

June 17, 2022

TO: Members of the Board of Directors

Victor Rey, Jr. – President
Regina M. Gage – Vice President
Juan Cabrera – Secretary
Richard Turner – Treasurer
Joel Hernandez Laguna – Assistant Treasurer

Legal Counsel

Ottone Leach & Ray LLP

News Media

Salinas Californian
El Sol
Monterey County Herald
Monterey County Weekly
KION-TV
KSBW-TV/ABC Central Coast
KSMS/Entravision-TV

The Regular Meeting of the **BOARD OF DIRECTORS OF THE SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM** will be held **WEDNESDAY, JUNE 22, 2022, AT 4:00 P.M., IN THE DOWNING RESOURCE CENTER, ROOMS A, B & C AT SALINAS VALLEY MEMORIAL HOSPITAL, 450 E. ROMIE LANE, SALINAS, CALIFORNIA, OR BY PHONE OR VIDEO (Visit svmh.com/virtualboardmeeting for Access Information).**

Pursuant to SVMHS Board Resolution No. 2022-08, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.



Pete Delgado
President/Chief Executive Officer

**REGULAR MEETING OF THE BOARD OF DIRECTORS
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**WEDNESDAY, JUNE 22, 2022
4:00 P.M. – DOWNING RESOURCE CENTER, ROOMS A, B & C
SALINAS VALLEY MEMORIAL HOSPITAL
450 E. ROMIE LANE, SALINAS, CALIFORNIA
OR VIA TELECONFERENCE**

(Visit svmh.com/virtualboardmeeting for Access Information)

Pursuant to SVMHS Board Resolution No. 2022-08, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

AGENDA

	<u>Presented By</u>
I. <u>Call to Order/Roll Call</u>	Victor Rey, Jr.
II. <u>Closed Session</u> (See Attached Closed Session Sheet Information)	Victor Rey, Jr.
III. <u>Reconvene Open Session/Closed Session Report</u> (Estimated time 5:00 pm)	Victor Rey, Jr.
IV. <u>Education Program</u> Facilities Security	Earl Strotman, Elias Gutierrez, Laura Zerbe
V. <u>Report from the President/Chief Executive Officer</u>	Pete Delgado
VI. <u>Public Input</u> This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board which are not otherwise covered under an item on this agenda.	Victor Rey, Jr.
VII. <u>Board Member Comments</u>	Board Members
VIII. <u>Consent Agenda—General Business</u> (A Board Member may pull an item from the Consent Agenda for discussion.) A. Minutes of the Regular Meeting of the Board of Directors, May 26, 2022 B. Financial Report C. Statistical Report D. Policies 1. Auditing and Monitoring of the EMR System 2. Device and Media Control 3. Scope of Service: Medical Staff Services ➤ Board President Report ➤ Board Questions to Board President/Staff ➤ Motion/Second ➤ Public Comment ➤ Board Discussion/Deliberation ➤ Action by Board/Roll Call Vote	Victor Rey, Jr.

IX. Reports on Standing and Special Committees

- A. **Quality and Efficient Practices Committee** Juan Cabrera
Minutes from the June 20, 2022 Quality and Efficient Practices Committee Meeting have been provided to the Board. Additional Report from Committee Chair, if any.
- B. **Finance Committee** Richard Turner
Minutes from the June 20, 2022 Finance Committee Meeting have been provided to the Board. The following recommendations have been made to the Board.
1. Recommend Board Approval of Project Funding for the SVMHS Starbucks Renovation Project
 - Committee Chair Report
 - Board Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote
 2. Recommend Board Approval of Lease Agreement for 1260 South Main Street, Suite 101, Salinas, CA Between SVMHS and JS & MR Properties LLC
 - Committee Chair Report
 - Board Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote
 3. Recommend Board Approval to continue monthly transfers from Operating General Account to Board Designated Restricted Account
 - Committee Chair Report
 - Board Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote
 4. Recommend Board Approval of Fiscal Year 2023 Operating and Capital Budget
 - Committee Chair Report
 - Board Questions to Committee Chair/Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote

C. Personnel, Pension and Investment Committee

Regina Gage

Minutes from the June 21, 2022 Finance Committee Meeting have been provided to the Board. The following recommendation has been made to the Board.

1. Consider Recommendation for Board Approval of Findings Supporting Recruitment of Physicians to Community Medical Groups and Practices and Approval of Recruitment Incentives.

- Committee Chair Report
- Board Questions to Committee Chair/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

D. Corporate Compliance and Audit Committee

Richard Turner

Minutes from the June 21, 2022 Corporate Compliance and Audit Committee Meeting have been provided to the Board. Additional Report from Committee Chair, if any.

X. Consider Board Resolution No. 2022-09 Ordering 2022 General Election for Salinas Valley Memorial Healthcare System; Requesting The County Elections Department to Conduct The Election; Requesting Consolidation of the Election with Statewide General Election; and Authorizing Publication Of Notice Of Election

District Legal
Counsel

- Report by District Legal Counsel
- Board Questions to District Legal Counsel/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

XI. Consider Board Resolution No. 2022-10 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor's State of Emergency Declaration March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period June 29, 2022 through July 30, 2022

District Legal
Counsel

- Report by District Legal Counsel
- Board Questions to District Legal Counsel/Staff
- Motion/Second
- Public Comment
- Board Discussion/Deliberation
- Action by Board/Roll Call Vote

XII. Report on Behalf of the Medical Executive Committee (MEC) Meeting of June 9, 2022, and Recommendations for Board Approval of the following:

Theodore
Kaczmar, Jr.,
M.D.

- A. Reports
 - 1. Credentials Committee Report
 - 2. Interdisciplinary Practice Committee Report
- B. Policies/Plans
 - 1. Nursing Standardized Procedure: COVID Testing Swab
 - Board Questions to Chief of Staff
 - Motion/Second
 - Public Comment
 - Board Discussion/Deliberation
 - Action by Board/Roll Call Vote

XIII. Extended Closed Session (if necessary)

Victor Rey, Jr.

(See Attached Closed Session Sheet Information)

XIV. Adjournment – The next Regular Meeting of the Board of Directors is scheduled for **Thursday, July 28, 2022, at 4:00 p.m.**

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Executive Assistant during regular business hours at 831-755-0741. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM BOARD OF DIRECTORS
AGENDA FOR CLOSED SESSION**

Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.

CLOSED SESSION AGENDA ITEMS

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

(Government Code §54956.8)

Property: (Specify street address, or if no street address, the parcel number or other unique reference, of the real property under negotiation): 1067 N. Davis Road, Salinas, CA 93901

Agency negotiator: (Specify names of negotiators attending the closed session): Gary Ray

Negotiating parties: (Specify name of party (not agent): Unknown

Under negotiation: (Specify whether instruction to negotiator will concern price, terms of payment, or both): Price and Terms

REPORT INVOLVING TRADE SECRET

(Government Code §37606 & Health and Safety Code § 32106)

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility): Trade Secret, Strategic Planning, Proposed New Programs and Services

Estimated date of public disclosure: (Specify month and year): Unknown

HEARINGS/REPORTS

(Government Code §37624.3 & Health and Safety Code §§1461, 32155)

Subject matter: (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, or report of quality assurance committee):

1. Report of the Medical Staff Quality and Safety Committee
2. Report of the Medical Staff Credentials Committee
3. Report of the Medical Staff Interdisciplinary Practice Committee

ADJOURN TO OPEN SESSION

CALL TO ORDER/ROLL CALL

(VICTOR REY, JR.)

CLOSED SESSION

*(Report on Items to be
Discussed in Closed Session)*

(VICTOR REY, JR.)

*RECONVENE OPEN SESSION/
CLOSED SESSION REPORT
(ESTIMATED TIME: 5:00 P.M.)*

(VICTOR REY, JR.)

Memorandum

To: Board of Directors
Salinas Valley Memorial Healthcare System

From: Michelle Childs, Chief Human Resources Officer

CC: Pete Delgado, President/Chief Executive Officer
Clement Miller, Chief Operating Officer

Date: June 16, 2022

Re: Request for Ratification: Substantive Elements of Collective Bargaining Agreement between SVMHS and International Union of Operating Engineers, Stationary Engineers Local No. 39, AFL-CIO (Local 39)

SVMHS and Local 39 have tentatively agreed on the following changes to the existing contract:

Term:	July 1, 2022 through June 30, 2025
Wages:	<ul style="list-style-type: none"> • 5% increase effective 7/1/2022 • 4.75% increase effective 7/1/2023 • 3.75% increase effective 7/1/2024
Pension Plan	<ul style="list-style-type: none"> • 7% increase effective 7/1/2022 • 7% increase effective 7/1/2023 • 6.5% increase effective 7/1/2024
Training Fund	<ul style="list-style-type: none"> • \$60 increase effective 1/1/2023 • \$40 increase effective 1/1/2024 • \$40 increase effective 1/1/2025
Uniforms	<ul style="list-style-type: none"> • Increased boot reimbursement to \$250
PTO	<ul style="list-style-type: none"> • Added additional PTO accrual level for employees with 29+ years of service.
Health and Welfare	<ul style="list-style-type: none"> • Increased health insurance contributions by \$339 effective 7/1/2022
Sick Duty	<ul style="list-style-type: none"> • Increased cap on sick leave to 130 days
Certification /Achievement Bonus	<ul style="list-style-type: none"> • Increased Certification/education achievement bonus from \$250 to \$375
Retiree Health Program	<ul style="list-style-type: none"> • Created L39 SVMH retiree health plan reimbursement
Annual Incentive Plan	<ul style="list-style-type: none"> • Brought L39 onto SVMH AIP at 1% target

*EDUCATION PROGRAM -
FACILITIES SECURITY*

(VERBAL)

(CLEMENT MILLER)

*REPORT FROM THE PRESIDENT/
CHIEF EXECUTIVE OFFICER*

(VERBAL)

(PETE DELGADO)

PUBLIC INPUT

BOARD MEMBER COMMENTS

(VERBAL)

**REGULAR MEETING OF THE BOARD OF DIRECTORS
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**THURSDAY, MAY 26, 2022 – 4:00 P.M.
DOWNING RESOURCE CENTER, ROOMS A, B & C
SALINAS VALLEY MEMORIAL HOSPITAL
450 E. ROMIE LANE, SALINAS, CALIFORNIA AND BY TELECONFERENCE**

Approved Pursuant to SVMHS Board Resolution No. 2022-07, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.

Present: In person: President Victor Rey, Jr., Directors Juan Cabrera, Richard Turner, Regina Gage.
Via Teleconference: Director Joel Hernandez Laguna.

Absent: None

Also Present: In person: Pete Delgado, President/Chief Executive Officer, Theodore Kaczmar, Jr., MD, Chief of Staff, and Matthew Ottone, Esq., District Legal Counsel.

CALL TO ORDER/ROLL CALL

A quorum was present and the meeting was called to order by President Victor Rey, Jr., at 4:05 p.m.

CLOSED SESSION

President Victor Rey, Jr., announced that the closed session items to be discussed in Closed Session as listed on the posted Agenda are: (1) Conference with Labor Negotiator concerning the National Union of Healthcare Workers, California Nurses Association, Local 39 and ESC Local 20; (2) Report Involving Trade Secret: Trade secrets, strategic planning, proposed new programs and services; (3) Hearings/Reports: Reports from the Medical Staff Quality and Safety Committee, Report of the Medical Staff Credentials Committee and Interdisciplinary Practice Committee.

The meeting was recessed into Closed Session under the Closed Session Protocol at 4:08 p.m. The Board completed its business of the Closed Session at 5:00 p.m.

RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION

The Board reconvened Open Session at 5:12 p.m. President Rey announced that in Closed Session the Board discussed: (1) Conference with Labor Negotiator concerning the National Union of Healthcare Workers, California Nurses Association, Local 39 and ESC Local 20; (2) Report Involving Trade Secret: Trade secrets, strategic planning, proposed new programs and services; (3) Hearings/Reports: Reports from the Medical Staff Quality and Safety Committee, Report of the Medical Staff Credentials Committee and Interdisciplinary Practice Committee.

In Closed Session, the Board received and accepted the Medical Staff Quality and Safety Committee Report, the Report of the Medical Staff Credentials Committee and the Report of the Medical Staff Interdisciplinary Practice Committee. No other action was taken by the Board.

EXTRA LIFE CHECK PRESENTATIONS

Ms. Andrea Cisneros, CMN Program Coordinator, reported Extra Life, a program of CMN Hospitals, unites thousands of gamers around the world to play games in support of their local Children's Miracle Network Hospital. Since its inception in 2008, Extra Life has raised more than \$100 million for sick and injured kids. We have three incredible gamers locally. Anson "Wiji" Einy has reached a milestone achievement of raising \$25,000 over 7 years. Mr. Einy was introduced and presented Mr. Delgado with a representative check for his achievement. Ji "ClumsyG" Jun placed 1st in the Magic: The Gathering Arena Tournament and raised \$4,000. Mr. Jun was introduced and presented Mr. Delgado with a representative check for his donation. Leo "Tectonic831" Barrera placed 1st in the Halo Infinite Tournament and raised \$4,000. Mr. Barrera was introduced and presented Mr. Delgado with a representative check for his donation.

Board Discussion: Director Rey commented that his opinion of gaming changed because of Mr. Jun who helps provide a healthy gaming community and promotes raising funds for the CMN kids. He thanked all three gentlemen for their generosity and earning the funds through such a unique and fun way.

EDUCATION PROGRAM – AHA NOVA Award: Monterey County Diabetes Collaborative

Ms. Laurent reported the AHA NOVA Award honors AHA members for successful efforts that improve community health status and work collaboratively through joint efforts among health care systems or hospitals to improve the health of their community. The Monterey County Diabetes Collaborative (MBDC) submitted an application for this award and Ms. Laurent announced the Collaborative received the NOVA Award which we will be presented in July.

Dr. Radner reported SVMHS has prioritized the diabetes health issue for years. The SVMC Diabetes and Endocrine Center includes the Pediatric Diabetes Center (in partnership with UCSF) and has 15,000 patient encounters per year. SVMC recently acquired 4,000 diabetes/endocrine patients from a closing practice. In 2015 10-15% of the population in Monterey County had diabetes and 40-50% of the population was pre-diabetic and were the #1 and #2 health issues for Monterey County. At that time, communication began with Community Hospital of Monterey Peninsula (CHOMP) to collectively address these issues and the Monterey County Diabetes Collaborative (MBDC) was formed. Currently Diabetes has dropped to #2 as a health issue. However, 1 out of 3 adults are at risk in Monterey County.

Ms. Kendra Howell reported the Blue Zones Project (BZP) Monterey County is a community-wide well-being improvement initiative designed to make healthy choices easier for everyone in our community. The Blue Zones Project in Monterey County supports changes in our community that create a sustainable environment of well-being. Through the implementation of best practices with worksites, restaurants, schools, faith-based organizations and grocery stores across the community, BZP strives to create a healthy life radius. Ongoing efforts include teaming up with restaurants to provide and highlight healthier vegetable-centric options; schools to educate kids and construct gardens; and businesses to optimize employee resources and health incentives. The Blue Zones Project in Monterey County is the only Blue Zones Project in the country with a robust diabetes intervention component.

Ms. Laurent reported the Collaborative developed a Pediatric Wellness Program and a Diabetes Prevention Program for Adults. The "Don't Feed the Diabetes Monster" campaign was launched and a Healthy Youth Taskforce was developed. A video was shared featuring children and what they have learned about a healthy lifestyle including healthy food choices and exercise.

The Collaborative brought the National Diabetes Prevention Program (DPP) for adults to Monterey County in 2020 and is delivered at no cost. Collaborative partners include 2.1.1 Get Connected. Get Help. 50th Alliance on Aging, Alisal Union School District, Aspire Health, Cal Fresh Healthy Living, Doctors on Duty, Greenfield Union School District, Habitnu, Just Run, Monterey Bay Independent Physician Association, MEarth, Mee Memorial Healthcare System, MoGo Urgent Care, Monterey County Food Bank, Monterey County Office of Education, Monterey Peninsula Unified School District, Natividad Medical Center, North Monterey County Unified School District, Primecare, Salinas City Elementary School District, Salinas Union High School District, Santa Rita Union School District, Soledad Unified School District, United Way Monterey County, YMCA.

Metrics are collected quarterly and tracked year-over-year. 85% of participating worksites are implementing at least one MCDC initiative. 90% of participating school sites are implementing at least one MCDC initiative. Between 2019 and 2021, data indicate: 9.5% increase in awareness of prediabetes and diabetes prevention programs in the community. 2021 data shows 1,022 adults and children enrolled in diabetes prevention programs. The adult program has an average weight loss of 5%. The pediatric program shows 60% of participants maintain or reduce BMI% (this means the kids are slowing weight gain and/or losing some weight). 2,160 community members completed the online diabetes risk assessment. 90 teachers in 19 schools are involved in the program, reaching 2,224 students to date.

Board Discussion: Director Rey reported two members of his walking Moai were referred by the BZP and participate in the Diabetes Collaborative. It's great to see improvement in diabetes awareness and improved health in the County. Director Hernandez-Laguna is pleased with the progress as a result of the Collaborative and expects positive results will continue. He's proud his daughter (older now) was showcased in the video; she has made an impact on the family's lifestyle. Mr. Delgado pointed out the collaboration was very innovative at the time as SVMHS and CHOMP had not collaborated before. It is rewarding to see educating children on a healthy lifestyle results in them influencing the entire family.

REPORT FROM THE PRESIDENT/CHIEF EXECUTIVE OFFICER

Mr. Delgado reviewed "*The mission of Salinas Valley Memorial Healthcare System is to provide quality healthcare for our patients and to improve the health and well-being of our community.*" The amazing SVMHS staff worked diligently through 30 months of the pandemic and were recognized and rewarded during Hospital Week. This month's Mission Moment featured "Capturing the excitement at the employee celebration BBQ."

A summary of key highlights centered on the pillars that are the foundation of the Hospital's vision for the organization, is as follows:

Service:

- **Patient Experience:** Lisa Paulo presented the HCAHPS Year-Over-Year (YOY) Ranking from FY18-FY22 to date:
 - Ambulatory Rating: 44% (rank)/86.7% (Top Box score)
 - Emergency Department Rating: 45%/66.39%
 - Inpatient Rating: 86%/79.3%

The Patient Experience Balanced Scorecard was presented:

- Ambulatory: 91.2 (actual)/91.6 (target)
- Emergency Department: 61.6/64.8
- Inpatient: 74.4/75.1

Ms. Paulo explained a lot of staff-engaged front-line participation has been the reason for these YOY score improvements, e.g., ED has gone from a rank of 10 in FY2018 to the current 61.6.

Key strategies include bedside shift report, rounding and communication boards. Ambulatory strategies: scheduling process improvements, Med/Surg strategies: teach back, ED/Critical Care strategies: commit to sit (rather than standing over), leveraging practice councils.

- **Magnet® Recognition:** On May 19th SVMH celebrated its one-year anniversary for Magnet® recognition-the gold standard of nursing excellence. One year and going strong. The Magnet process of shared governance has engaged front-line staff to assume ownership of addressing issues, which has made a difference in patient care and patient satisfaction.
- **Perioperative Clinical Practice Council:** Abby Acosta, BSN, RN, CPAN, CAPA, PACU nurse, reported this CPC is unique because it includes three specialties, peri-op, peri-anesthesia and GI/endo.
 - **What We've Done:** Anesthesia protocol revision on management of patients with pacemakers, sleep apnea protocol for every patient on the day of surgery, perioperative delirium protocol with the goal to minimize as much as possible (to start in OR then go house-wide), blue wristbands protocol for all patients with therapeutic vaginal packing, shared governance for Magnet® designation and pressure injury management by identifying risk factors, i.e., applying a prevention dressing to patients who will be supine over time.
 - **Where we are:** Obstructive Sleep Apnea (OSA) protocol (sleep apnea risk screening), delirium protocol house-wide task force, recognizing Dr. Jani for his involvement as physician advisor, blue band protocol 100% staff education/no incidences of missed packing, no pressure injuries and contribution to professional development. Ms. Acosta coordinated with the PeriAnesthesia Nurses Association of California to sponsor an event at Ryan Ranch. Ms. Paulo congratulated Ms. Acosta for bringing this event locally as this is a small community bringing a national organization to us and benefits all nurses in our area up to South San Jose.
 - **What is coming:** Intraoperative family updates, delirium protocol implementation housewide, enhanced care of DI patients under anesthesia, bladder management of cath lab patients, endo in OR process improvement, transfer from OPS to 1 Main, enhanced time out in OR and enhanced pacemaker interrogation process.

Board Discussion: Ms. Acosta was thanked for her great work, asked to congratulate the Perioperative Clinical Practice Council for spearheading these efforts to enhance quality of care and for bringing the PNAC course locally. Clement Miller, COO, announced Ms. Acosta received the Exemplar Protect Award and he is proud to have her on the team as she does a great job providing quality, safe care for our patients. Mr. Delgado reported he dropped in on the Perioperative CPC once and was very impressed with Ms. Acosta's leadership and the work the CPC is doing improving quality and safety.

➤ Finance

- **Consolidated Financial Summary** provided by Scott Cleveland, Controller: (1) Month of April 2022-Normalized highlights: Revenue was \$54.5M. The payor mix was unfavorable resulting in operating expenses of \$54.7M. Income from Operations was (\$0.2M). (2) Year-to-Date April 2022-Normalized highlights: Operating Revenue of 9.5% is above budget, operating expense is 3.4% above budget. Income from Operations \$43.8M with a net margin of 7.6%. Non-operating income was down due to investments resulting in a net income margin of 6.9%. (3) Key financial indicators: Operating Margin is up from last year, Total Margin is down from last year. Cash on Hand is 344 days. Accounts Receivable is 51 days which

continues to be a challenge due to delays in payment by insurance companies. Mr. Delgado reported there is legislation to increase availability of Medi-Cal to more individuals which in turn affects our payor mix.

- **FY 2022 Finance Pillar Scorecard** is on target for Income from Operations and Operating Margins.
- **Government Affairs Federal Update:** The Pfizer COVID vaccine early analysis shows the vaccine for children 6 months-5 years is 80% effective. The Surgeon General issued an advisory to address health worker burnout. COVID flare ups are reported in nursing homes, states and schools but hospitals are not seeing a rise in admissions.
- **Government Affairs State Update:** The state budget is to be approved June 15th. There is no proposal to update Medi-Cal fees which have been frozen since 2013. The current proposal includes a requirement that hospital spend 25% of the community benefits dollars through community-based organization.

Board Discussion: Director Gage questioned why Medi-Cal fees have been frozen for ten years while benefits are being expanded. Mr. Delgado reported CHA is developing a campaign to address this issue. Dr. Kaczmar stated another legislative impact is mal practice laws are changing requiring higher limits which will affect the malpractice insurance SVMC pays for its physicians.

- Industry News
 - One-third of hospitals are operating with negative margins due to costs for drugs, labor and supplies.
 - AdventHealth posts \$417.7M loss in Q1 driven by investment and operating loss.
 - Ascension posts \$88.4M quarterly loss.
 - Kaiser posts net loss of \$96.1M in Q1.
 - Hospital operating margins negative for 3rd month.
 - 12 hospitals scaling back services.

➤ Growth

- The SVMHS Mobile Health Clinic reached a milestone of more than 7,500 patient visits. There is discussion to increase service by adding an additional van.
- **FY 2022 Growth Pillar Scorecard** is on target for EPIC MyChart adoption, implementing eConsults and patient utilization.

➤ Quality

- Congratulations to our cardiac team for our second consecutive year achieving the Platinum Performance Achievement Award from the National Cardiovascular Data Registry (NCDR[®]) for Chest Pain-MI Registry.
- The California Department of Public Health (CDPH) has awarded SVMH a timeliness award for birth certificates.
- Healthcare and IT Marketing Community (HITMC) recognized SVMHS with two awards:
 - **Best Use of Media Relations** recognizing the quality and quantity of SVMHS media engagement and coverage in 2021 to educate people about the impact of COVID. Thanks to Karina Rusk and our media team.

