SAN GORGONIO MEMORIAL HOSPITAL

AGENDA

REGULAR MEETING OF THE BOARD OF DIRECTORS
Tuesday, February 6, 2024 – 4:00 PM

Modular C Classroom
600 N. Highland Springs Avenue, Banning, CA 92220

In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the Administration Office at (951) 769-2160. **Notification 48 hours prior to the meeting** will enable the Hospital to make reasonable arrangement to ensure accessibility to this meeting. [28 CFR 35.02-35.104 ADA Title II].

			TAB
I.	Call to Order	S. DiBiasi, Chair	
II.	Public Comment		

A five-minute limitation shall apply to each member of the public who wishes to address the Hospital Board of Directors on any matter under the subject jurisdiction of the Board. A thirty-minute time limit is placed on this section. No member of the public shall be permitted to "share" his/her five minutes with any other member of the public. (Usually, any items received under this heading are referred to staff for future study, research, completion and/or future Board Action.) (PLEASE STATE YOUR NAME AND ADDRESS FOR THE RECORD.)

On behalf of the Hospital Board of Directors, we want you to know that the Board acknowledges the comments or concerns that you direct to this Board. While the Board may wish to occasionally respond immediately to questions or comments if appropriate, they often will instruct the Hospital CEO, or other Hospital Executive personnel, to do further research and report back to the Board prior to responding to any issues raised. If you have specific questions, you will receive a response either at the meeting or shortly thereafter. The Board wants to ensure that it is fully informed before responding, and so if your questions are not addressed during the meeting, this does not indicate a lack of interest on the Board's part; a response will be forthcoming.

GENERAL TOPIC

III.	RBG Advertising Presentation	R. Gonzales	verbal

OLD BUSINESS

IV.	***Proposed Action - Approve Minutes**	S. DiBiasi	
	• January 2, 2024, Regular Meeting		A

San Gorgonio Memorial Hospital
Board of Directors Regular Meeting
February 6, 2024

NEW BUSINESS

V.	Hospital Board Chair Monthly Report	S. DiBiasi	verbal
VI.	CEO Monthly Report	S. Barron	verbal
VII.	February, March, & April Board/Committee Meeting Calendars	S. DiBiasi	B
VIII.	Annual Completion of FPPC Statement of Economic Interest (Form 700) for 2023 (complete forms due back by March 11, 2024)	S. DiBiasi	verbal
IX.	* **Proposed Action – Approve 2024 Environment of Care Plans** ▪ **ROLL CALL**	S. Sanchez	C
X.	Committee Reports:		
	• Community Planning Committee o January 17, 2024, regular meeting minutes o Reports	S. Rutledge/ S. Barron	D
	• Human Resources Committee - **Informational** o January 17, 2024, regular meeting minutes o Reports	S. Rutledge/ A. Karam	E
	• Finance Committee o January 30, 2024, regular meeting minutes *** Proposed Action – Approve December 2023 Financial Statement (Unaudited)** (Approval recommended by Finance Committee 01/30/2024) ▪ **ROLL CALL**	S. DiBiasi/ D. Heckathorne	F
	*** Proposed Action – Recommend Approval to the Healthcare District Board that the CEO be authorized to approve SPC and NPC Construction documents and the Material Testing and Condition Assessment Program (MTCAP)** ▪ **ROLL CALL**	J. Peleuses	G
XI.	* **Proposed Action - Approve Policies and Procedures** ▪ **ROLL CALL**	Staff	H
XII.	Chief of Staff Report *** Proposed Action - Approve Recommendations of the Medical Executive Committee** ▪ **ROLL CALL**	R. Sahagian, MD Chief of Staff	I

XIII. Community Benefit events/Announcements/ and newspaper articles — S. DiBiasi — J

XIV. Future Agenda Items

*** **ITEMS FOR DISCUSSION/APPROVAL IN CLOSED SESSION** — S. DiBiasi

- Proposed Action - Recommend approval to Healthcare District Board - Medical Staff Credentialing *(Health & Safety Code §32155; and Evidence Code §1157)*
- Receive 2023 Annual Environment of Care Evaluations *(Health & Safety Code §32155)*
- Receive Quarterly Performance Improvement/Risk Management Report *(Health & Safety Code §32155)*
- Receive Quarterly Emergency Preparedness/Environment Safety Report *(Health & Safety Code §32155)*
- Receive Quarterly Corporate Compliance Committee Report *(Health & Safety Code §32155)*

XV. **ADJOURN TO CLOSED SESSION**

*** The Board will convene to the Open Session portion of the meeting approximately 2 minutes after the conclusion of Closed Session.**

RECONVENE TO OPEN SESSION

*** **REPORT ON ACTIONS TAKEN DURING CLOSED SESSION** — S. DiBiasi

XVI. **ADJOURN** — S. DiBiasi

***Action Required**

In accordance with The Brown Act, *Section 54957.5*, all public records relating to an agenda item on this agenda are available for public inspection at the time the document is distributed to all, or a majority of all, members of the Board. Such records shall be available at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

I certify that on February 2, 2024, I posted a copy of the foregoing agenda near the regular meeting place of the Board of Directors of San Gorgonio Memorial Hospital, and on the San Gorgonio Memorial Hospital website, said time being at least 72 hours in advance of the regular meeting of the Board of Directors (*Government Code Section 54954.2*).

Executed at Banning, California, on February 2, 2024

Ariel Whitley

Ariel Whitley, Executive Assistant

TAB A

MINUTES: Not Yet Approved by Board

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

January 2, 2024

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors was held on Tuesday, January 2, 2024, in Modular C meeting room, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (Chair), Perry Goldstein, Shannon McDougall, Darrell Petersen, Ron Rader, Steve Rutledge, Lanny Swerdlow, Dennis Tankersley

Members Absent: Randal Stevens

Required Staff: Steve Barron (CEO), Raffi Sahagian, MD (Chief of Staff), Daniel Heckathorne (CFO), Ariel Whitley (Executive Assistant), Angie Brady (CNE), John Peleuses (VP Ancillary and Support Services), Karan P. Singh, MD (CMO), Gary Hicks (District Financial Advisor)

AGENDA ITEM		ACTION / FOLLOW-UP
Call To Order	Chair, Susan DiBiasi, called the meeting to order at 4:02 pm.	
Public Comment	No public comment.	
OLD BUSINESS		
Proposed Action - Approve Minutes **December 5, 2023, regular meeting.**	Chair, Susan DiBiasi, asked for any changes or corrections to the minutes of the December 5, 2023, regular meeting. There we none.	**The minutes of the December 5, 2023, regular meeting will stand correct as presented.**
NEW BUSINESS		
Hospital Board Chair Monthly Report	Chair, Susan DiBiasi reminded all board members to complete and return their confidentiality agreement to Ariel Whitley.	
CEO Monthly Report	No formal report was given.	
January, February, and March Board/Committee meeting calendars	Calendars for January, February, and March were included on the board tablets.	
Foundation Quarterly Report	The Foundation Quarterly Report was provided as informational.	
Reminder – All Hospital Board	Chair DiBiasi noted that the Confidentiality and Nondisclosure Agreement is presented annually for each board member's	

<table>
<tr><th>AGENDA ITEM</th><th></th><th>ACTION / FOLLOW-UP</th></tr>
<tr><td>Members Annual Execution of Confidentiality and Nondisclosure Agreement</td><td>signature. These were given to each Board Member to return to Ariel Whitley.</td><td></td></tr>
<tr><td>Patient Care Services Bi-Monthly Report</td><td>Angela Brady, CNE, gave the Bi-Monthly Patient Care Services Report as included on the board tablets.</td><td></td></tr>
<tr><td>Proposed Action – Annual Approval of Hospital Bylaws</td><td>Chair DiBiasi noted that the bylaws require that the Board review and approve their bylaws annually. She asked if there were any suggested changes to the current Hospital Board Bylaws. It was noted that staff had no recommended changes. No changes were recommended by the board at this time.

BOARD MEMBER ROLL CALL:

<table>
<tr><td>DiBiasi</td><td>Yes</td><td>Goldstein</td><td>Yes</td></tr>
<tr><td>McDougall</td><td>Yes</td><td>Petersen</td><td>Yes</td></tr>
<tr><td>Rader</td><td>Yes</td><td>Rutledge</td><td>Yes</td></tr>
<tr><td>Stevens</td><td>Absent</td><td>Swerdlow</td><td>Yes</td></tr>
<tr><td>Tankersley</td><td>Yes</td><td colspan="2">Motion carried.</td></tr>
</table>
</td><td>M.S.C., (Rader/Rutledge) the SGMH Board of Directors approved their bylaws as presented.</td></tr>
<tr><td>Hospital Board Chair – Appoint 2024 Committee Members</td><td>Chair DiBiasi announced the 2024 Committee Assignments as follows:

Human Resources Committee:
• Susan DiBiasi, Perry Goldstein, Ron Rader, Steve Rutledge (Chair)

Finance Committee:
• Susan DiBiasi (Chair), Ron Rader, Steve Rutledge, Darrell Petersen

Community Planning Committee:
• Steve Rutledge (Chair), Susan DiBiasi, Shannon McDougall, Darrell Petersen, Ron Rader, Steve Rutledge, Randal Stevens, Lanny Swerdlow, Dennis Tankersley</td><td></td></tr>
</table>

<table>
<tr><th>AGENDA ITEM</th><th></th><th>ACTION / FOLLOW-UP</th></tr>
<tr><td colspan="3">COMMITTEE REPORTS:</td></tr>
<tr><td>Finance Committee

Proposed Action – Approve November 2023 Financial Statement (Unaudited).</td><td>Dan Heckathorne, CFO, reviewed the Executive Summary of the November 2023 Financial report which was included on the board tablet. A copy of the Finance Committee's December 22, 2023, meeting minutes were also included on the board tablet. It was noted that the Finance Committee recommends approval of the November 2023 Financial report as presented.

It is noted that approval is recommended by the Finance Committee.

BOARD MEMBER ROLL CALL:

<table>
<tr><td>DiBiasi</td><td>Yes</td><td>Goldstein</td><td>Yes</td></tr>
<tr><td>McDougall</td><td>Yes</td><td>Petersen</td><td>Yes</td></tr>
<tr><td>Rader</td><td>Yes</td><td>Rutledge</td><td>Yes</td></tr>
<tr><td>Stevens</td><td>Absent</td><td>Swerdlow</td><td>Yes</td></tr>
<tr><td>Tankersley</td><td>Yes</td><td colspan="2">Motion carried.</td></tr>
</table></td><td>M.S.C., (Swerdlow/Rader), the SGMH Board of Directors approved the November 2023 Financial Statement as presented.</td></tr>
<tr><td>Proposed Action – Recommend approval to the Healthcare District Board
• Resolution No. 2024-01</td><td>Resolution No. 2024-01 is a resolution approving the form and authorizing the execution and delivery of a second amendment to line of credit agreement with First Foundation Public Finance (formerly First Foundation Public Finance Trust), a Delaware Statutory Trust and a wholly owned subsidiary of First Foundation Bank and approving certain other actions.

BOARD MEMBER ROLL CALL:

<table>
<tr><td>DiBiasi</td><td>Yes</td><td>Goldstein</td><td>Yes</td></tr>
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<tr><td>Rader</td><td>Yes</td><td>Rutledge</td><td>Yes</td></tr>
<tr><td>Stevens</td><td>Absent</td><td>Swerdlow</td><td>Yes</td></tr>
<tr><td>Tankersley</td><td>Yes</td><td colspan="2">Motion carried.</td></tr>
</table></td><td>M.S.C., (Rader/Rutledge), the SGMH Board of Directors voted to recommend approval of Resolution No. 2024-01 to the Healthcare District Board of Directors as presented.</td></tr>
<tr><td>Proposed Action – Recommend approval to the Healthcare District Board
• California Health Facilities Financing Authority Distressed Hospital Loan Program, Loan and Security Agreement</td><td>Steve Barron, CEO, gave an update on the Distressed Hospital Loan Program Documentation. No action was taken.</td><td></td></tr>
</table>

<table>
<tr><th>AGENDA ITEM</th><th></th><th>ACTION / FOLLOW-UP</th></tr>
<tr><td>Proposed Action – Approve Policies and Procedures</td><td>There were eleven (11) policies and procedures included on the board tablets presented for approval by the Board.

BOARD MEMBER ROLL CALL:

<table>
<tr><td>DiBiasi</td><td>Yes</td><td>Goldstein</td><td>Yes</td></tr>
<tr><td>McDougall</td><td>Yes</td><td>Petersen</td><td>Yes</td></tr>
<tr><td>Rader</td><td>Yes</td><td>Rutledge</td><td>Yes</td></tr>
<tr><td>Stevens</td><td>Absent</td><td>Swerdlow</td><td>Yes</td></tr>
<tr><td>Tankersley</td><td>Yes</td><td colspan="2">Motion carried.</td></tr>
</table>
</td><td>M.S.C., (Rutledge/Petersen), the SGMH Board of Directors approved the policies and procedures as submitted.</td></tr>
<tr><td>Chief of Staff Report

Proposed Action – Approve Recommendations of the Medical Executive Committee</td><td>No report. No action was taken.</td><td></td></tr>
<tr><td>Community Benefit events/Announcements/and newspaper articles</td><td>Miscellaneous information was included on the board tablets.

Ron Rader announced that Anitha Worthen will be recognized as Citizen of the Year at the Beaumont Chamber of Commerce’s installation luncheon. Ron Rader also announced that Supervisor Gutierrez is hosting a State of the District event in partnership with the Beaumont Chamber of Commerce.</td><td></td></tr>
<tr><td>Future Agenda Items</td><td>• Information from DHLF, ACHD, and other district associations.</td><td></td></tr>
<tr><td>Adjourn to Closed Session</td><td>Chair, DiBiasi reported the items to be reviewed and discussed and/or acted upon during Closed Session will be:

➢ Recommend approval to the Healthcare District Board – Medical Staff Credentialing
➢ Receive Quarterly Environment of Care/Life Safety/Utility Management Report

The meeting adjourned to Closed Session at 5:12 pm.</td><td></td></tr>
<tr><td>Reconvene to Open Session</td><td>The meeting adjourned from closed session at 5:25 pm.

Chair DiBiasi reported on the actions taken/information received during the Closed Session as follows:

➢ Recommended approval to the Healthcare District Board – Medical Staff Credentialing
➢ Received the Quarterly Environment of Care/Life Safety/Utility Management Report</td><td></td></tr>
</table>

AGENDA ITEM		ACTION / FOLLOW-UP
Adjourn	The meeting was adjourned at 5:26 pm.	

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Respectfully submitted by Ariel Whitley, Executive Assistant

TAB B

SAN GORGONIO MEMORIAL HOSPITAL

February 2024

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
				1	2	3
4	5	6 **4:00 pm Hospital Board Meeting** **6:00 pm Healthcare District Board Meeting**	7	8	9 *Beaumont Chamber Breakfast @7:30AM* SGMH Mini Boutique	10
11	12	13	14 	15	16	17
18	19 Admin Closed. Presidents Day!	20	21 *Banning Chamber Breakfast @7:00AM*	22	23	24
25	26	27 **9:00 am Finance Committee**	28	29		

Items in **bold** = Board/Committee meetings

Items with * = Associate functions that Board members are invited to attend

SAN GORGONIO MEMORIAL HOSPITAL

March 2024

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1	2
3	4	5 **4:00 pm Hospital Board Meeting** **6:00 pm Healthcare District Board Meeting**	6	7	8 Beaumont Chamber Breakfast @7:30AM State of the District @5:00PM	9
10	11	12	13	14	15	16
17 	18	19	20	21 *Banning Chamber Installation Dinner*	22	23 Beaumont Cherry Valley Rec. and Park's Spring Fling and Egg Hunt
24	25	26 **9:00 am Finance Committee** **10:00 Executive Committee**	27	28	29	30 *National Doctor's Day!*
31						

Items in **bold** = Board/Committee meetings

Items with * = Associate functions that Board members are invited to attend

SAN GORGONIO
MEMORIAL HOSPITAL

April 2024

Board of Directors Calendar

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2 **4:00 pm Hospital Board Meeting** **6:00 pm Healthcare District Board Meeting**	3	4	5	6
7	8	9	10	11	12 Beaumont Chamber Breakfast @7:30 AM	13
14	15	16	17 Administrative Professionals Day	18	19	20
21	22	23	24	25	26	27
28	29	30 **9:00 am Finance Committee**				

Items in **bold** = Board/Committee meetings

Items with * = Associate functions that Board members are invited to attend

TAB C

SAN GORGONIO
MEMORIAL HOSPITAL

2024 Environment of Care Plans

Presented for Approval to Hospital Board of Directors on February 6, 2024

- 2024 Hazardous Materials and Waste Management Plan
- 2024 Life Safety (Fire Safety) Plan
- 2024 Utilities Management Plan
- 2024 Medical Equipment Management Plan
- 2024 Environmental Safety and Security Management Plan
- 2024 Emergency Management Plan

San Gorgonio Memorial Hospital
Environment of Care
2024 Hazardous Materials and Waste Management Plan

I. PURPOSE

San Gorgonio Memorial Hospital's Hazardous Materials and Waste Management Plan is designed to provide a safe, functional, supportive, and effective environment for patients, associates, and others utilizing the facility through the coordination, management, control, safe handling, storage and disposal of hazardous material and waste that is in accordance with Federal, State and Local regulations.

II. GOAL & OBJECTIVE

It is the goal of the Hazardous Materials and Waste Management Plan to:

1. Identify materials and waste that require special handling
   The EPA has published listing of known hazardous substances with an identification number assigned to each. Also, the State of California has a "Director's List" of hazardous substances. These lists are incomplete. The basic designations should be used when determining what is and what is not hazardous waste.

2. Implement a process to minimize the risks that are associated with unsafe use of Hazardous Material and improper disposal of Hazardous Waste. Training employees regarding hazardous wastes, including identification of hazardous wastes, the hazardous effect, safe handling procedures, use of personal protective equipment and emergency procedures.

III. SCOPE

The scope of the Hazardous Materials and Waste Management Plan is organization wide in scope, and applies to all care settings, departments, and services.

IV. AUTHORITY

The Hazardous Materials and Waste Management Plan is authorized by the Chief Executive Officer (CEO) and the hospital governing board. The EOC/Safety Committee has been charged with the responsibility to develop, implement, and evaluate this plan on at least an annual basis.

V. ELEMENTS OF THE PLAN

- Development and maintenance of a written management plan describing the processes it implements to effectively manage hazardous materials and waste.

San Gorgonio Memorial Hospital
Environment of Care
2024 Hazardous Materials and Waste Management Plan

- Creation and maintenance of an inventory that identifies hazardous materials and waste used, stored, or generated using criteria consistent with applicable law and regulation.
- Establish and implement processes for selecting, handling, storing, transporting, using, and disposing of hazardous materials and waste from receipt or
  generation through use and/or final disposal; including managing the following:
  - Hazardous chemicals and waste
  - All hazardous wastes will be approximately labeled with written information that explains what the material is. Its strength (if applicable) and the type of hazards it represented (if not obvious).
    All hazardous wastes will be packaged, labeled, placarded, and marked according to the Department of Transportation Regulations. These regulations are found in the code of Federal Regulations at 49CFR parts 172, 173, 178 and 179. These regulations specify packaging requirements for regulated materials, labeling requirements according to hazard category and all necessary placarding for use when transporting hazardous wastes.
    Labels must be clear and undamaged.
    Labels, when required, will be printed on, or affixed to the surface of the package near the proper shipping name.

    When two or more different labels are required, they will be displayed next to each other.

    When two or more packages containing compatible hazardous wastes are packaged within the same over pack, the outside container will be labeled as required for each class of material contained therein.

    Certain hazardous wastes can be stored in bags without labels, provided a universally accepted coloring system is used. For example, all infectious wastes would be disposed of in red bags.
  - Chemotherapeutic materials and waste
  - Radioactive materials and waste
  - Infectious and regulated medical waste
- Provision of adequate and appropriate space and equipment for safe handling and storage of hazardous materials and waste
- Biohazardous waste is removed from specific pickup area in each department. It is then transported to the locked biohazardous holding area to await pick up from "Waste Hauler”.
- Hazardous wastes which cannot be legally disposed of by incineration, chemical neutralization or through the sewage system, will be stored in approved drums and containers in specially designated areas that are accessible only to authorized personnel.

- Hazardous wastes will be stored on site for a maximum of 90 days. In rare cases a 30-day extension is allowed by obtaining a treatment storage and handling permit from the California Department of Health Services.

  Hazardous wastes will be segregated by class and separated by space.

  Lists of incompatible chemicals (i.e., acids and bases) will be readily available for personnel who handle waste chemical storage.

- Minimizes risks associated with selecting, handling, storing, transporting, using, and disposing of hazardous gases and vapors, including monitoring levels of hazardous gases and vapors to determine that they are in safe range.

- Flammable will be kept in a flammable liquid storage cabinet.

  Irritants and highly volatile materials will be kept in ventilated storage under slightly negative pressure.

  Ignitable or reactive wastes will be stored at least 15 meters (50 feet) from the property line.

  If a container is holding a hazardous waste that is stored near any incompatible substance, it will be separated by means of a dike, berm, wall, or other device.

- Identification and implementation of emergency procedures that include the specific precautions, procedures, and protective equipment used during hazardous materials and waste spills or exposures.

- Any hazardous material spill or exposure will be safely contained and cleaned up in accordance with policies and procedures, with notifications made to the appropriate municipal, state, and federal agencies and/or emergency response agencies as required.

  - Maintenance of documentation, including required permits, licenses, manifests, and safety data sheets as required by law and regulation
  - Department of Environmental Health- Annually
  - Medical Waste Management Annually
  - Dot Training – Annually
  - Manifests – Daily
  - Safety Data Sheets are changed when a new product is implemented
  - Proper labeling of hazardous materials and waste

  - Biohazardous waste is labeled with the hazardous symbol

VI. EVALUATION

The scope, goals and objectives, and plan elements of the Hazardous Materials and Waste Management Plan will be evaluated annually for effectiveness by the EOC/Safety Committee. The annual evaluation is submitted to the EOC/Safety Committee for review and include the following criteria:

1. The number of potential spills/exposure incidents.
2. The number and type of potential improperly segregated waste disposal.
3. The number and type of potential deficiencies during Riverside County Environmental Health Survey.

VII. EDUCATION & TRAINING

- All associates will receive education in Hazardous material and waste management at new hire orientation by the Safety Officer and thereafter by their Department Director, immediate Supervisor, the Infection Control Practitioner and/or Employee Health Nurse.

- The EOC/Safety Committee in coordination with the Safety Officer will provide annual organization-wide safety education, which will include hazardous material and waste management.

VIII. MONITORING OF PERFORMANCE

- The Hazardous Material and Waste Management Program Performance Standards will be monitored on an on-going basis and reported quarterly to the EOC/Safety Committee, and will include the following:
  - Associate knowledge of hazardous material and waste management.
  - Monitoring and inspection activities.
  - Emergency and incident reporting.
  - Equipment and hazardous environmental monitoring and/or testing.
  - Emergency response procedures performed satisfactorily in the event of a potential spill to include the following: use of appropriate Personal Protective Equipment (PPE); containment and cleaned-up; and appropriate initiation of notifications in alignment with Federal, State and Local regulatory requirements.

San Gorgonio Memorial Hospital
Environment of Care
2024 Hazardous Materials and Waste Management Plan

San Gorgonio Memorial Hospital
Environment of Care/Safety Committee
Life Safety (Fire Safety) Plan
January 1, 2024, to December 31, 2024

I. PURPOSE

San Gorgonio Memorial Hospital's Fire Safety Plan provides a method to effectively maintain a fire-safe environment.

II. OBJECTIVE

The objective of the San Gorgonio Memorial Hospital's Fire Safety Plan is to minimize the potential for harm to patients, visitors and associates through inspection, testing, surveillance, education, and response preparedness.

III. SCOPE

The scope of the Fire Safety Plan addresses San Gorgonio Memorial Hospital's Main Hospital and Behavioral Health Center.

IV. GOAL

To maintain compliance with all applicable National Fire Protection Association standards and ensure the fail-safe operation of all fire detection, containment, and suppression systems.

V. AUTHORITY

San Gorgonio Memorial Hospital's Chief Executive Officer has final authority and responsibility for the assurance of a comprehensive Fire Safety Plan to the Board of Directors. The Chief Executive Officer delegates the monitoring of the Fire Safety Plan to the Safety Committee and the Safety Officer. The EOC/ Safety Committee is responsible for ensuring that the Fire Safety is compatible with Federal, State and Local requirements.

VI. ELEMENTS OF THE PLAN

Protect patients, visitors, associates and property from fire, smoke, and other products of combustion.

- The San Gorgonio Memorial Hospital fire protection program is designed to limit the development and spread of fire through maintenance of a smoke-free facility; emergency response education, training, and performance evaluation; facility flammability control; fire safety inspection and monitoring; and maintenance and testing of fire protection and life safety systems.
- Elements of the fire protection program are inspected annually by the vendor of record and tri annually by our accrediting organization.

Inspect, test, and maintain fire protection and life safety systems, equipment, and components on a regular basis.

- Elements of the facility fire detection and suppression systems are inspected, tested and maintained in accordance to applicable National Fire Protection Association standards:

  NFPA 72
  Supervisory Signal Devices-tested annually
  Tamper Switches and Water Flow-tested quarterly
  Occupant Alarm Notification-tested quarterly with each day, evening, and night shift fire drills
  Off Premises Emergency Response Notification-event driven, tested annually.

  NFPA 25
  Riser systems-main drain test, annually
  Fire Department Connections-inspected quarterly
  Kitchen Detection/Suppression Systems-tested semi-annually

  NFPA 10
  Manual Fire Extinguishers are:
  Clearly identified.
  Inspected monthly.
  Maintained annually.

NFPA 90A
All fire and smoke dampers are operated (with fusible links removed where applicable) every six years to verify they fully close.
All automatic smoke detection shutdown devices for air handling equipment are tested at least annually.
NFPA 80
Fire/smoke doors are tested for proper operation annually and with each quarterly, day, evening, and night shift fire drills were observable.

- Elements of the facility fire detection and suppression systems are inspected and tested annually by vendor of record and tri annually by accrediting organization.

Report and investigate fire protection deficiencies, failures, and user errors.

- Fire protection deficiencies, failures and user errors are reported to and investigated, as appropriate, by the Safety Officer / Plant Operations Director for immediate resolution and are reported, as applicable, to the EOC/Safety Committee.

Review proposed acquisitions of bedding, window draperies, and other. curtains, furnishings, decorations, wastebaskets, and other items for fire Safety.

- All proposed acquisitions to furnish or decorate the facility are reviewed, as applicable to Life Safety Code, by Materials Management to ensure that compliance to mandated fire retardant ratings.

- Wastebaskets, and other items as appropriate, are made of non-combustible materials and are labeled as required to verify UL or FM approval.

EVALUATION

- The Fire Safety Plan's scope, program objectives and performance standards measures will be evaluated annually for effectiveness by the EOC/Safety Committee. The annual evaluation is submitted to Administration and the Board of Directors.

The criteria used to measure the effectiveness of the Life Safety Plan are:

1. A summary of non-complying factors related to Life Safety Codes, with action plan recommendation.

2. Preventative maintenance completion rates.

3. Fire drill completion rates.

4. General orientation and annual update training compliance rates.

EDUCATION & TRAINING

- Fire prevention training of all San Gorgonio Memorial Hospital staff is provided by the employee's Department Director/Nurse Manager, the Safety Officer/designee.

- The Safety Officer/designee presents fire prevention training at new employee orientation.

- The Safety Officer and the EOC/Safety Committee coordinate annual organization wide fire prevention education at employee annual safety fair.

MONITORING OF PERFORMANCE

- In an effort to improve the Fire Safety Plan, the Goals and Performance Standards Measures, as approved by the EOC/Safety Committee, will be monitored on an ongoing basis and annually by the Safety Officer and the EOC/Safety Committee. Performance measurements address: staff fire prevention knowledge, skills, and level of participation in fire drill exercises, and the monitoring and inspection of related fire prevention programs. The results of the fire prevention performance monitoring are reported to Administration and Department Directors/Managers on a quarterly basis, and annually to the Board of Directors.

EMERGENCY PROCEDURES

- Established emergency procedures (RACE) are evaluated through fire drills. Fire Drills to assess staff knowledge of:

  Use, function, and transmission of fire alarm systems

Containment of smoke and fire
Horizontal transfer to refuge areas

Fire extinguishments (PASS)
Specific fire-response duties

- The San Gorgonio Memorial Hospital life safety orientation and education programs address:

  Specific roles and responsibilities of staff, physicians, and other licensed independent practitioners at the fire's point of origin.

  Specific roles and responsibilities of other personnel who must participate in the fire plan, such as volunteers, students, and physicians.

  Use and function of fire alarm systems.

  Specific roles and responsibilities in preparing for building evacuation.

  Location and proper use of equipment to evacuate or transport patients to areas of refuge.

  Building compartmentalization features and procedures for containing fire and smoke.

In accordance with Life Safety Code NFPA 101, use of interim life safety measures is utilized to evaluate various deficiencies and hazards prior to the onset of building renovation or construction. Written criteria are established to address each of the interim life safety measures and are approved by the Safety Officer / Director of Plant Operations, and the responsible managing architect.

All renovation and construction areas where interim life safety measures have been activated are monitored daily for hazard surveillance, infection control and contractor compliance to the measures identified for the duration of the activation.

San Gorgonio Memorial Hospital
Environment of Care
Utilities Management Plan
2024

I. PURPOSE

San Gorgonio Memorial Hospital's Utilities Management Plan provides a method to effectively maintain a safe and comfortable environment of care through continuous evaluation, improvement, and maintenance of utility systems.

II. OBJECTIVE

The objective of San Gorgonio Memorial Hospital's Utilities Management Plan is to establish and maintain utility systems within the facility that promote a safe, controlled environment; reduce the potential for organization-acquired illness; minimize the risk of utility failures; and ensure operational reliability.

III. SCOPE

The scope of the Utilities Management Plan addresses San Gorgonio Memorial Hospital's Main Hospital.

IV. GOAL

To reduce the potential for utility service disruptions or malfunctions; to reduce any resulting risk of injury to patient care and staff; and to prolong equipment life through inspection, testing, preventive maintenance, and staff education.

V. AUTHORITY

San Gorgonio Memorial Hospital's Chief Executive Officer has final authority and responsibility for the assurance of a comprehensive Utilities Management Plan to the Board of Directors. The Chief Executive Officer delegates the monitoring of the Utilities Management Plan to the EOC/Safety Committee and the Safety Officer. The EOC/Safety Committee is responsible for ensuring that the Utilities Management Plan is compatible with Federal, State and Local requirements.

VI. ELEMENTS OF THE PLAN

Promote a safe, controlled, comfortable environment of care.

- San Gorgonio Memorial Hospital promotes a safe, controlled, comfortable environment of care through management of preventive maintenance of utility systems that maintain life support; the prevention and control of infection; environmental support; and equipment support.

- Such systems include electrical distribution, emergency power, horizontal transport, heating, ventilating and air conditioning, plumbing, boiler, and steam utilization, piped gas and vacuum systems, communication systems, and information systems.

Reduce the potential for hospital-acquired illness.

- Reducing the potential for hospital-acquired illness is accomplished through management of building utilities that address infection control, including air handling and environmental automation systems, domestic hot/cold water, steam distribution, hot water heating, and chilled water distribution.

Assess and minimize risks of utility failures.

- The risk of utility failure is minimized through the inspection, testing, and maintenance of critical operating components, and through the education of users and maintainers of utility systems.

Ensure the operational reliability of utility systems.

- Operational reliability of utility systems is accomplished through the completion and review of scheduled preventive maintenance; the ongoing assessment and scheduled upgrade of utility system components; and through the review and investigation of problems, failures, unscheduled outages, or user errors to determine cause and corrective action necessary to minimize recurrence.

Establish risk criteria for identifying, evaluating, and inventorying of critical operating components.

- Risk criteria used to prioritize maintenance of critical operating components address threat to general patient safety, life threat to patient safety, the risk of treatment delays due to equipment failure or lack of capacity and the potential discomfort to patients, visitors, staff or danger to life or health as a result of equipment failure, accidental discharge or lack of capacity.

Maintenance strategies for all inventoried critical components.

- Maintenance strategies of inventoried critical components are established utilizing predictive maintenance records, interval-based inspections, metered maintenance, and corrective maintenance histories.

Intervals for inspection, testing and maintenance of inventoried critical components.

- Intervals for inspection, testing and maintenance to minimize clinical or physical risk are established based on manufacturers' recommendations, risk levels identified, and health care system experience.

Inspection, testing and maintenance of critical components of piped gas medical systems.

- Medical gas system master signal panels and area alarms are inspected and tested annually. Automatic pressure switches, main and area shutoff valves, connectors, and outlets are inspected and tested annually.

Medical gas pipe systems are tested when installed, modified, or repaired.

- Medical gas systems are initially certified upon installation and are re-certified in the event of modification or repair. The certification and re-certification process shall include cross-connection testing, piping purity testing, and pressure testing.

Maintain accessibility to and clear labeling of medical gas system main supply valve and area shutoff valves.

- Medical gas system main shutoff and area shutoff valves are readily accessible and clearly labeled in the event of scheduled or emergency shutdown.

Manage pathogenic agents in cooling towers, domestic hot water, and other aerosolizing systems.

- The potential for growth of and exposure to pathogenic agents is minimized through the treatment and maintenance of hospital cooling towers, and scheduled cleaning and disinfecting of aerosolizing water systems (sinks, showers and drinking fountains), respiratory treatment equipment, and decorative fountains.

Install and maintain appropriate pressure relationships, air exchange rates and filtration efficiencies for ventilation systems that serve areas specially designed to control airborne contaminants.

- Specially designed areas to control airborne contaminants: operating rooms, special procedure rooms, delivery rooms, negative isolation rooms, laboratories and sterile supply rooms are tested annually to ensure air exchange rates and filtration efficiencies, or as required to ensure proper isolation pressure relationships are maintained.

Develop and maintain utility system operating plans.

- Utility system operating plans are maintained to help ensure equipment reliability and to reduce the risk of malfunction or failure.

Map the distribution of utility systems and label controls.

- Blueprints and single-line drawings are maintained to identify how utility systems are distributed, and all controls points are clearly labeled to facilitate partial or complete emergency shutdown.

Investigate utility systems management problems, failures, user errors or reported incidents.

- Reports of utility system failures, problems and/or user errors are reviewed and investigated by the Plant Operations Director for corrective action, reviewed by the Safety officer, and reported to the EOC/Safety Committee.

EDUCATION & TRAINING

- Plant Operations Supervision is responsible for ensuring the orientation, education, and annual evaluation of staff responsible for maintaining utility systems.

- The Safety Officer presents appropriate staff response to utility system failures at new employee orientation; and, department level utility system user training is provided by the employee's Department Director/Nurse Manager, Plant Operations representative.

- The Safety Officer and EOC/Safety Committee coordinate annual organization wide utility systems education.

MONITORING OF PERFORMANCE

In an effort to improve the Utilities Management Program, the Goals and Performance Standards Measures, as approved by the EOC/Safety Committee, will be monitored on an ongoing basis and annually by the Safety Officer.

The EOC/Safety Committee. Performance measurements address: user utility systems knowledge, completion of preventive

Maintenance, monitoring, testing and inspection of identified critical components, and review and investigation of emergency and incident reporting. The results of the utility systems performance monitoring are reported to Administration and Department Directors/Managers on a quarterly basis, and annually to the Board of Directors.

Emergency procedures for utility system disruptions or failures.

- Emergency procedures are maintained that address specific procedures to follow in the event of utility disruption; the identification and procurement, if applicable, of alternative sources; instructions for shutoff of malfunctioning systems and how to obtain repair; and when and how to perform emergency clinical intervention.

EVALUATION

- The Utility Systems Management Plan's scope, program objectives and performance standards measures will be evaluated annually for effectiveness by the EOC/Safety Committee. The annual evaluation is submitted to Administration and the Board of Directors for review.

  The criteria used to measure the effectiveness of the Utility Plan are:

  1. The effectiveness of current preventative maintenance procedures.

  2. Evaluation of incident reporting procedures (quality review reports).

  3. Status of compliance with employee training and orientation.

EMERGENCY POWER SOURCE

San Gorgonio Memorial Hospital provides and tests reliable emergency power systems that have:

An adequately sized, designed, and fueled emergency power source

San Gorgonio Memorial Hospital maintains and routinely tests two (2) emergency power generators to service its acute patient care facilities

and support services. Sufficient fuel storage is maintained on campus to provide a minimum of ninety-six (96) hours of service.

Provide reliable emergency power and stored energy power systems as required by occupancy classification.

- San Gorgonio Memorial Hospital maintains emergency power generators and stored energy systems to provide electricity to the following systems when normal power is interrupted:

  Alarm systems
  Exit route and exit signs illumination
  Emergency communication systems

Provide reliable emergency power systems for hospital services and patients served.

- San Gorgonio Memorial Hospital maintains emergency power generators to provide electricity to the following areas when normal power is interrupted:

  Blood storage units
  Emergency/Urgent care areas
  Medical air compressors
  Medical and surgical vacuum systems
  Operating rooms
  Postoperative recovery rooms
  Patient and special care units
  Obstetrical delivery rooms
  Newborn nurseries
  Air Conditioning Units
  Food Storage Units
  Pharmacy Supply Units

San Gorgonio Memorial Hospital
Environment of Care
Medical Equipment Management Plan
FY 2024

I. PURPOSE

San Gorgonio Memorial Hospitals Medical Equipment Management Plan provides for the safe and reliable operation of medical equipment used in the treatment of patients throughout San Gorgonio Memorial Hospital. The Medical Equipment Management Plan will ensure that the equipment provides accurate, reliable information to the clinicians. It is safe for patients, operators and visitors, and is utilized to its fullest capacity in order to optimize patient care.

II. OBJECTIVE

The objective of San Gorgonio Memorial Hospitals Medical Equipment Management Plan is to ensure the safe, hazard-free operation of equipment through risk-based preventive maintenance and management of equipment problems, recalls, failures and user errors.

III. SCOPE

The scope of the Medical Equipment Management Plan addresses the Main Hospital of San Gorgonio Memorial Hospital and the Behavioral Health Center.

IV. GOAL

To identify life support equipment as part of the hospital equipment inventory, and reduce potential injuries for patients and/ or associates. This is done through equipment risk assessment, completion of preventive maintenance, equipment inventory, responding to product safety alerts, hazards and recalls, and staff education

V. AUTHORITY

San Gorgonio Memorial Hospital Chief Executive Officer has final authority and responsibility for the assurance of a comprehensive Medical Equipment Management Plan to the Board of Directors. The Chief Executive Officer delegates the monitoring of the Medical Equipment Management Plan to the Director of Materials Management, who then reports to the Environment of Care Committee. The EOC/Safety Committee is responsible for ensuring that the Medical Equipment Management Plan is compatible with all Federal, State and Local requirements.

VI. ELEMENTS OF THE PLAN

Equipment selection and acquisition:

- Selection is based on the efficacy, safety, acceptability, serviceability, and standardization of equipment. Equipment replacement include, but not limited to, submitting planned capital equipment requests based on depreciation of equipment, schedules, monitoring approved capital equipment, hazard/product recalls, and reactively replacing based on inability to further maintain.

- A recommendation for new or replacement equipment may be originated by any department.

    - The recommendation is a multi-disciplinary process that may include other pertinent parties as necessary, e.g. Materials Management, medical staff, risk management, and end users. This process may include developing a list of potential vendors, developing and implementing an evaluation tool, defining bid document specifications, attending vendor presentations, conducting technical evaluations, participating in clinical trials, making site visits and final evaluation of bid response documents. Utilizing facility GPO contracted vendors.

- The Materials Management Department shall be made aware of any disposables/ consumables required in conjunction with equipment so that availability and cost are addressed prior to equipment acquisition. The user and the Materials Management Department are responsible for coordinating the arrival of new equipment, installation, and removal of old equipment, along with Bio-Medical Company.

- Establishment of risk criteria to identify, evaluate, and take inventory of equipment to be included in the management program before the equipment is used. The risk criteria address: equipment function, the physical risks associated with use, and equipment incident history. Contracted Bio-Medical Company shall be on site twice per month as per agreement will also be responsible for:

- All equipment included in the Biomedical Department inventory database for San Gorgonio Memorial Hospital shall be included in this program and kept in Materials Management; a web site database with equipment inventory will be made accessible via computer.

- Prior to placing any new, rental, leased, demo, borrowed or loaner medical equipment into service, the Engineering Department performs an electrical

safety/ground check. All new equipment purchased must first be inspected by contracted Bio-Medical Company which will perform safety, operational and functional check and is responsible for the initial incoming inspection, risk assessment, and assignment of inspection interval for preventive/routine maintenance.

- Equipment will be added to equipment inventory listing. A unique number is assigned to each piece of equipment and is recorded in the central database by Bio-Medical Company.

- The Materials Management Department maintains a current and accurate inventory of medical equipment for which they are responsible. This inventory includes a minimum of the reference number, manufacturer, model number, description, serial number, assigned location of the equipment, and Bio-Medical ID code.

- The Materials Management Department shall maintain and make available upon request an inventory list and equipment history.

- Monitor and act on equipment safety alerts, hazard notices and recalls.

- All medical equipment recalls, alerts, and hazard notices are addressed in accordance with all applicable policies, procedures, and governing agencies (e.g. Economic Cycle Research Institute (ECRI, Food and Drug Administration (FDA), and Manufacturer).

- Monitor and report all incidents, in which a medical device is connected to death, serious injury or serious illness of any individual, as required by the Safe Medical Devices Act (SMDA) of 1990. Any medical equipment device related incidents are to be reported immediately and coordinated through Risk Management or Administration when the Risk Management Director is not available.

- All incidents in which a medical device may have caused or contributed to the death, serious injury, or serious illness of a patient are addressed and reported per Safe Medical Devices Act (SMDA) requirements.

- Report and investigate equipment management problems, failures, and user errors.

- Any associate, upon becoming aware of a potential patient incident either involving a medical device or resulting from user error, will act in accordance with the Medical Equipment Management Plan including, but not limited to:

- Immediately notify a supervisor and other pertinent personnel (Risk Management, Safety Officer, etc.) as appropriate.

- Complete a quality review report via Verge Incident Report System.

- Impound equipment and all consumables/disposables pending investigation and release**.**

- All occurrences of incident, abuse, operator error and "could not duplicate" shall be reported to the Safety Officer for review and action as necessary.

- Utilize maintenance strategies appropriate to equipment identified the inventory to ensure safe operation.

- Establish intervals for the inspection, testing and maintenance of equipment to minimize clinical and physical risks based on criteria such as manufacturers' recommendations, risk levels, and current organization experience.

- The Materials Management Department shall complete a risk assessment for each type of device in the Medical Equipment Management Plan. Risk and preventive maintenance frequency shall be established using a weighted scoring system as follows:

  Equipment function (34%)
  Physical Risks (33%)
  Maintenance requirements (33%)

- The Contracted Bio-Medical Company shall perform inspections, testing, and maintenance as determined by the risk assessment or per manufacturer recommendations and Economic Cycle Research Institute (ECRI) procedures. Will be responsible for equipment level of services graphs each month and provided to EOC/Safety Committee meetings on a regular basis. These measures will evaluate performance level of Bio-Medical Company.

