised no less than every 60 days and as necessary on an ongoing basis.

B. The plan of treatment signed by the physician is one mechanism that verifies orders for providing care to the patient. The plan of treatment is developed by the primary discipline and the patient, with physician consultation. It is forwarded to the physician. A copy is filed in the clinical record. The physician will read, revise and/or add to the plan and return the signed original to the agency. Any revisions made by the physician are noted by the primary discipline; the original is filed in the clinical record within 30 working days. The primary discipline will assure that the plan is carried out, and will assure that patient/client information is provided to other disciplines as appropriate.

C. The plan of treatment shall cover pertinent information including, but not limited to:

1. Patient/client demographic information.
2. Physician name.
3. Diagnosis and surgical procedures and dates of onset.
4. Types of services and equipment and supplies required.
5. Statement of treatment goals which are reasonable and measurable.
6. Statement of identified patient/client problems and needs.
7. Statement describing services/interventions to be provided.
8. Medications, treatments, diet and supplies orders.
9. Functional limitations/mobility/activities permitted.
10. Patient and family strengths, resources.
11. Mental status/cognitive function/psychosocial status.
12. Nutritional requirements.
13. Rehabilitation potential.
14. Any safety measures to protect against injury, environmental factors.
15. Frequency and duration of visits of all disciplines.
16. Prognosis.
17. Instructions to patient/family.
18. Family involvement/availability of able and willing caregiver, degree of family involvement.
19. Allergies.
20. Any other appropriate information or orders.
21. Who is to perform the treatment.

22. The need for additional services or care.

D. The discipline noting the change will notify the physician whenever there is a change in the patient's condition, environment or need for services within such disciplines scope of practice. This communication will be documented in the patient's medical record.

E. Any change in medical orders after the initial plan of treatment will be approved by the MD and documented in the progress notes. The plan of care will be updated as appropriate. A supplementary order will be written by the discipline receiving the order within such disciplines scope of practice and faxed/mailed to the physician for his signature. Supplemental orders will be signed by the physician and received back within 30 working days.

F. Each plan of treatment will be reviewed and updated as frequently as the patients condition warrants and a minimum of every 60 days. The i ndividualized discipline plan of care (POC) will be added to, revised and updated at a minimum every 60 days as needed.

G. A plan of care for personal care and support services only, may be written without a plan of treatment prescribed by a physician. The plan of care will be added to, revised and updated as needed and at least every 60 days.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 2	08/01/2005	Lucia A Nolan, Admin Partner Home Health	Removed Christine Greenstein's name from the list of authorized Promulgating Officers [Reviewed on 8/10/2007 by Jessica Castillo: Extended review to 8/9/2008]
(Changes) 1	02/11/2002	Elissa Hamilton	The previous revision date is: 10/10/01.

Authorized Promulgating Officers:

(08/01/2005) Sheila Brown, RN, MBA, Chief Clinical Outreach Officer
(07/15/2005) James Neal, Director of Corporate Integrity
(07/17/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Care of Patients	
Source Documents	Management of Information	

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at .
http://www.lucidoc.com/cgi/doc-gw.pl/ref/pphealth:11281

PALOMAR POMERADO HEALTH

BOARD POLICY

QLT-33

Reassessment Policy
Home Health

September 10, 2007

Change Summery

1. Reviewed the current JCAHO Standards, Health and Safety Code; Government Code, Civil Code and Administrative Code for compliance.
2. There were no significant changes to this policy.

POLICY

IN
LUCIDOC FORMAT

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health

Reassessment Policy

Policies, HH only | QLT-33 | Policy (Rev: 3)**Official**

Applicable to: HH - 54

Affected Departments: Policies, HH only

I. PURPOSE:

To assure timely updates and revisions of plans of care and/or treatment. Care or service is reviewed regularly and revised as necessary to reflect any change in the patient/client condition or environment.

II. DEFINITIONS:

1. **Plan of Treatment** (POT) is the typed documentation the Plan of Care that is sent to the Physician for signature. It is also referred to as the "485". It is the document that the Department of Health Services and Medicare Conditions of Participation refer to as the physician's plan of care.
2. **Plan of Care** (POC) is the individual discipline care plan that is developed on admission and updated a minimum of every 60 days or as the patient's condition changes.
3. **Outcome Assessment Information Set** (OASIS) is the standard assessment instrument required by CMS for use in delivering home health care.
4. **Reassessment OASIS** survey is completed between Day 56 and Day 60 during a visit as part of the comprehensive assessment.
5. **60-day Summary Report** provides a brief but comprehensive summary of the patient's status, progress, or regression to the physician for the certification period just ending.
6. **Progress Note** means a written notation, dated and signed by a member of the health team, that summarizes facts about care furnished and the patient's response during a given period of time.

III. TEXT/STANDARDS OF PRACTICE:

A. A comprehensive re-assessment will be performed on every patient requiring on going care. This will be completed between Day 56 and 60 of each 60-day period. This re-assessment will include at least the following:
   1. Reassessment OASIS survey.
   2. A brief description of the patient's/client's current condition: physical and functional status including homebound status as required by payor.
   3. A review of each problem - identify the problem, describe interventions, describe patient's response.
   4. Justification for continued care.
   5. Psychosocial needs/problems.
   6. Services currently being provided.
   7. A projection of further services needed.
   8. An updated description of goals.
   9. Vital signs and date of the last visit will be indicated.
   10. Nutritional risk.
   11. Drug regimen review.

B. The RN approving 485's will sign and date the report.

C. The recertification plan of treatment along with the 60-day summary report will be sent to the physician before the new 60 day period begins or verbal orders will be obtained in order to continue services. The physician will review the plan of treatment, sign, and return within 30 working days.

D. For Laptop: The skilled disciplines (SN, PT, MSW, OT, ST - PR [Primary]) and HA SU [Home Health Aide Supervisor] will be notified 14 days prior to recertification and all disciplines continuing to provide services will have a renewed/rewritten plan of treatment that includes a 60-day summary.

E. It will be the responsibility of the Data Entry person to incorporate this summary on the Plan of Treatment, under box # 30, at the time the recertification is being typed into the computer.

F. Reassessment is an ongoing process. Documentation of any changes will be found in the daily visit or progress note. In addition, changes may be recorded on the discipline plan of care, on supplemental

orders and on communication sheets. Information regarding changes will be discussed with appropriate staff, disciplines on the case, and supervisors at team conference as needed. Contacts will be made to physicians to update them on patient/client care and changes as appropriate.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 3	06/02/2006	Lucia A Nolan, Admin Partner Home Health	updated sec III.D
(Changes) 2	08/01/2005	Lucia A Nolan, Admin Partner Home Health	Removed Christine Greenstein's name from the list of authorized Promulgating Officers
(Changes) 1	02/11/2002	Elissa Hamilton	The previous revision date is: 11/30/01.

Authorized Promulgating Officers:

(10/24/2005) Sheila Brown, RN, MBA, Chief Clinical Outreach Officer
(01/13/2006) Elissa Hamilton
(03/23/2006) James Neal, Director of Corporate Integrity
(06/02/2006) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Assessment of Patients	
Source Documents	Care of Patients	

PALOMAR POMERADO HEALTH

BOARD POLICY

HR-12

SMOKING POLICY IN PPH FACILITIES

September 17, 2007

Change Summery

1. Reviewed local state and city laws and regulations.
2. This policy is a Governance Committee Policy. The HR committee took this policy out from under Governance, made changes to the policy and took it directly to the Board of Directors for approval without Governance in-put. That is why this policy is now being brought to the Governance Committee with the approval of the board being complete.
3. Changed from GOV-23 to HR-12
4. The significant changes to this policy is not allowing smoking anywhere on District property unless required by law.

NEW POLICY

IN
LUCIDOC FORMAT

Palomar Pomerado Health Policy

Smoking Policy in PPH Facilities

Policies, BOD only GOV-23 (Rev: 1)**Official**

Applicable to:
All PPH Entities - 00

Affected Departments:
All Departments
Board of Directors

I. PURPOSE:

In recognition of the danger to the health, safety and welfare of employees, patients and visitors that is created by smoking, The Board of Directors prohibits smoking in District facilities and on District property with the possible exceptions listed in the guidelines below.

II. DEFINITIONS:

For purposes of this policy, the definition of "smoking" includes the carrying of a lighted pipe, cigar or cigarette.

III. TEXT / STANDARDS OF PRACTICE:

A. Smoking shall be prohibited by persons on all District property including all PPH facilities, patient rooms, lounges, offices, waiting rooms and enclosed buildings or areas owned or operated by PPH.

B. The only exception to this policy is that smoking shall be permitted in designated locations that are environmentally separated from care, treatment and service areas as required by Joint Commission or applicable state regulations. Smoking is expressly and without exception prohibited in areas where oxygen is being administered.

C. Employees and medical staff have the responsibility to inform any person including fellow staff members or fellow physicians, patients, and visitors who are not in compliance with this policy. Violators shall be asked to extinguish their cigarette, pipe or cigar. This policy will be reviewed and updated as required or at least every three years. .

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY:

Original Document Date: 6/86
Reviewed: 2/90; 1/99; 4/95; 9/05
Revision Number: 1 Dated: 10/17/05
Document Owner: Michael Covert
Authorized Promulgating Officers: Marcelo R. Rivera, Chairman

VI. CROSS REFERENCE DOCUMENTS:

Prior to 2005, this policy was Board Policy 10-410

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version)1	10/17/2005	James Neal, Director of Corporate Integrity	Original Document Date: 6/86 Reviewed: 2/90; 1/99; 4/95; 9/05 Revision Number: 1 Dated: 10/17/05 Document Owner: Michael

Covert
Authorized Promulgating Officers: Marcelo R. Revera, Chairman

VI.

Authorized Promulgating Officers:	(10/17/2005) James Neal, Director of Corporate Integrity (10/17/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Prior to 2005, this policy was Board Policy 10-410	

PALOMARPOMERADO HEALTH

BOARD POLICY

GOV-29

Compliance Program

September 10, 2007

Change Summery

1. Made changes to add section on organizational structure which reflects the Compliance Department reporting to the Board Governance Committee on a quarterly basis and to the Board of Directors on an annual basis.
2. Makes the Compliance Officer a nonvoting member of the committee.
3. There will need to be a bylaw change reflecting this report to the governance committee.

PALOMAR POMERADO HEALTH

☒ POLICY
☐ PROCEDURE
☐ STANDARDIZED PROCEDURE
☐ PLAN

Title: Corporate Compliance and Integrity Program

Effective Date	Category / Originating Source	System policy/ procedure/ plan #:
	ADM	GOV-29

Reference Policy *(if a Procedure)*:

Affected departments:
ALL

JCAHO / Legal References:

Applicable To:
☒ ALL PPH ENTITIES—00
☐ PMC—02
☐ PCCC—02
☐ HH—02
☐ ESC—02
☐ POM—03
☐ VILLA—03
☐ Innovation—01

The following PPH Authorized Officer hereby approves the following PPH Procedure pursuant to such Authorized Officer's authority under District Policy #1538, "Promulgation of PPH Procedures."

Authorized Promulgating Officer: _____ Date: 5/17/02

Originator/Title: _____ Date: 5/15/98

Committee Approvals: _____ Date: _____

_____ Date: _____

I. Purpose

A. Palomar Pomerado Health's (PPH) mission is to heal, comfort and promote health in the communities we serve. PPH is committed to improve continuously the quality of patient care and to work for the improvement of the overall health status of the population it serves. In furtherance of the mission, PPH maintains high ethical standards, as stated in the PPH Code of Ethics (PPH policy GOV-14) and does its best to comply with both the letter and spirit of *all applicable laws and regulations*.

B. PPH recognizes that in the current health care environment, the interpretation of Medicare reimbursement regulations as well as laws governing all types of financial relationships between and among hospitals, physicians and other medical providers is constantly evolving and has become increasingly complex. PPH has developed a program (the Corporate Compliance and Integrity Program) to ensure that PPH provides for effective and efficient delivery of quality health care and health-related services in compliance with applicable laws. Specifically, it establishes (and confirms existing) standards and procedures, with a focus on PPH's effort to be honest and ethical with laws governing (i) financial relationships between hospitals and physicians or other potential sources of referrals (e.g., anti-kickback and anti-referral laws), (ii) Medicare reimbursement, (iii) private benefit, and (iv) conflicts of interest.

C. The Corporate Compliance and Integrity Program is intended to enable PPH and its agents and employees to be honest and ethical in all we do. The Corporate Compliance and Integrity Program sets out procedures designed to ensure that PPH, its agents and employees follow applicable laws that prohibit paying any

form of unlawful remuneration to a referral source with the intent to induce patient referrals from that source, and is also designed to make certain that PPH's billing and cost reporting practices comply with legal requirements.

D. The Corporate Compliance and Integrity Program will cover all physician-hospital relationships, including physician loans or income guarantees, professional service agreements, community service agreements, physician recruitment/retention agreements, medical office building leases, rental equipment agreements, medical directorships, marketing agreements, as well as joint ventures and physician practice purchases, and any other financial relationships which may arise.

E. To further PPH's responsibility to be honest and ethical, it is imperative that employees have a working knowledge of the federal and state laws that govern these relationships. This knowledge will be an essential part of every affected employee's job performance and a regular part of that employee's review.

II. DEFINITIONS

A. **Conflicts of Interest** - Any relationship, influence, or activity that might impair, or even appear to impair, the employees ability to make objective and fair decisions when performing the duties of their job. Any situation that might place an employee in a position requiring the employee to choose between their personal or financial interest and the interests of Palomar Pomerado Health.

B. **Questionable Gifts or Favors** - Giving or receiving anything of economic value, including a kickback, bribe or rebate, in cash or in-kind either in return for or to induce a patient referral or to induce the purchase, lease or order of any good, service, or item. Permissible exceptions are offering or accepting advertising or promotional items of nominal value, such as coffee mugs, calendars, or items displaying a company logo.

C. **Supplier Relationships** - Suppliers must be selected on the basis of price, quality, performance and suitability of product or service, delivery, service, reputation and, where applicable, the open bidding requirements of the California Local Health Care District Law. Nothing will be accepted from an existing or potential supplier that might compromise, or appear to compromise, the PPH's objective assessment of the items being purchased. Employees will not solicit, or use their position with PPH to secure special discounts or favorable treatment from suppliers.

D. **Antitrust** - Laws, which regulate competition. Examples of prohibited conduct include: (i) agreements to fix prices, bid rigging, collusion (including price sharing) with competitors; (ii) boycotts, certain exclusive dealing and price discrimination agreements; and (iii) unfair trade practices including bribery, deception and intimidation.

E. **Fraud and Abuse** - Fraud is the intentional deception or misrepresentation that an individual knows to be false or does not believe to be true and makes, knowing that the deception could result in some unauthorized benefit to himself/herself or some other person or entity. The most frequent kind of fraud arises from a false statement or misrepresentation made, or caused to be made, that is material to entitlement or payment under the Medicare program.

Abuse are those incidents or practices which, although not considered fraudulent acts may directly or indirectly cause financial losses to the Medicare/Medicaid program or to beneficiaries/recipients. Abuse are those practices wherein providers, physicians or other suppliers of health care goods or services operate in a manner inconsistent with accepted sound fiscal, business, or medical practices in such a way that these practices result in an unnecessary financial loss to the Medicare or Medicaid program and are not within the concept of reasonable or necessary services as defined in the Medicare or Medicaid laws.

F. **Kick Back** - Remuneration solicited or received directly or indirectly, overtly or covertly, in cash or in kind: (1) in return for referring an individual to an individual or entity for the furnishing or arranging for the furnishing of any item or service for which payment may be made in whole or in part under any health care program or (2) in return for purchasing, leasing, ordering, or arranging for or recommending purchasing, leasing or ordering any good, facility, service, or item for which payment may be made in whole or in part under any health care program.

III. TEXT/STANDARDS OF PRACTICE

A. General Information

1. Any action taken in violation of the Corporate Compliance and Integrity Program is outside the scope of employment and could subject the individual to serious sanctions, including termination of employment and criminal prosecution.

2. Employees will receive education regarding the Corporate Compliance and Integrity Program, and relevant laws. Any employee who has questions or concerns about anything discussed regarding the Corporate Compliance and Integrity Program should contact the Corporate Compliance and Integrity office. A toll-free corporate Compliance and Integrity helpline will be established to provide employees with a confidential way to raise their concerns.

3. PPH will appoint a law firm to serve as legal counsel in the administration of the Corporate Compliance and Integrity Program.

4. The Corporate Compliance and Integrity Program cannot address every aspect of PPH's activities and the applicable legal issues they may entail. As such, employees and agents should consult PPH's established policies and

procedures and seek guidance of the Director Corporate Compliance and Integrity or legal counsel, with respect to any other issues that may arise.

5. The Director Corporate Compliance will always have direct access to the Board without the CEO present.

B. Business Standards

Each new employee, medical staff member and each new PPH Board Member is required to have open access to PPH Corporate Compliance and Integrity Procedures, PPH Code of Conduct, PPH Code of Business Standards, and to sign an Employee Compliance Attestation Form.

C. Admission

1. PPH will make every effort to provide for the effective and efficient delivery of quality health care and health-related services and believes that collaborating with physicians and other medical providers to develop an innovative health care delivery system that meets individual and community needs is the best means of attracting physicians and patients to make use of its facilities.

2. Admissions, medical treatment and length of stay at PPH are determined with regard for the medical needs of the patient only. PPH will not provide any compensation or benefits to any physician, practice group or employee on the basis of increasing admissions.

3. If an employee believes that any physician is admitting patients or providing treatment on a basis other than medical need, that employee will report such concerns to his/her supervisor and/or the Corporate Compliance and Integrity office.

D. Discharge

Arrangements for patient discharges from PPH will be handled by PPH employees, who will accurately log all discharges, or by the patient's family, as appropriate. When discharging a patient in need of non-acute care services, PPH will disclose the availability of non-acute care services in the area, including the names of each relevant provider participating in the Medicare program who requests to be listed. PPH shall not specify or otherwise limit a patient's choice of provider. PPH shall disclose to each patient in writing whether PPH has a financial interest in any provider to which the patient is referred, or whether any such provider has a financial interest in PPH. PPH Policy, QLT-23 Discharge Policy

E. Patient Referrals

1. Physicians with privileges at PPH's facilities, and PPH employees, will make referrals on the basis of the best interest of the patient. PPH will provide no compensation, gift or gratuity of any kind in exchange for, or to induce, the referral of patients. State and federal law prohibits the offer or payment of any compensation to any party for the referral of patients. Subject to certain exceptions established by statute and regulation, the law also prohibits referrals for certain services to an entity with which the referring physician has a financial relationship. PPH employees will refrain from soliciting, offering or receiving any payment or remuneration of any kind in exchange for referring or recommending the referral of patients to any physician or medical facility.