- **Virtual Event of the Year** for the 2021 NICU (virtual) Reunion with its 101 Dalmatians theme focused on healthy and fun snacks for Halloween thanks to Chef Jason Giles, Dr. Bob Castro (in a Dalmatian costume) and Claudia Otero (in a Cruella De Vil costume).
- **FY 2022 Growth Pillar Scorecard** is on target for ER-to-Admit time, OR Turn-Over, 1st Case on Time, Hospital Acquired Conditions and Hand Hygiene. ER Median Length of Stay is close to target.

➤ People

- The following awards were presented during Hospital Week
 - Nurse of the Year: Sheilah Quentin, RN/Pre-Admission Testing
 - Employee of the Year: Kathy Gulan/Respiratory Care
 - Physician Excellence in Service and Professionalism: Eshan Labroo, MD, Family Medicine
 - Team DAISY: Oncology
 - Team STAR: Cath Lab
 - Exemplar Awards:
 - Heal: Barbara Domalaog, RN/ICU
 - Protect: Abigail Acosta, RN/PACU
 - Empower: Raquel Ramos, RN/Telemetry-5T
 - Teach: Jovita Dominquez, RN/Observational Care Unit
 - Support: Kristina Pantoja Ortega/Diagnostic Imaging
 - Accountability: Michelle Fay/Pharmacy
 - Respect: Anita Gonzalez/Nutrition Services
- The SVMHS Employee Picnic is scheduled for July 9, 11am-5pm at Rancho Cielo.
- The 2022 Engagement Survey is underway. FY 2022 People Pillar Scorecard is based on the engagement survey; results coming soon.

➤ Community

- **Diaper Drive:** A diaper drive was initiated by the SVMHS Labor and Delivery Unit and perinatal nurses and generously supported by our staff, Foundation and CMN partner, Costco. It was so successful we are going to have another distribution this weekend. Diapers have been added to the Mobile Clinic for distribution.
- **Ask the Experts The Opiod Epidemic: Strategies for Combating Opiod Use Disorder** premieres tomorrow 5/27 (English) and May 31 (Spanish).
- **Media Highlights:** Hospital Week Celebration (5/16/22), Student Success (5/8/22), Mother's Day/KSBW (5/8/22), Diaper Drive/KSBW (5/8/22), Monterey County Health Needs Assessment (5/7/22), Health Matters/Women's Heart (4/29/22), Monterey County Health Needs Assessment/KION/Spanish (5/7/22).
- **FY 2022 Growth Pillar Scorecard** is in progress for online appointment scheduling for hospital-based clinical departments. More to come.

NO PUBLIC INPUT

President Rey asked for any public input regarding items not on this agenda. No Public input was provided.

BOARD MEMBER COMMENTS

Directors Turner commented he has been associated with SVMHS for 10 years, 6 with the Foundation and 4 with the Board, and it never ceases to amaze him what we are doing that is above and beyond the scope of care.

Director Gage agreed.

Director Cabrera enjoys driving around and trying BZP-approved restaurants. He believes our efforts will impact the future health of our youth and it is going to make a difference. He is amazed what has been done to reduce diabetes and requested a report showing progress.

Director Hernandez Laguna had no additional comments.

Director Rey is thankful for the SVMHS commitment to partner with the Leukemia Society. He recognized Anthony Duenas and Clement Miller for their leadership and participation. Our small rural community is outperforming larger markets. This year there are 10 candidates for Visionary of the Year.

CONSENT AGENDA – GENERAL BUSINESS

- A. Minutes of the Regular Meeting of the Board of Directors, April 28, 2022
- B. Financial Report
- C. Statistical Report
- D. Policies
 - 1. Chest Tube Management Policy
 - 2. Fetal Heart Rate Monitoring Policy
 - 3. Scope of Service: Case Management
 - 4. Scope of Service: Taylor Farms Family Health & Wellness Center
 - 5. Utilization Management Plan

President Rey presented the consent agenda items before the Board for action. This information was included in the Board packet.

No public comment

MOTION: The Board of Directors approves Consent Agenda – General Business, Items (A) through (D), as presented.

Moved/Seconded/Roll Call Vote: Ayes: Hernandez Laguna, Turner, Gage, Cabrera, Rey; Noes: None; Abstentions: None; Absent: None; Motion Carried.

Reports on Standing and Special Committees***Quality and Efficient Practices Committee***

Juan Cabrera, Committee Chair, reported the minutes from the Quality and Efficient Practices Committee Meeting of May 23, 2022, were provided to the Board. The Committee received the same excellent Patient Care Services Update.

CONSIDER RESOLUTION NO. 2022-08 PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION ON MARCH 4, 2020, AND AUTHORIZING

REMOTE TELECONFERENCE MEETINGS FOR THE PERIOD MAY 29, 2022 THROUGH JUNE 28, 2022

Matthew Ottone, Esq., District Legal Counsel, reported the resolution was included in the Board Packet, for the Board's consideration. The resolution is necessary to continue remote attendance by the District Board at Committee meetings and regular Board Meetings with waiver of certain requirements under The Brown Act. The law has changed allowing remote teleconferencing through 2024. A 30-day resolution is required each month.

No Public Comment.

MOTION: The Board of Directors adopts Resolution No. 2022-08 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor's State of Emergency Declaration on March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period May 29, 2022 through June 28, 2022, as presented.

Moved/Seconded/Roll Call Vote: Ayes: Hernandez Laguna, Turner, Gage, Cabrera, Rey; Noes: None; Abstentions: None; Absent: None; Motion Carried.

REPORT ON BEHALF OF THE MEDICAL EXECUTIVE COMMITTEE (MEC) MEETING OF MAY 12, 2022, AND RECOMMENDATIONS FOR BOARD APPROVAL OF THE FOLLOWING:

The following recommendations from the Medical Executive Committee (MEC) Meeting of May 12, 2022, were reviewed by Theodore Kaczmar, Jr., MD, Chief of Staff and recommended Board approval.

Recommend Board Approval of the Following:

- A. From the Medical Staff Executive Committee:
 - 1. Credentials Committee Report
- B. From the Interdisciplinary Practice Committee:
 - 1. Interdisciplinary Practice Committee Report

Dr. Kaczmar announced the Credentials Committee approved five (5) new physicians for initial appointment, four (4) physician requests for leaves of absence, one (1) physician request for senior active status, one (1) physician resignation from interventional radiology. The Clinical Privileges Delineation for Neurology was revised to no longer require a separate signed agreement to read EEGs. Twenty (20) medication order sets were approved, mostly oncology. The Interdisciplinary Practice Committee approved one (1) PA-C for the Department of Medicine and three (3) PA-C's for temporary privileges for Surgical Assisting. No policies were presented for approval.

No Public Comment.

MOTION: The Board of Directors approves Recommendation (A) through (B) of the May 12, 2022, Medical Executive Committee Meeting, as presented.

Moved/Seconded/Roll Call Vote: Ayes: Hernandez Laguna, Turner, Gage, Cabrera, Rey; Noes: None; Abstentions: None; Absent: None; Motion Carried.

EXTENDED CLOSED SESSION

President Rey announced that there will be no Extended Closed Session.

ADJOURNMENT The next Regular Meeting of the Board of Directors is scheduled for **Wednesday, June 22, 2022 at 4:00 p.m.** There being no further business, the meeting was adjourned at 6:34 p.m.

Juan Cabrera
Secretary, Board of Directors
/kmh

SALINAS VALLEY MEMORIAL HOSPITAL
SUMMARY INCOME STATEMENT
May 31, 2022

	<u>Month of May,</u>		<u>Eleven months ended May 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 46,127,137	\$ 44,332,301	\$ 537,377,634	\$ 517,658,816
Other operating revenue	1,050,765	1,104,823	13,508,895	12,943,985
Total operating revenue	<u>47,177,902</u>	<u>45,437,124</u>	<u>550,886,529</u>	<u>530,602,801</u>
Total operating expenses	44,631,025	39,725,128	468,386,307	449,188,404
Total non-operating income	<u>(3,993,614)</u>	<u>(1,430,650)</u>	<u>(38,676,695)</u>	<u>(27,742,125)</u>
Operating and non-operating income	<u>\$ (1,446,738)</u>	<u>\$ 4,281,346</u>	<u>\$ 43,823,527</u>	<u>\$ 53,672,271</u>

SALINAS VALLEY MEMORIAL HOSPITAL
BALANCE SHEETS
May 31, 2022

	<u>Current year</u>	<u>Prior year</u>
ASSETS:		
Current assets	\$ 400,982,318	\$ 407,687,931
Assets whose use is limited or restricted by board	148,424,284	142,513,464
Capital assets	239,040,047	250,715,278
Other assets	228,689,616	190,417,080
Deferred pension outflows	<u>50,119,236</u>	<u>83,379,890</u>
	<u>\$ 1,067,255,501</u>	<u>\$ 1,074,713,643</u>
LIABILITIES AND EQUITY:		
Current liabilities	115,204,229	134,113,089
Long term liabilities	14,288,063	14,781,049
	83,585,120	126,340,336
Net assets	<u>854,178,089</u>	<u>799,479,170</u>
	<u>\$ 1,067,255,501</u>	<u>\$ 1,074,713,643</u>

**SALINAS VALLEY MEMORIAL HOSPITAL
SCHEDULES OF NET PATIENT REVENUE
May 31, 2022**

	<u>Month of May,</u>		<u>Eleven months ended May 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	1,897	1,609	19,388	18,701
Medi-Cal	999	928	10,789	11,441
Commercial insurance	710	451	8,160	8,032
Other patient	96	129	1,210	1,350
Total patient days	<u>3,702</u>	<u>3,117</u>	<u>39,547</u>	<u>39,524</u>
Gross revenue:				
Medicare	\$ 101,335,631	\$ 91,719,994	\$ 1,025,520,832	\$ 929,382,922
Medi-Cal	62,176,941	50,206,690	621,634,239	583,451,221
Commercial insurance	49,650,786	39,233,897	543,564,234	517,971,104
Other patient	<u>7,721,389</u>	<u>8,947,464</u>	<u>88,989,539</u>	<u>92,363,447</u>
Gross revenue	<u>220,884,747</u>	<u>190,108,045</u>	<u>2,279,708,844</u>	<u>2,123,168,695</u>
Deductions from revenue:				
Administrative adjustment	279,149	67,302	3,287,908	3,371,004
Charity care	1,128,993	1,413,407	9,038,495	11,614,477
Contractual adjustments:				
Medicare outpatient	30,742,514	28,858,203	303,545,000	275,279,692
Medicare inpatient	45,163,802	39,492,089	451,421,745	412,308,244
Medi-Cal traditional outpatient	3,576,523	2,451,955	32,576,612	23,528,215
Medi-Cal traditional inpatient	6,512,438	3,218,363	66,025,585	73,887,987
Medi-Cal managed care outpatient	25,124,113	19,642,478	241,771,635	203,032,832
Medi-Cal managed care inpatient	21,702,601	14,638,380	211,133,445	201,284,397
Commercial insurance outpatient	18,767,795	16,765,083	182,951,789	175,477,414
Commercial insurance inpatient	17,626,357	14,666,860	190,345,758	176,557,001
Uncollectible accounts expense	3,963,591	3,552,664	41,573,189	39,223,204
Other payors	<u>169,734</u>	<u>1,008,960</u>	<u>8,660,049</u>	<u>9,945,413</u>
Deductions from revenue	<u>174,757,610</u>	<u>145,775,744</u>	<u>1,742,331,210</u>	<u>1,605,509,879</u>
Net patient revenue	<u>\$ 46,127,137</u>	<u>\$ 44,332,301</u>	<u>\$ 537,377,634</u>	<u>\$ 517,658,816</u>
Gross billed charges by patient type:				
Inpatient	\$ 115,220,721	\$ 97,887,403	\$ 1,219,214,152	\$ 1,163,658,448
Outpatient	75,440,291	69,092,599	767,663,230	725,166,174
Emergency room	<u>30,223,736</u>	<u>23,128,043</u>	<u>292,831,462</u>	<u>234,344,073</u>
Total	<u>\$ 220,884,748</u>	<u>\$ 190,108,045</u>	<u>\$ 2,279,708,844</u>	<u>\$ 2,123,168,695</u>

SALINAS VALLEY MEMORIAL HOSPITAL
STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL
May 31, 2022

	Month of May,				Eleven months ended May 31,			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:								
Gross billed charges	\$ 220,884,747	\$ 199,588,021	21,296,726	10.67%	\$ 2,279,708,844	\$ 2,139,185,048	140,523,796	6.57%
Deductions from revenue	<u>174,757,610</u>	<u>153,349,650</u>	<u>21,407,960</u>	<u>13.96%</u>	<u>1,742,331,210</u>	<u>1,642,651,432</u>	<u>99,679,778</u>	<u>6.07%</u>
Net patient revenue	46,127,137	46,238,370	(111,233)	-0.24%	537,377,634	496,533,616	40,844,018	8.23%
Other operating revenue	<u>1,050,765</u>	<u>944,363</u>	<u>106,402</u>	<u>11.27%</u>	<u>13,508,895</u>	<u>9,254,588</u>	<u>4,254,307</u>	<u>45.97%</u>
Total operating revenue	<u>47,177,902</u>	<u>47,182,734</u>	<u>(4,832)</u>	<u>-0.01%</u>	<u>550,886,529</u>	<u>505,788,204</u>	<u>45,098,325</u>	<u>8.92%</u>
Operating expenses:								
Salaries and wages	16,616,963	16,225,909	391,054	2.41%	171,145,238	171,403,521	(258,283)	-0.15%
Compensated absences	3,036,554	2,365,458	671,096	28.37%	30,170,963	28,528,453	1,642,510	5.76%
Employee benefits	7,626,449	7,431,244	195,205	2.63%	75,411,618	78,249,000	(2,837,382)	-3.63%
Supplies, food, and linen	6,306,021	6,035,500	270,521	4.48%	69,701,677	64,581,793	5,119,884	7.93%
Purchased department functions	3,776,831	3,090,160	686,671	22.22%	38,004,670	33,835,742	4,168,928	12.32%
Medical fees	1,444,422	1,823,779	(379,357)	-20.80%	20,110,148	20,099,317	10,831	0.05%
Other fees	2,286,871	940,765	1,346,106	143.09%	27,592,076	10,157,590	17,434,486	171.64%
Depreciation	2,114,577	1,938,594	175,983	9.08%	20,561,820	20,064,369	497,451	2.48%
All other expense	<u>1,422,337</u>	<u>1,442,412</u>	<u>(20,075)</u>	<u>-1.39%</u>	<u>15,688,097</u>	<u>15,732,308</u>	<u>(44,211)</u>	<u>-0.28%</u>
Total operating expenses	<u>44,631,025</u>	<u>41,293,821</u>	<u>3,337,204</u>	<u>8.08%</u>	<u>468,386,307</u>	<u>442,652,093</u>	<u>25,734,214</u>	<u>5.81%</u>
Income from operations	<u>2,546,877</u>	<u>5,888,912</u>	<u>(3,342,035)</u>	<u>-56.75%</u>	<u>82,500,222</u>	<u>63,136,111</u>	<u>19,364,111</u>	<u>30.67%</u>
Non-operating income:								
Donations	166,667	166,667	0	0.00%	1,909,206	1,833,333	75,873	4.14%
Property taxes	333,333	333,333	(0)	0.00%	3,666,667	3,666,667	0	0.00%
Investment income	832,106	(63,302)	895,407	-1414.51%	(11,729,183)	(696,317)	(11,032,866)	1584.46%
Income from subsidiaries	<u>(5,325,720)</u>	<u>(3,797,860)</u>	<u>(1,527,860)</u>	<u>40.23%</u>	<u>(32,523,385)</u>	<u>(44,885,077)</u>	<u>12,361,692</u>	<u>-27.54%</u>
Total non-operating income	<u>(3,993,614)</u>	<u>(3,361,161)</u>	<u>(632,453)</u>	<u>18.82%</u>	<u>(38,676,695)</u>	<u>(40,081,394)</u>	<u>1,404,699</u>	<u>-3.50%</u>
Operating and non-operating income	<u>\$ (1,446,737)</u>	<u>\$ 2,527,751</u>	<u>(3,974,488)</u>	<u>-157.23%</u>	<u>\$ 43,823,527</u>	<u>\$ 23,054,717</u>	<u>20,768,810</u>	<u>90.08%</u>

**SALINAS VALLEY MEMORIAL HOSPITAL
STATEMENTS OF REVENUE AND EXPENSES
May 31, 2022**

	<u>Month of May,</u>		<u>Eleven months ended May 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 46,127,137	\$ 44,332,301	\$ 537,377,634	\$ 517,658,816
Other operating revenue	<u>1,050,765</u>	<u>1,104,823</u>	<u>13,508,895</u>	<u>12,943,985</u>
Total operating revenue	<u>47,177,902</u>	<u>45,437,124</u>	<u>550,886,529</u>	<u>530,602,801</u>
Operating expenses:				
Salaries and wages	16,616,963	15,375,245	171,145,238	173,074,495
Compensated absences	3,036,554	2,833,948	30,170,963	29,343,454
Employee benefits	7,626,449	6,486,582	75,411,618	79,270,135
Supplies, food, and linen	6,306,021	5,413,565	69,701,677	67,432,689
Purchased department functions	3,776,831	3,149,195	38,004,670	35,662,930
Medical fees	1,444,422	1,793,138	20,110,148	15,056,745
Other fees	2,286,871	1,542,918	27,592,076	16,234,993
Depreciation	2,114,577	1,807,704	20,561,820	19,733,852
All other expense	<u>1,422,337</u>	<u>1,322,833</u>	<u>15,688,097</u>	<u>13,379,111</u>
Total operating expenses	<u>44,631,025</u>	<u>39,725,128</u>	<u>468,386,307</u>	<u>449,188,404</u>
Income from operations	<u>2,546,877</u>	<u>5,711,996</u>	<u>82,500,222</u>	<u>81,414,397</u>
Non-operating income:				
Donations	166,667	463,401	1,909,206	2,630,067
Property taxes	333,333	333,333	3,666,667	3,666,667
Investment income	832,106	188,206	(11,729,183)	3,122,374
Taxes and licenses	0	0	0	(29,074)
Income from subsidiaries	<u>(5,325,720)</u>	<u>(2,415,590)</u>	<u>(32,523,385)</u>	<u>(37,132,159)</u>
Total non-operating income	<u>(3,993,614)</u>	<u>(1,430,650)</u>	<u>(38,676,695)</u>	<u>(27,742,125)</u>
Operating and non-operating income	(1,446,738)	4,281,346	43,823,527	53,672,271
Net assets to begin	<u>855,624,827</u>	<u>795,197,824</u>	<u>810,354,560</u>	<u>745,806,898</u>
Net assets to end	<u>\$ 854,178,089</u>	<u>\$ 799,479,170</u>	<u>\$ 854,178,087</u>	<u>\$ 799,479,169</u>
Net income excluding non-recurring items	\$ (1,446,738)	\$ (786,128)	\$ 37,531,151	\$ 40,823,653
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>5,067,474</u>	<u>6,292,376</u>	<u>12,848,618</u>
Operating and non-operating income	<u>\$ (1,446,738)</u>	<u>\$ 4,281,346</u>	<u>\$ 43,823,527</u>	<u>\$ 53,672,271</u>

**SALINAS VALLEY MEMORIAL HOSPITAL
SCHEDULES OF INVESTMENT INCOME
May 31, 2022**

	Month of May,		Eleven months ended May 31,	
	current year	prior year	current year	prior year
Detail of other operating income:				
Dietary revenue	\$ 139,721	\$ 151,703	\$ 1,542,531	\$ 1,478,158
Discounts and scrap sale	283,031	235,577	1,334,564	1,006,354
Sale of products and services	33,874	12,833	714,471	333,204
Clinical trial fees	0	0	27,700	109,426
Stimulus Funds	0	0	0	0
Rental income	230,902	227,760	1,821,171	1,823,445
Other	363,237	476,950	8,068,458	8,193,398
Total	\$ 1,050,765	\$ 1,104,823	\$ 13,508,895	\$ 12,943,985
Detail of investment income:				
Bank and payor interest	\$ 107,460	\$ 88,261	\$ 967,327	\$ 1,248,534
Income from investments	671,989	380,256	(14,406,255)	(1,062,277)
Gain or loss on property and equipment	52,657	(280,312)	1,709,745	2,936,117
Total	\$ 832,106	\$ 188,206	\$ (11,729,183)	\$ 3,122,374
Detail of income from subsidiaries:				
Salinas Valley Medical Center:				
Pulmonary Medicine Center	\$ (170,787)	\$ (299,372)	\$ (2,020,149)	\$ (2,090,812)
Neurological Clinic	(62,178)	(123,267)	(609,252)	(918,308)
Palliative Care Clinic	(50,196)	(59,700)	(863,144)	(843,039)
Surgery Clinic	(147,789)	(66,472)	(1,397,208)	(1,768,971)
Infectious Disease Clinic	(35,534)	(28,648)	(287,491)	(298,736)
Endocrinology Clinic	(144,794)	(179,294)	(1,374,401)	(1,938,106)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(539,013)	(250,446)	(4,622,964)	(5,067,393)
OB/GYN Clinic	(223,298)	(402,447)	(3,646,003)	(3,979,882)
PrimeCare Medical Group	(1,123,783)	(503,044)	(5,566,811)	(9,154,477)
Oncology Clinic	(434,072)	(334,237)	(2,577,048)	(3,001,243)
Cardiac Surgery	(553,920)	(101,179)	(2,277,942)	(1,739,402)
Sleep Center	(66,917)	(37,348)	(366,893)	(616,931)
Rheumatology	(75,056)	(62,666)	(611,261)	(599,871)
Precision Ortho MDs	(567,107)	230,122	(3,242,423)	(2,597,190)
Precision Ortho-MRI	(190)	0	(190)	(1,492)
Precision Ortho-PT	(61,609)	(50,443)	(531,807)	(541,032)
Vaccine Clinic	(5,864)	0	(58,413)	0
Dermatology	(34,918)	(24,532)	(188,452)	(328,905)
Hospitalists	0	0	0	0
Behavioral Health	(35,112)	(68,943)	(684,937)	(822,297)
Pediatric Diabetes	(53,904)	(43,579)	(472,080)	(379,148)
Neurosurgery	(2,458)	(40,841)	(246,396)	(296,459)
Multi-Specialty-RR	(12,239)	(2,677)	89,264	42,934
Radiology	(247,386)	(201,004)	(2,549,826)	(2,195,267)
Salinas Family Practice	(135,868)	(144,680)	(1,068,887)	(175,191)
Urology	(69,540)	0	(240,135)	0
Total SVMC	(4,853,532)	(2,794,697)	(35,414,849)	(39,311,218)
Doctors on Duty	(522,839)	626,029	78,816	822,855
Assisted Living	0	127	0	(65,904)
Salinas Valley Imaging	0	0	0	(19,974)
Vantage Surgery Center	(18,965)	41,830	222,007	251,901
LPCH NICU JV	0	0	0	0
Central Coast Health Connect	0	0	0	0
Monterey Peninsula Surgery Center	2,873	118,960	2,239,637	1,168,436
Aspire/CHI/Coastal	(23,219)	(471,528)	(275,270)	(841,073)
Apex	0	38,341	103,759	108,289
21st Century Oncology	55,096	(14,672)	119,984	(64,476)
Monterey Bay Endoscopy Center	34,866	40,020	402,531	819,006
Total	\$ (5,325,720)	\$ (2,415,590)	\$ (32,523,385)	\$ (37,132,159)

