

**HUMBOLDT GENERAL HOSPITAL**

**DISTRICT BOARD OF TRUSTEES**

**REGULAR BOARD MEETING**

**TUESDAY**

**FEBRUARY 26, 2019**

**5:30 P.M.**

**SARAH WINNEMUCCA CONFERENCE**  
**ROOM**

JoAnn Casalez - Chairman  
Michelle Miller – Secretary  
Bill Hammargren – Member  
Jennifer Hood - Member  
Gene Hunt - Member  
Ken Tipton - Member-Humboldt  
County Commissioner

**HUMBOLDT GENERAL HOSPITAL**  
118 EAST HASKELL STREET  
WINNEMUCCA, NEVADA 89445

**DISTRICT BOARD OF TRUSTEES MEETING AGENDA**

**MEETING DATE:** Tuesday February 26, 2019  
**MEETING TIME:** 5:30 pm  
**MEETING PLACE:** Sarah Winnemucca Conference Room  
Humboldt General Hospital  
118 E Haskell St, Winnemucca, Nevada

**PLACES POSTED:** in Winnemucca, Nevada at:  
Humboldt General Hospital, 118 E Haskell Street  
Humboldt County Courthouse, 50 W Fifth Street  
Winnemucca City Hall, 90 W Fourth Street  
Humboldt County Library, 85 E Fifth Street  
United States Post Office, 850 Hanson Street  
www.hghospital.org      <https://notice.nv.gov>

**PERSON POSTING:** Alicia Wogan

**A. CALL TO ORDER**

**B. PUBLIC COMMENT**

(This agenda item is designated to give the general public the opportunity to address the Hospital Board. No action may be taken upon a matter raised under this section until it is placed on an agenda for action. Public comment is generally limited to three (3) minutes per person.)

**C. MEDICAL STAFF-HOSPITAL DEPARTMENT REPORTS**

(These agenda items are designated to give the opportunity to report and update the Hospital Board on each group or department listed. No action may be taken upon a matter raised under this section until it is placed on an agenda for action.)

1. Medical Staff report
2. Emergency Department services – Emergency Department Manager / Director of Nursing
  - a) Patient satisfaction survey results
  - b) Quality/Performance Improvement
3. Nursing - DON
  - a) Long term care report
4. Nurse Health Line report - Community Education and Development Director
5. EMS services – EMS Director
  - a) Security POAM
  - b) Active shooter training
6. Administration Department report – CEO

**D. CONSENT AGENDA**

(The Board is expected to review, discuss and take action on this agenda item.)

1. Board meeting minutes January 22, 2019
2. Medical Staff applications for appointments, reappointments, provisional and temporary privileges for: None.
3. EMS services – EMS Director
  - a) Proposal to approve a mutual aid agreement to respond to medical emergencies in Malheur County, Oregon
  - b) Proposal to purchase ambulances monitoring system
4. Maintenance – Maintenance Director
  - a) Proposal to replace chiller condenser coil

# DISTRICT BOARD OF TRUSTEES MEETING AGENDA

February 26, 2019

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## **E. FINANCIAL REPORTS**

(The Board is expected to review, discuss and take action on this agenda item.)

1. November 2018, December 2018 and January 2019 financial reports
2. Warrants disbursed - Monthly expenditures
3. Budget timeline

## **F. BUSINESS ITEMS-OTHER REPORTS**

(The agenda items in this section are for discussion and for possible action. The action may consist of approval, disapproval, acceptance, rejection, authorization, adoption, review, recommendation, referral to staff, or any other action as appropriate. The items may be heard in any order and at any time unless a time is specified; two or more items may be combined for consideration; an item may be removed from the agenda; or, discussion relating to an item may be delayed at any time.)

1. Hospital Administration-Maintenance / proposal to procure services of RF MacDonald to replace-rebuild the unit #2 boiler rear insulated panel and high pressure switch / Maintenance
2. Hospital Administration-Maintenance / proposal to enter into agreement with Trane to provide services to review and implement utility rate structure changes with NV Energy to ensure optimal energy savings / Maintenance
3. Hospital Administration / proposal to amend Medical Staff Bylaws / Administration
4. Hospital Administration / proposal to implement an obstetrics policy / Administration
5. Hospital Administration / proposal to amend the employment agreement with Robert Johnson, PA, to provide clinic director services / Administration
6. Hospital Administration / proposal to employ and enter into an employment agreement with David Masuck, M.D. to provide physician health care services / Administration

## **G. TRUSTEE COMMENTS-STAFF REPORTS**

(This period is designated for receiving reports, information, department updates, board and committee updates and proposals by the board, chief executive officer, chief financial officer, human resources director, director of nurses, and other staff upon request. No action may be taken upon a matter raised under this section until it is placed on an agenda for action.)

## **H. PUBLIC COMMENT**

(This agenda item is designated to give the general public an opportunity to address the Hospital Board. No action may be taken upon a matter raised under this section until it is placed on an agenda for action. Public comment is generally limited to three (3) minutes per person.)

Notice: The Executive Assistant at the Administrator's Office located at Humboldt General Hospital, 118 E. Haskell Street, Winnemucca, Nevada, telephone number 775-623-5222 extension 1123, is the designated person from whom a member of the public may request the supporting material for the meeting and the Administrator's Office is the location where the supporting material is available to the public.

Notice: By law a public body may receive information from legal counsel regarding potential or existing litigation involving a matter over which the public body has supervision, control, jurisdiction, or advisory power and such gathering does not constitute a meeting of the public body.

Notice: Members of the public who are disabled and require special assistance or accommodations at the meeting are requested to notify in writing the Executive Assistant at the Administrator's Office located at Humboldt General Hospital, 118 E. Haskell Street, Winnemucca, Nevada 89445, or by telephoning 775-623-5222 extension 1123, at least one (1) business day in advance of the meeting.

**Emergency Department Quality Monitoring and Results**

- Miscalculated drug dosages are far too common in healthcare and can result in patients' receiving potentially fatal overdoses. This is particularly a more common occurrence when medication dosages are based off of the patient's weight. The pediatric population is a significant high risk for an error to cause a life threatening outcome; therefore we monitor to ensure that our patients that are 12 and under are getting weights documented in kilograms. **The benchmark goal is 92% and HGH ER averages 97%**
- In an effort to monitor, educate, and reduce the potential for dangerous outcomes for patients receiving controlled substances, all Nevada licensed providers are required to follow the guidelines of prescribing that are set forth by AB474. In order to improve compliance with this mandate the HGH ED has established monthly surveillance, RN/Provider feedback and staff education regarding compliance. It is the expectation that ED providers do as follows, and this also includes documentation: when prescribing a controlled substance a provider must, check the patients PMP, consider alternatives to controlled substances, counsel the patient on the risks for abuse, identify patient-specific limitations (no greater than a 14 day supply of controlled substance), complete legally valid prescription, review controlled substance consent with the patient and sign. The registered nurses responsibility in the emergency department is to ensure that the patient does indeed review and sign the controlled substance consent and that that document becomes part of the patient's permanent record. **Provider compliance for January was 100%, nursing compliance is 92%**
- Patients with abnormal vital signs (temperature, blood pressure, heart rate, respiratory rate, and oxygen saturation) upon hospital discharge are more likely to be readmitted to the hospital or die within 30 days compared to patients without vital sign abnormalities. Therefore documentation and provider review of discharge vital signs within 30 minutes of discharge from the Emergency Department is a priority. **The benchmark goal is 92% and HGH ER averaged 94% for Q4 2018.**
- Rapid recognition of ST segment elevation myocardial infarction is the cornerstone of treatment for patient presenting with symptoms of myocardial infarction. This rapid recognition happens by the patient receiving an EKG within less than 10 minutes of presentation to the ED. **The national standard is less than 10 minutes and HGH ER averaged 3.04 minutes for the month of January.**
- It is the goal that all HGH staff that do direct patient care in the Emergency Department (ED) do proper hand hygiene while they are caring for the patients in the ED. The compliance goal is 90%. The reason is that most germs that cause serious infections in healthcare are spread by people's action. Studies show that on average healthcare providers clean their hands less than half of the times they should. This contributes to the spread of healthcare-

associated infections that affect 1 in 25 hospital patient on any given day. **The goal for adequate hand hygiene is 90%, HGH ER was in compliance 86% of the time in January.**