2. Legal counsel will always be consulted in the drafting or review of any non-standardized legal arrangements with physicians.

3. PPH will not routinely waive insurance co-payments or deductibles or provide other incentives to induce patients to receive services from PPH. On a case-by-case basis, and where required by the financial need of the patient, PPH may provide discounted or free medical care. The financial need in all such cases shall be documented. The Chief Finance Officer/CFO or CEO will make all decisions to waive any co-pay, deductible or any other adjustments in charges and payments.

F. Enforcement and Discipline

1. PPH will maintain a **zero tolerance** policy towards illegal conduct. PPH will accord no weight to an employee's claim that any improper conduct was undertaken for the benefit of PPH. Any conduct which violates the law or regulations is not for the benefit of PPH and is in express opposition to PPH's codes, policies and procedures

2. The standards established in this Corporate Compliance and Integrity Program will be consistently enforced, as necessary, through disciplinary measures. In determining the appropriate discipline for any violation of the Corporate Compliance and Integrity Program, PPH will not take into consideration a particular employee's economic benefit to PPH. All improper conduct of the same magnitude will be accorded the same sanctions. Moreover, where appropriate, discipline will be enforced against employees for failing to report known wrongdoing.

3. PPH policy prohibits any retaliatory action against an employee for making a formal or informal report to the Director of Corporate Compliance. However, employees may not use the help line or otherwise make a formal or informal report to the Director of Corporate Compliance in an effort to insulate themselves from the consequences of their own wrongdoing or misconduct.

L. Accuracy of Records

Accuracy and reliability in the preparation of all business records is mandated by law and is of critical importance to the District's decision making processes and to the proper discharge of our financial, legal and reporting obligations. PPH must ensure that all District records, business expense accounts, vouchers, bills, payrolls, service records and reports, whether electronic or on paper, are reliable, accurate and complete. Transactions between the District and outside individuals and organizations must be promptly and accurately entered in District records in accordance with District policies and procedures. PPH employees must never misrepresent facts or falsify records. False or misleading entries on records are unlawful and are not permitted. All records should be stored for the period of time required by applicable law or contract or District policy, whichever is longest.

M. Confidentiality of Information

PPH must protect the confidentiality of the information handled by the District. Because these documents and records often contain confidential patient or business information, it is critical that information from these documents and records not be improperly disclosed to third parties. PPH employees will take precautions to avoid accidental disclosures of confidential or privileged information, records or documents. All HIPAA rules will be followed. Within the District, PPH will share confidential information only with those employees who have a legitimate need to know the information. PPH will maintain and protect the confidentiality of information handled by the District and other proprietary or confidential information even after termination of employment with the District.

N. Fair Competition

The District is committed to a policy of vigorous, lawful and ethical competition that is based on the merits of our products and services. PPH will maintain the trust of our customers and payers by developing and providing high quality products and services in a fair, ethical and legal manner.

O. Proper Use of District Assets

District assets are to be used for the benefit of the organization. District assets include, but are not limited to, equipment, furniture, office supplies, District funds, employee time, and computer supplies and software. In addition, District assets also include District data, business strategies and plans, financial data, and other proprietary or confidential information about the organization business or its employees. PPH employees have a responsibility to protect the organization's assets and to ensure that they are used exclusively for valid District purposes.

P. Cooperating With the Government

PPH employees will cooperate with all reasonable requests for information from governmental agencies. All information provided will be truthful and accurate. Requests for information other than routine forms must be forwarded to the Compliance Officer.

Q. Political Activity

Federal laws restrict the use of District funds in connection with federal elections, and there are similar laws in many states. It is the policy of the District that neither District funds, the District name, nor District facilities shall be used directly or indirectly for political purposes on behalf of candidates for political office, political parties or elected incumbent office holders at any level, federal, state or local, except as permitted by law. The District will not reimburse employees for contributions to political candidates or causes. PPH Policy GOV-27, Political Activities on PPH Property.

R. Organizational Structure.

The Corporate Compliance Officer reports to the Board of Directors and the President and Chief Executive Officer for Palomar Pomerado Health. The Board of Directors of Palomar Pomerado Health provides strategic direction through this Board Policy. The Compliance Officer is a nonvoting member of the Board Governance Committee and makes reports to that committee. The Compliance Oversight Committee will consists of members from across the District. This Committee will have the responsibility of assisting the Compliance Officer in the implementation of the Compliance Program. The Corporate Compliance Officer shall report to the President and Chief Executive Officer for Palomar Pomerado Health regarding the Compliance Program on an ongoing day to day basis, report the activities of the Compliance Program to the Board Governance Committee quarterly and the Board of Directors annually, and report all legal and ethics compliance issues as appropriate and/or required.

S. Review

This policy will be reviewed and updated as required or at least every three years.

IV. Addendum

V. Document Publication History

VI. Cross Reference Documents

1. PPH Policy GOV-14 Code of Ethics.

2. PPH Policy GOV-03 Conflict of Interest Code.
3. PPH Policy GOV-27 Political Activities on PPH Property.
4. PPH Policy QLT-23 Discharge Policy.

PALOMARPOMERADO HEALTH

BOARD POLICY

GOV-37

STRATEGIC PLANNING POLICY

September 10, 2007

New Policy

Submitted By

Marcia Jackson
Chief Planning Officer

Strategic Planning Policy
New GOV- 37

I. PURPOSE

A. To establish a perpetual 3-year plan that provides direction for both long-and short-term decision making for the board of directors and senior management in meeting the mission and vision of Palomar Pomerado Health. The strategic plan will provide a common framework for the organization to assess and prioritize alternatives and distribute resources.

II. DEFINITIONS

None

II. TEXT/STANDARDS OF PRACTICE

A. The strategic plan will be specific and measurable. The strategic planning process will incorporate the following components:

1. Review, and revise as necessary, the organization's mission, vision and values, and balanced scorecard domains
2. Assessment of major internal and external environmental factors and their potential impact on Palomar Pomerado Health
3. The Community Health Needs Assessment
4. Establishment of 3 year priorities for each of the organization's strategic themes
5. Monitoring and evaluation
6. Communication to all stakeholders

B. Planning Cycle: Every three years PPH will undertake a comprehensive strategic planning process. This process will include key stakeholders including board members, physicians, community members and management. A comprehensive plan to guide the following three years will be approved by the board of directors.

C. On an annual basis management will establish the priorities for that fiscal year to contribute to the achievement of the 3-year plan. The annual planning process will take place January-March each year, prior to the budgeting process to ensure the budget aligns with the organization's strategic priorities. The Board will approve the annual plan.

D. Planning Framework: PPH has established strategic themes that the health system must excel at to achieve the vision of becoming "the health system of choice for patients, physicians, and employees, recognized nationally for the highest quality of clinical care and access to comprehensive services". These strategic themes: Financial Strength, Customer Service, Quality, and Workforce and Workplace Development, drive the long-term strategic goals of the organization. Objectives have been established for a 3-5 year period that will provide focus to achieve the long-term strategic goals. System-wide initiatives are determined which will help develop the infrastructure, programs and skills by which the objectives and strategic goals can be accomplished. The initiatives may be multi-year, but each year management establishes the scope of the initiatives for the fiscal year. Each department establishes their departmental initiatives that contribute to the achievement of the system-wide initiatives and objectives. Measures and targets

are established for each system-wide and departmental initiative in order to monitor progress and measure performance. When initiatives are falling behind expected/desired performance a corrective action should be put in place. This could result in additional initiatives.

E. Plan Alignment: All plans in the organization will be aligned with and supportive of the strategic plan:

1. There will be one mission statement and vision for the organization (not separate mission and vision statements for each department or entity)
2. All plans throughout the organization will be expected to support the "system" strategic plan
3. All financial plans (annual budgets and long-term capital plans) will be tied directly to the strategic plan

F. Plan Monitoring: Senior management will review its implementation progress on the strategic plan monthly in its regularly scheduled meetings. Board committees will monitor performance on at least a quarterly basis in the appropriate board committee for each strategic theme. The Strategic Planning Committee of the board will monitor performance at least twice a year.

This policy will be reviewed and updated as required or at least every three years.

IV. DOCUMENT / PUBLICATION HISTORY:

Original Document Date: 8/07

Reviewed:

Revision Number: Dated: 09/10/07

Document Owner: Michael Covert

Authorized Promulgating Officers: Marcelo R. Rivera, Chairman

VI. CROSS REFERENCE DOCUMENTS:

This is an original policy

Board Policy
Development/Review of New Business Plans

TO: Board Meeting

MEETING DATE: September 17, 2007

FROM: Finance Committee September 4, 2007 & Board Governance Committee August 17, 2007

BY: Bob Hemker, CFO

Background: A proposed new Board Policy for the Development/Review of New Business Plans *(Attached)* was presented and was reviewed for structure and intent at the August 17, 2007, Board Governance Committee meeting. The Board Governance Committee concurred with staff recommendation for approval and requested that the proposed policy be forwarded to the Board Finance Committee for review/consideration of technical aspects and approval.

Budget Impact: N/A

Staff Recommendation: Staff recommended approval of the proposed Board Policy for the Development/Review of New Business Plans.

Committee Questions: After review and discussion, the Finance Committee requested the addition of a new Section III(3)(c) to provide for a streamlined Board review and approval process to address time sensitive matters.

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the proposed new Board Policy for the Development/Review of New Business Plans, with the addition of a new §III3C: **"In execution of this process and in consideration for time-sensitive matters, special Committee/Board meetings will be coordinated with the Chairs of the Strategic Planning and Finance Committee(s)."**

Motion: X

Individual Action:

Information:

Required Time:

Policy

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health

Development / Review of New Business Plan

Finance

26132

(Rev: 0)In preparation

Applicable to:
All PPH Entities - 00

Affected Departments:
All Departments

I. PURPOSE:

A. To ensure that District resources are allocated and utilized for the furtherance of Palomar Pomerado Health's Mission and Vision, a Strategic Plan has been adopted by the Board of Directors. The Plan provides direction for both long-and short-term decision making for the Board of Directors and EMT as well as a common framework for the organization to assess and prioritize alternatives and distribute resources. In concert with the identification and execution of strategies and initiatives, Business Plans will be developed, approved, and utilized to assure that business programs and services opportunities ("Opportunity") have been thoroughly evaluated, associated business risks identified, appropriate resources have been addressed, and post implementation measurement and review techniques have been identified prior to approval and / or implementation.

II. DEFINITIONS:

A. Strategic Plan - As defined in the Strategic Planning Policy # _____.

B. Business Plan - A document that summarizes the operational and financial objectives of an Opportunity. At a minimum it contains the detailed plans and budgets showing how the objectives are to be realized. The business plan contains detailed financial projections, forecasts about business performance, and a marketing plan. It is utilized as a tool for planning, implementation and monitoring. In application to this policy it is:

1. A written document that describes the Opportunity, its objectives, strategies, market and financial forecast - course of action for a specified period, usually including a detailed listing and analysis of risks and uncertainties. In summary, it is a blueprint or road-map.
2. A comprehensive planning document which clearly describes the business developmental objective of an existing or proposed business identifying markets, customers, expenditures and finances required to carry out the identified Opportunity based on projected revenues and costs over a specific period of time.

C. Sponsor - A member of the Executive Management Team (EMT) and / or Service Line Administrator (SLA) ultimately responsible for the implementation, over-site and management of the Opportunity.

III. TEXT / STANDARDS OF PRACTICE:

A. Business Plans are complimentary to the strategic planning process and the prioritization of short-term and long-term goals and initiatives. As such, Business Plans must be referenced to the strategic purpose of PPH and are not to be completed and / or approved in isolation.

1. Delegated authority to the Chief Executive Officer (CEO) to approve New Business Plans and commit District resources is reserved by the Board of Directors and will be granted and authorized on a periodic basis.
2. In granting delegated authority, the Board of Directors will consider other authorities granted to the CEO through the annual operating and capital budget approval process and signature authority for certain ongoing budgeted, as well as unbudgeted, matters.

B. Identification of new program and / or services Opportunity may and will originate from multiple sectors of the District including Board of Directors, Medical Staff, EMT, and Management. To facilitate and assure that an Opportunity is adequately and appropriately assessed by all stakeholders, the following review methodology will apply:

1. The Sponsor will present a strategic plan (summary / overview / detail as appropriate) of the Opportunity to either the Executive Management Team - Strategic Mtg (EMT-SM) or in the case of a Board of Director identified Opportunity to the CEO for administrative processing through EMT-SM or BOD Strategic Planning Committee for discussion. EMT-SM will assess the opportunity for consistency and compatibility with the Strategic Plan.
2. Upon EMT-SM approval, the Sponsor will prepare a comprehensive business plan, in accordance with the appended Business Plan Template, utilizing appropriate resources, and present to EMT - Business Matters Mtg (EMT-BM). EMT-BM will assess the Opportunity for business purposes,

impact on business operations, ability to execute the Opportunity, its financial benefits and impacts on capital and operational funds and resources.

3. Upon administrative evaluation and approval, the Business Plan will be presented by the Sponsor to the appropriate Board of Director Committees. At a minimum, Committee review and recommendation will be first through the Strategic Planning Committee and then the Finance Committee. Other affected Committees of the Board may request or may be asked to review and recommend the Business Plan in advance of its presentation to the Finance Committee. Subject to Committee recommendation(s) for approval, including its own, the Finance Committee will forward the Business Plan to the Board of Directors for review and approval.

C. In execution of this process and in consideration for time-sensitive matters, special Committee / Board meetings will be coordinated with the Chairs of the Strategic Planning and Finance Committee(s).

D. In reviewing the Opportunity, the EMT, as well as the Board of Director Committees, will take into account the operating and capital budget status of the Opportunity.
   1. The Business Plan will clearly state if the Opportunity is budgeted, a request for substitution of other budgeted funds, or is requesting current year unbudgeted funds.
   2. Risks and benefits of funding in the current year versus delaying until a future budget period will be explained when applicable to result in an informed decision.

E. To assure accountability and enhance the evaluative process for approving new opportunities, an approved Opportunity will be reviewed, on or about the first anniversary, after implementation by the Board of Directors through a designated Committee(s). The review will include, at a minimum, the following:
   1. Measurement of proforma financial outcomes to actual outcomes
   2. Actual capital expenditures compared to the approved Business Plan
   3. Summary of accomplishments in achieving identified strategies and business impacts
   4. Comparison of Business Plan measurement tools to actual outcomes including performance and timelines

F. The CEO will identify, develop, and implement procedures and processes necessary to assure compliance with this Policy.

IV. ADDENDUM:

Palomar Pomerado Health Business Plan Template

At a minimum, the Business Plan will address the following sections and topics. Supplementary materials and information should be included as needed to clarify, support, or validate the minimum content.

1) Executive Summary

- i) Description of Service / Program
- ii) Strategic Implications / Relationship to Initiatives
- iii) Operational Considerations
- iv) Financial Summary
- v) Timeframe
- vi) Summary Recommendation

2) Detailed Plan & Analysis

- i) Service / Program / Structure
  - (a) Description of Service / Program

1. Purpose
2. Tie to Existing Business Units / Entity

(b) Proposed Legal Structure

1. PPH, Jt. Venture, Outsourced, etc.

(c) Mission and Strategic Implications

1. Tie to Mission, Vision, Goals, Initiatives
2. Tie to Innovation
3. Tie to Facility Master Plan
4. Assessment of Impact (SWOT) on Domains
   - i. Financial
   - ii. Quality
   - iii. Customer Service
   - iv. Workforce Development
   - v. Workplace Development

ii) Market Share Opportunity

(a) Targeted Customer / Consumer

(b) Demand Forecast

(c) Projected Volumes

(d) Competitive Assessment

iii) Operational Considerations

(a) Business location(s)

(b) Resource allocation – New / Existing

1. Management
2. Personnel Commitment
3. Information Technology

(c) Medical Staff Considerations / Impacts

1. Physician Support

2. Resource Assessment

3. Recruitment Considerations / Implications

(d) Impact on Current Operations

(e) Payer Contract Opportunities / Barriers

iv) Marketing Plan

(a) Identity / Branding Strategy

(b) Marketing Medium / Media formats

(c) Resources

v) Measurement

(a) Implementation and Stabilization Timeframe / Milestones

(b) Benchmarking and Assessment Tools / Indicators

3) **Financial Review & Analysis**

i) Financial Performance / Considerations

(a) Return on Investment (ROI) Analysis

(b) Break-even Analysis

(c) Alternatives – Make / Buy Analysis

(d) Opportunity Cost Considerations

(e) Intangibles

(f) Financial Analysis / Impact of not going forward

(g) Volume / Growth Assumptions

ii) Operating (Income Statement) Proforma – 5 year

(a) Year 1 – by month

(b) Year 2 thru 5 – Annual

(c) Assumptions

iii) Cash Flow Analysis

(a) Start Up Costs

(b) Capital Requirements

1. Facilities
2. Land
3. Equipment
4. Information Technology

iv) Source(s) of Capital

(a) Working Capital

(b) Debt Financing

(c) Lease

(d) Venture / Partner Capital

v) Benchmarking and Assessment Tools / Indicators

4) Summary Conclusion

i) Strategic Implications – relationship to approved strategies

ii) Capital Requirements

iii) Operating and Financial Performance

iv) Measures of and measurement of Success

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 0		Bob Hemker, Chief Financial Officer	This is the original version.

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes

Revised Board Policy
Annual Budget Approval

TO: Board of Directors

MEETING DATE: September 17, 2007

FROM: Board Governance Committee, August 17, 2007

BY: Bob Hemker, CFO

Background: Following a required review of the Board Policy for Annual Budget Approval *(Attached)*, minor modifications were made for language and to *more accurately reflect* actual process and practice. The revised Policy was presented and structurally reviewed at the August 17, 2007, Board Governance Committee meeting.

Budget Impact: N/A

Staff Recommendation: Staff recommends approval of the revised Board Policy for Annual Budget Approval.