**SALINAS VALLEY MEMORIAL HOSPITAL
BALANCE SHEETS
May 31, 2022**

	<u>Current year</u>	<u>Prior year</u>
A S S E T S		
Current assets:		
Cash and cash equivalents	\$ 286,918,297	\$ 320,491,895
Patient accounts receivable, net of estimated uncollectibles of \$26,623,210	89,094,797	70,903,016
Supplies inventory at cost	7,775,688	8,400,822
Other current assets	<u>17,193,536</u>	<u>7,892,198</u>
Total current assets	<u>400,982,318</u>	<u>407,687,931</u>
Assets whose use is limited or restricted by board	<u>148,424,284</u>	<u>142,513,464</u>
Capital assets:		
Land and construction in process	39,224,681	41,509,839
Other capital assets, net of depreciation	<u>199,815,366</u>	<u>209,205,439</u>
Total capital assets	<u>239,040,047</u>	<u>250,715,278</u>
Other assets:		
Investment in Securities	141,949,866	146,199,799
Investment in SVMC	9,415,671	13,895,721
Investment in Aspire/CHI/Coastal	1,712,098	3,831,217
Investment in other affiliates	20,511,090	21,258,120
Net pension asset	<u>55,100,891</u>	<u>5,232,223</u>
Total other assets	<u>228,689,616</u>	<u>190,417,080</u>
Deferred pension outflows	<u>50,119,236</u>	<u>83,379,890</u>
	<u>\$ 1,067,255,501</u>	<u>\$ 1,074,713,643</u>
 LIABILITIES AND NET ASSETS		
Current liabilities:		
Accounts payable and accrued expenses	\$ 56,743,622	\$ 50,851,693
Due to third party payers	40,278,792	66,113,607
Current portion of self-insurance liability	<u>18,181,815</u>	<u>17,147,789</u>
Total current liabilities	115,204,229	134,113,089
Long term portion of workers comp liability	<u>14,288,063</u>	<u>14,781,049</u>
Total liabilities	<u>129,492,292</u>	<u>148,894,137</u>
Pension liability	<u>83,585,120</u>	<u>126,340,336</u>
Net assets:		
Invested in capital assets, net of related debt	239,040,047	250,715,278
Unrestricted	<u>615,138,042</u>	<u>548,763,892</u>
Total net assets	<u>854,178,089</u>	<u>799,479,170</u>
	<u>\$ 1,067,255,501</u>	<u>\$ 1,074,713,643</u>

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	234	305	2,890	2,174	(716)
Heart Center	343	327	3,747	2,135	(1,612)
Monitored Beds	313	645	8,408	6,084	(2,324)
Single Room Maternity/Obstetrics	378	326	3,819	2,881	(938)
Med/Surg - Cardiovascular	727	754	8,095	5,664	(2,431)
Med/Surg - Oncology	221	247	1,937	2,220	283
Med/Surg - Rehab	379	455	4,678	3,490	(1,188)
Pediatrics	80	81	1,037	708	(329)
Nursery	215	208	2,400	1,795	(605)
Neonatal Intensive Care	89	110	1,404	878	(526)
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	58.06%	75.68%	66.36%	68.64%	
Heart Center	73.76%	70.32%	74.57%	58.42%	
Monitored Beds	37.40%	77.06%	92.96%	92.49%	
Single Room Maternity/Obstetrics	32.96%	28.42%	30.81%	31.96%	
Med/Surg - Cardiovascular	52.11%	54.05%	53.70%	51.66%	
Med/Surg - Oncology	54.84%	61.29%	44.48%	70.09%	
Med/Surg - Rehab	47.02%	56.45%	53.71%	55.09%	
Med/Surg - Observation Care Unit	0.00%	70.21%	0.00%	59.23%	
Pediatrics	14.34%	14.52%	17.20%	16.14%	
Nursery	42.03%	40.66%	21.71%	22.33%	
Neonatal Intensive Care	26.10%	32.26%	38.10%	32.76%	

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>DELIVERY ROOM</u>					
Total deliveries	112	133	1,469	1,412	(57)
C-Section deliveries	34	44	465	459	(6)
Percent of C-section deliveries	30.36%	33.08%	31.65%	32.51%	0.85%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	21,449	22,055	221,059	214,205	(6,854)
Out-Patient Operating Minutes	28,354	26,790	255,264	277,037	21,773
Total	49,803	48,845	476,323	491,242	14,919
Open Heart Surgeries	16	16	131	131	0
In-Patient Cases	146	165	1,568	1,578	10
Out-Patient Cases	288	270	2,710	2,788	78
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	31	30	354	355	1
High Risk	422	552	5,403	5,214	(189)
More Than One Resource	2,415	2,984	23,737	28,779	5,042
One Resource	1,184	1,941	13,236	18,340	5,104
No Resources	56	86	417	923	506
Total	<u>4,108</u>	<u>5,593</u>	<u>43,147</u>	<u>53,611</u>	<u>10,464</u>

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
CENTRAL SUPPLY					
In-patient requisitions	16,315	15,295	102,118	105,727	3,609
Out-patient requisitions	6,250	6,730	67,967	63,426	-4,541
Emergency room requisitions	1,375	698	11,273	8,349	-2,924
Interdepartmental requisitions	7,849	7,115	49,644	44,398	-5,246
Total requisitions	31,789	29,838	231,002	221,900	-9,102
LABORATORY					
In-patient procedures	42,107	38,721	253,735	241,589	-12,146
Out-patient procedures	9,286	11,597	76,062	80,263	4,201
Emergency room procedures	9,433	11,145	60,934	76,430	15,496
Total patient procedures	60,826	61,463	390,731	398,282	7,551
BLOOD BANK					
Units processed	318	297	1,996	1,965	-31
ELECTROCARDIOLOGY					
In-patient procedures	1,041	1,068	6,566	6,885	319
Out-patient procedures	349	302	2,706	2,668	-38
Emergency room procedures	1,045	1,148	6,142	7,127	985
Total procedures	2,435	2,518	15,414	16,680	1,266
CATH LAB					
In-patient procedures	64	77	512	607	95
Out-patient procedures	51	71	571	625	54
Emergency room procedures	0	0	1	0	-1
Total procedures	115	148	1,084	1,232	148
ECHO-CARDIOLOGY					
In-patient studies	298	371	2,033	2,406	373
Out-patient studies	138	156	1,262	1,520	258
Emergency room studies	2	1	16	5	-11
Total studies	438	528	3,311	3,931	620
NEURODIAGNOSTIC					
In-patient procedures	140	165	1,109	1,090	-19
Out-patient procedures	24	27	169	164	-5
Emergency room procedures	0	0	0	0	0
Total procedures	164	192	1,278	1,254	-24

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
SLEEP CENTER					
In-patient procedures	0	0	1	0	-1
Out-patient procedures	183	167	1,315	1,153	-162
Emergency room procedures	0	0	0	0	0
Total procedures	183	167	1,316	1,153	-163
RADIOLOGY					
In-patient procedures	1,654	1,429	9,708	8,710	-998
Out-patient procedures	416	356	4,323	2,915	-1,408
Emergency room procedures	1,217	1,382	7,939	8,809	870
Total patient procedures	3,287	3,167	21,970	20,434	-1,536
MAGNETIC RESONANCE IMAGING					
In-patient procedures	105	141	860	890	30
Out-patient procedures	127	77	953	768	-185
Emergency room procedures	14	6	80	49	-31
Total procedures	246	224	1,893	1,707	-186
MAMMOGRAPHY CENTER					
In-patient procedures	2,718	3,550	20,910	24,711	3,801
Out-patient procedures	2,696	3,518	20,790	24,527	3,737
Emergency room procedures	3	0	3	8	5
Total procedures	5,417	7,068	41,703	49,246	7,543
NUCLEAR MEDICINE					
In-patient procedures	12	14	86	94	8
Out-patient procedures	61	78	506	541	35
Emergency room procedures	1	0	4	4	0
Total procedures	74	92	596	639	43
PHARMACY					
In-patient prescriptions	111,491	94,299	636,356	605,331	-31,025
Out-patient prescriptions	10,439	11,319	99,978	104,283	4,305
Emergency room prescriptions	5,342	7,197	36,983	48,996	12,013
Total prescriptions	127,272	112,815	773,317	758,610	-14,707
RESPIRATORY THERAPY					
In-patient treatments	29,606	21,738	156,457	131,478	-24,979
Out-patient treatments	143	981	3,391	7,896	4,505
Emergency room treatments	373	194	1,179	1,583	404
Total patient treatments	30,122	22,913	161,027	140,957	-20,070
PHYSICAL THERAPY					
In-patient treatments	2,256	2,396	16,109	16,284	175
Out-patient treatments	99	170	1,751	2,108	357
Emergency room treatments	0	0	0	0	0
Total treatments	2,355	2,566	17,860	18,392	532

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
OCCUPATIONAL THERAPY					
In-patient procedures	1,445	1,660	9,403	10,682	1,279
Out-patient procedures	74	99	797	1,086	289
Emergency room procedures	0	0	0	0	0
Total procedures	<u>1,519</u>	<u>1,759</u>	<u>10,200</u>	<u>11,768</u>	<u>1,568</u>
SPEECH THERAPY					
In-patient treatments	348	525	2,682	3,077	395
Out-patient treatments	23	28	171	200	29
Emergency room treatments	0	0	0	0	0
Total treatments	<u>371</u>	<u>553</u>	<u>2,853</u>	<u>3,277</u>	<u>424</u>
CARDIAC REHABILITATION					
In-patient treatments	0	0	0	0	0
Out-patient treatments	498	401	2,637	4,268	1,631
Emergency room treatments	0	0	1	0	-1
Total treatments	<u>498</u>	<u>401</u>	<u>2,638</u>	<u>4,268</u>	<u>1,630</u>
CRITICAL DECISION UNIT					
Observation hours	<u>378</u>	<u>344</u>	<u>1,866</u>	<u>2,252</u>	<u>386</u>
ENDOSCOPY					
In-patient procedures	85	78	626	636	10
Out-patient procedures	12	29	159	223	64
Emergency room procedures	0	0	0	0	0
Total procedures	<u>97</u>	<u>107</u>	<u>785</u>	<u>859</u>	<u>74</u>
C.T. SCAN					
In-patient procedures	537	596	3,803	4,027	224
Out-patient procedures	445	281	3,598	2,517	-1,081
Emergency room procedures	433	552	3,208	4,164	956
Total procedures	<u>1,415</u>	<u>1,429</u>	<u>10,609</u>	<u>10,708</u>	<u>99</u>
DIETARY					
Routine patient diets	17,554	21,351	113,154	130,102	16,948
Meals to personnel	19,345	21,421	144,216	152,161	7,945
Total diets and meals	<u>36,899</u>	<u>42,772</u>	<u>257,370</u>	<u>282,263</u>	<u>24,893</u>
LAUNDRY AND LINEN					
Total pounds laundered	<u>99,573</u>	<u>100,531</u>	<u>710,088</u>	<u>689,921</u>	<u>-20,167</u>

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>NEWBORN STATISTICS</u>					
Medi-Cal Admissions	42	35	470	431	(39)
Other Admissions	91	95	1,036	1,052	16
Total Admissions	133	130	1,506	1,483	(23)
Medi-Cal Patient Days	66	56	719	671	(48)
Other Patient Days	149	152	1,681	1,124	(557)
Total Patient Days of Care	215	208	2,400	1,795	(605)
Average Daily Census	6.9	6.7	7.2	5.4	(1.8)
Medi-Cal Average Days	1.7	1.6	1.6	1.6	0.0
Other Average Days	0.7	1.5	1.6	1.1	(0.5)
Total Average Days Stay	1.6	1.6	1.6	1.2	(0.4)
<u>ADULTS & PEDIATRICS</u>					
Medicare Admissions	330	412	3,510	3,892	382
Medi-Cal Admissions	267	246	2,565	2,637	72
Other Admissions	342	310	3,029	3,337	308
Total Admissions	939	968	9,104	9,866	762
Medicare Patient Days	1,363	1,696	16,107	16,692	585
Medi-Cal Patient Days	966	1,000	11,837	11,125	(712)
Other Patient Days	698	924	10,152	870	(9,282)
Total Patient Days of Care	3,027	3,620	38,096	28,687	(9,409)
Average Daily Census	97.6	116.8	113.7	85.6	(28.1)
Medicare Average Length of Stay	4.0	4.1	4.5	4.3	(0.2)
Medi-Cal Average Length of Stay	3.4	3.1	3.8	3.5	(0.3)
Other Average Length of Stay	2.2	2.4	2.5	0.2	(2.3)
Total Average Length of Stay	3.2	3.2	3.6	2.5	(1.0)
Deaths	31	23	413	308	(105)
Total Patient Days	3,242	3,828	40,496	30,482	(10,014)
Medi-Cal Administrative Days	11	0	176	212	36
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	11	0	176	212	36
Percent Non-Acute	0.34%	0.00%	0.43%	0.70%	0.26%

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	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	234	305	2,890	2,174	(716)
Heart Center	343	327	3,747	2,135	(1,612)
Monitored Beds	313	645	8,408	6,084	(2,324)
Single Room Maternity/Obstetrics	378	326	3,819	2,881	(938)
Med/Surg - Cardiovascular	727	754	8,095	5,664	(2,431)
Med/Surg - Oncology	221	247	1,937	2,220	283
Med/Surg - Rehab	379	455	4,678	3,490	(1,188)
Pediatrics	80	81	1,037	708	(329)
Nursery	215	208	2,400	1,795	(605)
Neonatal Intensive Care	89	110	1,404	878	(526)
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	58.06%	75.68%	66.36%	68.64%	
Heart Center	73.76%	70.32%	74.57%	58.42%	
Monitored Beds	37.40%	77.06%	92.96%	92.49%	
Single Room Maternity/Obstetrics	32.96%	28.42%	30.81%	31.96%	
Med/Surg - Cardiovascular	52.11%	54.05%	53.70%	51.66%	
Med/Surg - Oncology	54.84%	61.29%	44.48%	70.09%	
Med/Surg - Rehab	47.02%	56.45%	53.71%	55.09%	
Med/Surg - Observation Care Unit	0.00%	70.21%	0.00%	59.23%	
Pediatrics	14.34%	14.52%	17.20%	16.14%	
Nursery	42.03%	40.66%	21.71%	22.33%	
Neonatal Intensive Care	26.10%	32.26%	38.10%	32.76%	

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>DELIVERY ROOM</u>					
Total deliveries	112	133	1,469	1,412	(57)
C-Section deliveries	34	44	465	459	(6)
Percent of C-section deliveries	30.36%	33.08%	31.65%	32.51%	0.85%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	21,449	22,055	221,059	214,205	(6,854)
Out-Patient Operating Minutes	28,354	26,790	255,264	277,037	21,773
Total	49,803	48,845	476,323	491,242	14,919
Open Heart Surgeries	16	16	131	131	0
In-Patient Cases	146	165	1,568	1,578	10
Out-Patient Cases	288	270	2,710	2,788	78
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	31	30	354	355	1
High Risk	422	552	5,403	5,214	(189)
More Than One Resource	2,415	2,984	23,737	28,779	5,042
One Resource	1,184	1,941	13,236	18,340	5,104
No Resources	56	86	417	923	506
Total	<u>4,108</u>	<u>5,593</u>	<u>43,147</u>	<u>53,611</u>	<u>10,464</u>

SALINAS VALLEY MEMORIAL HOSPITAL
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For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
CENTRAL SUPPLY					
In-patient requisitions	16,315	15,295	102,118	105,727	3,609
Out-patient requisitions	6,250	6,730	67,967	63,426	-4,541
Emergency room requisitions	1,375	698	11,273	8,349	-2,924
Interdepartmental requisitions	7,849	7,115	49,644	44,398	-5,246
Total requisitions	31,789	29,838	231,002	221,900	-9,102
LABORATORY					
In-patient procedures	42,107	38,721	253,735	241,589	-12,146
Out-patient procedures	9,286	11,597	76,062	80,263	4,201
Emergency room procedures	9,433	11,145	60,934	76,430	15,496
Total patient procedures	60,826	61,463	390,731	398,282	7,551
BLOOD BANK					
Units processed	318	297	1,996	1,965	-31
ELECTROCARDIOLOGY					
In-patient procedures	1,041	1,068	6,566	6,885	319
Out-patient procedures	349	302	2,706	2,668	-38
Emergency room procedures	1,045	1,148	6,142	7,127	985
Total procedures	2,435	2,518	15,414	16,680	1,266
CATH LAB					
In-patient procedures	64	77	512	607	95
Out-patient procedures	51	71	571	625	54
Emergency room procedures	0	0	1	0	-1
Total procedures	115	148	1,084	1,232	148
ECHO-CARDIOLOGY					
In-patient studies	298	371	2,033	2,406	373
Out-patient studies	138	156	1,262	1,520	258
Emergency room studies	2	1	16	5	-11
Total studies	438	528	3,311	3,931	620
NEURODIAGNOSTIC					
In-patient procedures	140	165	1,109	1,090	-19
Out-patient procedures	24	27	169	164	-5
Emergency room procedures	0	0	0	0	0
Total procedures	164	192	1,278	1,254	-24

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PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
SLEEP CENTER					
In-patient procedures	0	0	1	0	-1
Out-patient procedures	183	167	1,315	1,153	-162
Emergency room procedures	0	0	0	0	0
Total procedures	<u>183</u>	<u>167</u>	<u>1,316</u>	<u>1,153</u>	<u>-163</u>
RADIOLOGY					
In-patient procedures	1,654	1,429	9,708	8,710	-998
Out-patient procedures	416	356	4,323	2,915	-1,408
Emergency room procedures	1,217	1,382	7,939	8,809	870
Total patient procedures	<u>3,287</u>	<u>3,167</u>	<u>21,970</u>	<u>20,434</u>	<u>-1,536</u>
MAGNETIC RESONANCE IMAGING					
In-patient procedures	105	141	860	890	30
Out-patient procedures	127	77	953	768	-185
Emergency room procedures	14	6	80	49	-31
Total procedures	<u>246</u>	<u>224</u>	<u>1,893</u>	<u>1,707</u>	<u>-186</u>
MAMMOGRAPHY CENTER					
In-patient procedures	2,718	3,550	20,910	24,711	3,801
Out-patient procedures	2,696	3,518	20,790	24,527	3,737
Emergency room procedures	3	0	3	8	5
Total procedures	<u>5,417</u>	<u>7,068</u>	<u>41,703</u>	<u>49,246</u>	<u>7,543</u>
NUCLEAR MEDICINE					
In-patient procedures	12	14	86	94	8
Out-patient procedures	61	78	506	541	35
Emergency room procedures	1	0	4	4	0
Total procedures	<u>74</u>	<u>92</u>	<u>596</u>	<u>639</u>	<u>43</u>
PHARMACY					
In-patient prescriptions	111,491	94,299	636,356	605,331	-31,025
Out-patient prescriptions	10,439	11,319	99,978	104,283	4,305
Emergency room prescriptions	5,342	7,197	36,983	48,996	12,013
Total prescriptions	<u>127,272</u>	<u>112,815</u>	<u>773,317</u>	<u>758,610</u>	<u>-14,707</u>
RESPIRATORY THERAPY					
In-patient treatments	29,606	21,738	156,457	131,478	-24,979
Out-patient treatments	143	981	3,391	7,896	4,505
Emergency room treatments	373	194	1,179	1,583	404
Total patient treatments	<u>30,122</u>	<u>22,913</u>	<u>161,027</u>	<u>140,957</u>	<u>-20,070</u>
PHYSICAL THERAPY					
In-patient treatments	2,256	2,396	16,109	16,284	175
Out-patient treatments	99	170	1,751	2,108	357
Emergency room treatments	0	0	0	0	0
Total treatments	<u>2,355</u>	<u>2,566</u>	<u>17,860</u>	<u>18,392</u>	<u>532</u>

SALINAS VALLEY MEMORIAL HOSPITAL
PATIENT STATISTICAL REPORT
For the month of May and eleven months to date

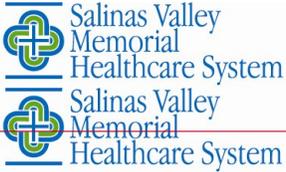
	<u>Month of May</u>		<u>Eleven months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
OCCUPATIONAL THERAPY					
In-patient procedures	1,445	1,660	9,403	10,682	1,279
Out-patient procedures	74	99	797	1,086	289
Emergency room procedures	0	0	0	0	0
Total procedures	<u>1,519</u>	<u>1,759</u>	<u>10,200</u>	<u>11,768</u>	<u>1,568</u>
SPEECH THERAPY					
In-patient treatments	348	525	2,682	3,077	395
Out-patient treatments	23	28	171	200	29
Emergency room treatments	0	0	0	0	0
Total treatments	<u>371</u>	<u>553</u>	<u>2,853</u>	<u>3,277</u>	<u>424</u>
CARDIAC REHABILITATION					
In-patient treatments	0	0	0	0	0
Out-patient treatments	498	401	2,637	4,268	1,631
Emergency room treatments	0	0	1	0	-1
Total treatments	<u>498</u>	<u>401</u>	<u>2,638</u>	<u>4,268</u>	<u>1,630</u>
CRITICAL DECISION UNIT					
Observation hours	<u>378</u>	<u>344</u>	<u>1,866</u>	<u>2,252</u>	<u>386</u>
ENDOSCOPY					
In-patient procedures	85	78	626	636	10
Out-patient procedures	12	29	159	223	64
Emergency room procedures	0	0	0	0	0
Total procedures	<u>97</u>	<u>107</u>	<u>785</u>	<u>859</u>	<u>74</u>
C.T. SCAN					
In-patient procedures	537	596	3,803	4,027	224
Out-patient procedures	445	281	3,598	2,517	-1,081
Emergency room procedures	433	552	3,208	4,164	956
Total procedures	<u>1,415</u>	<u>1,429</u>	<u>10,609</u>	<u>10,708</u>	<u>99</u>
DIETARY					
Routine patient diets	17,554	21,351	113,154	130,102	16,948
Meals to personnel	19,345	21,421	144,216	152,161	7,945
Total diets and meals	<u>36,899</u>	<u>42,772</u>	<u>257,370</u>	<u>282,263</u>	<u>24,893</u>
LAUNDRY AND LINEN					
Total pounds laundered	<u>99,573</u>	<u>100,531</u>	<u>710,088</u>	<u>689,921</u>	<u>-20,167</u>

Memorandum

To: Board of Directors
 From: Clement Miller
 Date: June 13, 2022
 Re: Policies Requiring Approval

As required under Title 22, CMS, and The Joint Commission (TJC), please find below a list of regulatory required policies with summary of changes that require your approval.

	Policy Title	Summary of Changes	Responsible VP
1.	Auditing and Monitoring of the EMR System	Template was corrected. References updated. Policy reference needed.	Augustine Lopez
2.	Device and Media Control	Template was updated. Portable media storage and examples were added.	Augustine Lopez
3.	Scope of Service: Medical Staff Services	Scope updated to reflect current practice. Medical staff library removed and placed on a separate Scope of Service.	Allen Radner, MD
4.			



AUDITING AND MONITORING OF THE EMR SYSTEM

Reference Number	955
Effective Date	12/21/2018 Not Set
Applies To	All Departments
Attachments/Forms	

I. POLICY STATEMENT:

- A. ~~The EMR will be audited for appropriate access by employees of SVMHS, non-employees, physicians, physician office staff and all affiliates of Salinas Valley Memorial Healthcare System.~~ N/A

II. PURPOSE:

- A. The purpose of this policy is to define the procedure for auditing access to the Salinas Valley Memorial Healthcare System’s electronic medical record systems (EMR), including, but not limited to Meditech and any associated EMR for Salinas Valley Medical Clinic.

III. DEFINITIONS:

- A. EMR – acronym for electronic medical record. For purposes of this policy, the EMR represents any SVMHS information system containing protected health information (PHI).

IV. GENERAL INFORMATION:

- A. ~~The EMR will be audited for appropriate access by employees of SVMHS, non-employees, physicians, physician office staff and all affiliates of Salinas Valley Memorial Healthcare System.~~ N/A

V. PROCEDURE:

- A. Audit of users with access to the EMR will be reviewed for appropriate access.
 1. A log will be maintained recording each user audited. Information included will be the date, time, name and outcome of the audit.
 2. Audit logs will be kept for 1 year.