- Early recognition and treatment of sepsis reduces mortality. Nurses are a critical part of the health care team that provide evidence-based care to prevent, identify, and promptly treat sepsis in the hospital setting. In a retrospective data review, of the patients with diagnosed sepsis, our emergency department have several areas that need improvement. These areas include: accurate weight on patients, adequate fluid resuscitation, blood cultures drawn, and antibiotics given. **Our goal is 100% compliance, for the month of December we had 3 sepsis patients and all 3 were weighed, blood cultures were drawn, and antibiotics were given in an appropriate amount of time in all three. Adequate fluid resuscitation was given to 2 of 3 patients.**
- It is essential for proper communication and patient safety that when a patient is transferred from our hospital to another hospital that we ensure that proper communication, radiology studies, and documentation is transferred with the patient. **HGH ER was in 100% compliance with this process for Q4 2018.**



**HUMBOLDT GENERAL HOSPITAL**  
**Harmony Manor SNF**  
**Quail Corner Life Enrichment Community**  
118 East Haskell St. Winnemucca, Nevada 89445

**Humboldt General Hospital**  
**Board of Trustees Meeting**  
**26 February 2019**  
**Agenda item: C.3.a**

## **Long Term Care Report 2-26-2019**

### **Dr. Grant's Resignation as LTC Medical Director**

On February 4<sup>th</sup> Dr. Grant resigned as Medical Director of Harmony Manor and Quail Corner. Dr. Grant served in that role for over 15 years and has provided dedicated care and commitment to the residents, families and staff of Harmony Manor, Quail Corner and Humboldt General Hospital. A small recognition celebration and presentation of a plaque was held in Dr. Grant's honor on January 30<sup>th</sup>. Dr. Westling assumed the duties of Medical Director of Harmony Manor and Quail Corner on Feb. 4<sup>th</sup>.

### **State Long Term Care Survey by the Bureau of Health Care Quality and Compliance was completed December 12-15, 2018**

This was our first survey for the new long term care survey process that was implemented nationwide November 2017. We found it to be much more comprehensive and resident centered with an in depth review of MDS and care plans not previously experienced with traditional surveys in the past. It was pointed out to us by one of the surveyors that they are no longer considering some findings as 'talking points' so two, possibly three of these findings in the past would have been considered as such.

The surveyors were complimentary of our resident centered care, our home like environment and the positive attitude of all the staff they encountered

The written statement of deficiencies from the survey was received on January 24<sup>th</sup> 2019 and our plan of correction was submitted to the state on February 16<sup>th</sup> 2019. At this time we have not received our letter of acceptance for our plan of correction from the BHCQC.

On February 10<sup>th</sup> we received a separate statement of deficiencies related to emergency preparedness based upon our December 2018 survey. Our plan of correction related for this was submitted on February 19, 2019.

All of the citations have been addressed and will continue to be monitored through the quality assurance/performance improvement process.

## **The following is a summary of our survey findings for Harmony Manor/Quail Corner:**

There were no substandard citations.

A complaint investigation initiated by the Division of Aging regarding reporting discharges and transfers was substantiated; beginning December 2017 a regulatory mandate was passed requiring SNF's to notify Division of Aging Ombudsman of all resident discharges and transfers. The regulation was by all accounts, including the ombudsman, state surveyors and peers at other facilities, extremely vague with interpretive guidance quite unclear. For the first two months of the regulation we were under the impression that only facility initiated discharges and transfers needed to be reported, however that proved to be incorrect and it wasn't until early March that it was clarified. During that time we had four residents discharge without required notification thus making us out of compliance. Of note, we were informed by the surveyor that nearly all SNF's in the state received this complaint.

Failure to secure medications; a tube of barrier cream was found in a residents bathroom, lotion and a tube of toothpaste were on a resident's bathroom cabinet. These items should have been locked up.

Failure to post survey results in an area easily accessible to residents (Quail Corner); the survey book was placed in the lobby, the door to the lobby is locked and inaccessible to residents. We copied the book and placed it in an accessible place at the time this was pointed out to us.

Failure to assess a residents risk for entrapment prior to using side rails; we only use quarter rails as mobility aides and we do go over risks and benefits on the consent form. A separate and specific assessment needed to be completed.

Annual abuse/neglect and exploitation training: staff in ancillary departments (maintenance, dietary and housekeeping) did not have documented training.

MDS coding; errors were found

Care plans; Failure to initiate a comprehensive care plan and failure to revise a care plan when the residents needs changed within the allotted time frame.

Treatment and/or devices not provided; a resident had an order to have an abductor pillow between legs while in bed following hip surgery. The resident kept taking it out, however this was not documented or reported to the physician.

Dietary; some open food items were not properly labeled/dated and milk temperatures were not documented, staff observed not following proper hand hygiene.

## **Summary of Life Safety Code Survey Findings:**

Must maintain 8 foot corridors free of obstructions and projections less than 4 inches from the wall. An AED was mounted on the wall and projected 6 inches from the wall and chairs were in the 8 foot corridor.

Doors with Self-Closing Devices were propped open.

Fire watch policy failed to document the requirement to implement a Fire watch if the Fire Alarm System would be down for more than 4 hours in a 24 hr. period.

Failure to maintain the fire sprinkler system as required (deflectors less than 1 inch from the ceiling, foreign material in the sprinklers; paint overspray, lint)

Doors not closing properly (didn't latch)

Refrigerator plugged into surge protector instead of directly into wall outlet

Failure to follow Code Red Policy as outlined.

### **Summary of Emergency Preparedness Survey Findings (received Feb. 10, 2019):**

Citations involving policies that we needed to develop or revise: these policies were completed and the disaster transfer agreement signed and plan of correction submitted 2-19-19

- procedures for tracking of staff and residents during a disaster
- policy/procedure for handling volunteers and staffing during a disaster
- policy on roles under a waiver declared by Secretary of State
- requested a disaster transfer agreement with Pershing General Hospital

### **Admission Policy for Harmony Manor/Quail Corner**

Admission to Harmony Manor or Quail Corner is a *process* driven by our Harmony Manor Admission Procedure (see attached). This policy/procedure has been in place for several years and is reviewed annually. Our number one goal is to provide quality long term care to our community members. Admissions are coordinated by the Admissions Committee. Patients that are an inpatient in HGH have priority for placement. Local residents or potential residents with local family have second priority. We do not accept referrals from outside locations that do not have a local tie to Humboldt County. Several criteria determine our ability to admit a resident (acuity, social, financial, etc). First and foremost is our ability to provide appropriate care for the resident. For fiscal year 2019 we budgeted for a census of 36 residents. Currently we have a census of 34 (8 residents in Quail Corner, at capacity, and 26 residents in Harmony Manor). We have had staffing challenges that intermittently impact our ability to accept a new resident. The hospital has a committee specifically looking at recruiting and has made recommendations to increase our success at recruiting nurses and aides. In January, we admitted 4 residents and we continue to review referrals for placement according to our admission policy. We do have residents in the community that would like to be considered for admission to Harmony but they lack an appropriate pay source.



**HUMBOLDT GENERAL HOSPITAL  
CRITICAL ACCESS HOSPITAL**

**118 East Haskell St.  
Winnemucca, Nevada 89445**

**Date: 10-13-14  
Revised: 11-6-18**

**Developed by: J. Ranney, LASW**

**Revised by: Diane Shearer, RN B. Hopkins, MSW, R. Gillis, RN**

**Department: Skilled Nursing Facility**

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**POLICY: HARMONY MANOR ADMISSION PROCEDURE**

**POLICY STATEMENT:** Prospective residents for admission to Harmony Manor (HM) will be reviewed by the Admissions Committee. The following outlines the admission procedure of this facility.