- A review annually shall be conducted to determine if any preventive maintenance program needs to be adjusted to any item in the equipment inventory.

  The Medical Equipment Plan consists of the following overlapping programs:
  Risk Management program
  Infection Control Committee
  Employee Orientation
  Education Program
  Performance Improvement Committee

Patient Safety Program
Safety Program
Life Safety Plan
Utility Systems Plan

EVALUATION

The Medical Equipment Management Plans scope, program objectives and performance standards measures will be evaluated annually for effectiveness by the EOC/Safety Committee.

The annual evaluation is submitted to Administration and the Board of Directors for review.

The criteria used to measure the effectiveness of the Medical Equipment Plan are:

1. The effectiveness of the preventative maintenance procedures.
2. The completion of the preventative maintenance schedules.
3. Staff response capability and their understanding of training.
4. Status of compliance with employee training and orientation.

EDUCATION & TRAINING: EQUIPMENT MAINTAINERS

- Emergency procedures that address: equipment disruption or failure; when and how to perform emergency clinical interventions when medical equipment fails; the availability of backup equipment; and how to obtain repair services by Bio-Medical Company and/or direct manufacturer.
- Service providers meet minimum educational and/or experience requirements upon employment.
- The Biomedical service is responsible for the technical and engineering support of the majority of medical equipment at San Gorgonio Memorial Hospital. The Engineering Department supports, maintains records on electrical safety performed on all in-coming equipment to include rental, and hospital own equipment. The Engineering department will have a working knowledge of equipment maintenance through service schools, seminars, and on-the-job/cross training.

- The Engineering Department maintains documentation of training/ education provided and received. Training/education content includes, but is not limited to:

    - Participate in the development of area specific Medical Equipment Management related policies and procedures as necessary.

    - Development, provision, and documentation of department/job specific Medical Equipment Management training as required.

    - Maintain appropriate Medical Equipment Management procedural knowledge regarding policies, practices, procedures, and safety emergency plans affecting their area(s) of responsibility and clinical interventions in the event of failure.

    - Processes for requesting backup medical equipment and equipment repair or service as needed.

    - Orientation and annual skills performance checks administered according to clinical user group needs ensuring that a level of competence is maintained.

EDUCATION & TRAINING: EQUIPMENT USERS

- The Materials Management and Engineering Department, in coordination with vendor representatives and clinical staff, as appropriate, ensures that training of users is addressed prior to placing new types of equipment into service.

- The Materials Management and Engineering Department work together to ensure training as requested or in response to suspected operator error.

- Users are assigned the responsibility and accountability for establishing and documenting appropriate internal policies and procedures establishing safe practices for their areas of operation including, but not limited to:

- Capabilities, limitations, and special applications of equipment.

- Basic operating and safety procedures for equipment use.

- Processes for reporting medical equipment problems, failures, and operator errors.

- Processes for reporting incidents and adverse patient outcomes.

- The Safety Officer presents safe medical equipment practices at new associate orientation.

- The Safety Officer and the EOC/Safety Committee Chairperson coordinate annual organization wide medical equipment safety education programs, updates.

PRODUCT EVALUATION COMMITTEE

- The Product Evaluation Committee meets as needed when new products are being considered and involving the end users.

MONITORING OF PERFORMANCE

- In an effort to improve the Medical Equipment Management Program, the Goals and Performance Measures, as approved by the Environment of Care Committee, will be monitored on an ongoing basis and annually by the Safety Officer and the EOC/Safety Committee. Performance measurements address: staff knowledge, monitoring and inspection activities, emergency and incident reporting, and preventive maintenance and testing of equipment. The results of medical equipment performance monitoring are reported to Administration and Department Directors/Managers on a quarterly basis, and annually to the Board of Directors.

San Gorgoino Memorial Hospital
Environmental Safety and Security Management Plan
2024

SCOPE

The Security Management Plan describes the methods of providing security for people, equipment and other materials through risk assessment and management for San Gorgonio Memorial Hospital, as well as associated off site locations. Security protects individuals and property against harm or loss, including workplace violence, theft, infant abduction, and unrestricted access to medications.

The program applies to the Behavioral Health Center and all other associated clinics and off-site facilities related to San Gorgonio Memorial Hospital.

FUNDAMENTALS

A. A visible security presence in the hospital helps reduce crime and increases the feeling of security for patients, visitors and staff.
B. The assessment of risks to identify potential problems is key to reducing crime, injuries, and other incidents.
C. Analysis of security incidents provides information to assist with predicting and preventing crime, injury, and other incidents from occurring.
D. Training hospital associates is critical to ensuring their appropriate performance. Associates are trained to recognize and report either potential or actual incidents to ensure a timely response.
E. Associates in sensitive or high-risk areas receive training about the protective measures designed for those areas and their responsibilities in the protection of patients, visitors, associates and property.
F. Violence in the workplace awareness; please refer to Policy Stat “Workplace Violence”, Code of Conduct policies.

OBJECTIVES

The Objectives for the Security Management Plan are developed from information gathered during routine and special risk assessment activities, annual evaluation of the previous year’s plan, performance measures, Security Incident Reports and environmental tours. The Objectives for Security to fulfill this plan are:

- Conduct and document adequate security rounds on all shifts.
- Respond to emergencies and requests for assistance in a timely fashion.
- Maintain and expand current electronic security protection devices, including card access, surveillance cameras, and alarm systems.

San Gorgoino Memorial Hospital
Environmental Safety and Security Management Plan
2024

ORGANIZATION & RESPONSIBILITY

The Hospital Board receives regular reports of the activities of the Security Management Plan from the Environment of Care Committee (EOC), which is responsible for the physical environment issues. The board reviews reports and, as appropriate, communicate concerns about identified issues and regulatory compliance. The board also provides financial and administrative support to facilitate the ongoing activities of the Security Management Plan.

The Chief Executive Officer or other designated leader collaborates with the Director of Security to establish operating and capital budgets for the Security Management Plan.

The Director of Security, in collaboration with the committee, is responsible for monitoring all aspects of the Security Management Plan. The Director of Security advises the committee regarding security issues which may necessitate changes to policies and procedures, orientation or education, or expenditures of funds.

Department leaders are responsible for orientating new associates to their departments, as appropriate, to job and tasks specific to security procedures. They are also responsible for the investigation of incident occurring in their departments. When necessary, the Director of Security provides directors with assistance in developing department security plans or policies and assists in investigations as necessary.

Associates are responsible for learning and following job and task-specific procedures for secure operations.

PERFORMANCE ACTIVITIES

The performance measurement process is one part of the evaluation of the effectiveness of the Security Management Plan. Performance measures have been established to measure at least one important aspect of the plan.

The performance measures for the plan are:

Security Management Plan Performance Measures			
Performance Standard	**Performance Indicator**	**Justification for the measure**	**Source of Data**
Security will conduct monthly panic alarm testing for all devices monitored by the Centurion Elite system. An alarm should sound and register on appropriate monitoring devices.	Percentage of properly working panic alarms. (Needs Improvement 0-95%, Threshold 96-97%, Target 98-100%)	Associate and patient safety and timely response	Panic Alarm Binder-Director of Security's office
Security will enforce smoking policy and track the number of contacts for non-compliance	Informational	Enforcement of hospital no-smoking policy	Daily Activity Reports
Number of reported security restraint incident, which are evaluated for compliance with established security procedures	% of reports evaluated (0-60% needs improvement, threshold 80-90%, Target 100%)	Annual risk reporting	Security Department Reports

PROCESSES FOR MANAGING SECURITY RISKS

Management Plan

The Director of Security develops and maintains the Security Management Plan. The scope, objectives, performance, and effectiveness of the plan are evaluated on an annual basis.

Security Risk Assessment

The Director of Security manages the security risk assessment process for the organization and offsite facilities. The Director of Security is designated to manage risk, coordinate risk reduction activities in the physical environment, collect deficiency information, and disseminate summaries of actions and results. The Director of Security ensures compliance with applicable codes and regulations.

The assessment of the hospital identifies security risks associated with the environment of care. Risks are identified from internal sources such as ongoing monitoring of the environment, result of root cause analysis, results of annual proactive risk assessment, and from credible external sources such as Sentinel Event Alerts.

The risk assessment is used to evaluate the impact of the environment of care on the ability of the hospital to perform clinical and business activities. The impact may include disruption of normal functions or injury to individuals. The assessment evaluates the risk from a variety of functions, including structure of the environment, the performance of everyday tasks, workplace violence, theft, infant abduction, and unrestricted access to medications.

Use of Risk Assessment Results

Where the identified risks are not appropriately handles, action is taken to eliminate or minimize the risk. The actions may include creating new programs, processes, procedures, or training programs. Monitoring programs may be developed to ensure the risks have been controlled to achieve the lowest potential for adverse impact on the security of patients, associates, and visitors.

Identification Program

The Director of Security coordinated the identification program. All supervisory personnel manage enforcement of the identification program.

Hospital administration maintains policies for identification of patient, associates, visitors, and vendors. All associates are required to display and identification badge on their upper body while on duty. Identification badges are displayed on the individual with the picture showing. Associates who fail to properly display their identification badges are counseled individually by their directors.

Visitors to patients are also expected to have identification. Visitors and vendors entering the facility are expected to stop at the entrance desks so that a visitor identification pass is issued. The Security Officer assist in the enforcement of visitor identification policies.

The Purchasing Department provides vendor identification. Contract identification is provided by Security.

Sensitive Areas

The Director of Security works with leadership to identify security sensitive areas by utilizing risk assessment and analysis of incident reports.

The following areas are currently designated as security sensitive areas:

- Business Office
- Emergency Department
- Human Resources
- Pharmacy
- OB/GYN
- Behavioral Health

Associates are reminded during their annual in-service about those areas of the facility that have been designated as sensitive. Associates assigned to work in sensitive area receive department level education on an annual basis that focuses on special precautions or responses that pertain to their areas.

Security Incident Procedures

The Director of Security coordinates the development of organization-wide written security policies and procedures and provides assistance to departments in the development of departmental security procedures, as requested. These policies and procedures include infant and pediatric abduction, workplace violence, and other events that are caused by individuals from either inside or outside the organization. Organization-wide security policies and procedures are available online to all departments and associates. Department directors are responsible for ensuring enforcement of security policies and procedures. Each associate is responsible for following security policies and procedures. Organization-wide and departmental security policies and procedures are reviewed at least every three years. Additional interim reviews may be performed on an as needed basis. The Director of Security coordinated the triennial ad interim reviews of organization-wide procedures with department directors and other appropriate associates.

Security Department Response

Upon notification of a security incident, the Director of Security or designee assesses the situation and implements the appropriate response procedures. The Director of Security notifies Administration, if necessary, to obtain additional support. Security incidents that occur in the Emergency Department are managed initially by the posted

Officer in accordance with the policies and procedures for this area. The Director of Security is notified about the incident as soon as possible.

Security incidents that occur in the departments are managed according to departmental or facility-wide policy. The Director of Security or designee is notified about any significant incident that occurs in a department as soon as possible. Additional support is provided by the Security Department, as well as public law enforcement if necessary.

Following any security incident, a written “Security Department Report” is completed by the Security Officer responding to the incident. The report is reviewed by the appropriate Security Supervisor and Director of Security. Any deficiencies identified in the report are corrected.

Evaluating the Management Plan

On an annual basis the Director of Security evaluates the scope, objectives, performance, and effectiveness of the plan to manage the utility system risks to associates, visitors, and patients.

REFERENCES

1. CIHQ Standards CE-3, CE-4
2. CMS Conditions of Participation for Acute Care Hospitals – §482.41

SAN GORGONIO MEMORIAL HOSPITAL 2024 Emergency Preparedness Plan

INTRODUCTION

San Gorgonio Memorial Hospital (SGMH) is committed to furnishing a safe, accessible, effective, and efficient environment consistent with its mission, services, and applicable governmental mandates. This includes fostering the protection, safety and well-being of patients, volunteers, associates, physicians, and visitors during natural or man-made disasters and ensuring to the greatest extent possible, adherence to our social responsibility and commitment to the community.

SCOPE AND OBJECTIVES

This plan applies to all facilities owned, leased, or rented by SGMH and to all departments, associates, volunteers, and physicians. The EOP is an all-hazards plan to guide preparations, response, and recovery to emergencies and disasters, internal and external. It is supplemented by specific policies and procedures that are cited throughout the plan and by reference materials kept in the Hospital Incident Command Center (HICC). This plan incorporates the principles and elements of the National Incident Management System (NIMS) as defined by the NIMS Implementation Activities for Hospitals and Healthcare System elements. San Gorgonio Memorial Hospital has adopted NIMS.

The goal of the EOP is to provide medical continuity of care in a safe and secure environment during an emergency. To achieve this goal in an uncertain and unpredictable environment, this plan is based on a comprehensive all-hazards approach to emergency management. Incidents will be managed using the Hospital Incident Command System (HICS)/Homeland Security Exercise & Evaluation Program (HSEEP) and their associated forms, templates, Job Action Sheets, and Incident Response Guides.

The core of the EOP focuses on the six critical functions. Those areas of focus include communications, resources & asset management, safety and security, staff responsibilities, utility management, and patient and clinical support activities. Additionally, the Hazard Vulnerability Analysis (HVA) identifies risk associated with those natural or man-made disaster possibilities within the geographical location and county in which the hospital is located. Emergency Management activities are targeted at preparation for those identified events and an annual evaluation and review of risk factors provides direction for exercises and drills. Sections within the Emergency Operations Plan are dedicated to the four phases of a disaster: mitigation, preparedness, response, and recovery. This EOP guides policies as they relate to the Emergency Management Program (EMP). Departures from the EOP, in actual emergencies, are likely and are directed through the HICC as needed.

SAN GORGONIO MEMORIAL HOSPITAL 2024 Emergency Preparedness Plan

PROMULGATION, REVIEW AND DISTRIBUTION

The plan is promulgated under the authority of the Environment of Care Committee and the Emergency Preparedness Committee. Changes and revision of the EOP are reviewed at the Emergency Preparedness Committee (EPC) level and forwarded for review by the Environment of Care Committee. The EOP is forwarded to Executive Leadership/Hospital Board for final review, approval, and implementation. Executive Leadership/Hospital Board provide the program vision, leadership, support, and appropriate resources through the development, communication and institutionalizing of pertinent business fundamentals. The Chief Executive Officer (CEO) or designee receives regular reports on the activities of the Emergency Operations Plan from the Environment of Care Committee through hospital committee reporting structures. The CEO or designee reviews reports and, as necessary, communicates concerns about key issues and regulatory compliance to the Emergency Preparedness Coordinator or designee who oversees disaster response. The CEO collaborates with the Vice President/Chief Financial Officer/VP of Ancillary Services to establish operating and capital budgets for the EOP.

This plan is reviewed annually as part of the management process for this program. The goal of the annual review of the EOP is improvement of the overall emergency management capability and the review is overseen by the Emergency Preparedness Committee, who represent a cross-section of leadership, clinical and operations support stakeholders and is approved by Executive Leadership.

The EOP is an evolving document based on best practices and lessons learned. The EOP is available electronically to all hospital associates through policy stat on the hospital's intranet.

EMERGENCY MANAGEMENT COMMITTEE

In accordance with its administrative protocols, the Executive Leadership team and the Hospital Board provide the Emergency Preparedness Committee with the authority to ensure that this plan is appropriately set forth and conducted. The administrative leadership is responsible to ensure the San Gorgonio Memorial Hospital EOP is appropriately designed, implemented, evaluated, and maintained. The chairperson of the Emergency Preparedness Committee is accountable for overall program coordination.

The Emergency Preparedness Committee monitors the ongoing program and provides a forum for consensus building, approvals, and recommendations for improvements and exercise planning.

The Emergency Preparedness Committee meets bi-monthly to establish priorities for emergency management activities and to ensure readiness within the Medical Center.

The committee's responsibilities include:

- Strategic Planning.
- Ongoing hazard, threat, and vulnerability risk assessment – Hazard Vulnerability Analysis (HVA).
- Developing and editing the EOP to ensure program consistency with other healthcare organizations and response partners in the community.
- Defining the role of the facility in the community-wide emergency preparedness program.
- Developing and editing policies, procedures and guidelines as needed to address hazards identified in the HVA. For each high-risk hazard, the committee will also assess and recommend measures for mitigation, preparedness, response, and recovery.
- Ensuring departments have developed department specific procedures, that associates are trained in disaster roles and responsibilities and that associates participate in exercises and real events.
- Managing resources, space, and supplies.
- Monitoring performance of the plan.
- Providing direction and oversight for emergency management accreditation and regulatory compliance activities.
- Developing and maintaining primary and alternate Hospital Incident Command Center (HICC).
- Identifying and implementing an Incident Command System. Ensuring that all hospital associates have received appropriate training for their roles in the command system.
- Designing, implementing, and evaluating disaster exercises, drills, and tabletops, and ensuring that findings from these activities are corrected in a timely manner.
- Performing an annual review of the HVA, inventory of resources, assets, inventory processes and the Emergency Preparedness Program's objectives and scope.
- Regular membership on the Emergency Preparedness Committee includes representatives from key stakeholders representing patient care services (inpatient, outpatient), Pharmacy, Laboratory, Diagnostic Imaging, Medical Staff, Human Resources, Plant Operations, Materials Management/Purchasing, Environmental Services, Safety/Security, Infection Control, and Nursing.

PERFORMANCE STANDARDS

The performance measurements for the Emergency Preparedness Program for 2024 include:

- Individuals trained/re-trained for WMD (decontamination) participation
- Timely follow-up of incident or exercise requiring follow-up actions, After Action Report (AAR)
- Compliance with National Incident Management System's (NIMS), Standardized Emergency Management System (SEMS) Implementation

- Annual review of the Emergency Operations Plan (EOP)
- Annual Emergency Management risk assessment (HVA)

The information outlined in these performance standards will be reported to the (Environment of Care Committee) on a quarterly basis, and to the hospitals governing board. Aggregate information will also be reported on a quarterly basis using at least one year's data and information. Conclusions, actions, and results of follow-up monitoring will be documented in the minutes of the Emergency Preparedness Committee or in logs designed to monitor performance and results.

Related and Supportive Documentation

- After Action Reports from Drills and Exercises
- HICS (Hospital Incident Command Structure) Plan
- Hazard Vulnerability Analysis (HVA)
- Policies addressing preparation, mitigation, response and recovery from a disaster or emergency in the six defined areas of the EOP (Emergency Operations Plan)
- Minutes, exercise critiques, agreements from community integration activities with local, state, or federal agencies
- Minutes from Emergency Preparedness Meetings
- Evacuation Plans
- Annual Program Evaluation

TAB D

MINUTES: Not Yet Approved by Committee

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

COMMUNITY PLANNING COMMITTEE
January 17, 2024

The Regular Meeting of the Community Planning Committee of the San Gorgonio Memorial Hospital Board of Directors was held on Wednesday, January 17, 2024, in Classroom C, in Banning, California

Members Present: Susan DiBiasi, Perry Goldstein, Shannon McDougall, Ron Rader, Steve Rutledge (C), Randal Stevens, Darrell Petersen, Dennis Tankersley

Absent: Lanny Swerdlow, Dennis Tankersley

Staff Present: Steve Barron (CEO), Dan Heckathorne (CFO), Ariel Whitley (Executive Assistant), Annah Karam (CHRO), Angela Brady (CNE), Karan P. Singh, MD (CMO), John Peleuses (VP, Ancillary & Support Services)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Steve Rutledge called the meeting to order at 10:32 am.	
Public Comment	No public comment.	
OLD BUSINESS		
Proposed Action – Approve Minutes **April 19, 2023, Regular Meeting, and the September 26, 2023, Special Meeting**	Chair Rutledge asked for any changes or corrections to the minutes of the April 19, 2023, regular meeting or the September 26, 2023, Special Meeting. There were none.	**The minutes of the April 19, 2023, Regular Meeting, and the September 26, 2023, Special Meeting were reviewed and will stand as presented.**
NEW BUSINESS		
Seismic Project Update	John Peleuses, VP of Ancillary and Support Services, gave a presentation, including an update on the seismic compliance project.	

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Strategic Planning Meeting - Discussion	Susan DiBiasi discussed the expectations of the next strategic planning session. The session will potentially be scheduled on a Saturday in April.	
Future Agenda Items	• Strategic Planning Meeting	
Next Meeting	The next Community Planning Committee meeting will be held on Wednesday, April 17, 2024, at 10:00 am.	
Adjournment	The meeting was adjourned at 11:42 am.	

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

Seismic Project Update

Community Planning Committee Meeting

SAN GORGONIO MEMORIAL HOSPITAL

JANUARY 17, 2024

2030
SEISMIC COMPLIANCE DEFINITION

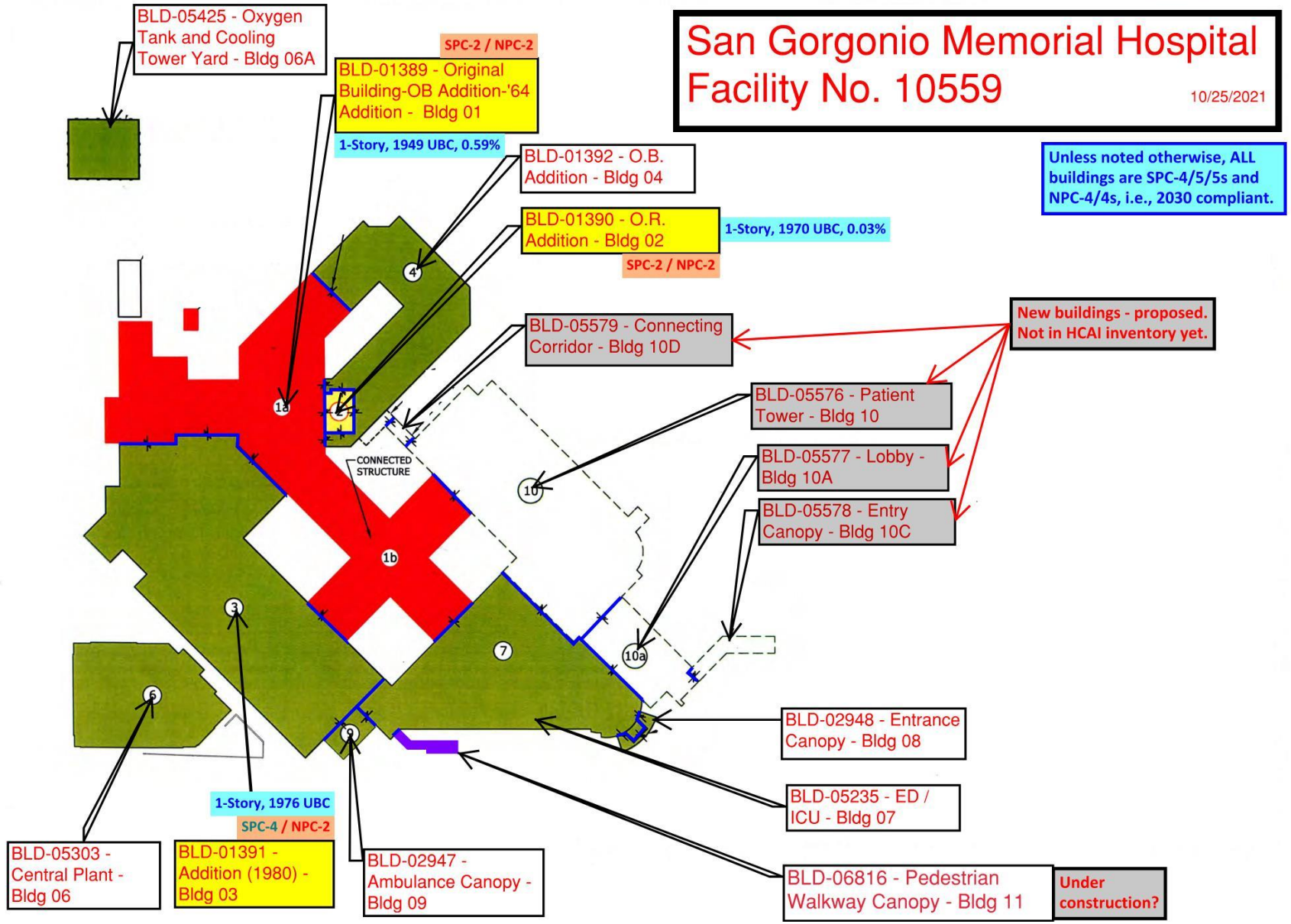
A Hospital building rated as SPC-3
or SPC-4D or SPC 4 or SPC-5
AND NPC-5 is considered 2030 Compliant.

SPC: Structural Performance Category (Building Structure / Skeleton / Frame)

NPC: Non-Structural Performance Category (Building Systems, e.g. MEP, partitions, ceilings, medical equipment, elevators, stairs, etc.)

San Gorgonio Memorial Hospital

Campus Google Map



Current Seismic Status of SGMH

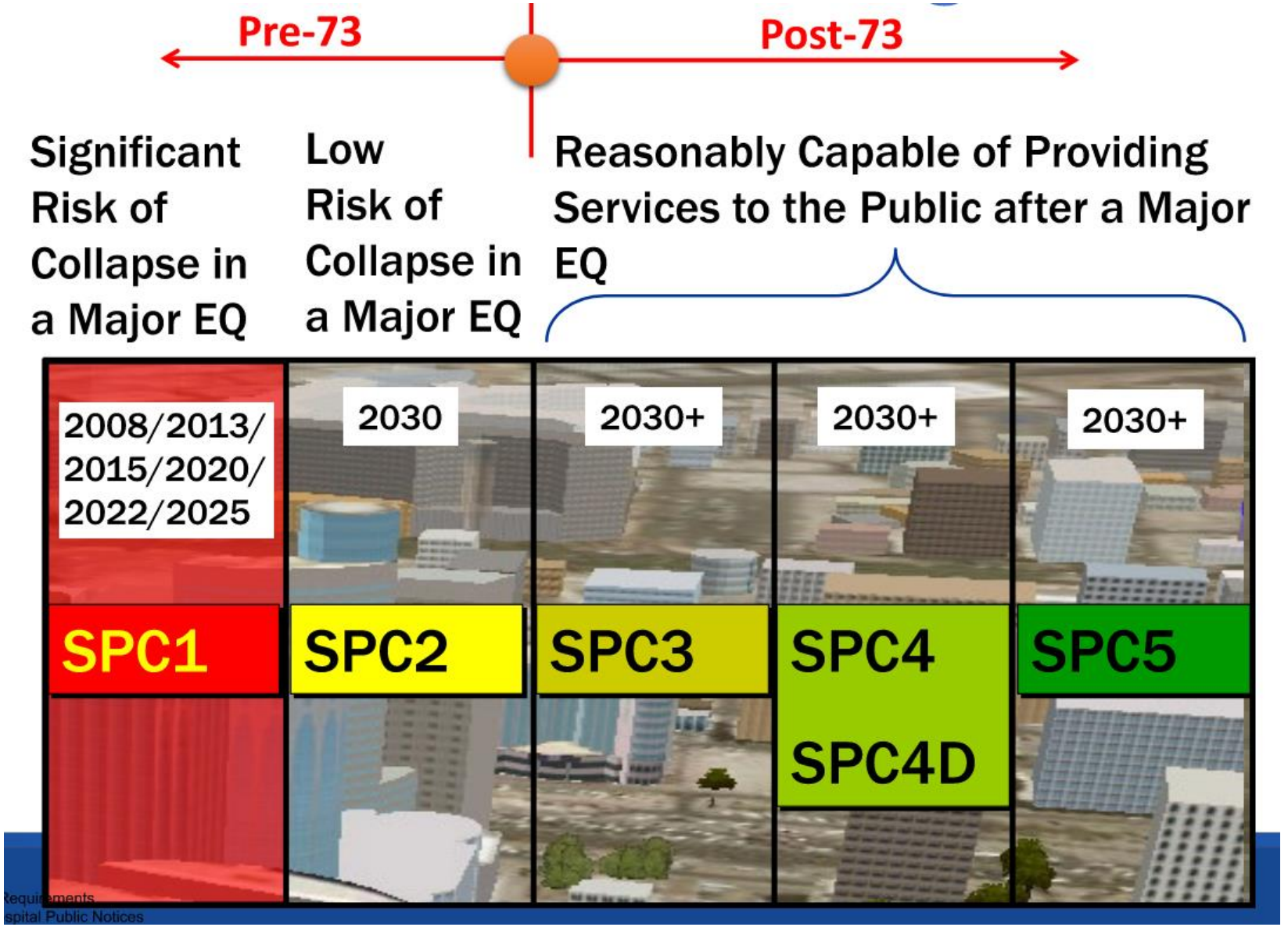
#	Building Name	SGMH / OSHPD Bldg. #s	Bldg. Code Year	Year Built	Current SPC Rating	Current NPC Rating
1	Original Bldg. – OB Addn. – ’64 Addn.	01 / 01389	1949	1950	2	2
2	OR Addition	02 / 01390	1970	1973	2	2
3	Addition (1980)	03 / 01391	1976	1980	4	2
4	OB Addition	04 / 01392	1995	2003	5	4
5	Ambulance Canopy	09 / 02947	2001	2013	5	4
6	Entrance Canopy	08 / 02948	2001	2013	5	4
7	ED / ICU	07 / 05235	2001	2013	5	4
8	Central Plant	06 / 05303	2001	2012	5	4
9	Oxygen Tank & Cooling Tower Yard	06A / 05425	2001	2011	N/A	4
10	Pedestrian Walkway Canopy	11 / 06816	2019	2023	5	4

Current Seismic Status of SGMH

STRUCTURAL PERFORMANCE CATEGORIES (SPC)

SPC pertains to building's skeleton. Ratings are 1 to 5.

a. SPC-1 and 2 buildings are considered 2030 non-compliant
b. SPC-3, 4D, 4, and 5 buildings are considered 2030 compliant
c. 2 buildings at SGMH are 2030 non-compliant for SPC
d. 7 buildings at SGMH are 2030 SPC compliant
e. SPC-2 buildings can ONLY be retrofitted to SPC-4D or SPC-5
f. Retrofit to SPC-4D is the cheapest option. It must be completed by 01/01/2030. Retrofit to SPC-5 is cost-prohibitive and is not required.


Pre-73
Post-73
Significant Risk of Collapse in a Major EQ
Low Risk of Collapse in a Major EQ
Reasonably Capable of Providing Services to the Public after a Major EQ
2008/2013/ 2015/2020/ 2022/2025
2030
2030+
2030+
2030+
SPC1
SPC2
SPC3
SPC4
SPC4D
SPC5

SPC Ratings

1. Prepare MTCAPs (Materials Testing & Conditions Assessment Programs) for each SPC-2 building - COMPLETED.
2. Obtain OSHPD approvals - COMPLETED.
3. Field implement MTCAP.
4. Prepare SPC-4D upgrade CDs for each SPC-2 building.
5. Obtain OSHPD approval of SPC-4D upgrade CDs.
6. Complete upgrade construction by 01/01/2030.

- Steps 1 & 2 have been completed for both SPC-2 buildings.
- Steps 3 through 6 have not yet started.

Process for SPC-4D Reclassification

NON-STRUCTURAL PERFORMANCE CATEGORIES (NPC)

NPC pertains to building's contents & systems, viz. MEP and medical equipment, furnishings, partitions, cladding, elevators, stairs, etc. Ratings are 1 to 5.

a. NPC rating less than 5 is considered 2030 non-compliant.
b. Buildings rated NPC-5 are considered 2030 compliant.
c. 3 buildings at SGMH are NPC-2. 7 buildings are NPC-4.
d. NPC-4 buildings are "almost" 2030 compliant.
e. NPC-2 buildings must first be upgraded to NPC-3, then to NPC-4D or NPC-4, and then to NPC-5. NPC-5 rating requires 72-hour tanks.
f. Deadline for NPC-3, 4D or 4, and 5 is 01/01/2030.

1. Prepare NPC Upgrade CDs for three NPC-2 buildings and obtain OSHPD permit.

2. Proceed with SPC-4D Upgrade CDs for two SPC-2 buildings and obtain OSHPD permit.

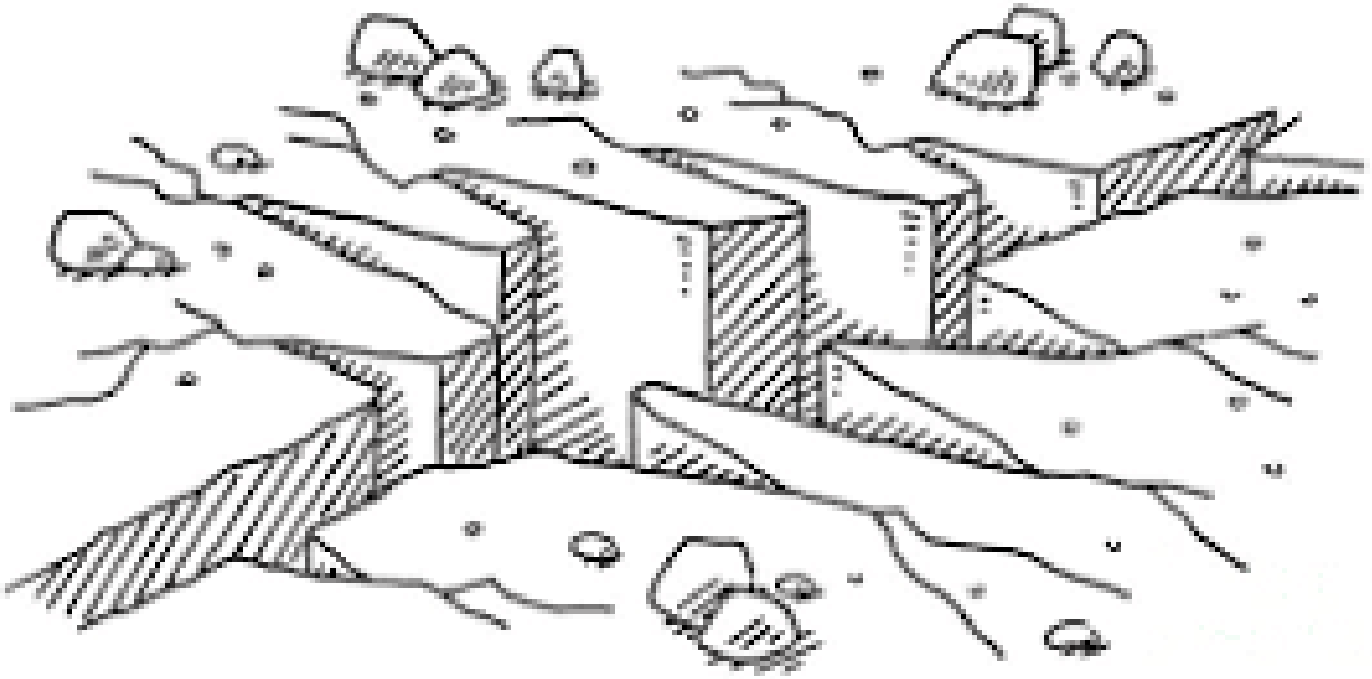
3. Field implement NPC-3 & SPC-4D upgrades simultaneously.

Recommended Next Steps for 2030 Compliance

1. As per geologists, SoCal is long overdue for a big earthquake.
2. Compliance deadlines might get pushed but won't disappear.
3. AB-1882 signage in the lobby would frighten staff and drive customers/patients away.
4. "Design" costs are a fraction of upgrade "construction" costs.
5. Retrofit construction can be phased after OSHPD approval.
6. Future code revisions cannot be applied retroactively.
7. Sooner you finish construction, lesser would be the cost escalation.
8. Retrofit is significantly advantageous (than replacement with new buildings) from sustainability perspective.
9. It would be harder, if not impossible, to find qualified GCs to do the work closer to the deadline. Also, they would charge a premium.

Benefits of Acting NOW

Questions?



TAB E

MINUTES: Not Yet Approved by Committee

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

HUMAN RESOURCES COMMITTEE
January 17, 2024

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Human Resources Committee was held on Wednesday, January 17, 2024, in Classroom C, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi, Perry Goldstein, Ron Rader, Steve Rutledge (C)

Excused Absence: None

Staff Present: Steve Barron (CEO), Angela Brady (CNE), Annah Karam (CHRO), Daniel Heckathorne (CFO) Ariel Whitley (Executive Assistant), John Peleuses (VP, Ancillary and Support Services), Karan P. Singh, MD (CMO)

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Call To Order	Chair Steve Rutledge called the meeting to order at 9:32 am.	
Public Comment	No public was present.	
OLD BUSINESS		
Proposed Action - Approve Minutes: **July 19, 2023, Regular Meeting, and September 26, 2023, Special Meeting**	Chair Rutledge asked for any changes or corrections to the minutes of the July 19, 2023, regular meeting or the September 26, 2023, Special Meeting. There were none.	**The minutes of the July 19, 2023, Regular Meeting, and the September 26, 2023, Special Meeting were reviewed and will stand as presented.**
NEW BUSINESS		
Reports		
A. Employment Activity/Turnover Reports		
1. Employee	Annah Karam, Chief Human Resources Officer, reviewed	

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
Activity by Job Class/ Turnover Report (07/01/2023 through 12/31/2023)	the report "Employee Activity by Job Class/Turnover Report" for the period of 07/01/2023 through 12/31/2023 as included in the Committee packet.	
2. Separation Reasons Analysis All Associates (07/01/2023 through 12/31/2023)	Annah reviewed the "Separation Reason Analysis for All Associates" for the period of 07/01/2023 through 12/31/2023 as included in the Committee packet. For this period, there were 82 Voluntary Separations and 18 Involuntary Separations for a total of 100.	
3. Separation Reason Analysis Full and Part Time Associates (07/01/2023 through 12/31/2023)	Annah reviewed the "Separation Reason Analysis for Full and Part Time Associates" for the period of 07/01/2023 through 12/31/2023 as included in the Committee packet. For this period, there were 48 Voluntary Separations and 18 Involuntary Separations for a total of 66.	
4. Separation Reason Analysis Per Diem Associates (07/01/2023 through 12/31/2023)	Annah reviewed the "Separation Reason Analysis for Per Diem Associates" for the period of 07/01/2023 through 12/31/2023 as included in the Committee packet. For this period, there were 34 Voluntary Separations and 0 Involuntary Separations for a total of 34.	
5. FTE Vacancy Summary (07/01/2023 through 12/31/2023)	Annah reviewed the "FTE Vacancy Summary" for the period of 07/01/2023 through 12/31/2023 as included in the Committee packet. Annah reported that the Facility Wide vacancy rate as of 12/31/2023 was 25.13%.	
6. RN Vacancy Summary	Annah reviewed the "RN Vacancy Summary" for the period of 07/01/2023 through 12/31/2023 as included in the	

AGENDA ITEM	DISCUSSION	ACTION / FOLLOW-UP
(07/01/2023 through 12/31/2023)	Committee packet. Annah reported that the Overall All RN Vacancy rate as of 12/31/2023 was 35.29%.	
B. Workers Compensation Report		
Workers Compensation Report (07/01/2023 through 12/31/2023)	Annah reviewed the Workers Compensation Reports covering the period of 12/01/2023 through 12/31/2023 as included in the Committee packet. The agenda incorrectly stated 07/01/2023 through 12/31/2023.	
Education	Annah reviewed each education article as included in the committee packets: • California Employers Are Now Required to Pay for Food Handler Cards: Your 4-Step Action Plan • HR Manager's Legal Alert for Supervisors	
Future Agenda items	None.	
Next regular meeting	The next regular Human Resources Committee meeting is scheduled for April 17, 2024, @ 9 am.	
Adjournment	The meeting was adjourned at 10:19 am.	