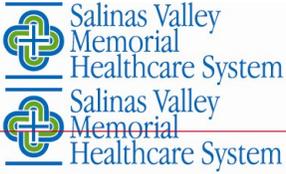
AUDITING AND MONITORING OF THE EMR SYSTEM

3. Detailed audit reports and supporting documents resulting from investigations that do not demonstrate a breach will be maintained for ~~12~~ year. Detailed audit reports and supporting documentation resulting from investigations that demonstrate a breach will be kept for 6 years.
 4. If inappropriate access appears to be identified, the user's manager will be requested to validate the reason the user accessed the EMR. The reason for access will be recorded on the audit trail report. If it is unclear why the user accessed a specific patient's medical record, the Privacy Officer may participate in interviewing the user to determine why the user accessed the record.
 5. Once the investigation has been completed, if it is determined that the user accessed a record outside their scope of work, the standard disciplinary process for a privacy breach will be followed. See Uses and Disclosures of Protected Health Information, Section F, Breach Investigation and Response, Policy #6652.
- B. Physicians and their office staff with EMR access will also be reviewed. This review will consist of a review of the patient's visit history to confirm the physician's participation in the care of the patient.
1. If a match is found, no further action will be necessary.
 2. If the audit process reveals that a physician accessed a patient's medical records, and the reason is not clear, the audit report will be forwarded to the Medical Staff Office or Director of Clinic Operations for appropriate action.
 3. If the audit process reveals that an employee of a physician's office inappropriately accessed a patient's medical records, the audit report may be forwarded to the Chief of Staff or Director of Clinic Operations who will contact the physician's office or the affiliate for appropriate follow up.
- C. Employees and patients may also request that specific audits be performed if a privacy breach is suspected. In the event that a possible breach is discovered, the same process as described above will be followed.
- ~~D. All documentation regarding a~~ breach will be filed in the office of the Privacy Officer/designee.
- ~~E. Documentation:~~
- ~~1. EMR audit log.~~

Commented [SM1]: Changed to 2 years in keeping with HIPAA Investigation policy.

Commented [SM2]: Added reference to HIPAA policy section E.

Commented [SM3]: This paragraph is part of the breach reporting policy.



AUDITING AND MONITORING OF THE EMR SYSTEM

~~2.D. Results of any investigation: to be retained in the office of the Privacy Officer/designee for a period of six (6) years. and Occurrence Reporting System.~~

- Commented [SM4]:** This is for the Hospital. Same thing for Section F of HIPAA policy. Does not include Cypress.
- Commented [SM5]:** Delete Section E. Redundant.
- Commented [SM6]:** .

VI. EDUCATION/TRAINING:

A. ~~Employees will receive education during general orientation and on an annual basis through e-learning regarding privacy and security of PHI. Physicians will be educated during Medical Staff Orientation and annual e-learning regarding privacy and security of PHI. Education and/or training is provided as needed.~~

VII. REFERENCES:

- A. The Joint Commission IM.02.01.01.03
- B. Title 45, Code of Federal Regulations, Parts 164.530, 164.308
- C. California Health and Safety Code Section 1280.15
- ~~D. HIPAA §164.308(a)(1)(ii)(D) Security Management Process -- Information System Activity Review~~

Commented [SM7]: Combined C and D

DEVICE AND MEDIA CONTROL ~~DEVICE AND MEDIA CONTROL~~

Reference Number	6373
Effective Date	05/13/2019 Not Set
Applies To	INFORMATION TECHNOLOGY
Attachments/Forms	

I. PURPOSE ~~POLICY STATEMENT:~~

~~A. Any portable media device used for storing, transporting or transmitting data used in SVMHS operations shall be ordered through Information Technology. Unencrypted portable storage media is not appropriate for use with SVMHS data. This includes, but is not limited to thumb drives, SIM cards, compact disks and digital video disks.~~

I.I. PURPOSE:

A. The purpose of this policy is to ensure the privacy and security of electronic protected health information (ePHI) stored on devices or media. This policy provides guidelines on receipt, removal, re-use and disposal of hardware and storage media containing sensitive data assets.

~~A.~~
B. This policy applies to all hardware and electronic media directly managed by Salinas Valley Memorial Healthcare System such as, but not limited to desktop computers, mobile devices, removable storage media, medical devices and infrastructure components storing data.

II. POLICY

~~B. The purpose of this policy is to ensure the privacy and security of electronic protected health information (ePHI) and other sensitive data stored on devices or media.~~

III. DEFINITIONS:

A. N/A

IV. GENERAL INFORMATION:

~~A.~~
B.A. Destruction or disposal of ePHI and other sensitive data shall be carried out in accordance with this policy. This policy applies to all staff using data stored by Salinas Valley Memorial Healthcare System (SVMHS).

~~DEVICE AND MEDIA CONTROL~~ DEVICE AND MEDIA CONTROL

- ~~B.~~ This policy applies to all employees, contractors, volunteers, students, medical staff, and other persons performing work on behalf of Salinas Valley Memorial Healthcare System.

~~C.~~

~~III.V.~~ PROCEDURES:

- ~~A.~~ For purposes of this policy and procedure, the scope of data includes electronically protected health information (ePHI) and other sensitive data including but not limited to intellectual property, financial and personnel records.
- ~~A.~~
- ~~B.~~ Please refer to SVMHS's "~~Documents Retention~~" policy "RECORDS RETENTION POLICY" for SVMHS details on record retention.
- ~~B.~~
- C. Prior to reuse of devices or storage media containing e-PHI or sensitive data, any such data on the device must be erased, removed, certified as destroyed and rendered inaccessible.
1. Examples of storage media include, but is not limited to, USB drives, DVDs, disk drives, tapes, SIM or other memory cards and servers.
 2. Contact SVMHS Information Technology for help in destroying sensitive data from devices or other removable media that is inappropriate for use with our shredding vendor. Refer to the "~~Disposing and Destruction of Protected Health Information by Shred Vendor~~" "DISPOSING AND DESTRUCTION OF PROTECTED HEALTH INFORMATION" policy for details on destruction of printed materials, devices and removable storage media.
 3. For personal devices containing confidential or sensitive SVMHS information, contact the SVMHS Help Desk for assistance to have the electronic media or computing device disposed of properly. SVMHS Help Desk may be reached at (831) 755-0738 or HelpDesk@svmh.com.
- D. Information Technology follows an internal "Destruction of Disk ~~Drives~~" "Drives" policy which governs how to render sensitive data, including ePHI, inaccessible when stored on disk drives.
1. Certificate of destruction provided by the IT authorized destruction vendor for any hard disk drives provisioned by IT for destruction.
 2. Laptops are issued with encrypted drives. Staff have a responsibility to report incidents of lost or stolen laptops. Staff have a responsibility to report suspicious software on their hospital-issued devices such as workstations and laptops.
- ~~2.~~
- E. Electronic Media or Computing Device Re-Use
1. Any data stored on the electronic media or computing device which is still needed should be securely backed up and stored in compliance with our

Commented [CP1]: DESTRUCTION OF STORAGE MEDIA POLICY??

DEVICE AND MEDIA CONTROL

- ~~“Documents Retention”~~ policy ~~“RECORDS RETENTION POLICY”~~ prior to over-writing the electronic media for re-use.
2. SVMHS strongly discourages the use of personal electronic media or devices for use for SVMHS business. SVMHS cannot assure that the data is backed up or capable of being restored if the data or work product is only stored on personal devices or storage media.
 3. Salinas Valley Memorial Hospital does not resell, recycle, re-use or otherwise return storage media that is at end of life, ready for e-waste or destruction. SVMHS IT will retain a copy of records of storage media destruction in accordance with the ~~“Documents Retention”~~ ~~“RECORDS RETENTION POLICY”~~ policy.
- 3-
- F. Enforcement
1. Users and staff are required to report any potential infractions of this policy to the HIPAA Security hotline at (831) 759-1999 or extension 1999.
 2. Anyone found to be in non-compliance with this policy may be subject to disciplinary action.

VI. EDUCATION/TRAINING:

IV.

- A. Education is provided through annual e-learning of HIPAA Security topics and periodic educational email.

VII. REFERENCES:

V.

- A. 45 CFR §164.310(d)(2)(ii) Implement procedures for the removal of ePHI from electronic media before the media are available for re-use.
- B. SVMHS Policy – ~~Document Retention Policy~~ ~~RECORDS RETENTION POLICY~~
- C. SVMH Policy – ~~USES AND DISCLOSURES OF PROTECTED HEALTH INFORMATION (PHI)~~ ~~DISPOSING AND DESTRUCTION OF PROTECTED HEALTH INFORMATION~~ by Shred Vendor
- D. SVMHS IT Procedure on “Destruction of Disk Drives.” In enterprise policy management system.

Commented [CP2]: 6463?

~~DEVICE AND MEDIA CONTROL~~ DEVICE AND MEDIA CONTROL

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

<i>Reference Number</i>	5702
<i>Effective Date</i>	02/01/2021 <u>Not Set</u>
<i>Applies To</i>	Medical Staff Services and Medical Library
<i>Attachments/Forms</i>	

I. SCOPE OF SERVICE

Medical Staff Services supports the Mission, Vision, Values and Strategic Plan of Salinas Valley Memorial Healthcare System (SVMHS) and has designed services to meet the needs and expectations of patients, families and the community.

II. GOALS

The goals of Medical Staff Services ~~and the Medical Library~~ will be to:

- A. Administer ~~all application~~ Medical Staff Bylaws, Rules and Regulations-, Policies and Clinical Privilege Delineations to ensure accreditation compliance.
- B. To provide a wide range of support to ~~physicians and advanced practice providers to promote safe~~ Physicians and Advanced Practice Providers (AAPs) to promote safe and quality healthcare.
- C. Ensure that all Physicians and ~~Advanced Practice Professionals will~~ AAPs receive high quality service in the most expedient and professional manner.
- D. To ~~providesupport~~ oversight of the quality of care, treatment, and services delivered by ~~practitioners~~ individuals who are credentialed and privileged through the Medical Staff process.
- E. To coordinate all Medical Staff functions and affairs within ~~the~~ parameters established by Hospital administration and Officers of the Medical Staff and to serve as a resource to the ~~health system~~ Health System community.
- F. Maintain sufficient equipment and supplies to adequately those functions described.

III. DEPARTMENT OBJECTIVES

- A. To support the Salinas Valley Memorial Healthcare System objectives.
- B. To support safe, effective, and appropriate care in a cost effective manner.

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

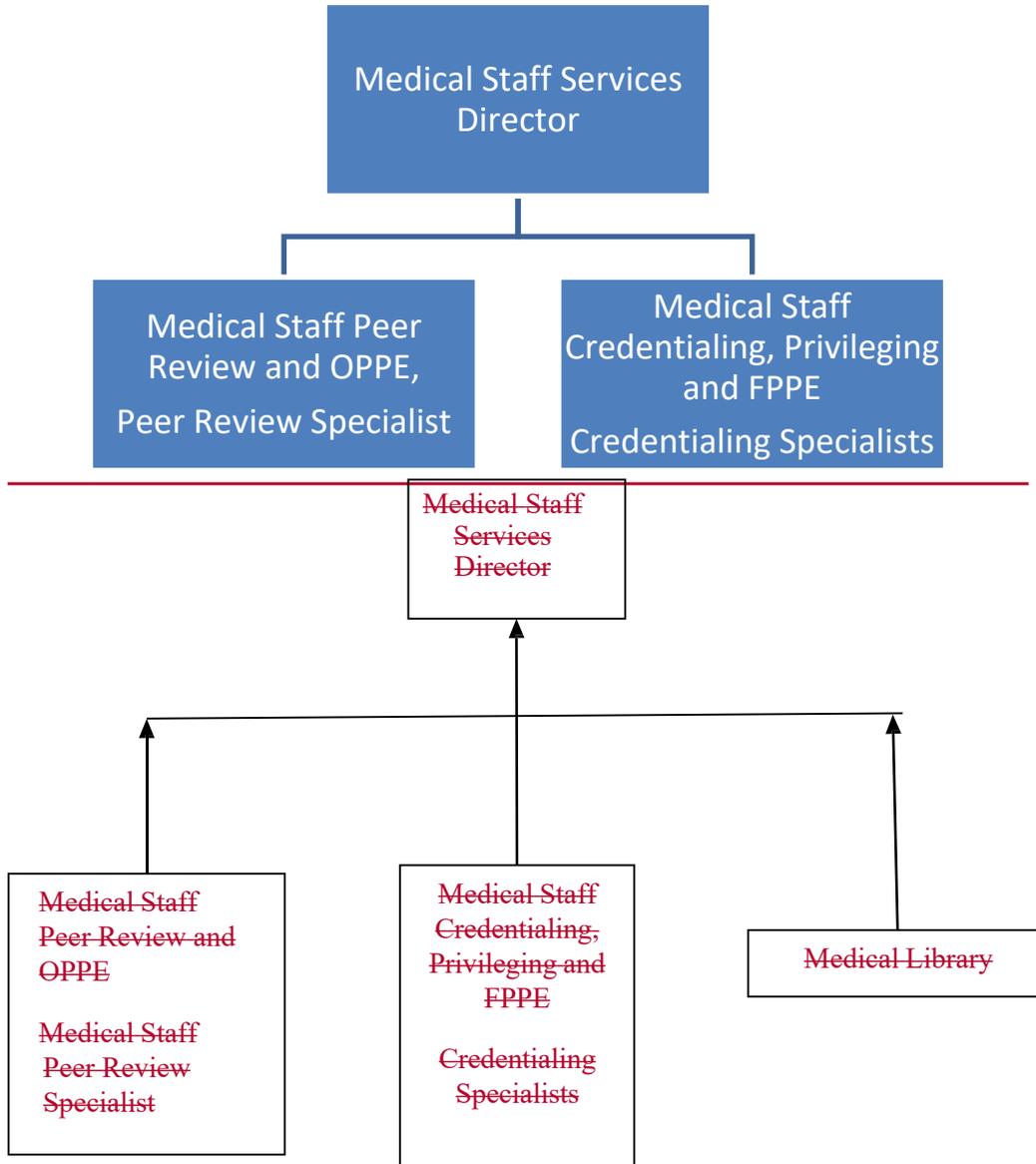
- C. To plan for the allocation of human/material resources.
- D. To support high level medical management with a focus on a collaborative, multi-disciplinary approach.
- ~~E. To collect data about the department function, staff regarding Medical Staff and APP performance, and patient care for quality the purposes and continuous quality improvement.~~
- ~~F.E. To support necessary expertise, technology, instrumentation and equipment for the management of patients of ongoing professional practice evaluation.~~
- ~~G.F. To develop/implement/evaluate standards utilized inapplicable to the Medical Staff Services Department and Medical Library.~~
- ~~H.G. To evaluate staff performance on an ongoing basis.~~
- ~~I.H. To provide appropriate staff orientation and development.~~

IV. POPULATION SERVED

1. All credentialed Medical Staff and Advanced Practice Providers
2. All clinical and support departments
3. Administration and Board of Directors
4. External regulatory agencies

V. ORGANIZATION OF THE DEPARTMENT

SCOPE OF SERVICE: MEDICAL STAFF SERVICES



A. Staff includes:

1. Medical Staff Director
2. ~~Medical Staff Coordinator~~ Credentialing Coordinators
3. ~~Credentialing Coordinator~~
4. ~~Medical Staff Peer Review Specialist~~

B. Hours of Operation:

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

Monday – Friday from 7:30 am – 4:30 pm.

C. Location of department:

The hospital's Medical Staff Services Department is located in the Downing Resource Center Room 116. ~~The Medical Library is primarily an online resource available through the SVMH Intranet (STARnet) and the SVMH Physician Portal.~~

VI. DEFINITION OF PRACTICE AND ROLE IN MULTIDISCIPLINARY CARE /SERVICE

A. The Medical Staff Services Department assesses, supports, coordinates and educates the Medical Staff and ~~Advanced Practice Providers to assure the APPs to support a high~~ standard of ~~patient~~ care provided by credentialed staff within the ~~health-care system~~ Health Care System through:

1. Credentialing
2. Re-credentialing
3. Development of privileging criteria
4. Proctoring (focused professional practice evaluation)
5. Continuing medical education
6. ~~Maintaining~~Oversight of the Unassigned Emergency Call schedule
7. Medical staff ~~meeting scheduling, meetings to include~~ staffing, coordinating and follow-up
8. Medical Staff Bylaws/Rules and Regulations maintenance
9. Orientation of new ~~physicians and advanced practice providers~~Medical Staff and APPs
10. Effective peer review (ongoing professional practice evaluation)

B. The Director of the Medical Staff Services ~~is directly responsible reports~~ to the Chief Medical Officer.

C. All personnel within the ~~department~~Department are under the guidance and direction of the Medical Staff Services Director. In the Director's absence, the position is filled by the Credentialing Coordinator. It is their responsibility to carry out the duties of the Director in ~~his/her~~their absence.

VII. REQUIREMENTS FOR STAFF

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

All individuals who provide services in this Department have the appropriate training and competence.

A. Licensure / Certifications:

The basic requirements for the Credentialing Coordinator include:

Current NAMSS CPCS Certification (National Association of Medical Staff Services Certified Professional Credentialing Specialist)

The basic requirements for the Medical Staff Services Director include:

Current NAMSS CPMSM Certification (National Association of Medical Staff Services Certified Professional in Medical Staff Management)

Current NAHQ CPHQ Certification (National Association of Healthcare Quality Certified Professional in Healthcare Quality)

B. Competency

Staff are required to have routine competence assessments in concert annual performance appraisals. Once a year staff are required to complete the online education modules that have been defined by the organization.

Department personnel who attend educational conferences are strongly encouraged to share pertinent information from the conferences with other staff members at in-services. Additional teleconferences, videoconferences, and speakers are scheduled for staff on occasion. Other internal and external continuing education opportunities are communicated to staff members.

C. Identification of Educational Needs

Staff educational needs are identified utilizing a variety of input:

- Employee educational needs assessment at the time of hire and annually as part of developmental planning
- Performance improvement planning, data collections and activities
- Staff input
- Evaluation of patient population needs
- New services/programs/technology implemented
- Change in the standard of practice/care
- Change in regulations and licensing requirements

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

- ~~Needs assessment completed by Nursing Education~~

The educational needs of the department are assessed through a variety of means, including:

- STAR Values
- Quality Assessment and Improvement Initiatives
- Strategic Planning (Goals & Objectives)
- New / emerging products and/or technologies
- Changes in Practice
- Regulatory Compliance

Feedback and requests for future topics are regularly solicited from staff via e-mail, surveys, in-service evaluation forms, and in person.

D. Continuing Education

Continuing education ~~may be~~ required to maintain licensure / certifications. Additional in-services and continuing education programs may be provided to staff ~~in cooperation with the Education Department~~ based on applicability.

VIII. STAFFING PLAN

Staffing is adequate to service the customer population. The Department is staffed with a sufficient number of professional, technical and clerical personnel to permit coverage of established hours of care / service, to provide a safe standard of practice and meet regulatory requirements.

General Staffing Plan:

Assignments are made based on acuity and needs of the department, competencies of the staff, the degree of supervision required, and the level of supervision available. In the event of employee absences, workloads are shifted to provide that service which cannot wait responsible employee's return.

In the event of an emergency, the minimum amount of staff required to safely operate this unit is: **2**

IX. EVIDENCED BASED STANDARDS

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

The SVMHS staff will design, implement and evaluate systems and services for care / service delivery which are consistent with a “Patient First” philosophy and which will be delivered:

- With compassion, respect and dignity for each individual without bias.
- In a manner that best meets the individualized needs of the patient.
- In a timely manner.
- Coordinated through multidisciplinary team collaboration.
- In a manner that maximizes the efficient use of financial and human resources.

SVMHS has developed administrative and clinical standards for staff practice and these are available on the internal intranet site.

X. CONTRACTED SERVICES

Contracted services under this Scope of Service are maintained in the electronic contract management system.

XI. PERFORMANCE IMPROVEMENT AND PATIENT SAFETY

Medical Staff Services supports the SVMHS commitment to continuously improving the quality of patient care to the patients we serve and to an environment which encourages performance improvement within all levels of the organization. Performance improvement activities are planned in a collaborative and interdisciplinary manner, involving teams/committees that include representatives from other hospital departments as necessary. Participation in activities that support ongoing improvement and quality care is the responsibility of all staff members. Improvement activities involve department specific quality improvement activities, interdisciplinary performance improvement activities and quality control activities.

Systems and services are evaluated to determine their timeliness, appropriateness, necessity and the extent to which the care / service(s) provided meet the customers’ needs through any one or all of the quality improvement practices / processes determined by this organizational unit.

In addition to the overall SVMHS Strategic initiatives and in concert with the Quality Improvement Plan and the Quality Oversight Structure, the Medical Staff Services Department will develop measures to direct short-term projects and deal with problem issues evolving out of quality management activities.

SCOPE OF SERVICE: MEDICAL STAFF SERVICES

*QUALITY AND EFFICIENT
PRACTICES COMMITTEE*

*Minutes from the June 20, 2022 meeting of
the Quality and Efficient Practices Committee
will be distributed at the Board Meeting*

(JUAN CABRERA)

FINANCE COMMITTEE

*Minutes from the May 20, 2022 meeting
of the Finance Committee will be
distributed at the Board Meeting*

*Background information supporting the
proposed recommendations from the
Committee is included in the Board Packet*

(RICHARD TURNER)

- Committee Chair Report*
- Board Questions to Committee Chair/Staff*
- Motion/Second*
- Public Comment*
- Board Discussion/Deliberation*
- Action by Board/Roll Call Vote*

Board Paper: Finance Committee

Agenda Item: Consider Recommendation to Board of Directors to Approve Project Budget for the Starbucks Renovation Project and Equipment Purchase from Starbucks

Executive Sponsor: Clement Miller, Chief Operating Officer
Earl Strotman, Director Facilities Management & Construction
Jason Giles, Director of Nutrition Services
Dave Sullivan, Project Management

Date: May 18, 2022

Executive Summary

SVMHS is pursuing Starbucks-required tenant improvements to the first level portion of the parking structure located at 446 E Romie, Suite C, Salinas, CA. The planned renovations include architectural finish replacements (flooring, paint, tile, drywall finishes), low voltage cabling, furniture, technology equipment, casework, countertops, kitchen equipment, wall art, light fixtures, electrical, mechanical, plumbing revisions and furnishings necessary to facilitate the licensee requirements for use of the Starbucks brand. Facilities Management is approaching the Board to request approval of capital funding to complete renovations and procure furnishings, furniture, and equipment from Starbucks and their specialty vendors. The total estimated cost for the project planning, design, permitting, construction, and equipment is \$644,000.

Background/Situation/Rationale

The current lease with Starbucks requires SVMHS periodically update to Starbucks retail space to facilitate new equipment, technology, and corporate branding standards. As the licensee, SVMHS is required to hire design team, permit the improvements with the City and coordinate the improvements with the Starbucks Store Development team to complete the required updates in accordance with Starbucks corporate requirements.

Key components/enhancements taken into consideration in renovations include the following:

- Adjacencies of workstations for barista efficiencies
- Enlarge bar for increased operator efficiency and throughput
- Expanded hand off plane for walk up café customers
- Expanded Mobile Order and Pay (MOP) hand off plane for in store pick up
- Renovation to include implementation of Starbucks Connect POS and MOP system
- Addition of nitro/cold brew station
- Increase BOH space to incorporate better workspace and additional storage
- Maintain small seating/gathering place
- Limit movement of existing infrastructure to reduce need for structural alterations and reduce construction costs

During the estimated three months of construction, a temporary kiosk will be located on campus to serve hospital staff, volunteers, patients and visitors.

Timeline/Review Process to Date:

January 2022: Review proposed updates with Starbucks Store Development Team and SVMHS Design Team
May 2022: Secure city of Salinas Building Department approvals
July 2022: Anticipated construction start and installation of temporary Starbucks kiosk
October 2022: Operations recommence with Starbucks and SVMHS

Finance

The essential terms of the proposed Contract with the main vendor are as follows:

Key Contract Terms	Vendor: Starbucks
1. Proposed effective date	4/26/2022
2. Term of agreement	Single Payment for Furniture, Fixtures and Equipment Installation
3. Renewal terms	Not Applicable
4. Termination provision(s)	Not Applicable
5. Payment Terms	Lump Sum
6. Annual cost	Not Applicable
7. Cost over life of agreement	Lump Sum Payment of \$172,517.90
8. Budgeted (indicate y/n)	Yes

Fiscal Year 2022 Estimated Spend	\$ 40,000
Fiscal Year 2023 Estimated Spend	\$ 604,000
Total Project Spend	\$ 644,000

Meeting our Mission, Vision, Goals

Pillar/Goal Alignment:

Service People Quality Finance Growth Community

Recommendation

Consider recommendation to Board of Directors (i) to approve the project budget for the SVMHS Starbucks Renovation Project in the total amount of \$644,000 and (ii) award the capital equipment purchase for furnishings, furniture and equipment purchase of \$172,517.90 to Starbucks for the SVMHS Starbucks Renovation Project.