- I.** Admissions to Harmony Manor Skilled Nursing Facility or Quail Corner Life Enrichment (Memory Care) will be in compliance with state and federal regulations per NRS, OBRA, and Chapter 5.
- II.** Admissions to Harmony Manor Skilled Nursing Facility will be coordinated by the Admissions Committee, which comprises the HGH Social Services Director, Harmony Manor D.O.N., HGH Business Office Manager, HGH Case Management Nurse, Harmony Manor Resident Care Coordinator, Pharmacy Biller or their designees (in case of absence). Other members of the HGH staff may attend the Admissions Committee meetings if they are interested, but have no formal role in the admitting process.
- III.** Days and times of admission are Monday through Fridays, unless previously agreed upon by the admissions committee or at the admitting physicians' preference.
- IV.** Patients in HGH acute care ward in need of nursing home care have priority. Local residents or county affiliated that are on the list will have second tier priority. This "admissions intake sheet" will be provided to the resident or resident's family prior to placement and will be kept on file by Social Services. Any member of the admissions committee will be available to assist family or prospective resident in the application process.
- V.** A list is compiled (in date order) of potential residents. Prospective residents or their families are requested and urged to contact HM on a monthly basis to communicate any changes to the status of their desire for placement. Admission will be based on Harmony Manor's ability to provide appropriate care for resident's needs. Candidates for residency must be assessed as appropriate by consensus of the Admission Committee. Although length of time on the list is considered, the decision will be based on the acuity of the prospective resident, mental status, and potential for compatibility with the current HM population, staffing availability, and pay source. Note: Medicare does not pay for long term custodial care, this information is given to all residents/representatives prior to admission.

## A. Social Criteria

1. HM must form a practical relationship with the family to avoid possible legal financial issues. The admit must be in the best interest of both the prospective resident, and the hospital. The needs to be considered include but are not limited to:
  - a. Social Assessment of resident by Social Services Director (including mental status evaluation)
  - b. Meeting with family to discuss roles, nursing home responsibilities, mutual cooperation, and choice of family spokesperson/contact
  - c. Review of legal status, privacy act, and resident rights
  - d. Equipment and services for special needs
  - e. Discussion of items needed for care and appropriate to HM residency

## 2. Documentation

- \_\_\_\_\_ Intake Sheet
- \_\_\_\_\_ Consent for Placement
- \_\_\_\_\_ PASARR
- \_\_\_\_\_ Social Assessment (includes evaluation of mental and behavioral status)
- \_\_\_\_\_ Evaluation of family system (level of co-operation)
- \_\_\_\_\_ Resource Applications (qualify for Medicare-3 day stay criteria, Medicaid, county etc.)

## B. Clinical Criteria

1. It is the responsibility of the HM Director of Nursing, HM Resident Care Coordinator and the admitting Physician to ensure the prospective resident's clinical (medical) appropriateness.
2. If transferring from another facility, a letter of request for information is faxed.
3. Documentation if being admitted from home:
  - \_\_\_\_\_ Verbal agreement from Primary Care Physician
  - \_\_\_\_\_ Intake Sheet
  - \_\_\_\_\_ Medication List
  - \_\_\_\_\_ PASSR
  - \_\_\_\_\_ Any pertinent medical records
  - \_\_\_\_\_ Advanced Directive

## C. Financial Criteria

1. It is the responsibility of the HGH Business Office, in collaboration with the Admissions Committee, to verify the prospective resident's pay source, and ensure the resident and/or family understands the financial liability of residency in the facility. Discussion with the resident and/or family prior to admission includes; direct cost of nursing home placement, including daily room charge and deposit amount of \$245/day x2 months (if private pay), what daily rate covers minus costs of any special needs, residents' Medicaid liability responsibilities, rep payee and trust account options or other private insurance information if that is the case. For potential residents being in a Medicaid "pending" status, the admit will **not** be permitted until the pay source is determined and **confirmed**

(i.e. HM does not admit 'medicaid pending' referrals). All admissions are contingent on individual evaluation of pay source criteria. HGH's Social Services (with assistance of other admissions committee members if necessary) will assist the family in the preparation of financial assistance documentation. Should the patient be a Medicaid resident and the patient liability amount undetermined at the time of admission, the sum of their income minus \$35 (per regulation) will be requested to be paid on a monthly basis. If the resident so chooses for HGH to be rep payee, Social Security and other pension plans should be apprised of the change of address. Social Security and any other income will be placed in the trust fund to pay monthly patient liability, with the remaining balance reserved for personal use of the resident. (Refer to Trust Fund Policy)

## **2. Documentation**

- \_\_\_\_\_ All current financial records and bank accounts
- \_\_\_\_\_ Review of pay source options (Primary, Secondary, Tertiary)
- \_\_\_\_\_ Review of resources (assets, income, liabilities)
- \_\_\_\_\_ Copies of social security card
- \_\_\_\_\_ Copy of identification
- \_\_\_\_\_ Copy of insurance cards (or Medicare/Medicaid with numbers)
- \_\_\_\_\_ Prescription coverage

# Security Work Group Activities

Humboldt General Hospital  
Board of Trustees Meeting  
26 February 2019  
Agenda item: D.6.8

## Executive Summary – Security Work Group Activities

### Request

To advise the board of activities undertaken by the Security Work Group

### Rationale

HGH developed a cross-functional work group to address hospital-wide security issues. In the past year the group has:

- Consolidated the electronic door lock programs and developed policies to monitor this system.
- Coordinated a physical security inspection by the State of Nevada Threat Center
- Developed and implemented perimeter security improvements
- Developed and implemented security camera program improvements
- Developed and implemented new security policies
- Additionally, Pharmacist Dave Simsek coordinated Active Shooter Training for all employees

Future activities will include:

- Working with the LEPC and WPD to conduct an Active Shooter Drill
- Overseeing the security guard program
- Continued oversight of the door lock program
- Improving panic alarms used at HGH
- Coordinating employee security training
- Upgrading security lighting around HGH
- Developing a visitor and vendor access policy

### Recommendation

Information for the board

Point of Contact: Sean Burke, EMS Chief

## **ADMINISTRATIVE REPORT**

**Humboldt General Hospital**

**Board of Trustees Meeting**

**26 February 2019**

**Agenda Item: C.6**

### **Executive Summary**

The following studies are excerpted from various time periods and departments to provide a sample of the Quality Improvement work being conducted on a regular basis at HGH. Efforts are underway to produce a comprehensive dashboard report that will be provided to the board on a regular basis.

1. The HGH Donor Network West Hospital Scorecard for 4<sup>th</sup> Quarter 2018 indicates very positive results by staff to appropriately make referrals to the network.
2. Perinatal Care Elective Delivery Report.
3. Colonoscopy: OP -29 and OP 30.
4. Exclusive Breast Milk feeding: PC-05.
5. Anesthesia Medical Record Signature Verification.

Information Item Only.



**CONTACT**

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 Donation Program Consultant  
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 zhausauer@dnwest.org / http://www.DNWest.org

# Hospital Scorecard

## Humboldt General Hospital 4th Quarter 2018

YTD Donation Counts	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Organ Referrals	0	0	0	0	0	0	0	0	0	0	0	0	0
Cases with Organ Potential	0	0	0	0	0	0	0	0	0	0	0	0	0
Missed Organ Referrals	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>with Potential</i>	0	0	0	0	0	0	0	0	0	0	0	0	0
Organ Donors	0	0	0	0	0	0	0	0	0	0	0	0	0
Organ Transplanted	0	0	0	0	0	0	0	0	0	0	0	0	0
Tissue Referrals	1	0	0	0	0	0	1	1	2	2	2	4	13
Missed Tissue Referrals	0	0	0	0	0	0	0	0	0	0	0	0	0
Tissue Donors	0	0	0	0	0	0	0	0	0	0	0	0	0
YTD Donation Rates	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Organ Referral Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Referred Organ Potential Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Organ Timeliness Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Planned Discussion Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Conversion Rate	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tissue Referral Rate	100%	N/A	N/A	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%	100%
Tissue Timeliness Rate	100%	N/A	N/A	N/A	N/A	N/A	100%	100%	100%	100%	100%	100%	100%