In accordance with The Brown Act, *Section 54957.5*, all reports and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

Minutes respectfully submitted by Ariel Whitley, Executive Assistant

EMPLOYEE ACTIVITY BY JOB CLASS / TURN OVER REPORT

07/01/2023 THROUGH 12/31/2023

JOB CLASS/FAMILY	CURRENT NEW HIRES 07/01/2023 THROUGH 12/31/2023	2022 NEW HIRES	YTD NEW HIRES 01/01/2023 THROUGH 12/31/2023	CURRENT SEPARATIONS 07/01/2023 THROUGH 12/31/2023	2022 SEPARATIONS	YTD TERMS 01/01/2023 THROUGH 12/31/2023	ACTIVE ASSOCIATE COUNT AS OF 12/31/2023	LOA ASSOCIATE COUNT AS OF 12/31/2023	CURRENT TURNOVER AS OF 12/31/2023	ANNUALIZED TURNOVER
ADMIN/CLERICAL	4	21	9	3	20	11	45	3	6.67%	24.44%
ANCILLARY	12	16	24	11	20	17	68	1	16.18%	25.00%
CLS	2	2	5	2	3	4	20	0	10.00%	20.00%
DIRECTORS/MGRS	1	2	3	3	3	6	33	0	9.09%	18.18%
LVN	1	3	2	0	6	2	20	1	0.00%	10.00%
OTHER NURSING	10	30	27	14	27	31	76	3	18.42%	40.79%
PT	1	0	5	0	4	2	9	0	0.00%	22.22%
RAD TECH	2	7	5	5	7	6	30	1	16.67%	20.00%
RN	32	44	54	36	59	64	132	9	27.27%	48.48%
RT	2	0	3	0	2	3	20	1	0.00%	15.00%
SUPPORT SERVICES	24	31	59	26	28	51	114	5	22.81%	44.74%
FACILITY TOTAL	**91**	**156**	**196**	**100**	**179**	**197**	**567**	**24**	**17.64%**	34.74%
Full Time	48	99	115	53	90	104	397	18	*13.35%*	26.20%
Part Time	11	8	22	13	13	20	58	4	*22.41%*	34.48%
Per Diem	32	49	59	34	76	73	112	2	*30.36%*	65.18%
TOTAL	***91***	***156***	***196***	***100***	***179***	***197***	***567***	***24***	**17.64%**	

Current Turnover: J22

Annualized Turnover: K22

Southern California Hospital Association (HASC) Benchmark:

Turnover for all Associates	=	3.60%
Turnover for all RNs	=	3.20%

TOTAL ASSOCIATES ON PAYROLL = 591

Southern California Hospital Association (HASC) Benchmark:		
Turnover for all PER DIEM Associates	=	10.20%
Turnover for all PER DIEM RNs	=	10.70%

SEPARATION ANALYSIS

ALL ASSOCIATES

07/01/2023 THROUGH 12/31/2023

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	*90 days - 1 year*	*1-2 years*	*3-5 years*	*6-10 years*	*10+ years*	
Voluntary Separations								
Full-Time	39.0%	5	16	7	4	3	4	*39*
Part-Time	9.0%	*0*	*3*	*1*	*1*	*4*	0	*9*
Per Diem	34.0%	*6*	7	8	7	4	2	*34*
Subtotal, Voluntary Separations	82.0%	*11*	*26*	*16*	*12*	*11*	*6*	*82*
Involuntary Separations								
Full-Time	14.0%	*3*	*6*	*2*	*1*	*2*	*0*	*14*
Part-Time	4.0%	*0*	*0*	*0*	*0*	*3*	*1*	*4*
Per Diem	4.0%							*0*
Subtotal, Involuntary Separations	18.0%	3	6	2	1	5	1	*18*
Total Separations	**100.0%**	**14**	**32**	**18**	**13**	**16**	**7**	**100**

1/15/2024

CATEGORY/DEPARTMENT	LT 90 DAYS	90 DAYS TO 1 YR	1 TO 2 YRS	3 TO 5 YRS	6 TO 10 YRS	10 PLUS YEARS	Grand Total
Involuntary	**3**	**6**	**2**	**1**	**5**	**1**	**18**
BHC			1		1		2
Case Management					1		1
Dietary		1					1
ED					2		2
Environmental Services		1			1		2
MS	3	2					5
Nursing Administration						1	1
Pharmacy		1					1
Plant Operations		1					1
Registration				1			1
Security			1				1
Voluntary	**11**	**26**	**16**	**12**	**11**	**6**	**82**
BHC			1	1			2
CT		1		1		1	3
Dietary	1	6		1			8
DOU			1				1
ED	3	2	4	3	2		14
EKG			1				1
Employee Health						1	1
Environmental Services		3					3
ICU				2	6		8
Laboratory	1	4		1			6
MS	3	1	1	1		1	7
Nursing Administration		1				1	2
OB	1	2	3		1		7
OR		1	1	2			4
Performance Improvement						1	1
Pharmacy			1				1
Plant Operations						1	1
Registration		1					1
Security	2	4	1				7
Social Services					2		2
Ultrasound			2				2
(blank)							
(blank)							
Grand Total	**14**	**32**	**18**	**13**	**16**	**7**	**100**

FULL AND PART TIME ASSOCIATES
07/01/2023 THROUGH 12/31/2023

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	*90 days - 1 year*	*1-2 years*	*3-5 years*	*6-10 years*	*10+ years*	
Voluntary Separations								
Did not Return from LOA	7.6%		*1*	*2*	*1*	*1*		*5*
Employee Death	0.0%							*0*
Family/Personal Reasons	15.2%	*2*	*7*			*1*		*10*
Job Abandonment	4.5%		*3*					*3*
Job Dissatisfaction	7.6%	*2*	*2*		*1*			*5*
Medical Reasons	0.0%							*0*
New Job Opportunity	28.8%	1	5	6	3	2	*2*	*19*
Not Available to Work	0.0%							*0*
Pay	0.0%							*0*
Relocation	1.5%						*1*	*1*
Retirement	4.5%					*2*	*1*	*3*
Return to School	3.0%		*1*			*1*		*2*
Unknown	0.0%							*0*
Subtotal, Voluntary Separations	72.7%	***5***	***19***	***8***	***5***	***7***	***4***	***48***
Involuntary Separations								
Attendance/Tardiness	1.5%		*1*					*1*
Conduct	13.6%		*1*	*2*	*1*	*5*		*9*
Death	1.5%		*1*					*1*
Expired Credentials	3.0%	*1*	*1*					*2*
Didn't meet scheduling needs	3.0%							*0*
Poor Performance	6.1%	*2*	*2*					*4*
Position Eliminations	1.5%						*1*	*1*
Temporary Position	0.0%							*0*
Subtotal, Involuntary Separations	27.3%	***3***	***6***	***2***	***1***	***5***	***1***	***18***
Total Separations	**100.0%**	***8***	***25***	***10***	***6***	***12***	***5***	***66***

1/15/2024

Separation Reason Analysis

Per Diem Associates Only

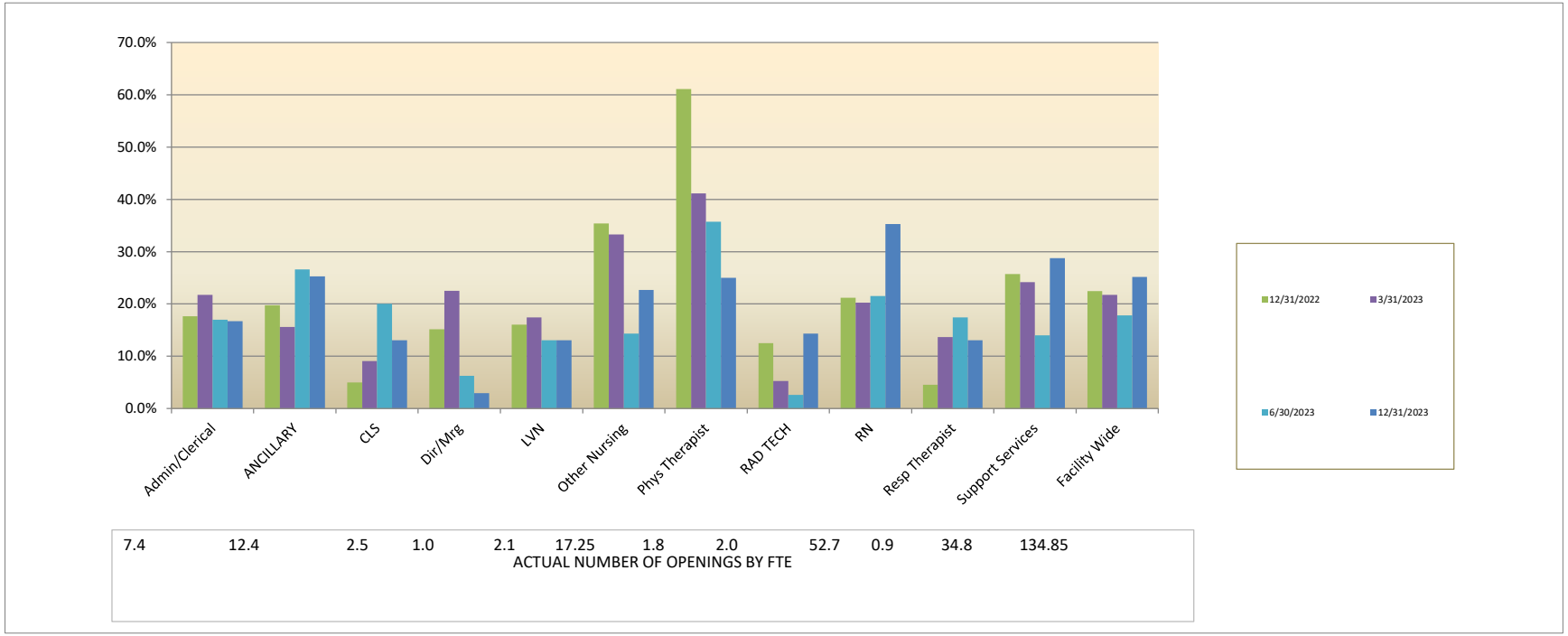
0701/2023 THROUGH 12/31/2023

REASON	Current Qtr % by Category	Length Of Service						Total Separations
		Less than 90 days	*90 days - 1 year*	*1-2 years*	*3-5 years*	*6-10 years*	*10+ years*	
Voluntary Separations								
Did not Return from LOA	0.0%							*0*
Employee Death	0.0%							*0*
Family/Personal Reasons	23.5%	4	1	1	1		1	*8*
Job Abandonment	5.9%			2				*2*
Job Dissatisfaction	5.9%			1	1			*2*
Medical Reasons	0.0%							*0*
New Job Opportunity	44.1%		2	4	5	4		*15*
Not Available to Work	14.7%	2	3					*5*
Pay	0.0%							*0*
Relocation	0.0%							*0*
Retirement	2.9%						1	*1*
Return to School	2.9%		1					*1*
Unknown	0.0%							*0*
Subtotal, Voluntary Separations	100.0%	***6***	***7***	***8***	***7***	***4***	***2***	***34***
Involuntary Separations								
Attendance/Tardiness	0.0%							*0*
Conduct	0.0%							*0*
Didn't meet certification deadline	0.0%							*0*
Didn't meet scheduling needs	0.0%							*0*
Poor Performance	0.0%							*0*
Position Eliminations	0.0%							*0*
Temporary Position	0.0%							*0*
Subtotal, Involuntary Separations	0.0%	***0***	***0***	***0***	***0***	***0***	***0***	***0***
Total Separations	**100.0%**	**6**	**7**	**8**	**7**	**4**	**2**	**34**

1/15/2024

FTE Vacancy Summary: 07/01/2023 THROUGH 12/31/2023

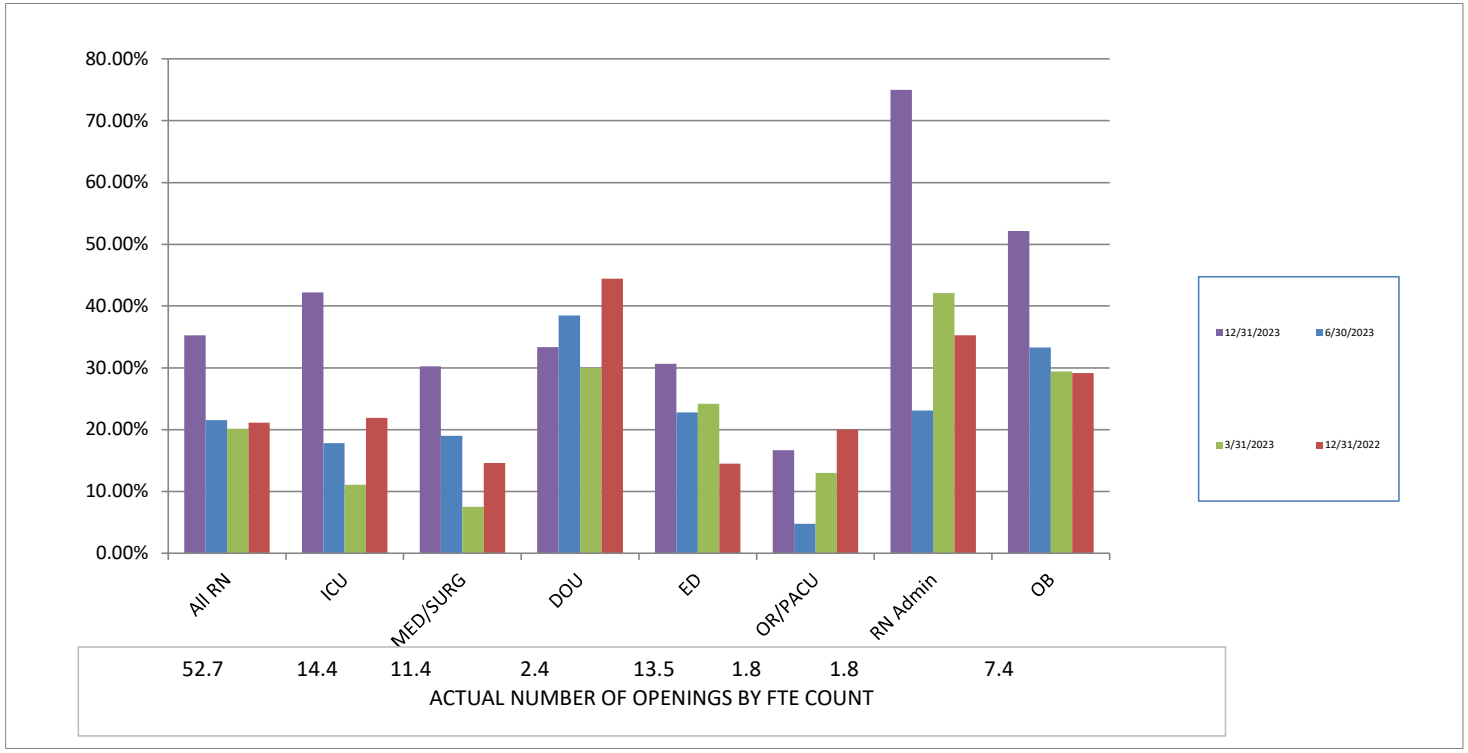
	Admin/Clerical	ANCILLARY	CLS	Dir/Mrg	LVN	Other Nursing	Phys Therapist	RAD TECH	RN	Resp Therapist	Support Services	Facility Wide
12/31/2022	17.65%	19.74%	5.00%	15.15%	16.00%	35.40%	61.11%	12.50%	21.18%	4.55%	25.69%	22.47%
3/31/2023	21.70%	15.58%	9.09%	22.50%	17.39%	33.33%	41.14%	5.26%	20.20%	13.64%	24.17%	21.75%
6/30/2023	17.00%	26.60%	20.00%	6.25%	13.04%	14.29%	35.71%	2.63%	21.54%	17.39%	14.02%	17.79%
12/31/2023	16.67%	25.27%	13.04%	2.94%	13.04%	22.68%	25.00%	14.29%	35.29%	13.04%	28.75%	25.13%



VACANCY RATE = Number of openings/(total staff + openings)

	12/31/2023	6/30/2023	3/31/2023	12/31/2022
All RN	35.29%	21.54%	20.20%	21.18%
ICU	42.22%	17.86%	11.11%	21.88%
MED/SURG	30.23%	19.05%	7.50%	14.63%
DOU	33.33%	38.46%	30.00%	44.44%
ED	30.65%	22.81%	24.19%	14.55%
OR/PACU	16.67%	4.76%	13.04%	20.00%
RN Admin	75.00%	23.08%	42.11%	35.29%
OB	52.17%	33.33%	29.41%	29.17%

	OPEN POSITIONS	TOTAL STAFF	VACANCY RATE	FTE
All RN	**72**	**132**	35.29%	**52.7**
ICU	**19**	**26**	42.22%	**14.4**
Med Surg	**13**	**30**	30.23%	**11.4**
DOU	**3**	**6**	33.33%	**2.4**
ED	**19**	**43**	30.65%	**13.5**
OR/PACU	**3**	**15**	16.67%	**1.8**
RN Adm.	**3**	**1**	75.00%	**1.8**
OB	**12**	**11**	52.17%	**7.4**



BETA HEALTHCARE GROUP

DASHBOARD REPORT

Fiscal Year Basis: July

San Gorgonio Memorial Hospital

Data as of 12/31/2023

Reporting Period 12/1/2023 - 12/31/2023

SUMMARY DATA

		Values				
FiscalYear	ValuationDate	Total Paid	Total Reserves	Total Incurred	Count	Open Count
2015-2016	2023-12-31	845,278	148,060	993,338	40	3
2016-2017	2023-12-31	205,546	-	205,546	27	-
2017-2018	2023-12-31	72,312	-	72,312	18	-
2018-2019	2023-12-31	87,665	48,632	136,297	15	1
2019-2020	2023-12-31	68,021	-	68,021	15	-
2020-2021	2023-12-31	354,583	147,336	501,919	22	3
2021-2022	2023-12-31	101,299	81,296	182,595	18	3
2022-2023	2023-12-31	128,704	99,645	228,349	12	3
2023-2024	2023-12-31	243,093	76,835	319,928	6	3
Grand Total		**2,106,501**	**601,805**	**2,708,305**	**173**	**16**

DASHBOARD REPORT

Fiscal Year Basis: July

San Gorgonio Memorial Hospita

Data as of 12/31/202

Reporting Period 12/1/2023 - 12/31/202

TOP TEN CLAIMS

Claim Number	Claimant	Department	Cause	DOI	Status	Total Paid	Total Reserves	Total Incurred
20805905	[redacted]	Surgical Services	Fall, Slip or Trip Injury	2020-08-04	Open	242,102	52,262	294,364
16000811	[redacted]	Environmental Services	Fall, Slip or Trip Injury	2016-05-31	Open	173,385	47,840	221,225
16000026	[redacted]	Obstetrics	Fall, Slip or Trip Injury	2016-01-05	Open	138,013	62,541	200,553
23001495	[redacted]	Laboratory	Fall, Slip or Trip Injury	2023-07-11	Open	137,504	16,750	154,254
23001964	[redacted]	Obstetrics	Fall, Slip or Trip Injury	2023-09-03	Open	49,020	60,085	109,105
16001005	[redacted]	Medical Surgical	Burn or Scald - Heat or Cold Exposures -	2016-07-21	Closed	98,814	-	98,814
16000233	[redacted]	Environmental Services	Strain or Injury By	2016-02-20	Closed	93,934	-	93,934
22002677	[redacted]	Medical Surgical	Strain or Injury By	2022-11-20	Open	51,706	32,190	83,896
16000357	[redacted]	Medical Surgical	Struck or Injured By	2016-03-16	Closed	82,643	-	82,643
21000657	[redacted]	Environmental Services	Fall, Slip or Trip Injury	2021-03-16	Re-Open	20,137	58,527	78,664

FREQUENCY BY DEPARTMENT

Department	Claim Count	% of Claims	Total Incurred	% of Total Incurred
Medical Surgical	**36**	20.81%	642,670	23.73%
Environmental Services	**34**	19.65%	659,340	24.35%
Emergency Department	**20**	11.56%	113,141	4.18%
Dietary	**19**	10.98%	19,006	0.70%
Laboratory	**7**	4.05%	162,332	5.99%
Surgical Services	**7**	4.05%	329,749	12.18%
Intensive Care Unit (ICU)	**7**	4.05%	59,995	2.22%
Obstetrics	**6**	3.47%	366,956	13.55%
Nursing Administration	**4**	2.31%	134,239	4.96%
Business Office	**4**	2.31%	27,225	1.01%

SEVERITY BY DEPARTMENT

Department	Claim Count	% of Claims	Total Incurred	% of Total Incurred
Environmental Services	34	19.65%	**659,340**	24.35%
Medical Surgical	36	20.81%	**642,670**	23.73%
Obstetrics	6	3.47%	**366,956**	13.55%
Surgical Services	7	4.05%	**329,749**	12.18%
Laboratory	7	4.05%	**162,332**	5.99%
Nursing Administration	4	2.31%	**134,239**	4.96%
Emergency Department	20	11.56%	**113,141**	4.18%
CT/Echotechnology	1	0.58%	**64,766**	2.39%
Intensive Care Unit (ICU)	7	4.05%	**59,995**	2.22%
Security Department	4	2.31%	**47,799**	1.76%

FREQUENCY BY CAUSE

Cause	Claim Count	% of Claims	Total Incurred	% of Total Incurred
Strain or Injury By	**60**	34.68%	683,816	25.25%
Fall, Slip or Trip Injury	**30**	17.34%	1,447,907	53.46%
Struck or Injured By	**21**	12.14%	178,405	6.59%
Burn or Scald - Heat or Cold Exposures - Contact	**16**	9.25%	131,594	4.86%
Cut, Puncture, Scrape Injured by	**14**	8.09%	73,387	2.71%
Exposure	**12**	6.94%	62,314	2.30%
Caught In, Under or Between	**12**	6.94%	16,242	0.60%
Miscellaneous Causes	**7**	4.05%	84,179	3.11%
Motor Vehicle	**1**	0.58%	30,461	1.12%

SEVERITY BY CAUSE

Cause	Claim Count	% of Claims	Total Incurred	% of Total Incurred
Fall, Slip or Trip Injury	30	17.34%	**1,447,907**	53.46%
Strain or Injury By	60	34.68%	**683,816**	25.25%
Struck or Injured By	21	12.14%	**178,405**	6.59%
Burn or Scald - Heat or Cold Exposures	16	9.25%	**131,594**	4.86%
Miscellaneous Causes	7	4.05%	**84,179**	3.11%
Cut, Puncture, Scrape Injured by	14	8.09%	**73,387**	2.71%
Exposure	12	6.94%	**62,314**	2.30%
Motor Vehicle	1	0.58%	**30,461**	1.12%
Caught In, Under or Between	12	6.94%	**16,242**	0.60%

Open Claims

San Gorgonio Memorial Hospital

Fiscal Year Basis: July

Data as of 12/31/2023

Reporting Period 12/1/2023 - 12/31/2023

						Values				
Loss Date	Claim #	Status	ClaimantTypeDesc	InjuryCauseGroup	Litigated (1=	Count	Paid	Outstanding	Incurred	Lost Time
2015-08-20	15001161	Re-Open	Future Medical	Strain or Injury By	0	1	27,087	37,679	64,766	0
2016-01-05	16000026	Open	Future Medical	Fall, Slip or Trip Injur	1	1	138,013	62,541	200,553	749
2016-05-31	16000811	Open	Future Medical	Fall, Slip or Trip Injur	1	1	173,385	47,840	221,225	730
2019-02-11	19000235	Open	Future Medical	Fall, Slip or Trip Injur	0	1	25,525	48,632	74,157	0
2020-08-04	20805905	Open	Indemnity	Fall, Slip or Trip Injur	1	1	242,102	52,262	294,364	728
2021-03-16	21000657	Re-Open	Indemnity	Fall, Slip or Trip Injur	1	1	20,137	58,527	78,664	0
2021-04-30	21001003	Open	Indemnity	Strain or Injury By	0	1	1,439	36,547	37,986	0
2021-08-13	21001795	Open	Future Medical	Strain or Injury By	0	1	33,280	40,127	73,407	70
2021-10-20	21002354	Open	Future Medical	Caught In, Under or I	0	1	2,443	6,245	8,688	9
2022-01-23	22000651	Re-Open	Indemnity	Fall, Slip or Trip Injur	0	1	22,115	34,925	57,040	106
2022-11-20	22002677	Open	Indemnity	Strain or Injury By	0	1	51,706	32,190	83,896	168
2022-12-02	22002737	Open	Indemnity	Strain or Injury By	0	1	4,333	22,693	27,027	10
2023-03-07	23000477	Open	Indemnity	Fall, Slip or Trip Injur	0	1	31,339	44,761	76,101	125
2023-07-11	23001495	Open	Indemnity	Fall, Slip or Trip Injur	1	1	137,504	16,750	154,254	112
2023-09-03	23001964	Open	Indemnity	Fall, Slip or Trip Injur	0	1	49,020	60,085	109,105	112
2023-12-20	23003017	Open	Medical	Fall, Slip or Trip Injur	0	1	-	-	-	0
Grand Total						**16**	**959,428**	**601,805**	**1,561,233**	**2,919**

California Employers Are Now Required to Pay for Food Handler Cards: Your 4-Step Action Plan

Insights
10.10.23

California has long required food handlers in restaurants to obtain certification — and until now, training and testing has been the employee's responsibility. A new law Governor Newsom approved on October 8, however, shifts this burden entirely to employers by requiring them to pay their workers for all costs associated with obtaining a food handler card. Here's what you need to know about new obligations under SB 476 and your four-step action plan to ensure compliance when the law takes effect on January 1, 2024.

Current Industry Standard on Food Handler Cards

The California Health and Safety Code currently requires relevant workers to obtain a food handler card within 30 days of their hire date and to maintain a valid card for the duration of their employment as a food handler. This requirement remains unchanged. Generally, food handler cards are valid for three years — a standard that will continue.

Since 2012, food safety certification in the state can be obtained only through American National Standards Institute (ANSI) accredited training providers that meet ASTM International E2659-09 Standard Practice for Certificate Programs. These standards also remain in place, unchanged.

SB 476 intends solely to shift the cost-related burdens associated with this certification to employers.

Flipping the Switch from Employee to Employer Responsibility

Under this new law, employers must pay the employee for any cost associated with obtaining a food handler card. However, the buck does not stop with the fees associated with the certification program itself. The new law also makes employers responsible for the following:

- the time required for the employee to complete the training;
- the cost of testing; and
- any element required for the completion of the certification program.

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While employees are completing the training courses and examination, employers must now also relieve employees from all other work duties and compensate them for this time at their regular hourly rates.

In addition to the new burdens on employers, the new law requires the California Department of Public Health to make a list of all certified food handler training programs, including the cost of each program, by January 1, 2025. To incorporate local health departments in facilitating this state-mandated requirement, the new law also requires the local public health department to post either the list of certified food handler training programs itself or a link to the list on its website. The law is silent on whether an employer may mandate a specific training program, but the existing requirement remains that the program be ANSI accredited.

Main Impacts on Employers

Training During Work Hours. Perhaps the most obvious impact of this new law is its requirement that employees be relieved of other work duties when participating in food handler training and taking the exam. Thus, the training must be provided and taken during normal business hours, and at no cost to the employee. In practical effect, employers must now carve out specific time for employees to satisfy the requirements of the food safety certification programs and pay them for that time. To facilitate these changes, employers must adjust their labor costs to account for the cost of the certification itself and the time spent by employees to train and complete the food handler program. Unfortunately, employers are now faced with additional costs, as well as potential legal claims for failure to pay wages under the California Labor Code.

Existing Food Handler Card. As if the burden of increased costs and compliance concerns were not enough, to further hamstring employers, the new law prohibits employers from conditioning employment on an applicant or employee having an existing food handler card. Therefore, while it may be tempting to save on labor costs by precluding prospective employees who do not already have a food handler card at the time of hire, the new law makes clear that employers must consider all applicants regardless of certification status.

Even though employers may not condition employment on applicants having an existing food handler card, the new law is silent on whether employers can select applicants from the candidate pool based on their certification status. At least for now, however, the California Legislature has not added any special protection under the Fair Employment and Housing Act or otherwise for applicants without existing food handler cards.

Your 4-Step Action Plan

Preparing for the additional costs under the new law will certainly be no small feat for small or large businesses. To plan for these changes and ensure compliance by January 1, you should consider taking the following four steps now for a seamless transition:

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1. **Update your written food handler and timekeeping policies**, whether standalone or in employee handbooks, to include language specifying that the employer shall pay for food handler cards and all time spent in such training. Remind employees that certification is considered compensable work time which must be reported through accurate timekeeping.
2. **Train managers and supervisors** on adjusting schedules, labor allocation, timekeeping practices, and the obligation to relieve an employee from all other work duties during their training and certification.
3. **Revise new hire training materials and procedures** to incorporate the requisite time for employees to complete the food handler training and obtain certification.
4. **Keep apprised of food handler program lists** and consider implementing an internal mandate on certain programs employees must take in obtaining their food handler cards.

These new requirements will likely affect various aspects of your business operations, so you should be cognizant of these changes and proactively prepare for the impacts now.

Conclusion

If you have questions regarding best practices for updating and implementing policies and procedures in light of this change in industry standard, please contact your Fisher Phillips attorney, the authors of this Insight, or any attorney in one of our six California offices for more information. Make sure you are subscribed to Fisher Phillips' Insight System to get the most up-to-date information on this and other employment topics directly to your inbox.

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HR Manager's
Legal Alert
FOR SUPERVISORS
January 5, 2024

In This Issue

Black employee sues after white supervisor calls him a 'lazy boy'

Company says staffer was fired because of attendance problems

The scenario

Because of attendance problems, a Black employee was issued a verbal warning and told to sign a document indicating that more missed work time might lead to additional discipline and possibly even termination.

Despite the agreement, the Black man continued to miss significant amounts of work time. Eventually, he was fired because he'd exceeded the number of attendance points allowed under the employer's attendance policy.

However, the Black staffer believed that his dismissal was related to his race. For instance, when he asked his white boss about a promotional T-shirt he was due to receive, his manager stated, "You people always want something for free."

And when the Black staffer had trouble getting a powered industrial truck to start, his boss called him a "lazy boy."

Furthermore, the Black crew member was told by a Black supervisor that a white manager had used the N-word when asking whether he should do something about the fact that Black staffers were using the offensive term to refer to each other.

Legal challenge

The fired Black worker sued for race discrimination.

The ruling

The company won. The court said the Black man was fired because of attendance problems, not because of his race. The judge pointed out that one or two stray remarks didn't amount to severe and pervasive discrimination and that the comments didn't effectively change the terms and conditions of employment for the Black crew member.

The skinny

Remember the importance of providing one solid, supportable reason for firing an employee, especially when the person is a member of a protected class. Doing so will help you head off a potentially costly discrimination lawsuit.

Cite: *Price II v. Valvoline, LLC,* U.S. Court of Appeals 5, No. 23-20131, 12/15/23.

Blindsided by poor performance review, older worker sues for age discrimination

Employer claims crew member quit, so he didn't suffer an adverse employment action

"Scott says he was blindsided when his new boss gave him a poor performance review," said HR Director Carolyn McGill. "He says he'd never previously gotten a bad evaluation in the 26 years he'd worked here."

"Different supervisors can feel differently about how people are performing," said Supervisor Nathan Hawkins.

"You're correct," said Carolyn. "But Scott suspects a more sinister motive. He says he was suddenly called into a meeting with his new manager and told that his performance was lacking. He claims that he'd received no heads-up about his alleged poor work quality, and that the critical evaluation by his new supervisor was in contrast to the last review he'd gotten from his former boss, who rated his performance as excellent. Scott points out that the new manager had only recently started working with him before she gave him the poor review, then demoted him as part of a reorganization. He thinks he was targeted because he's 59 years old. He just sued us for age bias."

Sham reorganization

"I'm surprised to hear that Scott thinks he can sue us," said Nathan, "considering that he wasn't fired. In fact, he resigned shortly after we reorganized his department."

"Scott contends that the alleged reorganization of the department was a sham," said Carolyn. "He notes that he kept the same job duties. The only thing that changed was the need for him to report to a new boss who, in fact, was 16 years younger than him."

No change observed

"No law forbids younger people from supervising older colleagues," said Nathan.

"That's true, of course," said

(Please see ***Blindsided*** ... on p. 2)

Blindsided …

(Continued from p. 1)

Carolyn. "However, Scott notes that at least three coworkers stated that they'd observed no change in Scott's performance after the new, younger manager took over the department. In fact, most of his coworkers were shocked when Scott was demoted, because he was known as a solid performer."

Traumatic

"I know the whole thing was traumatic for Scott," said Nathan, "but the unfortunate reality is that his new boss thought Scott could've done a better job than what he was doing, and she was justified in demoting him if she felt his work was lacking. Plus, I keep coming back to the fact that Scott quit the job."

"Yeah, Scott resigned before he even gave his new boss a fair chance," said Carolyn. "We'll challenge this lawsuit."

Result: The company lost. The court refused to toss out the case. The judge ruled that the older crew member provided adequate proof that he might have experienced age bias.

Out of the blue

Even though the older staffer quit the job, he could still pursue his lawsuit, said the court, because his demotion could be considered an adverse employment action.

Plus, the older worker had received only positive performance reviews for more than 26 years, but suddenly, out of the blue, a younger manager evaluated his work quality as poor. The judge noted that the younger supervisor had only recently begun working with the older man, so how could she have known he was a poor performer?

In the eyes of the court, the younger boss had already made up her mind about the older man before she even started managing him. And the judge pointed out that after the older worker was demoted, he was still responsible for the same job duties, which called into question his manager's allegation that he was a poor performer.

Didn't change

In addition, the older staffer's colleagues reported that his performance didn't change after the new boss took over, noted the court.

Cite: *Ilaga v. The Permanente Medical Group,* California Court of Appeals, No. A165273, 11/22/23.

What it means to you

A word to the wise: The likelihood of a discrimination lawsuit goes up quite a bit when a worker who's a member of a protected class is blindsided by a poor performance review, as was the case here.

That's why it's important to provide real-time feedback to all staffers who aren't meeting performance expectations, rather than to wait for their annual evaluations. The ongoing feedback will reduce the chances that a worker will be blindsided by a poor review.

Dig deeper: Before writing a performance review, always examine previous evaluations of the person, even if they weren't done by you. The analysis of the historical reviews will provide context and make it less likely that you'll produce a review that's significantly different from previous evaluations.

You make the call

White privilege statement prompts claim of race bias

"Sarah knew the job was temporary when she first started working here," said Supervisor Margie Brunton. "How can she now contend that she was retaliated against when we dismissed her near the end of her temporary-employment contract?"

"Sarah points out that her temporary contract had been extended several times," said HR Manager Alan Frankel. "Yet she was dismissed just days after she sent an email to her boss alleging reverse race discrimination."

"Yeah, I know Sarah had problems with several of her Black coworkers," said Margie. "She alleged that one African American male crew member, in particular, didn't like Sarah because she's white. Apparently, the Black man said all white people needed to get out of the workplace and that Sarah was a beneficiary of white privilege."

Offensive statements

"Those comments weren't appropriate," said Alan.

"I agree," said Margie. "Things came to a head when Sarah sent a text message to her manager complaining about the offensive statements."

"Did we investigate Sarah's allegations of race bias?" asked Alan.

"No," said Margie.

"Because we didn't do anything, according to Sarah, she reached out to the EEOC, the Equal Employment Opportunity Commission, to allege race discrimination," said Alan. "Right after we received notification of her complaint from the EEOC, she was fired."

"The timing of her dismissal was more closely related to the expiration of her employment contract," said Margie. "We should challenge this lawsuit."

Did the employer win?

■ *Make your call, then please turn to page 4 for the court's ruling.*

HR Manager's Legal Alert FOR SUPERVISORS

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INSTITUTE OF BUSINESS PUBLICATIONS

Study reveals benefits of disability inclusion

A recently released report provides new evidence that your efforts to accommodate disabled crew members can lead to significant benefits for your employer.

The study by Accenture, which was conducted on behalf of Disability:IN and the American Association of People with Disabilities, found that 346 U.S. organizations that apply disability-inclusion practices – such as using videos with captions or soliciting feedback from disabled staffers – to their workforce had 1.6 times more revenue than did companies that didn't prioritize disability accommodations.

In addition, these 346 employers, which responded to the Disability Equality Index between 2015 and 2022, reported 2.6 times more income and two times more profit than did companies that weren't focused on disability inclusion, according to the analysis.

Moreover, organizations that are considered leaders in disability inclusion received better feedback on websites that track employee satisfaction. For instance, the study indicated that employers that prioritize disability accommodations had a 7.5% higher sentiment score on Glassdoor than did operations less focused on their disabled workers.

Employer refused to let man have a beard

If a crew member requests an accommodation for a religious belief, proceed cautiously before requiring proof of the need for the accommodation.

Such advice comes too late for Triple Canopy, Inc., Reston, VA, which just agreed to pay $110,759 in order to settle a religious bias lawsuit filed by the Equal Employment Opportunity Commission (EEOC).

The agency sued on behalf of Marcus Williams, a Triple Canopy employee who sought an exemption to the employer's grooming policy so he could grow a beard.

Triple Canopy asked for a document from a religious leader showing the need for the beard, but Williams was unable to provide paperwork because he wasn't a member of a formal church.

Remember: An employee seeking an accommodation for a sincerely held religious belief doesn't have to belong to an established religion.

Based on EEOC v. Triple Canopy, Inc.

focus: weight discrimination

Why states and cities are passing laws that protect overweight crew members

You might have noticed that several cities and states recently made it illegal to discriminate against employees on the basis of their weight.

New York City, for instance, recently began enforcing a law that forbids weight and height discrimination, joining several other cities, such as San Francisco; Madison, WI; and Urbana, IL, that have already outlawed weight bias. And the states of Michigan and Washington have laws forbidding weight discrimination.

States and cities have rolled out these new rules in response to recent studies showing that overweight individuals face significant bias in the workplace. One survey of obese employees, for instance, showed that 25% of respondents reported that they've suffered job bias, 54% said coworkers have treated them less favorably than their non-obese colleagues, and 43% said their bosses have discriminated against them because of their weight.

Proactive stance

In order to avoid a costly lawsuit alleging weight discrimination, it's best to take a proactive stance against this type of bias.

If you hear someone making a comment about the weight of a coworker, meet privately with the staff member who made the remark to explain why it can't happen again. Remind the person that no one tries to be overweight, and that the condition is often the result of genetics rather than lifestyle choices.

Furthermore, adopt a zero-tolerance policy for jokes that could make overweight staffers feel uncomfortable.

Try to help overweight workers perform their job duties despite the extra pounds. Make sure they have chairs, equipment and tools suitable for their weight. Instead of asking overweight staffers to squeeze into tight uniforms that don't fit, provide them with clothing that's suitable for their body shapes.

Bonus: Avoid competitions in which crew members win prizes for losing weight.

New legal rulings

Woman fired a week after she sought leave

Make sure you have a bulletproof reason for terminating a staffer who has recently requested leave.

What happened: Shortly after she submitted a request for intermittent leave under the Family and Medical Leave Act (FMLA), a woman encouraged her coworkers to not do their jobs. She was terminated.

Legal challenge: The woman sued for FMLA retaliation, noting that she was fired a week after she sought leave.

Company's response: She was dismissed for insubordination.

Ruling: The company won. The court said that the woman was let go for insubordination and that the close timing between her leave request and her dismissal was unfortunate, but didn't imply retaliation.

Cite: *Lapham v. Walgreen Co.,* U.S. Court of Appeals 11, No. 21-10491, 12/13/23.

Female job applicant sues for unequal pay

Remember: The Equal Pay Act (EPA) applies to women who are current employees, not to female job applicants.

What happened: A woman was offered a job with a salary that she thought was too low. She withdrew her name from consideration for the position.

Legal challenge: The woman sued under the EPA, arguing that she was offered an artificially low salary because of her gender.

Company's response: We were still negotiating her salary with her when she withdrew her name from consideration.

Ruling: The company won. The court said the EPA applies only to current employees, not to female job seekers.

Cite: *Mitchell v. National Credit Union Administration,* U.S. District Court, E.D. Virginia, No. 1:23-cv-649, 11/3/23.

legal developments

Did woman experience biased treatment after she got back from maternity leave?

Supervisor's take-home: It pays to carefully consider a staff member's request to be reassigned to a different boss when the person is in constant conflict with his or her current supervisor. Otherwise, the situation could deteriorate and lead to a costly bias lawsuit.

What happened: A woman felt that her female boss treated her differently after she returned from leave following the birth of her child. Even though the woman had previously been rated as an excellent performer, her boss suddenly told her that her communication style was ineffective. When the worker was diagnosed with COVID-19, her boss admonished her for failing to get a vaccine, even though the staffer wasn't vaccinated because she was breastfeeding her baby.

What people did: The woman asked her boss's manager to assign her to a different supervisor, but her request was denied and she was ordered to follow her current boss's instructions. Shortly after that, the worker was called into a meeting with her boss and told to resign or accept a demotion. She quit.

Legal challenge: The woman sued for pregnancy bias, saying she was treated less favorably after she got back from maternity leave.

The employer argued that the staffer didn't suffer an adverse employment action; she resigned her position.

Result: The employer lost. The court ruled that the woman experienced an adverse employment action when she was told to either quit or be demoted.

The judge also said the woman might have been fired because of her pregnancy, pointing to the unfavorable treatment she experienced after she returned from leave.

The skinny: Employers that threaten a worker with a demotion if the person doesn't resign are rarely able to convince a judge that the crew member didn't suffer an adverse employment action.

Cite: *Belton v. Allegheny General Hospital,* U.S. District Court, W.D. Pennsylvania, No. 2:23-cv-776-NR, 11/22/23.

legal nightmare

Male supervisor tries to rape woman who rejected his repeated sexual propositions

Overview

After a female contract employee rejected his frequent requests for sex, a male supervisor tried to rape the woman.

The scenario

Shortly after she began working for IH Services as a contract cleaner at the Mueller Co. facility in Albertville, AL, Misty Geckles was propositioned for sex by a male supervisor employed by Mueller. She rejected his advances, stating that she was engaged to be married.

About two weeks later, Geckles and her fiance encountered the supervisor while shopping at a local store. The next day, the male supervisor approached Geckles at work and asked why she was engaged to an overweight man, declared that he'd steal her away from him and demanded her phone number. She refused his advances.

A few days later, the male supervisor, frustrated by Geckles' repeated rejections, lured her into a dark room and instructed her to clean a piece of equipment. While Geckles was performing the task, the supervisor blocked the doorway and exposed his genitals. Geckles saw him, then asked what he was doing. He said he was going to f-ck her and make her like it.

Then the supervisor forced her to grab his penis. He began to remove her jeans. When a nearby phone rang, the supervisor stopped trying to rape the woman and she fled the room.

After Geckles reported the attempted rape, she was suspended, then terminated. Geckles contacted the Equal Employment Opportunity Commission (EEOC).

Legal challenge

The EEOC sued Mueller Co. and IH Services for sexual harassment.

The ruling

The employers lost. The two companies agreed to jointly pay $150,000 in order to make the lawsuit go away.

Based on EEOC v. Mueller Co, LLC & IH Services, Inc.

You make the call: The Decision

(See case on page 2)

No. The employer lost. The court refused to dismiss the lawsuit, ruling that the white woman provided adequate evidence that she might have been terminated because she'd contacted the Equal Employment Opportunity Commission (EEOC) and alleged race discrimination.

The strongest evidence of retaliation was the short period of time between the woman's formal claim of race discrimination and her firing. In fact, the crew member was let go just days after her employer found out that she'd reached out to the EEOC.

The judge torpedoed the employer's claim that the woman was dismissed because her employment contract had nearly ended, noting that the contract had been extended multiple times before she alleged race bias.

While the court found no merit in regard to the woman's primary contention that she was discriminated against because of her race, the judge said the lawsuit could proceed based solely on her retaliation claim.

What it means: Steer clear of adverse actions

When it comes to an allegation of unlawful retaliation, timing matters. If someone who has formally alleged discrimination is terminated within days of the complaint, it's likely he or she will win a retaliation lawsuit.

That's why it's important to proceed cautiously before taking an adverse employment action against a staffer who has alleged bias, either internally or externally, or formally or informally.

Based on Malone v. DeJoy.

TAB F

MINUTES: Not Yet Approved by Committee

REGULAR MEETING OF THE
SAN GORGONIO MEMORIAL HOSPITAL
BOARD OF DIRECTORS

FINANCE COMMITTEE
January 30, 2024

The regular meeting of the San Gorgonio Memorial Hospital Board of Directors Finance Committee was held on Tuesday, January 30, 2024, in the Administration Boardroom, 600 N. Highland Springs Avenue, Banning, California.

Members Present: Susan DiBiasi (Chair), Ron Rader, Steve Rutledge

Members Absent: Darrell Petersen

Required Staff: Steve Barron (CEO), Daniel Heckathorne (CFO), John Peleuses (VP, Ancillary & Support Services), Ariel Whitley (Executive Assistant), Angela Brady (CNE)

<table>
<tr><th>AGENDA ITEM</th><th>DISCUSSION</th><th>ACTION / FOLLOW-UP</th></tr>
<tr><td>Call To Order</td><td>Susan DiBiasi called the meeting to order at 9:02 am.</td><td></td></tr>
<tr><td>Public Comment</td><td>No public present.</td><td></td></tr>
<tr><td colspan="3">OLD BUSINESS</td></tr>
<tr><td>Proposed Action - Approve Minutes

December 22, 2023, regular meeting</td><td>Susan DiBiasi asked for any changes or corrections to the minutes of the December 22, 2023, regular meeting. There were none.</td><td>The minutes of the December 22, 2023, regular meeting will stand correct as presented.</td></tr>
<tr><td colspan="3">NEW BUSINESS</td></tr>
<tr><td>Proposed Action – Recommend Approval to Hospital Board of Directors - Monthly Financial Report (Unaudited) – December 2023</td><td>Daniel Heckathorne, CFO, reviewed the Unaudited December 2023 finance report as included in the committee packets.

The month of December resulted in negative $7.96M EBIDA compared to budgeted negative EBIDA of $1.63M vs. a negative $2.61M Flex Budget. There were a few adjustments and items of note.