Committee Questions: The Board Governance committee concurred with staff recommendation for approval and requested that the revised policy be forwarded to the Board Finance Committee for review/consideration and approval.

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the revised Board Policy for Annual Budget Approval.

Motion: X

Individual Action:

Information:

Required Time:

Palomar Pomerado Health — Policy

Annual Budget Approval

FIN-01 (Rev. 1) Official

Policies, BOD only

Applicable to:
All PPH Entities - 00

Affected Departments:
All Departments
Board of Directors

I. PURPOSE:

To establish policy, as a part of the Board's fiduciary obligation expressed in the Local Health Care Law and the Board Bylaws, and in compliance with the standards of the Joint Commission on Accreditation of Health Care Organizations, the Governing Board is responsible for the Health District's annual budgets, both operating and capital budgets, develops a long-term capital expenditure plan and monitors the implementation of same.

II. DEFINITIONS:

III. TEXT / STANDARDS OF PRACTICE:

A. The board has delegated certain responsibilities to the Finance Committee; the committee serves as an advisor to the board for budgetary purposes. Those responsibilities include:
   1. Review the proposed, annual operating budgets for the District and its entities;
   2. Review and make recommendation for the final consolidated operating budget.
   3. The development and recommendation of an annual capital budget spending limit by category of expenditure: Medical Equipment $\geq$ $100,000, routine less then $\leq$ $100,000 facility renovations and improvement, information technology and reserve funds. In addition to the annual capital budget, a three-year capital expenditure plan which is updated at least annually and includes and identifies the anticipated source of financing for and objective of each proposed capital expenditure in excess of $100,000.

B. A system of incremental reporting on the budget process is done, to ensure Board approval and adoption of the annual budget is completed prior to the commencement of the fiscal year.

C. Prior to the full board approval, a thorough presentation is to be made to the board with opportunity for questions.

D. This policy will be reviewed and updated as required or at least every three years.

DOCUMENT / PUBLICATION HISTORY:

Original Document Date: 2/94
Reviewed: 4/18/95; 1/99; 6/05; 9/07
Revision Number: 2 Dated: 9/07
Document Owner: Michael Covert
Authorized Promulgating Officers: Marcelo R. Rivera, Chairman

CROSS REFERENCE DOCUMENTS:

Prior to 2005 this policy was Board Policy 10-502

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 1	06/01/2005	James Neal, Director of Corporate Integrity	Original Document Date: 2/94 Reviewed: 4/18/95; 1/99; 6/05 Revision Number: 1 Dated: 6/05 Document Owner: Michael Covert Authorized Promulgating Officers: Marcelo R. Rivera, Chairman

VI.

Authorized Promulgating Officers: (06/01/2005) James Neal, Director of Corporate Integrity
(06/01/2005) Dr. Marcelo R Rivera, Director, PPH Board

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Prior to 2005 this policy was Board Policy 10-502	

Paper copies of this document may not be current and should not be relied on for official purposes. The current version is in Lucidoc at .
http://www.lucidoc.com/cgi/doc-gw.pl/ref/pphealth:21809

Revised Board Policy
Expenditure and Requisition Approval Authority

TO: Board of Directors

FROM: Board Finance Committee
Tuesday, September 4, 2007

MEETING DATE: Monday, September 17, 2007

BY: Bob Hemker, CFO

Background: The Finance Committee is required on a periodic basis to review Palomar Pomerado Health's (PPH) Board Policies as they relate to the Committee and make any necessary revisions. The only change to the Expenditure and Requisition Approval Authority Policy *(Attached)* was to the System Policy Number, which was revised to reflect the current numbering system as designated by the Board Governance Committee.

Budget Impact: N/A

Staff Recommendation:

Committee Questions:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the revised Board Policy for Expenditure and Requisition Approval Authority.

Motion: X

Individual Action:

Information:

Required Time:

PALOMAR POMERADO HEALTH	☒ POLICY ☐ PROCEDURE ☐ STANDARDIZED PROCEDURE ☐ PLAN	Title: **Expenditure and Requisition Approval Authority**
		Effective Date:
		Category / Originating Source: **ADM**
		System policy/ procedure/ plan #: **FIN-12**
Applicable To: ☒ ALL PPH ENTITIES—00 ☐ PMC—02 ☐ POM—03 ☐ PCCC—02 ☐ VILLA—03 ☐ HH—02 ☐ Innovation—01 ☐ ESC—02		Affected departments: **ALL**
		JCAHO / Legal References: **GO**

The following PPH Authorized Officer hereby approves this policy:

Authorized Promulgating Officer: Dr. Marcelo Rivera, Board of Directors' Chairman Date: ____

Originator/Title: Michael H. Covert, F.A.C.H.E., President & CEO Date: ____

Committee Approvals: Date: ____

Date: ____

I. PURPOSE:

A. Palomar Pomerado Health is a large and complex health care district with many different types of transactions. In order to safeguard the district's assets, the Board of Directors has established a set of approval thresholds that must be followed to ensure appropriate review and approval to spend or commit funds.

A. In order to safeguard Palomar Pomerado Health's assets and ensure that key transactions are executed in accordance the Board of Directors' intentions and plans, certain limits are placed on the authority of individuals to authorize the expenditure or commitment of funds.

II. DEFINITIONS:

A. **Contracting Authority:**
The authority designated to specified representatives to administer, approve, and execute contracts and agreements on behalf of Palomar Pomerado Health.

B. **Responsible Officer**:
A responsible officer is the primary contracting officer for all Palomar Pomerado Health external commitments/transactions he/she administers. A responsible officer may designate other contracting officers in a written plan of delegation that must be provided to the President and CEO for approval.

C. **Transaction:**
A transaction is an act that commits Palomar Pomerado Health to spend or receive funds or assets or otherwise contractually commit to certain actions. The size of a transaction is its collective amount over the entire period of commitment.

III. TEXT / STANDARDS OF PRACTICE:

A. The CEO of Palomar Pomerado Health is the contracting authority authorized to approve any transactions that are part of a Board approved Palomar Pomerado Health budget and not specifically identified as requiring Board of Directors' action.

B. The CEO of Palomar Pomerado Health is authorized to approve any capital or operating non-budgeted transaction up to $500,000 and any non-budgeted Construction in Progress transactions up to $500,000. The Board of Directors must approve all non-budgeted transaction above this amount.

C. The CEO has authorization from the PPH Board of Directors to allow, compromise or settle any claims if the amount paid from the Districts treasury does not exceed $500,000 The designated representative of the CEO may approve these settlements up to $10,000 on behalf of the CEO. All claims above $10,000 will be personally approved by the CEO.

D. The CEO has authorization from the PPH Board of Directors for emergency non-budgeted expenditures up to$500,000. A higher approval level is always acceptable in response to a disaster or other emergency situation when an authorized individual cannot be contacted. The designated representative of the CEO may approve expenditures on behalf of the CEO in the CEO's absence and must indicate same when signing the document.

E. The CEO shall review with the Board of Directors any emergency or non-budgeted construction in progress expenditures $250,000 or over at the next scheduled meeting of the Board or the next scheduled Board Finance Committee meeting, whichever comes first.

F. The CEO may delegate to responsible officers expenditure and requisition approval authority levels for specific types of transactions.

G. The responsible officers delegated by the CEO to approve expenditures and requisitions may further delegate this approval authority for specific types of transactions in a written plan of delegation that must be provided to the CEO for approval. Responsible officers delegating this approval authority must ensure that all such transactions are approved in accordance with applicable procedures.

IV. ADDENDUM:

V. DOCUMENT / PUBLICATION HISTORY:

This policy supersedes:

A. Board of Directors Resolution No. 06.14.93(03) dated June 14, 1993.
B. PPHS Policy and Procedure Signature Authorization Matrix dated January 12, 2001.

VI. CROSS-REFERENCE DOCUMENTS:

A. Bylaws Of Palomar Pomerado Health Board Of Directors
B. Contract Development, Review and Approval Procedure
C. Contracting Authority Procedure
D. Directives, Development and Approval Process

MEDICAL STAFF SERVICES

PALOMAR POMERADO HEALTH

August 28, 2007

TO: Board of Directors

BOARD MEETING DATE: September 17, 2007

FROM: John J. Lilley, M.D., Chief of Staff
PMC Medical Staff Executive Committee

SUBJECT: Medical Staff Credentialing Recommendations

PALOMAR MEDICAL CENTER

I. Provisional Appointment (09/17/2007 – 08/31/2009)
Gregory F. Carolan, M.D., Orthopaedic Surgery
Branislav Cizmar, M.D., OB/GYN
Charles Deng, M.D., Emergency Medicine
Steven P. Doan, M.D., Internal Medicine (Includes PCCC)
Anthony Festa, M.D., Orthopaedic Surgery
Jake P. Heiney, M.D., Orthopaedic Surgery
Jason S. Keri, M.D., Psychiatry (Includes PCCC)
John Murphy, M.D., Orthopaedic Surgery
Ryan L. Nelkin, M.D., Emergency Medicine
Bhavesh B. Patel, D.O., Internal Medicine
Annette L. Pozos, M.D., Psychiatry (Includes PCCC)
Janos Taller, M.D., General Surgery
Sean C. Tracy, M.D., Orthopaedic Surgery

II. Advance from Provisional to Active Status
Steven G. Eisenberg, D.O., Medical Oncology (09/17/2007 – 07/31/2009)
Michele M. Fang, M.D., Internal Medicine (09/17/2007 – 04/30/2008)
Dipul M. Kansagara, M.D., Internal Medicine (10/01/2007 – 09/30/2009)
Aaron M. Lehman, M.D., Pediatrics (09/17/2007 – 09/30/2008)
Josue D. Leon, M.D., OB/GYN (09/17/2007 – 08/31/2008)
Isela Penunuri, M.D., Family Practice (09/17/2007 – 02/29/2008) (Includes PCCC)

III. Advance from Provisional to Courtesy Status
Bradley B. Bailey, M.D., Emergency Medicine (09/17/2007 – 11/30/2008)
George Delgado, M.D., Family Practice (09/17/2007 – 06/30/2009)

IV. Advance from Provisional to Associate Status
Erika M. Albani, M.D., Family Practice (09/17/2007 – 12/31/2007)

V. Additional Privileges
Philip E. Larkins, D.P.M., Podiatry
- Debridement of Bone and Soft Tissue of the Foot

Travis C. Westermeyer, D.P.M., Podiatry
- Major Procedures Bundle

VI. Leave of Absence
Jeng-Hsien Chen, M.D., Hematology/Oncology (07/01/2007 – 06/30/2008)

☑ PALOMAR MEDICAL CENTER
555 East Valley Parkway
Escondido, CA 92025
Tel 760.739.3140
Fax 760.739.2926

☐ POMERADO HOSPITAL
15615 Pomerado Road
Poway, CA 92064
Tel 858.613.4664
Fax 858.613.4217

☐ ESCONDIDO SURGERY CENTER
343 East Second Avenue
Escondido, CA 92025
Tel 760.480.6606
Fax 760.480.1288

VII. Voluntary Resignations/Withdrawals

Sanford L. Behrens, M.D., Urology (Effective 09/30/2007)
David W. Elias, M.D., Orthopaedic Surgery (Effective 08/01/2007)
Jason P. Garcia, M.D., Orthopaedic Surgery (Effective 08/01/2007)
Neil D. Levine, M.D., Internal Medicine (Effective 08/01/2007) (Includes PCCC)
Bradley A. Patay, M.D., Medicine/Pediatrics (Effective 09/30/2007)
Joshua N. Steinvurzel, M.D., Orthopaedic Surgery (Effective 08/01/2007)
David G. Stewart, M.D., Orthopaedic Surgery (Effective 08/01/2007)

VIII. Allied Health Professional Reinstatement and Reappointment (09/17/2007 – 08/31/2009)

Adriane S. Levy-Corbin, MA, CCC, Audiologist; Sponsors: Drs. Fitzgerald and Kripps (Includes PCCC)

IX. Allied Health Professional Withdrawal

Gary L. Meyer, P.A.-C., Physician Assistant; Sponsor: Dr. Yoo (Effective 08/08/2007)

X. Reappointments Effective 10/01/2007 – 09/30/2009

Richard A. Brower, M.D. (Includes PCCC)	Gastroenterology	Dept of Medicine	Courtesy
Aliya S. Ferouz-Colborn, M.D.	Otolaryngology	Dept of Surgery	Associate
Christopher R. Gilbert, M.D.	Cardiology	Dept of Medicine	Active
Mark S. Goldsworthy, M.D.	Anesthesiology	Dept of Anesthesia	Active
David C. Greb, M.D.	Family/General Practice	Dept of Family Practice	Active
Jeffrey D. Howell, D.O. (Includes PCCC)	Geriatric Medicine	Dept of Medicine	Associate
Roy R. Johnson, M.D. (Includes PCCC)	Family/General Practice	Dept of Family Practice	Active
Fatima Kazem, M.D.	Diagnostic Radiology	Dept of Radiology	Active
Robert G. Lawson, D.P.M. (Includes PCCC)	Podiatry	Dept of Ortho/Rehab	Courtesy
Pierre R. Lotzof, M.D.	Anesthesiology	Dept of Anesthesia	Active
John J. Martin, M.D.	Urology	Dept of Surgery	Courtesy
Deborah M. Mitchell, M.D.	Anesthesiology	Dept of Anesthesia	Active
Paul V. Polishuk, M.D. (Includes PCCC)	Urology	Dept of Surgery	Active
Alfredo Ratniewski, M.D. (Membership Only, No Clinical Privileges)	Family/General Practice	Dept of Family Practice	Associate
Keith A. Sato, M.D.	Internal Medicine	Dept of Medicine	Active
Joseph M. Schwarz, M.D.	Gastroenterology	Dept of Medicine	Active
Kenneth T. Shimizu, M.D.	Radiation Oncology	Dept of Radiology	Consulting
Raymond Y. Sung, M.D.	Diagnostic Radiology	Dept of Radiology	Active
Chandrasekhar Varma, M.D. (Includes PCCC)	Endocrinology	Dept of Medicine	Active
Kenneth Whitworth, D.D.S., M.D.	Oral/Maxillofacial Surg	Dept of Surgery	Associate
Kamen N. Zakov, M.D. (Includes PCCC)	Cardiology	Dept of Medicine	Courtesy

XI. Allied Health Professional Reappointments (10/01/2007 – 09/30/2009)

Shawn E. Brooking, CNM, Nurse Midwife; Sponsors: Drs. Buringrud, Ghosh, Leon, Cerrone
Dawn M. Elders, N.P., Nurse Practitioner; Sponsors: Drs. Just and Eisenberg
Harold T. Frank, P.A.-C, Physician Assistant; Sponsor: Dr. Yoo

Certification by and Recommendation of Chief of Staff:

As Chief of Staff of Palomar Medical Center, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment or alteration of staff membership or the granting of privileges and that the policy of the Palomar Pomerado Health System's Board of Directors regarding such practices have been properly followed. I recommend that the action requested in each case be taken by the Board of Directors.

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Gregory F. Carolan, M.D.
PPHS Facilities	Escondido Surgery Center Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Orthopaedic Surgery - Not Board Certified

ORGANIZATIONAL NAME

Name	San Diego Arthroscopy & Sports Medicine

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Robert Wood Johnson Medical School, New Brunswick, NJ From: 08/01/1998 To: 05/22/2002 Doctor of Medicine Degree
Internship Information	University of Pennsylvania, Philadelphia, PA General Surgery From: 06/20/2002 To: 06/19/2003
Residency Information	University of Pennsylvania, Philadelphia, PA Orthopaedic Surgery From: 07/01/2003 To: 06/30/2007
Fellowship Information	San Diego Arthroscopy & Sports Medicine Sports Medicine From: 08/01/2007 To: Present
Current Affiliation Information	None

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Branislav Cizmar, M.D.
PPHS Facilities	Escondido Surgery Center Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Obstetrics and Gynecology – Certified 2006

ORGANIZATIONAL NAME

Name	Escondido OB/GYN Medical Group

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Komenskeho University of Bratislava, Slovakia From: 09/01/1989 To: 05/31/1995 Comenius University Medical School Doctor of Medicine Degree
Internship Information	Spectrum Health, Grand Rapids, MI Transitional From: 07/01/1998 To: 06/30/1999 East Campus – Blodgett
Residency Information	Michigan State University, East Lansing, MI Obstetrics/Gynecology From: 07/01/1999 To: 06/30/2003 Grand Rapids Medical Education & Research Center
Fellowship Information	N/A
Current Affiliation Information	Pioneers Memorial Hospital, Brawley, CA

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Charles Deng, M.D.
PPHS Facilities	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Emergency Medicine – Certified 1995, Re-certified 2005

ORGANIZATIONAL NAME

Name	California Emergency Physician

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	University of Southern California From: 09/01/1986 To: 05/10/1990 Keck School of Medicine Doctor of Medicine Degree
Internship Information	N/A
Residency Information	Los Angeles County/University of Southern California Medical Center Emergency Medicine From: 06/24/1990 To: 06/30/1994
Fellowship Information	N/A
Current Affiliation Information	Holy Cross Medical Center, Mission Hills, CA

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Steven P. Doan, M.D.
PPHS Facilities	Escondido Surgery Center Palomar Medical Center (Palomar Continuing Care Center)

SPECIALTIES/BOARD CERTIFICATION

Specialties	Internal Medicine – Certified 2000 Geriatric Medicine – Certified 2003

ORGANIZATIONAL NAME

Name	Graybill Medical Group

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	St. George's University School of Medicine, Grenada, West Indies From: 08/01/1992 To: 06/14/1996 Doctor of Medicine Degree
Internship Information	N/A
Residency Information	University of Medicine&Dentistry of New Jersey-New Jersey Medical School,Newark,NJ Internal Medicine From: 07/01/1996 To: 06/30/1999
Fellowship Information	North Shore University Hospital, Manhasset, NY Geriatrics From: 07/01/1999 To: 06/30/2001
Current Affiliation Information	None

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Anthony Festa, M.D.
PPHS Facilities	Escondido Surgery Center Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Orthopaedic Surgery – Not Board Certified

ORGANIZATIONAL NAME

Name	San Diego Arthroscopy & Sports Medicine

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Robert Wood Johnson Medical School, New Brunswick, NJ From: 08/01/1998 To: 05/22/2002 Doctor of Medicine Degree
Internship Information	New England Medical Center, Boston, MA General Surgery From: 07/01/2002 To: 06/30/2003
Residency Information	New England Medical Center, Boston, MA Orthopaedic Surgery From: 07/01/2003 To: 06/30/2007
Fellowship Information	San Diego Arthroscopy & Sports Medicine Sports Medicine From: 08/01/2007 To: 07/31/2008
Current Affiliation Information	None

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Jake P. Heiney, M.D.
PPHS Facilities	Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Orthopaedic Surgery – Not Board Certified

ORGANIZATIONAL NAME

Name	Jeffrey M. Smith, M.D.