Detail Data for Report Period Only : 4th Quarter 2018																	
Organ Referral #	MRN	Referral Date/Time	Transfer	Unit / Unit Detail	Age	Sex	Ethnicity	Timely Referral	Organ Potential	OPO Onsite Timely	Hospital Supporting	Planned 1st Mention (AKA "A3")	Eval Prior to BDD/EOL	Organ Authorization	Registry	Authorization Type	Organ Outcome / Outcome Detail
<b>No Potential Organ Donors</b>																	

Transferred Organ Referrals						Detail Data for Report Period Only : 4th Quarter 2018	
Referral #	Referral Date/Time	Transfer	Timely Referral	Organ Potential	Authorization Type	Organ Outcome	
<b>No Transferred Potential Organ Donors</b>							



Organ Donor Recovery Details											Detail Data for Report Period Only : 4th Quarter 2018			
OPO ID	Referral Date	Age	Sex	Ethnicity	Heart	Lungs	Liver	Kidneys	Panc	SmB	Total Rec'd*	Referral #		
No Organ Donors														

Tissue Donor Recovery Details											Detail Data for Report Period Only : 4th Quarter 2018			
Tissue ID	Referral Date/Time	Age	Sex	Ethnicity	Bone	Skin	Cornea	HV	Vein	Referral #				
<b>No Tissue Donors</b>														

All Referral Activity									
Referral #	Referral Date/Time	Age	Sex	Ethnicity	Referral Person	Transfer	Unit / Unit Details	Tissue Outcome / Detail	Tissue Timeliness
18-30803 000115653	10/18/2018 06:18:36 10/18/2018 05:55:00	86	F	CA	linda battles		/acute	Screening Rule Out /COB	Yes
18-32212 131375	10/31/2018 22:14:21 10/31/2018 21:52:00	63	M	CA	Scott Bower		/Acute	No Jurisdiction /Referred to OPO	Yes
18-33970 103317	11/17/2018 10:37:19 11/17/2018 10:14:00	97	F	HI	Marina Lopez			Screening Rule Out /Overage	Yes
18-34046 136813	11/18/2018 01:27:30 11/18/2018 01:10:00	65	M	CA	Linda Battles		/Acute	No Jurisdiction /Referred to OPO	Yes
18-35794 4024216	12/03/2018 19:39:02 12/03/2018 18:52:00	83	M	CA	Bertha Higbee			No Jurisdiction /Referred to OPO	Yes
18-35855 108038	12/04/2018 13:45:10 12/04/2018 13:39:00	91	F	CA	Danielle Colvin		/acute	No Jurisdiction /Referred to OPO	Yes
18-38374 000054040	12/26/2018 04:13:18 12/26/2018 04:07:00	78	F	CA	Sally Graudins		/Quail Corner	No Jurisdiction /Referred to OPO	Yes
18-38764 000046958	12/29/2018 11:38:08 12/29/2018 11:15:00	57	M	CA	Hannah Kohler			No Jurisdiction /Referred to OPO	Yes

Detail Data for Report Period Only - 4th Quarter 2018

Definitions		Measure	Definitions	In Range	Out of Range	Need to Improve
		<b>Organ Referrals</b>	Organ Referrals made to Donor Network West from this facility + Referrals transferred into this facility			
		<i>with Potential</i>	Organ referrals where at least one organ is determined suitable for transplant.			
		<b>Missed Organ Referrals</b>	A Missed Organ Referral is any vented patient who was not referred prior to de-escalation of care or terminal extubation.			
		<b>Not Timely Referral</b>	A late Organ Referral is any vented patient who was not referred prior to brain death declarations or end of life conversations, including decisions to withdrawal life sustaining measures or de-escalate care.			
		<i>with Potential</i>	Identified patients who should have been organ referrals, were not referred and at least one organ was determined suitable for transplant.			
		<b>Organ Donors</b>	The count of organ referrals who became organ donors at this facility.			
		<b>Organs Transplanted</b>	The count of organs transplanted from organ donors at this facility.			
		<b>Tissue Referrals</b>	Tissue Referrals made to Donor Network West from this facility.			
		<b>Missed Tissue Referrals</b>	Identified patients who should have been tissue referrals and were not referred for evaluation.			
		<b>Tissue Donors</b>	The count of referrals who became tissue donors.			
		<b>Organ Referral Rate</b>	Organ Referrals / (Organ Referrals + Missed Organ Referrals)	>=95%	94% - 70%	< 70%
		<b>Potential Referral Rate</b>	Referred Organ Potential / (Referred Organ Potential + Not Referred Organ Potential)	100%	99%- 90%	< 90%
		<b>Organ Timeliness Rate</b>	Timely Organ Referrals / Organ Referrals (see Organ Details for counts)	>=95%	94% - 70%	< 70%
		<b>Planned Discussion Rate</b>	Planned Donation Discussions/All Donation Discussions (with an organ auth or decline)	>90%	89%- 75%	< 75%
		<b>Conversion Rate</b>	Organ Donors / All patients with organ donation potential.	100% - 50%	44% - 45%	< 45%
		<b>Tissue Referral Rate</b>	Tissue Referrals / (Tissue Referrals + Missed Tissue Referrals)	>=95%	94% - 90%	< 90%
		<b>Tissue Timeliness Rate</b>	Timely Tissue Referrals / Tissue Referrals (excludes Organ Referrals, see All Details for counts)	>=95%	94% - 80%	< 80%

**Section**

**Organ Referral Details  
Report Period Only**

**Definitions**

Table includes all referrals that qualify as possible Organ Donors (generally those referred prior to circulatory time of death) during the report period (4th Quarter, 2018) only.

- **Referral #:** The referral number for the patient, assigned by the DN West call center. Used to cross-reference to the referral details table.
- **Referral Date/Time:** The date and time of the referral, as captured in DNWest's electronic medical record.
- **Unit:** The hospital's referring unit.
- **Age/Sex/Ethnicity:** The age, sex and ethnicity of the patient. Abbreviated: AA (African American), AI (Asian), CA (Caucasian), HI (Hispanic), NA (Native American), PI (Pacific Islander), UK (Unknown).
- **Timely Referral:** Whether or not the referral was made upon meeting clinical cues for patient referral.
- **Organ Potential:** Organ referrals where at least one organ is determined suitable for transplant.
- **OPO Onsite Timely:** Did a representative from DNWest arrive at the referring hospital in a timely manner?
- **Hospital Supporting:** Did the hospital clinically support the medical needs of the patient to ensure opportunity for donation?
- **Planned 1st Mention (Formerly Collaborative Mention):** Did the hospital/physician collaborate with DNWest to ensure donation was mentioned by the best possible person and the best possible time?
- **Eval Prior to BDD/EOL (Evaluation Prior to BDD/EOL Discussions):** Was DNWest at the hospital in order to conduct a proper evaluation prior to brain death declarations or end of life discussions?
- **OPO Disc (Donation Discussion by DNWest):** Was DNWest able to have an appropriate donation discussion with the family?
- **Plan Disc (Planned Discussion):** Was the donation discussion a planned event between DNWest and the hospital?
- **Authorization Type:** Authorization detail notes
  - **First Person Auth:** The case was authorized for donation by Donor Designation/First Person Authorization (FPA).
  - **AP Auth:** The case was authorized by the Authorizing Party (AP), formerly reported as the Legal Next of Kin (LNOK).
  - **AP Decl Auth:** The Authorizing Party declined donation to DNWest.
  - **AP Decl Other:** The Authorizing Party declined donation to someone other than DNWest.
  - **AP Not Asked:** DNWest did not speak with the Authorizing Party about donation. This could occur for many reasons. For example, the case was medically ruled out for donation earlier or the Authorizing Party was not available.
  - **AP Revoked Auth:** The case was authorized for donation at some point, but the Authorizing Party revoked the authorization
- **Organ Outcome/Outcome Detail:** Final outcomes for the referral.
  - **Not Referred:** Patient met cues but was not referred to Donor Network West for evaluation
  - **Potential for Re-Referral:** Patient was evaluated and DN West stopped following due to medical condition or plan of care.
  - **Screening Rule Out:** The case was ruled out for donation. This could be due to a variety of factors, including medical reasons, logistical reasons, or a lack of authorization.
  - **Authorized Not Recovered:** The case was authorized but was later ruled out for donation, usually for medical reasons.
  - **Donor:** At least one organ was recovered with the intent to transplant. (Note that a patient could be listed as a donor even if no organs were transplanted as long as at least one organ was recovered with the intent to transplant.)
- **Organs Transplanted:** The total number of organs that were transplanted for the case. This total does not include organs that were recovered for research.