Attachments

Project Cost Model prepared May 17, 2022

Salinas Valley Memorial Healthcare System (10348)

Project Cost Summary: DRC Starbucks Renovations

Architect/Engineering: WRD Architects

Budget Generated at CD Phase

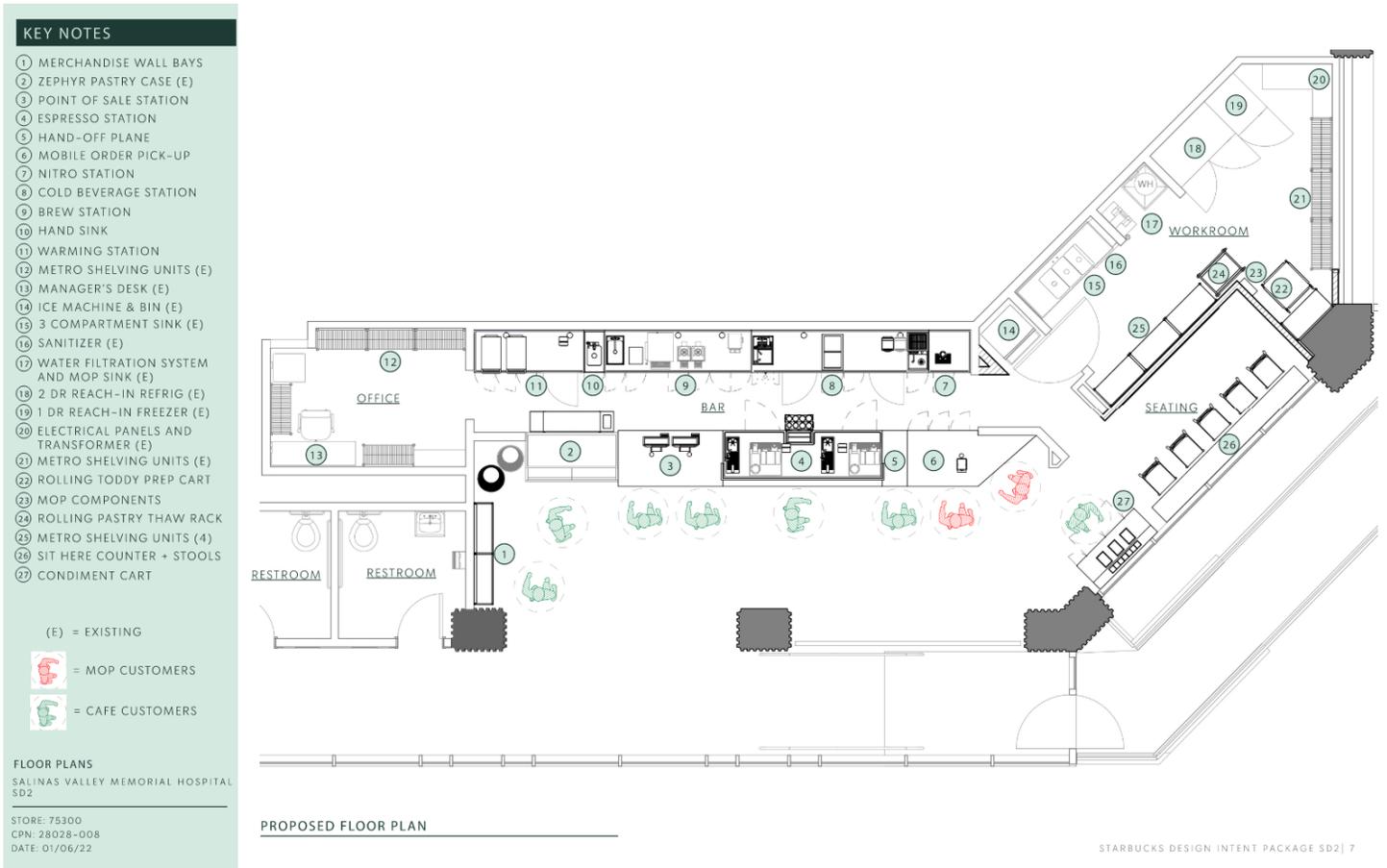
Budget Date: 5/17/2022

E-Builder Budget Control Summary		
		A
Line Item	Description	Original Budget
	1 Construction	
100	Construction	\$200,000
	2 Design	
200	Professional Fees - Fixed	\$60,000
	3 Inspections and Consultation	
301	Special Inspections	\$5,000
303	Testing	\$0
	4 AHJ Fees	
400	City	\$9,000
	<i>Salinas Building</i>	
	5 Soft Costs	
502	Construction Management	\$120,000
	7 FF&E includes Tech	
701	FFE	\$198,000
	<i>Starbucks</i>	
702	Non-Medical Equipment	\$2,000
703	Data and Phone Equipment	\$20,000
9900	Project Contingency	\$30,000
Totals		\$644,000

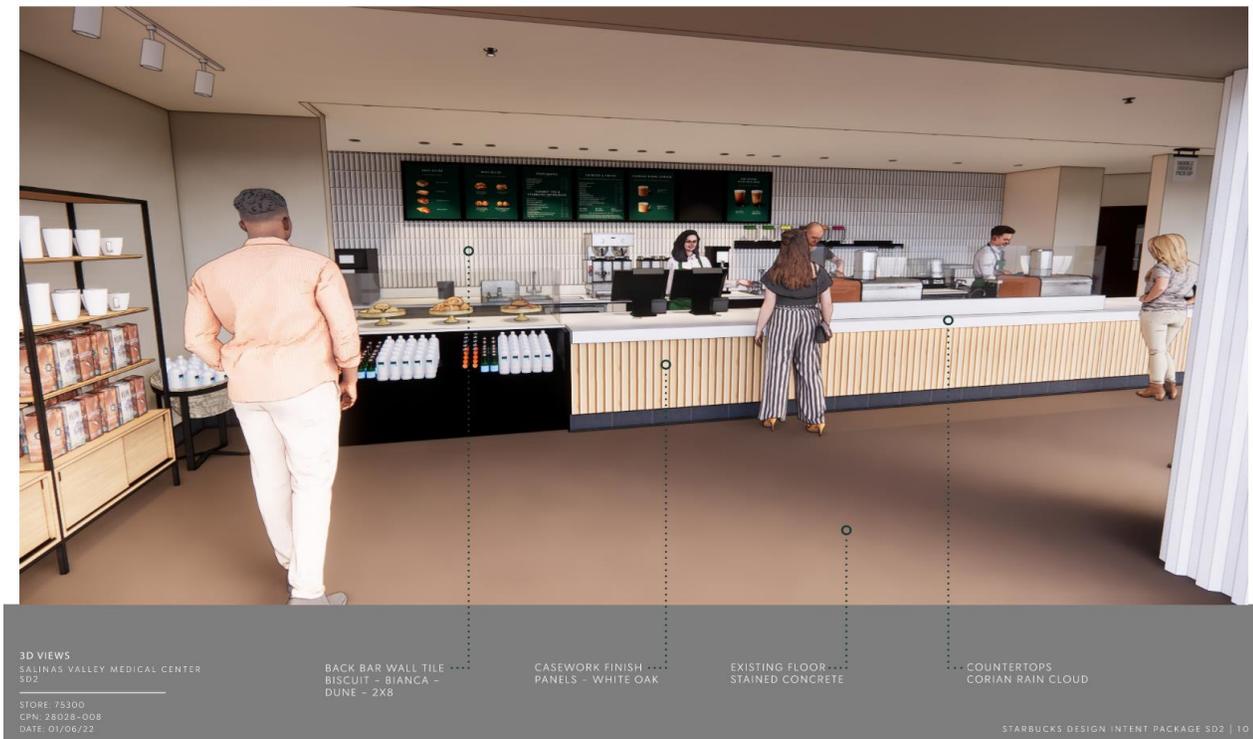
Existing Conditions of Starbucks Retail Store June 2022



Proposed Plans prepared by Starbucks



Rendering View prepared by Starbucks



Finance Committee Board Paper

Agenda Item: **Consider Recommendation for Board Approval of Lease Agreement for 1260 South Main Street, Suites 101 & 105, Salinas, CA Between SVMHS and JS & MR Properties LLC**

Executive Sponsor: Allen Radner, MD, Chief Executive Officer, SVMC
 Gary Ray, Chief Administrative Officer, SVMC

Date: June 10, 2022

Executive Summary

Allen King, MD has been operating the Diabetes Care Center in Salinas since 1998, providing comprehensive care for patients living with diabetes and the complications associated with the disease. Dr. King is retiring and closing his practice effective July 15, 2022. SVMHS is assisting with the winding down of the Diabetes Care center—assisting with patient transition, taking custody of and managing patient records, acquiring certain assets, and leasing the DCC space for other SVMC programs. SVMC would like to enter into a three (3) year lease for the DCC space for its Lifestyle And Metabolic Program (LAMP).

Timeline

June 20, 2022 – Request SVMHS Finance Committee Recommendation for Board Approval
 June 22, 2022 – SVMHS Board of Directors Meeting/Consider Recommendation for Approval
 August 1, 2022 – Commencement date of Lease Agreement

Meeting our Mission, Vision, Goals

Strategic Plan Alignment

This transaction is aligned with the strategic initiatives outlined in our most recent strategic planning work for growth, in developing healthcare clinics and programs that drive value for our patients.

Pillar/Goal Alignment: Service People Quality Finance Growth Community

Financial/Quality/Safety/Regulatory Implications

Lease Terms for Lease Agreement for 1260 South Main Street, Suites 101 & 105, Salinas, CA:

1. Lease Commencement Date	August 1, 2022
2. Term of Lease	Three (3) years
3. Option to Extend	One option to extend for 3 years
4. Payment Terms	Rent due the 1 st of each month
5. Initial Rent (per sq. ft.)	\$2.25 per square foot (FMV \$2.20-\$2.40 per square foot)
6. Rentable square feet	2,384 square feet
7. Initial Rent	\$5,364/month \$64,368/first year
8. Annual Increases	Two and one-half percent (2.5 %)
9. Rent Over Three (3) Year Term	\$198,252
10. Budgeted (Y/N)	Not budgeted--new location for LAMP/Gastric Sleeve

Recommendation

Administration requests that the Board Finance Committee make a recommendation to the Board of Directors for approval (pending final review by District legal counsel) of the following agreement:

- Lease Agreement with JS & MR Properties LLC for 1260 South Main Street, Suites 101 & 105, Salinas, CA

Attachments

- Lease Agreement with JS & MR Properties LLC for 1260 South Main Street, Suites 101 & 105, Salinas, CA

Memorandum

Date: June 13, 2022

To: Finance Committee

From: Augustine Lopez, CFO

Re: **Cash Transfers to Board Designated Fund**

As you know, the hospital has a Board Designated Fund. The purpose of a Board Designated Fund is to set aside funds that are restricted for hospital and related capital expenditures as approved by the SVMHS Board of Directors.

The District has been making monthly transfers from the General Fund to the Board Designated Fund in the amount of \$1,000,000 from the operating account to Board-restricted investments in United States Treasury and various other investments since July, 2012.

SVMHS Administration requests the Finance Committee recommend Board approval to continue making monthly transfers of \$1,000,000, as indicated above, starting July 1, 2022 through June 30, 2023.

Thank you for your consideration.

*PERSONNEL, PENSION AND
INVESTMENT COMMITTEE*

*Minutes from the June 20, 2022
meeting of the
Personnel, Pension and Investment Committee
will be distributed at the Board Meeting*

*Background information supporting the
proposed recommendation from the
Committee is included in the Board Packet*

(REGINA M. GAGE)

- Committee Chair Report*
- Board Questions to Committee Chair/Staff*
- Motion/Second*
- Public Comment*
- Board Discussion/Deliberation*
- Action by Board/Roll Call Vote*

Board Paper: Personnel, Pension and Investment Committee

Agenda Item: **Consider Recommendation for Board Approval of Findings Supporting Recruitment of Physicians to Community Medical Groups and Practices and Approval of Recruitment Incentives**

Executive Sponsor: Allen Radner, MD, Chief Medical Officer
 Stacey Callahan, Physician Services Coordinator

Date: June 8, 2022

Executive Summary

In consultation with members of the SVMH medical staff, and in compliance with requirements of Stark Law, SVMHS executive management has identified the recruitment of physicians in certain medical specialties as a recruiting priority for the hospital's service area.

The Medical Staff Development Plan, completed by ECG Management Consultants in October 2019, identified the specialty of Pediatrics as a recommended priority for recruitment. Additionally, recruitment for the hospital-based specialty of Anesthesia is evaluated based on the needs of the hospital to ensure appropriate levels of coverage to meet patient care needs. Service line volumes and program coverage needs are the primary drivers of recruitment to this specialty.

To support physician recruitment to the District's service area, SVMHS collaborates with local medical groups and practices in the recruiting process through contributions to the costs of recruiting firms and associated recruitment expenses, and contributions to incentives paid to physicians that relocate to our community.

The following medical groups and practices have requested support from SVMHS:

Specialty	Group/Practice	FTE(s)
Anesthesia	Cypress Coast Anesthesia Medical Group	1
Pediatrics	Pediatric & Adolescent Medical Associates of the Pacific Coast, Inc., dba, Pacific Coast Pediatrics	1
Total Full-Time Equivalents (FTEs)		2

Financial support for each of these recruitments includes approximately \$40,000 in recruitment fees and/or \$35,000 to \$40,000 in incentive payments to physicians that are structured as two-year forgivable loans. The financial request for recruitment of the above 2 FTEs is a total amount not to exceed \$115,000 that will be expended over the course of the next year as our recruitment team works to fill these vacancies.

The recruitment fees and incentive compensation for community groups and practices were originally budgeted at \$763,000 as part of our 2023 fiscal year budget for physician recruitment. Since then, SVMHS received the requests presented in this memo to provide financial recruitment support to the community groups and practices noted.

Required Documents

The proposed physician recruitments will require the execution of a Physician Recruitment Agreement among SVMHS, the Medical Group or Practice, and the Physician. A template of the Physician Recruitment Agreement is attached for your review.

Meeting our Mission, Vision, Goals

Strategic Plan Alignment

The recruitment of certain specialty physicians is aligned with our strategic priority for growth. We continue to support the local community physicians and private practice offices that provide care to our patients both in the hospital and the clinics. This investment provides a platform for growth that can be developed to better meet the needs of the residents of our District by increasing access to necessary care.

Pillar/Goal Alignment:

Service People Quality Finance X Growth Community

Financial/Quality/Safety/Regulatory Implications

The addition of physicians from these specialties to the community has been identified as a need for recruitment and demonstrates the support from Salinas Valley Memorial Healthcare System to community practices. The recruitment incentive proposed for the recruitments is within fair market value and is commercially reasonable.

Recommendation

Administration requests that the Personnel, Pension and Investment Committee recommend to the SVMHS Board of Directors to take the following actions:

- (i) **The Board makes the following findings supporting the recruitment of the physicians in the specialties of anesthesia and pediatrics:**
 - **The assistance by SVMHS in the recruitment of physicians in the specialties of anesthesia and pediatrics by community medical groups and practices is in the best interest of the public health of the communities served by the District; and**
 - **The recruitment incentives requested by the community medical groups and practices and supported by SVMHS for these recruitments are necessary in order to attract and relocate appropriately qualified physicians to practice in the communities served by the District.**
- (ii) **Approve the recruitment support to community medical groups and practices and the recruitment incentives for the medical specialties of anesthesia and pediatrics to be set forth in Recruitment Agreements among SVMHS, the community medical groups and practices, and the physicians.**

Attachments:

- SVMHS Physician Recruitment Agreement

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
PHYSICIAN RECRUITMENT AGREEMENT**

(<Physician Name> and <Medical Group Name>)

This Physician Recruitment Agreement (“Agreement”) is made effective on *<Effective Date>* (“Effective Date”), by and among **Salinas Valley Memorial Healthcare System**, a local health care district organized and operating pursuant to Division 23 of the California Health & Safety Code (“SVMHS”), *<Physician Name>*, a physician specializing in *<Specialty>* (“Physician”), and *<Medical Group Name>*, a California professional medical corporation (“Group”). SVMHS, Physician, and Group are referred to as the “Parties” and individually as a “Party.”

RECITALS

- A. SVMHS owns and operates Salinas Valley Memorial Hospital, a general acute care hospital located at 450 East Romie Lane, Salinas, California (“Hospital”). SVMHS provides health care services to residents of the district and surrounding communities (“Service Area”). Group is a California professional medical corporation providing medical services in the Service Area. Physician intends to practice her specialty with Group in the Service Area.
- B. SVMHS has determined that there is a shortage of, and a need for, a physician specializing in *<Specialty>* medicine in the Service Area. The shortage of such a physician jeopardizes SVMHS’ ability to provide such health care services to residents of the Service Area. SVMHS also has determined that such shortage is not likely to resolve itself through market forces, but that financial support will have to be offered if the appropriate physician is to relocate to the Service Area.
- C. To facilitate its goal of providing medical services in the Service Area, SVMHS has determined that it must provide certain incentives in order to enable a physician specializing in *<Specialty>* medicine to join a practice in the Service Area. SVMHS has determined that the incentives set forth in this Agreement meet a community need and promote SVMHS’ mission and goal of providing health care services to all residents in the Service Area who need such care.
- D. Physician is duly licensed to practice medicine in the State of California and is qualified to provide medical services in Physician’s specialty (“Professional Services”). Physician is prepared to join Group in order to practice in the Service Area and to provide Professional Services, in return for the financial assistance provided in this Agreement.
- E. SVMHS has determined that the financial assistance required by Physician to relocate is justified by the benefit to patients in the Service Area. Accordingly, SVMHS is prepared to offer a financial assistance to Physician under the terms and conditions set forth in this Agreement. Physician hereby acknowledges and agrees that the financial assistance provided by SVMHS under this Agreement is reasonable and not in excess of fair market value, which is not determined in a manner that takes into account the volume or value of any actual or anticipated referrals by Physician or Group to Hospital. Physician and SVMHS shall enter into an unsecured Promissory Note, attached as Exhibit A to this Agreement, for any payments made under this Agreement.
- F. SVMHS, Physician and Group wish to enter into this Agreement in order to set forth a full statement of the terms of this recruiting arrangement, which all Parties acknowledge is necessary in order to allow Physician to relocate to the Service Area and to provide Professional Services to its residents.

The Parties agree as follows:

Article 1 Duties of Physician and Group

- 1.1 Full-Time Practice. Physician shall conduct a full-time practice with Group in Physician’s specialty within the Service Area as determined by Hospital, with Group’s office being open during normal business hours on normal working days. Physician shall commence Physician’s practice with Group in accordance with this Agreement on or about *<Start Date>* (“**Start Date**”). Physician shall comply with the requirements of this Agreement in order for Physician to begin practicing on the Start Date.

- 1.2 Services to Patients, Billing and Collection. Physician shall provide services under this Agreement to private pay patients and to Medicare patients at a level which is at least consistent with the custom and practice in the community. Group shall be responsible for billing and collecting for Physician's Professional Services on a timely, consistent, accurate and commercially reasonable basis.
- 1.3 Employment by Group. Physician has selected Group with whom Physician intends to be employed in the practice of Physician's specialty. Physician has agreed to this employment voluntarily and without inducement or influence of SVMHS. Physician shall use reasonable, good-faith efforts to maintain this employment during the term of the Agreement. The termination of Physician's employment shall not in any way affect Physician's, Group's, or SVMHS' obligations under this Agreement.
- 1.4 Duties of Group. Group shall use best effort to provide Physician with a stable, productive work environment and shall take steps reasonably necessary to promote the growth of Physician's practice.

Article 2 Standards

- 2.1 Licensure and Board Certification. Physician shall maintain California licensure in good standing during the term of this Agreement. Physician shall be board certified or board eligible in <Specialty> medicine during the term of this Agreement.
- 2.2 Medical Staff Standing and Hospital Regulations. Physician shall be responsible for obtaining and maintaining active status and membership on Hospital's Medical Staff with appropriate privileges and shall be subject to all of the responsibilities of that membership. In the event that Physician loses active Medical Staff membership or privileges, this Agreement shall terminate immediately. Physician shall comply with all applicable bylaws, rules and regulations, and policies of the Hospital and the Hospital's Medical Staff.
- 2.3 Corporate Compliance Program. Group and Physician shall support and comply with Hospital's Corporate Compliance Program, as applicable to this Agreement. Group and Physician shall comply with all policies and procedures adopted by Hospital in support of the Corporate Compliance Program.

Article 3 Term & Termination

- 3.1 Term. The term of this Agreement shall commence on the Effective Date of this Agreement and continue until the later of two (2) years from the Start Date of this Agreement, or until all sums are repaid or forgiven under the terms of this Agreement.
- 3.2 Prohibition on New Agreement. If terminated within less than twelve (12) months, the Parties shall refrain from entering into another contract with each other covering the same subject matter for at least twelve (12) months from the Effective Date of this Agreement.
- 3.3 Immediate Termination by SVMHS. SVMHS may terminate this Agreement immediately upon the occurrence of any of the following events: (i) Loss or suspension of Physician's license to practice medicine, Physician's conviction of a felony or any crime involving moral turpitude, or Physician's failure to maintain Physician's status as a member of the Hospital Medical Staff with appropriate privileges; or (ii) Physician's appointment of a receiver for Physician's assets, assignment for the benefit of Physician's creditors, or any relief taken or suffered by Physician under any bankruptcy or insolvency act.
- 3.4 Termination Due to Total Disability. Either Party shall have the right to terminate this Agreement in the event of total disability of Physician. Physician shall be deemed to suffer a "total disability" if Physician becomes physically or mentally incapacitated for more than three (3) months as shown by inability to perform all or substantially all of the material obligations of this Agreement, and which disability is likely, in the opinion of a physician mutually designated by Physician and SVMHS, to persist for six (6) months following the date of determination of said physician.
- 3.5 Termination Not Subject to Fair Hearing. It is agreed between the parties that should this Agreement be terminated for any reason, such decision to terminate and actual termination shall apply to rights under this Agreement only and not to Physician's medical staff privileges or membership of the Medical Staff of Hospital. The termination of this Agreement shall not be subject to the Fair Hearing Plan of the Medical Staff Bylaws, any hearing procedures provided by Local Health Care District Law, or any other Fair Hearing procedures regarding medical staff appointments or privileges.

- 3.6 Effect of Termination. Following expiration or termination of the Agreement for any reason, the Parties shall cooperate in the resulting transition in a manner that serves the best interests of the patients of SVMHS. Termination of this Agreement shall have no effect on Physician's Medical Staff membership or clinical privileges at the Hospital, which will continue unless terminated in accordance with the Hospital's Medical Staff Bylaws. Termination of this Agreement shall not affect the obligation of Physician to repay money as otherwise provided in this Agreement.

Article 4 Recruitment Incentive

- 4.1 Recruitment Incentive. As part of the consideration for Physician entering into and complying with the terms and conditions of this Agreement and provided that Physician commences practice in the Service Area consistent with the terms of this Agreement by the Start Date, SVMHS shall pay to Physician a recruitment incentive in the amount of *<Incentive Amount>* Dollars (\$____,000.00) on or about the Effective Date of this Agreement. Physician agrees that (i) this amount is reasonable and necessary to secure Physician's relocation and Physician's services under this Agreement, (ii) this amount is not in excess of fair market value, and (iii) this amount is not made in consideration for the referral of patients by Physician or Group to SVMHS or its affiliates.
- 4.2 Repayment. If either Party terminates this Agreement prior to the expiration of two (2) years from the Start Date, Physician shall be obligated to repay to SVMHS a pro-rated amount of the payment advanced by SVMHS to Physician pursuant to Section 4.1 of this Agreement, plus interest at an annual rate equal to the most recent prime rate published in the Wall Street Journal (or any successor publication) from time to time ("Prime Rate"), plus one percent (1.0%), payable monthly.