ROLL CALL:

<table>
<tr><td>DiBiasi</td><td>Yes</td><td>Petersen</td><td>Absent</td></tr>
<tr><td>Rader</td><td>Yes</td><td>Rutledge</td><td>Yes</td></tr>
</table>
Motion carried.</td><td>M.S.C. (Rutledge/Rader), the SGMH Finance Committee voted to recommend approval of the Unaudited December 2023 Financial report to the Hospital Board of Directors.</td></tr>
</table>

<table>
<tr><th>AGENDA ITEM</th><th>DISCUSSION</th><th>ACTION / FOLLOW-UP</th></tr>
<tr><td>Proposed Action – Recommend Approval to Hospital Board and the Healthcare District Board that the CEO be authorized to approve SPC and NPC Construction documents and the Material Testing and Condition Assessment Program (MTCAP).</td><td>Phase 2 of the Seismic Retrofit Project includes the development of construction documents for the SPC and NPC portions of the project. The future construction will be phased to maintain the operations of the facility and could begin as early as July 2025 or as late as January 2026.

ROLL CALL:
<table><tr><td>DiBiasi</td><td>Yes</td><td>Petersen</td><td>Absent</td></tr><tr><td>Rader</td><td>Yes</td><td>Rutledge</td><td>Yes</td></tr></table>Motion carried.</td><td>M.S.C. (DiBiasi/Rader), the SGMH Finance Committee voted to recommend approval that the CEO be authorized to approve SPC and NPC Construction documents and the Material Testing and Condition Assessment Program (MTCAP) to the Hospital Board and Healthcare District Board of Directors.</td></tr>
<tr><td>Future Agenda Items</td><td>• None.</td><td></td></tr>
<tr><td>Next Meeting</td><td>The next regular Finance Committee meeting will be held on February 27, 2024 @ 9:00 am.</td><td></td></tr>
<tr><td>Adjournment</td><td>The meeting was adjourned at 10:08 am.</td><td></td></tr>
</table>

In accordance with The Brown Act, *Section 54957.5*, all reports, and handouts discussed during this Open Session meeting are public records and are available for public inspection. These reports and/or handouts are available for review at the Hospital Administration office located at 600 N. Highland Springs Avenue, Banning, CA 92220 during regular business hours, Monday through Friday, 8:00 am - 4:30 pm.

SAN GORGONIO
MEMORIAL HOSPITAL

SAN GORGONIO MEMORIAL HOSPITAL
BANNING, CALIFORNIA

Unaudited Financial Statements

for

SIX MONTHS ENDING DECEMBER 31, 2023

FY 2024

Certification Statement:
To the best of my knowledge, I certify for the hospital that the attached financial statements, except for the uncertainty of IGT revenue accruals, do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respsects the financial condition and results of operation of the hospital and all related organizations reported herein.
Note: Because these reports are prepared for internal users only, they do not purport to conform to the principles contained in U.S. GAAP.
Note: Certain June 30, 2023 final audit entries are not reflected in the 12/31/23 Statements.

Certified by:
Daniel R. Heckathorne
Daniel R. Heckathorne

CFO

San Gorgonio Memorial Hospital

Financial Report - Executive Summary

For the Month of December, 2023 and Six Months Ended December 31, 2023 (Unaudited)

Profit/Loss (EBIDA) Summary (MTD) Negative and (YTD) Negative (comparisons to Budget)

Month - The month of December resulted in negative $1.96M Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted negative EBIDA of $1.63M vs. a negative $2.61M Flex Budget.
YTD – Six months ending in December resulted in negative $15.25M Earnings before Interest, Depreciation and Amortization (EBIDA) compared to budgeted negative EBIDA of $6.38M and a Flex Budget loss of $8.16M. Note: If the unaccrued Supplemental funds, along with provision for lease principal payments were booked, the YTD EBIDA would be a negative $7.17M, and if the prorata budgeted DSH and P4P were also accrued, this YTD EBIDA would be a negative $6.49M compared to the actual negative booked $15.52M.

Month – Adjustments and Items of Note:

- Patient Days, Adjusted Patient Days and Emergency volumes were at or above budget.
- The Average Length of Stay and Case Mix Index for all patients were over the previous December by 5.1% and 10.9% respectively.
- Surgery cases were significantly below budget as well as the previous December's volume.
- To summarize, the monthly revenues and expenses were more reflective of a predominantly "medical services" month as compared to a predominantly "surgical services" month.
- There was a final reconciliation of the Anesthesia contract, which resulted in December's anesthesia expense being $510K over budget.

Month – December's inpatient average daily census was 26.8, the highest of this fiscal year. Adjusted Patient Days were less than 1.0% under budget (1,966 vs. 1,971), and Patient Days were 10.9% over budget (831 vs. 749). Emergency Visits were slightly over budget (3,836 vs. 3,821), and Surgeries were 29% under budget (80 vs. 113).
YTD - Inpatient average daily census was 22.0. Adjusted Patient Days were .6% under budget (11,259 vs. 11,321), Patient Days were 2.1 below budget (4,042 vs. 4,125). Emergency Visits were 5.6% under budget (21,267 vs. 22514), and Surgeries were 18% under budget (635 vs. 779) and 12% below the previous YTD of 718 cases.

Patient Revenues (MTD) Positive Variance (YTD) Negative Variance

Month - Net Patient Revenues in December were $5.59M, or $374K over budget. Other items of note included the fact that gross Inpatient Revenues were 15% ($2.52M) over budget, while gross Outpatient Revenues were 2.2% ($517K) under budget. As discussed in the past, Inpatient Revenues pay about 16.8% of charges, compared to Outpatient Revenues which pay about 9.7% of charges.
YTD – Net Patient Revenues through December were $25.4M compared to budgeted $33.1M (-23%) In November there was a $504K favorable adjustment to Deductions from Revenues Expense due to removal of previously estimated Medicare Outlier Repayments no longer deemed necessary and there was a one-time $3.52M negative adjustment for Contractual Allowance Reserves, which was based on the latest reconciliation of cash collections compared to previously estimated collections. Finally, Net patient revenues are under budget, which includes the impact of Surgeries being 18% below budget, and the remaining variance results from budgeted Net Revenue estimates that have proven to be too high.

Total Operating Revenues (MTD) Positive Variance & (YTD) Negative Variance

Month – Operating Revenue in December was $285K over budget. This is mostly impacted by the Net Patient Revenues being $374K over budget and the Non-Patient Revenues being $89K under budget.
YTD - Operating Revenue through December was $8.06M under budget. This is impacted by the Net Patient Revenues at $7.63M under budget and the Non-Patient Revenues being $433K under budget.

Operating Expenses (MTD) Negative & (YTD) Negative Variance

Month - Operating Expenses in December were $8.13M, were over budget by $$623K and over the Flex Budget by $512K. Key items that impacted Expenses were: 1) Salaries, Wages, Benefits, and Contract Labor were collectively $552K over budget and $413K over the Flex budget. This was impacted by a) Wages being $574K over budget, which included an estimated $150K of Christmas Holiday Overtime, b) the 3.0% salary increase in October, and c) the overall inpatient days' workload being almost 11% over budget; 2) Physician Fees were $445K over budget mostly driven by the $510K anesthesia expense adjustment; 3) Purchased Services were $41K under budget in spite of the Legal Fees being $107K over budget; 4) Supplies were $281K below budget due in large part to low surgery volumes; and 5) Repairs and Other Expenses were $38K and $66K under budget, impacted in part by December being a Holiday month.

Year-to Date – Operating Expenses through December were $44.81M and were over budget by $806K and over the Flex Budget by $1.39M. Key items that impacted Expenses were: 1) Salaries and Wages, Benefits, and Contract Labor were collectively $947K over budget and $1.06M over the Flex budget. This was driven by the following: a) The $527K State Mandated California Paid Sick Leave program that was accrued in July; b) Contract Labor was over budget by $486K due to several nurse staffing vacancies in OB and ER along with orientation of 2 new grads in the ER; and c) an additional $153K increase for re-valuing the PTO bank to reflect the 3.0% Wage increase in late October; 2) Physician Fees are $348K over budget largely impacted by the $$510K anesthesia expense reconciliation; 3) Purchased Services are $489K over budget which included Legal Fees exceeding budget by $708K; 4) Supplies are the most notable item under budget by $847K, again reflected by lower than anticipated intensities of services, including Surgeries and Emergency visits being under budget; 4) Repairs and Maintenance are over budget by $60K largely to significant maintenance work occurring in September and October, and 5) Other Expenses are $162K under budget due mostly to certain "seasonal" expenses still waiting to occur along with our conservative expenditures directives.

Balance Sheet/Cash Flow

Patient cash collections in December totaled $4.59M, compared to $4.51M in November and $5.24M in October. Gross Accounts Receivable Days in December were 64.1, compared to 60.8 in November. Note: Medicare had put a hold on $793K payments in early December waiting for the annual cost report which was filed on December 8, however they did not bother to release the hold until January.

Cash Balances were $6.17M compared to $5.95M in November and $8.68M in October. Net Accounts Receivable increased to $9.92M from $8.95M in November, primarily due to a $5.8M increase in Gross Revenues, and the delay of Medicare payments mentioned above. Other changes of note included receipt of various District tax collections which normally commence in December. Accounts Payable increased to $10.47M compared to $10.13M in November and $9.83M in October. Finally, a liability is in place $1.5M for FY 2022 payable to Medicare for estimated overpayments for outliers and sequestration funds. The outstanding Line of Credit was increased by $4M in mid-December, bringing the total outstanding balance to $8M.

Summary

Positive takeaways:

1) Patient workloads (excepting surgeries) exceeded budget.
2) Except for the Anesthesia expense adjustment, EBIDA would have outperformed budget by $172K.

Negative takeaways:

1) Labor costs were over budget in December;
2) Surgeries continue to lag behind budget and prior year levels;
3) Legal fees continue to be over budget;
4) The Contractual Allowance Reserve adjustment in November significantly impacted YTD outcomes.
5) December's EBIDA, adjusted for pending Supplemental Income (excluding DSH & P4P) and reserving for Cash Payments required for Leases was a negative $513K, and the YTD is a negative $7.17M.

SGMH DECEMBER 2023 SIGNIFICANT EXTRAORDINARY ITEMS IMPACTING EBIDA

1/24/2024

EXPENSE		INCOME		GAIN/(LOSS)
SALARIES / BENEFITS/ CONTRACT LABOR		**REVENUES**		
TOTAL LABOR OVER BUDGET	552,512	NET REVENUES OVER BUDGET	74,321	
ANESTHESIA CONTRACT RECONCILIATION (OVER BUDGET)	509,633	NET REVENUES FAVORABLE ADJUSTMENT	300,000	
OTHER EXPENSE		**OTHER REVENUES**		
LEGAL FEES OVER BUDGET	106,815			
		OTHER REVENUES UNDER BUDGET	(114,122)	
SUPPLIES UNDER BUDGET	(280,726)			
REPAIRS AND OTHER EXPENSES UNDER BUDGET	(104,036)			
EXTRAORDINARY NEGATIVE EXPENSES	**784,198**	**EXTRAORDINARY POSITIVE REVENUES**	**260,199**	**(523,999)**

4

STATISTICS

Inpatient Admissions/Discharges (Monthly Average)	Represents number of patients admitted/discharged into and out of the hospital.
Patient Days (Monthly Average)	Each day a patient stays in the hospital is counted as a patient day. This count is normally done at midnight.
Average Daily Census (Inpatient)	Equals the average number of inpatients in the hospital on any given day or month.
Average Length of Stay (Inpatient)	Represents that average number of days that inpatients stay in the hospital.
Emergency Visits (Monthly Average)	Represents the number of patients who sought services at the emergency room.
Surgery Cases - Excluding G.I. (Monthly Average)	Equals the number of patients who had a surgical procedure(s) performed.
G.I. Cases (Monthly)	Number of patients who had a gastrointestinal exam performed.
Newborn Deliveries (Monthly)	Number of babies delivered.

PRODUCTIVITY

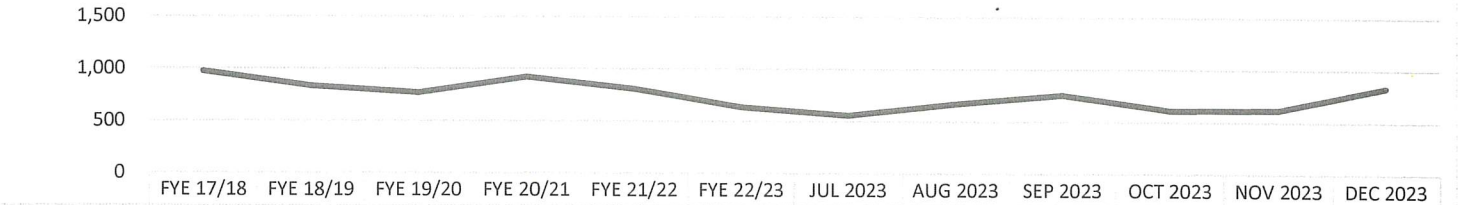
Worked FTEs (includes Registry FTEs)	Represents an equivalancy of full-time staff worked. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours worked by the number of hours in the respective work period (40, 80, etc.) Example: 340 hours worked in an 80 hour pay period = 4.25 FTE's
Worked FTES per APD	Divides the Total Worked FTE's by the daily average of the Adjusted Patient Days.
Paid FTEs (includes Registry FTEs)	Represents an equivalancy of full-time staff paid. One FTE is equivalent of working 40 hours per week, 80 hours per pay period, 173.3 hours per 30 day month, or 2,080 hours in a 52 week year. This calculation divides the number of hours paid (includes all hours paid consisting of worked hours, PTO hours, sick pay, etc.) by the number of hours in the respective work period (40, 80, etc.) Example: 500 hours paid in an 80 hour pay period = 6.25 FTE's.
Paid FTES per APD	Divides the Total Paid FTE's by the daily average of the Adjusted Patient Days.
ADJUSTED PATIENT DAYS	This is a blend of total patient days stayed in the hospital for a month, plus an equivalency factor (based on average inpatient revenue per patient day) applied to the outpatient revenues in order to account for outpatient workloads.

SAN GORGONIO MEMORIAL HOSPITAL

INPATIENT DISCHARGES

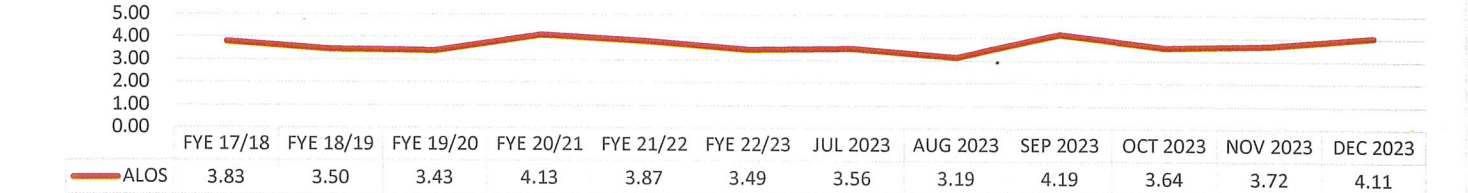
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
DISCHARGES	253	238	224	222	209	182	157	210	180	168	166	202

INPATIENT DAYS



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
PAT. DAYS	969	833	767	917	808	636	559	670	754	611	617	831

AVERAGE LENGTH OF STAY



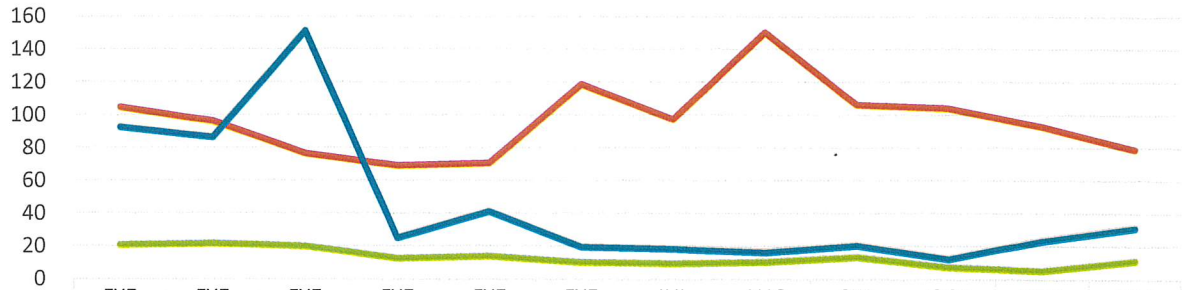
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
ALOS	3.83	3.50	3.43	4.13	3.87	3.49	3.56	3.19	4.19	3.64	3.72	4.11

EMERGENCY VISITS

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
VISITS	3,714	3,641	3,500	2,775	3,281	3,485	3,271	3,584	3,502	3,585	3,489	3,836

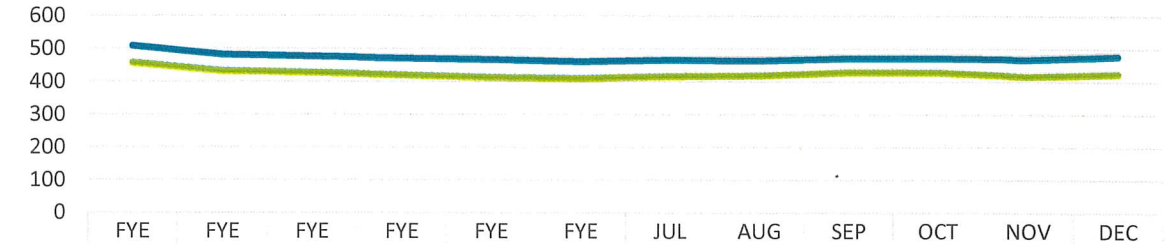
SAN GORGONIO MEMORIAL HOSPITAL

SURGERY CASES, G.I. CASES, N/B DELIVERIES



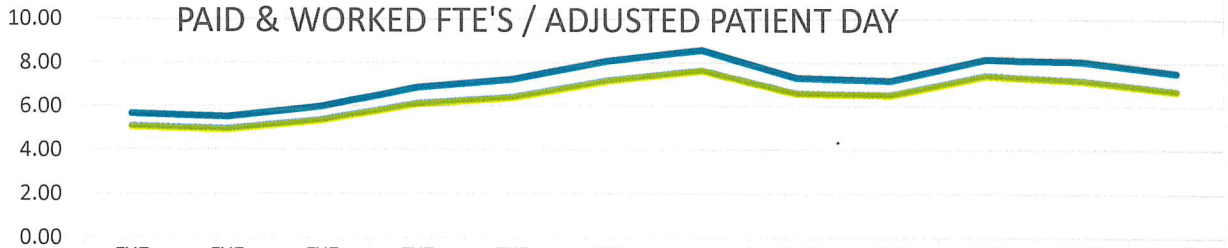
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
SURG.	105	97	77	70	71	119	98	151	107	105	94	80
G.I. CASES	93	87	152	26	42	20	19	17	21	13	24	32
BIRTHS	21	22	21	13	15	11	10	11	14	8	6	12

PAID & WORKED FTE'S



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
P FTE's	511	484	479	474	470	465	470	468	475	475	472	482
W FTE's	461	436	431	425	417	414	420	423	433	433	422	429

PAID & WORKED FTE'S / ADJUSTED PATIENT DAY



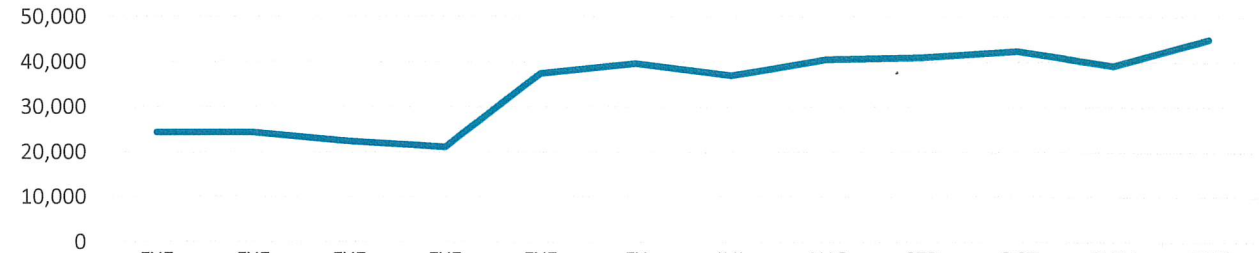
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
PFTES/APD	5.69	5.55	6.01	6.89	7.27	8.10	8.62	7.35	7.21	8.19	8.12	7.59
WFTES/APD	5.13	5.00	5.41	6.18	6.45	7.21	7.70	6.65	6.57	7.46	7.26	6.77

INCOME STATEMENT

Gross Patient Revenue (000's) (Monthly Ave.)	Represents total charges (before discounts and allowances) made for all patient services provided.
Net Patient Revenue (NPR) (000's) (Monthly Ave.)	Equals the sum of all (patient) charges for services provided that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
NPR as % of Gross	Reflects the percentage of Gross Patient Revenues (charges) that are expected to be collected. Calculated by dividing Net Patient Revenue by the Gross Patient Revenue.
Total Operating Revenue (000's) (Monthly Ave.)	This reflects all Revenues available for payment of Operating Expenses. This includes Net Patient Revenue plus all other forms of miscellaneous Revenues.
Salaries, Wages, Benefits & Contract Labor (000's) (Monthly Ave.)	Represents the total staffing expenses of the Hospital
SWB + Contract Labor as % of Total Operating Revenue	Identifies what portion the Operating Revenues are spent on staffing costs.
Total Operating Expense (TOE) (000's)(Monthly Ave.)	Operating Expense reflects all costs needed to fund the Hospital's business operations.
TOE as % of Total Operating Revenue	Identifies the relationship that Operating Expenses have to the Total Operating Revenues.
EBIDA (000's)(Monthly Average)	Earnings Before Interest, Depreciation, and Amortization. This reflects the difference between Net Operating Revenues and Total Operating Expense. This is a quick measurment of the Hospital's ability to meet its financial obligations and have additional funds for equipment replacement and future growth of the organization.
EBIDA as % of NPR	This measurement is a guage of the surplus (or deficit) of funds available for operations and future growth.
Net Patient Revenue vs. Total Labor Expense	This measurement illustrates that Net Patient Revenues basically only cover Total Labor Expense, and that all of the Other Revenues and Supplemental Incomes are necessary to cover the remaining operational Expenses and EBIDA required to operate the Hospital.
Operating Revenues (Normalized), Expenses, Staffing Expenses, and EBIDA (Normalized)	This graph illustrates the "normalization" of Operating Revenues and EBIDA, by reallocating proportionate Supplemental Revenues and related Expenses into the current month and YTD results.

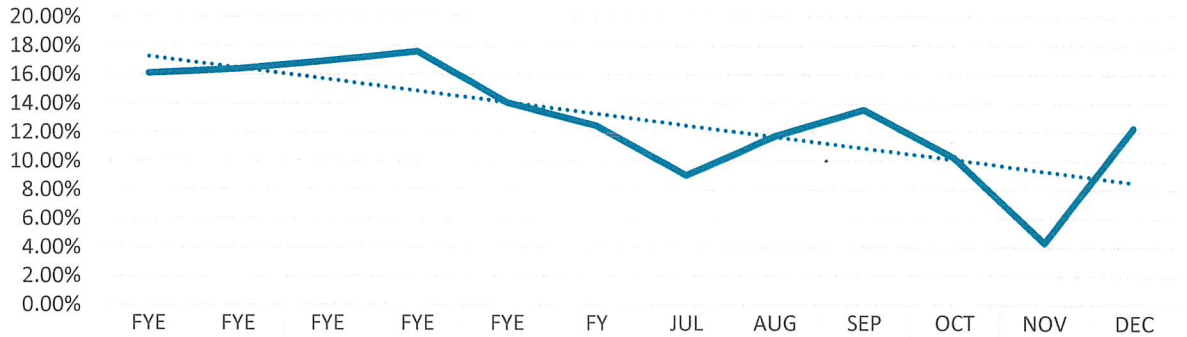
SAN GORGONIO MEMORIAL HOSPITAL

GROSS PATIENT REVENUE (000's)



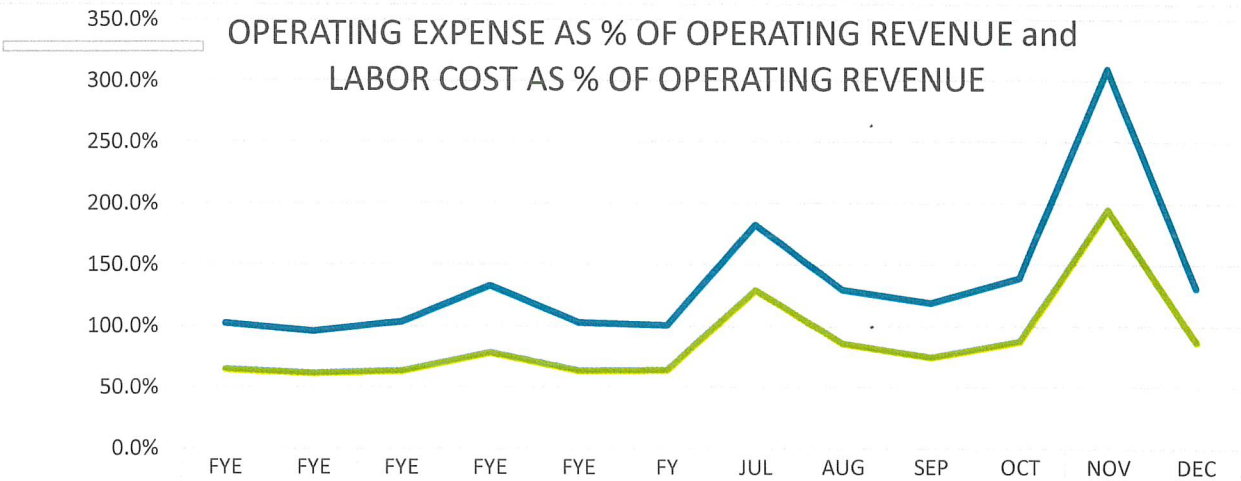
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
GPR	24,382	24,433	22,416	21,265	37,535	39,692	37,092	40,735	41,124	42,496	39,371	45,203

NET PATIENT REVENUE AS % OF GROSS



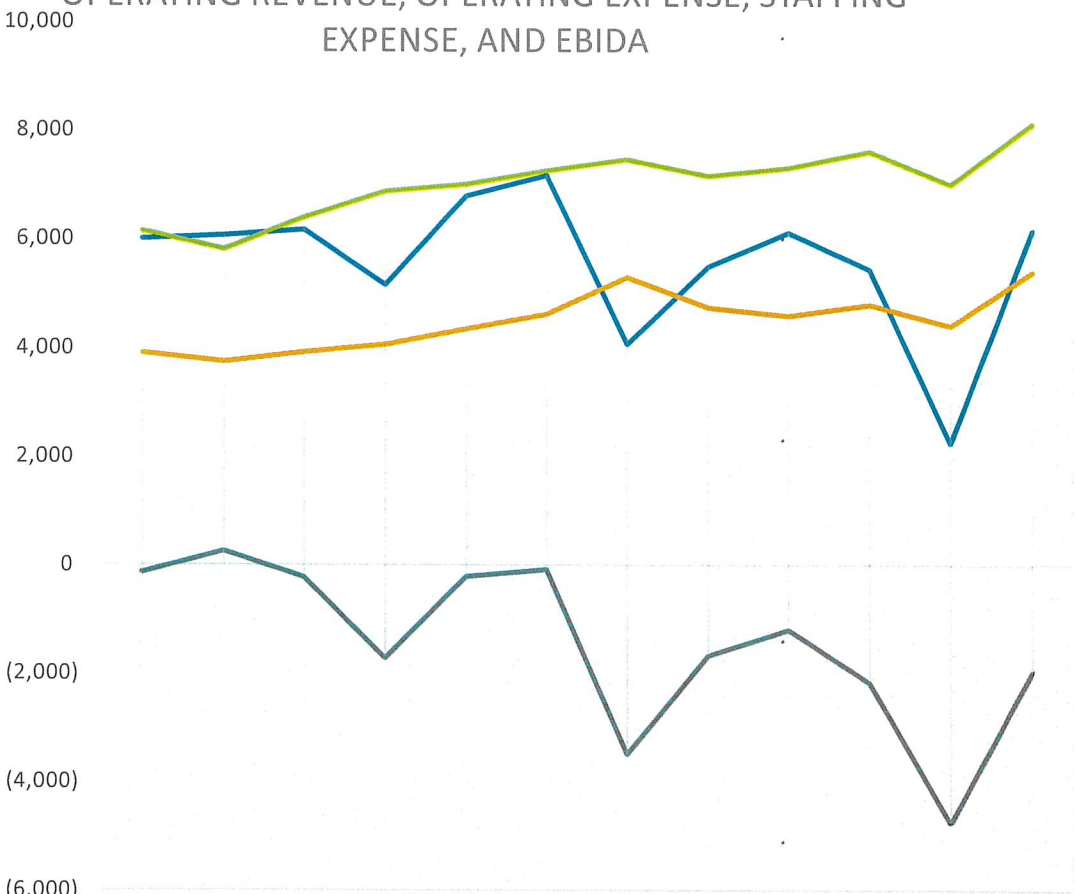
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
NPR%GROSS	16.08%	16.38%	16.93%	17.61%	14.05%	12.48%	9.05%	11.78%	13.59%	10.27%	4.38%	12.36%

OPERATING EXPENSE AS % OF OPERATING REVENUE and LABOR COST AS % OF OPERATING REVENUE



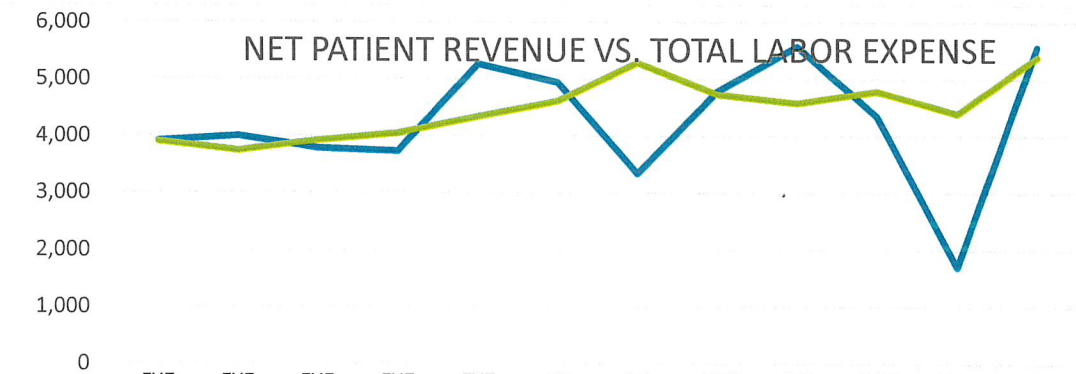
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
OP EXP%OP REV	102.3%	95.8%	103.8%	133.3%	103.2%	101.2%	183.0%	130.4%	119.5%	139.8%	310.6%	131.9%
LABOR%OP REV	65.2%	61.9%	63.8%	78.8%	64.1%	64.5%	130.1%	86.4%	75.1%	88.2%	195.7%	87.7%

OPERATING REVENUE, OPERATING EXPENSE, STAFFING EXPENSE, AND EBIDA



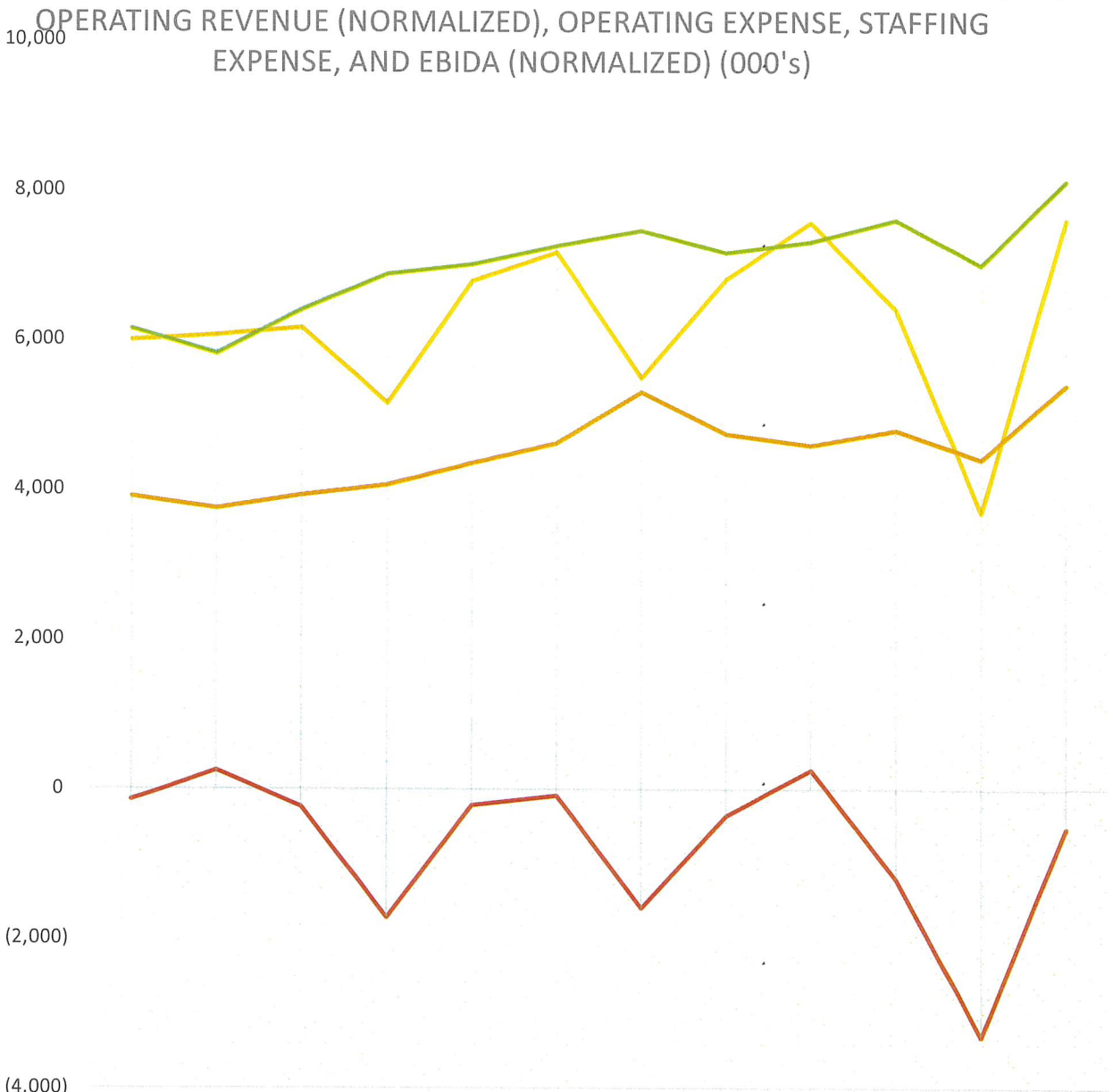
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
OP REV	6,006	6,069	6,165	5,160	6,791	7,172	4,078	5,495	6,118	5,442	2,256	6,167
OP EXP	6,147	5,817	6,398	6,878	7,007	7,257	7,461	7,164	7,310	7,610	7,006	8,132
STAFF EXP	3,915	3,755	3,932	4,065	4,354	4,626	5,303	4,746	4,593	4,802	4,416	5,411
EBIDA	(141)	252	(233)	(1,719)	(216)	(85)	(3,483)	(1,668)	(1,192)	(2,168)	(4,750)	(1,965)

NET PATIENT REVENUE VS. TOTAL LABOR EXPENSE



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
NET PAT REV	3,921	4,003	3,795	3,744	5,275	4,952	3,358	4,799	5,587	4,366	1,723	5,588
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,626	5,303	4,746	4,593	4,802	4,416	5,411

SAN GORGONIO MEMORIAL HOSPITAL



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FY 22/23	JUL 2023	AUG 2023	SEP 2023	OCT 2023	NOV 2023	DEC 2023
REV NORMAL	6,006	6,069	6,165	5,160	6,791	7,172	5,494	6,810	7,569	6,412	3,707	7,619
OP EXP	6,147	5,817	6,398	6,878	7,007	7,257	7,461	7,164	7,310	7,610	7,006	8,132
LABOR EXP	3,915	3,755	3,932	4,065	4,354	4,626	5,303	4,746	4,593	4,802	4,416	5,411
EBIDA NORMAL	(141)	252	(233)	(1,719)	(216)	(85)	(1,584)	(354)	259	(1,198)	(3,299)	(513)

SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL - BANNING, CA | Month-to- Month FYE June 30, 2024 | Statement of Revenue and Expense

	FYE18/19	FYE19/20	FYE 20/21	FYE 21/22	FYE 22/23	FYE 23/24	FYE 23/24	FYE 23/24	FYE 23/24	FYE 23/24	FYE 23/24
					12						
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	12/31/2023
Gross Patient Revenue											
Inpatient Revenue	$ 7,667,883	$ 7,401,282	$ 9,331,371	$ 16,603,390	$ 14,104,379	$ 12,272,477	$ 13,826,953	$ 15,201,247	$ 14,429,560	$ 13,489,069	$ 19,103,480
Inpatient Psych/Rehab Revenue	0	0	0	0		-	-	-	-	-	-
Outpatient Revenue	16,765,365	15,067,104	11,933,682	20,932,075	25,582,152	24,819,128	26,907,760	25,923,098	28,065,983	25,881,729	26,099,576
Long Term Care Revenue	0	0	0	0		-	-	-	-	-	-
Home Health Revenue	0	0	0	0	0	-	-	-	-	-	-
Total Gross Patient Revenue	24,433,247	22,468,386	21,265,053	37,535,465	39,686,530	37,091,605	40,734,713	41,124,345	42,495,543	39,370,798	45,203,056
Deductions From Revenue											
Discounts and Allowances	(19,588,148)	(17,845,730)	(16,635,734)	(31,267,149)	(33,562,183)	(32,843,917)	(34,825,978)	(34,572,937)	(37,124,786)	(36,796,629)	(38,595,300)
Bad Debt Expense	(858,023)	(653,280)	(824,395)	(1,045,570)	(1,047,941)	(864,969)	(964,980)	(950,573)	(901,941)	(808,712)	(924,718)
GI HMO Discounts	0	0	0	0	0	0	0	0	0	0	0
Charity Care	(56,168)	(86,517)	(41,362)	(136,947)	(97,443)	(24,281)	(144,312)	(13,958)	(103,164)	(42,458)	(94,878)
Total Deductions From Revenue	(20,502,339)	(18,585,527)	(17,501,490)	(32,449,666)	(34,707,567)	(33,733,167)	(35,935,270)	(35,537,468)	(38,129,891)	(37,647,799)	(39,614,896)
	-83.9%	-82.7%	-82.3%	-86.5%	-87.5%	-90.9%	-88.2%	-86.4%	-89.7%	-95.6%	-87.6%
Net Patient Revenue	3,930,908	3,882,859	3,763,563	5,085,799	4,978,963	3,358,438	4,799,443	5,586,877	4,365,652	1,722,999	5,588,160
Non- Patient Revenues											
Supplemental Revenues	1,485,337	1,157,326	869,707	501,407	939,467	35,377	136,446	0	481,713	0	0
Grants & Other Op Revenues	205,590	750,434	505,190	725,066	873,887	115,377	158,046	129,370	193,230	131,437	177,703
Clinic Net Revenues	22,382	15,743	0	0	0	0	0	0	0	0	0
Tax Subsidies Measure D	196,524	199,469	209,744	229,405	246,994	246,994	246,994	246,994	246,994	246,994	246,994
Tax Subsidies Prop 13	115,388	114,061	142,552	146,104	154,500	154,500	154,500	154,500	154,500	154,500	154,500
Tax Subsidies County Suplmtl Funds	16,159	9,064	16,163	25,561	2,308	167,258	0	0	0	0	0
Non-Patient Revenues	2,041,381	2,246,097	1,743,355	1,627,542	2,217,155	719,506	695,986	530,864	1,076,437	532,931	579,197
Total Operating Revenue	5,972,289	6,128,956	5,506,919	6,713,341	7,196,118	4,077,944	5,495,429	6,117,741	5,442,089	2,255,930	6,167,357
Operating Expenses											
Salaries and Wages	2,941,226	3,104,224	3,125,159	3,420,974	3,600,025	4,119,595	3,674,360	3,550,566	3,776,105	3,194,719	4,333,628
Fringe Benefits	702,477	752,708	856,889	830,599	938,302	1,013,089	970,221	848,892	1,033,920	978,795	955,047
Contract Labor	106,628	59,516	114,886	99,977	87,455	170,728	101,775	193,746	176,561	242,190	122,459
Physicians Fees	246,631	331,858	350,783	330,533	317,726	280,402	260,382	307,954	290,783	282,650	798,595
Purchased Services	513,857	691,337	772,336	892,521	820,559	840,396	941,985	1,007,492	1,002,184	1,078,252	802,077
Supply Expense	685,518	751,025	903,883	995,446	876,735	700,018	814,829	906,328	861,780	762,898	650,227
Utilities	75,471	80,680	92,287	111,192	115,835	104,939	107,960	76,274	88,098	97,211	115,692
Repairs and Maintenance	58,325	58,592	139,712	77,524	90,737	61,860	69,232	147,878	136,677	92,822	44,993
Insurance Expense	85,267	103,277	110,683	112,745	122,476	185,434	133,116	147,115	138,116	128,116	146,380
All Other Operating Expenses	70,922	160,745	148,752	101,142	135,411	59,602	47,639	68,331	55,072	93,494	117,737
IGT Expense	58,743	109,484	172,366	0	91,499	0	0	0	0	0	0
Leases and Rentals	76,150	79,233	79,424	37,952	69,475	25,370	42,245	55,457	50,740	54,691	45,049
1206 (b) CLINIC	98,810	94,628	34,096	0	0	0	0	0	0	0	0
Total Operating Expenses	5,720,023	6,377,306	6,901,255	7,010,605	7,266,235	7,561,433	7,163,744	7,310,033	7,610,036	7,005,838	8,131,884
EBIDA	252,266	(248,351)	(1,394,337)	(297,264)	(70,116)	(3,483,489)	(1,668,315)	(1,192,292)	(2,167,947)	(4,749,908)	(1,964,527)
Interest, Depreciation, and Amortization											
Depreciation Expense	497,808	506,497	494,721	472,317	558,920	514,671	515,528	605,920	571,451	569,523	577,088
Interest & Amortization Expense	418,193	422,094	447,994	391,606	481,556	434,111	445,099	383,794	405,597	370,607	369,556
Total Interest, Depr, & Amort.	916,000	928,591	942,715	863,923	1,040,476	948,782	960,627	989,714	977,048	940,130	946,644
Non-Operating Revenue:											
Contributions & Other	7,745	27,759	7,121	25,068	149,485	13,926	1,225,118	21,774	13,626	415,400	13,626
Tax Subsidies for GO Bonds - M-A	692,457	666,966	598,410	616,059	627,353	627,353	627,353	627,353	627,353	627,353	627,353
Total Non Operating Revenue/(Expense)	700,202	694,725	605,531	641,127	776,839	641,279	1,852,471	649,127	640,979	1,042,753	640,979
Total Net Surplus/(Loss)	36,467	(482,217)	(1,731,521)	(520,060)	(333,754)	(3,790,992)	(776,471)	(1,532,879)	(2,504,016)	(4,647,285)	(2,270,192)
Change in Interest in Foundation	0	0	0	0	0	0	0	0	0	0	0
Extra-ordinary Loss	0	(689,574)	(650)	(284,792)	0	0	0	0	0	0	0
Increase/(Decrease in Unrestricted Net Assets	$ 36,467	$ (1,171,791)	$ (1,732,171)	$ (804,852)	$ (333,754)	$ (3,790,992)	$ (776,471)	$ (1,532,879)	$ (2,504,016)	$ (4,647,285)	$ (2,270,192)
Total Profit Margin	0.6%	-7.9%	-31.4%	-7.7%	-4.6%	-93.0%	-14.1%	-25.1%	-46.0%	-206.0%	-36.8%
EBIDA %	4.2%	-4.1%	-25.3%	-4.4%	-1.0%	-85.4%	-30.4%	-19.5%	-39.8%	-210.6%	-31.9%