Section	Definitions
<b>Organ Donor Recovery Details</b> <i>Report Period Only</i>	<p>Table includes all referrals that became Organ Donors during the report period (4th Quarter 2018) only.</p> <ul style="list-style-type: none"> <li><b>Organ ID:</b> The DNWest ID number assigned to an Organ Donor. Note, a donor could have an Organ ID and a separate Tissue ID.</li> <li><b>Referral Date/Time:</b> The date and time of the referral in Pacific Time, as captured in DNWest's electronic medical record.</li> <li><b>Organs Recovered:</b> A single X denotes a single organ recovered and a double XX denotes two organs recovered (i.e., two lungs or two kidneys) per donor.</li> <li><b>Total Rec'd (Number of Organs Recovered):</b> The number of organs recovered per Organ Donor. Because this number includes organs recovered for research and organs recovered but not transplanted, the total number of Organs Recovered could be higher than the number of Organs Transplanted.</li> <li><b>Referral #:</b> The referral number for the donor assigned by the DNWest call center. Used to cross-reference to the referral details table.</li> </ul>
<b>Tissue Donor Recovery Details</b> <i>Report Period Only</i>	<p>Table includes all referrals that became Tissue Donors during the report period (4th Quarter 2018) only.</p> <ul style="list-style-type: none"> <li><b>Tissue ID:</b> The DNWest ID number assigned to a Tissue Donor. Note, a donor could have both an Organ ID and a separate Tissue ID.</li> <li><b>Referral Date/Time:</b> The date and time of the referral in Pacific Time, as captured in DNWest's electronic medical record.</li> <li><b>Tissues Recovered:</b> An X denotes that the particular tissue type was recovered from the donor.</li> <li><b>Referral #:</b> The referral number for the donor assigned by the referral call center. Used to cross-reference to the referral details table.</li> </ul>
<b>All Referral Activity</b> <i>Report Period Only</i>	<p>Table includes All Deaths (Hospital Referrals plus Missed Referrals) reported during the report period (4th Quarter 2018) only.</p> <ul style="list-style-type: none"> <li><b>Referral #:</b> A unique identification number for the referral, typically assigned by the referral call center.</li> <li><b>MRN:</b> The hospital's Medical Record Number for the patient, as captured in DNWest's electronic medical record.</li> <li><b>Death Date/Time:</b> The date and time of death noted in DNWest's electronic medical record. Priority order is: <ul style="list-style-type: none"> <li>Second brain death note (California referral facilities only)</li> <li>Brain death note (Nevada referral facilities only)</li> <li>Cardiac/circulatory death time/asystole (CTOD) <ul style="list-style-type: none"> <li><i>if blank, patient expiration may have occurred after donor/referral documentation was discontinued.</i></li> </ul> </li> </ul> </li> <li><b>Referral Date/Time:</b> The date and time of the referral in Pacific time, as captured in DNWest's electronic medical record.</li> <li><b>Unit &amp; Location:</b> The hospital unit where the referral was made followed by a more specific location, if known.</li> <li><b>Referral Person:</b> The person who called in the referral to the DNWest donor referral line, if known.</li> <li><b>Organ/Tissue Donor:</b> Whether or not the patient became an organ and/or tissue donor. Each referral marked with a "Yes" in one of these two columns should be represented by an entry in one or both of the recovery details tables.</li> <li><b>Tissue Timeliness:</b> Whether or not a tissue only referral was made within one hour of asystole or cardiac/circulatory time of death (CTOD). <ul style="list-style-type: none"> <li><b>YES:</b> Referral was made less than one hour after cardiac/circulatory death</li> <li><b>NO:</b> Referrals made over 60 minutes from the time of cardiac/circulatory death.</li> <li><b>MISSED:</b> The referral was not made. Identified through the death record review process.</li> <li><b>N/A (Organ Referral):</b> Not Applicable to Tissue Timeliness.</li> </ul> </li> </ul>

**Disclosure Notice**

*This report has been prepared by Donor Network West. Donor Network West has made a reasonable effort to ensure that the accompanying information is up-to-date, accurate, complete, and comprehensive at the time of disclosure. Donor Network West is not responsible for data that is misinterpreted or altered in any way. The information disclosed herein is confidential and intended for the sole use of the intended recipients. No other use or disclosure of this information is permitted without prior written consent of Donor Network West.*



**Product:** QP-OM

**Report Type:** Colonoscopy

**Facility:** Humboldt General Hospital, Winnemucca, NV

**Facility ID:** 11823

**Display Date Range:** 1/1/2018 - 12/31/2018

**Sampling Population:** Colonoscopy - Average Risk, Colonoscopy - High Risk

**Measure ID:** OP-29

**Measure Name:** Appropriate Follow-up Interval for Normal Colonoscopy in Average Risk Patients

**Numerator:**

Patients who had a recommended follow-up interval of at least 10 years for repeat colonoscopy documented in their colonoscopy report

**Denominator:**

All patients aged 50 years to 75 years of age receiving screening colonoscopy without biopsy or polypectomy

	Numerator	Denominator	Rate
Jan 2018	0	0	NP
Feb 2018	4	4	1.0000
Mar 2018	2	3	0.6667
Apr 2018	3	4	0.7500
May 2018	5	5	1.0000
Jun 2018	3	4	0.7500
Jul 2018	2	2	1.0000
Aug 2018	0	0	NP
Sep 2018	0	0	NP
Oct 2018	5	6	0.8333
Nov 2018	4	4	1.0000
Dec 2018	5	6	0.8333
<b>Total for Selected Period</b>	<b>33</b>	<b>38</b>	<b>0.8684</b>



**Product:** QP-OM

**Report Type:** Colonoscopy

**Facility:** Humboldt General Hospital, Winnemucca, NV

**Facility ID:** 11823

**Display Date Range:** 1/1/2018 - 12/31/2018

**Sampling Population:** Colonoscopy - Average Risk, Colonoscopy - High Risk

**Measure ID:** OP-30

**Measure Name:** Colonoscopy Interval for Patients with a History of Adenomatous Polyps - Avoidance of Inappropriate Use

**Numerator:**

Patients who had an interval of 3 or more years since their last colonoscopy

**Denominator:**

All patients aged 18 years and older receiving a surveillance colonoscopy, with a history of a prior colonic polyp(s) in previous colonoscopy findings

	Numerator	Denominator	Rate
Jan 2018	1	2	0.5000
Feb 2018	1	1	1.0000
Mar 2018	5	5	1.0000
Apr 2018	3	3	1.0000
May 2018	4	4	1.0000
Jun 2018	2	2	1.0000
Jul 2018	4	4	1.0000
Aug 2018	2	2	1.0000
Sep 2018	2	3	0.6667
Oct 2018	1	2	0.5000
Nov 2018	2	3	0.6667
Dec 2018	2	2	1.0000
<b>Total for Selected Period</b>	<b>29</b>	<b>33</b>	<b>0.8788</b>

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QP-IM

January 2018 through December 2018

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**Population:** **Count**

Your hospital's total Initial Patient Population:	<b><u>209</u></b>
Your hospital's sample size:	<b><u>209</u></b>

**Numerator:**

The number of patients with elective deliveries:	<b><u>1</u></b>
--	-----------------

**Denominator:**

The total number of patients delivering newborns with $\geq 37$ and $< 39$ weeks of gestation:	<b><u>50</u></b>
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**Exclusions:**

Number of patients excluded for ICD Principal or Other diagnosis code for elective delivery:	50
Number of patients excluded for history of stillbirth:	0
Number of patients excluded for gestational age $< 37$ or $\geq 39$ weeks:	109
<b>Total Exclusions</b>	<b><u>159</u></b>

# NATIONAL QUALITY FORUM

## Measure Submission and Evaluation Worksheet 5.0

This form contains the information submitted by measure developers/stewards, organized according to NQF's measure evaluation criteria and process. The evaluation criteria, evaluation guidance documents, and a blank online submission form are available on the [submitting standards web page](#).