For example, if this Agreement is terminated after ten (10) months, Physician shall repay to SVMHS 14/24ths of the recruitment incentive, plus ten (10) months of accrued interest at an annual rate equal to the Prime Rate, plus one percent (1.0%), payable monthly. Such repayment shall be made within ninety (90) days of the event triggering Physician's repayment obligation. If Physician fails to make such repayment to SVMHS within this ninety (90) day period, SVMHS shall have the right to increase the interest rate on the amount owed to SVMHS to the Prime Rate plus two percent (2%), beginning on the ninety-first day.

- 4.3 Promissory Note. At the time of payment to Physician of any amounts under this Agreement, Physician shall execute a Promissory Note substantially in the form attached to this Agreement as Exhibit A to secure repayment of any amounts paid to Physician under this Agreement which are not forgiven by SVMHS pursuant to the terms of this Agreement.
- 4.4 Debt Forgiveness Over Term of Agreement. If Physician has complied and is continuing to comply with all of the terms of this Agreement, SVMHS shall reduce and eliminate the debt due to SVMHS as follows: SVMHS shall forgive fifty percent (50%) of the recruitment incentive, including accrued interest, for each full year of physician services provided by Physician after the Start Date, such that the recruitment incentive will be forgiven upon the second (2nd) anniversary of this Agreement.
- 4.5 Debt Forgiveness at Death/Disability. SVMHS shall forgive all sums advanced by SVMHS under this Agreement and accrued interest, in the event of Physician's death or permanent disability during the Term of this Agreement.

Article 5 General Provisions

- 5.1 Other Agreements. This Agreement may be one of several between SVMHS and Physician, dealing with different aspects of their relationship. SVMHS maintains a current master list of all such agreements, together with copies of the actual agreements, that is available for review by the Department of Health and Human Services in accordance with Stark Law regulations.
- 5.2 Referrals. Physician shall be entitled to refer patients to any hospital or other institution Physician deems qualified to deliver health care services to a particular patient. Nothing in this Agreement shall be deemed to require Physician to refer patients to Hospital, and SVMHS may not terminate this Agreement because of Physician's referral decisions. No payment or other consideration is or will be made under this Agreement for the referral of patients to SVMHS or its affiliates.

- 5.3 Medical Staff Privileges. Throughout the term of this Agreement, and thereafter, Physician shall be permitted to maintain medical staff privileges at other area hospitals.
- 5.4 Waiver. The failure of SVMHS to insist in any one or more instances upon strict performance of any of the terms of this Agreement shall not be construed as a waiver or relinquishment for the future of such terms, but the same shall continue and remain in full force and effect.
- 5.5 Governing Law/Venue. This Agreement shall be interpreted in accordance with the laws of the State of California, and any questions arising under it shall be construed or determined in accordance with such laws. Venue shall be in Monterey County, California.
- 5.6 Attorneys' Fees. In the event that suit is brought regarding the enforcement of the provisions of this Agreement, the prevailing Party/Parties shall be awarded its costs of suit and reasonable attorneys' fees as part of any judgment rendered.
- 5.7 Partial Invalidity. Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of the remaining portions which shall remain in effect as if this Agreement had been executed with the invalid portion eliminated.
- 5.8 Entire Agreement/Modifications. This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter and supersedes any and all prior negotiations, understandings and agreements. All modifications to this Agreement must be in writing and signed by the Parties.
- 5.9 Government Audit. Until the expiration of five (5) years after the furnishing of any services pursuant to this Agreement, Group and Physician shall make available to the Secretary of the United States Department of Health and Human Services or to the United States Comptroller General, or to any of their duly authorized representatives, upon written request of the same, this Agreement and such books, documents, and records of Group or Physician necessary to certify the nature and the reasonable cost of services of the Hospital.
- 5.10 Agreements between Physician and Group. Upon request by SVMHS, Group agrees to supply SVMHS with copies of its employment agreement with Physician. Nothing in Group's agreements with Physician shall be inconsistent with Physician's obligation to perform the terms and conditions of this Agreement. Group agrees that payments by SVMHS under this Agreement shall be for the benefit of Physician. Nothing in Group's agreements with Physician shall be inconsistent with the requirements Stark Law.
- 5.11 Income Tax Ramifications. The Parties acknowledge that Physician may incur federal and state income tax obligations from certain of the transactions provided for in this Agreement that SVMHS is required to report items of income under relevant income tax laws and regulations, and that forgiveness of debt may constitute income to Physician. It is Physician's responsibility to consult with tax advisors with respect to the filing of income tax returns and the tax treatment of items provided for in this Agreement.
- 5.12 Assignment. Except as otherwise agreed in writing by the SVMHS, nothing contained in this Agreement shall be construed to permit assignment or delegation by Physician of any rights or obligations under this Agreement, and any such assignment or delegation is expressly prohibited. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of SVMHS.
- 5.13 Conditions and Effective Date. This Agreement is subject to approval by the Board of Directors of SVMHS, which approval has not been secured and is not guaranteed. This Agreement shall be effective as of the later of the date the Board approves the Agreement and the date it is signed by all Parties.
- 5.14 Notices. All communications and notices of any kind which any Party may be required or desire to give or serve upon any other Party under this Agreement shall be made in writing and shall be delivered in person or sent by registered or certified mail, return receipt requested, to the addresses below. Any Party may change its address by giving any other Parties written notice of its new address as provided in this Agreement.

SVMHS: Salinas Valley Memorial Healthcare System
Attn: President/Chief Executive Officer
450 East Romie Lane
Salinas, CA 93901

Physician: <Physician Name>
<Address>
<Address>
<Address>

Group: <Medical Group Name>
<Address>
<Address>
<Address>

5.15 Applicable Legal Standards. The Parties shall exercise their rights and perform their duties under this Agreement in accordance with the legal standards set forth in the United States Code, the Code of Federal Regulations, the California Health and Safety Code, the California Business and Professions Code, and any other pertinent and applicable laws, rules, regulations, and orders of the United States and the State of California and their agencies, to the extent that such laws, rules, regulations, and orders pertain to the powers, functions, and duties of SVMHS, Group, and Physician.

5.16 Confidentiality. The Parties agree that this Agreement is personal and confidential between them, and agree, unless otherwise required by law, not to release information concerning this Agreement, or any information exchanged between the Parties pursuant to this Agreement, to any person without the consent of the other Party, which consent shall not be unreasonably denied.

The Parties have executed this Agreement as of the Effective Date first set forth above.

SVMHS
Salinas Valley Memorial Healthcare System

By: _____
Pete Delgado, President/CEO

Date: _____

PHYSICIAN
<Physician Name>

<Physician Name>

Date: _____

GROUP
<Group Name>

By: _____
<Group Authorized Officer>

Date: _____

EXHIBIT A

PROMISSORY NOTE
(Recruitment Incentives)

\$<Incentive Amount>.00

<Effective Date>

FOR VALUE RECEIVED, the receipt of which is hereby acknowledged, <Physician Name> (“Maker”) hereby promises to pay to the order of **Salinas Valley Memorial Healthcare System** (“Holder”), at the place designated by Holder, the principal sum of <Incentive Amount> Dollars (\$ __,000.00), plus accrued interest on such amount calculated at an annual fixed rate equal to the prime rate published on the effective date of this Promissory Note in the Wall Street Journal (“Prime Rate”), plus one percent (1%), from the date of this Promissory Note, payable in lawful money of the United States of America. Principal and interest shall be immediately due and payable to Holder on <Date 2 years from Start Date>. Notwithstanding the foregoing, if Maker is and remains in full compliance with the **PHYSICIAN RECRUITMENT AGREEMENT** effective <Effective Date>, by and between Maker and Holder (“Recruitment Agreement”), the principal and interest due under this Promissory Note shall be forgiven pursuant to the terms and conditions of the Recruitment Agreement.

This Promissory Note is unsecured. In no event shall any payment of interest or any other sum payable hereunder exceed the maximum amount permitted by applicable law. If it is established that any payment exceeding lawful limits has been received, Holder will refund such excess or, at its option, credit the excess amount to the principal due hereunder, but such payments shall not affect the obligation to make periodic payments required herein.

Maker agrees to pay, to the extent permitted by law, all costs and expenses incurred by Holder in connection with the collection and enforcement of this Promissory Note, including, but not limited to, expenses and reasonable attorneys’ fees to the extent permitted by applicable law, irrespective of whether any suit or security foreclosure or court proceeding has been commenced. Maker and all endorsers and all persons liable or to become liable on this Promissory Note, and each of them, hereby waive diligence, demands, presentation for payment, notice of nonpayment, protest and notice of protest, and specifically consent to and waive notice of any renewals or extensions of this Promissory Note, or any modification or release of security for this Promissory Note, whether made to or in favor of Maker or any other person or persons, and further agree that any such action by Holder shall not affect the liability of Maker or any person liable or to become liable on this Promissory Note.

No delay or omission by Holder in exercising any remedy, right or option under this Promissory Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The invalidity of any one or more covenants, phrases, clauses, sentences or paragraphs of this Promissory Note shall not affect the remaining portions hereof, and this Promissory Note shall be construed as if such invalid covenants, phrases, clauses, sentences or paragraphs, if any, had not been included herein.

This Promissory Note is to be construed in all respects and enforced according to the laws of the State of California. This Promissory Note may not be amended or modified except by a written agreement duly executed by Maker and Holder. This Promissory Note and the obligations created hereby shall bind Maker and, to the extent applicable, Maker’s respective successors and assigns, and the benefits hereof shall inure to Holder and its successors and assigns. This Promissory Note may be assigned by Holder in its sole discretion.

Any notice to Maker under this Promissory Note shall be in writing and shall be deemed to have been given upon (i) receipt, if hand delivered, (ii) transmission, if delivered by facsimile transmission, (iii) the next business day, if delivered by express overnight delivery service or (iv) the third business day following the day of deposit of such notice in U.S. certified mail, return receipt requested to the following address:

<Physician Name>
<Address>
<Address>
<Address>

Maker has executed and delivered this Promissory Note effective as of the date first set forth above.

MAKER: _____
<Physician Name>

Date: _____

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM
PHYSICIAN RECRUITMENT AGREEMENT**

(<Physician Name> and <Medical Group Name>)

This Physician Recruitment Agreement (“Agreement”) is made effective on *<Effective Date>* (“Effective Date”), by and among **Salinas Valley Memorial Healthcare System**, a local health care district organized and operating pursuant to Division 23 of the California Health & Safety Code (“SVMHS”), *<Physician Name>*, a physician specializing in *<Specialty>* (“Physician”), and *<Medical Group Name>*, a California professional medical corporation (“Group”). SVMHS, Physician, and Group are referred to as the “Parties” and individually as a “Party.”

RECITALS

- A. SVMHS owns and operates Salinas Valley Memorial Hospital, a general acute care hospital located at 450 East Romie Lane, Salinas, California (“Hospital”). SVMHS provides health care services to residents of the district and surrounding communities (“Service Area”). Group is a California professional medical corporation providing medical services in the Service Area. Physician intends to practice her specialty with Group in the Service Area.
- B. SVMHS has determined that there is a shortage of, and a need for, a physician specializing in *<Specialty>* medicine in the Service Area. The shortage of such a physician jeopardizes SVMHS’ ability to provide such health care services to residents of the Service Area. SVMHS also has determined that such shortage is not likely to resolve itself through market forces, but that financial support will have to be offered if the appropriate physician is to relocate to the Service Area.
- C. To facilitate its goal of providing medical services in the Service Area, SVMHS has determined that it must provide certain incentives in order to enable a physician specializing in *<Specialty>* medicine to join a practice in the Service Area. SVMHS has determined that the incentives set forth in this Agreement meet a community need and promote SVMHS’ mission and goal of providing health care services to all residents in the Service Area who need such care.
- D. Physician is duly licensed to practice medicine in the State of California and is qualified to provide medical services in Physician’s specialty (“Professional Services”). Physician is prepared to join Group in order to practice in the Service Area and to provide Professional Services, in return for the financial assistance provided in this Agreement.
- E. SVMHS has determined that the financial assistance required by Physician to relocate is justified by the benefit to patients in the Service Area. Accordingly, SVMHS is prepared to offer a financial assistance to Physician under the terms and conditions set forth in this Agreement. Physician hereby acknowledges and agrees that the financial assistance provided by SVMHS under this Agreement is reasonable and not in excess of fair market value, which is not determined in a manner that takes into account the volume or value of any actual or anticipated referrals by Physician or Group to Hospital. Physician and SVMHS shall enter into an unsecured Promissory Note, attached as Exhibit A to this Agreement, for any payments made under this Agreement.
- F. SVMHS, Physician and Group wish to enter into this Agreement in order to set forth a full statement of the terms of this recruiting arrangement, which all Parties acknowledge is necessary in order to allow Physician to relocate to the Service Area and to provide Professional Services to its residents.

The Parties agree as follows:

Article 1 Duties of Physician and Group

- 1.1 Full-Time Practice. Physician shall conduct a full-time practice with Group in Physician’s specialty within the Service Area as determined by Hospital, with Group’s office being open during normal business hours on normal working days. Physician shall commence Physician’s practice with Group in accordance with this Agreement on or about *<Start Date>* (“**Start Date**”). Physician shall comply with the requirements of this Agreement in order for Physician to begin practicing on the Start Date.

- 1.2 Services to Patients, Billing and Collection. Physician shall provide services under this Agreement to private pay patients and to Medicare patients at a level which is at least consistent with the custom and practice in the community. Group shall be responsible for billing and collecting for Physician's Professional Services on a timely, consistent, accurate and commercially reasonable basis.
- 1.3 Employment by Group. Physician has selected Group with whom Physician intends to be employed in the practice of Physician's specialty. Physician has agreed to this employment voluntarily and without inducement or influence of SVMHS. Physician shall use reasonable, good-faith efforts to maintain this employment during the term of the Agreement. The termination of Physician's employment shall not in any way affect Physician's, Group's, or SVMHS' obligations under this Agreement.
- 1.4 Duties of Group. Group shall use best effort to provide Physician with a stable, productive work environment and shall take steps reasonably necessary to promote the growth of Physician's practice.

Article 2 Standards

- 2.1 Licensure and Board Certification. Physician shall maintain California licensure in good standing during the term of this Agreement. Physician shall be board certified or board eligible in <Specialty> medicine during the term of this Agreement.
- 2.2 Medical Staff Standing and Hospital Regulations. Physician shall be responsible for obtaining and maintaining active status and membership on Hospital's Medical Staff with appropriate privileges and shall be subject to all of the responsibilities of that membership. In the event that Physician loses active Medical Staff membership or privileges, this Agreement shall terminate immediately. Physician shall comply with all applicable bylaws, rules and regulations, and policies of the Hospital and the Hospital's Medical Staff.
- 2.3 Corporate Compliance Program. Group and Physician shall support and comply with Hospital's Corporate Compliance Program, as applicable to this Agreement. Group and Physician shall comply with all policies and procedures adopted by Hospital in support of the Corporate Compliance Program.

Article 3 Term & Termination

- 3.1 Term. The term of this Agreement shall commence on the Effective Date of this Agreement and continue until the later of two (2) years from the Start Date of this Agreement, or until all sums are repaid or forgiven under the terms of this Agreement.
- 3.2 Prohibition on New Agreement. If terminated within less than twelve (12) months, the Parties shall refrain from entering into another contract with each other covering the same subject matter for at least twelve (12) months from the Effective Date of this Agreement.
- 3.3 Immediate Termination by SVMHS. SVMHS may terminate this Agreement immediately upon the occurrence of any of the following events: (i) Loss or suspension of Physician's license to practice medicine, Physician's conviction of a felony or any crime involving moral turpitude, or Physician's failure to maintain Physician's status as a member of the Hospital Medical Staff with appropriate privileges; or (ii) Physician's appointment of a receiver for Physician's assets, assignment for the benefit of Physician's creditors, or any relief taken or suffered by Physician under any bankruptcy or insolvency act.
- 3.4 Termination Due to Total Disability. Either Party shall have the right to terminate this Agreement in the event of total disability of Physician. Physician shall be deemed to suffer a "total disability" if Physician becomes physically or mentally incapacitated for more than three (3) months as shown by inability to perform all or substantially all of the material obligations of this Agreement, and which disability is likely, in the opinion of a physician mutually designated by Physician and SVMHS, to persist for six (6) months following the date of determination of said physician.
- 3.5 Termination Not Subject to Fair Hearing. It is agreed between the parties that should this Agreement be terminated for any reason, such decision to terminate and actual termination shall apply to rights under this Agreement only and not to Physician's medical staff privileges or membership of the Medical Staff of Hospital. The termination of this Agreement shall not be subject to the Fair Hearing Plan of the Medical Staff Bylaws, any hearing procedures provided by Local Health Care District Law, or any other Fair Hearing procedures regarding medical staff appointments or privileges.

- 3.6 Effect of Termination. Following expiration or termination of the Agreement for any reason, the Parties shall cooperate in the resulting transition in a manner that serves the best interests of the patients of SVMHS. Termination of this Agreement shall have no effect on Physician's Medical Staff membership or clinical privileges at the Hospital, which will continue unless terminated in accordance with the Hospital's Medical Staff Bylaws. Termination of this Agreement shall not affect the obligation of Physician to repay money as otherwise provided in this Agreement.

Article 4 Recruitment Incentive

- 4.1 Recruitment Incentive. As part of the consideration for Physician entering into and complying with the terms and conditions of this Agreement and provided that Physician commences practice in the Service Area consistent with the terms of this Agreement by the Start Date, SVMHS shall pay to Physician a recruitment incentive in the amount of *<Incentive Amount>* Dollars (\$____,000.00) on or about the Effective Date of this Agreement. Physician agrees that (i) this amount is reasonable and necessary to secure Physician's relocation and Physician's services under this Agreement, (ii) this amount is not in excess of fair market value, and (iii) this amount is not made in consideration for the referral of patients by Physician or Group to SVMHS or its affiliates.
- 4.2 Repayment. If either Party terminates this Agreement prior to the expiration of two (2) years from the Start Date, Physician shall be obligated to repay to SVMHS a pro-rated amount of the payment advanced by SVMHS to Physician pursuant to Section 4.1 of this Agreement, plus interest at an annual rate equal to the most recent prime rate published in the Wall Street Journal (or any successor publication) from time to time ("Prime Rate"), plus one percent (1.0%), payable monthly.

For example, if this Agreement is terminated after ten (10) months, Physician shall repay to SVMHS 14/24ths of the recruitment incentive, plus ten (10) months of accrued interest at an annual rate equal to the Prime Rate, plus one percent (1.0%), payable monthly. Such repayment shall be made within ninety (90) days of the event triggering Physician's repayment obligation. If Physician fails to make such repayment to SVMHS within this ninety (90) day period, SVMHS shall have the right to increase the interest rate on the amount owed to SVMHS to the Prime Rate plus two percent (2%), beginning on the ninety-first day.

- 4.3 Promissory Note. At the time of payment to Physician of any amounts under this Agreement, Physician shall execute a Promissory Note substantially in the form attached to this Agreement as Exhibit A to secure repayment of any amounts paid to Physician under this Agreement which are not forgiven by SVMHS pursuant to the terms of this Agreement.
- 4.4 Debt Forgiveness Over Term of Agreement. If Physician has complied and is continuing to comply with all of the terms of this Agreement, SVMHS shall reduce and eliminate the debt due to SVMHS as follows: SVMHS shall forgive fifty percent (50%) of the recruitment incentive, including accrued interest, for each full year of physician services provided by Physician after the Start Date, such that the recruitment incentive will be forgiven upon the second (2nd) anniversary of this Agreement.
- 4.5 Debt Forgiveness at Death/Disability. SVMHS shall forgive all sums advanced by SVMHS under this Agreement and accrued interest, in the event of Physician's death or permanent disability during the Term of this Agreement.

Article 5 General Provisions

- 5.1 Other Agreements. This Agreement may be one of several between SVMHS and Physician, dealing with different aspects of their relationship. SVMHS maintains a current master list of all such agreements, together with copies of the actual agreements, that is available for review by the Department of Health and Human Services in accordance with Stark Law regulations.
- 5.2 Referrals. Physician shall be entitled to refer patients to any hospital or other institution Physician deems qualified to deliver health care services to a particular patient. Nothing in this Agreement shall be deemed to require Physician to refer patients to Hospital, and SVMHS may not terminate this Agreement because of Physician's referral decisions. No payment or other consideration is or will be made under this Agreement for the referral of patients to SVMHS or its affiliates.

- 5.3 Medical Staff Privileges. Throughout the term of this Agreement, and thereafter, Physician shall be permitted to maintain medical staff privileges at other area hospitals.
- 5.4 Waiver. The failure of SVMHS to insist in any one or more instances upon strict performance of any of the terms of this Agreement shall not be construed as a waiver or relinquishment for the future of such terms, but the same shall continue and remain in full force and effect.
- 5.5 Governing Law/Venue. This Agreement shall be interpreted in accordance with the laws of the State of California, and any questions arising under it shall be construed or determined in accordance with such laws. Venue shall be in Monterey County, California.
- 5.6 Attorneys' Fees. In the event that suit is brought regarding the enforcement of the provisions of this Agreement, the prevailing Party/Parties shall be awarded its costs of suit and reasonable attorneys' fees as part of any judgment rendered.
- 5.7 Partial Invalidity. Should any part of this Agreement for any reason be declared invalid, such decision shall not affect the validity of the remaining portions which shall remain in effect as if this Agreement had been executed with the invalid portion eliminated.
- 5.8 Entire Agreement/Modifications. This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter and supersedes any and all prior negotiations, understandings and agreements. All modifications to this Agreement must be in writing and signed by the Parties.
- 5.9 Government Audit. Until the expiration of five (5) years after the furnishing of any services pursuant to this Agreement, Group and Physician shall make available to the Secretary of the United States Department of Health and Human Services or to the United States Comptroller General, or to any of their duly authorized representatives, upon written request of the same, this Agreement and such books, documents, and records of Group or Physician necessary to certify the nature and the reasonable cost of services of the Hospital.
- 5.10 Agreements between Physician and Group. Upon request by SVMHS, Group agrees to supply SVMHS with copies of its employment agreement with Physician. Nothing in Group's agreements with Physician shall be inconsistent with Physician's obligation to perform the terms and conditions of this Agreement. Group agrees that payments by SVMHS under this Agreement shall be for the benefit of Physician. Nothing in Group's agreements with Physician shall be inconsistent with the requirements Stark Law.
- 5.11 Income Tax Ramifications. The Parties acknowledge that Physician may incur federal and state income tax obligations from certain of the transactions provided for in this Agreement that SVMHS is required to report items of income under relevant income tax laws and regulations, and that forgiveness of debt may constitute income to Physician. It is Physician's responsibility to consult with tax advisors with respect to the filing of income tax returns and the tax treatment of items provided for in this Agreement.
- 5.12 Assignment. Except as otherwise agreed in writing by the SVMHS, nothing contained in this Agreement shall be construed to permit assignment or delegation by Physician of any rights or obligations under this Agreement, and any such assignment or delegation is expressly prohibited. This Agreement shall be binding upon and inure to the benefit of the successors and assigns of SVMHS.
- 5.13 Conditions and Effective Date. This Agreement is subject to approval by the Board of Directors of SVMHS, which approval has not been secured and is not guaranteed. This Agreement shall be effective as of the later of the date the Board approves the Agreement and the date it is signed by all Parties.
- 5.14 Notices. All communications and notices of any kind which any Party may be required or desire to give or serve upon any other Party under this Agreement shall be made in writing and shall be delivered in person or sent by registered or certified mail, return receipt requested, to the addresses below. Any Party may change its address by giving any other Parties written notice of its new address as provided in this Agreement.