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Wayne State University, Detroit, MI From: 09/01/1998 To: 06/06/2002 Doctor of Medicine Degree
Internship Information	N/A
Residency Information	Akron General Medical Center, Akron, OH Orthopaedic Surgery From: 07/01/2002 To: 06/30/2007
Fellowship Information	Jeffrey M. Smith, M.D., San Diego, CA Orthopaedic Trauma From: 08/01/2007 To: 07/31/2008
Current Affiliation Information	None

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Jason S. Keri, M.D.
PPHS Facilities	Pomerado Hospital (Villa Pomerado) Palomar Medical Center (Palomar Continuing Care Center)

SPECIALTIES/BOARD CERTIFICATION

Specialties	Psychiatry – Certified 2007

ORGANIZATIONAL NAME

Name	Jason S. Keri, M.D.

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Northeastern Ohio Universities College of Medicine, Rootstown, OH From: 08/01/1996 To: 05/19/2001 Doctor of Medicine Degree
Internship Information	University of California, San Diego Psychiatry From: 06/24/2001 To: 06/30/2002
Residency Information	University of California, San Diego Psychiatry From: 07/01/2002 To: 06/30/2005
Fellowship Information	University of California, San Diego Geriatric Psychiatry From: 07/01/2005 To: 06/30/2006
Current Affiliation Information	University of California, San Diego San Diego Hospice Scripps Mercy Hospital, San Diego Continental Rehabilitation Hospital, San Diego

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	John Murphy, M.D.
PPHS Facilities	Escondido Surgery Center Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Orthopaedic Surgery – Certified 1983

ORGANIZATIONAL NAME

Name	Kaiser Permanente

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Temple University, Philadelphia, PA From: 09/07/1971 To: 05/29/1975 Doctor of Medicine Degree
Internship Information	Temple University Hospital, Philadelphia, PA General Surgery From: 07/01/1975 To: 06/30/1976
Residency Information	Temple University Hospital, Philadelphia, PA Orthopaedic Surgery From: 07/01/1977 To: 06/30/1981
Fellowship Information	N/A
Current Affiliation Information	Pomerado Hospital Sharp Coronado Hospital Kaiser Permanente, San Diego

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Ryan L. Nelkin, M.D.
PPHS Facilities	Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Emergency Medicine – Not Board Certified

ORGANIZATIONAL NAME

Name	California Emergency Physician

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	University of Kansas, Kansas City, KS From: 08/01/2000 To: 05/23/2004 Doctor of Medicine Degree
Internship Information	N/A
Residency Information	University of Arizona Health Sciences Center, Tucson, AZ Emergency Medicine From: 07/01/2004 To: 06/30/2007
Fellowship Information	N/A
Current Affiliation Information	Pioneers Memorial Hospital, Brawley, CA

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Bhavesh B. Patel, D.O.
PPHS Facilities	Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Internal Medicine – Certified 2003

ORGANIZATIONAL NAME

Name	Kaiser Permanente

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Nova Southeastern University, Ft. Lauderdale, FL From: 05/01/1996 To: 05/28/2000 Doctor of Osteopathy Degree
Internship Information	Brooke Army Medical Center, Fort Sam Houston, TX Categorical From: 07/01/2000 To: 06/30/2001 Part of San Antonio Uniformed Services
Residency Information	Brooke Army Medical Center, Fort Sam Houston, TX Internal Medicine From: 07/01/2001 To: 06/30/2003 Part of San Antonio Uniformed Services
Fellowship Information	N/A
Current Affiliation Information	Kaiser Permanente, San Diego

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Annette L. Pozos, M.D.
PPHS Facilities	Pomerado Hospital (Villa Pomerado) Palomar Medical Center (Palomar Medical Center)

SPECIALTIES/BOARD CERTIFICATION

Specialties	Psychiatry - Certified: 1998

ORGANIZATIONAL NAME

Name	Kaiser Permanente

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	University of Minnesota, Duluth, MN From: 09/02/1986 To: 07/08/1988 Transferred to University of WA-Seattle University of Washington School of Medicine, Seattle, WA FROM: 09/01/1988 TO: 06/08/1990 Doctor of Medicine Degree
Internship Information	Scripps Mercy Hospital, San Diego Transitional From: 06/24/1990 To: 06/23/1991
Residency Information	University of California, San Diego Psychiatry From: 07/01/1991 To: 06/30/1994
Fellowship Information	University of California, San Diego Geriatric Psychiatry From: 07/01/1994 To: 06/30/1995
Current Affiliation Information	Kaiser Permanente, San Diego

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Janos Taller, M.D.
PPHS Facilities	Escondido Surgery Center Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Surgery, General – Certified 2003

ORGANIZATIONAL NAME

Name	North County Trauma Associates

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Chicago Medical School, North Chicago, IL From: 07/01/1991 To: 06/11/1995 Doctor of Medicine Degree
Internship Information	National Naval Medical Center, Bethesda, MD General Surgery From: 06/26/1995 To: 06/30/1996
Residency Information	Naval Medical Center, San Diego General Surgery From: 08/01/1998 To: 07/31/2002
Fellowship Information	California Pacific Medical Center, San Francisco, CA Surgery, Laparoscopic From: 07/01/2004 To: 06/30/2005
Current Affiliation Information	Kaiser Permanente, San Diego Naval Medical Center, San Diego

PALOMAR POMERADO HEALTH SYSTEM
PROVISIONAL APPOINTMENT
September, 2007

PERSONAL INFORMATION

Provider Name & Title	Sean C. Tracy, M.D.
PPHS Facilities	Escondido Surgery Center Pomerado Hospital Palomar Medical Center

SPECIALTIES/BOARD CERTIFICATION

Specialties	Orthopaedic Surgery – Not Board Certified

ORGANIZATIONAL NAME

Name	San Diego Arthroscopy & Sports Medicine

EDUCATION/AFFILIATION INFORMATION

Medical Education Information	Northwestern University Medical School, Chicago, IL From: 08/01/1998 To: 05/24/2002 Feinberg School of Medicine Doctor of Medicine Degree
Internship Information	Medical College of Wisconsin, Milwaukee, WI Orthopaedic Surgery From: 07/01/2002 To: 06/30/2003
Residency Information	Medical College of Wisconsin, Milwaukee, WI Orthopaedic Surgery From: 07/01/2003 To: 06/30/2007
Fellowship Information	San Diego Arthroscopy & Sports Medicine Sports Medicine From: 08/01/2007 To: 07/31/2008
Current Affiliation Information	None

MEDICAL STAFF SERVICES

PALOMAR POMERADO HEALTH

DATE: August 28, 2007

MEMO TO: Palomar Pomerado Health
Board of Directors

FROM: Marvin Levenson, M.D.
Medical Director, Escondido Surgery Center

RE: **Medical Staff Recommendations**

The Medical Staff of Palomar Medical Center approved the following credentialing recommendations for Escondido Surgery Center for submission to the Board of Directors:

Appointments (09/17/2007 – 08/31/2009)
- Gregory F. Carolan, M.D., Orthopaedic Surgery
- Branislav Cizmar, M.D., OB/GYN
- Steven P. Doan, M.D., Internal Medicine
- Anthony Festa, M.D., Orthopaedic Surgery
- John Murphy, M.D., Orthopaedic Surgery
- Janos Taller, M.D., General Surgery
- Sean C. Tracy, M.D., Orthopaedic Surgery

Additional Privileges
- Travis C. Westermeyer, D.P.M., Podiatry - Major Procedures Bundle

Resignations
- Sanford L. Behrens, M.D., Urology (Effective 09/30/2007)
- David W. Elias, M.D., Orthopaedic Surgery (Effective 08/01/2007)
- Jason P. Garcia, M.D., Orthopaedic Surgery (Effective 08/01/2007)
- Joseph M. Schwarz, M.D., Gastroenterologist (Effective 09/30/2007)
- Joshua N. Steinvurzel, M.D., Orthopaedic Surgery (Effective 08/01/2007)
- David G. Stewart, M.D., Orthopaedic Surgery (Effective 08/01/2007)

Allied Health Professional Withdrawals
- Harold T. Frank, P.A.-C., Physician Assistant (Effective 08/16/2007)
- Gary L. Meyer, P.A.-C., Physician Assistant (Effective 08/08/2007)

Reappointment
09/17/2007 – 08/31/2008
- Josue D. Leon, M.D., OB/GYN

☐ PALOMAR MEDICAL CENTER
555 East Valley Parkway
Escondido, CA 92025
Tel 760.739.3140
Fax 760.739.2926

☐ POMERADO HOSPITAL
15615 Pomerado Road
Poway, CA 92064
Tel 858.613.4664
Fax 858.613.4217

☑ ESCONDIDO SURGERY CENTER
343 East Second Avenue
Escondido, CA 92025
Tel 760.480.6606
Fax 760.480.1288

Reappointment...continued
10/01/2007 – 09/30/2009

- Aliya S. Ferouz-Colborn, M.D., Otolaryngology
- Mark S. Goldsworthy, M.D., Anesthesia
- David C. Greb, M.D., Family Practice
- Roy R. Johnson, M.D., Family Practice
- Robert G. Lawson, D.P.M., Podiatry
- Pierre R. Lotzof, M.D., Anesthesia
- John J. Martin, M.D., Urology
- Deborah M. Mitchell, M.D., Anesthesia
- Paul V. Polishuk, M.D., Urology
- Kenneth Whitworth, D.D.S., M.D., Oral/Maxillofacial Surgery

Certification by and Recommendation of Escondido Surgery Center Medical Director:

As Medical Director of Escondido Surgery Center, I certify that the procedures described in the Escondido Surgery Center Bylaws for appointment, reappointment or the granting of privileges and that the policy of the Palomar Pomerado Health Board of Directors regarding such practices have been properly followed. I recommend that the action requested in each case be taken by the Board of Directors.

PALOMAR
POMERADO
HEALTH

Pomerado Hospital Medical Staff Services
15615 Pomerado Road
Poway, CA 92064
Phone – (858) 613-4664
FAX - (858) 613-4217

DATE: August 30, 2007
TO: Board of Directors - September 17, 2007
FROM: Benjamin Kanter, M.D., Chief of Staff, Pomerado Hospital Medical Staff
SUBJECT: Medical Staff Credentials Recommendations – August 2007:

Provisional Appointments: (09/17/2007 – 08/31/2009)
Gregory F. Carolan, M.D. – Surgery – Orthopedics – Assisting Only
Branislav Cizmar, M.D. – OB/GYN (includes Villa)
Charles Deng, M.D. – Emergency Medicine
Anthony Festa, M.D. – Surgery – Orthopedics – Assisting Only
Jason S. Keri, M.D. – Medicine – Psychiatry (includes Villa)
Ryan L. Nelkin, M.D. – Emergency Medicine
Annette L. Pozos, M.D. – Medicine – Psychiatry (includes Villa)
Janos Taller, M.D. – Surgery – General Surgery
Sean C. Tracy, M.D. – Surgery – Orthopedics – Assisting Only

Advancements:
George Delgado, M.D. – Active Category 9/17/2007 – 06/30/2009 (includes Villa)
Gilbert J. Ho, M.D. – Active Category 9/17/2007- 05/31/2009 (includes Villa)

Biennial Reappointments: (10/01/2007 – 09/30/2009)
James M. Bried, M.D. - Active – Surgery
Jerome P. Brodkin, M.D. – Active - Medicine (includes Villa)
Edmond L. Chan, M.D. – Active – Surgery (includes Villa)
Christopher R. Gilbert, M.D. – Courtesy – Medicine (includes Villa)
Mark E. Gold, M.D. – Affiliate – Surgery
Mark S. Goldsworthy, M.D. – Active – Anesthesia
Jeffrey D. Howell, D.O. – Associate – Medicine (includes Villa)
Roy R. Johnson, M.D. – Courtesy – Medicine (includes Villa)
Fatima Kazem, M.D. – Active - Radiology
George Y. Kung, M.D. – Active – OB/GYN
Robert G. Lawson, D.P.M. – Active – Surgery (includes Villa)
Pierre R. Lotzof, M.D. – Active – Anesthesia
John J. Martin, M.D. – Active – Surgery
Deborah M. Mitchell, M.D. – Active - Anesthesia
Paul V. Polishuk, M.D. – Active – Surgery (includes Villa)
Larry A. Presant, M.D. – Active – Medicine (includes Villa)
James P. Pulaski, M.D. – Active – Surgery
Raymond Y. Sung, M.D. – Active - Radiology
Chandrasekhar P. Varma, M.D. – Courtesy – Medicine (includes Villa)
William W. Winternitz, Jr., M.D. – Active – Surgery (includes Villa)
Kamen N. Zakov, M.D. – Active – Medicine (includes Villa)

Resignations: (Assisting Only Fellows)
David Elias, M.D.
Jason Garcia, M.D.
Joshua Steinvurzel, M.D.
David G. Stewart, M.D.

Expiration of Memberships:
Glenn D. Barnes, M.D.
John W. Clifford, M.D.
Brent A. Howard, M.D.
John Murphy, M.D.
William M. Ohara, M.D.
William H. Pfeiffer, M.D.
Glenn B. Rankin, M.D.
Michael G. Ryan, M.D.
Ronald G.Salzetti, M.D.
Craig D. Stevenson, M.D.
Larry S. Williams, M.D.

Allied Health Professionals Reappointment (10/01/2007 – 09/30/2009)
Dawn M. Elders, N.P. – Sponsors Dr. Just & Dr. Eisenberg
Harold T. Frank, P.A. – Sponsor – Dr. Yoo
Kelly L. Neil, N.P. – Sponsor – Dr. Callery

Allied Health Reinstatement and Reappointment:09/17/2007 – 08/31/2009
Adriane S. Levy-Corbin, MA – Audiologist – Sponsors – Dr. Fitzgerald, Dr. Dure-Smith & Dr. Carty

AHP Withdrawal of Membership:
Michael A. Avilez, Ortho Tech
Jason M. Bouchard-Marshall, Ortho Tech
Elisabeth C. Herrera, RNFA
Gary L. Meyer, P.A.

POMERADO HOSPITAL: Certification by and Recommendation of Chief of Staff: As Chief of Staff of Pomerado Hospital, I certify that the procedures described in the Medical Staff Bylaws for appointment, reappointment, or alternation of staff membership or the granting of privileges and the policy of the Palomar Pomerado Health System's Board of Directors regarding such practices have been properly followed. I recommend that the Board of Directors take the action requested in each case.

Pomerado Hospital Medical Staff Services
15615 Pomerado Road
Poway, CA 92064
Phone – (858) 613-4664
FAX - (858) 613-4217

Date: August 28, 2007

To: Palomar Pomerado Health Board of Directors

From: Pomerado Hospital Executive Committee

Subject: Proposed Amendment – Medical Staff Bylaws

The proposed amendment was approved by a mail vote of the Active Category members. The Executive Committee at its August 28, 2007 meeting recommended forwarding the amendment to the Board for final approval. Additions are underlined and deletions are ~~crossed out~~.

1.2.2 All Practitioners who apply for membership after the effective date (March 11, 1996) of this section shall be certified by a member Board of the American Board of Medical Specialties or by the American Board of Osteopathic Specialties or by the American Board of Podiatric Surgery or by the American Board of Oral and Maxillofacial Surgery, or another board with equivalent requirements, or shall be actively engaged in the Board application and certification process. Every applicant to the Medical Staff who is not board certified shall sign a statement at the time of application attesting that he/she is qualified and shall attain certification within thirty-six (36) months of appointment to the Medical Staff, ~~**subject to extension at the discretion of the Executive Committee.**~~ Any individual who does not attain board certification within thirty-six (36) months may request a waiver. The individual requesting the waiver bears the burden of demonstrating that his or her qualifications are equivalent to board certification. The Board may grant a waiver in exceptional cases after considering the findings of the Executive Committee, the specific qualifications of the individual in question, and the best interests of the Hospital and the community it serves. The granting of a waiver in a particular case is not intended to set a precedent for any other individual. No individual is entitled to a waiver or to a hearing if the Board determines not to grant a waiver. A determination that an individual is not entitled to a waiver is not a "denial" of appointment or clinical privileges.

Resolution in Appreciation of Director Gary L. Powers

TO: Board of Directors

DATE: September 17, 2007

FROM: Marcelo R. Rivera, M.D., Board Chairman

BY: Christine Meaney, Board Assistant

BACKGROUND: In recognition of the dedication and service provided by Mr. Gary L. Powers as a Director of Palomar Pomerado Health Board of Directors who is resigning effective Monday, October 1, 2007, the Board wishes to recognize Mr. Powers in an appropriate manner and, by so doing, Marcelo R. Rivera, M.D., Board Chairman, has requested that a Resolution be adopted by the Board in appreciation of Mr. Powers as an exemplary board member, committed to quality, local health care for the residents of North County.

BUDGET IMPACT: None

CHAIRMAN'S RECOMMENDATION: Approval

Motion:

Individual Action: X

Information:

Required Time:

RESOLUTION No. 09.17.07 (01) - 11

RESOLUTION OF THE BOARD OF DIRECTORS OF PALOMAR POMERADO HEALTH IN APPRECIATION OF DIRECTOR GARY L. POWERS

WHEREAS, Gary L. Powers was initially appointed as a member of the Board of Directors of Palomar Pomerado Health, taking his seat on the Board on May 8, 2006, and subsequently elected to the Board in the November, 2006 General Election, and has served continuously since that time; and

WHEREAS, the leadership qualities of Gary L. Powers have been recognized by his appointment as Chairman of Board Committees including Community Relations, Governance, and ad hoc CEO Evaluation Committee. In addition Director Powers has served as a member of Facilities and Grounds, and as Alternate member of Internal Audit. He has also represented the Board of Directors of Palomar Pomerado Health on the Palomar Pomerado North County Health Development, Inc Board of Directors (Board Grant Foundation), Board Liaison with the Palomar Pomerado Health Foundation Board, and Palomar Pomerado Health Board representative on the Tri-Pomerado Health Care Advisory Council.