<b>NQF #:</b> 0469 <b>NQF Project:</b> Perinatal and Reproductive Health Project
(for Endorsement Maintenance Review) <b>Original Endorsement Date:</b> Oct 24, 2008 <b>Most Recent Endorsement Date:</b> Oct 24, 2008
<b>BRIEF MEASURE INFORMATION</b>
<b>De.1 Measure Title:</b> PC-01 Elective Delivery
<b>Co.1.1 Measure Steward:</b> The Joint Commission
<b>De.2 Brief Description of Measure:</b> This measure assesses patients with elective vaginal deliveries or elective cesarean sections at $\geq 37$ and $< 39$ weeks of gestation completed. This measure is a part of a set of five nationally implemented measures that address perinatal care (PC-02: Cesarean Section, PC-03: Antenatal Steroids, PC-04: Health Care-Associated Bloodstream Infections in Newborns, PC-05: Exclusive Breast Milk Feeding)
<b>2a1.1 Numerator Statement:</b> Patients with elective deliveries with ICD-9-CM Principal Procedure Code or ICD-9-CM Other Procedure Codes for one or more of the following: <ul style="list-style-type: none"> <li>• Medical induction of labor as defined in Appendix A, Table 11.05 available at: <a href="http://manual.jointcommission.org">http://manual.jointcommission.org</a></li> <li>• Cesarean section as defined in Appendix A, Table 11.06 while not in Active Labor or experiencing Spontaneous Rupture of Membranes available at: <a href="http://manual.jointcommission.org">http://manual.jointcommission.org</a></li> </ul>
<b>2a1.4 Denominator Statement:</b> Patients delivering newborns with $\geq 37$ and $< 39$ weeks of gestation completed
<b>2a1.8 Denominator Exclusions:</b> • ICD-9-CM Principal Diagnosis Code or ICD-9-CM Other Diagnosis Codes for conditions possibly justifying elective delivery prior to 39 weeks gestation as defined in Appendix A, Table 11.07 <ul style="list-style-type: none"> <li>• Less than 8 years of age</li> <li>• Greater than or equal to 65 years of age</li> <li>• Length of Stay <math>&gt;120</math> days</li> <li>• Enrolled in clinical trials</li> </ul>
<b>1.1 Measure Type:</b> Process <b>2a1. 25-26 Data Source:</b> Administrative claims, Electronic Clinical Data, Paper Records <b>2a1.33 Level of Analysis:</b> Facility, Population : National
<b>1.2-1.4 Is this measure paired with another measure?</b> No
<b>De.3 If included in a composite, please identify the composite measure (title and NQF number if endorsed):</b> Not Applicable

<b>STAFF NOTES</b> <i>(issues or questions regarding any criteria)</i>
<b>Comments on Conditions for Consideration:</b>
<b>Is the measure untested?</b> Yes <input type="checkbox"/> No <input type="checkbox"/> <b>If untested, explain how it meets criteria for consideration for time-limited endorsement:</b>
<b>1a. Specific national health goal/priority identified by DHHS or NPP addressed by the measure (check De.5):</b> <b>5. Similar/related endorsed or submitted measures (check 5.1):</b> <b>Other Criteria:</b>

**PC-05 Exclusive Breast Milk Feeding**

	Facility					Project_Wide					
	Total Pop	Den	Den/Total Pop [%]	Num	Rate	Total Pop	Den	Den/Total Pop [%]	Num	Rate	Facility Count
Jul 2018	16	16	100.00	7	0.4375	7,861	6,794	86.43	3,562	0.5243	191
Aug 2018	10	10	100.00	6	0.6000	8,205	7,059	86.03	3,687	0.5223	191
Sep 2018	14	14	100.00	5	0.3571	7,892	6,746	85.48	3,470	0.5144	191
<b>Qtr 3 2018</b>	<b>40</b>	<b>40</b>	<b>100.00</b>	<b>18</b>	<b>0.4500</b>	<b>23,958</b>	<b>20,599</b>	<b>85.98</b>	<b>10,719</b>	<b>0.5204</b>	<b>191</b>
Apr 2018	16	16	100.00	10	0.6250	7,855	6,447	82.08	3,356	0.5206	194
May 2018	22	22	100.00	12	0.5455	8,115	6,678	82.29	3,540	0.5301	194
Jun 2018	18	18	100.00	9	0.5000	8,121	6,693	82.42	3,550	0.5304	193
<b>Qtr 2 2018</b>	<b>56</b>	<b>56</b>	<b>100.00</b>	<b>31</b>	<b>0.5536</b>	<b>24,091</b>	<b>19,818</b>	<b>82.26</b>	<b>10,446</b>	<b>0.5271</b>	<b>194</b>
Jan 2018	10	10	100.00	6	0.6000	7,816	6,751	86.37	3,360	0.4977	198
Feb 2018	14	14	100.00	4	0.2857	7,260	6,276	86.45	3,147	0.5014	199
Mar 2018	21	21	100.00	15	0.7143	7,870	6,723	85.43	3,420	0.5087	197
<b>Qtr 1 2018</b>	<b>45</b>	<b>45</b>	<b>100.00</b>	<b>25</b>	<b>0.5556</b>	<b>22,946</b>	<b>19,750</b>	<b>86.07</b>	<b>9,927</b>	<b>0.5026</b>	<b>203</b>
Oct 2017	11	11	100.00	9	0.8182	8,579	7,509	87.53	3,692	0.4917	205
Nov 2017	15	15	100.00	6	0.4000	8,211	7,287	88.75	3,642	0.4998	205
Dec 2017	11	11	100.00	8	0.7273	8,694	7,592	87.32	3,720	0.4900	205
<b>Qtr 4 2017</b>	<b>37</b>	<b>37</b>	<b>100.00</b>	<b>23</b>	<b>0.6216</b>	<b>25,484</b>	<b>22,388</b>	<b>87.85</b>	<b>11,054</b>	<b>0.4937</b>	<b>206</b>
Jul 2017	19	19	100.00	10	0.5263	9,137	8,875	97.13	4,644	0.5233	208
Aug 2017	22	22	100.00	11	0.5000	9,025	8,708	96.49	4,664	0.5356	207
Sep 2017	20	20	100.00	10	0.5000	8,990	7,874	87.59	3,973	0.5046	207
<b>Qtr 3 2017</b>	<b>61</b>	<b>61</b>	<b>100.00</b>	<b>31</b>	<b>0.5082</b>	<b>27,152</b>	<b>25,457</b>	<b>93.76</b>	<b>13,281</b>	<b>0.5217</b>	<b>208</b>

N/P = No Population      N/A = Not Applicable

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 Unauthorized use or distribution is prohibited.

NQF #0480 PC-05 Exclusive Breast Milk Feeding  
**NATIONAL QUALITY FORUM**

**Measure Submission and Evaluation Worksheet 5.0**

This form contains the information submitted by measure developers/stewards, organized according to NQF's measure evaluation criteria and process. The evaluation criteria, evaluation guidance documents, and a blank online submission form are available on the [submitting standards web page](#).