Actual EBIDA for Month	(3,483,489)	(1,668,315)	(1,192,292)	(2,167,947)	(4,749,908)	(1,964,527)
Adjustments to EBIDA to account for Cash Impact of GASB Lease Reclassification	(55,132)	(55,132)	(55,132)	(55,132)	(55,132)	(55,132)
Adjustment for Normalization of Supplemental Income (Net of Current Month Receipts)	1,470,973	1,369,904	1,506,350	1,024,637	1,506,350	1,506,350
Effective EBIDA after Normalization of Supplementals & Adjustments for Cash Outlays for Leases	(2,067,648)	(353,543)	258,926	(1,198,442)	(3,298,690)	(513,309)
	YTD	(2,421,191)	(2,162,265)	(3,360,707)	(6,659,397)	(7,172,707)

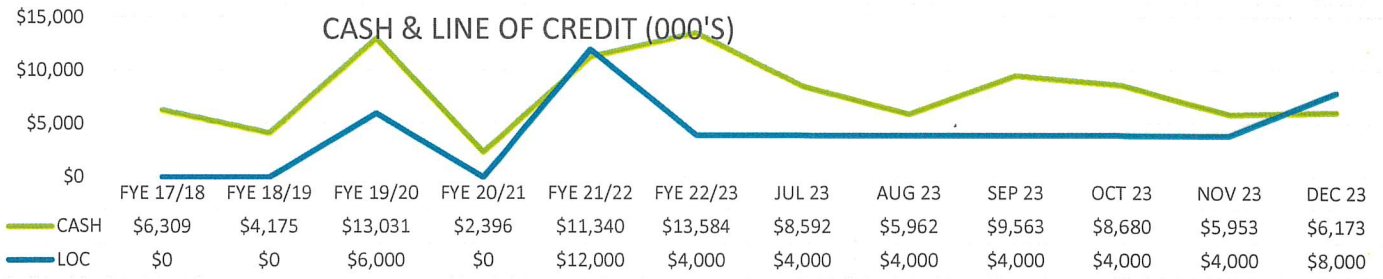
SAN GORGONIO HEALTHCARE DISTRICT & HOSPITAL - BANNING, (5 Year Monthly Averages and 12 Rolling Months Ended 12/31/2023

	FYE18/19	FYE19/20	FYE 20/21	FYE 21/22	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 22/23	FYE 23/24	FYE 23/24	FYE 23/24	FYE 23/24	FYE 23/24	FYE 23/24
	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	MONTHLY AVE.	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	12/31/2023
					12												
Gross Patient Revenue																	
Inpatient Revenue	$ 7,667,883	$ 7,401,282	$ 9,331,371	$ 16,603,390	$ 14,336,446	$ 15,327,216	$ 13,691,246	$ 12,451,963	$ 12,872,356	$ 13,178,063	$ 11,147,397	$ 12,272,477	$ 13,826,953	$ 15,201,247	$ 14,429,560	$ 13,489,069	$ 19,103,480
Inpatient Psych/Rehab Revenue	0	0	0		0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Outpatient Revenue	16,765,365	15,067,104	11,933,682	20,932,075	25,353,762	$ 25,994,869	$ 23,543,943	$ 27,831,252	$ 22,609,141	$ 29,465,200	$ 28,029,203	$ 24,819,128	$ 26,907,760	$ 25,923,098	$ 28,065,983	$ 25,881,729	$ 26,099,576
Long Term Care Revenue	0	0	0		0	-	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Home Health Revenue	0	0	0	0	0	-	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Total Gross Patient Revenue	24,433,247	22,468,386	21,265,053	37,535,465	39,690,208	41,322,085	37,235,189	40,283,214	35,481,497	42,643,263	39,176,601	37,091,605	40,734,713	41,124,345	42,495,543	39,370,798	45,203,056
Deductions From Revenue																	
Discounts and Allowances	(19,588,148)	(17,845,730)	(16,635,734)	(31,267,149)	(33,562,183)	$ (35,468,343)	$ (30,914,713)	$ (35,779,812)	$ (30,383,694)	$ (35,144,037)	$ (32,029,039)	$ (32,843,917)	$ (34,825,978)	$ (34,572,937)	$ (37,124,786)	$ (36,796,629)	$ (38,595,300)
Bad Debt Expense	(858,023)	(653,280)	(824,395)	(1,045,570)	(1,047,941)	$ (353,998)	$ (1,246,067)	$ (334,016)	$ (799,841)	$ (2,076,998)	$ (2,232,123)	$ (864,969)	$ (964,980)	$ (950,573)	$ (901,941)	$ (808,712)	$ (924,718)
GI HMO Discounts	0	0	0	0	0	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Charity Care	(56,168)	(86,517)	(41,362)	(136,947)	(97,443)	(14,815)	(14,782)	$ (57,399)	$ (121,864)	$ (121,864)	$ (183,865)	$ (24,281)	$ (144,312)	$ (13,958)	$ (103,164)	$ (42,458)	$ (94,878)
Total Deductions From Revenue	(20,502,339)	(18,585,527)	(17,501,490)	(32,449,666)	(34,707,567)	(35,837,156)	(32,175,562)	(36,171,227)	(31,305,399)	(37,342,898)	(34,445,026)	(33,733,167)	(35,935,270)	(35,537,468)	(38,129,891)	(37,647,799)	(39,614,896)
	-83.9%	-82.7%	-82.3%	-86.5%	-87.4%	-86.7%	-86.4%	-89.8%	-88.2%	-87.6%	-87.9%	-90.9%	-88.2%	-86.4%	-89.7%	-95.6%	-87.6%
Net Patient Revenue	3,930,908	3,882,859	3,763,563	5,085,799	4,982,641	5,484,928	5,059,627	4,111,987	4,176,098	5,300,365	4,731,574	3,358,438	4,799,443	5,586,877	4,365,652	1,722,999	5,588,160
Non- Patient Revenues																	
Supplemental Revenues	1,485,337	1,157,326	869,707	501,407	939,467	-	$ -	$ 8,095,568	$ 3,178,030	$ -	$ 0	$ 35,377	$ 136,446	$ -	$ 481,713	$ -	$ -
Grants & Other Op Revenues	205,590	750,434	505,190	725,065	873,887	383,032	$ 951,722	$ 4,151,470	$ 285,071	$ 440,060	$ 1,866,646	$ 115,377	$ 158,046	$ 129,370	$ 193,230	$ 131,437	$ 177,703
Clinic Net Revenues	22,382	15,743	0	0	0	-	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Tax Subsidies Measure D	196,524	199,469	209,744	229,405	246,994	246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994	$ 246,994
Tax Subsidies Prop 13	115,388	114,061	142,552	146,104	154,500	154,500	$ 154,500	$ 154,500	$ 154,500	$ 124,500	$ 184,500	$ 154,500	$ 154,500	$ 154,500	$ 154,500	$ 154,500	$ 154,500
Tax Subsidies County Suplmtl Funds	16,159	9,064	16,163	25,561	2,308	-	$ -	$ 27,692	$ -	$ -	$ -	$ 167,258	$ -	$ -	$ -	$ -	$ -
Non-Patient Revenues	2,041,381	2,246,097	1,743,355	1,627,542	2,217,155	784,526	1,353,216	12,676,224	3,864,596	811,554	2,298,140	719,506	695,986	530,864	1,076,437	532,931	579,197
Total Operating Revenue	5,972,289	6,128,956	5,506,919	6,713,341	7,199,796	6,269,454	6,412,844	16,788,211	8,040,693	6,111,918	7,029,715	4,077,944	5,495,429	6,117,741	5,442,089	2,255,930	6,167,357
Operating Expenses																	
Salaries and Wages	2,941,226	3,104,224	3,125,159	3,420,974	3,600,025	$ 3,389,453	$ 3,077,122	$ 3,403,893	4,883,009	3,569,623	3,495,555	4,119,595	3,674,360	3,550,566	3,776,105	3,194,719	4,333,628
Fringe Benefits	702,477	752,708	856,889	830,599	938,302	$ 923,548	$ 909,630	$ 983,304	1,136,954	980,844	909,491	1,013,089	970,221	848,892	1,033,920	978,795	955,047
Contract Labor	106,628	59,516	114,886	99,977	87,455	$ 199,814	$ 141,964	$ 74,693	115,720	57,987	25,758	170,728	101,775	193,746	176,561	242,190	122,459
Physicians Fees	246,631	331,858	350,783	330,533	322,524	$ 359,584	$ 329,986	$ 329,711	350,804	344,225	242,648	280,402	260,382	307,954	290,783	282,650	798,595
Purchased Services	513,857	691,337	772,336	892,521	815,761	$ 797,016	$ 476,515	$ 768,170	849,809	766,813	1,125,988	840,396	941,985	1,007,492	1,002,184	1,078,252	802,077
Supply Expense	685,518	751,025	903,883	995,446	876,735	$ 987,328	$ 723,243	$ 988,949	1,051,584	808,794	1,080,707	700,018	814,829	906,328	861,780	762,898	650,227
Utilities	75,471	80,680	92,287	111,192	115,835	$ 96,716	$ 105,867	$ 98,940	194,633	105,066	136,923	104,939	107,960	76,274	88,098	97,211	115,692
Repairs and Maintenance	58,325	58,592	139,712	77,524	90,737	$ 83,712	$ 101,598	$ 85,772	101,922	127,526	61,628	61,860	69,232	147,878	136,677	92,822	44,993
Insurance Expense	85,267	103,277	110,683	112,745	122,393	$ 114,116	$ 117,116	$ 103,000	117,993	122,000	141,364	185,434	133,116	147,115	138,116	128,116	146,380
All Other Operating Expenses	70,922	160,745	148,752	101,142	135,411	139,122	48,806	72,459	384,176	118,594	125,742	59,602	47,639	68,331	55,072	93,494	117,737
IGT Expense	58,743	109,484	172,366	0	91,499	-	-	800,045	297,940	-	-	-	-	-	-	0	0
Leases and Rentals	76,150	79,233	79,424	37,952	69,475	765	61,844	62,060	72,328	65,966	103,254	25,370	42,245	55,457	50,740	54,691	45,049
1206 (b) CLINIC	98,810	94,628	34,096	0	0	-	-	-	-	-	-	-	-	-	-	0	0
Total Operating Expenses	5,720,023	6,377,306	6,901,255	7,010,605	7,266,151	7,091,173	6,093,690	7,770,997	9,556,872	7,067,438	7,449,059	7,561,433	7,163,744	7,310,033	7,610,036	7,005,838	8,131,884
EBIDA	252,266	(248,351)	(1,394,337)	(297,264)	(66,356)	(821,719)	319,154	9,017,214	(1,516,179)	(955,520)	(419,344)	(3,483,489)	(1,668,315)	(1,192,292)	(2,167,947)	(4,749,908)	(1,964,527)
Interest, Depreciation, and Amortization																	
Depreciation and Amortization	497,808	506,497	494,721	472,317	558,920	661,981	660,120	626,682	$ 627,615	$ 609,030	$ 625,348	$ 514,671	$ 515,528	$ 605,920	$ 571,451	$ 569,523	$ 577,088
Interest Expense	418,193	422,094	447,994	391,606	481,556	491,596	425,067	467,039	$ 550,064	$ 573,399	$ 421,777	$ 434,111	$ 445,099	$ 383,794	$ 405,597	$ 370,607	$ 369,556
Total Interest, Depr, & Amort.	916,000	928,591	942,715	863,923	1,040,476	1,153,577	1,085,187	1,093,721	1,177,679	1,182,429	1,047,126	948,782	960,627	989,714	977,048	940,130	946,644
Non-Operating Revenue:																	
Contributions & Other	7,745	27,759	7,121	25,068	149,485	(48,783)	1,875	3,578	5,682	$ 2,771	$ 738	$ 13,926	$ 1,225,118	$ 21,774	$ 13,626	$ 415,400	$ 13,626
Tax Subsidies for GO Bonds - M-A	692,457	666,966	598,410	616,059	627,353	627,353	627,353	627,353	627,353	$ 627,353	$ 627,353	$ 627,353	$ 627,353	$ 627,353	$ 627,353	$ 627,353	$ 627,353
Total Non Operating Revenue/(Expe	700,202	694,725	605,531	641,127	776,839	578,570	629,228	630,931	633,035	630,125	628,091	641,279	1,852,471	649,127	640,979	1,042,753	640,979
Total Net Surplus/(Loss)	36,467	(482,217)	(1,731,521)	(520,060)	(329,993)	(1,396,726)	(136,804)	8,554,424	(2,060,822)	(1,507,824)	(838,378)	(3,790,992)	(776,471)	(1,532,879)	(2,504,016)	(4,647,285)	(2,270,192)
Change in Interest in Foundation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Extra-ordinary Loss on Financing	0	(689,574)	(650)	(284,792)	0	0	0	0	0	0	0	0	0	0	0	0	0
Increase/(Decrease in Unrestricted Net	$ 36,467	$ (1,171,791)	$ (1,732,171)	$ (804,852)	$ (329,993)	$ (1,396,726)	$ (136,804)	$ 8,554,424	$ (2,060,822)	$ (1,507,824)	$ (838,378)	$ (3,790,992)	$ (776,471)	$ (1,532,879)	$ (2,504,016)	$ (4,647,285)	$ (2,270,192)
Total Profit Margin	0.6%	-7.9%	-31.4%	-7.7%	-4.6%	-22.3%	-2.1%	51.0%	-25.6%	-24.7%	-11.9%	-93.0%	-14.1%	-25.1%	-46.0%	-206.0%	-36.8%
EBIDA %	4.2%	-4.1%	-25.3%	-4.4%	-0.9%	-13.1%	5.0%	53.7%	-18.9%	-15.6%	-6.0%	-85.4%	-30.4%	-19.5%	-39.8%	-210.6%	-31.9%

BALANCE SHEET (Period End)

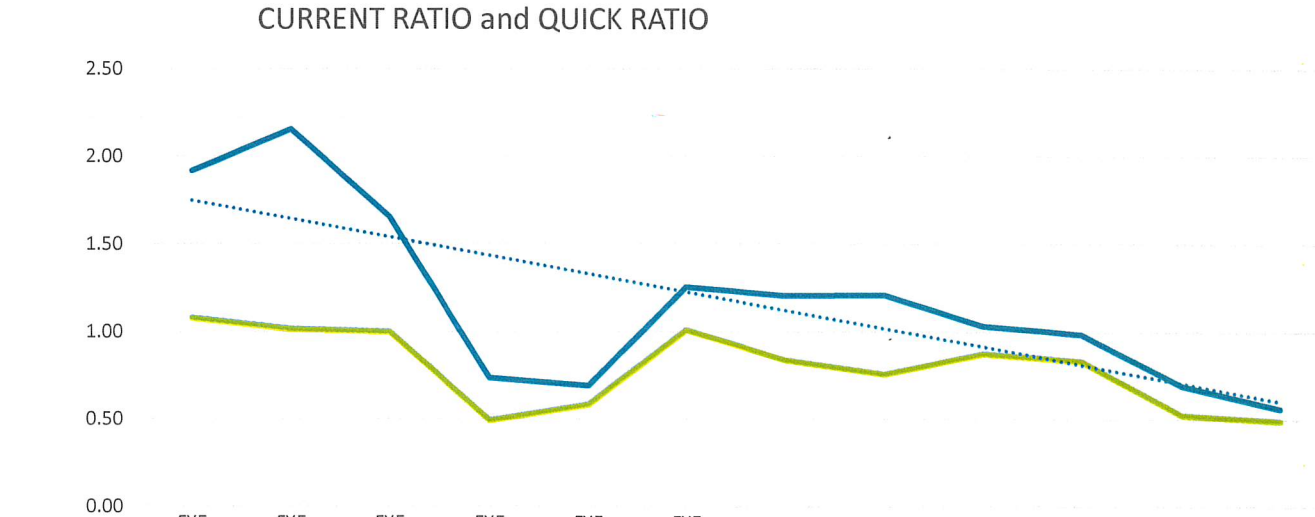
Cash (000's)	Represents all unrestricted cash in the bank at each month-end.
Days Cash on Hand	Calculated by dividing amount of Cash on Hand by the historical average daily amount of cash requirmements to cover operating expenses.
Accounts Receivable - Net (000's)	Equals the sum of all (patient) accounts that are due to the hospital, less estimated adjustments for discounts and other contractual disallowances for which the patients may be entitled.
A/R Days - Net	This measures the average number of days it takes to collect payment of the Net Accounts Receivable. Lower values are desired.
Current Ratio (Current Assets/Current Liabilities)	A measure that illustrates the ability for the hospital to pay its obligations that come due over the course of the next year. The greater the Current Assets as compared to the Current Liabilities, the stronger position the organization is in to pay its upcoming obligations. Desired position is greater than 1:00 to 1:00, preferably at least 1:25 to 1:00 or greater.
Quick Ratio	This measures the Cash + Net Accounts Receivable compared to the Current Liabilities. Desired ratio is greater than 1.00 : 1.00.
Accounts Payable (000's)	Reflects payment obligations of the Hospital as of a point in time. Excludes Loans, Payroll and other Debt obligations. Lower values are desired.
Accounts Payable Days	Reflects the average number of days that it takes to pay routine bills. Lower numbers are desired. Calculated by dividing the Accounts Payable amount by the historical average daily cost of routine expenses.
Line of Credit Balance (000's)	The amount that is currently borrowed from a lending institution as of a given point in time.

SAN GORGONIO MEMORIAL HOSPITAL



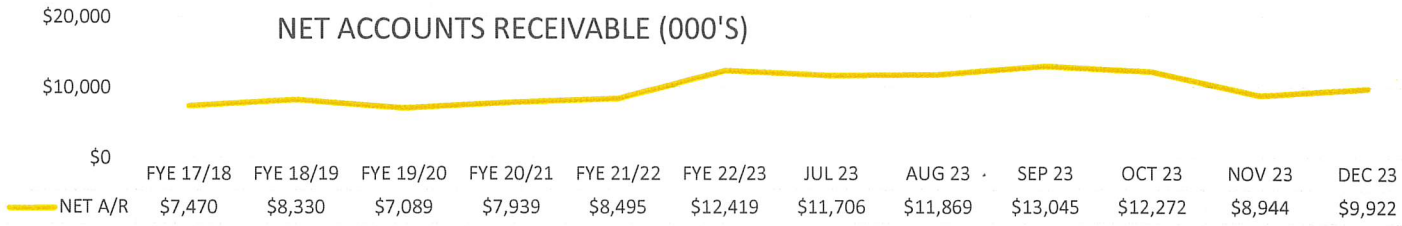
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
CASH	$6,309	$4,175	$13,031	$2,396	$11,340	$13,584	$8,592	$5,962	$9,563	$8,680	$5,953	$6,173
LOC	$0	$0	$6,000	$0	$12,000	$4,000	$4,000	$4,000	$4,000	$4,000	$4,000	$8,000

	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
DCOH	31.2	21.8	62.0	10.6	49.2	56.8	35.9	25.0	40.0	36.2	24.9	25.7

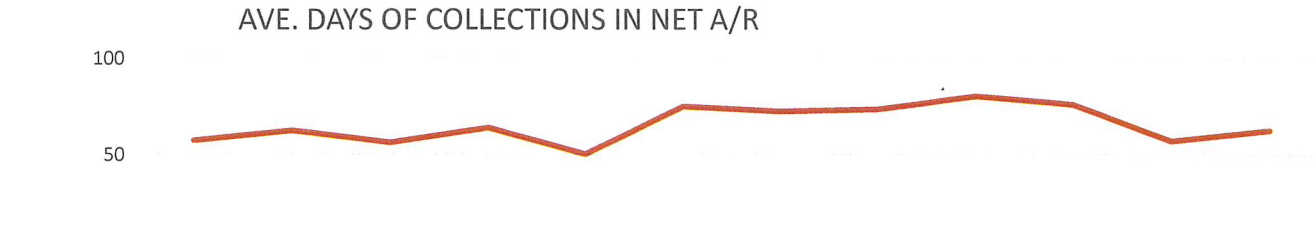


	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
CURRENT	1.92	2.16	1.66	0.74	0.70	1.26	1.21	1.21	1.04	0.99	0.70	0.57
QUICK	1.08	1.02	1.00	0.50	0.59	1.02	0.84	0.76	0.88	0.84	0.53	0.50

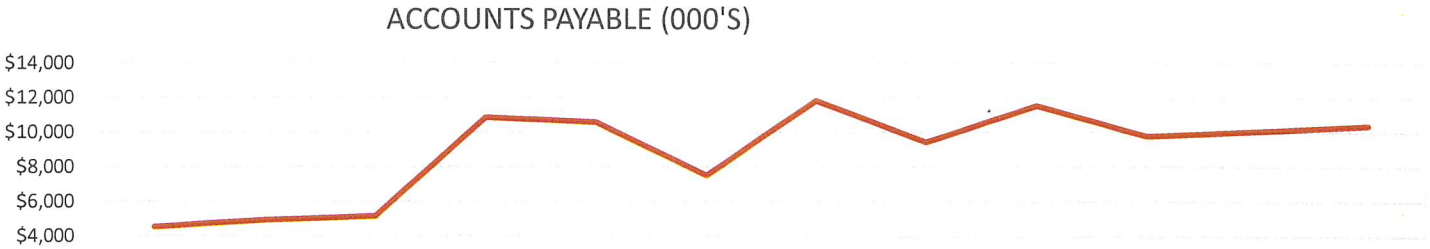
SAN GORGONIO MEMORIAL HOSPITAL



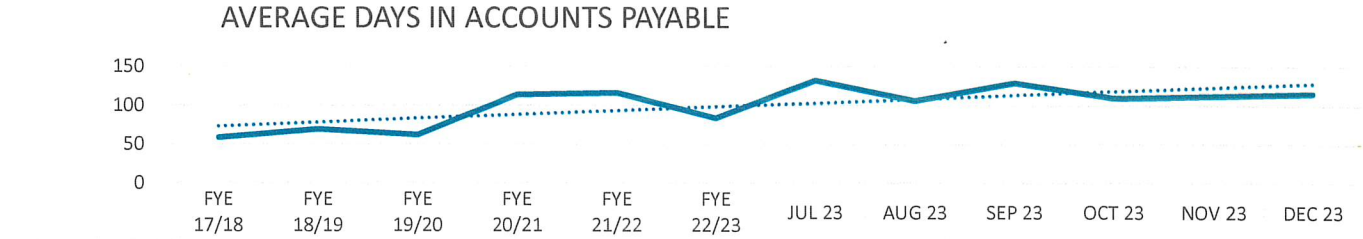
	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
NET A/R	$7,470	$8,330	$7,089	$7,939	$8,495	$12,419	$11,706	$11,869	$13,045	$12,272	$8,944	$9,922



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
NET DAYS	58	63	57	64	51	76	73	74	81	77	58	64



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
A/P	$4,576	$4,969	$5,201	$10,897	$10,601	$7,560	$11,878	$9,481	$11,589	$9,835	$10,129	$10,469



	FYE 17/18	FYE 18/19	FYE 19/20	FYE 20/21	FYE 21/22	FYE 22/23	JUL 23	AUG 23	SEP 23	OCT 23	NOV 23	DEC 23
A/P DAYS	59	69	62	114	117	84	133	107	130	110	113	117

Income Statement
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Dec 22 Act	Dec 23 BD	Dec 23 Act	Variance (Dec 23 Act - Dec 23 BD)	Var%
NET INCOME	-292,308	-1,227,558	-2,270,192	-1,042,634	-84.94 %
⊟ EBIDA	260,947	-1,627,037	-1,964,527	-337,490	-20.74 %
⊟ NET SERVICE REVENUE	6,777,624	5,882,269	6,167,357	285,088	4.85 %
⊞ NET PATIENT REVENUE	6,088,154	5,213,839	5,588,160	374,321	7.18 %
⊞ OTHER OPERATING REVENUE	689,470	668,430	579,197	-89,233	-13.35 %
⊟ TOTAL OPERATING EXPENSE	6,516,677	7,509,306	8,131,884	-622,578	-8.29 %
⊞ TOTAL OPERATING EXPENSE	6,516,677	7,509,306	8,131,884	-622,578	-8.29 %
⊟ NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979	-719,449	-52.88 %
⊞ NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979	-719,449	-52.88 %
⊞ TOTAL INTEREST & DEPRECIATION	1,194,269	960,949	946,644	14,305	1.49 %

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Income Statement
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD	Jul - Dec 22 Act YTD	Jul - Dec 23 BD YTD	Jul - Dec 23 Act YTD	Variance (Jul - Dec 23 Act YTD - Jul - Dec 23 BD YTD)	Var%
NET INCOME	-5,659,068	-4,941,358	-15,521,835	-10,580,477	-214.12
⊟ EBIDA	-4,926,556	-6,380,930	-15,251,799	-8,870,869	-139.02
⊟ NET SERVICE REVENUE	35,840,326	37,621,478	29,556,490	-8,064,988	-21.44 %
⊞ NET PATIENT REVENUE	31,252,421	33,053,158	25,421,569	-7,631,589	-23.09 %
⊞ OTHER OPERATING REVENUE	4,587,905	4,568,320	4,134,921	-433,399	-9.49 %
⊟ TOTAL OPERATING EXPENSE	40,766,882	44,002,408	44,808,289	-805,881	-1.83 %
⊞ TOTAL OPERATING EXPENSE	40,766,882	44,002,408	44,808,289	-805,881	-1.83 %
⊟ NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588	-1,737,678	-24.12 %
⊞ NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588	-1,737,678	-24.12 %
⊞ TOTAL INTEREST & DEPRECIATION	6,005,386	5,765,694	5,737,624	28,070	0.49 %

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Thursday, January 25, 2024 11:33:20 AM

Balance Sheet
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Jun 23 Act	Nov 23 Act	Dec 23 Act	Var Nov 23 Act	Var%
NET BALANCE SHEET	246,282	61	64	3	4.92 %
⊟ TOTAL ASSETS	110,447,365	101,254,932	102,845,478	1,590,546	1.57 %
⊟ TOTAL ASSETS	110,447,365	101,254,932	102,845,478	1,590,546	1.57 %
⊞ CURRENT ASSETS	28,206,674	19,563,327	18,360,341	-1,202,986	-6.15 %
⊞ ASSETS WHICH USE IS LIMITED	9,102,770	10,666,301	13,828,639	3,162,338	29.65 %
⊞ NET PROPERTY, PLANT, AND EQUIPMENT	72,773,002	71,169,380	70,803,164	-366,216	-0.51 %
⊞ OTHER ASSETS	364,919	-144,076	-146,666	-2,590	-1.80 %
⊟ TOTAL LIABILITIES & FUND BALANCE	110,201,083	101,254,871	102,845,414	-1,590,543	-1.57 %
⊟ TOTAL LIABILITIES	148,190,064	160,508,907	164,369,642	-3,860,735	-2.41 %
⊞ CURRENT LIABILITES	28,790,048	27,982,583	32,290,870	-4,308,287	-15.40 %
⊞ LONG TERM LIABILITIES	119,400,016	132,526,324	132,078,772	447,552	0.34 %
⊟ NET ASSETS	-37,988,981	-59,254,036	-61,524,228	2,270,192	3.83 %
⊞ NET ASSETS - UNRESTRICTED	-37,988,981	-59,254,036	-61,524,228	2,270,192	3.83 %

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SAN GORGONIO MEMORIAL HOSPITAL

		FY23	FY 24	FY 24		FY 23	FY 24	FY 24		FY 23
		12/31/22	12/31/23	12/31/23		2023	2024	2024		2023
		ACTUAL	ACTUAL	BUDGET		6 MOS YTD ACTUAL	6 MOS YTD ACTUAL	6 MOS.YTD BUDGET		YR END TOTAL
[1]	Total Acute Patient Days	910	831	749		4,181	4,042	4,125		7,636
[2]	Average Daily Census	29.4	26.8	24.2		22.7	22.0	22.4		20.9
[3]	Average Acute Length of Stay	3.9	4.1	3.4		3.6	3.7	3.4		3.5
[4]	Patient Discharges	235	202	218		1,166	1,083	1,204		2,186
[5]	Adjusted Patient Days	2,166	1,966	1,971		11,113	11,259	11,321		21,460
[6]	Observation Days	302	289	289		1,568	1,824	1,701		3,160
[7]	Total Emergency Room Visits	3,506	3,836	3,821		21,893	21,267	22,514		41,821
[8]	Average ED Visits Per Day	113	124	123		119	116	122		115
[9]	Total Surgeries (Excluding G.I.'s)	107	80	113		718	635	779		1,433
[10]	Deliveries/Births	11	12	13		79	61	81		131

Income Statement
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Dec 22 Act	Dec 23 BD	Dec 23 Act		Variance (Dec 23 Act - Dec 23 BD)	Var%
NET INCOME	-292,308	-1,227,558	-2,270,192	A	-1,042,634	-84.94 %
EBIDA	260,947	-1,627,037	-1,964,527	B	-337,490	-20.74 %
NET SERVICE REVENUE	6,777,624	5,882,269	6,167,357	C	285,088	4.85 %
NET PATIENT REVENUE	6,088,154	5,213,839	5,588,160	D	374,321	7.18 %
GROSS REVENUE FROM PATIENT SERVICES	42,190,148	43,257,930	45,203,056	E	1,945,126	4.50 %
TOTAL INPATIENT REVENUE	17,770,529	16,585,259	19,103,480		2,518,221	15.18 %
TOTAL OUTPATIENT REVENUE	24,419,619	26,672,671	26,099,576		-573,095	-2.15 %
DEDUCTIONS FROM REVENUE	-36,101,994	-38,044,091	-39,614,896		-1,570,805	-4.13 %
DEDUCTIONS FROM REVENUE	-36,101,994	-38,044,091	-39,614,896	F	-1,570,805	-4.13 %
CONTRACTUAL ALLOWANCES	-36,101,994	-38,044,091	-39,614,896		-1,570,805	-4.13 %
501052 - CONTRACTUAL ALLOWANCES	-35,021,202	-37,078,957	-38,595,300		-1,516,343	-4.09 %
501153 - BAD DEBT EXPENSE	-1,015,237	-873,842	-924,718		-50,876	-5.82 %
501254 - CHARITY WRITE_OFFS	-65,555	-91,292	-94,878		-3,586	-3.93 %
OTHER OPERATING REVENUE	689,470	668,430	579,197	G	-89,233	-13.35 %
OTHER REVENUE - RATE RANGE	0	0	0		0	0.00 %
OTHER REVENUE - OTHER SUPPLEMENTALS	0	0	0		0	0.00 %
OTHER REVENUE - DSH	0	0	33,222		33,222	0.00 %
OTHER REVENUE - P4P	24,803	0	0		0	0.00 %
OTHER REVENUE - OTHER	263,173	258,603	144,481		-114,122	-44.13 %
OPERATNG TAX REVENUES	401,494	409,827	401,494		-8,333	-2.03 %
TOTAL OPERATING EXPENSE	6,516,677	7,509,306	8,131,884		-622,578	-8.29 %
TOTAL OPERATING EXPENSE	6,516,677	7,509,306	8,131,884	H	-622,578	-8.29 %
TOTAL LABOR EXPENSE	4,061,515	4,858,622	5,411,134	I	-552,512	-11.37 %
EMPLOYEE WAGES & BENEFITS	3,992,642	4,763,979	5,288,675		-524,696	-11.01 %
WAGES	3,970,978	3,759,736	4,333,628	J	-573,892	-15.26 %
EMPLOYEE BENEFITS	21,664	1,004,243	955,047	K	49,196	4.90 %
CONTRACT LABOR	68,873	94,643	122,459	L	-27,816	-29.39 %
PROFESSIONAL FEES	1,247,102	1,155,239	1,600,672		-445,433	-38.56 %
PROFESSIONAL FEES	1,247,102	1,155,239	1,600,672		-445,433	-38.56 %
PHYSICIAN FEES	469,260	312,187	798,595	M	-486,408	-155.81 %
PURCHASED SERVICES	777,842	843,052	802,077	N	40,975	4.86 %
SUPPLIES & OTHER EXPENSES	1,208,060	1,495,445	1,120,078		375,367	25.10 %

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SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Dec 22 Act	Dec 23 BD	Dec 23 Act		Variance (Dec 23 Act - Dec 23 BD)	Var%
SUPPLY EXPENSE	598,668	930,953	650,227	O	280,726	30.15 %
OTHER EXPENSES	609,392	564,492	469,851		94,641	16.77 %
UTILITIES	112,163	106,063	115,692	P	-9,629	-9.08 %
REPAIRS AND MAINTENANCE	70,679	83,208	44,993	Q	38,215	45.93 %
INSURANCE	158,248	146,289	146,380	R	-91	-0.06 %
OTHER EXPENSES	176,082	183,558	117,737	S	65,821	35.86 %
LEASE AND RENTALS	92,220	45,374	45,049	T	325	0.72 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
OTHER NON-OPERATING REVENUE	13,661	733,075	13,626	U	-719,449	-98.14 %
NON-OPERATING TAX REVENUE	627,353	627,353	627,353	V	0	0.00 %
EXTRAORDINARY REVENUE	0	0	0		0	0.00 %
TOTAL INTEREST & DEPRECIATION	1,194,269	960,949	946,644		14,305	1.49 %
TOTAL INTEREST & DEPRECIATION	1,194,269	960,949	946,644		14,305	1.49 %
TOTAL INTEREST & DEPRECIATION	1,194,269	960,949	946,644		14,305	1.49 %
TOTAL INTEREST & DEPRECIATION	1,194,269	960,949	946,644		14,305	1.49 %
TOTAL INTEREST & DEPRECIATION	1,194,269	960,949	946,644		14,305	1.49 %
DEPRECIATION	587,530	522,162	577,088	W	-54,926	-10.52 %
INTEREST & AMORTIZATION	606,739	438,787	369,556	X	69,231	15.78 %

Income Statement
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD	Jul - Dec 22 Act YTD	Jul - Dec 23 BD YTD	Jul - Dec 23 Act YTD		Variance (Jul - Dec 23 Act YTD - Jul - Dec 23 BD YTD)	Var%
NET INCOME	-5,659,068	-4,941,358	-15,521,835	A	-10,580,477	-214.12
EBIDA	-4,926,556	-6,380,930	-15,251,799	B	-8,870,869	-139.02
NET SERVICE REVENUE	35,840,326	37,621,478	29,556,490	C	-8,064,988	-21.44 %
NET PATIENT REVENUE	31,252,421	33,053,158	25,421,569	D	-7,631,589	-23.09 %
GROSS REVENUE FROM PATIENT SERVICES	240,011,634	251,570,236	246,020,060	E	-5,550,176	-2.21 %
TOTAL INPATIENT REVENUE	90,666,429	92,216,145	88,322,786		-3,893,359	-4.22 %
TOTAL OUTPATIENT REVENUE	149,345,205	159,354,091	157,697,274		-1,656,817	-1.04 %
DEDUCTIONS FROM REVENUE	-208,759,213	-218,517,078	-220,598,491	F	-2,081,413	-0.95 %
DEDUCTIONS FROM REVENUE	-208,759,213	-218,517,078	-220,598,491		-2,081,413	-0.95 %
CONTRACTUAL ALLOWANCES	-208,759,213	-218,517,078	-220,598,491		-2,081,413	-0.95 %
501052 - CONTRACTUAL ALLOWANCES	-202,572,237	-212,973,555	-214,759,547		-1,785,992	-0.84 %
501153 - BAD DEBT EXPENSE	-5,532,251	-5,019,161	-5,415,893		-396,732	-7.90 %
501254 - CHARITY WRITE_OFFS	-654,725	-524,362	-423,051		101,311	19.32 %
OTHER OPERATING REVENUE	4,587,905	4,568,320	4,134,921	G	-433,399	-9.49 %
OTHER REVENUE - RATE RANGE	0	0	0		0	0.00 %
OTHER REVENUE - OTHER SUPPLEMENTALS	853,148	434,000	481,713		47,713	10.99 %
OTHER REVENUE - DSH	37,490	37,490	75,911		38,421	102.48
OTHER REVENUE - P4P	124,554	86,250	136,446		50,196	58.20 %
OTHER REVENUE - OTHER	1,163,749	1,551,618	864,629		-686,989	-44.28 %
OPERATNG TAX REVENUES	2,408,964	2,458,962	2,576,222		117,260	4.77 %
TOTAL OPERATING EXPENSE	40,766,882	44,002,408	44,808,289		-805,881	-1.83 %
TOTAL OPERATING EXPENSE	40,766,882	44,002,408	44,808,289	H	-805,881	-1.83 %
TOTAL LABOR EXPENSE	26,196,395	28,509,031	29,456,396	I	-947,365	-3.32 %
EMPLOYEE WAGES & BENEFITS	25,808,193	27,987,362	28,448,937		-461,575	-1.65 %
WAGES	21,292,354	22,003,487	22,648,973	J	-645,486	-2.93 %
EMPLOYEE BENEFITS	4,515,839	5,983,875	5,799,964	K	183,911	3.07 %
CONTRACT LABOR	388,202	521,669	1,007,459	L	-485,790	-93.12 %
PROFESSIONAL FEES	7,149,961	7,056,492	7,893,152		-836,660	-11.86 %
PROFESSIONAL FEES	7,149,961	7,056,492	7,893,152		-836,660	-11.86 %
PHYSICIAN FEES	1,896,135	1,873,122	2,220,766	M	-347,644	-18.56 %
PURCHASED SERVICES	5,253,826	5,183,370	5,672,386	N	-489,016	-9.43 %

Thursday, January 25, 2024 11:42:19 AM

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD	Jul - Dec 22 Act YTD	Jul - Dec 23 BD YTD	Jul - Dec 23 Act YTD		Variance (Jul - Dec 23 Act YTD - Jul - Dec 23 BD YTD)	Var%
SUPPLIES & OTHER EXPENSES	7,420,526	8,436,885	7,458,741		978,144	11.59 %
SUPPLY EXPENSE	4,686,361	5,542,819	4,696,080	O	846,739	15.28 %
OTHER EXPENSES	2,734,165	2,894,066	2,762,661		131,405	4.54 %
UTILITIES	639,571	646,998	590,174	P	56,824	8.78 %
REPAIRS AND MAINTENANCE	441,119	493,122	553,462	Q	-60,340	-12.24 %
INSURANCE	793,128	877,734	878,278	R	-544	-0.06 %
OTHER EXPENSES	708,127	603,968	441,875	S	162,093	26.84 %
LEASE AND RENTALS	152,220	272,244	298,872	T	-26,628	-9.78 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
OTHER NON-OPERATING REVENUE	1,508,756	3,441,148	1,703,470	U	-1,737,678	-50.50 %
NON-OPERATING TAX REVENUE	3,764,118	3,764,118	3,764,118	V	0	0.00 %
EXTRAORDINARY REVENUE	0	0	0		0	0.00 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,765,694	5,737,624		28,070	0.49 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,765,694	5,737,624		28,070	0.49 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,765,694	5,737,624		28,070	0.49 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,765,694	5,737,624		28,070	0.49 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,765,694	5,737,624		28,070	0.49 %
DEPRECIATION	3,174,748	3,132,972	3,328,860	W	-195,888	-6.25 %
INTEREST & AMORTIZATION	2,830,638	2,632,722	2,408,764	X	223,958	8.51 %

Income Statement
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Dec 22 Act	Dec 23 Flex	Dec 23 Act		Variance (Dec 23 Act - Dec 23 Flex)	Var%
NET INCOME	-292,308	-2,203,280	-2,270,192	A	-66,912	-3.04 %
EBIDA	260,947	-2,605,373	-1,964,527	B	640,846	24.60 %
NET SERVICE REVENUE	6,777,624	5,014,374	6,167,357	C	1,152,983	22.99 %
NET PATIENT REVENUE	6,088,154	4,383,444	5,588,160	D	1,204,716	27.48 %
GROSS REVENUE FROM PATIENT SERVICES	42,190,148	44,138,103	45,203,056	E	1,064,953	2.41 %
TOTAL INPATIENT REVENUE	17,770,529	18,554,686	19,103,480		548,794	2.96 %
TOTAL OUTPATIENT REVENUE	24,419,619	25,583,417	26,099,576		516,159	2.02 %
DEDUCTIONS FROM REVENUE	-36,101,994	-39,754,659	-39,614,896		139,763	0.35 %
DEDUCTIONS FROM REVENUE	-36,101,994	-39,754,659	-39,614,896	F	139,763	0.35 %
CONTRACTUAL ALLOWANCES	-36,101,994	-39,754,659	-39,614,896		139,763	0.35 %
501052 - CONTRACTUAL ALLOWANCES	-35,021,202	-38,746,130	-38,595,300		150,830	0.39 %
501153 - BAD DEBT EXPENSE	-1,015,237	-913,132	-924,718		-11,586	-1.27 %
501254 - CHARITY WRITE_OFFS	-65,555	-95,397	-94,878		519	0.54 %
OTHER OPERATING REVENUE	689,470	630,930	579,197	G	-51,733	-8.20 %
OTHER REVENUE - RATE RANGE	0	0	0		0	0.00 %
OTHER REVENUE - OTHER SUPPLEMENTALS	0	0	0		0	0.00 %
OTHER REVENUE - DSH	0	0	33,222		33,222	0.00 %
OTHER REVENUE - P4P	24,803	0	0		0	0.00 %
OTHER REVENUE - OTHER	263,173	221,103	144,481		-76,622	-34.65 %
OPERATNG TAX REVENUES	401,494	409,827	401,494		-8,333	-2.03 %
TOTAL OPERATING EXPENSE	6,516,677	7,619,747	8,131,884		-512,137	-6.72 %
TOTAL OPERATING EXPENSE	6,516,677	7,619,747	8,131,884	H	-512,137	-6.72 %
TOTAL LABOR EXPENSE	4,061,515	4,998,258	5,411,134	I	-412,876	-8.26 %
EMPLOYEE WAGES & BENEFITS	3,992,642	4,901,020	5,288,675		-387,655	-7.91 %
WAGES	3,970,978	3,888,659	4,333,628	J	-444,969	-11.44 %
EMPLOYEE BENEFITS	21,664	1,012,361	955,047	K	57,314	5.66 %
CONTRACT LABOR	68,873	97,238	122,459	L	-25,221	-25.94 %
PROFESSIONAL FEES	1,247,102	1,142,389	1,600,672		-458,283	-40.12 %
PROFESSIONAL FEES	1,247,102	1,142,389	1,600,672		-458,283	-40.12 %
PHYSICIAN FEES	469,260	312,187	798,595	M	-486,408	-155.81 %
PURCHASED SERVICES	777,842	830,202	802,077	N	28,125	3.39 %
SUPPLIES & OTHER EXPENSES	1,208,060	1,479,100	1,120,078		359,022	24.27 %