WHEREAS, Gary L. Powers embraced the concept of providing health care services outside the facility by involving himself in community outreach efforts through the Palomar Pomerado Health Care Advisory Councils and through his professional service as President and CEO of the San Diego North Chamber of Commerce, and personal work ethic.

WHEREAS, Gary L. Powers has been a strong advocate of quality, local health care for all residents of North County, including promotion of positive legislation for excellence in healthcare within our communities and contact with legislators, his continuing efforts in appreciation of PPH employees and auxilians, and working collaboratively with PPH physicians; and

WHEREAS, Gary L. Powers, through his work ethic, passion, professional experience and commitment has brought to the Board a level of guidance, often community-oriented, and has provided a considerable amount of time and diligence to the wellbeing of Palomar Pomerado Health.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Palomar Pomerado Health to express appreciation to Gary L. Powers, for his performance as a member of Palomar Pomerado Health Board of Directors and that this Resolution be spread upon the records for all to be aware of in the future.

FURTHER, THAT THE BOARD wishes him well in all his future Chamber endeavors and that he enjoys time with family and grandchildren for many years to come.

PASSED AND UNANIMOUSLY ADOPTED at a Regular Meeting of the Board of Directors of Palomar Pomerado Health, held on September 17, 2007.

APPROVED:

Marcelo R. Rivera, M.D., Chairman
Board of Directors

ATTESTED:

Linda C. Greer, R.N., Secretary
Board of Directors

Strategic Plan

TO: PPH Board of Directors

DATE: September 17, 2007

FROM: Strategic Planning Committee on August 14, 2007

BY: Marcia Jackson, Chief Planning Officer

BACKGROUND: The last formal Strategic Plan for PPH was prepared in the fall of 1999 and adopted by the Board in early 2000. The Board has been requesting that we create a formal document. We have established many plans such as the Facilities Master Plan, the Plan of Finance, and the IT Plan, but we wanted an overall Strategic Plan. This Strategic Plan reflects our strategic goals, objectives, and initiatives.

In terms of process, this document (Strategic Plan) is a 3 - 5year plan, which takes a look at long-term plans, and will be re-visited and updated every 3 years. Our annual planning process will take place every year, from January to March, prior to the budgeting process, to ensure that the budget aligns with the organization's strategic priorities.

Dr. Kanter asked if this document wraps around the IT Strategic Plan, and other key Strategic Plans. Marcia Jackson responded that it would include all of the major Strategic Plans.

Michael Covert said that when we get into a rhythm, every year another year will fall off, and another year will be added on, with a routine January update. The Strategic Plan should be considered as a live document.

Marcia stated that the emphasis should be our mission, vision, and values. We have focused on clinical excellence and becoming the provider of choice. We have established long-term goals, intermediate objectives, and related initiatives.

Nancy Bassett asked if Marcia would give a brief presentation to the other BOD members who were not at the meeting tonight, and Marcia responded that she would. Dr. Larson said that would be a good idea, to give the other Board members a 15-minute presentation after a second draft of the Strategic Plan had been written, putting the Plan into a 3-ring binder. He said that the Board needs a tool with commonly asked questions, and asked that the Plan include the grid as well as the summary; to create a simplified version, and try to include timelines.

Michael Covert publicly acknowledged Marcia's hard work on the Strategic Plan.

Bruce Krider motioned to accept the Strategic Plan as is, with minor editing changes. Nancy Bassett seconded the motion, which passed unanimously.

BUDGET IMPACT: None

Strategic Plan

COMMITTEE RECOMMENDATION: Information

COMMITTEE RECOMMENDATION:

Information: X

FY'07 Outcomes

TO: PPH Board of Directors

DATE: September 17, 2007

FROM: Strategic Planning Committee on August 14, 2007

BY: Marcia Jackson, Chief Planning Officer

BACKGROUND: Annual goals were established at the beginning of fiscal year 2007. A summary of the fiscal year's achievement of those goals was provided in a spreadsheet. Marcia Jackson noted that the numbers in the column on the far right were pre-audit numbers that were used, in the interest of time.

Discussion ensued regarding various methods used to rate physicians, including report cards and scorecards. It was noted that patient satisfaction scores with physicians were substantially higher when the physicians sat down with the patients instead of standing up. The Physician Loyalty Scores exceeded the Maximum, and were at the 91st percentile.

For Objective #5.1, "Provide the tools and equipment for optimal performance," the Outcome Measure used was the "Score on Gallup question about tools and equipment to do my job" our score was in the 40th percentile, and did not meet threshold. This question has always been a struggle, and so this year, every department will address this issue as a department goal, and if it cannot be resolved there, it will go on up to the Executive Management Team level, to be addressed as an organizational goal.

Michael Covert wants to focus on employee engagement, stating that scores in the 53rd percentile indicate that we need to know what employees are telling us. He said that the scores were a mixed bag – some very good, but some not as good as we hoped. Michael said that just because we won all of these awards, maybe there is something our employees are trying to tell us.

Marcia noted that the Master Facilities Plan Design Development was completed per Target.

Dr. Rivera thanked Marcia for a great report.

BUDGET IMPACT: None

STAFF RECOMMENDATION: For information and discussion only.

COMMITTEE RECOMMENDATION:

Information: X

Community Outreach Update

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Community Relations Committee on August 17, 2007

BY: Tina Pope

BACKGROUND: Tina Pope updated the committee on current projects within the Community Outreach Department. This included a report from Janet Bath on the Health Care Advisory Councils priority areas and projects, a report from Kay Studkhardt on the Faith and Health Program as well as a report from Lori Groepper on her new role and responsibilities as Community Development Coordinator.

BUDGET IMPACT: None

STAFF RECOMMENDATION: For information purposes only

COMMITTEE RECOMMENDATION:

Information: X

Marketing Community Update

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Community Relations Committee on August 17, 2007

BY: Gustavo Friederichsen

BACKGROUND: Gustavo reported on the PPH Web Launch sites, which include: Board.pph.org, PPH.net and the Foundation portal. Gustavo also reported on the update of CPM Marketing Group. Gustavo also introduced Sheila Brown who spoke briefly on "PPH expresscare". Ted Kleiter motioned to endorse "PPH expresscare" logo, Michael Covert second, all in favor.

BUDGET IMPACT: None

STAFF RECOMMENDATION: For information purposes only

COMMITTEE RECOMMENDATION:

Information: X

Media Relations

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Community Relations Committee on August 17, 2007

BY: Gustavo Friederichsen

BACKGROUND: Andy Hoang presented to the committee the Media report "Measuring Success" which included Print Coverage Column Inches and Media Value for the months of June and July 2007. Andy also showed Print Coverage totals for PPH compared to other local hospital districts.

BUDGET IMPACT: None

STAFF RECOMMENDATION: For information purposes only

COMMITTEE RECOMMENDATION:

Information: X

Monthly Reports

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Community Relations Committee on August 17, 2007

BY: Gustavo Friederichsen

BACKGROUND: Monthly reports were respectively presented to the Community Relations Committee. Included were Marketing/Public Relations, HealthSource, Community Outreach and Media Relations for the months of June and July, 2007.

BUDGET IMPACT: None

STAFF RECOMMENDATION: For information purposes only

COMMITTEE RECOMMENDATION:

Information: X

Filename: Monthly Reports. form A

Governance Committee
Annual Review of PPH Bylaws Relating to Board Quality Review Committee

TO: Board of Directors

MEETING DATE: September 17, 2007

FROM: Governance Committee, August 17, 2007; and Board Quality Review Committee, June 19, 2007

BY: Christine Meaney for Michael Covert, CEO

BACKGROUND: Each year every standing committee is to review its relevant section of the bylaws, as provided below, to provide an opportunity to amend as needed and provide feedback to the Board of Directors via the Governance Committee. The Board Quality Review Committee met Tuesday, June 19, 2007 to review section 6.2 that related to the BQRC.

BUDGET IMPACT: None

COMMITTEE RECOMMENDATION:

The Governance Committee was requested to review the following recommended changes to the Board Quality Review Committee Bylaws amendment to 6.2.5, (c), (i):

(c) Duties. The duties of the Committee shall include but are not limited to:

(i) Pursuant to the Palomar Pomerado Health Performance Improvement/Patient Safety Plan oversees the performance improvement, patient safety and risk management activities of the Hospitals and other Facilities, if applicable, and shall periodically report its conclusions and recommendations to the Board; and

COMMITTEE QUESTIONS: Following the Governance Committee's question as to whether the word, "credentialing" should be added back in to paragraph (c) (i) above, and per current Bylaws section, this item was referred back to the next Quality Review Committee for further review.

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Governance Committee -- Annual CEO Evaluation Survey; (& Annual Board Self-Evaluation "Peer Review" Survey) Instruments

TO: Board Meeting

DATE: September 17, 2007

FROM: Governance Committee, August 17, 2007

BY: Christine Meaney for Michael H. Covert, CEO

BACKGROUND: Resulting from the Annual Board Self-Evaluation, and the Annual CEO Evaluation meetings, the Board Chair requested that an ad hoc committee be set up to review survey instruments so as to provide a more comprehensive system of evaluation, and to report back.

An ad hoc committee was scheduled to accomplish this task. A verbal report will be made by Director Krider on behalf of Director Powers (ad hoc Committee Chairman) at the September 17, 2007 Board Meeting.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Governance Committee
Legislative/Governmental Relations Update

TO: Board Meeting

DATE: September 17, 2007

FROM: Governance Committee, August 17, 2007

BY Christine Meaney for Michael Covert, CEO

BACKGROUND: So that regular information may be provided to the Governance Committee, Gustavo Friederichsen, Chief Marketing and Communication Officer, provided an update on relevant legislative/governmental issues.

Suggestion was made in the meeting that a letter be sent to legislators regarding the delay in State budget approval and how this would effect those in our district. This subsequently became moot as the State recently approved its budget.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Governance Committee
Round Table

TO: Board of Directors

DATE: September 17, 2007

FROM: Governance Committee, August 17, 2007

BY: Christine Meaney for Michael Covert, CEO

BACKGROUND: A round table discussion for input on governance-related matters was conducted toward the end of the Governance Committee meeting. The question of codifying a Naming Policy in regard to gifts and donations and incorporating monetary thresholds was discussed.

It was generally agreed that this matter be brought back to Governance Committee, and to the PPHFoundation for review, with the CEO sending a letter to the Foundation in this regard. The CEO to also discuss the matter with the district's CFO.

BUDGET IMPACT: None

STAFF RECOMMENDATION: Informational

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

PALOMAR POMERADO HEALTH
Education Session

TO: Board of Directors

MEETING DATE: Monday September 17, 2007

FROM: FACILITIES AND GROUNDS COMMITTEE
Meeting of August 20, 2007

BY: Michael Covert
Chief Executive Officer
Palomar Pomerado Health

Background: Mike Shanahan presented on the following:

- Equipment Procurement, Coordination & Timing
- SDG&E Re-commissioning Program

Budget Impact: NONE

Staff Recommendation: **INFORMATIONAL ONLY**

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

PALOMAR POMERADO HEALTH
Project Updates

TO: Board of Directors

MEETING DATE: Monday September 17, 2007

FROM: FACILITIES AND GROUNDS COMMITTEE
Meeting of August 20, 2007

BY: Michael Covert
Chief Executive Officer
Palomar Pomerado Health

Background: Michael Shanahan gave a PowerPoint presentation and provided updated information on the status of the following projects for Palomar Pomerado Health:

- PMC – East – Hospital Update
- Escondido Design Review– Community Feedback
- Future Projects

Budget Impact: NONE

Staff Recommendation: **INFORMATIONAL ONLY**

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

PALOMAR POMERADO HEALTH
Date/Time/Location Of Next Meeting

TO: Board of Directors

MEETING DATE: Monday September 17, 2007

FROM: FACILITIES AND GROUNDS COMMITTEE
Meeting of August 20, 2007

BY: Michael Covert
Chief Executive Officer
Palomar Pomerado Health

Background: To discuss the dates and times when future meetings will occur, including the date of the next meeting. The next meeting is scheduled for:

- October 15, 2007
- Pomerado Hospital

  Meeting Room C – 3rd Floor

  15615 Pomerado Rd.

  Poway, CA.

Budget Impact: N/A

Staff Recommendation: INFORMATION

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Informational: PPH Preceptor & Mentoring Program

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Human Resources Committee, August 21, 2007

BY: Wallie George, Chief Human Resources Officer

BACKGROUND: Per request of M. Covert, CEO, Barbara Mayer, Director Nursing Education, attended HR Committee to provide information on PPH Preceptor and Mentoring programs developed for the Nursing Department. B. Mayer provided a brief background on the reasoning behind the development of the preceptor and mentoring programs. She also noted that Nursing Education works in conjunction with Organizational Learning.

1. Preceptors and Mentors function differently, yet both assist with the fear that both nursing students and RNs new to PPH have as they begin their professional roles at PPH.
   a. Preceptor: Business oriented, assisting both new grads/students and RNs new to PPH in their professional role.
      1) 42 new preceptors have been trained this year bringing the total over 200 throughout the System.
      2) Preceptors continually attend classes to keep their skills current.
      3) Preceptors work with their assigned employee from 4-5 days up to 16 weeks.
      4) Precepting is goal oriented with the intent to assist new employees with PPH business functions.
      5) Precepting includes skill demonstrations and competencies.
      6) Preceptors are available during shifts being worked.
   b. Mentor: Assists both new grads/students and RNs new to PPH a more personal aspect of socialization to "the PPH way."
      1) 11 new mentors have been trained this year bringing the total over 200 for this year.
      2) Mentors work with both new grads/students and RNs new to PPH to help them with socialization into the PPH culture.
      3) Mentors develop long term, personal relationship, helping their charges through tough times, recognizing their strengths and weaknesses and helping them adjust.
      4) Mentors are available 24/7.

BUDGET IMPACT: Not Applicable

STAFF RECOMMENDATION:

Informational: PPH Preceptor & Mentoring Program

COMMITTEE QUESTIONS:

N. Bassett questioned:

a. Which nurses were used in the research/trials for the programs?
   1) Grad students working at PPH

b. Is instruction included on Nurse/Physician relationships?
   1) Preceptors have been trained to assist new nurses with physician relationship.

c. How are new nurses identified so MDs know the level of expertise?
   1) Nurses new to PPH work in tandem with a Preceptor. The newer the nurse is to the nursing profession, the longer s/he will be with the Preceptor.
   2) PPH RNs are now wearing a new large blue name tag identifying them as RNs. This tag is a result of patient satisfaction complaints with patients unable to identify their nurse.

M. Rivera questioned:

a. Are we getting nurses from schools using PPH for clinical rotations?
   1. Nursing students from North County schools are coming to PPH. Those attending San Diego schools prefer to remain closer to home in San Diego.
   2. A residency program is being developed. It has been observed that two year students are more clinical and better prepared for the bedside. BSN students are better prepared for leadership roles.

b. Has this presentation been scheduled for either of the Med/Exec Committees?
   1) No presentations are scheduled at this point in time for Med/Exec Committees or any subcommittees. Scheduling a presentation will be explored.

L. Greer questioned:

a. How do you know you are working with preceptors and mentors who want that responsibility?
   1) Preceptors and mentors volunteer for the positions. Directors are also asked for their input to ensure the nurses volunteering fit the criteria necessary to succeed as a preceptor or mentor.
   2) Preceptors and mentors take established classes to prepare them for their roles, so everyone receives the same information.

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Update: PPH E-Learning Programs

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Human Resources Committee, August 21, 2007

BY: Wallie George, Chief Human Resources Officer

BACKGROUND: R. Szakaly, S. Inscoe and M. Flanders presented information on E-Learning programs developed by Organizational Learning this past year.

1. R. Szakaly provided an overview of the OL vision to move PPH to the cutting edge of learning programs; increasing the quality and consistency of training while meeting all regulatory requirements. In one year's time since Xpand went online, 231 learning courses have been created or scheduled. Milestones include: integration with Lawson, a new employee orientation program, annual safety training, leadership development courses, and accounts for physicians and volunteers. Over 200 managers and 80 instructors have been successfully integrated to the use of Xpand. There are currently over 4, 000 users.
2. Departments have been adopting their mandatory /compliance requirements to the Xpand program as well as other educational processes.
3. S. Inscoe and M. Flanders provided electronic samples of accomplishments connected to the Xpand program. The following three examples were accessed via Xpand for the Committee to view:
   a. Hiring Manager Training program that now takes 45 minutes, used to take one and half hours to complete. Program is geared towards assisting management with successful on boarding processes for new hires. Program may be viewed in its entirety or referenced on particular points.
   b. Point of Care programs are participative in nature. Students manipulate equipment used as if they were actually completing the task/process. Once successfully completed students take a test, the results of which go to their personal electronic transcript.
   c. HIPPA Level 3 program is the most recent accomplishment. The very dry subject of keeping sensitive patient related information confidential was developed into an interactive training program with an entertainment overtone.

BUDGET IMPACT: Not Applicable

STAFF RECOMMENDATION:

Update: PPH E-Learning Programs

COMMITTEE QUESTIONS:

1. G. Bracht asked if the Point of Care programs were audited in real time.
   a. Since these programs are so new, auditing has not been established. However, the nursing students used to test the program did not have any problems in real-time administration of the tasks/processes.
   b. Once more Point of Care programs are launched follow-up data will be retrieved.
2. M. Rivera asked if there was an overall plan to establish more physiological aspects such as blood gasses via the Point of Care process.
   a. At this point in time Steve and Mike are responding to departmental requests only.
3. M. Rivera suggested making the Point of Care programs available to the Go Med program.
   a. This may be possible in the future.
4. G. Bracht suggested that the initial listing of all courses include the amount of time necessary to complete the course.

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Informational: Smoke Free Environment

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Human Resources Committee, August 21, 2007

BY: Wallie George, Chief Human Resources Officer

BACKGROUND: HR Committee discussed the possible creation of a PPH Campus Non-Smoking Policy as requested by L. Greer. At the July 9, 2007 Board meeting the proposed Smoke Free Environment Policy was approved and forwarded to the Governance Committee.

1. W. George reported that the first meeting of the Non-smoking Task Force is August 28. The meeting was delayed due to participants being on PTO.
2. Task Force will be developing a charter and receiving assignments for action steps.
3. Preliminary legal inquiries indicate there is no case law supporting the "right to smoke" in the behavioral unit.