<b>NQF #:</b> 0480 <b>NQF Project:</b> Perinatal and Reproductive Health Project
(for Endorsement Maintenance Review) <b>Original Endorsement Date:</b> Oct 24, 2008 <b>Most Recent Endorsement Date:</b> Oct 24, 2008
<b>BRIEF MEASURE INFORMATION</b>
<b>De.1 Measure Title:</b> PC-05 Exclusive Breast Milk Feeding
<b>Co.1.1 Measure Steward:</b> The Joint Commission
<b>De.2 Brief Description of Measure:</b> This measure assesses the number of newborns exclusively fed breast milk feeding during the newborn's entire hospitalization. This measure is a part of a set of five nationally implemented measures that address perinatal care (PC-01: Elective Delivery, PC-02: Cesarean Section, PC-03: Antenatal Steroids, PC-04: Health Care-Associated Bloodstream Infections in Newborns).
<b>2a1.1 Numerator Statement:</b> Newborns that were fed breast milk only since birth
<b>2a1.4 Denominator Statement:</b> Single term liveborn newborns discharged from the hospital with ICD-9-CM Principal Diagnosis Code or ICD-9-CM Other Diagnosis Codes for single liveborn newborn as defined in Appendix A, Table 11.20.1 available at: <a href="http://manual.jointcommission.org">http://manual.jointcommission.org</a>
<b>2a1.8 Denominator Exclusions:</b> <ul style="list-style-type: none"> <li>• Admitted to the Neonatal Intensive Care Unit (NICU) at this hospital during the hospitalization</li> <li>• ICD-9-CM Principal Diagnosis Code or ICD-9-CM Other Diagnosis Codes for galactosemia as defined in Appendix A, Table 11.21</li> <li>• ICD-9-CM Principal Procedure Code or ICD-9-CM Other Procedure Codes for parenteral infusion as defined in Appendix A, Table 11.22</li> <li>• Experienced death</li> <li>• Length of Stay &gt;120 days</li> <li>• Enrolled in clinical trials</li> <li>• Documented Reason for Not Exclusively Feeding Breast Milk</li> <li>• Patients transferred to another hospital</li> <li>• ICD-9-CM Principal Diagnosis Code or ICD-9-CM Other Diagnosis Codes for premature newborns as defined in Appendix A, Table 11.23</li> </ul>
<b>1.1 Measure Type:</b> Process <b>2a1. 25-26 Data Source:</b> Administrative claims, Electronic Clinical Data, Paper Records <b>2a1.33 Level of Analysis:</b> Facility, Population : National  <b>1.2-1.4 Is this measure paired with another measure?</b> No  <b>De.3 If included in a composite, please identify the composite measure (title and NQF number if endorsed):</b>

<b>STAFF NOTES</b> <i>(issues or questions regarding any criteria)</i>
<b>Comments on Conditions for Consideration:</b>
<b>Is the measure untested?</b> Yes <input type="checkbox"/> No <input type="checkbox"/> <b>If untested, explain how it meets criteria for consideration for time-limited endorsement:</b>

# HUMBOLDT GENERAL HOSPITAL QUALITY ASSESSMENT PERFORMANCE IMPROVEMENT FORM

Department: Anesthesia

QAPI Title: Anesthesia Medical Record Signature Verification

Submitted by: Mark Reyka  
Date: 2/19/2019

Method of Data Collection: Daily Review of Anesthesia Medical Records by Anesthesia, Medical Records and Watland		Freq of Data Collection: Daily	
Improvement Goal:	Process Changes Implemented:	Other Departments Involved	QAPI Date
<p>Step 1: Fill out the row below <i>when</i> and <i>why</i> this QAPI is implemented.</p> <p>The QAPI was implemented on August 19th, 2019 in response to the survey that identified deficiencies on the Anesthesia Record</p>	<p>The review process for the anesthesia record for the anesthesia record was changed to include an end of the day review of all anesthesia records by the anesthesia provider on duty to ensure that all required signatures are present. A policy titled "Anesthesia Medical Record Signature Policy/Failure To Comply" was developed and submitted for approval.</p>	<p>Medical Records Watland Billing</p>	<p>August 19th, 2018</p>
<p><b>Process Improvement Review</b></p> <p>Step 2: Please complete the row below with your progress and provide a copy to QAPI Committee quarterly.</p>			
<p>Date of Review: Jan 2nd, 2019</p> <p>Reviewed by: Mark Reyka CRNA</p>	<p>Have the process changes been successful in obtaining the improvement goal? YES <input type="checkbox"/> X <input type="checkbox"/> NO <input type="checkbox"/> _____</p> <p>Was there a need to make any additional modifications to the process? YES <input type="checkbox"/> NO <input type="checkbox"/> X <input type="checkbox"/> _____</p> <p>If so, what modifications were made? Although no modifications were necessary, in November of 2018 we contracted with Watland Billing Company to process the billing for the professional component of the anesthesia billing which required us to send them a copy of the anesthesia record. Watland Billing agreed to do an additional review of the record and notify us of any missed signatures. In January we contracted with a Locum anesthesia provider and the process of review resulted in capturing signatures that were missed by the Locum anesthesia provider.</p>		
<p><b>Additional Process Improvement Reviews</b></p> <p>Step 3: If the original improvement process required modifications to obtain the improvement goal, additional process improvement reviews may be necessary.</p>			

**HUMBOLDT GENERAL HOSPITAL  
QUALITY ASSESSMENT PERFORMANCE IMPROVEMENT FORM**

<p>Date of Review: Feb 1st 2019 Reviewed by: Mark Reyka</p>	<p>Have the process changes been successful in obtaining the improvement goal? YES <input checked="" type="checkbox"/> NO <input type="checkbox"/> Was there a need to make any additional modifications to the process? YES <input type="checkbox"/> NO <input checked="" type="checkbox"/> If so, what modifications were made?</p>
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## HGH Anesthesia QA Chart Review

Month /Year	Number of Charts Reviewed	Number of Chart Discrepancies	Number of Corrected Charts
<b>2018</b>			
August	32	0	0
September	99	0	0
October	128	0	0
November	117	0	0
December	104	0	0
<b>Total</b>	<b>480</b>	<b>0</b>	<b>0</b>
<b>2019</b>			
January	106	16	16
February	55	0	0
<b>Total</b>	<b>161</b>	<b>16</b>	<b>16</b>

The chart review started on the start date for the QA study (8/19/18).

The end date is on the submission of the study results (2/20/19)

The charts with discrepancies were due to a new Anesthesia Provider starting and getting familiar with our review system.



# **Mutual Aid Agreement for EMS Services with Malheur County, OR**

**Humboldt General Hospital  
Board of Trustees Meeting  
26 Feb 2019  
Agenda item: D.3.A**

## **Executive Summary – Mutual Aid Agreement for EMS Services with Malheur County, OR**

### **Request**

Put MOU in place the mutual aid agreement requested by Malheur County, OR.

### **Rationale**

HGH EMS currently responds to medical emergencies in Malheur County, Oregon, as the closest available EMS service. Malheur County has requested that we conclude a mutual aid agreement to codify the existing relationship. Our response has primarily been for motor vehicle crashes, especially those requiring extrication or air ambulance services. Malheur County's nearest EMS response is a BLS unit in Jordan Valley. On occasion, they have brought patients to HGH.

### **Recommendation**

Recommend Board to sign the Mutual Aid Agreement between HGH and Malheur County.

Point of Contact: Sean Burke, EMS Chief

O. KENT MAHER  
ATTORNEY AT LAW  
33 WEST FOURTH STREET  
P.O. BOX 130  
WINNEMUCCA, NEVADA 89446  
TEL: (775) 623 5277 FAX: (775) 623 2468  
EMAIL: KENT@WINNEMUCCALAW.COM

## MEMORANDUM

TO: Interim Administrator-CEO

FROM: Hospital District Legal Counsel *OKM*

DATE: February 20, 2019

RE: Malheur County Ambulance Service District Mutual Aid Agreement

Attached is the agreement described above which will be considered for approval by the District Board of Trustees at the next Board meeting. Briefly, by entering into the agreement, the District agrees to offer/use its emergency medical services personnel and equipment, when the same are available, to assist with events or incidents occurring in Malheur County, Oregon requiring such assistance, particularly when Malheur County personnel and equipment are not available or not timely available (usually when there is a vehicle accident on the highway which occurs closer to McDermitt, Nevada than to any locale in Oregon providing such emergency services). Historically, mutual aid for public safety purposes is provided between jurisdictions (e.g., between cities and counties, neighboring counties, adjoining states, abutting Indian reservations, etc.) whether or not a mutual aid agreement is in place; this agreement will serve to formalize the understanding.