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Dec 22 Act	Dec 23 Flex	Dec 23 Act		Variance (Dec 23 Act - Dec 23 Flex)	Var%
SUPPLY EXPENSE	598,668	915,071	650,227	O	264,844	28.94 %
OTHER EXPENSES	609,392	564,029	469,851		94,178	16.70 %
UTILITIES	112,163	106,063	115,692	P	-9,629	-9.08 %
REPAIRS AND MAINTENANCE	70,679	83,477	44,993	Q	38,484	46.10 %
INSURANCE	158,248	146,289	146,380	R	-91	-0.06 %
OTHER EXPENSES	176,082	182,837	117,737	S	65,100	35.61 %
LEASE AND RENTALS	92,220	45,363	45,049	T	314	0.69 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
NON-OPERATING REVENUE & EXPENSE	641,014	1,360,428	640,979		-719,449	-52.88 %
OTHER NON-OPERATING REVENUE	13,661	733,075	13,626	U	-719,449	-98.14 %
NON-OPERATING TAX REVENUE	627,353	627,353	627,353	V	0	0.00 %
EXTRAORDINARY REVENUE	0	0	0		0	0.00 %
TOTAL INTEREST & DEPRECIATION	1,194,269	958,335	946,644		11,691	1.22 %
TOTAL INTEREST & DEPRECIATION	1,194,269	958,335	946,644		11,691	1.22 %
TOTAL INTEREST & DEPRECIATION	1,194,269	958,335	946,644		11,691	1.22 %
TOTAL INTEREST & DEPRECIATION	1,194,269	958,335	946,644		11,691	1.22 %
TOTAL INTEREST & DEPRECIATION	1,194,269	958,335	946,644		11,691	1.22 %
DEPRECIATION	587,530	519,548	577,088	W	-57,540	-11.08 %
INTEREST & AMORTIZATION	606,739	438,787	369,556	X	69,231	15.78 %

Income Statement
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD	Jul - Dec 22 Act YTD	Jul - Dec 23 Flex YTD	Jul - Dec 23 Act YTD		Variance (Jul - Dec 23 Act YTD - Jul - Dec 23 Flex YTD)	Var%
NET INCOME	-5,659,068	-6,714,309	-15,521,835	A	-8,807,526	-131.18
EBIDA	-4,926,556	-8,159,867	-15,251,799	B	-7,091,932	-86.91 %
NET SERVICE REVENUE	35,840,326	35,259,526	29,556,490	C	-5,703,036	-16.17 %
NET PATIENT REVENUE	31,252,421	30,766,206	25,421,569	D	-5,344,637	-17.37 %
GROSS REVENUE FROM PATIENT SERVICES	240,011,634	243,643,154	246,020,060	E	2,376,906	0.98 %
TOTAL INPATIENT REVENUE	90,666,429	91,297,830	88,322,786		-2,975,044	-3.26 %
TOTAL OUTPATIENT REVENUE	149,345,205	152,345,324	157,697,274		5,351,950	3.51 %
DEDUCTIONS FROM REVENUE	-208,759,213	-212,876,948	-220,598,491		-7,721,543	-3.63 %
DEDUCTIONS FROM REVENUE	-208,759,213	-212,876,948	-220,598,491	F	-7,721,543	-3.63 %
CONTRACTUAL ALLOWANCES	-208,759,213	-212,876,948	-220,598,491		-7,721,543	-3.63 %
501052 - CONTRACTUAL ALLOWANCES	-202,572,237	-207,476,508	-214,759,547		-7,283,039	-3.51 %
501153 - BAD DEBT EXPENSE	-5,532,251	-4,889,612	-5,415,893		-526,281	-10.76 %
501254 - CHARITY WRITE_OFFS	-654,725	-510,828	-423,051		87,777	17.18 %
OTHER OPERATING REVENUE	4,587,905	4,493,320	4,134,921	G	-358,399	-7.98 %
OTHER REVENUE - RATE RANGE	0	0	0		0	0.00 %
OTHER REVENUE - OTHER SUPPLEMENTALS	853,148	434,000	481,713		47,713	10.99 %
OTHER REVENUE - DSH	37,490	37,490	75,911		38,421	102.48
OTHER REVENUE - P4P	124,554	86,250	136,446		50,196	58.20 %
OTHER REVENUE - OTHER	1,163,749	1,476,618	864,629		-611,989	-41.45 %
OPERATNG TAX REVENUES	2,408,964	2,458,962	2,576,222		117,260	4.77 %
TOTAL OPERATING EXPENSE	40,766,882	43,419,393	44,808,289		-1,388,896	-3.20 %
TOTAL OPERATING EXPENSE	40,766,882	43,419,393	44,808,289	H	-1,388,896	-3.20 %
TOTAL LABOR EXPENSE	26,196,395	28,394,783	29,456,396	I	-1,061,613	-3.74 %
EMPLOYEE WAGES & BENEFITS	25,808,193	27,938,978	28,448,937		-509,959	-1.83 %
WAGES	21,292,354	22,037,279	22,648,973	J	-611,694	-2.78 %
EMPLOYEE BENEFITS	4,515,839	5,901,699	5,799,964	K	101,735	1.72 %
CONTRACT LABOR	388,202	455,805	1,007,459	L	-551,654	-121.03
PROFESSIONAL FEES	7,149,961	6,976,300	7,893,152		-916,852	-13.14 %
PROFESSIONAL FEES	7,149,961	6,976,300	7,893,152		-916,852	-13.14 %
PHYSICIAN FEES	1,896,135	1,873,122	2,220,766	M	-347,644	-18.56 %
PURCHASED SERVICES	5,253,826	5,103,178	5,672,386	N	-569,208	-11.15 %

Thursday, January 25, 2024 1:01:05 PM

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - YTD	Jul - Dec 22 Act YTD	Jul - Dec 23 Flex YTD	Jul - Dec 23 Act YTD		Variance (Jul - Dec 23 Act YTD - Jul - Dec 23 Flex YTD)	Var%
SUPPLIES & OTHER EXPENSES	7,420,526	8,048,310	7,458,741		589,569	7.33 %
SUPPLY EXPENSE	4,686,361	5,158,395	4,696,080	O	462,315	8.96 %
OTHER EXPENSES	2,734,165	2,889,915	2,762,661		127,254	4.40 %
UTILITIES	639,571	646,998	590,174	P	56,824	8.78 %
REPAIRS AND MAINTENANCE	441,119	492,361	553,462	Q	-61,101	-12.41 %
INSURANCE	793,128	877,734	878,278	R	-544	-0.06 %
OTHER EXPENSES	708,127	600,600	441,875	S	158,725	26.43 %
LEASE AND RENTALS	152,220	272,222	298,872	T	-26,650	-9.79 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
NON-OPERATING REVENUE & EXPENSE	5,272,874	7,205,266	5,467,588		-1,737,678	-24.12 %
OTHER NON-OPERATING REVENUE	1,508,756	3,441,148	1,703,470	U	-1,737,678	-50.50 %
NON-OPERATING TAX REVENUE	3,764,118	3,764,118	3,764,118	V	0	0.00 %
EXTRAORDINARY REVENUE	0	0	0		0	0.00 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,759,708	5,737,624		22,084	0.38 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,759,708	5,737,624		22,084	0.38 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,759,708	5,737,624		22,084	0.38 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,759,708	5,737,624		22,084	0.38 %
TOTAL INTEREST & DEPRECIATION	6,005,386	5,759,708	5,737,624		22,084	0.38 %
DEPRECIATION	3,174,748	3,126,986	3,328,860	W	-201,874	-6.46 %
INTEREST & AMORTIZATION	2,830,638	2,632,722	2,408,764	X	223,958	8.51 %

Balance Sheet
SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Jun 23 Act	Nov 23 Act	Dec 23 Act		Var Nov 23 Act	Var%
NET BALANCE SHEET	246,282	61	64		3	4.92 %
TOTAL ASSETS	110,447,365	101,254,932	102,845,478		1,590,546	1.57 %
TOTAL ASSETS	110,447,365	101,254,932	102,845,478		1,590,546	1.57 %
CURRENT ASSETS	28,206,674	19,563,327	18,360,341		-1,202,986	-6.15 %
CASH & EQUIVALENTS	14,521,085	5,952,687	6,172,730		220,043	3.70 %
OPERATING CASH	14,521,085	5,952,687	6,172,730	A	220,043	3.70 %
NET PATIENT ACCOUNTS RECEIVABLE	12,577,379	8,944,208	9,921,666	B	977,458	10.93 %
HOSPITAL ACCOUNTS RECEIVABLE	86,192,181	83,591,108	90,684,885	C	7,093,777	8.49 %
LESS: ALLOWANCE FOR BAD DEBTS	-73,614,802	-74,646,900	-80,763,219		-6,116,319	-8.19 %
OTHER CURRENT ASSETS	1,108,210	4,666,432	2,265,945	D	-2,400,487	-51.44 %
TAXES RECEIVABLE	2,263,620	5,324,379	3,192,397		-2,131,982	-40.04 %
MISC RECEIVABLE	-636,167	-1,164,431	-1,393,569		-229,138	-19.68 %
DUE FROM 3RD PARTIES	-2,228,810	-2,361,037	-2,319,918		41,119	1.74 %
INVENTORIES	1,311,782	1,988,621	1,952,252		-36,369	-1.83 %
PREPAID EXPENSES	397,785	878,900	834,783		-44,117	-5.02 %
ASSETS WHICH USE IS LIMITED	9,102,770	10,666,301	13,828,639		3,162,338	29.65 %
ASSETS WITH LIMITED USE	9,102,770	10,666,301	13,828,639		3,162,338	29.65 %
INTERNALLY DESIGNATED	9,102,770	10,666,301	13,828,639	E	3,162,338	29.65 %
NET PROPERTY, PLANT, AND EQUIPMENT	72,773,002	71,169,380	70,803,164		-366,216	-0.51 %
PROPERTY, PLANT, AND EQUIPMENT	166,012,510	166,939,426	167,065,931		126,505	0.08 %
LAND & LAND IMPROVEMENTS	4,828,182	4,828,182	4,828,182		0	0.00 %
BUILDINGS & BUILDING IMPROVEMENTS	129,281,491	129,281,491	129,281,491		0	0.00 %
FIXED EQUIPMENT	28,582,602	28,462,948	28,549,162		86,214	0.30 %
CONSTRUCTION IN PROGRESS	3,320,235	4,366,805	4,407,096		40,291	0.92 %
LESS: ACCUMULATED DEPRECIATION	-93,239,508	-95,770,046	-96,262,767		-492,721	-0.51 %
OTHER ASSETS	364,919	-144,076	-146,666		-2,590	-1.80 %
OTHER ASSETS	364,919	-144,076	-146,666	F	-2,590	-1.80 %
INVESTMENT IN AFFILIATE	-200,007	-705,281	-705,282		-1	0.00 %
BONDS	564,926	561,205	558,616		-2,589	-0.46 %
TOTAL LIABILITIES & FUND BALANCE	110,201,083	101,254,871	102,845,414		-1,590,543	-1.57 %
TOTAL LIABILITIES	148,190,064	160,508,907	164,369,642		-3,860,735	-2.41 %
CURRENT LIABILITES	28,790,048	27,982,583	32,290,870		-4,308,287	-15.40 %
ACCOUNTS PAYABLE	11,665,887	10,128,862	10,468,695	G	-339,833	-3.36 %

SAN GORGONIO MEM. HEALTH CARE DISTRICT & HOSPITAL - Monthly	Jun 23 Act	Nov 23 Act	Dec 23 Act		Var Nov 23 Act	Var%
PAYROLL PAYABLES	6,484,769	5,879,981	5,557,165	H	322,816	5.49 %
SALARIES & WAGES PAYABLE	579,682	-602,404	-774,910		172,506	28.64 %
PAYROLL TAXES & DEDUCTIONS PAYABLE	3,235,802	3,640,721	3,604,352		36,369	1.00 %
ACCRUED PTO & SICK DAYS PAYABLE	2,669,285	2,841,664	2,727,723		113,941	4.01 %
LINE OF CREDIT	4,021,859	4,030,873	8,032,675	I	-4,001,802	-99.28 %
OTHER CURRENT LIABILITIES	6,617,533	7,942,867	8,232,335	J	-289,468	-3.64 %
ACCRUED INTEREST PAYABLE	2,013,294	3,623,621	3,984,558		-360,937	-9.96 %
OTHER CURRENT LIABILITIES	4,604,239	4,319,246	4,247,777		-71,469	-1.65 %
LONG TERM LIABILITIES	119,400,016	132,526,324	132,078,772		447,552	0.34 %
OTHER LONG TERM LIABILITIES	119,400,016	132,526,324	132,078,772		447,552	0.34 %
NOTES PAYABLE	119,400,016	132,526,324	132,078,772	K	447,552	0.34 %
NET ASSETS	-37,988,981	-59,254,036	-61,524,228		2,270,192	3.83 %
NET ASSETS - UNRESTRICTED	-37,988,981	-59,254,036	-61,524,228	L	2,270,192	3.83 %
NET ASSETS - BEGINNING OF PERIOD	-33,723,881	-46,002,393	-46,002,393		0	0.00 %
NET ASSETS - BEGINNING OF PERIOD	-33,723,881	-46,002,393	-46,002,393	M	0	0.00 %
CURRENT YEAR NET GAIN/(LOSS)	-4,265,100	-13,251,643	-15,521,835		-2,270,192	-17.13 %
CURRENT YEAR NET GAIN/(LOSS)	-4,265,100	-13,251,643	-15,521,835	N	-2,270,192	-17.13 %

	B	C	D	E	F	G	J
1	**SAN GORGONIO MEMORIAL HEALTHCARE DISTRICT & HOSPITAL**						**CASH FLOW**
2							
3						**Current Month**	**Y-T-D**
4						**12/31/2023**	**12/31/2023**
5	**BEGINNING CASH BALANCES**						
6		Cash: Beginning Balances- Hospital				$ 2,383,802	$ 10,775,913
7		Cash: Beginning Balances- District				3,568,885	2,808,453
8		Cash: Beginning Balances Totals				**$ 5,952,687**	**$ 13,584,366**
9							
10	**Receipts**						
11			Patient Collections			$ 4,586,155	$ 28,145,837
12			Tax Subsidies/Measure D/Prop 13			401,494	$ 2,408,964
13			Misc Tax Subsidies			-	$ 167,258
14			Donations/Grants			-	$ 402,074
15			Supplemental Funding (Rate Range, Etc.)			-	$ 653,536
16			Draws/(Paydown) of LOC Balances			-	$ -
17			Other Revenues/Receipts/Transfers			177,703	$ 5,771,980
18	**TOTAL RECEIPTS**					**$ 5,165,352**	**$ 37,549,649**
19							
20	**Disbursements**						
21			Wages, Benefits, & Contract Labor			$ 5,411,134	$ 29,356,396
22			Other Operating Costs			2,720,750	$ 15,395,848
23			Capital Spending			33,848	$ 856,941
24			Debt Service Payments			81,000	$ 169,983
25			Other - Changes in Accounts Payable, Other			(3,301,423)	$ (817,883)
26	**TOTAL DISBURSEMENTS**					**$ 4,945,309**	**$ 44,961,285**
27							
28	**TOTAL CHANGE in CASH**					**$ 220,043**	**$ (7,411,636)**
29							
30	**ENDING CASH BALANCES**						
31		Ending Balances- Hospital				$ 2,392,086	$ 2,260,935
32		Ending Balances- District				3,780,644	3,911,795
33		Ending Balances- Totals				**$ 6,172,730**	**$ 6,172,730**
34							
35							
36							
37	LOC Current Balances					$ 8,000,000	$ 8,000,000
38	LOC Interest Expense Incurred					6,813	$ 80,004
39							
40							

TAB G

San Gorgonio Memorial Hospital and San Gorgonio Memorial Health Care District

To: Finance Committee, Board of Directors, and District Board

Agenda Item for January 30, 2024, Finance Committee and February 6, 2024, Board Meetings

Subject:

Approval for Phase 2 fees for Seismic Retrofit Project.

Background:

We have engaged WP Moore Engineering and Healthcare Resource Management for assessment and recommendations to comply with the HCAI requirements as outlined in SB 1953. The initial phase was for assessment and recommendations to comply with the 2024 deadline requirements. This phase has been completed.

The next phase includes the two attached proposals for development of Construction documents for the SPC and NPC portions of the project. Additionally, we are requesting approval of Material Testing Fees from phase one that involves the actual testing, for which we are currently evaluating 3 proposals. The final amount is estimated be about $250,000 for the testing. The testing will provide insight into the construction necessary.

After the completion of the testing WP Moore will create the construction documents necessary to seek proposals for the structural modifications needed. The construction will be phased to maintain the operations of the facility and could begin as early as July 2025 or as late as January 2026. The construction costs are yet to be determined due to obtaining MTCAP results.

Vendors reviewed:

- W P Moore
- CalTech Labs
- Terracon
- Independent Solutions

We are recommending the continuation of collaboration with WP Moore for this next phase for continuity with the project.

Funding:

The testing fees (approximately $250,000) will be needed in the next six months. The development of the SPC and NPC construction documents will be spaced over the next year with about half to be spent in the current FY by June 2024 and the remainder in FY 25. WP Moore SPC fees $198,000. WP Moore NPC fees $144,000.

Recommended Action: That the CEO be authorized to approve SPC and NPC construction documents and the Material Testing and Condition Assessment Program (MTCAP). As follows:

MTCAP Testing	Estimated	$250,000
SPC Construction Docs	WP Moore	$198,000
NPC Construction Docs	WP Moore	$144,000

Exhibit: WP Moore Quotes.

January 5, 2024

Mr. Steve Barron
Chief Executive Officer
San Gorgonio Memorial Hospital
600 N. Highland Springs Avenue
Banning, CA 92220

Re: Proposal for Professional Services
NPC-3 Upgrade Construction Documents (CDs) for Three (3) NPC-2 Buildings at San Gorgonio Memorial Hospital (HCAI Facility ID: 10559)
600 N. Highland Springs Avenue, Banning, CA 92220
Walter P Moore Proposal No. 23-3686

Dear Steve:

Walter P Moore is pleased to submit this proposal to provide professional services for the referenced project. This project constitutes a critical and mandatory step towards obtaining seismic compliance beyond 2030 for these buildings. Walter P Moore has extensive experience with this type of project, and we are excited that SGMH is taking this step for 2030 seismic compliance for these buildings.

This proposal is presented to establish a basis for the commencement of our scope of services for the Project. Walter P Moore would be the prime design consultant for this Project, and we would bring in other consultants, if and as needed, and as articulated in more detail in the proposal. We anticipate that this Proposal and Agreement for Professional Services and attachments, when signed, will serve as our entire Agreement unless superseded by another document signed by both parties.

Basis of Proposal

This proposal is based on phone communication with John Peleuses.

Agreement

If this proposal is acceptable, please sign the attached Proposal and Agreement for Professional Services where indicated and return the signed copy to us. This proposal is valid for 60 days.

We very much appreciate the opportunity to provide these services and look forward to collaborating with you on this Project.

Sincerely,

WALTER P. MOORE AND ASSOCIATES, INC.

Balram Gupta, Ph.D., S.E. / Senior Principal
Healthcare Market Leader – West Coast
bgupta@walterpmoore.com
(213) 694-4796 Direct; (818) 723-7085 Cell

PROPOSAL AND AGREEMENT FOR PROFESSIONAL SERVICES – Terms Attached

Project:	**NPC-3 Upgrade Construction Documents (CDs) for Three (3) NPC-2 Buildings at San Gorgonio Memorial Hospital (OSHPD Facility ID: 10559)**
Client:	**San Gorgonio Memorial Hospital**
Client Contact:	**Steve Barron**
Proposal Date:	**January 5th, 2024**
Proposal Number:	**23-3686**

Walter P. Moore and Associates, Inc. (Walter P Moore) shall provide services to Client for the Project as defined below and in accordance with the attachments listed below:

Project Description

Three (3) buildings at San Gorgonio Memorial Hospital (SGMH) are currently classified as NPC-2. Each NPC-2 building must first be upgraded and reclassified to NPC-3 followed by NPC-4D/4 and NPC-5 reclassification to allow its use as a hospital building beyond January 1, 2030. Relevant information for the three NPC-2 buildings included in this proposal is shown in the table below.

#	Building Name	SGMH / OSHPD Bldg. #s	Bldg. Code Year	Year Built	Overall Building Area± (SF)	Current NPC Rating	Current SPC Rating	Original OSHPD / OSA Project #
1	Original Bldg. – OB Addition – '64 Addition	01 / 01389	1949	1950	31,500	2	2	-
2	OR Addition	02 / 01390	1970	1973	900	2	2	-
3	Addition (1980)	03 / 01391	1976	1980	30,000	2	4	H-0803

If our understanding of the project scope is inaccurate or the project scope materially changes, we understand that our compensation will be equitably adjusted.

Scope of Services

In accordance with Schedule SR-01B: Scope of Structural Engineering Services for NPC-3 Upgrade Construction Documents (CDs).

Compensation

Walter P Moore proposes to provide the Scope of Structural Engineering Services defined in Schedule SR-01B for a fixed fee as indicated in the table below. Scope items in the table correspond to Schedule SR-01B.

Scope	Fee for Building			Total Fee
	01/01389	02/01390	03/01391	
NPC-3 Upgrade CDs	$75,000	$21,000	$48,000	**$144,000**

Compensation shall be equitably adjusted for changes in the scope of the project as described in the Project Description or changes in the scope of service as described in the Scope of Service.

Miscellaneous out-of-pocket project related expenses including, without limitation; printing, postage, courier costs, lodging, travel expenses, etc., shall be invoiced and paid at the incurred cost. Mileage shall be charged at IRS Standard Business Mileage Rate in effect at the time of travel. Sales tax, if applicable, will be paid by the Client. Reimbursable expenses are estimated to be **$1,800**.

Additional Services

Walter P Moore proposes to provide Additional Services not included in the Scope of Services as requested and approved by the Client in writing. Additional Services shall be provided without invalidating this Agreement. Additional Services shall be compensated at a mutually agreed upon fee.

Client's Responsibilities

The Client shall provide overall management and coordination of the Project. Walter P Moore agrees to participate in the coordination effort, to be led by the Client, in order that our Portion of the Project is coordinated with the designs and deliverables of the other members of the Project team.

The Client shall provide to Walter P Moore, in a timely manner, full information of which the Client is aware regarding any special conditions, design criteria, reports, or special services needed, and to make available any existing data or drawings concerning the Project and Project Site. Walter P Moore shall be entitled to rely upon the accuracy and completeness of any such information provided.

Project Schedule

Walter P Moore will endeavor to achieve the requirements of a reasonable schedule determined appropriate for the Project. Walter P Moore's fee for the defined Scope of Services is based, in part, upon the Project being executed in a timely manner without significant delays or interruptions.

In order for Walter P Moore to proceed with its services toward the accomplishment of the Project Schedule, the following information shall be provided by the Client in a timely manner:

- An executed copy of the Agreement for Professional Services.
- Complete set of existing architectural, structural, and MEP drawings for all three NPC-2 buildings.
- Detailed photographic survey and CAD files of above-ceiling utility distribution systems (pipes, ducts, conduits, equipment, etc.) to be performed by a third-party vendor at SGMH's cost.
- Cutsheets for medical and MEP equipment currently installed within NPC-3 areas.

Payment

As defined in the attached Schedule T2.

Limitation of Liability

To the maximum extent permitted by law, Client agrees to limit Walter P Moore's liability for claims arising from or related to the Agreement or the Scope of Services to the Sum of $50,000 or Walter P Moore's paid fee, whichever is lesser. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including any kind of indemnity.

Terms of Agreement

In accordance with the attached Schedule T2.

Attachments

The following attachments are incorporated by reference as if set forth at length. In the event of a direct conflict between this Agreement and the content of any of the Attachments, this Agreement shall govern.

- SR-01B: Scope of Structural Engineering Services for NPC-3 Upgrade Construction Documents (CDs)
- Site Plan
- Schedule T2: Terms of Agreement

Executed on this _____ day of _____, 2024 by:

San Gorgonio Memorial Hospital Accepted:	**Walter P. Moore and Associates, Inc.:** Balram Gupta, Ph.D., S.E. / Senior Principal Healthcare Market Leader – West Coast
Signature	

Schedule SR-01B: Scope of Structural Engineering Services for NPC-3 Upgrade Construction Documents (CDs)

I. General Services

A. Walter P Moore shall be the Structural Engineer of Record (SEOR) for parts of the Project as described in the Agreement Letter.

B. Walter P Moore will review the existing drawings as required to become generally familiar with the nonstructural systems of the building as described in the engagement letter. The availability of as-built MEP drawings, including those for fire-sprinkler systems, and previously approved OSHPD projects related to nonstructural items is an important assumption in this proposal.

C. Hospital's ability to provide cut-sheets for medical, MEP, and architectural equipment is an important assumption in this proposal.

D. Walter P Moore will visit the project site to become familiar with the present condition of the building. Walter P Moore's Basic Services do not include performing a detailed assessment of the structural conditions of the facilities nor a survey of field measurements.

E. If Walter P Moore's evaluation indicates that the structure will not be able to readily accommodate the intended modifications, Walter P Moore will consult with the Hospital as appropriate and make recommendations to modify the location and/or character of the proposed modifications as needed.

F. The Basic Services to be performed by Walter P Moore includes consultation, as outlined below in Table A: Scope of Services.

G. The assumptions made in determining the fees and scope of work by Walter P Moore are outlined below in Table A: Scope of Services – under "Notes and Assumptions" column.

H. The exclusions made in determining the fees and scope of work by Walter P Moore are outlined below in Table B: Exclusions. Walter P Moore's scope of Basic Services does not include structural analysis, design or detailing to upgrade the existing building's gravity or lateral load resisting system to meet the current building code or to meet any SPC requirements.

I. For each phase of the Work, Walter P Moore will work with the Hospital (or their designated representative) to ascertain the requirements for that phase of the Work, will participate in necessary meetings, will be available for general consultation, will prepare necessary documentation, and will make appropriate recommendations.

J. Walter P Moore will recommend to the Hospital the appropriate investigations, reports, surveys, tests, and services of other Consultants that should be retained for proper execution of Services. Walter P Moore will assist in the development of appropriate scopes of work for such services. Services that may be required include, but may not be limited to, 3D laser scanning, surveys, material tests, and site-specific seismic studies.

K. Walter P Moore's Scope of Services is limited to those items specifically described herein. If requested and authorized by the Client, other Additional Services may be provided for an additional fee.

II. Scope of Services

A. Following written authorization from the Client to proceed with each subsequent phase of the Work, Walter P Moore shall provide the services for each phase as described in Table A: Scope of Services.

Table A: SCOPE OF SERVICES

	PHASE	Included	Not Included	NOTES AND ASSUMPTIONS
A. NPC-3 Upgrade Construction Documents (CDs)		**X**		Shall be evaluated/developed in accordance with CAC'2022 (California Administrative Code 2022 edition), Chapter 6, Table 11.1, and Sections 11.2.2.d and 11.2.2.e.
1	Review NPC-3 evaluation report submitted to OSHPD in December 2023.	**X**		
2	Compile as-built drawings and cutsheets for equipment within NPC-3 areas.	**X**		Hospital shall provide as-built drawings and equipment cutsheets.
3	Review documentation generated by the 3D laser scanning team for above-ceiling utilities within the NPC-3 areas.	**X**		
4	Evaluate existing anchorage details in accordance with the requirements of 2022 California Administrative Code.	**X**		
5	Develop criteria for in-situ testing of existing anchorages, if and as needed.	**X**		Develop criteria in accordance with §11.2.2.e of CAC'2022.
6	Develop seismic upgrade details for anchorages that are deficient.	**X**		
7	Develop typical details for support and attachment for Fixed, Interim, Mobile, Movable, Other, and Temporary equipment in accordance with OSHPD PIN-68.	**X**		
8	Prepare a consolidated NPC-3 Upgrade CDs package (structural calculations, drawings, TIO, etc.) and submit to OSHPD.	**X**		
9	Respond to OSHPD plan review comments on NPC-3 Upgrade CDs.		**X**	
B. Field Implementation of NPC-3 Upgrade CDs			**X**	Scope of work shall be provided as an Additional Service once NPC-3 Upgrade CDs have been approved by OSHPD and when a construction schedule has been established to complete the work.

Table A: SCOPE OF SERVICES			
PHASE	Included	Not Included	NOTES AND ASSUMPTIONS
			It is expected that this will be a phased process to allow continuity of operations in the hospital.
C. Update NPC-3 Evaluation Report for submittal to OSHPD SCU.		**X**	Scope of work shall be provided as an Additional Service once NPC-3 Upgrade CDs have been fully implemented in the field.
D. Project Close-Out in accordance with OSHPD SCU Requirements.		**X**	Scope of work shall be provided as an Additional Service once NPC-3 Upgrades have been completed.

III. Exclusions

Exclusions from our Scope of Services are described in Table B: Exclusions

Table B: EXCLUSIONS		
EXCLUSIONS		NOTES
1	Field investigation and documentation of above-ceiling utilities.	This mandatory investigation and documentation shall be performed digitally by a third-party vendor by utilizing 3D laser scanning to minimize disruption to hospital functions and operations.
2	MEP engineering, architectural, medical equipment planning, and other consulting services.	
3	Communication with vendors/suppliers of medical and MEP equipment and/or web searches to obtain equipment cutsheets.	Hospital shall provide cutsheets for all equipment currently installed.
4	Response to OSHPD plan review comments for NPC-3 Upgrade CDs.	
5	Construction administration for NPC-3 upgrade.	
6	Preparation of as-built drawings.	
7	Review of structural anchorage of MEP equipment and/or systems outside of NPC-3 areas.	
8	Study of impact of potential NPC-3 upgrades on disruption to hospital functions.	

Table B: EXCLUSIONS		
EXCLUSIONS		NOTES
9	Review and evaluation of existing MEP equipment or systems to assess functional conditions.	
10	Air measurements, power measurements, and recording of fluid flows.	
11	Review of Article 10 Items in CAC'2022.	
12	Hazardous material monitoring and abatement.	
13	ADA related condition assessment.	
14	Move management, phasing, and evaluations related to ADA upgrades.	
15	Probing, patching, and testing of structural systems to document strength and physical geometry.	
16	Material testing and condition assessment for as-built material strengths and conditions.	
17	Additional efforts because of unforeseen conditions.	
18	Development of Operational Plan for NPC-4D reclassification.	
19	SPC related evaluations and/or upgrades.	
20	Preparation of cost estimates.	
21	Fee for OSHPD reviews.	
22	Anchorage designs for any new medical equipment and new food service equipment, if any are proposed as part of Tenant Improvements (TI).	
23	Vibration analysis for equipment.	
24	Phasing Drawings.	
26	NPC-5 Evaluation.	
27	Response to prior outstanding OSHPD comments, if any.	
28	Efforts to close prior OSHPD projects that might have been closed non-compliant.	

San Gorgonio Memorial Hospital
Facility No. 10559

10/25/2021

Unless noted otherwise, ALL buildings are SPC-4/5/5s and NPC-4/4s, i.e., 2030 compliant.

BLD-05425 - Oxygen Tank and Cooling Tower Yard - Bldg 06A

SPC-2 / NPC-2

BLD-01389 - Original Building-OB Addition-'64 Addition - Bldg 01

1-Story, 1949 UBC, 0.59%

BLD-01392 - O.B. Addition - Bldg 04

BLD-01390 - O.R. Addition - Bldg 02

1-Story, 1970 UBC, 0.03%

SPC-2 / NPC-2

BLD-05579 - Connecting Corridor - Bldg 10D

New buildings - proposed. Not in HCAI inventory yet.

BLD-05576 - Patient Tower - Bldg 10

BLD-05577 - Lobby - Bldg 10A

BLD-05578 - Entry Canopy - Bldg 10C

BLD-02948 - Entrance Canopy - Bldg 08

BLD-05235 - ED / ICU - Bldg 07

BLD-06816 - Pedestrian Walkway Canopy - Bldg 11

Under construction?

BLD-02947 - Ambulance Canopy - Bldg 09

1-Story, 1976 UBC

SPC-4 / NPC-2

BLD-01391 - Addition (1980) - Bldg 03

BLD-05303 - Central Plant - Bldg 06

Schedule T2
TERMS OF AGREEMENT

I. Compensation & Expenses

A. Walter P. Moore and Associates, Inc., "WALTER P MOORE", shall be paid as stated in the Agreement for Professional Services.
   1. Lump Sum Fee - The total fee payable shall be the total sum stated herein, and payments shall be made periodically based upon WALTER P MOORE's percentage complete of the total fee as of the invoice date, or according to the schedule of payment by design phase if such schedule is expressly included herein.
   2. Time and Expense Fee - The periodic fee payable shall be the cumulative sum of the mathematical products of the actual hours worked by individuals assigned to and providing services on the Project multiplied by the category billing rate for each respective individual as indicated in the Hourly Billing Rate Schedule attached to this Agreement for Professional Services.

B. WALTER P MOORE shall be compensated for all services provided regardless of whether the improvements designed are built, in whole or in part.

C. Additional Services: Additional Services shall be paid monthly in proportion to the percentage of the Additional Services completed for Fixed Fee compensation, or for the number of hours spent for Time and Expense Fee compensation, as of the invoice date.

D. Reimbursable Expenses: Miscellaneous out-of-pocket project related expenses including, without limitation; printing, postage, courier costs, lodging, travel expenses, etc., shall be charged at the incurred cost. Mileage shall be charged at IRS Standard Business Mileage Rate in effect at the time of travel.

E. Reimbursable Services: Third Party services retained by WALTER P MOORE on behalf of Owner shall be charged at the incurred cost plus 10%.

F. Sales taxes, if applicable, are not included and shall be paid by the Client.

II. Invoices and Payments

A. WALTER P MOORE will prepare and present invoices in WALTER P MOORE's standard format on a monthly basis, unless other arrangements are stated in the Agreement for Professional Services.

B. Client shall pay WALTER P MOORE for approved invoices within thirty (30) days after receipt of invoice from WALTER P MOORE.

C. If the Client fails to make any payment due WALTER P MOORE for services and expenses within thirty (30) days after receipt of invoice from WALTER P MOORE may charge interest on the amounts due but unpaid at the lesser of the highest legal rate or twelve percent (12%) per annum.

D. Final payment for all fees and expenses is due to WALTER P MOORE no later than completion of the construction of This Part of the Project.

E. Any costs incurred by WALTER P MOORE in collecting delinquent amounts including, without limitation, reasonable attorney's fees shall be reimbursed by the Client. If any portion of WALTER P MOORE's invoice is disputed, the undisputed portion shall be paid by the Client by the due date, and Client shall contemporaneously advise WALTER P MOORE in writing of the basis for any disputed portion of any invoice.

F. WALTER P MOORE reserves the right to declare a substantial breach of this Agreement upon the Client's failure to make payment for services performed or Reimbursable Expenses incurred within ninety (90) days after Client's receipt of invoice from WALTER P MOORE.

G. No deductions shall be made from WALTER P MOORE's compensation on account of penalty, liquidated damages, or on account of the cost of changes in the Work except to the extent such costs are found by a court of competent jurisdiction to be caused by WALTER P MOORE.

III. Responsibilities of the Client

A. The Client shall, with reasonable promptness, perform normal administrative and management tasks to facilitate the design process, including, without limitation, the following:
   1. Verify that the contemplated Project will be financed adequately, including provisions for contingencies, to accomplish stated goals and commitments.

2. Define the Project in writing and list the intended functions and needs and enumerate any special design criteria~~,~~ for This Part of the Project.
3. Provide all available information regarding requirements for This Part of the Project. WALTER P MOORE shall have the right to rely on the accuracy and completeness of any information provided by Client.
4. When requested in writing by WALTER P MOORE, the Client shall furnish the services of other reasonably required consultants including, without limitation, 3D laser scanning, surveyor, MEP engineer, architect, medical equipment planner, geotechnical and testing laboratory. These services shall be furnished at no charge to WALTER P MOORE which shall be entitled to rely upon the accuracy and completeness of any such consultants' work.
5. Advise WALTER P MOORE of the identity and scope of services of other consultants participating in the Project.
6. Review WALTER P MOORE's work for compliance with Client's programmatic requirements and for overall coordination with the work of the Clients' other consultants.
7. Notify WALTER P MOORE promptly if Client becomes aware of any fault with This Part of the Project or WALTER P MOORE's Services.
8. The Client or other professional consultant retained by the Client shall prepare and assemble specifications for the General Conditions, Supplementary Conditions and all components of the Project, and coordinate assembly of WALTER P MOORE's specification sections into the proper format.
9. Furnish to WALTER P MOORE copies of preliminary or detailed estimates of Total Project Construction Cost, bidding documents, change orders, and construction change directives, to the extent that they pertain to This Part of the Project.
10. Furnish to WALTER P MOORE for review and recommendation all construction phase submittals that pertain, directly or indirectly, to This Part of the Project.
11. Confer with WALTER P MOORE before issuing any interpretations or clarifications of documents prepared by WALTER P MOORE.
12. Endeavor to protect the interests of WALTER P MOORE in any dealings with Owner during the course of the Project to same extent as Client protects its interests.

B. If a signed certificate is to be provided as a deliverable of WALTER P MOORE, the Client shall provide WALTER P MOORE with the exact requested wording no later than five (5) days prior to the anticipated execution date of the Agreement for Professional Services. To the extent such wording is currently available; it shall be attached to the Agreement for Professional Services as an exhibit and made part of the Agreement for Professional Services. Under no circumstances shall WALTER P MOORE be required to execute a certificate that requires WALTER P MOORE to accept duties or have knowledge beyond that required by the Agreement.

C. CLIENT shall pay all costs WALTER P MOORE incurs because of any professional licensing or other complaint filed against WALTER P MOORE, or anyone related to it, related to any certificate of merit, or its equivalent, that results from this Project.

IV. Instruments of Service

A. Drawings, specifications, and other documents prepared by WALTER P MOORE pursuant to the Agreement are instruments of WALTER P MOORE's professional services ("Instruments of Service"). WALTER P MOORE shall be deemed the author of these documents and shall retain all common law, statutory, and other reserved rights, including the copyrights. Provided that Client is not in breach of the Agreement, Client is granted a limited, non-exclusive license to use WALTER P MOORE's Instruments of Service for the construction, use, replacement, and maintenance of the Project. The Client shall be permitted to retain copies, including reproducible copies, of the Instruments of Service for the purposes permitted by the non-exclusive license. The Instruments of Service shall not be used on any other project, or for completion of the Project by others, except as permitted by law in the event WALTER P MOORE has been adjudged in default under the Agreement or except by separate

written agreement of the parties with appropriate compensation to WALTER P MOORE. Third parties such as the Contractor shall be permitted to obtain a copy of the Instruments of Service in electronic format in connection with the construction of the Project by executing WALTER P MOORE's standard agreement for such use.

B. The Client or WALTER P MOORE shall not make changes in each other's Drawings, Specifications, and other documents without written permission of the other party.

V. Insurance

A. WALTER P MOORE shall endeavor to maintain professional liability insurance covering claims arising out of the performance of professional services under the Agreement or the Project or caused by negligent errors, omissions or acts for which each may be liable. This insurance, as reflected in the parties' certificates of insurance, shall be maintained in force for a period of One (1) year after the date of Substantial Completion of the Project, if reasonably available and commercially affordable, or as otherwise agreed to and documented by Client and WALTER P MOORE.

B. If insurance is required, and an Architect or other professional consultants are part of the design team, the Architect and any other consultants shall be required by the Client to obtain and maintain insurance coverage of similar nature to cover errors, omissions, or negligent acts for which the Architect or consultant are legally liable.

C. Unless otherwise agreed, WALTER P MOORE, Client, Architect, and other professional consultants shall each provide insurance to protect themselves from: 1) claims under workers' or workmen's compensation acts; 2) from general liability claims for damages because of bodily injury, including personal injury, sickness, disease, or death of any employees or of any other person and from claims for damages because of destruction of property including loss of valuable papers and records coverage and including loss of use resulting therefrom; and 3) employment practices liability.

D. The insurance coverage required by the above paragraphs shall be in not less than the limits required by law and as otherwise agreed.

E. If Client enters into a construction contract based in whole or in part upon design services performed or deliverables prepared by WALTER P MOORE under the Agreement, Client shall use its best efforts to require in the Contract Documents that the Contractor shall: 1) provide liability insurance appropriate and adequate for the size and complexity of the Project; 2) agree to hold harmless, defend and indemnify Client and WALTER P MOORE against claims and lawsuits by Contractor or its subcontractors or suppliers of any tier for economic loss; and 3a) name WALTER P MOORE as an additional insured party, and 3b) waive any right of subrogation against WALTER P MOORE, under any commercial general liability or builders' risk policy providing coverage with respect to the construction of the Project; provided, however, that Client shall use its best efforts to have Client name WALTER P MOORE as an additional insured on, and waive subrogation against WALTER P MOORE under, any such policies Client provides with respect to the Project.

VI. Controlling Law and Disputes

A. The Agreement, and its interpretation and performance, shall be governed by the laws of the United States of America and State of Texas notwithstanding any choice of law principles. Exclusive venue for any dispute arising out of the interpretation or performance of the Agreement shall be a court of competent jurisdiction where the Project is located.

VII. Standard of Care

A. WALTER P MOORE shall provide services under the Agreement in a manner consistent with that degree of care and skill customarily exercised by members of the same profession currently practicing under similar circumstances.

VIII. Time for Performance

A. WALTER P MOORE shall perform its services as expeditiously as is consistent with the Standard of Care as defined herein and the orderly progress of the Project.

IX. Indemnity, Limitations of Liabilities, Warranty and Remedies

A. WALTER P MOORE shall not be responsible or held liable for any acts or omissions of Client, Client's other consultants, Contractor or any of its subcontractors or suppliers of any tier or any

other persons or entity performing any of the Work.

B. WALTER P MOORE agrees, to the fullest extent permitted by law, to hold harmless and indemnify Client from and against any and all claims, damages, fines, penalties, assessments, requirements or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense and response costs that arise under the Agreement for Professional Services to the extent such damages are caused by the negligence of WALTER P MOORE.

C. Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages, fines, penalties, assessments, requirements or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense and response costs that arise under the Agreement for Professional Services to the extent such damages are caused by the negligence of the Client.

D. If WALTER P MOORE's construction contract administration services are limited or excluded from WALTER P MOORE's scope of services, it is agreed that WALTER P MOORE's professional services shall not extend to or include any review or site observation of Contractor's work or performance, and Client shall in such circumstances, to the fullest extent permitted by law, hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages, liabilities including without limitation, claims for injury to persons or property, death, or economic loss, or costs including without limitation reasonable attorney's fees and defense costs arising out of, or alleged to arise out of, designs or deliverables of WALTER P MOORE regardless of whether any such claims, damages, liabilities, or costs were, or were alleged to be, caused in part by the negligence or negligent misrepresentation of WALTER P MOORE or someone for whom WALTER P MOORE is legally responsible.