SVMHS: Salinas Valley Memorial Healthcare System
Attn: President/Chief Executive Officer
450 East Romie Lane
Salinas, CA 93901

Physician: <Physician Name>
<Address>
<Address>
<Address>

Group: <Medical Group Name>
<Address>
<Address>
<Address>

5.15 Applicable Legal Standards. The Parties shall exercise their rights and perform their duties under this Agreement in accordance with the legal standards set forth in the United States Code, the Code of Federal Regulations, the California Health and Safety Code, the California Business and Professions Code, and any other pertinent and applicable laws, rules, regulations, and orders of the United States and the State of California and their agencies, to the extent that such laws, rules, regulations, and orders pertain to the powers, functions, and duties of SVMHS, Group, and Physician.

5.16 Confidentiality. The Parties agree that this Agreement is personal and confidential between them, and agree, unless otherwise required by law, not to release information concerning this Agreement, or any information exchanged between the Parties pursuant to this Agreement, to any person without the consent of the other Party, which consent shall not be unreasonably denied.

The Parties have executed this Agreement as of the Effective Date first set forth above.

SVMHS
Salinas Valley Memorial Healthcare System

By: _____
Pete Delgado, President/CEO

Date: _____

PHYSICIAN
<Physician Name>

<Physician Name>

Date: _____

GROUP
<Group Name>

By: _____
<Group Authorized Officer>

Date: _____

EXHIBIT A

PROMISSORY NOTE
(Recruitment Incentives)

\$<Incentive Amount>.00

<Effective Date>

FOR VALUE RECEIVED, the receipt of which is hereby acknowledged, <Physician Name> (“Maker”) hereby promises to pay to the order of **Salinas Valley Memorial Healthcare System** (“Holder”), at the place designated by Holder, the principal sum of <Incentive Amount> Dollars (\$ __,000.00), plus accrued interest on such amount calculated at an annual fixed rate equal to the prime rate published on the effective date of this Promissory Note in the Wall Street Journal (“Prime Rate”), plus one percent (1%), from the date of this Promissory Note, payable in lawful money of the United States of America. Principal and interest shall be immediately due and payable to Holder on <Date 2 years from Start Date>. Notwithstanding the foregoing, if Maker is and remains in full compliance with the **PHYSICIAN RECRUITMENT AGREEMENT** effective <Effective Date>, by and between Maker and Holder (“Recruitment Agreement”), the principal and interest due under this Promissory Note shall be forgiven pursuant to the terms and conditions of the Recruitment Agreement.

This Promissory Note is unsecured. In no event shall any payment of interest or any other sum payable hereunder exceed the maximum amount permitted by applicable law. If it is established that any payment exceeding lawful limits has been received, Holder will refund such excess or, at its option, credit the excess amount to the principal due hereunder, but such payments shall not affect the obligation to make periodic payments required herein.

Maker agrees to pay, to the extent permitted by law, all costs and expenses incurred by Holder in connection with the collection and enforcement of this Promissory Note, including, but not limited to, expenses and reasonable attorneys’ fees to the extent permitted by applicable law, irrespective of whether any suit or security foreclosure or court proceeding has been commenced. Maker and all endorsers and all persons liable or to become liable on this Promissory Note, and each of them, hereby waive diligence, demands, presentation for payment, notice of nonpayment, protest and notice of protest, and specifically consent to and waive notice of any renewals or extensions of this Promissory Note, or any modification or release of security for this Promissory Note, whether made to or in favor of Maker or any other person or persons, and further agree that any such action by Holder shall not affect the liability of Maker or any person liable or to become liable on this Promissory Note.

No delay or omission by Holder in exercising any remedy, right or option under this Promissory Note shall operate as a waiver of such remedy, right or option. In any event, a waiver on any one occasion shall not be construed as a waiver or bar to any such remedy, right or option on a future occasion. The invalidity of any one or more covenants, phrases, clauses, sentences or paragraphs of this Promissory Note shall not affect the remaining portions hereof, and this Promissory Note shall be construed as if such invalid covenants, phrases, clauses, sentences or paragraphs, if any, had not been included herein.

This Promissory Note is to be construed in all respects and enforced according to the laws of the State of California. This Promissory Note may not be amended or modified except by a written agreement duly executed by Maker and Holder. This Promissory Note and the obligations created hereby shall bind Maker and, to the extent applicable, Maker’s respective successors and assigns, and the benefits hereof shall inure to Holder and its successors and assigns. This Promissory Note may be assigned by Holder in its sole discretion.

Any notice to Maker under this Promissory Note shall be in writing and shall be deemed to have been given upon (i) receipt, if hand delivered, (ii) transmission, if delivered by facsimile transmission, (iii) the next business day, if delivered by express overnight delivery service or (iv) the third business day following the day of deposit of such notice in U.S. certified mail, return receipt requested to the following address:

<Physician Name>
<Address>
<Address>
<Address>

Maker has executed and delivered this Promissory Note effective as of the date first set forth above.

MAKER: _____
<Physician Name>

Date: _____

***CORPORATE COMPLIANCE AND
AUDIT COMMITTEE***

*Minutes from the March 22, 2022
meeting of the Corporate Compliance and
Audit Committee will be distributed at
the Board Meeting*

(JUAN CABRERA)

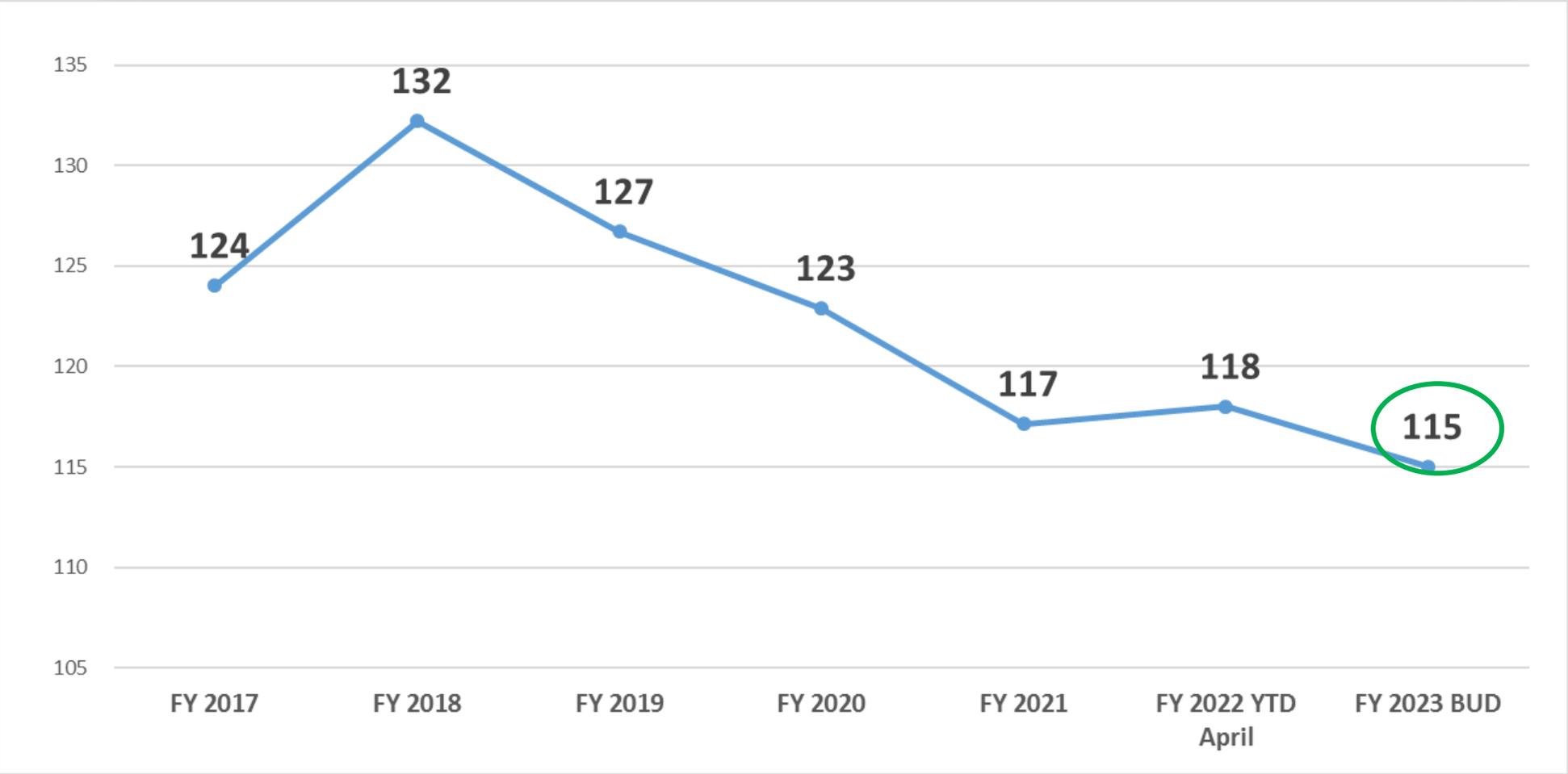
Salinas Valley Memorial Healthcare System

“An Integrated Healthcare Delivery System”

Operating & Capital Budget Fiscal Year 2023

Augustine Lopez
Chief Financial Officer

Salinas Valley Memorial Hospital Average Daily Census (ADC) Trend FY 2017 thru FY 2023 Budget



Consolidated FY 2023 Final Budget Compared to FY 2022 Projection

PL SUMMARY	FY 2023 Budget	FY 2022 Projection	CONSOLIDATED Variance	% Change
	CONSOLIDATED TOTAL	CONSOLIDATED TOTAL		
GROSS INPATIENT REVENUE	1,348,089,145	1,346,445,169	1,643,977	0.1%
GROSS OUTPATIENT REVENUE	1,334,894,141	1,306,810,769	28,083,372	2.1%
GROSS PATIENT REVENUE	2,682,983,286	2,653,255,937	29,727,349	1.1%
NET PATIENT REVENUE	654,495,578	675,118,089	(20,622,511)	-3.1%
Yield	24.4%	25.4%	-1.1%	-4.1%
OTHER REVENUE	26,831,912	21,432,313	5,399,599	25.2%
TOTAL REVENUE	681,327,491	696,550,403	(15,222,912)	-2.2%
TOTAL OPERATING EXPENSES	667,848,557	644,591,941	(23,256,616)	-3.6%
OPERATING MARGIN	13,478,934	51,958,462	(38,479,528)	-74.1%
OPERATING MARGIN %	2.0%	7.5%	-5.5%	-73.5%
EBITDA	41,682,089	79,356,707	(37,674,618)	-47.5%
EBITDA %	6.1%	11.4%	-5.3%	-46.3%
OTHER NON OPERATING INCOME	11,662,200	(10,262,809)	21,925,009	-213.6%
TOTAL MARGIN	25,141,134	41,695,653	(16,554,519)	-39.7%
TOTAL MARGIN %	3.7%	6.0%	-2.3%	-38.4%

SVMHS

Capital Budget

Fiscal Year 2023

Salinas Valley Memorial Healthcare System Capital Budget Summary FY 2023

FY2023 Capital Budget Summary

Total Routine Capital	\$	20.0m
Total Strategic Capital (Including SVMC)	\$	25.0m
Master Facility Planning & Design (<i>Garage \$36m Total, Done FY24</i>)	\$	29.2m
Campus Expansion, Modernization, and Seismic Upgrade (<i>\$241m Total, Done FY27</i>)	\$	16.3m
Epic Connect Ambulatory Expansion (<i>\$3.8m Total, Capital Done FY24</i>)	\$	1.1m
Total Proposed Capital Budget For FY2023	\$	91.6m

\$45.5M
Expenditures
are planned to
be financed
through tax
exempt
financing

Salinas Valley Memorial Hospital

Routine Capital Budget Summary FY 2023

Sources of Capital - Total Capital

General Operating Funds (Tax Exempt Bond Financing under consideration)	\$	89.6m
Estimated Foundation Contribution	\$	2.0m
Total Sources of Capital	\$	91.6m

Proposed Uses Of Routine Capital

Carryover Projects Started in FY2022

1 CT Scanner and Nuclear Medicine Camera (\$5m total over FY22-23)	\$	4.5m
2 Pharmacy Automation Upgrade - Omnicell (\$3.3m total over FY22-23)	\$	2.8m
3 High Speed elevator modernization (\$2.8m total over FY22-24)	\$	1.0m

Subtotal Carryover Projects	\$	8.3m
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Salinas Valley Memorial Hospital FY 2023 Routine Capital Budget Summary

New Capital Under Consideration

Facilities/Construction

1	SVMHS Rebranding/Facility Signage and Wayfinding (\$2.2m total over FY23-24) <i>(Main Hospital, SVMH Clinics (13), SVMC Locations (17), DOD Offices (9), Other Locations (13))</i>	\$	1.3m
2	Liquid Oxygen Tank Replacement	\$	0.8m
3	Starbucks 10 year remodel (per contract, originally planned for FY23, not started)	\$	0.5m
3	Other Projects < \$200k	\$	0.2m

Total New - Facilities/Construction

\$ 2.7m

Salinas Valley Memorial Hospital FY 2023 Routine Capital Budget Summary

New Capital Under Consideration (Continued)

Equipment

1 O-Arm Surgical Imaging System Upgrade	\$	0.7m
2 StealthStation S8 Surgical Navigation Upgrade	\$	0.7m
3 IV Pump replacement (old pumps recalled, pending FDA approval on replacements)	\$	0.5m
4 Replacement Ventilators for Respiratory Care	\$	0.2m
5 Other Projects < \$200k	\$	1.9m

Total New - Equipment	\$	4.1m
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#5 Other projects includes a reserve of \$378k for emergency or unplanned projects

Salinas Valley Memorial Hospital FY 2023 Routine Capital Budget Summary

New Capital Under Consideration (Continued)

Information Technology

1 Meditech expansion of new web-based Meditech applications (\$2.7m total over FY23-24)	\$	0.7m
2 Desktop Computers/Lifecycle Replacement	\$	0.6m
3 Replacement of obsolete Cisco 4507 series network switches	\$	0.6m
4 Replacement of obsolete Cisco 3750 series network switches	\$	0.5m
5 Replacement Archive Phase 2 – replacement storage for current storage that’s end of life	\$	0.5m
6 Server lifecycle replacement	\$	0.4m
7 Genius AI - artificial intelligence/computer aided detection software for tumor localization	\$	0.2m
8 Wireless network - additional access points for increased coverage in key areas of the hospital	\$	0.2m
9 Other Information Technology < \$200k	\$	1.2m

Total New - Information Technology (Hospital Wide)	\$	4.9m
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Total Fiscal Year 2023 Routine Capital	\$	20.0m
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Finance Committee Action

- *Recommend for Board approval of the SVMHS Operating & Capital Budget for Fiscal Year 2023 with an Operating Margin of \$11.5M (2.0%), which incorporates a recent change to increase the Pension Plan budget by \$5M as a result of the current market outlook; additionally this budget is subject to change following final determination of the Plan of Finance for the Master Facility Plan and any material changes resulting from the Final CCAH contract that is under negotiations.*

QUESTIONS /COMMENTS

Medical Executive Committee Summary – June 9, 2022

Items for Board Approval:

Credentials Committee

Initial Appointments:

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Farrell, Robert, MD	Radiology	Surgery	Remote Radiology: Core
Floyd, Amanda, MD	Neurology	Medicine	Tele-Neurology: Core
Riad, Shareef, MD	Radiology	Surgery	Remote Radiology: Core

Reappointments:

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Acton, Danielle	Family Medicine	Family Medicine	Family Medicine - Active Community
Arnold, Cody, MD	Neonatology	Pediatrics	Neonatology
Asuquo, Stella, MD	Vascular Surgery	Surgery	Vascular Surgery Peripheral Endovascular
Dacus, James, MD	Internal Medicine	Medicine	Cardiac Diagnostic Outpatient Center at Ryan Ranch (CADI)
De Leo, Andrea, DO	Neurology	Medicine	Tele-Neurology: Core.
Falkoff, Gary, MD	Radiology	Surgery	Diagnostic Radiology Cardiovascular Diagnostic Center at Ryan Ranch (CADI)
Franklin, Peter, MD	Family Medicine	Family Medicine	Family Medicine
Gurme, Mohini, MD	Neurology	Medicine	Tele-Neurology
Hinz, Christina, MD	Anesthesiology	Anesthesiology	Anesthesiology
Labroo, Eshan, MD	Family Medicine	Medicine	Adult Hospitalist
Lim, Kelvin, MD	Orthopedic/ Hand Surgery	Surgery	Orthopedic Surgery Hand Surgery
Ordookhani, Arash, MD	Internal Medicine	Medicine	Adult Hospitalist
Rudrapatna, Vivek, MD	Internal Medicine	Medicine	Medicine – Active Community
Sakopoulos, Andreas, MD	Cardiothoracic & Vascular Surgery	Surgery	Cardiac Surgery Thoracic Surgery Vascular Surgery
Tan, Joshua, DO	Internal Medicine	Medicine	Adult Hospitalist
Trapp, Terrence, MD	Otolaryngology	Surgery	Otolaryngology

Modification/Addition of Privileges:

NAME	SPECIALTY	Privileges

Staff Status Modifications:

NAME	SPECIALTY	STATUS
Apaydin, Aytac, MD	Urology	Leave of Absence effective 5/07/2022 - 5/30/2022
Delgado, Victor, MD	Medicine	Leave of Absence effective 7/25/2022
Goldberg, Steven, MD	Interventional Cardiology	Leave of Absence effective 5/25/2022
Hoang, Julia, MD	Tele-Medicine	Resignation effective 5/01/2022
Meckel, Christopher, MD	Orthopedics	Resignation effective 6/30/2022

Interdisciplinary Practice Committee

Reappointment:

NAME	SPECIALTY	DEPARTMENT	SUPERVISING PHYSICIAN(S)
Heffington, Royce, PA-C,	Physician Assistant	Surgery	Kelvin Lim, MD

Staff Status Modifications:

NAME	SPECIALTY	STATUS	RECOMMENDATION
Socha, Jillaine, PA-C	Physician Assistant	Advanced Practice Provider	Resignation effective 6/22/2022

Other Items: (Attached)

Nursing Standardized Procedure: COVID Testing Swab	The revised standardized procedure was recommended for approval.
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Bylaws/Policies/Plans: The follow amendment to the General Medical Staff Rules and Regulations was vetted with the Plastic and Reconstructive Surgeons and Hand Surgeons. Recommended to approve the following:

7.1-18 Skin/Soft Tissue Infections:

Default specialties to address infections/wounds.

- General Surgery
- Plastic Surgery
- Hand Surgery
- Orthopedic Surgery
- Otolaryngology
- Vascular Surgery

Hand/Upper Extremity: _____ Plastic Surgery

Upper Extremity:

Distal to wrist Hand Surgery

Above the wrist Plastic Surgery

Trunk (includes buttocks): General Surgery

Genitalia:

Male Urology

Female Gynecology

Lower Extremity:

Diabetic Feet: Orthopedic Surgery

Known vascular compromise: Vascular Surgery

Head/Neck

Otolaryngology

Informational Items:

I. Committee Reports:

Quality and Safety Committee Reports:

- a. Environment of Care Committee Update
- b. Risk Management and Patient Safety Update
- c. Restraint Use Task Force Update
- d. Survey Update:
 1. Baby Friendly
 2. Taylor Farms Rural Health Clinic Recertification
 3. Commission on Cancer

II. Other Reports:

- a. Financial Update/Daily Dashboard Review - April 2022
- b. Executive Update
- c. Summary of Executive Operations Committee Meetings
- d. Summary of Medical Staff Department/Committee Meetings
- e. Medical Staff Treasury 06/01/2022
- f. Medical Staff Statistics
- g. HCAHPS Update 06/02/2022

III. Order Sets/Treatment Plans Approved:

	Title/Medication Name	Disease
1	Evusheld 300 mg	Preventative medication for COVID-19
2	*STUDY-EA5182 Arm A: Osimertinib (Tagrisso) 80 mg, Q21D (NCT04181060)	Osimertinib With or Without Bevacizumab as Initial Treatment for Patients with EGFR-Mutant Lung Cancer
3	*STUDY-EA5182 Arm B: Osimertinib + Bevacizumab, Q21D (NCT04181060)	
4	Belantamab mafodotin-blmf 2.5 mg/kg, Q21D	Multiple Myeloma
5	Mogamulizumab-kpkc 1 mg/kg, Q28D (MFL33)	Mycosis Fungiodes Sezary Syndrome
6	Journal Article: Panitumumab + Abraxane/ Carbo/5FU/Epirubicin/ Cyclophos	Breast Cancer

COVID TESTING SWAB STANDARDIZED PROCEDURE

Reference Number	6942
Effective Date	Not Set
Applies To	EMERGENCY DEPT
Attachments/Forms	

I. **POLICY**

- A. N/A

II. **DEFINITIONS**

- A. ED: Emergency Department
 B. RN: Registered Nurse
 C. URI: Upper Respiratory Infection
 D. CA: Clinical Assistant

III. **PROCEDURE:**

A. Function

- To expedite admission process for patients who present to the Emergency Department and will be admitted into Salinas Valley Memorial Hospital or will be going to procedure and require a COVID-19 test.
- To sort low acuity ED patients presenting with upper respiratory symptoms (URI) symptoms including:
 1. Fever of unknown origin
 2. Headache
 3. Sore throat
 4. Nasal congestion
 5. Runny nose
 6. Cough
 7. Shortness of breath
 8. Active vomiting (if not going immediately to ED room)
 9. Diarrhea
 10. Body aches

B. Circumstances

- Setting
 1. Registered nurses in the ED may order the SARS-COV2-NAA (ABBOTT ID NOW) test for every patient that is being admitted or going to procedure outside the Emergency Department

COVID TESTING SWAB STANDARDIZED PROCEDURE

2. Registered nurses in the ED may order ABBOTT BinaxNOW test for low acuity ED patients with symptoms listed above.
 - Supervision
 1. Registered nurses who are qualified to perform this standardized procedure may independently order the SARS-COV2-NAA (ABBOTT ID NOW) test or ABBOTT BinaxNOW test. Physician supervision is not required. Registered Nurses may delegate swabbing to Clinical Assistants who have had the training and competency.
 - Patient Conditions
 1. All patients who will be admitted to Salinas Valley Memorial Hospital.
 2. All patients who will be going to procedure outside the Emergency Department.
 3. All low acuity ED patients with symptoms previously listed.
- C. Database
- Subjective
 1. Patients in the ED and/or being admitted who are under investigation for COVID-19
 - Objective
 1. General appearance of illness
 2. No appearance of illness
- D. Diagnosis
- Patients being admitted who are under investigation for COVID-19
 - Patients going to procedure and require COVID-19 test
 - Lower acuity patients presenting with listed symptoms
- E. Plan
- Treatment
 1. Patient must have an accurate name-band in place before swab is obtained.
 2. The order will be placed under the name of the supervising ED physician.
 3. RN will place the Meditech order for the SARS-COV2-NAA (ABBOTT ID NOW) test or ABBOTT BinaxNOW test as appropriate. Then the RN or CA as delegated will collect the specimen from the patient wearing the appropriate PPE.
 4. Specimens collected must be timed and initialed by the person obtaining the specimen and placed in a yellow specimen bag and **hand delivered** to the lab (they should not go through the tube system).
 5. Documentation of the Meditech order for the COVID-19 test.
- F. Record Keeping
- The facility will retain the patients record according to the [RECORDS RETENTION POLICY](#)

COVID TESTING SWAB STANDARDIZED PROCEDURE

IV. **REQUIREMENTS FOR THE REGISTERED NURSE**

A. Education

- In accordance with the SVMH RN job description

B. Training

- The RN completes an initial review of the Standardized Procedure with an evaluation of knowledge

C. Experience

- In accordance with the SVMH RN job description

C. Initial and Ongoing Evaluation

- Initial: During the initial orientation process RNs are educated to this SP and complete a review with their preceptor. This is documented on the Department Specific Orientation Checklist and maintained in the the office of the Director of Nursing. The RN is required to implement this SP two (2) times prior to being deemed competent.
- Ongoing: At least every 3 years competency will be re-assessed via annual skills assessment.
- During the annual RN performance process, any areas of this SP not meeting requirement will be reviewed with the RN and a plan will be defined if necessary.

V. **DEVELOPMENT AND APPROVAL OF THE STANDARDIZED PROCEDURE**

A. Review schedule

- Every 3 years or when practice changes are made.