BUDGET IMPACT: Not Applicable

STAFF RECOMMENDATION:

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Informational: Investing for Women / Fidelity

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Human Resources Committee, August 21, 2007

BY: Wallie George, Chief Human Resources Officer

BACKGROUND: HR Committee members were apprised of ongoing education forums.

1. B. Turner reported that the Retirement Summit was so successful that a decision was made to pursue other topics such an investment seminar for women.
2. The major challenge in presenting other seminars is availability of Saturday meeting rooms. Graybill is consistently booked on Saturdays. Discussion ensued relative to other possible sites including:
   a. Escondido School System meeting rooms
   b. A large room at the Escondido public library
   c. School of Nursing classrooms
3. Another Retirement Summit is being planned for early 2008, possibly February or March.

BUDGET IMPACT: Not Applicable

STAFF RECOMMENDATION:

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Informational: Grievance and Third Party Claims Activity Status

TO: PPH Board of Directors

MEETING DATE: September 17, 2007

FROM: Human Resources Committee, August 21, 2007

BY: Wallie George, Chief Human Resources Officer

BACKGROUND: HR Committee members were brought up to date on grievances and third party claims.

1. W. George reported during the January through June timeframe this year the following grievances have been filed:
2. CHEU: 14 grievances filed, 8 were resolved. These grievances are mostly disciplinary in nature. The remaining are in the queue for arbitration.
3. CNA: 14 grievances filed, 10 have been closed. These grievances involve pay issues or contract interpretation.

BUDGET IMPACT: Not Applicable

STAFF RECOMMENDATION:

COMMITTEE QUESTIONS:

N. Bassett asked if there is an average length of time for resolution from beginning to end.

a. It normally takes 2 - 2 ½ months to bring grievances to the point of arbitration.

M. Rivera asked if arbitrations that are lost become a teaching /learning experience for the manager involved.

b. W. George replied that we always do a debriefing whether we win or lose.

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

New and Revised Procedures Regarding Financial Assistance

TO: Board of Directors

MEETING DATE: Monday, September 17, 2007

FROM: Board Finance Committee
Tuesday, September 4, 2007

BY: Robert Hemker, Chief Financial Officer
Melanie Van Winkle, Executive Director Revenue Cycle
Aaron McDaniel, Educator/Process Assurance, Rev Cycle

Background: PPH's current charity procedures and processes were updated to comply with a new regulatory requirement AB774. The new law requires all hospitals to establish charity care and discount policies for patients whose family income is at or below 350% the Federal Poverty Level (FPL). PPH has revised our Financial Assistance (charity) procedure #2467 *(Attached)*, to reflect the requirements of this new law. Specifically, all patients whose income is at or below 250% of FPL would qualify for 100% charity discount. In addition, if a patient's income is between 251% - 350%, they would qualify for a charity discount equal to that of a Medicare patient. In addition, PPH has established two related procedures: 1) Self-Pay Discount and Extended Payment Plan *(Attached)*; and, 2) Section 1011 Funding for Undocumented Immigrants *(Attached)*. These procedures specify discounts and payment options available to uninsured patient's who do not qualify for the charity assistance and Federal funding available to PPH for undocumented immigrants.

Budget Impact:

Staff Recommendation: No action required as this is informational only.

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

9/11/2007

Palomar Pomerado Health
Financial Assistance and Discounting
Uninsured or Underinsured patients

Financial Assistance procedure:

- Provide uninsured patients with Notice of Financial Assistance
- Patients interested in receiving Financial Assistance need to complete an application
- Patients or guarantors who earn 250% or less of the Federal Poverty Guidelines are eligible for 100% financial assistance (write off). *Example:* Family of four (4) earning $51,625 or less. Insured patients with co-pays or deductibles (excluding Medi-Cal share of costs) are also eligible for this financial assistance to cover their financial responsibility. Liquid assets greater than $10,000 will be considered on a case by case basis.
- Patients or guarantors who earn between 251% - 350% are eligible for Discounted Care equal to Medicare reimbursement rates. *Example:* Family of four (4) earning between $51,625 and $72,275. Assets may not be considered for Discounted Care.
- Retirement Income can not be considered for earnings.

Self Pay Discounting and Extended Payment Plan:

- Uninsured patients that do not qualify for Financial Assistance as stated above
- A 10% Self Pay Discount will be applied to all encounters
- Patients or guarantors are eligible for an additional 30% Prompt Pay Discount if payment in full is received within 30 days from the statement generation date.
- Patients or guarantors who can not pay, in full within 30 days, are eligible for a 20% Payment Plan discount if they participate and fulfill the payment terms as specified in PPH's Extended Payment Plan Program. Payment terms are two years with equal monthly payments and no finance (interest) fees applied.

Undocumented Compensation Program:

- All uninsured patients will be screened for assistance programs (both government or private programs)
- If no external financial assistance is obtained, PPH will screen patient to determine if they meet the requirements of Undocumented Immigrant Health Care Reimbursement (Section 1011)
- PPH will gather information to complete the required Section 1011 forms
- PPH billing staff will review completed Section 1011 forms to determine if the patient and the type of care provided qualify for Section 1011 billing
- Qualified patient encounters will be billed quarterly to the designated Fiscal Intermediary
- PPH currently receives approximately $2 million dollars in reimbursement from this Section 1011 program.

PURPOSE:

Defines Palomar Pomerado Health's (PPH) procedure for the identification, documentation and determination of eligibility for PPH's discount or charity care programs. In accordance with its Mission Statement, it is the policy of PPH to provide a reasonable amount of hospital services without charge to eligible patients who cannot afford to pay for care, or offer discounted payment arrangements for those who qualify.

DEFINITIONS:

Patient: is defined as the person receiving services at PPH or their guarantor ultimately responsible for the financial resolution of an account.

Charity Care: is defined as medically necessary health care services provided for no charge to the patient who does not have or cannot obtain adequate financial resources to pay for his/her health care services.

Discounted Care: is defined as medically necessary health care services provided at a reduced charge for patients who meet eligibility criteria as described in this policy.

This is in contrast to bad debt, which occurs when a patient who, having the requisite financial resources to pay for health care services, has demonstrated by his/her actions an unwillingness to resolve his/her bill. Charity or Discounted Care eligibility may be determined prior to or at the time of an admission, during a hospital stay or after a patient is discharged. Each situation is different and shall be evaluated at the time of the application based upon the patient's circumstances. Eligibility for Charity Care or Discounted Care does not apply to services rendered by any physician, whether rendered on an inpatient or outpatient basis, or to health care providers other than PPH

Medically Necessary Health Care Services: Services or supplies that are determined to be:

- proper and needed for the diagnosis, or treatment of the patient's medical condition;
- are provided for the diagnosis, direct care, and treatment of the patient's medical condition;
- meet the standards of good medical practice in the local area; and
- are not mainly for the convenience of the patient or the patient's doctor.

High Medical Costs: are defined as the patient's annual out of pocket costs incurred by the individual at a PPH hospital that:

- exceed 10% of the patient's family income in the prior 12 months; or,
- exceed 10% of the patient's family income in the prior 12 months, if the patient provides documentation of the patient's medical expenses paid by the patient or the patient's family in the prior 12 months; or,
- a lower level as determined by hospital administration.

TEXT / STANDARDS OF PRACTICE:

a. The General guidelines for Charity Care approval are:
   - Patients who do not have or cannot obtain adequate financial resources to pay for their health care services.
   - Uninsured patients, as well as insured patients for the portion of their bill not covered by insurance, may be eligible.

- Resources from third party payors, local charitable agencies, Queenscare, Victim of Crime, Medi-Cal, Healthy Families, etc. must be exhausted before a charity adjustment can be applied.
- Only hospital services provided by PPH shall be considered.
- Eligibility determinations shall be based primarily upon income and family size. While expenses and other factors may be considered, these shall not serve as the primary basis for determining eligibility.

b. Clinical Determination:
   - The evaluation of the necessity of medical treatment of any patient shall be based upon clinical judgement, regardless of insurance or financial status, in compliance with PPH's Mission Statement. The clinical judgment of the patient's personal physician or the Emergency Department (ED) staff physician shall be the primary determining criteria for a patient's admission. In cases where an emergency medical condition exists, any evaluation of possible payment alternatives shall occur only after an appropriate medical screening examination has occurred and necessary stabilizing services have been provided in accordance with all applicable State and Federal laws and regulations.

c. Exclusions:
   - Patients who are not permanent citizens or permanent residents of the United States. (refer to Section 1011 Undocumented Procedure).
   - Patients whose account balance is due soley to Medi-cal Share of Cost.

Steps of Procedure:

1. Provide uninsured patients and those with potentially high medical expenses with a copy of the **Notice of Health Care Financial Assistance** (Attachment A). The uninsured patients should be directed to applications, as applicable, for Medi-Cal, CMS, CCS or Healthy Families.
2. For patients interested in financial assistance, complete a Financial Assistance Application for ED, Outpatients or cases identified after admission. All ED non-scheduled outpatients and patients identified after admission shall be handled as indicated below. The Financial Assistance Application process can be triggered by the ED Registration Clerk, Financial Counselor, the patient, Patient Service Representative (PSR) or Customer Service Representative (CSR)
   a. If, after a medical screening exam, a patient in the ED is determined to have no financial means to pay, and appears that they may not qualify for Medi-Cal or any other service, give the patient the **PPH Application for Financial Assistance** (Attachment B). If the patient is homeless or cannot complete the application, offer assistance in completing the form and obtain the patient's signature. If the patient is unable or unwilling to sign, then note this on the form.
   b. If a patient is currently in-house and it is determined that he/she may not have appropriate coverage or other means necessary to pay for services, the PSR shall give the patient a Financial Assistance Application.
      i. Patients scheduled as elective inpatient or scheduled outpatient services shall be referred to Patient Financial Services for consideration and approval.
   c. Determine if there are alternative means (i.e., external agency or foundation) to cover the cost of services.
   d. Make appropriate referrals to HealthCare Advocates, local county agencies, Healthy Families, Medi-Cal or other programs to determine potential eligibility.
   e. In the event the patient is denied or is determined to be ineligible for any of these services or it appears this may qualify as a charity case, Patient Services Representative shall give the patient the Financial Assistance Application and a return envelope. It is the responsibility of Patient Business Services to track the receipt of the Financial Assistance Application and make sure it is complete. The documentation required to be submitted with the Financial Assistance Application shall be dependent on the amount of charity care requested. The following documents, as applicable, should be submitted with the Financial Assistance Application:
      i. Current period pay stub; and/or,
      ii. Prior years tax return
      iii. If the other documents are not available, a verification of employment and wages from the employer may ac as a substitute.
   f. Enter account comments in PPH Information System: "*Financial Assistance Application given to "name and relation to patient" for "patient's name", date(s) of service, date provided and when expected from patient.*" This level of documentation shall generally be placed at the specific visit level, although at times it could apply to all accounts for the patient.
   g. Follow-up with patient or family member to see if they require assistance in completing the Financial Assistance Application.
      i. Offer assistance and/or meet with patient or family if guidance is needed to complete the form.
      ii. If needed, conduct a verbal interview with the patient and have them sign the form.
   h. The patient should be advised to return the completed Financial Assistance Application to a PSR. If the form is incomplete or missing information, reasonable efforts should be made to contact the patient for the missing information and advise them that if the information is not provided, a decision on their eligibility will be made based on the

incomplete application.

i. Forward the completed Financial Assistance Application to Patient Business Services, Attn: Customer Service for processing.

3. **Guidelines for Reviewing Financial Assistance Applications:**
   a. Determination – is based upon 350% of the established Federal Poverty Guidelines (FPG) as published yearly by the Department of Health and Human Services (DHHS) (http://aspe.hhs.gov/poverty/index.shtml). This means that a patient has to have an income level less than or equal to 350% of the FPG in order to qualify for either Charity Care or the Discount Care programs with High Medical Costs. These guidelines and rates of discount are noted on Attachment C.
      i. Patients or their guarantors who earn 250% or less of the Federal Poverty Guidelines (based on the date of discharge of the most recent admission being considered) are eligible for Charity Care: a write-off of 100% of charges.
      ii. Patients or their guarantors who earn between 251% and 350% of the current Federal Poverty Guidelines (based on the date of discharge of the most recent admission being considered) are eligible for Discounted Care. The billed charges for these patients will be reduced to the highest government payers (Medi-Cal, Medicare or Healthy Families) rates.
      iii. Patients or their guarantors who earn 351% or more of the Federal Poverty Guidelines (based on the date of discharge of the most recent admission being considered) are eligible for the standard self-pay discount as defined in the PPH Self Pay Discount Procedure.
      iv. If a patient maintains current eligibility with local and state health programs (e.g. CMS, Medi-Cal, etc), then the patient will be determined as eligible.
   b. Assets Owned – Eligibility for Charity Care may be considered including all liquid assets owned (e.g., bonds, stocks, bank accounts) less liabilities and claims against assets. The first $10,000 in assets will not be counted in determining eligibility; in addition, 50% of all assets valued over $10,000 will also not be used in determining eligibility. Eligibility for Discounted Care does not factor in the availability of monetary assets. PPH uses a credit-reporting agency, Transunion, to evaluate assets and liabilities. Determination of assets and their impact on eligibility will be determined on a case by case basis.
   c. Income – Examples of sources of income* include, but are not limited to:
      i. Recent pay stub
      ii. Income tax returns
      iii. If the above items are not available, upon Business Office Manager's discretion, other statements or documents may be acceptable (e.g. a signed and written statement by the employer of wages)
         I. *Income source restrictions imposed by AB774:
            A. Excludes the use of retirement, deferred-compensation plans and non-qualified deferred-compensation plans when determining eligibility for Charity Care.
            B. Mandates that determinations for Discounted Care are to only consider recent pay stubs or income tax returns.
         II. Employment status shall be considered along with future earning capacity. The likelihood of future earnings sufficient to meet the obligation within a reasonable period of time shall be considered. Documentation of income may be requested of the patient if eligibility is questionable.
   d. Deductions - Other financial obligations including living expenses and other items of reasonable and necessary nature shall be considered.
   e. Reevaluation-Charity Care or Discounted Care provisions shall be reevaluated when any one of the following occur:
      i. Subsequent rendering of services
      ii. Income change
      iii. Family size change
      iv. When any part of the patient's account is written off as a bad debt or is in collections
      v. When an account that is closed is to be re-opened
      vi. When the account is equal to, or greater than 6 months old
   f. Management's Discretion - PPH's management shall have a reasonable amount of discretion in approving the provision of Charity Care or Discounted Care for patients who do not meet the provisions set forth above.

4. **Processing the Financial Assistance Application:**
   a. Review each completed application upon receipt and determine if all information has been completed or attached, as applicable.
   b. Enter notes in the "account comments" section of PPH's Information System indicating receipt of the request for charity. If incomplete, note the follow-up action, missing items and date.
      i. If additional information is required, send the **Financial Assistance Request for Information Letter** (Attachment D). The patient shall be requested to provide this information within 15 working days.
      ii. If the patient does not return the requested information or contact PPH within 20 working days, contact the patient to inquire into the status of the additional information. Advise the patient that unless PPH receives the information within 10 working days, a decision on their eligibility for financial assistance will be made without the requested information. If the patient does not return the requested information or contact PPH within the additional 10 day

period, the application should be forwarded for review and eligibility determination. Enter into the "account comments" section of PPH's information system: "*Patient did not return required financial assistance information.*"

c. If the Financial Assistance Application is complete, prepare the **Financial Assistance Checklist** (Attachment E) within 24 hours.
d. Once the packet is complete, forward to the appropriate person as per the following approval schedule:
   i. $0 - $ 1,000 PFS Representative
   ii. $1,001 - $5,000 Manager Patient Financial Services
   iii. $5,001 - $10,000 Director Patient Financial Services
   iv. $10,001 - $50,000 Executive Director Revenue Cycle
   v. > $50,000 Chief Financial Officer
e. Enter the date the packet was sent into the "account comments" section of PPH's information system.
f. If a patient is approved for Financial Assistance, the person approving the Financial Assistance shall enter the appropriate adjustment into the PPH information system as "*approved and write off completed*," and complete the **Financial Assistance Approval Letter** (Attachment F).
   i. For approved Charity Care, the full amount of the bill is to be written off and the account documented.
   ii. For approved Discounted Care, the account should be adjusted to the Medicare reimbursement rate and the remaining balance to be paid by the patient. The patient is eligible for an interest free payment plan on the remaining balance in accordance with the Self Pay Discount procedure or Extended Payment Plan (Care Payment) procedure.
g. If a patient is not approved for Financial Assistance, forward the Financial Assistance Application and the supporting documentation to the Patient Business Services manager for final review.
h. If a patient is denied Financial Assistance, send the **Financial Assistance Denial Letter** (Attachment G).
i. If the patient appeals the denial and submits additional information within 15 working days of the date of the denial notice, this information should be evaluated within five days. If the supplemental information results in the patient qualifying for Financial Assistance, send the Financial Assistance Approval Letter. If the supplemental information does not change the denial determination, send the patient the Financial Assistance Denial Letter (Attachment G) and edit to include the wording related to the denial based upon the additional documents submitted.

5. **Guidelines for Collection on Accounts of Patients Eligible for Financial Assistance:**
   a. All non-Charity Care patients must first have been offered an interest free extended payment plan subject to negotiation and PPH procedures.
   b. Asset review is to be done as described in section 3(b) above.
   c. PPH and affiliated collection agencies cannot report adverse information to a consumer credit reporting agency or commence civil action against the patient for non-payment at any time prior to 150 days after initial billing. All agencies used by PPH (Progressive Management Systems and CMRE Financial Services) have been confirmed to be compliant with AB774.
   d. PPH will not send any accounts to agency if the patient is:
      i. Attempting to qualify for Financial Assistance eligibility, or
      ii. Attempting in good faith to settle an outstanding bill with PPH by negotiating a reasonable payment plan or by making regular partial payments or a reasonable amount.
   e. PPH or affiliated agencies will not use wage garnishments or liens on primary residences as a means of collecting on unpaid or underpaid accounts.
   f. Unaffiliated agencies will not use:
      i. Wage garnishments, except upon order of a court, or
      ii. Notice or conduct a sale of primary residence either during the life of the patient or spouse or in some instances a child of the patient that attains the age of majority.