E. Because remodeling and/or rehabilitation of an existing structure and/or related infrastructure requires that certain assumptions be made regarding existing conditions, and because these assumptions may not be verifiable without expending inordinate amounts of time and money, or damaging otherwise adequate and serviceable portions of the structure, Client agrees, to the fullest extent permitted by law to hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense costs arising out of any designs or deliverables of WALTER P MOORE based in whole or in part upon any assumptions made by WALTER P MOORE regarding existing conditions, excepting only those claims, damages, liabilities or costs to extent caused by the negligence or willful misconduct by WALTER P MOORE.

F. To the maximum extent permitted by law, Client agrees to limit Walter P Moore's liability for claims arising from or related to the Agreement or the Scope of Services to the Sum of $50,000 or Walter P Moore's paid fee, whichever is lesser. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including any kind of indemnity.

G. Other than as expressly stated herein, WALTER P MOORE makes no other express or implied warranties regarding the performance or result of these services.

X. Successors and Assigns

A. Client and WALTER P MOORE, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other party to the Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of the Agreement.

B. Neither party to the Agreement shall transfer, sublet, or assign any rights under or interest in the Agreement (including, without limitation, monies that are due or monies that may be due) without the prior written consent of the other party. Subcontracting by WALTER P MOORE shall not be considered an assignment for purposes of the Agreement, and nothing contained in this paragraph shall prevent WALTER P MOORE from employing such independent professional

associates and consultants as WALTER P MOORE may deem appropriate to assist in the performance of services hereunder.

C. Nothing under the Agreement shall be construed to confer any rights or benefits in the Agreement to anyone other than Client and WALTER P MOORE, and all duties and responsibilities undertaken pursuant to the Agreement shall be for the sole and exclusive benefit of Client and WALTER P MOORE and not for the benefit of any other party.

XI. Hazardous Material

A. WALTER P MOORE shall have no responsibility for the detection, presence, removal, encapsulation, treatment, abatement, storage, transportation, disposal, or any other form of identification or handling of any asbestos, asbestos containing products materials or substances, polychlorinated biphenyl (PCB), or any other materials, constituents or substances that are, or are deemed to be, hazardous under the Resource Conservation and Recovery Act of 1976 as amended or any other similar federal, state or local regulation or law ("Hazardous Material"). Client shall use its best efforts to have Client furnish any tests for Hazardous Materials and other laboratory and environmental tests, inspections, reports, mitigation, or removal as necessary or required by law since no such test shall be provided by or through WALTER P MOORE.

B. Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages, fines, penalties, assessments, requirements, or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense and response costs arising out of any claims related to Hazardous Materials.

XII. Termination and Suspension

A. The Agreement may be terminated by either party upon not less than Seven (7) days' written notice should the other party fail substantially to perform in accordance with the terms of the Agreement through no fault of the party initiating the termination, and such failure to perform is not cured within such Seven (7) days.

B. After the Project or WALTER P MOORE's services are interrupted or suspended for any cause other than the fault of WALTER P MOORE for more than Forty-Five (45) calendar days in the aggregate over the term of the Agreement, WALTER P MOORE may, at its option at any time thereafter, without waiving any other right or remedy, and without incurring any liability to Client or any other party, terminate the Agreement upon seven days written notice without cure or suspend its services, and WALTER P MOORE shall be compensated for all its services performed and reimbursable expenses incurred prior to the termination or commencement of suspension of services by WALTER P MOORE. WALTER P MOORE shall have no liability to Client or otherwise for such suspension, and Client covenants not to make any claim for any delay or damage alleged to have resulted from such suspension. If WALTER P MOORE elects to suspend its services, Client shall, upon WALTER P MOORE's resumption of services, compensate WALTER P MOORE for expenses incurred as a result of the suspension and resumption of its services, and WALTER P MOORE's schedule and fees for the remainder of WALTER P MOORE's Project services shall be equitably adjusted.

C. If Client is in breach of the Agreement, WALTER P MOORE may at any time thereafter, without waiving any other right or remedy, and without incurring any liability to Client or any other party, upon Seven (7) calendar days' written notice suspend its services to Client. WALTER P MOORE shall have no liability to Client or otherwise for such suspension, and Client covenants not to make any claim for any delay or damage alleged to have resulted from such suspension. If WALTER P MOORE elects to resume its services, provided that WALTER P MOORE has not previously terminated the Agreement, and upon receipt of payment in full to WALTER P MOORE of all outstanding sums due from Client, or curing of such other breach by Client which caused WALTER P MOORE to suspend services, Client shall as Additional Services compensate WALTER P MOORE for expenses incurred as a result of the suspension and resumption of its services, and WALTER P MOORE's schedule and fees for the remainder of WALTER P MOORE's Project services shall be equitably adjusted.

XIII. Force Majeure

A. In the event that WALTER P MOORE is obstructed, interrupted, or impeded, directly or indirectly, in performing any of its obligations under the Agreement by an Act of God, sickness, disease, infection, epidemic, government order, building closure, fire, flood, earthquake, terrorism or terrorism threat, adverse weather, war, attack, labor unrest or shortage, civil unrest or any other occurrence beyond the control of WALTER P MOORE, or by any complications, responses (e.g., COVID plans), or unreasonable risks arising from such occurrences, then WALTER P MOORE shall be excused from any further performance of its obligations under the Agreement and entitled to adjustment of the Project schedule and its compensation under this Agreement. Additionally, any obligation by WALTER P MOORE to attend an in-person meeting or site visit shall be: (a) excused if it would, in WALTER P MOORE's judgment, be unsafe or its purposes may be satisfied virtually, and (b) subject to any reasonable protocols that WALTER P MOORE has adopted for the health and safety of its employees.

XIV. Waiver

A. The failure on the part of either party, at any time, to require full performance by the other party of any portion of the Agreement, shall not be deemed a waiver of, or in any way affect, that party's rights to enforce such provisions or any other provision at a later time. Any waiver by any party of any provision or on any occasion shall not be taken or held to be a waiver of any other provision or on any other occasion.

XV. Severability and Survival of Terms

A. If any one or more provisions of the Agreement, any portion thereof, or the application thereof to any person or circumstance, shall for any reason be held invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall be deemed stricken and shall not affect any other provision of the Agreement or the application of such provisions to other persons or circumstances, and the balance of the Agreement shall be enforced to the greatest extent permitted by law. Limitations of liability and remedies and all indemnity obligations shall survive termination of the Agreement for any cause.

XVI. Dispute Resolution

A. If a dispute arises out of or relates to this contract or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association under its Construction Industry Mediation Procedures before resorting to arbitration or litigation.

XVII. Meaning of Terms

A. **Client** - The party, with which WALTER P MOORE has entered into the Agreement, responsible for managing the overall design including, without limitation, the design and deliverables of WALTER P MOORE as a consultant to the Client.

B. **Construction Cost of This Portion of the Project** - The total cost incurred by, or if the project is not built, the estimated construction cost to, Client of all elements of the Project designed or specified by WALTER P MOORE. Such Cost shall include the cost (at current market rates if estimated) of all labor and materials furnished including the overhead, fee or profit contingency for This Part of the Project.

C. **Contractor** - A third party, if any, engaged to provide construction services to Client based in part upon designs and deliverables of WALTER P MOORE.

D. **WALTER P MOORE** - Walter P. Moore and Associates, Inc., and WALTER P MOORE's independent professional associate or consultant engineering firms.

E. **Project** – As defined in the Agreement for Professional Services.

F. **Services** – As defined in the Agreement for Professional Services.

G. **This Part of the Project** - All elements of the Project design within WALTER P MOORE's engineering discipline designed or specified by WALTER P MOORE.

H. **Total Project Construction Cost** - The total cost incurred by, or if the project is not built, the estimated construction cost to, Client of all elements of the Project designed or specified by Client and its Consultants. Such Cost shall include the cost at current market rates of all labor and materials furnished including the overhead, fee or profit contingency, plus the cost of equipment specifically specified by Client and its Consultants.

January 4, 2024

Mr. Steve Barron
Chief Executive Officer
San Gorgonio Memorial Hospital
600 N. Highland Springs Avenue
Banning, CA 92220

Re: Proposal for Professional Services
SPC-4D Upgrade Construction Documents (CDs) for Two (2) SPC-2 Buildings at San Gorgonio Memorial Hospital (HCAI Facility ID: 10559)
600 N. Highland Springs Avenue, Banning, CA 92220
Walter P Moore Proposal No. 23-3685

Dear Steve:

Walter P Moore is pleased to submit this proposal to provide professional services for the referenced project. This project constitutes a critical and mandatory step towards obtaining seismic compliance beyond 2030 for this building from a structural perspective. Walter P Moore has extensive experience with this type of project, and we are excited that SGMH is taking this step for 2030 seismic compliance for these buildings.

This proposal is presented to establish a basis for the commencement of our scope of services for the Project. Walter P Moore would be the prime design consultant for this Project, and we would bring in other consultants, if and as needed, and as articulated in more detail in the proposal. We anticipate that this Proposal and Agreement for Professional Services and attachments, when signed, will serve as our entire Agreement unless superseded by another document signed by both parties.

Basis of Proposal

This proposal is based on phone communication with John Peleuses.

Agreement

If this proposal is acceptable, please sign the attached Proposal and Agreement for Professional Services where indicated and return the signed copy to us. This proposal is valid for 60 days.

We very much appreciate the opportunity to provide these services and look forward to collaborating with you on this Project.

Sincerely,

WALTER P. MOORE AND ASSOCIATES, INC.

Balram Gupta, Ph.D., S.E. / Senior Principal
Healthcare Market Leader – West Coast
bgupta@walterpmoore.com
(213) 694-4796 Direct; (818) 723-7085 Cell

PROPOSAL AND AGREEMENT FOR PROFESSIONAL SERVICES – Terms Attached

Project:	**SPC-4D Upgrade Construction Documents for Two (2) SPC-2 Buildings at San Gorgonio Memorial Hospital (OSHPD Facility ID: 10559)**
Client:	**San Gorgonio Memorial Hospital**
Client Contact:	**Steve Barron**
Proposal Date:	**January 4th, 2024**
Proposal Number:	**23-3685**

Walter P. Moore and Associates, Inc. (Walter P Moore) shall provide services to Client for the Project as defined below and in accordance with the attachments listed below:

Project Description

Two (2) buildings at San Gorgonio Memorial Hospital (SGMH) are currently classified as SPC-2. Each SPC-2 building must be upgraded and reclassified to SPC-4D to allow its use as a hospital building beyond January 1, 2030. Relevant information for the two SPC-2 buildings included in this proposal are shown in the table below.

#	Building Name	PMH / OSHPD Bldg. #s	Bldg. Code Year	# Of Stories	Current SPC Rating
1	Original Bldg. – OB Addition – '64 Addition	01 / 01389	1949	1	2
2	OR Addition	02 / 01390	1970	1	2

There are specific engineering requirements that must be complied with to reclassify a building to SPC-4D. These requirements are outlined in 2022 editions of the California Administrative Code (CAC'2022), California Building Code (CBC'2022), and California Existing Building Code (CEBC'2022). §304A.3.3 of CEBC'2022 provides three independent approaches to reclassify an existing non-conforming hospital building to SPC-4D. Out of these three approaches, ASCE 41-13[1] approach, per §304A.3.4.5, is the most efficient and, thus, shall be used for this building. This approach entails evaluation and retrofit of the building for dual-level performance criteria, which comprises of (a) Damage Control (DC) structural performance under BSE-1E[2] earthquake and Collapse Prevention (CP) structural performance under BSE-2E[3] earthquake. §304A.3.4.5 has an additional requirement re satisfying the "Position Retention" non-structural performance level under BSE-1E earthquake for building elements that are not part of the seismic-force-resisting-system (SFRS).

If our understanding of the project scope is inaccurate or the project scope materially changes, we understand that our compensation will be equitably adjusted.

Scope of Services

In accordance with Schedule SR-02B: Scope of Structural Engineering Services for SPC-4D Upgrade Construction Documents (CDs).

[1]ASCE 41-13: ASCE (American Society of Civil Engineers) Standard for Seismic Evaluation & Retrofit of Existing Buildings

[2]BSE-1E represents a frequently occurring but smaller (milder) earthquake. In engineering terms, BSE-1E represents an earthquake with 20% probability of exceedance in 50 years or an earthquake with a mean return period of ±225 years.

[3]BSE-2E represents a rare but stronger earthquake. In engineering terms, BSE-2E represents an earthquake with 5% probability of exceedance in 50 years or an earthquake with a mean return period of ±975 years.

Compensation

Walter P Moore proposes to provide the Scope of Structural Engineering Services defined in Schedule SR-02B for a fixed fee as indicated in the table below. Scope items in the table correspond to Schedule SR-02B.

Scope Item	Scope	Fee for Building		Total Fee
		01/01389	02/01390	
A	Preparation of As-Built Drawings	$0	$18,000	$18,000
B	Structural Basis of Design (BOD)	$36,000	$12,000	$48,000
C	Geotech & Geo-Hazards Report	$6,000	$0	$6,000
D	SPC-4D Construction Documents (CDs)	$99,000	$27,000	$126,000
	TOTAL	**$141,000**	**$57,000**	**$198,000**

Compensation shall be equitably adjusted for changes in the scope of the project as described in the Project Description or changes in the scope of service as described in the Scope of Service.

Miscellaneous out-of-pocket project related expenses including, without limitation; printing, postage, courier costs, lodging, travel expenses, etc., shall be invoiced and paid at the incurred cost. Mileage shall be charged at IRS Standard Business Mileage Rate in effect at the time of travel. Sales tax, if applicable, will be paid by the Client. Reimbursable expenses are estimated to be **$3,900**.

Additional Services

Walter P Moore proposes to provide Additional Services not included in the Scope of Services as requested and approved by the Client in writing. Additional Services shall be provided without invalidating this Agreement. Additional Services shall be compensated at a mutually agreed upon fee.

Client's Responsibilities

The Client shall provide overall management and coordination of the Project. Walter P Moore agrees to participate in the coordination effort, to be led by the Client, in order that our Portion of the Project is coordinated with the designs and deliverables of the other members of the Project team.

The Client shall provide to Walter P Moore, in a timely manner, full information of which the Client is aware regarding any special conditions, design criteria, reports, or special services needed, and to make available any existing data or drawings concerning the Project and Project Site. Walter P Moore shall be entitled to rely upon the accuracy and completeness of any such information provided.

Project Schedule

Walter P Moore will endeavor to achieve the requirements of a reasonable schedule determined appropriate for the Project. Walter P Moore's fee for the defined Scope of Services is based, in part, upon the Project being executed in a timely manner without significant delays or interruptions.

In order for Walter P Moore to proceed with its services toward the accomplishment of the Project Schedule, the following information shall be provided by the Client in a timely manner:

- An executed copy of the Agreement for Professional Services
- As-built structural drawings
- SGMH to bring on board a geotechnical and geo-hazard engineer to provide the info we need for checking foundations

Payment

As defined in the attached Schedule T2.

Limitation of Liability

To the maximum extent permitted by law, Client agrees to limit Walter P Moore's liability for claims arising from or related to the Agreement or the Scope of Services to the Sum of $50,000 or Walter P Moore's paid fee, whichever is lesser. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including any kind of indemnity.

Terms of Agreement

In accordance with the attached Schedule T2.

Attachments

The following attachments are incorporated by reference as if set forth at length. In the event of a direct conflict between this Agreement and the content of any of the Attachments, this Agreement shall govern.

- SR-02B: Scope of Structural Engineering Services for SPC-4D Upgrade Construction Documents (CDs)
- Site Plan
- Schedule T2: Terms of Agreement

Executed on this _____ day of _____, 2024 by:

San Gorgonio Memorial Hospital Accepted:	**Walter P. Moore and Associates, Inc.:** Balram Gupta, Ph.D., S.E. / Senior Principal Healthcare Market Leader – West Coast
Signature	

Schedule SR-02B: Scope of Structural Engineering Services for SPC-4D Upgrade Construction Documents (CDs)

I. General Services

A. Walter P Moore shall be the Structural Engineer of Record (SEOR) for parts of the Project as described in the Agreement Letter.

B. Walter P Moore will review drawings of the existing building(s) as required to become generally familiar with the structural systems of the building as described in the engagement letter. Unless noted otherwise, the availability of appropriate as-built structural drawings and other required documentation (viz. SPC-2 upgrade projects, if any; HAZUS reports, geotechnical reports, etc.) is an important assumption in this proposal.

C. Walter P Moore will visit the project site to become familiar with the present condition of the building. Walter P Moore's Basic Services do not include performing a detailed assessment of the structural conditions of the building(s) nor a survey of field measurements to create as-built drawings.

D. Walter P Moore will provide structural analyses, designs, and documentation as required. Walter P Moore's design and documentation will not include vibration analysis of the existing building due to new or existing equipment or any needed modifications to other building systems such as exterior cladding or roofing.

E. Walter P Moore's scope of Basic Services does not include structural analysis, design or detailing to upgrade the existing buildings' gravity and/or lateral load resisting systems to meet the current building code beyond the SPC-4D reclassification requirements.

F. If Walter P Moore's evaluation indicates that the structure will not readily accommodate the intended modifications, Walter P Moore will consult with the Hospital, as appropriate and make recommendations to modify the location and/or character of the proposed modifications as needed.

G. The Basic Services to be performed by Walter P Moore include consultation, as outlined below in Table A: Scope of Services.

H. The assumptions made in determining the fees and scope of work by Walter P Moore are outlined below in Table A: Scope of Services – under Notes and Assumptions.

I. The exclusions for determining the fees and scope of work by Walter P Moore are outlined below in Table B: Exclusions.

J. For each phase of the Work, Walter P Moore will work with the Hospital (or their designated Representative) to ascertain the requirements for that phase of the Work, will participate in necessary meetings, will be available for general consultation, will prepare necessary documentation, and will make appropriate recommendations.

K. Walter P Moore will recommend to the Hospital the appropriate investigations, reports, surveys, tests, and services of other Consultants that should be retained for

proper execution of Services. Walter P Moore will assist in the development of appropriate scopes of work for such services. Services that may be required include, but are not limited to, geotechnical investigations, surveys, material testing, and site-specific geotechnical studies, etc.

L. Walter P Moore's Scope of Services is limited to those items specifically described herein. If requested and authorized by the Client, other Additional Services may be provided for an additional fee.

II. Scope of Services

A. Following written authorization from the Client to proceed with each subsequent phase of the Work, Walter P Moore shall provide services for each phase as described below:

Table A: Scope of Services
Table B: Exclusions

Table A: Scope of Services

	PHASE	Included	Not Included	NOTES AND ASSUMPTIONS
A. Structural Basis of Design (BOD)				
1	Prepare the structural Basis of Design (BOD) to initiate discussions with the Seismic Compliance Unit (SCU) at OSHPD Sacramento. BOD will be updated as we proceed with detailed analyses.	X		Hospital to provide all as-built drawings for any new additions to original building and adjacent buildings to verify seismic separations.
2	Prepare computer models to comply with the requirements of ASCE 41-13.	X		Hospital to provide reports, drawings, and computer models for prior work for SPC-2 reclassification, if applicable.
3	Quick run updated computer models and process results.	X		
4	Evaluate compliance, or lack thereof, of existing SFRS[1] elements with the provisions of ASCE 41-13.	X		
5	Discuss with SCU, as required, until compliance with the provision of ASCE 41-13 is achieved.	X		
6	Update the BOD.	X		
7	Prepare the required OSHPD applications.	X		
8	Prepare and submit a formal package that would include BOD and relevant backup information (i.e., computer models, calculations, etc.) to SCU for review.	X		
9	Respond to SCU's plan review comments on the BOD and backup information.	X		
10	Obtain SCU's approval of the BOD.	X		

[1]SFRS = Seismic Force Resisting System

Table A: Scope of Services				
PHASE		Included	Not Included	NOTES AND ASSUMPTIONS
B. Geotech and Geo-Hazards Report				
1	Hospital would need to bring a geotechnical and geo-hazard engineer on board since a dedicated geotechnical and geo-hazards report is a mandatory code requirement for SPC-4D reclassification.	**X**		Hospital to bring on board geotechnical and geo-hazard engineer promptly to provide the information required by us.
2	Coordinate with the geotechnical and geo-hazard engineer regarding specific OSHPD requirements for SPC-4D.	**X**		
3	Provide relevant structural information to the geo engineer to support him with providing us the information we need for SPC-4D evaluation and upgrade designs (i.e., seismic ground motion information (response spectra), soil bearing capacities, etc.).	**X**		
C. SPC-4D Construction Documents (CDs)				
1	Incorporate provisions from SCU approved BOD into analysis models.	**X**		
2	Evaluate all existing SFRS elements for SPC-4D criteria.	**X**		
3	If we conclude that new structural elements must be added to supplement the existing SFRS, then meet with the Hospital and facility representatives to present multiple options to identify a solution that would be least disruptive to ongoing hospital operations and functions.	**X**		
4	Incorporate the recommend option for new SFRS element(s) into our computer models and perform iterations to optimize (minimize) the scope of retrofit.	**X**		
5	Perform detailed designs of the following: • New SFRS elements • Connection of new SFRS elements to the existing structure • Upgrade(s) as needed for the existing SFRS elements	**X**		
6	Compile structural calculations and drawings for SPC-4D upgrade.	**X**		
7	Submit package of structural calculations and upgrade drawings to SCU.	**X**		
8	Obtain SCU's confirmation/approval that the proposed upgrade, once fully implemented in the	**X**		Architect and MEP engineers to be brought on board by the Hospital after OSHPD SCU has approved

Table A: Scope of Services				
PHASE		Included	Not Included	NOTES AND ASSUMPTIONS
	field, would allow the building to be reclassified to SPC-4D.			SPC-4D designs. Accordingly, we assume that the architect and MEP engineers would work around the SPC-4D upgrade approved by OSHPD.
9	Prepare the required OSHPD applications, TIO forms, specifications, etc.	X		
10	Compile and submit package to OSHPD local region.	X		SPC-4D upgrade package would be submitted to OSHPD as an incremental package in which the structural upgrade scope would be part of the first increment while accessibility, architectural, and MEP scopes would be part of subsequent increment(s) that would be developed after Increment 1 has been approved by OSHPD. Hospital should acknowledge that OSHPD could enforce submittal of subsequent increments prior to granting approval for the first (i.e., structural) increment.
11	Respond to plan review comments from OSHPD local region.	X		We have considered maximum 80 hours for responding to OSHPD local region's plan review comments.
12	Obtain OSHPD local region's approval of SPC-4D upgrade construction documents.	X		

III. Exclusions

Exclusions from our Scope of Services (outlined in Table A) are described in Table B.

TABLE B: EXCLUSIONS		
EXCLUSIONS		NOTES
1	Fees for architect and/or MEP engineers.	
2	Coordination of SPC-4D upgrade scope (Increment 1) with other disciplines (subsequent Architectural and MEP Increments).	
3	Structural efforts associated with redesign because of Architectural and/or MEP increments.	

TABLE B: EXCLUSIONS		
4	Structural efforts associated with satisfaction of Position-Retention performance level for elements that are not a part of the SFRS, if such elements are determined to be deficient. While we would identify the deficient non-structural elements as part of the MTCAP, the fixes or upgrades for deficient non-structural elements would need to be a part of the Architectural and/or MEP Increment with separate fee.	
5	Fees for geotechnical and/or geo-hazard engineer, testing lab, OSHPD/city permits, etc.	
6	Plan and/or peer reviews beyond the normal OSHPD plan review.	
7	Nonlinear analyses, if enforced by OSHPD for any reason.	
8	Hazardous material assessment and related impact design.	
9	Travel outside of Los Angeles area.	
10	NPC related evaluations and/or upgrades.	
11	Bidding and construction administration for SPC-4D upgrade.	
12	Redesign of SPC-4D upgrades should the contractor prefer to do things differently.	
13	Preparation of multiple packages.	
14	Shoring design and calculations, if required.	
15	Preparation of cost estimates.	We will review cost estimates prepared by others.
16	Anchorage design for new medical equipment, new interior designs, and new food service equipment, if any are proposed as part of Tenant Improvements (TI) within the building.	
17	Design of anchorage of architectural and MEP equipment and/or distribution systems impacted by SPC-4D upgrade. This would need to be part of the Architectural and/or MEP increment with separate fee.	
18	Design of temporary conditions that might exist during move management.	
19	SPC-4D project close out and reclassification. This would need to happen after completion of SPC-4D upgrade construction with separate fee.	

San Gorgonio Memorial Hospital
Facility No. 10559

10/25/2021

Unless noted otherwise, ALL buildings are SPC-4/5/5s and NPC-4/4s, i.e., 2030 compliant.

BLD-05425 - Oxygen Tank and Cooling Tower Yard - Bldg 06A

SPC-2 / NPC-2

BLD-01389 - Original Building-OB Addition-'64 Addition - Bldg 01

1-Story, 1949 UBC, 0.59%

BLD-01392 - O.B. Addition - Bldg 04

BLD-01390 - O.R. Addition - Bldg 02

1-Story, 1970 UBC, 0.03%

SPC-2 / NPC-2

New buildings - proposed. Not in HCAI inventory yet.

BLD-05579 - Connecting Corridor - Bldg 10D

BLD-05576 - Patient Tower - Bldg 10

BLD-05577 - Lobby - Bldg 10A

BLD-05578 - Entry Canopy - Bldg 10C

BLD-02948 - Entrance Canopy - Bldg 08

BLD-05235 - ED / ICU - Bldg 07

BLD-06816 - Pedestrian Walkway Canopy - Bldg 11

Under construction?

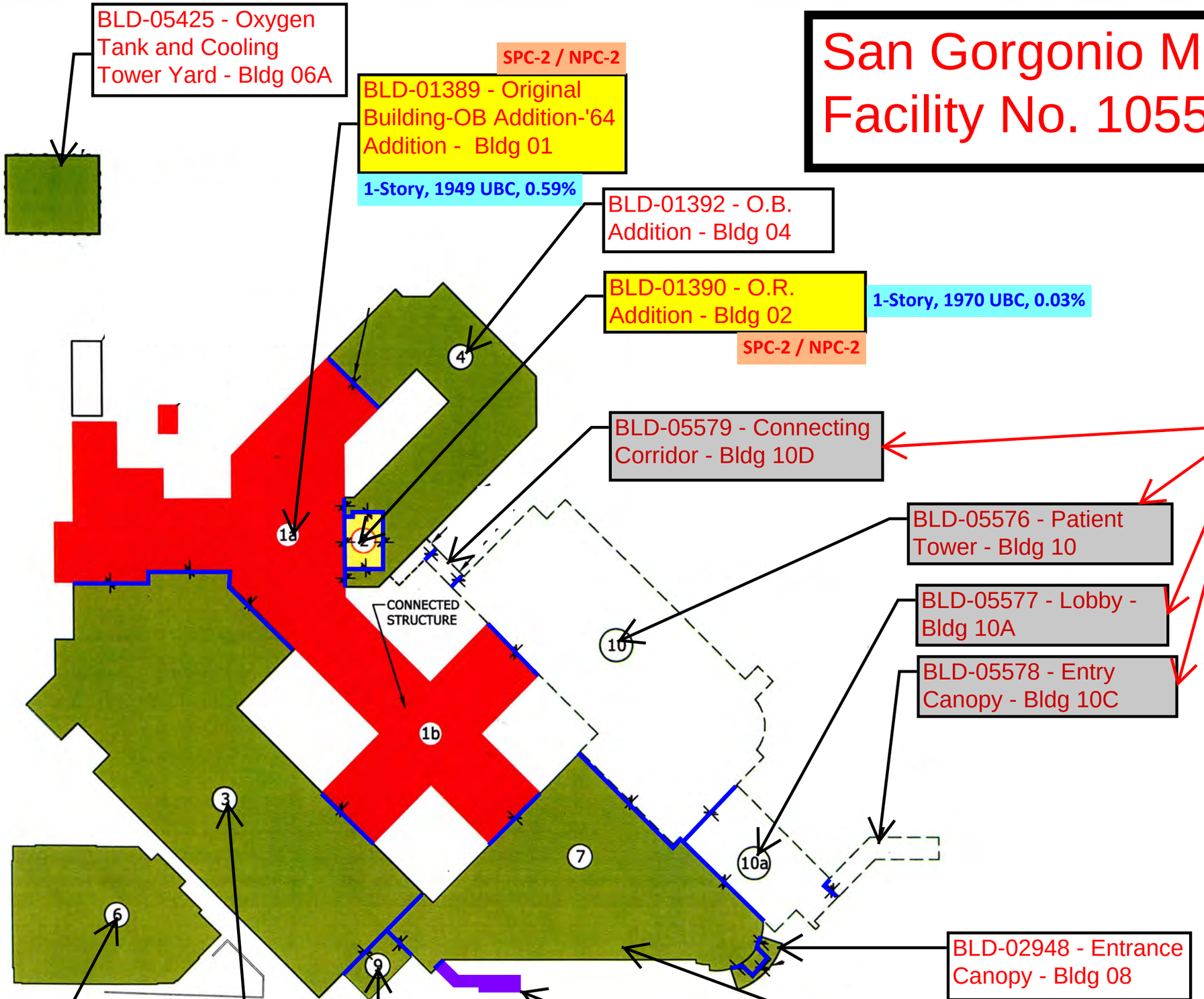
BLD-05303 - Central Plant - Bldg 06

1-Story, 1976 UBC

SPC-4 / NPC-2

BLD-01391 - Addition (1980) - Bldg 03

BLD-02947 - Ambulance Canopy - Bldg 09



Schedule T2
TERMS OF AGREEMENT

I. Compensation & Expenses

A. Walter P. Moore and Associates, Inc., "WALTER P MOORE", shall be paid as stated in the Agreement for Professional Services.
   1. Lump Sum Fee - The total fee payable shall be the total sum stated herein, and payments shall be made periodically based upon WALTER P MOORE's percentage complete of the total fee as of the invoice date, or according to the schedule of payment by design phase if such schedule is expressly included herein.
   2. Time and Expense Fee - The periodic fee payable shall be the cumulative sum of the mathematical products of the actual hours worked by individuals assigned to and providing services on the Project multiplied by the category billing rate for each respective individual as indicated in the Hourly Billing Rate Schedule attached to this Agreement for Professional Services.

B. WALTER P MOORE shall be compensated for all services provided regardless of whether the improvements designed are built, in whole or in part.

C. Additional Services: Additional Services shall be paid monthly in proportion to the percentage of the Additional Services completed for Fixed Fee compensation, or for the number of hours spent for Time and Expense Fee compensation, as of the invoice date.

D. Reimbursable Expenses: Miscellaneous out-of-pocket project related expenses including, without limitation; printing, postage, courier costs, lodging, travel expenses, etc., shall be charged at the incurred cost. Mileage shall be charged at IRS Standard Business Mileage Rate in effect at the time of travel.

E. Reimbursable Services: Third Party services retained by WALTER P MOORE on behalf of Owner shall be charged at the incurred cost plus 10%.

F. Sales taxes, if applicable, are not included and shall be paid by the Client.

II. Invoices and Payments

A. WALTER P MOORE will prepare and present invoices in WALTER P MOORE's standard format on a monthly basis, unless other arrangements are stated in the Agreement for Professional Services.

B. Client shall pay WALTER P MOORE for approved invoices within thirty (30) days after receipt of invoice from WALTER P MOORE.

C. If the Client fails to make any payment due WALTER P MOORE for services and expenses within thirty (30) days after receipt of invoice from WALTER P MOORE may charge interest on the amounts due but unpaid at the lesser of the highest legal rate or twelve percent (12%) per annum.

D. Final payment for all fees and expenses is due to WALTER P MOORE no later than completion of the construction of This Part of the Project.

E. Any costs incurred by WALTER P MOORE in collecting delinquent amounts including, without limitation, reasonable attorney's fees shall be reimbursed by the Client. If any portion of WALTER P MOORE's invoice is disputed, the undisputed portion shall be paid by the Client by the due date, and Client shall contemporaneously advise WALTER P MOORE in writing of the basis for any disputed portion of any invoice.

F. WALTER P MOORE reserves the right to declare a substantial breach of this Agreement upon the Client's failure to make payment for services performed or Reimbursable Expenses incurred within ninety (90) days after Client's receipt of invoice from WALTER P MOORE.

G. No deductions shall be made from WALTER P MOORE's compensation on account of penalty, liquidated damages, or on account of the cost of changes in the Work except to the extent such costs are found by a court of competent jurisdiction to be caused by WALTER P MOORE.

III. Responsibilities of the Client

A. The Client shall, with reasonable promptness, perform normal administrative and management tasks to facilitate the design process, including, without limitation, the following:
   1. Verify that the contemplated Project will be financed adequately, including provisions for contingencies, to accomplish stated goals and commitments.

2. Define the Project in writing and list the intended functions and needs and enumerate any special design criteria~~,~~ for This Part of the Project.
3. Provide all available information regarding requirements for This Part of the Project. WALTER P MOORE shall have the right to rely on the accuracy and completeness of any information provided by Client.
4. When requested in writing by WALTER P MOORE, the Client shall furnish the services of other reasonably required consultants including, without limitation, 3D laser scanning, surveyor, MEP engineer, architect, medical equipment planner, geotechnical and testing laboratory. These services shall be furnished at no charge to WALTER P MOORE which shall be entitled to rely upon the accuracy and completeness of any such consultants' work.
5. Advise WALTER P MOORE of the identity and scope of services of other consultants participating in the Project.
6. Review WALTER P MOORE's work for compliance with Client's programmatic requirements and for overall coordination with the work of the Clients' other consultants.
7. Notify WALTER P MOORE promptly if Client becomes aware of any fault with This Part of the Project or WALTER P MOORE's Services.
8. The Client or other professional consultant retained by the Client shall prepare and assemble specifications for the General Conditions, Supplementary Conditions and all components of the Project, and coordinate assembly of WALTER P MOORE's specification sections into the proper format.
9. Furnish to WALTER P MOORE copies of preliminary or detailed estimates of Total Project Construction Cost, bidding documents, change orders, and construction change directives, to the extent that they pertain to This Part of the Project.
10. Furnish to WALTER P MOORE for review and recommendation all construction phase submittals that pertain, directly or indirectly, to This Part of the Project.
11. Confer with WALTER P MOORE before issuing any interpretations or clarifications of documents prepared by WALTER P MOORE.
12. Endeavor to protect the interests of WALTER P MOORE in any dealings with Owner during the course of the Project to same extent as Client protects its interests.

B. If a signed certificate is to be provided as a deliverable of WALTER P MOORE, the Client shall provide WALTER P MOORE with the exact requested wording no later than five (5) days prior to the anticipated execution date of the Agreement for Professional Services. To the extent such wording is currently available; it shall be attached to the Agreement for Professional Services as an exhibit and made part of the Agreement for Professional Services. Under no circumstances shall WALTER P MOORE be required to execute a certificate that requires WALTER P MOORE to accept duties or have knowledge beyond that required by the Agreement.

C. CLIENT shall pay all costs WALTER P MOORE incurs because of any professional licensing or other complaint filed against WALTER P MOORE, or anyone related to it, related to any certificate of merit, or its equivalent, that results from this Project.

IV. Instruments of Service

A. Drawings, specifications, and other documents prepared by WALTER P MOORE pursuant to the Agreement are instruments of WALTER P MOORE's professional services ("Instruments of Service"). WALTER P MOORE shall be deemed the author of these documents and shall retain all common law, statutory, and other reserved rights, including the copyrights. Provided that Client is not in breach of the Agreement, Client is granted a limited, non-exclusive license to use WALTER P MOORE's Instruments of Service for the construction, use, replacement, and maintenance of the Project. The Client shall be permitted to retain copies, including reproducible copies, of the Instruments of Service for the purposes permitted by the non-exclusive license. The Instruments of Service shall not be used on any other project, or for completion of the Project by others, except as permitted by law in the event WALTER P MOORE has been adjudged in default under the Agreement or except by separate

written agreement of the parties with appropriate compensation to WALTER P MOORE. Third parties such as the Contractor shall be permitted to obtain a copy of the Instruments of Service in electronic format in connection with the construction of the Project by executing WALTER P MOORE's standard agreement for such use.

B. The Client or WALTER P MOORE shall not make changes in each other's Drawings, Specifications, and other documents without written permission of the other party.

V. Insurance

A. WALTER P MOORE shall endeavor to maintain professional liability insurance covering claims arising out of the performance of professional services under the Agreement or the Project or caused by negligent errors, omissions or acts for which each may be liable. This insurance, as reflected in the parties' certificates of insurance, shall be maintained in force for a period of One (1) year after the date of Substantial Completion of the Project, if reasonably available and commercially affordable, or as otherwise agreed to and documented by Client and WALTER P MOORE.

B. If insurance is required, and an Architect or other professional consultants are part of the design team, the Architect and any other consultants shall be required by the Client to obtain and maintain insurance coverage of similar nature to cover errors, omissions, or negligent acts for which the Architect or consultant are legally liable.

C. Unless otherwise agreed, WALTER P MOORE, Client, Architect, and other professional consultants shall each provide insurance to protect themselves from: 1) claims under workers' or workmen's compensation acts; 2) from general liability claims for damages because of bodily injury, including personal injury, sickness, disease, or death of any employees or of any other person and from claims for damages because of destruction of property including loss of valuable papers and records coverage and including loss of use resulting therefrom; and 3) employment practices liability.

D. The insurance coverage required by the above paragraphs shall be in not less than the limits required by law and as otherwise agreed.

E. If Client enters into a construction contract based in whole or in part upon design services performed or deliverables prepared by WALTER P MOORE under the Agreement, Client shall use its best efforts to require in the Contract Documents that the Contractor shall: 1) provide liability insurance appropriate and adequate for the size and complexity of the Project; 2) agree to hold harmless, defend and indemnify Client and WALTER P MOORE against claims and lawsuits by Contractor or its subcontractors or suppliers of any tier for economic loss; and 3a) name WALTER P MOORE as an additional insured party, and 3b) waive any right of subrogation against WALTER P MOORE, under any commercial general liability or builders' risk policy providing coverage with respect to the construction of the Project; provided, however, that Client shall use its best efforts to have Client name WALTER P MOORE as an additional insured on, and waive subrogation against WALTER P MOORE under, any such policies Client provides with respect to the Project.

VI. Controlling Law and Disputes

A. The Agreement, and its interpretation and performance, shall be governed by the laws of the United States of America and State of Texas notwithstanding any choice of law principles. Exclusive venue for any dispute arising out of the interpretation or performance of the Agreement shall be a court of competent jurisdiction where the Project is located.

VII. Standard of Care

A. WALTER P MOORE shall provide services under the Agreement in a manner consistent with that degree of care and skill customarily exercised by members of the same profession currently practicing under similar circumstances.

VIII. Time for Performance

A. WALTER P MOORE shall perform its services as expeditiously as is consistent with the Standard of Care as defined herein and the orderly progress of the Project.

IX. Indemnity, Limitations of Liabilities, Warranty and Remedies

A. WALTER P MOORE shall not be responsible or held liable for any acts or omissions of Client, Client's other consultants, Contractor or any of its subcontractors or suppliers of any tier or any

other persons or entity performing any of the Work.

B. WALTER P MOORE agrees, to the fullest extent permitted by law, to hold harmless and indemnify Client from and against any and all claims, damages, fines, penalties, assessments, requirements or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense and response costs that arise under the Agreement for Professional Services to the extent such damages are caused by the negligence of WALTER P MOORE.

C. Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages, fines, penalties, assessments, requirements or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense and response costs that arise under the Agreement for Professional Services to the extent such damages are caused by the negligence of the Client.

D. If WALTER P MOORE's construction contract administration services are limited or excluded from WALTER P MOORE's scope of services, it is agreed that WALTER P MOORE's professional services shall not extend to or include any review or site observation of Contractor's work or performance, and Client shall in such circumstances, to the fullest extent permitted by law, hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages, liabilities including without limitation, claims for injury to persons or property, death, or economic loss, or costs including without limitation reasonable attorney's fees and defense costs arising out of, or alleged to arise out of, designs or deliverables of WALTER P MOORE regardless of whether any such claims, damages, liabilities, or costs were, or were alleged to be, caused in part by the negligence or negligent misrepresentation of WALTER P MOORE or someone for whom WALTER P MOORE is legally responsible.

E. Because remodeling and/or rehabilitation of an existing structure and/or related infrastructure requires that certain assumptions be made regarding existing conditions, and because these assumptions may not be verifiable without expending inordinate amounts of time and money, or damaging otherwise adequate and serviceable portions of the structure, Client agrees, to the fullest extent permitted by law to hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense costs arising out of any designs or deliverables of WALTER P MOORE based in whole or in part upon any assumptions made by WALTER P MOORE regarding existing conditions, excepting only those claims, damages, liabilities or costs to extent caused by the negligence or willful misconduct by WALTER P MOORE.

F. To the maximum extent permitted by law, Client agrees to limit Walter P Moore's liability for claims arising from or related to the Agreement or the Scope of Services to the Sum of $50,000 or Walter P Moore's paid fee, whichever is lesser. This limitation shall apply regardless of the cause of action or legal theory pleaded or asserted, including any kind of indemnity.

G. Other than as expressly stated herein, WALTER P MOORE makes no other express or implied warranties regarding the performance or result of these services.

X. Successors and Assigns

A. Client and WALTER P MOORE, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other party to the Agreement and to the partners, successors, assigns and legal representatives of such other party with respect to all covenants of the Agreement.

B. Neither party to the Agreement shall transfer, sublet, or assign any rights under or interest in the Agreement (including, without limitation, monies that are due or monies that may be due) without the prior written consent of the other party. Subcontracting by WALTER P MOORE shall not be considered an assignment for purposes of the Agreement, and nothing contained in this paragraph shall prevent WALTER P MOORE from employing such independent professional

associates and consultants as WALTER P MOORE may deem appropriate to assist in the performance of services hereunder.

C. Nothing under the Agreement shall be construed to confer any rights or benefits in the Agreement to anyone other than Client and WALTER P MOORE, and all duties and responsibilities undertaken pursuant to the Agreement shall be for the sole and exclusive benefit of Client and WALTER P MOORE and not for the benefit of any other party.

XI. Hazardous Material

A. WALTER P MOORE shall have no responsibility for the detection, presence, removal, encapsulation, treatment, abatement, storage, transportation, disposal, or any other form of identification or handling of any asbestos, asbestos containing products materials or substances, polychlorinated biphenyl (PCB), or any other materials, constituents or substances that are, or are deemed to be, hazardous under the Resource Conservation and Recovery Act of 1976 as amended or any other similar federal, state or local regulation or law ("Hazardous Material"). Client shall use its best efforts to have Client furnish any tests for Hazardous Materials and other laboratory and environmental tests, inspections, reports, mitigation, or removal as necessary or required by law since no such test shall be provided by or through WALTER P MOORE.

B. Client agrees, to the fullest extent permitted by law, to hold harmless and indemnify WALTER P MOORE from and against any and all claims, damages, fines, penalties, assessments, requirements, or liabilities including, without limitation, claims for injury to persons or property, death, or economic loss, and costs including, without limitation, reasonable attorney's fees and defense and response costs arising out of any claims related to Hazardous Materials.

XII. Termination and Suspension

A. The Agreement may be terminated by either party upon not less than Seven (7) days' written notice should the other party fail substantially to perform in accordance with the terms of the Agreement through no fault of the party initiating the termination, and such failure to perform is not cured within such Seven (7) days.