B. Approval

- The electronic policy and procedure system maintains tracking of initiation, review and approval of this SP including the Interdisciplinary Practice Committee, Medical Executive Committee and the Board of Directors.

VI. **REGISTERED NURSES AUTHORIZED TO PERFORM PROCEDURE AND DATES**

- #### A.
- The list of qualified individuals who may perform this standardized procedure is available in the department/cluster Nursing Directors office and available upon request.

VII. **REFERENCES**

- #### A.
- Board of Registered Nursing, Title 16, California Code of Regulations (CCR)

COVID TESTING SWAB STANDARDIZED PROCEDURE

B. Section 1474; Medical Board of California, Title 16, CCR Section 1379

review

**RESOLUTION NO. 2022-09
OF THE BOARD OF DIRECTORS OF
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**ORDERING 2022 GENERAL ELECTION FOR
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM;
REQUESTING THE COUNTY ELECTIONS DEPARTMENT TO CONDUCT THE ELECTION;
REQUESTING CONSOLIDATION OF THE ELECTION WITH STATEWIDE GENERAL ELECTION;
AND AUTHORIZING PUBLICATION OF NOTICE OF ELECTION**

ADOPTED JUNE 22, 2022

WHEREAS, Salinas Valley Memorial Healthcare System (“SVMHS” or “District”) is a political subdivision of the State of California and a Local Health Care District organized and operating pursuant to Division 23 of the California Health and Safety Code (“Local Health Care District Law”) with a five (5) member Board of Directors with staggered terms representing five (5) zones of the District and elected by voters of the zones of the District;

WHEREAS, the terms of two (2) members of the Board of Directors of Salinas Valley Memorial Healthcare System who assumed office on the first Friday of December, 2018, Directors **REGINA GAGE** (Zone 1) and **RICHARD TURNER** (Zone 4), expire at 12:00 p.m. on December 2, 2022;

WHEREAS, the term of one (1) member of the Board of Directors of Salinas Valley Memorial Healthcare System who assumed office on July 23, 2020 due to a vacancy, Director **JOEL HERNANDEZ LAGUNA** (Zone 5), also expires at 12:00pm on December 2, 2022;

WHEREAS, for the purpose of filling said offices, it is necessary that a Local Health Care District election be held pursuant to the Local Health Care District Law, and other pertinent laws of the State of California;

WHEREAS, SVMHS established five (5) Geographical Zones for Election of Members of the SVMHS Board of Directors and designated for election in 2012 (and every four years thereafter) Zones 2 and 3, and designated for election in 2014 (and every four years thereafter) Zones 1, 4, and 5;

WHEREAS, in compliance with California Elections Code Sections 22000, et. seq, the Board of Directors of Salinas Valley Memorial Healthcare System adjusted the boundaries of the electoral zones after the federal decennial census to reflect changes in population among the electoral zones, after taking into consideration the following factors: (1) topography, (2) geography, (3) cohesiveness, contiguity, integrity, and compactness of territory, and (4) community of interests;

WHEREAS, the boundaries of the adjusted five (5) electoral zones of Salinas Valley Memorial Healthcare System were adopted by Resolution 2022-06 on April 11, 2022;

WHEREAS, Elections Code Section 15651 requires the District to determine the means and manner in which a tie vote is to be resolved in the event that two or more persons receive an equal number of votes for an office to be voted upon;

WHEREAS, pursuant to California Elections Code Section 10002, the SVMHS Board of Directors may by resolution request the Board of Supervisors of Monterey County to permit the county elections official to render services to SVMHS relating to the conduct of the election;

WHEREAS, this Resolution 2022-09 of the SVMHS Board of Directors specifies the services requested of the county elections department by SVMHS;

WHEREAS, pursuant to California Elections Code Section 10002, SVMHS shall reimburse Monterey County in full for the services performed upon presentation of a bill for such services to SVMHS;

WHEREAS, pursuant to Elections Code Section 10400, whenever two or more elections of any legislative or congressional district, public district, city, county, or other political subdivision are called to be held on the same

day, in the same territory, or in territory that is in part the same, the elections may be consolidated upon the order of the governing body or bodies or officer or officers calling the elections;

WHEREAS, pursuant to Elections Code Section 10400, such election for cities and special districts may be either completely or partially consolidated;

WHEREAS, pursuant to Elections Code Section 10403, whenever an election called by a district for the submission of any office to be filled is to be consolidated with a statewide election, and the office to be filled is to appear upon the same ballot as that provided for that statewide election, the district shall at least 88 days prior to the date of the election, file with the board of supervisors, and a copy with the elections official, a resolution of its governing board requesting the consolidation, and setting forth the office to be voted upon at the election, as it is to appear on the ballot. Upon such request, the Board of Supervisors may order the consolidation;

WHEREAS, the resolution requesting the consolidation of the election shall be adopted and filed at the same time as the adoption of the resolution calling the election; and

WHEREAS, various district, county, state and other political subdivision elections have been called to be held on November 8, 2022;

NOW, THEREFORE, BE IT RESOLVED AND ORDERED THAT:

1. An election of the Salinas Valley Memorial Healthcare System be called and consolidated with any and all elections also called to be held on November 8, 2022, pursuant to Section 32100.5 of the California Health and Safety Code, and SVMHS requests that the Board of Supervisors of the County of Monterey order such consolidation under California Elections Code Sections 10401 and 10403.
2. Pursuant to California Elections Code Section 10002, the SVMHS Board of Directors requests the Board of Supervisors to permit the Monterey County Elections Department to provide any and all services necessary for conducting an election for SVMHS and agrees to pay for such services in full.
3. Monterey County Elections Department conduct the election for the purpose of electing three (3) members to the SVMHS Board of Directors for the three seats vacated by Directors REGINA GAGE (Zone 1), RICHARD TURNER (Zone 4), and JOEL HERNANDEZ LAGUNA (Zone 5), whose terms expire on December 2, 2022, which will be filled by a qualified candidate elected by the voters in each of Zone 1, Zone 4, and Zone 5 of the Salinas Valley Memorial Healthcare System.
4. In accordance with California Elections Code Section 13307, (i) candidates are to pay for the publication of statements of qualifications; (i) candidates shall be allowed to submit a Candidate's Statement of Qualifications consisting of not more than two hundred (200) words; and (iii) no additional mailing of candidates' materials is authorized by this governing body pursuant to California Elections Code Section 13307. This determination by the SVMHS Board of Directors should not be interpreted to discourage any candidate from making any political mailings on his or her own.
5. The President of this Board be and is hereby authorized and directed, for and on behalf of SVMHS Board of Directors, pursuant to California Elections Code Section 10509, to notify by a Notice, attached as Exhibit 1, the Registrar of Voters of Monterey County on or before the 125th day prior to said election that there are three (3) elective offices to be filled at the District election for the Salinas Valley Memorial Healthcare System's Board of Directors, and that each candidate will pay for publication of his/her Statement of Qualifications.
6. Pursuant to California Elections Code Section 10407, the period for filing of nomination documents by candidates in this District election, which is consolidated with the general election, shall commence on the 113th day prior to the election. The nomination documents shall be filed not later than 5:00 p.m. on the 88th day prior to the election in the office of the appropriate officer during regular office hours.
7. The President of this Board of Directors be and is hereby authorized and directed, for and on behalf of the SVMHS Board of Directors, pursuant to Section 12112 of the California Elections Code, not less than 90 days but not more than 120 days prior to the day fixed for said election, to publish at least once in THE SALINAS

CALIFORNIAN, a newspaper of general circulation in the District, a Notice, attached as Exhibit 2, stating the date of the election and the number of offices to be filled at said election, namely, three (3) members of the Board of Directors of Salinas Valley Memorial Healthcare System—one (1) each from Zone 1, Zone 4, and Zone 5.

8. The President of this Board shall designate the Registrar of Voters or designee to act in the Board’s place and stead in issuing Official Filing Petitions and administering oaths or affirmations as required under Section 10512 of the California Elections Code and Article XX, Section 3 of the California Constitution.
9. The President or any officer of this Board of Directors be, and hereby is, authorized and directed to take the above action for and on behalf of the Board of Directors and any and all action that may be necessary or appropriate, including procurement of necessary supplies and services to prepare for and conduct said general election in accordance with the Local Health Care District Law.
10. Pursuant to California Elections Code Section 15651, the District shall resolve a tie vote by lot.

This Resolution No. 2022-09 was passed by the following vote of the Board of Directors of Salinas Valley Memorial Healthcare System, at a regular meeting of the Board held on June 22, 2022.

AYES:
NOES:
ABSTENTIONS:
ABSENT:

SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

By: _____
Victor Rey, Jr., Board President

CERTIFICATION

The undersigned, being the President of the SVMHS Board of Directors, hereby certifies that the foregoing document is a true and correct copy of Resolution 2022-09 of the Board of Directors of Salinas Valley Memorial Healthcare System, duly adopted by the Board at a meeting held on June 22, 2022.

I have executed this Certification for Resolution 2020-09 of Salinas Valley Memorial Healthcare System on June 22, 2022.

SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

By: _____
Victor Rey, Jr., Board President

EXHIBIT 1

**NOTICE TO REGISTRAR OF VOTERS OF GENERAL ELECTION OF
SALINAS VALLEY MEMORIAL HEALTHCARE DISTRICT**

(California Elections Code Section 10509)

NOTICE IS HEREBY GIVEN:

1. At the next general election of the Salinas Valley Memorial Healthcare System, three (3) elective offices of three (3) members of the Board of Directors of Salinas Valley Memorial Healthcare System will be filled—one each from Zone 1, Zone 4, and Zone 5. This election shall be held on November 8, 2022.
2. Each candidate is to pay for the publication of any statement of his or her qualifications pursuant to Section 13307 of the California Elections Code.
3. Each candidate shall be allowed to submit a Candidate's Statement of Qualifications consisting of not more than two hundred (200) words.
4. No additional mailing of candidates' materials will be authorized by this governing body pursuant to Section 13307 of the California Elections Code.

Executed at Salinas, California, on June 22, 2022.

SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

By: _____
Victor Rey, Jr., Board President

EXHIBIT 1

EXHIBIT 2

**NOTICE OF GENERAL ELECTION OF
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

(California Elections Code Section 12112)

NOTICE IS HEREBY GIVEN that the General Election of the Salinas Valley Memorial Healthcare System will take place on Tuesday, November 8, 2022. The number of offices to be filled at this election is three (3), the same being the offices of three members of the Board of Directors of Salinas Valley Memorial Healthcare System. Declarations of Candidacy for eligible candidates desiring to file for any of the elective offices may be obtained from the Office of the Registrar of Voters.

An eligible candidate for the Zone 1 seat must be a registered voter and reside within Zone 1 of the Salinas Valley Memorial Healthcare System.

An eligible candidate for the Zone 4 seat must be a registered voter and reside within Zone 4 of the Salinas Valley Memorial Healthcare System.

An eligible candidate for the Zone 5 seat must be a registered voter and reside within Zone 5 of the Salinas Valley Memorial Healthcare System.

Nominations for these offices may be filed no earlier than July 18, 2022, and no later than 5:00 p.m., August 12, 2022, the same being 88 days prior to said election, with the Registrar of Voters or his/her designee, at Monterey County Elections, 1441 Schilling Place, North Building, Salinas, California 93901, on forms procurable in the Registrar of Voters' Office between the hours of 8:30 a.m. and 5:00 p.m., Monday through Friday, beginning on July 18, 2022.

In the event that there are no nominees or an insufficient number of nominees for the office and a petition for an election is not filed with the Registrar of Voters on or before August 17, 2022, that being the 83rd day before the election, appointment to each elective office will be made as prescribed by Section 10515 of the California Elections Code.

Dated: June 22, 2022

SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

By: _____
Victor Rey, Jr., Board President

EXHIBIT 2

**RESOLUTION NO. 2022-10
OF THE BOARD OF DIRECTORS OF
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A
STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION
ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS
FOR THE PERIOD JUNE 29, 2022 THROUGH JULY 30, 2022**

WHEREAS, Salinas Valley Memorial Healthcare System ("District") is a public entity and local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code;

WHEREAS, the District Board of Directors is committed to preserving and nurturing public access and participation in its meetings;

WHEREAS, all meetings of the District's governing body are open and public, as required by The Ralph M. Brown Act, so that members of the public may attend, participate, and observe the District's public meetings;

WHEREAS, The Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions;

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558;

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the boundaries of the District, caused by natural, technological, or human-caused disasters;

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees;

WHEREAS, the District Board of Directors has reconsidered the state of emergency circumstances, and find that the state of emergency continues to impact the ability of the members to meet safety in person pursuant to Government Code Section 54953(e)(3);

WHEREAS, as a consequence of the local emergency, the District Board of Directors may conduct meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e), and that the District shall comply with the requirements to provide the public with access to the meetings pursuant to Section 54953(e)(2);

WHEREAS, meetings of the District Board of Directors will be available to the public via zoom link listed on the agenda;

NOW THEREFORE IT IS HEREBY ORDERED AND DIRECTED THAT:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. Proclamation of Local Emergency. The District hereby proclaims that a local emergency continues to exist throughout Monterey County, and as of September 22, 2021, the Monterey County Health Department continues to recommend that physical and social distancing strategies be practiced in Monterey County, which includes remote meetings of legislative bodies, to the extent possible.
3. Ratification of Governor's Proclamation of a State of Emergency. The District hereby ratifies the Governor of the State of California's Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.
4. Remote Teleconference Meetings. The District Board of Directors is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of The Brown Act.
5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) July 30, 2022, or (ii) such time the District adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District may continue to meet via teleconference meeting all the requirements of Section (3)(b).

This Resolution was adopted at a duly noticed Regular Meeting of the Board of Directors of the District on June 22, 2022, by the following vote.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

Board Member

Salinas Valley Memorial Healthcare System

Medical Executive Committee Summary – June 9, 2022

Items for Board Approval:

Credentials Committee

Initial Appointments:

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Farrell, Robert, MD	Radiology	Surgery	Remote Radiology: Core
Floyd, Amanda, MD	Neurology	Medicine	Tele-Neurology: Core
Riad, Shareef, MD	Radiology	Surgery	Remote Radiology: Core

Reappointments:

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Acton, Danielle	Family Medicine	Family Medicine	Family Medicine - Active Community
Arnold, Cody, MD	Neonatology	Pediatrics	Neonatology
Asuquo, Stella, MD	Vascular Surgery	Surgery	Vascular Surgery Peripheral Endovascular
Dacus, James, MD	Internal Medicine	Medicine	Cardiac Diagnostic Outpatient Center at Ryan Ranch (CADI)
De Leo, Andrea, DO	Neurology	Medicine	Tele-Neurology: Core.
Falkoff, Gary, MD	Radiology	Surgery	Diagnostic Radiology Cardiovascular Diagnostic Center at Ryan Ranch (CADI)
Franklin, Peter, MD	Family Medicine	Family Medicine	Family Medicine
Gurme, Mohini, MD	Neurology	Medicine	Tele-Neurology
Hinz, Christina, MD	Anesthesiology	Anesthesiology	Anesthesiology
Labroo, Eshan, MD	Family Medicine	Medicine	Adult Hospitalist
Lim, Kelvin, MD	Orthopedic/ Hand Surgery	Surgery	Orthopedic Surgery Hand Surgery
Ordookhani, Arash, MD	Internal Medicine	Medicine	Adult Hospitalist
Rudrapatna, Vivek, MD	Internal Medicine	Medicine	Medicine – Active Community
Sakopoulos, Andreas, MD	Cardiothoracic & Vascular Surgery	Surgery	Cardiac Surgery Thoracic Surgery Vascular Surgery
Tan, Joshua, DO	Internal Medicine	Medicine	Adult Hospitalist
Trapp, Terrence, MD	Otolaryngology	Surgery	Otolaryngology

Modification/Addition of Privileges:

NAME	SPECIALTY	Privileges

Staff Status Modifications:

NAME	SPECIALTY	STATUS
Apaydin, Aytac, MD	Urology	Leave of Absence effective 5/07/2022 - 5/30/2022
Delgado, Victor, MD	Medicine	Leave of Absence effective 7/25/2022
Goldberg, Steven, MD	Interventional Cardiology	Leave of Absence effective 5/25/2022
Hoang, Julia, MD	Tele-Medicine	Resignation effective 5/01/2022
Meckel, Christopher, MD	Orthopedics	Resignation effective 6/30/2022

Interdisciplinary Practice Committee

Reappointment:

NAME	SPECIALTY	DEPARTMENT	SUPERVISING PHYSICIAN(S)
Heffington, Royce, PA-C,	Physician Assistant	Surgery	Kelvin Lim, MD

Staff Status Modifications:

NAME	SPECIALTY	STATUS	RECOMMENDATION
Socha, Jillaine, PA-C	Physician Assistant	Advanced Practice Provider	Resignation effective 6/22/2022

Other Items: (Attached)

Nursing Standardized Procedure: COVID Testing Swab	The revised standardized procedure was recommended for approval.
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Bylaws/Policies/Plans: The follow amendment to the General Medical Staff Rules and Regulations was vetted with the Plastic and Reconstructive Surgeons and Hand Surgeons. Recommended to approve the following:

7.1-18 Skin/Soft Tissue Infections:

Default specialties to address infections/wounds.

- General Surgery
- Plastic Surgery
- Hand Surgery
- Orthopedic Surgery
- Otolaryngology
- Vascular Surgery

Hand/Upper Extremity: _____ Plastic Surgery

Upper Extremity:

Distal to wrist Hand Surgery

Above the wrist Plastic Surgery

Trunk (includes buttocks): General Surgery

Genitalia:

Male Urology

Female Gynecology

Lower Extremity:

Diabetic Feet: Orthopedic Surgery

Known vascular compromise: Vascular Surgery

Head/Neck

Otolaryngology

Informational Items:

I. Committee Reports:

Quality and Safety Committee Reports:

- a. Environment of Care Committee Update
- b. Risk Management and Patient Safety Update
- c. Restraint Use Task Force Update
- d. Survey Update:
 1. Baby Friendly
 2. Taylor Farms Rural Health Clinic Recertification
 3. Commission on Cancer

II. Other Reports:

- a. Financial Update/Daily Dashboard Review - April 2022
- b. Executive Update
- c. Summary of Executive Operations Committee Meetings
- d. Summary of Medical Staff Department/Committee Meetings
- e. Medical Staff Treasury 06/01/2022
- f. Medical Staff Statistics
- g. HCAHPS Update 06/02/2022

III. Order Sets/Treatment Plans Approved:

	Title/Medication Name	Disease
1	Evusheld 300 mg	Preventative medication for COVID-19
2	*STUDY-EA5182 Arm A: Osimertinib (Tagrisso) 80 mg, Q21D (NCT04181060)	Osimertinib With or Without Bevacizumab as Initial Treatment for Patients with EGFR-Mutant Lung Cancer
3	*STUDY-EA5182 Arm B: Osimertinib + Bevacizumab, Q21D (NCT04181060)	
4	Belantamab mafodotin-blmf 2.5 mg/kg, Q21D	Multiple Myeloma
5	Mogamulizumab-kpkc 1 mg/kg, Q28D (MFL33)	Mycosis Fungiodes Sezary Syndrome
6	Journal Article: Panitumumab + Abraxane/ Carbo/5FU/Epirubicin/ Cyclophos	Breast Cancer

COVID TESTING SWAB STANDARDIZED PROCEDURE

Reference Number	6942
Effective Date	Not Set
Applies To	EMERGENCY DEPT
Attachments/Forms	

I. **POLICY**

- A. N/A

II. **DEFINITIONS**

- A. ED: Emergency Department
 B. RN: Registered Nurse
 C. URI: Upper Respiratory Infection
 D. CA: Clinical Assistant

III. **PROCEDURE:**

A. Function

- To expedite admission process for patients who present to the Emergency Department and will be admitted into Salinas Valley Memorial Hospital or will be going to procedure and require a COVID-19 test.
- To sort low acuity ED patients presenting with upper respiratory symptoms (URI) symptoms including:
 1. Fever of unknown origin
 2. Headache
 3. Sore throat
 4. Nasal congestion
 5. Runny nose
 6. Cough
 7. Shortness of breath
 8. Active vomiting (if not going immediately to ED room)
 9. Diarrhea
 10. Body aches

B. Circumstances

- Setting
 1. Registered nurses in the ED may order the SARS-COV2-NAA (ABBOTT ID NOW) test for every patient that is being admitted or going to procedure outside the Emergency Department

COVID TESTING SWAB STANDARDIZED PROCEDURE

2. Registered nurses in the ED may order ABBOTT BinaxNOW test for low acuity ED patients with symptoms listed above.
 - Supervision
 1. Registered nurses who are qualified to perform this standardized procedure may independently order the SARS-COV2-NAA (ABBOTT ID NOW) test or ABBOTT BinaxNOW test. Physician supervision is not required. Registered Nurses may delegate swabbing to Clinical Assistants who have had the training and competency.
 - Patient Conditions
 1. All patients who will be admitted to Salinas Valley Memorial Hospital.
 2. All patients who will be going to procedure outside the Emergency Department.
 3. All low acuity ED patients with symptoms previously listed.
- C. Database
- Subjective
 1. Patients in the ED and/or being admitted who are under investigation for COVID-19
 - Objective
 1. General appearance of illness
 2. No appearance of illness
- D. Diagnosis
- Patients being admitted who are under investigation for COVID-19
 - Patients going to procedure and require COVID-19 test
 - Lower acuity patients presenting with listed symptoms
- E. Plan
- Treatment
 1. Patient must have an accurate name-band in place before swab is obtained.
 2. The order will be placed under the name of the supervising ED physician.
 3. RN will place the Meditech order for the SARS-COV2-NAA (ABBOTT ID NOW) test or ABBOTT BinaxNOW test as appropriate. Then the RN or CA as delegated will collect the specimen from the patient wearing the appropriate PPE.
 4. Specimens collected must be timed and initialed by the person obtaining the specimen and placed in a yellow specimen bag and **hand delivered** to the lab (they should not go through the tube system).
 5. Documentation of the Meditech order for the COVID-19 test.
- F. Record Keeping
- The facility will retain the patients record according to the [RECORDS RETENTION POLICY](#)

COVID TESTING SWAB STANDARDIZED PROCEDURE

IV. **REQUIREMENTS FOR THE REGISTERED NURSE**

A. Education

- In accordance with the SVMH RN job description

B. Training

- The RN completes an initial review of the Standardized Procedure with an evaluation of knowledge

C. Experience

- In accordance with the SVMH RN job description

C. Initial and Ongoing Evaluation

- Initial: During the initial orientation process RNs are educated to this SP and complete a review with their preceptor. This is documented on the Department Specific Orientation Checklist and maintained in the the office of the Director of Nursing. The RN is required to implement this SP two (2) times prior to being deemed competent.
- Ongoing: At least every 3 years competency will be re-assessed via annual skills assessment.
- During the annual RN performance process, any areas of this SP not meeting requirement will be reviewed with the RN and a plan will be defined if necessary.

V. **DEVELOPMENT AND APPROVAL OF THE STANDARDIZED PROCEDURE**

A. Review schedule

- Every 3 years or when practice changes are made.

B. Approval

- The electronic policy and procedure system maintains tracking of initiation, review and approval of this SP including the Interdisciplinary Practice Committee, Medical Executive Committee and the Board of Directors.

VI. **REGISTERED NURSES AUTHORIZED TO PERFORM PROCEDURE AND DATES**

- #### A.
- The list of qualified individuals who may perform this standardized procedure is available in the department/cluster Nursing Directors office and available upon request.

VII. **REFERENCES**

- #### A.
- Board of Registered Nursing, Title 16, California Code of Regulations (CCR)

COVID TESTING SWAB STANDARDIZED PROCEDURE

B. Section 1474; Medical Board of California, Title 16, CCR Section 1379

review

EXTENDED CLOSED SESSION
(if necessary)

(VICTOR REY, JR.)

*ADJOURNMENT – THE NEXT
REGULAR MEETING OF THE
BOARD OF DIRECTORS IS
SCHEDULED FOR THURSDAY,
JULY 28, 2022, AT 4:00 P.M.*