Documentation:

PPH shall maintain detailed records of the numbers of patients and circumstances under which it provides free or reduced cost care under this procedure. PPH shall also maintain records of the costs incurred in providing free or reduced care to eligible patients.

Confidentiality:

PPH shall maintain all information received from patients requesting eligibility under the Charity Care procedure confidential.

ADDENDUM:

A. Attachment A: Notice of Healthcare Financial Assistance
B. Attachment B: Financial Assistance Application
C. Attachment C: Financial Assistance Guideline Determination

D. Attachment D: Financial Assistance Request for Information Letter
E. Attachment E: Financial Assistance Checklist
F. Attachment F: Financial Assistance Approval Letter
G. Attachment G: Financial Assistance Denial Letter

DOCUMENT / PUBLICATION HISTORY:

Authorized Promulgating Officers: Robert Hemker, Chief Financial Officer

Authorized Promulgating Officers: *Vacant*, Director, Patient Financial Services

Authorized Proulgating Officers: Melanie Van Winkle, Executive Director, Revenue Cycle

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 3		Fay Morales	Procedure needs revisions
(Changes) 2	10/21/2005	Fay Morales	updated poverty guidelines
(Changes) 1	10/02/2003	Fay Morales	This is the original version.

Authorized Promulgating Officers: (unsigned) Bob Hemker, Chief Financial Officer
(unsigned) Terrie Kintzele, Director, Patient Business Services

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes
Source Documents	Patient Rights and Ethics	
JCAHO CAMH Standard	Patient Rights and Organization Ethics	

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health

Self Pay Discount and Extended Payment Plan

Patient Accounting | 25853 | (Rev: 0)**Pending Signature**

Applicable to: **Affected Departments:**

I. PURPOSE:

It is the purpose of this procedure to define the Self Pay Discount and Extended Payment Plan processes within Palomar Pomerado Health's (PPH) billing practices. The Self pay accounts that do not meet the criteria for Financial Assistance are addressed within this procedure. Extended Payment Plans are an option also discussed in this procedure for encounters where the patient is unable to pay in full at the time of initial billing.

II. DEFINITIONS:

Self Pay: is defined as having no health plan insurance coverage. Palomar Pomerado Health has exhausted pursuit of Assistance programs (to include but not limited to: Count Medical Services, Medi-cal, Govt Disability) to obtain insurance coverage.

Discount: is defined as a dollar amount reduced off of the patient bill.

Co-Insurance: is defined as an amount determined by the insurance after adjudication of a claim identifying the patient's direct financial responsibility in relation to that claim.

Carepayment: is the extended payment plan program. PPH partnered with Aequitas Inc. to administer this program for PPH patients. Patients will be issued a Carepayment, Palomar Pomerado Health ID card along with monthly statements (similar to credit card bills).

III. TEXT / STANDARDS OF PRACTICE:

1. **SELF PAY DISCOUNT**: A discount will be applied to all encounters that are registered into the patient accounting system as "Self Pay", as defined above. This discount is applicable for the life of the encounter and is to be automatically applied to the Palomar Pomerado Health patient encounter and will reflect on the patient's initial statement.

A. An automatic discount of 10% of total charges will be applied to every Self Pay encounter upon generation of the first patient statement (Excluding any patient encounters pending assistance program, as defined above, approval).

B. The 10% Self Pay discount is not based on income or application process.

C. The 10% Self Pay discount is not to be reversed or removed. This Self Pay discount will remain on the encounter for the life cycle of the encounter up through the possible referral of unpaid encounters to a collection agency.

D. The 10% Self Pay discount is only to be reversed or removed from the patient encounter if the patient or authorized persons notifies PPH of insurance information that takes precedence.

2. **PROMPT PAY DISCOUNT**: "Self Pay" encounters are also eligible for an additional Prompt Pay discount of 30% from total charges (for a total of a 40% discount) if the patient payment is received on or before the "due date" indicated on the patient statement. This due date is dated 30 days after the initial statement's print date.

A. If the payment is not received within 30 days from the first statement the encounter will no longer be eligible for the additional 30% Prompt Pay Discount. The encounter would revert to following the normal patient account collection procedures. The patient statement will document clearly the patient has this opportunity for an additional discount.

B. The encounter will be reviewed after the additional payment is received to ensure the payment was received within the allotted time frame. After review a Patient Financial Services Representative will make the appropriate Prompt Pay Discount.

C. After the Prompt Pay Discount is applied, the Patient Financial Services Representative will initiate a zero balance statement and send it to the patient. This will ensure the patient knows their prompt payment was received and their encounter was discounted accordingly.

3. **EXTENDED PAYMENT PLAN**: The Extended Payment Plan as defined above is for both Self Pay encounters and all encounters considered "self pay after insurance" which would include the following: Co-Insurance, deductibles, copays and

non-covered services as determined by the patient's insurance carrier. The extended payment plan is called "Carepayment" and is administered in partnership with Aequitas Incorporated. The extended payment plan does not require an application process and is not based on income guidelines.

A. The Extended Payment Plan is available upon request at the point of registration or via an automated process as defined further in this procedure. Patient's who are already a part of the program can show their Palomar Pomerado Health ID card and their "co-pay", "Deductible" or "Co-insurance" will automatically be a part of the extended payment plan.

B. The Extended Payment Plan is a two year payment plan where the payment would be the lesser of either 4% of the encounter balance or $25.00.

C. The Extended Payment Plan does not incur fees to the patient. The following is **not** passed onto the patient: No pre-payment penalty, no interest charge, no credit reporting reflecting financing.

D. All encounters less than $10,000 qualify for the Extended Payment Plan and the encounter will automatically be placed into the Extended Payment Plan program 31 days after the first statement is sent to the patient.

E. Encounters greater than or equal to $10,000 need prior approval from both the patient and the Patient Financial Services Manager to enter into the Extended Payment Plan.

F. "Self Pay" encounters will be discounted 20% prior to assignment into the Carepayment program. The message to the patient will indicate that this additional 20% discount will be considered an additional prompt pay incentive to maintain the Carepayment Extended Payment Plan program. If the patient defaults from the Carepayment program the 20% discount will be removed from the encounter prior to the possible referral to a collection agency.

6. "Insurance to self pay" encounters will not receive any discount prior to assignment to the Carepayment program. "Insurance to self pay" encounters have been adjudicated by the insurance in accordance of the patient's benefit plan. These encounters do not qualify for any further discounts other than the Financial Assistance Program. (Please refer to the procedure for the Financial Assistance Program).

IV. ADDENDUM:

Type your addenda here.

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 0		Cindy S Burns, PBS Superverisor	Self Pay discount procedure and extended payment plan process documented and updated

Authorized Promulgating Officers: (unsigned) Bob Hemker, Chief Financial Officer

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes

PALOMAR POMERADO HEALTH
SPECIALIZING IN YOU

Palomar Pomerado Health

Undocumented Compensation Section 1011

Patient Accounting | 26152 | (Rev: 0)**Pending Signature**

Applicable to: **Affected Departments:**

I. PURPOSE:

It is the purpose of this procedure to define the Undocumented Immigrant Health Care Reimbursement and how it is described by Section 1011 of the Medicare Prescription Drug, Modernization and Improvement Act. This procedure will also incorporate the Palomar Pomerado Health process of identification of these patients that qualify for reimbursement and the process in which Patient Financial Services bills them to the authorized Fiscal Intermediary for reimbursement.

II. DEFINITIONS:

Section 1011: References the limited federal funding to health care providers for emergency care given to uninsured patients who are undocumented immigrants, Mexican citizens with "border crossing cards", or persons paroled into the United States to received medical services.

Section 1011 Provider Payment Determination: CMS recommended form used to determine whether a patient's claim is eligible to received federal funding under Section 1011.

Undocumented citizen: Non citizens who either entered the United States illegally or whose legal immigration documents have expired since they entered.

EMTALA: The Emergency Medical Treatment and Active Labor Act is a statute which governs when and how a patient may be (1) refused treatment or (2) transferred from one hospital to another when he is in an unstable medical condition.

Fiscal Intermediary: A private insurance company that serves as the federal government's agent in the administration of the Section 1011 program, including the payment of claims.

III. TEXT / STANDARDS OF PRACTICE:

1. **SECTION 1011**: The Centers for Medicare and Medicaid Services (CMS) implemented section 1011 of the Medicare Prescription Drug, Modernization and Improvement Act. Section 1011 provides limited federal funding to hospitals and certain other health care providers for emergency care given to uninsured patients who are undocumented immigrants, Mexican citizens with "border crossing cards," or persons paroled into the United States to receive medical services. Reimbursement under section 1011 is targeted to otherwise uncompensated care and is therefore not available for services provided to patients who are eligible for emergency or full-scope Medicaid or who have other insurance.

   A. Palomar Pomerado Health participates in Medicare and therefore remains obligated under the Emergency Medical Treatment and Labor Act (EMTALA) to screen and provide treatment to all persons with an emergency medical condition, regardless of whether they have insurance or can be claimed under section 1011. The CMS guidelines allow section 1011 payments for services provided with limitation on reimbursement for only the services necessary to "stabilize" the emergency condition.

   B. Patients seeking emergency services are not required to provide immigration documents or to disclose any information about their immigration status in order to receive such treatment or to be claimed for section 1011 reimbursement.

2. **SECTION 1011 QUALIFICATION AND DETERMINATION:** Palomar Pomerado Health uses the CMS suggested form (Section 1011 Provider Payment Determination Form CMS - 10130A) for providers to document whether a patients services are eligible for reimbursement. The information contained on the form is to be collected during or after the registration process and maintained once identification that the services may be reimbursable under the section 1011 guidelines.

   A. After stabilization of the patient, during full registration, screening is performed to identify if the patient qualifies for any applicable assistance programs. Assistance programs include but are not limited to County Medical Service, Medi-cal, SSI or Medicare benefits due to disability and Section 1011. The form for Section 1011 asks three major questions as follows:

   *Is the patient eligible for or enrolled in Medicaid or emergency Medicaid? If not, state the reason.

   *Does the patient have a Mexican "border crossing" card or evidence that he or she was paroled into the U.S.?

*Provide proof of foreign birth, such as a birth certificate, passport, voting card, expired visa, invalid border crossing card, foreign driver's license, consular identification card, or other foreign identification card; or indicate that the patient submitted an invalid Social Security number (SSN), or that the patient is in federal or state custody.

B. Completed Section 1011 forms are forwarded to the Patient Financial Services Department for storage. (Form CMS-10130A)

C. Patient Financial Services separates the forms into service dates that match the quarterly billing guidelines for the Section 1011 program. These are maintained for review up through completion of billing.

3. **SECTION 1011 BILLING:** Palomar Pomerado Health screens out all encounters not eligible for Section 1011 billing via seeking reimbursement from all other sources (assistance programs) including the patient.

A. Patient Financial Services receives a report of patients that do not qualify for assistance programs and have disclosed or have made a part of their record their citizenship status. The report is generated in quarterly increments that coincide with the quarterly billing cycles established by CMS. The report is based on self disclosure of the citizenship status from the patient, where this information is housed in the "citizenship" field in the registration computer system.

B. The patient encounters on the report are matched up to the Section 1011 Provider Payment Determination form to ensure screening and eligibility for Section 1011 reimbursement.

C. Patient Financial Services creates a claim, attaches it to the Section 1011 Provider Payment Determination form and bills directly to Trailblazer, the Fiscal Intermediary for the Section 1011 adjudication, using their common working file (CWF).

D. Copies of the Section 1011 Provider Payment Determination form for those patients that qualify and where Palomar Pomerado Health is billing Section 1011 is sent to the ancillary physician group that facilitates care in the Emergency Department, California Emergency Physicians (CEP).

E. Quarterly billing and Quarterly payment dates are as follows:

		Service Dates		Billing Deadline	Payment Date
Year 3	1st Quarter	10/1/2006	12/31/2006	6/29/2007	8/28/2007
	2nd Quarter	1/1/2007	3/31/2007	9/27/2007	11/26/2007
	3rd Quarter	4/1/2007	6/30/2007	12/27/2007	2/25/2008
	4th Quarter	7/1/2007	9/30/2007	3/28/2008	5/27/2008
Year 4	1st Quarter	10/1/2007	12/31/2007	6/30/2008	8/27/2008
	2nd Quarter	1/1/2008	3/31/2008	9/29/2008	11/26/2008
	3rd Quarter	4/1/2008	6/30/2008	12/29/2008	2/25/2009
	4th Quarter	7/1/2008	9/30/2008	3/30/2009	5/28/2009

IV. ADDENDUM:

Type your addenda here.

V. DOCUMENT / PUBLICATION HISTORY: (template)

Revision Number	Effective Date	Document Owner at Publication	Description
(this version) 0		Cindy S Burns, PBS Superverisor	Documented process for Section 1011

Authorized Promulgating Officers: (unsigned) Bob Hemker, Chief Financial Officer

VI. CROSS-REFERENCE DOCUMENTS:(template)

Reference Type	Title	Notes

Financial Briefing Book Scorecard – June 2007

TO: Board of Directors

FROM: Board Finance Committee
Tuesday, September 4, 2007

MEETING DATE: Monday, September 17, 2007

BY: Robert Hemker, CFO

Background: The Board Financial Briefing Book Scorecard for June 2007 is attached for the Board's review.

Budget Impact: N/A

Staff Recommendation: **Information only.**

Committee Questions:

COMMITTEE RECOMMENDATION:

Motion:

Individual Action:

Information: X

Required Time:

Briefing Book - BOD

As of: Update

Page 1

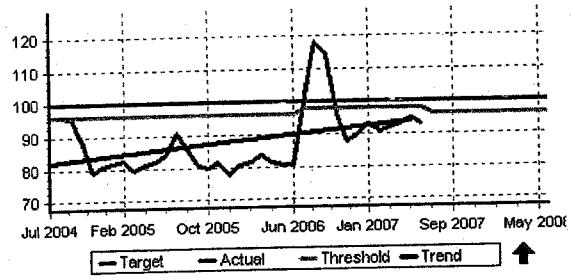
- Achieve Profitability (FS)
- Demonstrate Business Growth (FS)
- Develop Loyal Patients (CS)
- Increase Physician Loyalty (CS)
- Demonstrate High Quality Patient Care (Q)
- Demonstrate Safe Patient Care (Q)
- Optimize Process Efficiency & Effectiveness (Q)
- Attract, Acquire&Retain High Quality Workforce(W)
- Demonstrate Employee Competence & Growth (WD)
- Create a Learning Organization (WD)
- Provide Tools & Equip for Optimal Performance (WD)
- Provide Facilities for Optimal Delivery&Rec Svs(WD

Measures

Show YTD Show Periods

	ACTUAL	GOAL	VAR
OEBITDA Margin (Profitability)(PPH)	92.9 %	100.0 %	(7.1) %

OEBITDA Margin (Profitability)(PPH)



good direction

updated: 8/2/2007

Comments

2/20/2007 FY09 Goals - Achieve Aa bond rating.

Initiatives

Show Periods

	$		%	STATUS
1.1.1 HealthWoRx (PPH)			15%	In Progress

Measure Detail >

OEBITDA Margin (Profitability)(PPH)

(Net operating income+interest expense+depreciation expense+ prop taxes)/ Net pt revenue, actual vs. budget

Covert, Michael
Delosantos, Danny
Hemker, Robert

Initiatives

Parent Objectives

(1.1) Achieve profitability(Palomar Pomerado Health)

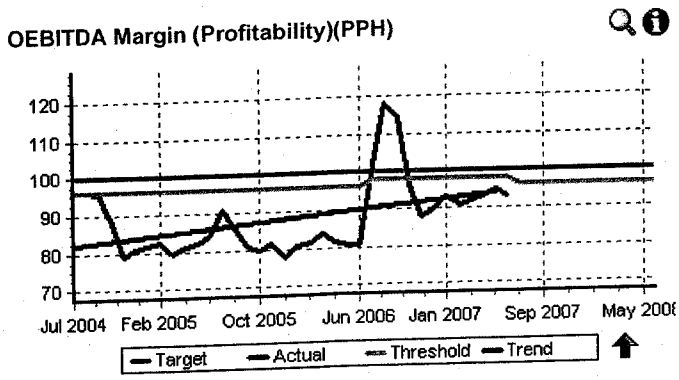
Covert, Michael
Hemker, Robert

Measures

Ind	Name	Actual	Goal	Variance	Date	Owner(s)
☑	**OEBITDA Margin (Profitability)(PPH)**	92.9 %	100.0 %	(7.1) %	Jun 2007	Covert, Michael Delosantos, Danny Hemker, Robert
☑	» OEBITDA Margin (Profitability) (PMC)	82.3 %	100.0 %	(17.7) %	Jun 2007	Bracht, Gerald Delosantos, Danny
☑	» OEBITDA Margin (Profitability) (Pom)	128.4 %	100.0 %	28.4 %	Jun 2007	Delosantos, Danny Gold, Steve

^ Contributing in Roll Up * Leading Indicator

Performance Graph >



good direction

updated: 8/2/2007

Performance History >

OEBITDA Margin (Profitability)(PPH)

Period	Actual	Goal	Variance
Apr 2006	81.6	100.0	(18.4)
May 2006	80.6	100.0	(19.4)
Jun 2006	80.6	100.0	(19.4)
Jul 2006	102.0	100.0	2.0
Aug 2006	118.2	100.0	18.2
Sep 2006	114.3	100.0	14.3
Oct 2006	96.0	100.0	(4.0)
Nov 2006	87.8	100.0	(12.2)
Dec 2006	89.8	100.0	(10.2)
Jan 2007	92.9	100.0	(7.1)
Feb 2007	90.8	100.0	(9.2)
Mar 2007	91.8	100.0	(8.2)
Apr 2007	92.9	100.0	(7.1)
May 2007	94.9	100.0	(5.1)
Jun 2007	92.9	100.0	(7.1)

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User Defined Performance Graphs >

External Applications >

Attachments >

Title	Status	Check Out

Comments >

Owner Comments

Manager Comments

Initiative Detail >

1.1.1 HealthWoRx (PPH)

(5/1/2006 - 7/2/2007)

Van Winkle, Melanie

Develop, implement and operationalize a patient focused redesign of the business aspects of patient care.