B. After the Project or WALTER P MOORE's services are interrupted or suspended for any cause other than the fault of WALTER P MOORE for more than Forty-Five (45) calendar days in the aggregate over the term of the Agreement, WALTER P MOORE may, at its option at any time thereafter, without waiving any other right or remedy, and without incurring any liability to Client or any other party, terminate the Agreement upon seven days written notice without cure or suspend its services, and WALTER P MOORE shall be compensated for all its services performed and reimbursable expenses incurred prior to the termination or commencement of suspension of services by WALTER P MOORE. WALTER P MOORE shall have no liability to Client or otherwise for such suspension, and Client covenants not to make any claim for any delay or damage alleged to have resulted from such suspension. If WALTER P MOORE elects to suspend its services, Client shall, upon WALTER P MOORE's resumption of services, compensate WALTER P MOORE for expenses incurred as a result of the suspension and resumption of its services, and WALTER P MOORE's schedule and fees for the remainder of WALTER P MOORE's Project services shall be equitably adjusted.

C. If Client is in breach of the Agreement, WALTER P MOORE may at any time thereafter, without waiving any other right or remedy, and without incurring any liability to Client or any other party, upon Seven (7) calendar days' written notice suspend its services to Client. WALTER P MOORE shall have no liability to Client or otherwise for such suspension, and Client covenants not to make any claim for any delay or damage alleged to have resulted from such suspension. If WALTER P MOORE elects to resume its services, provided that WALTER P MOORE has not previously terminated the Agreement, and upon receipt of payment in full to WALTER P MOORE of all outstanding sums due from Client, or curing of such other breach by Client which caused WALTER P MOORE to suspend services, Client shall as Additional Services compensate WALTER P MOORE for expenses incurred as a result of the suspension and resumption of its services, and WALTER P MOORE's schedule and fees for the remainder of WALTER P MOORE's Project services shall be equitably adjusted.

XIII. Force Majeure

A. In the event that WALTER P MOORE is obstructed, interrupted, or impeded, directly or indirectly, in performing any of its obligations under the Agreement by an Act of God, sickness, disease, infection, epidemic, government order, building closure, fire, flood, earthquake, terrorism or terrorism threat, adverse weather, war, attack, labor unrest or shortage, civil unrest or any other occurrence beyond the control of WALTER P MOORE, or by any complications, responses (e.g., COVID plans), or unreasonable risks arising from such occurrences, then WALTER P MOORE shall be excused from any further performance of its obligations under the Agreement and entitled to adjustment of the Project schedule and its compensation under this Agreement. Additionally, any obligation by WALTER P MOORE to attend an in-person meeting or site visit shall be: (a) excused if it would, in WALTER P MOORE's judgment, be unsafe or its purposes may be satisfied virtually, and (b) subject to any reasonable protocols that WALTER P MOORE has adopted for the health and safety of its employees.

XIV. Waiver

A. The failure on the part of either party, at any time, to require full performance by the other party of any portion of the Agreement, shall not be deemed a waiver of, or in any way affect, that party's rights to enforce such provisions or any other provision at a later time. Any waiver by any party of any provision or on any occasion shall not be taken or held to be a waiver of any other provision or on any other occasion.

XV. Severability and Survival of Terms

A. If any one or more provisions of the Agreement, any portion thereof, or the application thereof to any person or circumstance, shall for any reason be held invalid, illegal or unenforceable in any respect, any such invalidity, illegality or unenforceability shall be deemed stricken and shall not affect any other provision of the Agreement or the application of such provisions to other persons or circumstances, and the balance of the Agreement shall be enforced to the greatest extent permitted by law. Limitations of liability and remedies and all indemnity obligations shall survive termination of the Agreement for any cause.

XVI. Dispute Resolution

A. If a dispute arises out of or relates to this contract or the breach thereof, and if the dispute cannot be settled through negotiation, the parties agree first to try to settle the dispute by mediation administered by the American Arbitration Association under its Construction Industry Mediation Procedures before resorting to arbitration or litigation.

XVII. Meaning of Terms

A. **Client** - The party, with which WALTER P MOORE has entered into the Agreement, responsible for managing the overall design including, without limitation, the design and deliverables of WALTER P MOORE as a consultant to the Client.

B. **Construction Cost of This Portion of the Project** - The total cost incurred by, or if the project is not built, the estimated construction cost to, Client of all elements of the Project designed or specified by WALTER P MOORE. Such Cost shall include the cost (at current market rates if estimated) of all labor and materials furnished including the overhead, fee or profit contingency for This Part of the Project.

C. **Contractor** - A third party, if any, engaged to provide construction services to Client based in part upon designs and deliverables of WALTER P MOORE.

D. **WALTER P MOORE** - Walter P. Moore and Associates, Inc., and WALTER P MOORE's independent professional associate or consultant engineering firms.

E. **Project** – As defined in the Agreement for Professional Services.

F. **Services** – As defined in the Agreement for Professional Services.

G. **This Part of the Project** - All elements of the Project design within WALTER P MOORE's engineering discipline designed or specified by WALTER P MOORE.

H. **Total Project Construction Cost** - The total cost incurred by, or if the project is not built, the estimated construction cost to, Client of all elements of the Project designed or specified by Client and its Consultants. Such Cost shall include the cost at current market rates of all labor and materials furnished including the overhead, fee or profit contingency, plus the cost of equipment specifically specified by Client and its Consultants.

TAB H

POLICIES AND PROCEDURES FOR BOARD APPROVAL - Hospital Board Meeting February 6, 2024

	Title	Policy Area	Owner	Workflow Approval
1	Business Associates	Compliance	Whitley, Ariel: Director Corporate Compliance and Privacy	Ariel Whitley for Hospital Board of Directors
2	Cashier Standard Operating Procedure	Dietary	Hawthorne, Lakeisha: Director Food and Nutrition	Ariel Whitley for Hospital Board of Directors
3	Contingency Plan Components	Compliance	Whitley, Ariel: Director Corporate Compliance and Privacy	Ariel Whitley for Hospital Board of Directors
4	Cooperation with Government Authorities	Compliance	Whitley, Ariel: Director Corporate Compliance and Privacy	Ariel Whitley for Hospital Board of Directors
5	Fire Alert Hood Suppression System (ANSUL)	Dietary	Hawthorne, Lakeisha: Director Food and Nutrition	Ariel Whitley for Hospital Board of Directors
6	Food Recalls and Withdrawals	Dietary	Hawthorne, Lakeisha: Director Food and Nutrition	Ariel Whitley for Hospital Board of Directors
7	Handling of Shellfish	Dietary	Hawthorne, Lakeisha: Director Food and Nutrition	Ariel Whitley for Hospital Board of Directors
8	Independent Contractor Status	Compliance	Whitley, Ariel: Director Corporate Compliance and Privacy	Ariel Whitley for Hospital Board of Directors
9	Referrals, Kick-backs and Rebates	Compliance	Whitley, Ariel: Director Corporate Compliance and Privacy	Ariel Whitley for Hospital Board of Directors
10	Responsibilities During Investigations and Reviews	Compliance	Whitley, Ariel: Director Corporate Compliance and Privacy	Ariel Whitley for Hospital Board of Directors
11	Security Department Dress Code and Equipment	Security	Hunter, Joey: Director Emergency Preparedness, EOC & Security	Ariel Whitley for Hospital Board of Directors

TAB I

SAN GORGONIO MEMORIAL HOSPITAL
Medical Staff Services Department
M E M O R A N D U M

DATE: January 17, 2024

TO: Susan DiBiasi, Chair
Governing Board

FROM: Raffi Sahagian, M.D., Chairman
Medical Executive Committee

SUBJECT: MEDICAL EXECUTIVE COMMITTEE REPORT

At the Medical Executive Committee held this date, the following items were approved, with recommendations for approval by the Governing Board:

Approval Item(s):

Medical Staff Bylaws – Language *(Correction)*
The Members of the Active and Associate Staff voted and approved (by ballot; mailed 10/19/2023) ratifying the language in Section - Purpose: Definition:

> *14. CHIEF OF MEDICAL OFFICER (CMO) means a California State licensed M.D. or D.O. with recognized clinical expertise that is appointed by the Hospital and approved by the Governing Body to perform certain tasks deemed by the administration to be necessary for the proper operation of the Hospital. He/she may not be a Member of the Medical Staff and thus not eligible to practice medicine at San Gorgonio Memorial Hospital. The Chief Medical Officer may serve as an ex officio member without vote on all committees of the Medical Staff, except for the Joint Conference Committee on which he/she may serve as a voting member.*

The Medical Executive Committee is recommending approval of the above-mentioned language to stand in the Medical Staff Bylaws.

2024 Annual Approval of Policies & Procedures
The attached policies & procedures are recommended for approval (See attached)

OB Hemorrhage Order Set
These comprehensive maternal hemorrhage protocols improve patient safety and reduce utilization of blood products.

SAN GORGONIO MEMORIAL HOSPITAL
2024 POLICIES & PROCEDURE
APPROVALS

	Title	Policy Area	Revised?
1.	Abortion, Spontaneous	Obstetrics	Revised
2.	Acuity and Staffing Plan for Nursing	Nursing	Revised
3.	Admission of Infant Born Out of Asepsis	Obstetrics	Revised
4.	Adoption Planning	Obstetrics	Revised
5.	Arteriovenous (AV) Fistula	Nursing	Revised
6.	Automated External Defibrillator (AED) Check	Behavior Health	Revised
7.	Bassinet Cleaning & Disinfecting	Obstetrics	Revised
8.	Biological Debridement: Maggot Therapy: Standardized Procedure	Nursing	Unchanged
9.	Care Plans, Patient	Nursing	Revised
10.	Clinical Lab Communication of Equipment Failure	Clinical Laboratory	Revised
11.	CT Angiography (CTA) Brain/Neck in Mobile CT	Diagnostic Imaging	New
12.	Diarrhea or Draining Wounds, Care of the Infant	Obstetrics	Revised
13.	Education of Patient and/or Patient Representative	Nursing	Revised
14.	Expanded Scope of Practice (Standardized Procedure)	Nursing	Unchanged
15.	Functional Assessment	Nursing	Revised
16.	Hemorrhage, Postpartum	Obstetrics	Revised
17.	Laboratory Critical Test Result List	Clinical Laboratory	Revised
18.	Laboratory Downtime Operation	Clinical Laboratory	Revised
19.	Neonatal Resuscitation	Obstetrics	Revised
20.	Nursing Progress Note Documentation	Nursing	Revised
21.	Nursing Students	Nursing	Revised
22.	Obstetrical Medical Screening Examination	Obstetrics	Revised
23.	Pain Assessment and Management	Nursing	Revised
24.	Participation in Graduate Medical Education Programs	Medical Staff	New
25.	Patient Controlled Analgesia (PCA)	Nursing	Revised
26.	Patient Preparation	Clinical Laboratory	Unchanged
27.	Placental Abruption	Obstetrics	Revised
28.	Pronouncing Patients by a Registered Nurse - Standardized Procedure	Nursing	Revised
29.	Sure-Vue Urine Beta hCG Point of Care Test	Clinical Laboratory	Revised
30.	Undergraduate Medical Education Program	Graduate Medical Education	New

OB Hemorrhage Order Set

- **STAGE 1 –** CBL >/= to 500ml vaginal & >/= to 1000ml cesarean w/ cont. bleeding.

Medications:

- Oxytocin in Saline (Pitocin) 30units/500ml (60milli-units/ml) infuse at 999ml/hr Intravenous.
- Oxytocin (Pitocin) injection 10units IM
- Methylergonovine (Methergine) injection 0.2mg, Intramuscular, PRN, Bleeding, if BP <140/90, may repeat x1. May give only after delivery. **Consult with provider if patient is hypertensive.**
- Carboprost (Hemabate) injection 250mcg, intramuscular, EVERY 15 MIN PRN, Postpartum hemorrhage, may give only after delivery. May repeat every 15-90 minutes. Not to exceed 3 doses. **Do not give if history of asthma.**
    - Give Loperamide (IMODIUM) capsule 2-4mg, oral, PRN, for diarrhea. May give only after delivery. Give 4mg with 1st dose of carboprost (HEMABATE), then 2mg PRN after each loose stool up to a maximum of 16 mg/day. Do not give stool softeners or laxatives until diarrhea is resolved).
- Misoprostol (Cytotec) 800mcg (4 200 mcg tablets) sublingual X1 dose. **Only if hypertensive and asthmatic.**
- Tranexamic acid (TXA) 1g/10ml (1000mg/ml) Intravenous, 1mL/min for 10 minutes,
    - 2nd dose if bleeding continues after 30minutes 1g IV

Nursing orders:

- Vital signs including SpO2 and LOC every 5 minutes
- Administer oxygen to maintain SpO2 greater than 95%
- Weight materials, calculate and chard cumulative blood loss every 5-15 mins
- Establish IV access if not present – minimum 18 gauge
- Place indwelling urinary catheter

Laboratory orders:

- Type and screen STAT
- Blood bank – cross match 2 units of PRBC STAT

*****If bleeding continues proceed to Stage 2*****

- **Stage 2 –** Continued bleeding or Vital Sign Instability, and < 1500ml cumulative blood loss.
- **Medications:**
    - Methylergonovine 0.2 mg IV per protocol (if not hypertensive)
    - Carboprost 250mcg IV (If hypertensive). Can repeat up to 3 times every 20 minutes.
    - Misoprostol 800mcg SL (only if hypertensive and asthmatic)
    - Tranexamic acid (TXA) 1 gram IV over 10 mins. May give a second dose of 1 gm if bleeding continues after 30 minutes or if bleeding stops and then restarts within 24 hours of completing the first dose.
- **Laboratory:**
    - STAT – (CBC/Plts, Chem 12 panel, coag Panel ll, ABG)
    - 2 units of PRBCs
- **Nursing Orders:**
    - Establish 2nd large bore IV access

- *****If bleeding continues proceed to Stage 3*****

- **Stage 3 –** Continued bleeding with CBL >1500ml or > 2units PRBCs given or abnormal VS or suspicion of DIC
    - Massive Transfusion Pack
    - Repeat labs in stage 2 every 30 to 60 minutes
    - Repeat ABG's

TAB J

Record Gazette 1/12/2024

Eileen T. Camberos

Eileen T. Camberos, 86, of Banning passed away on Wednesday, Dec. 27, 2023. Eileen was born in Tonduff, Gortlect, Ireland to Mary Jane O'Hagan and Neil O'Hagan.

Eileen Camberos

Eileen retired in 2022 after 39 years of working at San Gorgonio Memorial Hospital. Eileen enjoyed shopping and pampering herself — her hair and makeup were always perfect. Her favorite places to shop where Home Depot, Walmart, Dollar Tree and Macy's.

Eileen was a member of Saint Kateri Tekakwitha Church of Beaumont. She loved sports; her favorite football team was the Chargers. Her favorite basketball team was the Lakers. Her favorite baseball team was the Padres. She kept on current events watching channel 9 news and reading the Record Gazette. She was always giving gifts, on every holiday and celebrations. She was a very giving and kind person.

Eileen is survived by her sons Michael, Kevin (Kim) and David (Irma); her sister Kathleen Martin; her grandchildren Nick, Leilana, Monique, Jordan, Miranda, Alyssa, Brenden and countless nieces and nephews.

Eileen was preceded in death by her father Neil O'Hagan, her mother Mary Jane O'Hagan, her brothers Eamon O'Hagan, Neil O'Hagan Jr. and Michael O'Hagan.

A visitation for Eileen will be held at 3 p.m. Thursday, Jan. 18, at Weaver Mortuary, 1177 Beaumont Ave., Beaumont. A rosary will occur at 5 p.m. A funeral service will occur at 6 p.m. Thursday, Jan. 18.

WEAVER MORTUARY
Dignity
(951) 845-1141
www.weaver-mortuary.com FD 644

Record Gazette - 1/19/24

Letter to the editor

Winter Wish thanks community

Winter Wish would like to thank the citizens of Beaumont, Cherry Valley and the surrounding communities for your support of the 34th year of Winter Wish. Winter Wish was started by the Beaumont Soroptimist 34 years ago serving one family in need.

This year, warm clothing, toys and some household needs (blankets and/or towels) were given to 767 children in 258 families that were selected to be recipients of Winter Wish gifts in 2023. Food, collected through the community food drive, was also given on distribution day.

Community groups and businesses to thank are as follows: Beaumont Chamber of Commerce, Beaumont-Cherry Valley Recreation and Parks District, Beaumont-Cherry Valley Water District, DRB Sales, San Gorgonio Memorial Hospital, Blooming Lotus Hair Salon, Loma Linda Rehabilitation Center, Pro Craft Construction, Realty One Group, the city of Beaumont, including their Transit Department, police dispatchers, Chatigny Center and the Citizen Volunteer Patrol, the communities of Fairway Canyon Community, Solera Oak Valley Greens, and Four Seasons at Beaumont. The Pass Patchers Quilters Guild donated amazing quilts with matching toys or books. Hundreds of tags were selected to satisfy the wishes of children in our community. Donations were also received to purchase gifts and food.

Service groups donating to this project were, the Cherry Festival Association, Lions Club of Beaumont, San Gorgonio Pass Rotary, the Beaumont-Cherry Valley Rotary, and their Interact Club, Delta Kappa Gamma, and Retired Teachers. The Beaumont/Banning Soroptimist International continually gives volunteer time and financial support.

Churches in our community helped to fulfill the wishes and needs of local families, Beaumont Presbyterian and St. Stephen's Episcopal.

The following businesses displayed tags for their customers to choose from, Leah Larkin Law Offices, Huntress Innovations Salon, Wines Chiropractic & Wellness, Family Chiropractic Wellness Center, Cherry Valley Nails & Hair, Shear Wonders Salon & Day Spa, and Beaumont Unified School District.

Financial assistance came from HCN Bank, Banning Beaumont Elks' Lodge, Beaumont Presbyterian Church, Sensible Advisor, Steve Leach, Fraternal Order of Eagles and numerous individuals for their donations. Also, a special recognition to Toscano's Pizza, Do It Best Home Center, Beaumont RV & Self Storage and Rod's Bicycle Ministry.

A special thanks to Citizens Volunteers (CVPs) of the Beaumont Police Department, Domino's Pizza in Beaumont and Johnny Russo's in Banning

Winter Wish has developed into a unique, individualized community-wide all-volunteer effort of which we can all be proud.

Sincere thank you from,
Winter Wish Committee

Record Gazette 1/19/24

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Inside a $300M push to save failing hospitals

KARA HARTNETT

When Madera Community Hospital declared bankruptcy and suddenly closed its doors a year ago, an agricultural community of 68,000 Californians lost its sole source of emergency and specialty care.

The 132-bed hospital, which serves a largely Latino population 20 miles northwest from Fresno in the San Joaquin Valley, fell victim to familiar problems that plague hospitals across the U.S. Since the COVID-19 pandemic began in early 2020, labor and operational costs have outpaced revenue, particularly at facilities that serve patients predominately covered under programs such as Medicaid and Medicare.

Related: Rural hospitals face aging infrastructure amid financial hurdles

In Madera County, where 31% of residents live below the federal poverty level, these challenges converged and the hospital shut down. A last-minute bid to join Livonia, Michigan-based nonprofit Trinity Health fell through. The nearest location where low-income agriculture workers and others who live in the area can get emergency care or deliver their babies is 30 miles away.

Approximately 700 U.S. hospitals are on the brink of failure, according to the Center for Healthcare Quality and Payment Reform. Hospital bankruptcies have become

commonplace due to mounting financial pressures since 2020, the American Hospital Association reported.

The hardest-hit facilities often are located in places with high percentages of Medicaid and Medicare enrollees or in rural areas suffering from population declines. California is attempting to reopen hospitals and prevent future closures by allocating $300 million in no-interest loans to nonprofit and public providers.

These hospitals requested and failed to obtain $1.5 billion from the California State Legislature to rescue troubled facilities last year, according to Gary Herbst, CEO of Visalia-based Kaweah Health. Out of these negotiations emerged the Distressed Hospital Loan Program, from which more 30 applicants sought to borrow $900 million. Ultimately, 17 hospitals received $300 million, which they are expected to repay within 72 months.

This one-time loan may be the lifeline Madera Community Hospital needed to reopen. Other hospitals stress that short-term financial assistance doesn't solve the underlying reasons they are distressed in the first place. Reimbursements from Medicare and Medicaid—known as Medi-Cal in California—have not risen at the same rate as medical inflation, for one thing, executives said.

This has hospital leaders skeptical about how sustainable the aid from the loan program may be. For some, the funding has accomplished little more than postponing an inevitable end. Others still await their allocations from the state.

Reopening Madera

In July, the nonprofit system Adventist Health signed a letter of intent to revive Madera Community Hospital. The facility had applied for funding through the California Distressed Hospital Loan Program and secured $50 million in August. But in November, Roseville-based Adventist Health withdrew from the deal, citing an inability to devise a financially viable plan.

The hospital subsequently found itself in bankruptcy court facing liquidation to settle demands from creditors. Last month, the Madera provider entered into a temporary management service agreement with American Advanced Management, with a full takeover pending approval from the California Department of Justice and a federal bankruptcy court.

American Advanced Management specializes in reopening and restoring hospitals, and operates 10 facilities in California and Texas that include specialty and critical access hospitals. The company, having previously exited the business of reopening hospitals due to economic challenges, views the state loan to Madera Community Hospital as key to making the project economically feasible, Chief Strategy Officer Matthew Beehler said.

The for-profit company has settled the hospital's bankruptcy debts and awaits approval for its reopening plan. Initially, the facility may offer limited services, but American Advanced Management aims to expand gradually, Beehler said.

Through bankruptcy, American Advanced Management will eventually take ownership of Madera Community Hospital and operate it as part of its hospital network. The company's facilities will share human resources, marketing and sales, supply chain, and revenue cycle management functions. This arrangement has enable American Advanced Management's other hospitals to trim expenses by 5%, Beehler said.

American Advanced Management also intends to refer patients from its other properties, such as Coalinga Regional Medical Center, a critical access hospital about 60 miles away. American Advanced Management believes this will address transfer challenges and direct new business to Madera, Beehler said.

“Our goal is to return as many services as were previously being provided as we can and do in a sustainable manner,” Beehler said. “Once that base stability of historical volumes has returned, we can begin to grow new services that the community needs and can support.”

The reopening process involves a 120-day period during which the management company will assess the facility's condition and determine what equipment needs upgrading, Beehler said. The hospital has been vacant since last January, and American Advanced Management will have to spend on facility improvements, food and service infrastructure, and licenses for pharmacy and laboratory services. The California Department of Public Health and the federal Centers for Medicare and Medicaid Services also must clear Madera Community Hospital to begin receiving Medicare and Medi-Cal reimbursements, he said.

A path to sustainability

For California hospitals on the brink of failure, the Distressed Hospital Loan Program has not helped build sustainability, executives said.

Kaweah Health is a public hospital that caters to a community of 475,000 people 70 miles north of Fresno in Tulare County, which has the highest concentration of Medi-Cal enrollees among California counties. More than six in 10 residents are Medi-Cal enrollees, according to the California Health and Human Services Agency.

Before the pandemic, Kaweah Health boasted an A3 credit rating with a stable outlook from Moody's Investor Service, CEO Gary Herbst said. The hospital's modest 2%-3% operating margin allowed it to thrive and invest in facilities and equipment, he said. But when COVID-19 struck, the landscape shifted dramatically.

Between March 2020 and June 2023, Kaweah Health endured a cumulative $150 million loss it primarily attributed to escalating contract labor costs. The provider spent $110 million on temporary workers during that time, employing as many as 240 traveling nurses per day at $200 an hour to address labor shortages. By comparison, staff nurses make $50 an hour, Herbst said. Inflation compounded its challenges and caused liquidity to plummet from 170 days to 62 days by last March. Consequently, Kaweah Health found itself out of compliance with bond covenants and its credit rating declined.

Internal changes, including reducing access to healthcare in its low-income community, have become necessary, Herbst said. Kaweah Health has laid off workers, reduced elective surgeries that don't turn a profit, and cut executive pay. The health system also stopped contributing to employees' 401(k) retirement plans and is working to renegotiate with vendors and health insurers to cut costs and bolster revenue.

Despite these hardships, Herbst said the provider is beginning to see improvements. From July through November, the hospital incurred a $5.5 million loss, significantly better than the budgeted $15 million loss. Liquidity rebounded to 82 days, nearing the 90 days required under its bond agreement. Although finances are stabilizing, looming costs include California's new $25 minimum wage for healthcare workers

Kaweah Health got $20.8 million from the distressed hospital loan program in August. However, the funding has yet to materialize. The state demands collateral but the hospital's assets are tied up in securing $200 million in outstanding bonds, Herbst said. District hospitals in California can't pledge their buildings to secure debt, leaving future revenue as the only collateral option. Originally earmarked for the 401(k) match in the employee plan, the loan's delay has created uncertainty, Herbst said.

Delaying closures

In Los Angeles, nonprofit Martin Luther King, Jr. Community Hospital, a safety-net facility that received $14 million from the loan program, predicts it will run out of money within months. The state funding provided a temporary lifeline to sustain the institution while leaders search for long-term solutions that, at the moment, appear elusive.

"For us and similar hospitals, it is a bridge to help us stay afloat as we work on more lasting solutions to our funding challenges. It's not a permanent fix," CEO Dr. Elaine Batchlor said.

Nearly 90% of the provider's patient population is enrolled in government health programs, with 70% on Medi-Cal and 20% on Medicare, Batchlor said. The South Los Angeles community faces high rates of poverty and significant deficits in community care, which creates substantial demand for the emergency department, she said. Inadequate reimbursements cause millions of dollars in losses in the emergency department alone and threaten closure, she said.

The overarching issue for many hospitals is inadequate compensation, particularly from Medicaid and Medicare, Batchlor said. The financial challenges reached a critical point during the pandemic, with an influx of patients, higher costs, inflation and the ongoing labor shortage contributing.

Yet Martin Luther King, Jr. Community Hospital, is not contemplating service reductions, Batchlor said. Cutting services would not solve the problem, especially since its emergency department is the only one in the area and is among the busiest in the city, Batchlor said. The hospital has advocated for additional supplemental funding for its emergency department, she said.

"The only way people get to us is through the emergency department, so if we closed the emergency department, we might as well close the hospital," Batchlor said. "If we close ours, we're just adding to the problem of access that's already bad in our community, and that is just not something that's consistent with our mission."

PROGRAMS FOR ADULTS

Special Library Programs for Adults

Winter Card-Making

DEC 9

SATURDAY 10AM - 12PM

Join Patty Grana to create beautiful, handmade Winter and/or Christmas-themed greeting cards. Participants will be able to make up to three cards and designs to take home and send to their loved ones. Spread a little Winter cheer with a handmade greeting card.

Registration Required

Wee Wynter Medieval Menagerie

JAN 13

SATURDAY 2PM - 5PM

See page 15 for more information.

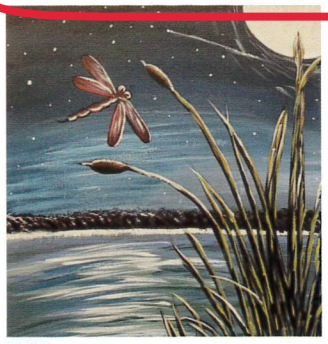
Heart Health, Savor the Flavor of Eating Well!

FEB 6

TUESDAY 6PM

Join Jean Kielhold, dietitian from the San Gorgonio Memorial Hospital and learn about heart healthy and flavorful food!

Registration Required



Painting with the Art Barn

FEB 24

SATURDAY 11AM

The Art Barn returns once again to host a fabulous morning of painting fun for grown-ups.

Space is limited.
Registration will open Saturday, February 3rd.

CHA ANALYSIS

January 2024

Insurance Company Red Tape, Inadequate Networks, and Authorization Denials Leave Patients Stranded in Hospitals

Analysis of Statewide Survey on Insurer-Driven Discharge Crisis

California Hospital Association

California Hospital Association

January 2024

Insurance Company Red Tape, Inadequate Networks, and Authorization Denials Leave Patients Stranded in Hospitals

California Hospital Association

INTRODUCTION

Every day, thousands of Californians languish in hospitals when they no longer need to be there, victims of insurance companies delaying or denying the care they need. These patients are caught up in "discharge delays" — a term for the hundreds of thousands of cases every year in California where care following a hospital visit is not provided when it is needed and patients are stranded in the hospital, as insurance companies openly disregard the clinical guidance of doctors and nurses.

What is a discharge delay?

When an insurance company ignores medical guidance (or fails to act in a timely manner) to approve care for patients who should be discharged from a hospital to a more appropriate care setting, patients get stuck, waiting in hospital beds for red tape to clear despite being medically ready to move on.

This happens because insurance companies require that their organizations — rather than doctors or other clinicians — authorize care before it is provided. This creates significant problems — worse health for patients, greater likelihood of needing long-term care or institutionalization, more pressure on health care workers, and increased health care costs for all.

When patients appeal insurance company denials of care, nearly two-thirds of denials are overturned in patients' favor. While many factors contribute to this problem, insurance companies' failure to meet their obligations to provide timely authorization for care and establish adequate provider networks is the driving force.

Insurance company-driven discharge denials and delays are also a drain on struggling hospitals, which spend billions every year to care for patients — in the highest-cost health care setting — whom doctors and nurses **have already directed to receive care in more appropriate treatment facilities.** Hospitals annually provide 1 million days of additional, unnecessary inpatient care and 7.5 million hours of preventable emergency department care due to the barriers created by insurance companies.

BACKGROUND AND KEY FINDINGS

To better understand how discharge delays play out in California, the California Hospital Association in 2023 conducted a comprehensive survey of hospitals that gathered data from three settings: emergency departments, general acute care hospitals, and inpatient acute psychiatric care hospitals and units. Respondents were asked to provide point-in-time information about the extent of patient discharge delays, contributing factors to delays, and the impact of these delays. High-level findings are:

- Significant barriers are in place when attempting to discharge or transfer patients to a new care setting. Four out of five California hospitals identify insurance company delays or denials of authorization as one of the top insurance policies that delays patients from getting the care they need.
- An estimated 4,500 patients every day remain in California hospitals and emergency rooms despite being medically cleared for discharge. This affects patients in managed care plans at higher rates than those in fee-for-service plans.
- Annually, hospitals provide an estimated 1 million days of unnecessary inpatient care due to discharge delays and 7.5 million hours of unnecessary emergency department care. This directly contributes to at least $3.25 billion in avoidable costs every year.
- Delays make it harder for patients to recover, increase health care costs, and strain hospital capacity given scarce staffing resources. Insurers typically do not pay the cost of hospital boarding for patients who have been medically cleared for discharge.
- Every year in California, an estimated 300,000 hospital patients (9% of all patients) face discharge delays of at least three days after medical clearance, adding 14 days to their hospital stays on average.
- Significant discharge delays are present in all regions of California.

A CLOSER LOOK AT HOW THIS AFFECTS PATIENTS

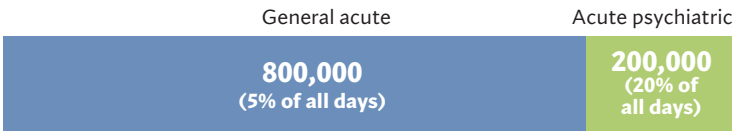
Due to discharge delays, patients remain in emergency departments, acute care hospital beds, and psychiatric hospitals and units long after doctors have determined that a different care setting is more medically appropriate.

That means patients are delayed in getting the right care in the right setting for their needs. This also means patients who urgently require admission to inpatient beds or emergency departments must unnecessarily wait, as too many beds are filled with patients who should have been discharged to other facilities hours or days earlier.

On an annual basis, California hospitals provide an estimated 1 million days of unnecessary inpatient care due to discharge delays and 7.5 million hours of unnecessary emergency department care.

Insurance Companies Leave Patients Stuck in Hospitals Longer Than Necessary

1 million
inpatient days of unnecessary hospital care



7.5 million **unnecessary emergency department boarding hours annually**

Every day, thousands of California patients with continuing care needs are prevented from transferring to the most appropriate settings where the resources, expertise, and trained staff are prepared to meet their needs.

Insurance Company Delays Strand Thousands in Hospitals Every Day

On any given day

Across the state you'll find **~4,500 patients** whose discharge is delayed

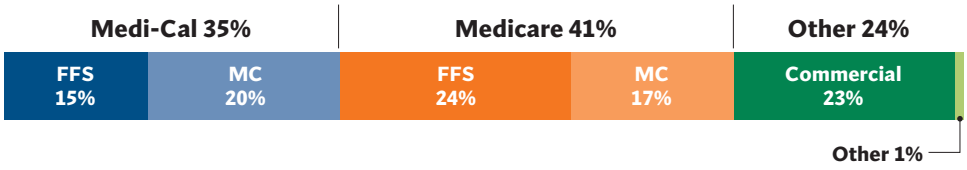
2,250	**550**	**1,750**
general acute patients	**psychiatric patients**	**emergency patients**
(**9%** of all general acute visits)	(**12%** of all general inpatient psychiatric visits)	(**4%** of all emergency visits)
Average length of discharge delays		
14 days	**27 days**	**11 hours**

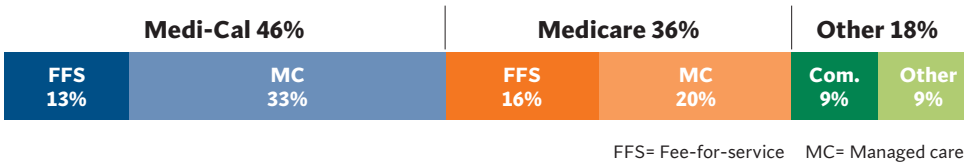
Discharge delays disproportionately affect California's most vulnerable and elderly, with patients enrolled in public payer programs far more likely to experience delays than those covered by commercial insurance. For general acute care hospitals, 46% of days where care was medically directed to be delivered in a non-hospital setting were attributable to Medi-Cal beneficiaries.

Medi-Cal beneficiaries represent the largest portion of delayed discharges.

Medi-Cal Patients Hardest Hit by Insurance Company Red Tape

Percentage of days of discharge delays, *by payer type*





FFS= Fee-for-service MC= Managed care

Public payer managed care plan enrollees are especially likely to experience discharge delays. Hospital patients with Medicare Advantage are nearly twice as likely to experience a discharge delay than those with traditional Medicare. Similarly, Medi-Cal beneficiaries enrolled in managed care rather than fee-for-service are nearly twice as likely to have their discharge delayed.

A CLOSER LOOK AT HOW THIS AFFECTS THE COST OF CARE

Discharge delays divert finite resources, causing hospital admission delays and emergency department overcrowding. Hospitals must maintain nurse staffing and other hospital services at acute care levels at all times, even for those awaiting discharge who no longer need 24/7 nursing care, yet hospitals receive little to no reimbursement for these extra days of care.

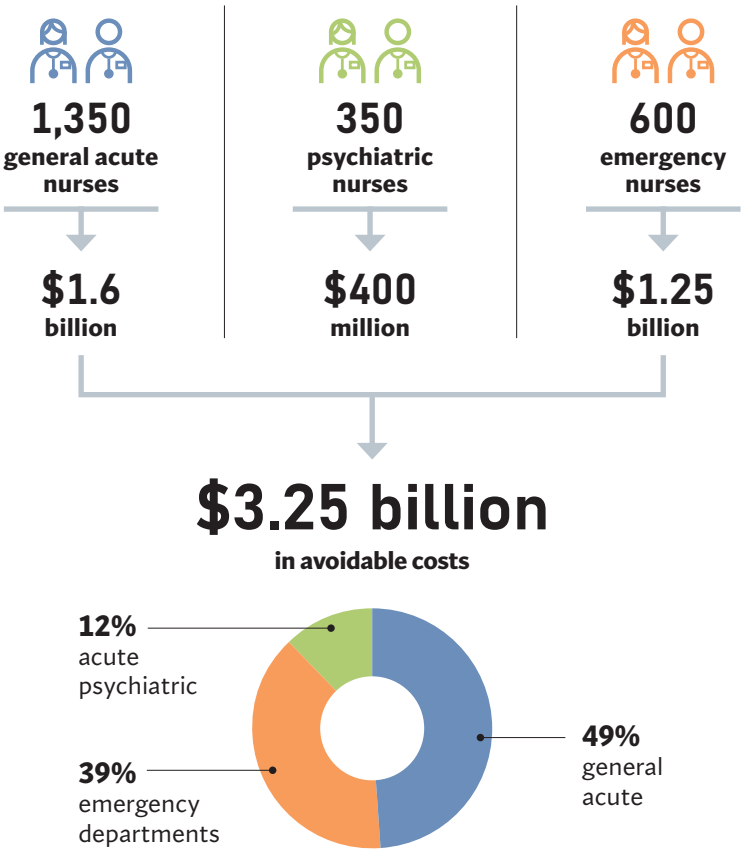
The additional nurses required to care for patients whose discharges have been delayed contribute significantly to statewide staffing shortages and the total cost of care in California. Hospitals also report incurring major uncompensated costs for essential services and equipment needed to facilitate a patient's discharge — such as transportation, hotels, groceries, and more — when insurance companies delay or deny a request.

These delays have far-reaching consequences. As patients awaiting discharge from a hospital to a post-acute care facility or other community care setting remain in acute care beds, transfers from emergency departments are delayed. As emergency departments become more crowded with patients awaiting admission **and** discharge, incoming ambulance crews must wait to transfer patients to emergency departments. As ambulances wait to transfer patients, responses to people in need of emergency services elsewhere must wait longer.

Discharge delays result in an estimated $3.25 billion annually in extra costs for California's health care system, including additional staffing and equipment.

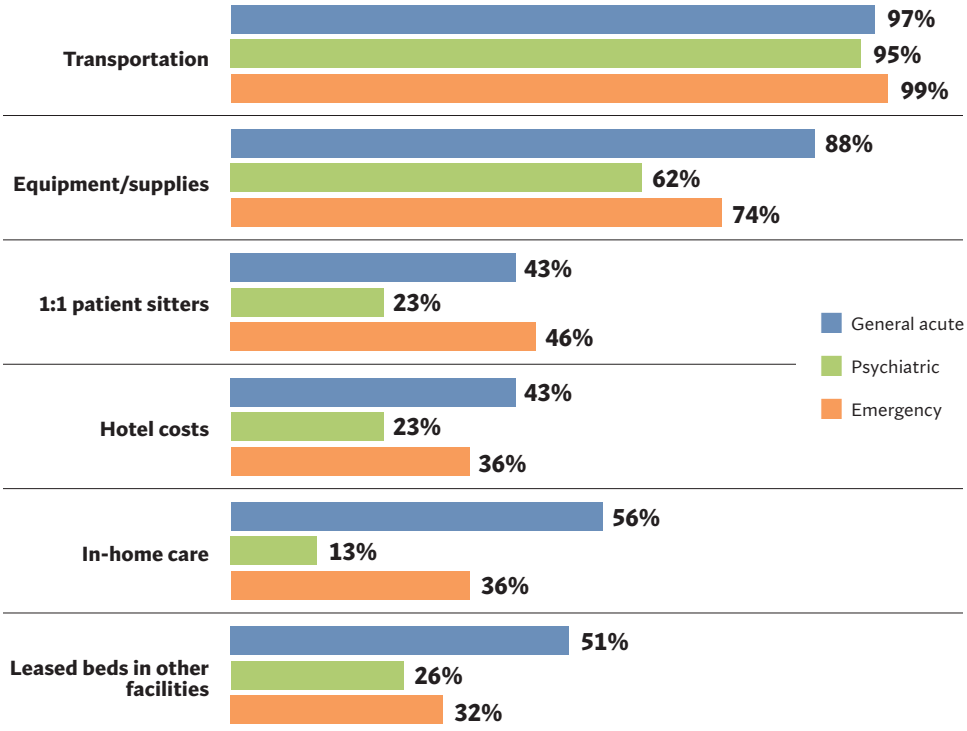
Insurance Company Practices Drain Billions from Hospital Care

Hospitals must employ at least 2,300 additional nurses, and provide many other services, to care for patients whose discharge is delayed



Hospitals Step Up to Fill Gap Left by Insurance Company Delays

Survey respondents who pay for...



A CLOSER LOOK AT WHAT'S BEHIND DISCHARGE DELAYS

The dominant insurer-related factor contributing to this problem is insurance company authorization delays and denials. Other factors include a lack of covered benefits and inadequate provider networks. Based on survey data, inadequate staffing and inadequate reimbursement for post-acute and other community-based providers are frequently cited as factors contributing to discharge delays.

Insurance Company Authorization Practices Leading Cause of Patient Care Delays

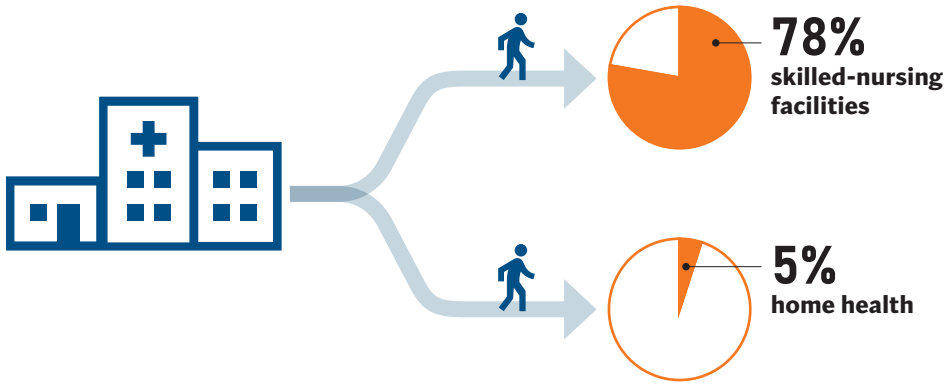
Most dominant insurance policies affecting delays, *by hospital segment*

	General acute	Emergency department	Acute psychiatric
Delay or denial of authorization	43%	26%	15%
No covered benefit	14%	12%	31%
Inadequate network	14%	12%	28%

Seventy-eight percent of general acute survey respondents say that patients directed to skilled-nursing facilities are most likely to experience discharge delays. Other settings associated with discharge delays include home health, long-term care hospitals, and assisted living.

Insurance Companies Predominantly Delay Care for Patients Needing-Skilled Nursing Facilities

Post-discharge destination most frequently associated with discharge delays from general acute care hospitals



CONCLUSION

Caring for patients who no longer need hospital care is a growing and troubling problem affecting communities throughout California. This phenomenon, driven largely by insurance company practices and policies, has many negative effects on the state's health care system:

- Worse patient outcomes
- Fewer available beds for patients who need them, contributing to emergency department overcrowding and longer wait times, as well as increased ambulance patient offload times
- Increased health care costs from additional staff and expenses such as transportation or hotel rooms
- A drain on finite health care resources, as hospitals receive little to no reimbursement for extended non-acute care

The impact of this crisis reaches far beyond a single care setting or provider type. Making sure patients get care in the right setting, at the right time, will require sustained and comprehensive action involving providers and representatives of patients and their communities. California hospitals are committed to providing patients with access to the level of care that best meets their needs, and to ensure that acute care and emergency services are available to all who need them.