Parent Initiatives

Parent Measures

Parent Objectives

Achieve profitability(Palomar Pomerado Health)

Covert, Michael
Hemker, Robert

Parent Scorecards

Parent Program Groups

FY07 System-Wide Initiatives

Jackson, Marcia
Xenitopoulos, Nick

Initiative Hierarchy >

Name	Type	Report	Status	%	$	⏰	Owners
1.1.1 HealthWoRx (PPH)		4/1/2007	In Progress	15%	▲	▼	Van Winkle, Melanie

Initiative Status Reports >

Report Date	Status	% Complete	$	⏰	Submitted By
4/1/2007	In Progress	15%	▲	▼	Van Winkle, Melanie
2/1/2007	In Progress	n/a	▼	▼	Van Winkle, Melanie
1/1/2007	In Progress	n/a	▼	▼	Admin, Admin
10/1/2006	In Progress	15%	▪	▪	Van Winkle, Melanie
9/1/2006	In Progress	15%	▲	▲	Van Winkle, Melanie
8/1/2006	In Progress	10%	▲	▲	Van Winkle, Melanie
7/1/2006	In Progress	5%	▲	▲	Van Winkle, Melanie

Tasks >

Name	Start Date	Due Date	Status	%	$	⏰	Assigned To
***Define and Document Project Charter**	2/10/2006	10/16/2006	In Progress	98%	n/a	n/a	Van Winkle, Melanie
***"Staging" of design features**	11/1/2006	1/22/2007	In Progress	75%	n/a	n/a	Van Winkle, Melanie
***Address Facility & Space needs**	12/1/2006	6/29/2007	Not Started	n/a	n/a	n/a	Van Winkle, Melanie
***Address System Modification needs**	10/2/2006	6/29/2007	In Progress	2%	n/a	n/a	Van Winkle, Melanie
***Plan & Conduct Education Sessions**	4/2/2007	6/29/2007	Not Started	n/a	n/a	n/a	Van Winkle, Melanie
***Conduct final implementation plan**	5/1/2007	7/31/2007	Not Started	n/a	n/a	n/a	Van Winkle, Melanie
Identify "low hanging fruit" & implement changes	5/15/2006	7/2/2007	In Progress	50%	n/a	n/a	Van Winkle, Melanie
***Pt Acct - Benchmark Assessment**	6/2/2006	10/10/2006	Complete	100%	n/a	n/a	Van Winkle, Melanie
Implement Initial Communication Plan	6/13/2006	8/15/2006	Complete	100%	n/a	n/a	Van Winkle, Melanie
***Validate the Functionality of the Cerner Upgrade**	9/8/2006	10/31/2006	In Progress	85%	n/a	n/a	Van Winkle, Melanie
***Rev Cycle Baseline "Series Learning"**	8/1/2006	5/31/2007	In	10%	n/a	n/a	Van

Training			Progress				Winkle, Melanie
***Rapid Design Sessions**	7/10/2006	11/13/2006	Complete	100%	n/a	n/a	Van Winkle, Melanie
***Patient Focus Groups**	8/1/2006	10/31/2006	In Progress	95%	n/a	n/a	Van Winkle, Melanie
***Post RDS Documentation & Task Resolution**	9/28/2006	1/31/2007	In Progress	15%	n/a	n/a	Van Winkle, Melanie
***RDS Validation Session**	10/2/2006	11/10/2006	Complete	100%	n/a	n/a	Van Winkle, Melanie
***Present Future State Designs to Steering Committee**	10/2/2006	11/17/2006	In Progress	75%	n/a	n/a	Van Winkle, Melanie
Conduct post RDS Work Session	11/14/2006	11/30/2006	Not Started	0%	n/a	n/a	Van Winkle, Melanie
***Develop new Procedures**	1/2/2007	4/30/2007	Not Started	n/a	n/a	n/a	Van Winkle, Melanie
***Define Organizational Model & HR needs**	11/14/2006	2/28/2007	Not Started	n/a	n/a	n/a	Van Winkle, Melanie

* - Milestone

User Defined Performance Graphs >

Agenda >

External Applications >

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Title	Status	Check Out
Project plan detail - 9-29-06		
Status Report - August 2006		
Status Report - July 2006		
Status Report - October 2006		
Status Report - September 2006		

Briefing Book - BOD

As of: Update

Page 1

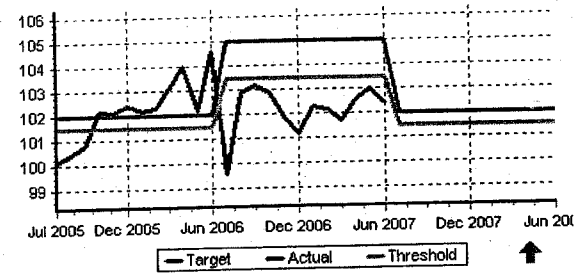
- Achieve Profitability (FS)
- Demonstrate Business Growth (FS)
- Develop Loyal Patients (CS)
- Increase Physician Loyalty (CS)
- Demonstrate High Quality Patient Care (Q)
- Demonstrate Safe Patient Care (Q)
- Optimize Process Efficiency & Effectiveness (Q)
- Attract, Acquire&Retain High Quality Workforce(W)
- Demonstrate Employee Competence & Growth (WD)
- Create a Learning Organization (WD)
- Provide Tools & Equip for Optimal Performance (WD)
- Provide Facilities for Optimal Delivery&Rec Svs(WD

Measures

Show YTD Show Periods

	ACTUAL	GOAL	VAR
Increase in Weighted Patient Days(PPH)	102.4 %	105.0 %	(2.6) %

Increase in Weighted Patient Days(PPH)



good direction

updated: 8/2/2007

Comments

2/20/2007 FY09 Goals - Achieve Aa bond rating.

Initiatives

Show Periods

	$		%	STATUS
1.2.1 Update PPH Strategic Plan (PPH)			75%	In Progress
1.2.2 Comprehensive web strategy implementation (PPH)			93%	In Progress

Measure Detail >

Increase in Weighted Patient Days(PPH)

Increase in Weighted Patient Days, current fiscal year to date compared to same period in prior fiscal year

Covert, Michael
Delosantos, Danny

Initiatives

7/1/2006 1.2.1 Update PPH Strategic Plan (PPH) — Jackson, Marcia
Budget: ▲ Timing: ▼

4/1/2006 1.2.2 Comprehensive web strategy implementation (PPH) — Friederichsen, Gustavo
Budget: ▲ Timing: ☐

Parent Objectives

(1.2) Demonstrate business growth (Palomar Pomerado Health) — Covert, Michael, Hemker, Robert

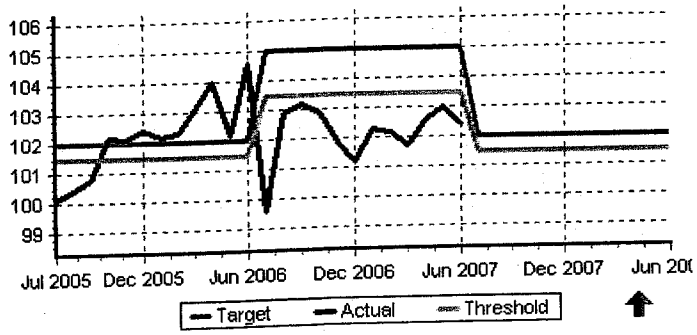
Measures

Ind	Name	Actual	Goal	Variance	Date	Owner(s)
▼	**Increase in Weighted Patient Days(PPH)**	102.4 %	105.0 %	(2.6) %	Jun 2007	Covert, Michael Delosantos, Danny
▼	» Increase in Weighted Patient Days (PMC)	102.3 %	105.0 %	(2.7) %	Jun 2007	Bracht, Gerald Delosantos, Danny
☐	» Increase in Weighted Patient Days (Pom)	103.5 %	105.0 %	(1.5) %	Jun 2007	Delosantos, Danny Gold, Steve

^ Contributing in Roll Up * Leading Indicator

Performance Graph >

Increase in Weighted Patient Days(PPH)



▲ good direction

updated: 8/2/2007

Performance History >

Increase in Weighted Patient Days(PPH)

Period	Actual	Goal	Variance
Apr 2006	104.0	102.0	2.0
May 2006	102.2	102.0	0.2
Jun 2006	104.6	102.0	2.6
Jul 2006	99.6	105.0	(5.4)
Aug 2006	102.9	105.0	(2.1)
Sep 2006	103.2	105.0	(1.8)
Oct 2006	102.9	105.0	(2.1)
Nov 2006	101.9	105.0	(3.1)
Dec 2006	101.2	105.0	(3.8)
Jan 2007	102.3	105.0	(2.7)
Feb 2007	102.2	105.0	(2.8)
Mar 2007	101.7	105.0	(3.3)
Apr 2007	102.6	105.0	(2.4)
May 2007	103.0	105.0	(2.0)
Jun 2007	102.4	105.0	(2.6)

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User Defined Performance Graphs >

External Applications >

Attachments >

Title	Status	Check Out

Comments >

Owner Comments

Manager Comments

Initiative Detail >

1.2.1 Update PPH Strategic Plan (PPH)

(7/1/2006 - 1/1/2007)

Establish an update comprehensive PPH Strategic Plan

Jackson, Marcia
Xenitopoulos, Nick

Parent Initiatives

Parent Measures

Increase in Weighted Patient Days (PPH) — Covert, Michael

Parent Objectives

Demonstrate business growth (Planning PPH) — Jackson, Marcia; Xenitopoulos, Nick
Demonstrate business growth (Palomar Pomerado Health) — Covert, Michael; Hemker, Robert

Parent Scorecards

Parent Program Groups

FY07 System-Wide Initiatives — Jackson, Marcia; Xenitopoulos, Nick

Initiative Hierarchy >

Name	Type	Report	Status	%	$		Owners
1.2.1 Update PPH Strategic Plan (PPH)		6/1/2007	In Progress	75%	▲	▼	Jackson, Marcia; Xenitopoulos, Nick

Initiative Status Reports >

Report Date	Status	% Complete	$		Submitted By
6/1/2007	In Progress	75%	▲	▼	Jackson, Marcia
4/1/2007	In Progress	65%	▲	▼	Admin, Admin
2/1/2007	In Progress	60%	▲	▼	Jackson, Marcia
1/1/2007	In Progress	60%	▲	■	Jackson, Marcia
12/1/2006	In Progress	35%	▲	▲	Jackson, Marcia
9/1/2006	In Progress	25%	▲	▲	Jackson, Marcia
8/1/2006	In Progress	15%	▲	▲	Jackson, Marcia

Tasks >

Name	Start Date	Due Date	Status	%	$		Assigned To
***Phase 1: Market and Strategic Position Assessment**	7/1/2006	10/31/2006	Complete	100%	n/a	n/a	n/a
***A. Project initiation**	7/1/2006	7/31/2006	Complete	100%	▲	▲	Jackson, Marcia
***B. Market and Program/Service Definition Development**	7/1/2006	8/31/2006	Complete	100%	n/a	n/a	Jackson, Marcia
***C. Strategic Position Assessment**	7/1/2006	11/3/2006	Complete	100%	n/a	n/a	n/a
***D. Network Strategy Development**	8/1/2006	12/15/2006	Complete	100%	n/a	n/a	n/a
***E. Program/Service Analysis**	8/1/2006	11/3/2006	Complete	100%	n/a	n/a	n/a
***F. Physician Analysis**	8/1/2006	11/3/2006	Complete	100%	n/a	n/a	n/a
***G. Interviews/Focus Groups**	8/1/2006	10/16/2006	Complete	100%	n/a	n/a	Jackson, Marcia
***Phase 2: Growth Strategy Development and Modeling**	10/1/2006	1/31/2007	Complete	100%	n/a	n/a	Jackson, Marcia
***A. Prepare Service Line Plans**	10/1/2006	1/12/2007	Complete	100%	n/a	n/a	Jackson, Marcia
***B. Financial Modeling**	10/1/2006	1/12/2007	Complete	100%	n/a	n/a	Jackson, Marcia
***Phase 3: Finalization and Approval**	2/1/2007	3/30/2007	In Progress	40%	n/a	n/a	Jackson, Marcia

***A. Prepare final document**	12/1/2006	2/12/2007	In Progress	60%	n/a	n/a	Jackson, Marcia
***B. Achieve Board approval**	12/1/2006	3/12/2007	In Progress	20%	n/a	n/a	Jackson, Marcia

* - Milestone

User Defined Performance Graphs >

Agenda >

External Applications >

Attachments >

Title	Status	Check Out

Initiative Detail >

1.2.2 Comprehensive web strategy implementation (PPH)

(4/1/2006 - 12/15/2007)

Friederichsen, Gustavo

Develop, launch, measure 4-pronged web strategy which includes the development of a customer portal, employee portal and physician portal.

Parent Initiatives

Parent Measures

Increase in Weighted Patient Days (PPH) — Covert, Michael

Parent Objectives

Demonstrate business growth (Clinical Outreach Services PPH) — Brown, Sheila; Culverwell, Megan; Covert, Michael

Demonstrate business growth (Palomar Pomerado Health) — Hemker, Robert

Parent Scorecards

Parent Program Groups

FY07 System-Wide Initiatives — Jackson, Marcia; Xenitopoulos, Nick

Initiative Hierarchy >

Name	Type	Report	Status	%	$		Owners
1.2.2 Comprehensive web strategy implementation (PPH)		6/1/2007	In Progress	93%			Friederichsen, Gustavo
»Web Strategy for Clinical Outreach		10/1/2006	In Progress	60%			Sheila Brown Megan Culverwell

Initiative Status Reports >

Report Date	Status	% Complete	$		Submitted By
6/1/2007	In Progress	93%			Friederichsen, Gustavo
2/1/2007	In Progress	75%			Friederichsen, Gustavo
10/1/2006	In Progress	75%			Admin, Admin

Tasks >

Name	Start Date	Due Date	Status	%	$		Assigned To
***pph.org Home Page Revenue Stream II**	11/6/2006	12/11/2006	In Progress	50%			Friederichsen, Gustavo
***PPHTV (online) Revenue Stream I**	11/6/2006	12/31/2007	In Progress	40%	n/a	n/a	Friederichsen, Gustavo
***Development of market growth-focused customer site**	4/1/2006	7/3/2007	In Progress	90%			Friederichsen, Gustavo
Develop tool to track patient acquisition	8/1/2006	11/30/2007	In Progress	15%			Friederichsen, Gustavo
***Development of employee portal**	10/6/2006	7/9/2007	In Progress	89%			Friederichsen, Gustavo
Patient Acquisition related to Web	12/1/2006	10/9/2007	In Progress	15%			n/a

* - Milestone

User Defined Performance Graphs >

ESCONDIDO AMBULATORY SURGICAL CENTER INVESTORS, LP
DISSOLUTION OF PARTNERSHIP

TO: Board of Directors

FROM: Board Finance Committee
Tuesday, September 4, 2007

MEETING DATE: Monday, September 17, 2007

BY: Marvin W. Levenson, MD, FACHE, Administrator, Escondido Surgery Center
Sheila Brown, RN, MBA, FACHE, Chief Clinical Outreach Officer

BACKGROUND: The Escondido Surgery Center ("the ESC") is a licensed Ambulatory Surgery Center. Currently, the ESC is owned and operated by Escondido Ambulatory Surgical Center Investors, LP ("EASCI"). This entity originally was a joint venture between various physicians and Palomar Pomerado Health (PPH). However, there are no longer any physician investors, and PPH owns 100% of the partnership. Equally important is that an ambulatory surgery facility has significant financial and operative disadvantages under an "Ambulatory Surgery Center" License.

The ESC meets all structural requirements for Acute Care. The ESC also complies with the definition of physically being "on campus" as it is within 650 feet of Palomar Medical Center. Therefore, administrative staff are recommending that the ESC to be licensed as a department of Palomar Medical Center.

BUDGET IMPACT: The recommended change in license will result in a positive budget impact of $580,000 per year.

STAFF RECOMMENDATION: Staff recommends approval of the attached resolution, which terminates the EASCI partnership, transfers all assets from EASCI to PPH, and provides for an amendment to the Palomar Medical Center License to include the ESC as an additional outpatient site.

COMMITTEE QUESTIONS:

COMMITTEE RECOMMENDATION: The Board Finance Committee recommends approval of the attached resolution, which terminates the EASCI partnership, transfers all assets from EASCI to PPH, and provides for an amendment to the Palomar Medical Center License to include the ESC as an additional outpatient site.

Motion:

Individual Action: X

Information:

Required Time:

RESOLUTION NO. 09.17.07 (02) – 12

RESOLUTION OF THE BOARD OF DIRECTORS OF PALOMAR POMERADO HEALTH ("PPH") DIRECTING PPH'S OFFICERS, ACTING ON BEHALF OF ESCONDIDO AMBULATORY SURGICAL CENTER INVESTORS, L.P. ("EASCI"), TO FORMALLY TRANSFER TITLE OF PARTNERSHIP ASSETS TO PPH AND TO FORMALLY DISSOLVE EASCI

WHEREAS, PPH has acquired all limited partner interests in EASCI and is the sole remaining entity with an ownership interest in EASCI; and

WHEREAS, California law defines a limited partnership as an entity formed by two or more persons;

NOW, THEREFORE, BE IT RESOLVED that:

Section 1. Recitals and Findings. The foregoing recitals and findings are true and correct, and this Board so finds and determines.

Section 2. Transfer of Title. The Board directs PPH's officers, acting on EASCI's behalf, to formally transfer title of the partnership assets to PPH.

Section 3. Dissolution. The Board directs PPH's officers to formally dissolve EASCI pursuant to the dissolution procedures found in the Fourth Amended and Restated Agreement of Limited Partnership of EASCI, and to take any steps as needed with the Secretary of State to formally dissolve EASCI.

Section 4. Licensing. The Board authorizes PPH's officers to take all steps necessary to work with the California Department of Health Services to amend the Palomar Medical Center license to add the Escondido Surgery Center as an additional outpatient site.

Section 5. Further Authorizations. The members of this Board and the officers of PPH are hereby authorized and directed, individually and collectively, to do any and all things that they deem necessary or advisable in order to effectuate the purposes of this Resolution.

APPROVED AND ADOPTED at a meeting of the Board of Directors of Palomar Pomerado Health held on September 11, 2007, by the following vote:

AYES:

NOES:

ABSTAINING:

ABSENT:

Dated: September 11, 2007

BY: _____
Marcelo Rivera, M.D.
Chair, Board of Directors
Palomar Pomerado Health

ATTESTED:

_____
Linda Greer, R.N.
Secretary, Board of Directors