As I advised when we spoke, there were some revisions made to the form of the agreement which was (presumably) submitted by Malheur; the attachment is the revised version which should be considered and used by the District. This memo and the attached agreement are copied to administration staff for distribution to the Hospital Board members in the Board meeting packet. If the Board approves the Agreement as submitted, the attachment can be signed and forwarded for the remaining signatures. If the Board desires revisions, a revised document will be prepared for signature and submittal.

If you have any questions, please contact me. Thank you.

OKM/lp  
Attachment

xc: Board Chairman (w/ attachment)  
EMS Director (w/ attachment)

**Malheur County Ambulance Service District  
Mutual Aid Agreement**

This Agreement is made and entered into by and between the undersigned agencies, hereinafter referred to as parties, all of which are either in or provide service within Malheur County, or are in counties/jurisdictions contiguous to Malheur County.

**WHEREAS**, the parties maintain and operate emergency medical services for the purpose of providing necessary lifesaving services within their respective service areas; and

**WHEREAS**, the parties recognize that numerous medical responses or disaster conditions in one party's area could create insufficient resources to allow for the effective and efficient operation of emergency medical services in that area; and

**WHEREAS**, to accommodate those times when one party is in need of emergency assistance, ambulance providers and first responder agencies agree to furnish personnel and equipment to other parties when requested by competent authority and when personnel and equipment are available to respond; and

**WHEREAS**, the parties recognize that one party may be more advantageously placed to provide effective emergency medical services in another party's area service area due to distance, road, or weather conditions.

**NOW THEREFORE** it is agreed as follows:

1. The parties will maintain compatible radio communication capabilities with each other in order to facilitate communications when aid is requested.
2. The parties will furnish personnel and equipment when requested by competent authority, provided that the assisting party(ies) has available adequate personnel and equipment to reasonably provide assistance.
3. This Agreement shall not relieve any party of responsibility for emergency medical services within its own area, nor does this Agreement create any right or obligation to third persons by any party which would not exist in the absence of this Agreement.
4. This Agreement for mutual aid shall constitute the sole consideration for the performance of any party and no party shall be obligated to reimbursement for equipment or personnel. During the course of rendering aid, the personnel and equipment of each party shall be at the risk of that party. Each party shall protect its personnel performing under this Agreement by adequate protective

equipment and adequate workers' compensation insurance. Each party shall obtain and maintain in full force and effect adequate professional, general liability and property damage insurance to cover claims for injury to persons or damage to property arising from such party's performance under this Agreement, and all right and subrogation right against each other, and against the agents and employees of each other for liability and damages covered, unless to do so would void such insurance.

5. This Agreement shall be and remain in full force and effect from and after the date of execution set opposite the signature of each party until terminated or modified. This Agreement may be modified at any time by mutual consent of the parties and may be terminated by and for a party upon reasonable notice from the party to the other parties.
6. In the event of a Presidential Disaster Declaration, or invocation of the Conflagration Act, this Agreement shall not preclude or bar providers/parties from claims for, or collection of, any type of reimbursement, payment or restitution.
7. The parties agree, in good faith, to attempt to furnish assistance to successfully abate an emergency. However, each party may refuse to furnish assistance, in its sole and exclusive discretion, if such assistance would lead to an unreasonable reduction in the level of protection within the party's own service area or jurisdiction.
8. The parties agree that they shall operate in conformance with the Incident Command System. In the event of a declared emergency or disaster, such incident management shall include record keeping functions so as to document all activities performed under this Agreement, including, but not limited to, scope and context of personnel and equipment committed, operating times, out-of-pocket expenses, and other costs which, but for the party's response under this Agreement, would not have otherwise been incurred.
9. Each party agrees to waive all claims against the other parties to this Agreement for compensation for any loss, personal injury, death or equipment and property damage when rendering aid under this Agreement.
10. Each party responding to a request for assistance under this Agreement shall save, hold harmless and indemnify all other parties from any and all liability, claims, personal injuries, death and damage to property arising out of the actions or activities of a responding party performed under this Agreement. The parties acknowledge that liability may be limited and subject to the conditions, limits and caps for public bodies and political subdivisions under the Oregon Tort Claims Act, Oregon Constitution, Idaho Tort Claims Act, or Nevada law as applicable.

12. Each party to this Agreement will provide workers compensation to cover each of its employees, and recognizes that although overall incident command supervision will usually be provided by the jurisdiction in which the incident occurs, supervision of individual employees will be provided by the regular Supervisors of each party. The intent of this provision is to prevent the creation of "special employer" relationships under Oregon worker compensation laws.
  
13. All EMS agencies, providers and parties providing mutual aid outside of its normal service area or jurisdiction will perform medical treatment using the pre-hospital patient care protocols issued and approved by the Medical Director of such party. In no case will an EMS provider exceed the scope of practice authorized by their own protocols, or as approved by state law, regulation or licenses of the State rendering assistance.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed on the day set opposite the respective signature of each; said execution having been authorized in accordance with law and by each agencies' governing body or board.

**PARTIES:**

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Signature	Title	Date
Print name of agency:		
Address of agency:		

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Signature	Title	Date
Print name of agency:		
Address of agency:		

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Signature	Title	Date
Print name of agency:		
Address of agency:		

# Ambulance Monitoring System Upgrade

Humboldt General Hospital  
Board of Trustees Meeting  
26 Feb 2019  
Agenda item: D.3.B

## Executive Summary – Ambulance Monitoring System Upgrade

### Request

To purchase new ambulance monitoring system

### Rationale

Request to purchase a new ambulance monitoring system to replace the existing system that is at the end of service life, and does not work in our new Dodge ambulances. Purchase cost is \$11,751 to outfit our 13 most-used vehicles. This money was planned for in this year's capital budget. There is also a monthly monitoring fee of \$450 that will be funded out of the existing operational budget. The new system has a forward-facing and cab-facing dash cam, back up camera, and integrates with our existing vehicle tracking system "Geotab." The cameras activate upon detecting unusual acceleration or deceleration, and can also be manually activated. The system provides safety and anti-theft benefits.

### Recommendation

Recommend Board approve this purchase.

Point of Contact: Sean Burke, EMS Chief



### AGREEMENT

This agreement ("Agreement") is made by and between:

- 1. **Acadian Total Security, LLC**, a limited liability company incorporated under the laws of Louisiana and whose mailing address is P.O. Box 93088, Lafayette, LA 70509-3088 ("Acadian");

**AND**

- 2. **Subscriber:**

Account Type: \_\_\_\_\_ Commercial \_\_\_\_\_ Residential

Subscriber Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_ Pass Code: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Cell: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

#### BILLING TOTALS:

Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
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Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
Installation: _____ Qty _____ (X) Price _____ = Subtotal _____	

Billing Total\*: \_\_\_\_\_

Other:

\*Overages are not included in the amounts shown here. The overage price is \_\_\_\_\_ for each unit of data.

ALL ADDITIONAL UNITS PURCHASED FROM ACADIAN AFTER THIS ORIGINAL PURCHASE ARE SUBJECT TO THE TERMS OF THIS AGREEMENT. SUBSCRIBER MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR EXPLANATION OF THIS RIGHT. SUBSCRIBER ACKNOWLEDGES RECEIPT OF UNEXECUTED CANCELLATION FORM.

- 1. TERM:** The initial term of this Agreement shall be for the period beginning on the Effective Date and ending \_\_\_\_\_ months following the Effective Date ("Initial Term"). Under all plans offered, after the Initial Term, unless terminated, this Agreement shall automatically, without action by either party, extend and renew itself monthly under the same terms and conditions.
- 2. CHARGES:** The charges ("Charges") for Acadian's services ("Services") begin upon installation of the equipment, receipt of all or part of the equipment by Subscriber or, in accordance with the terms of this Agreement, thirty (30) days after the Effective Date of this Agreement. Subscriber agrees to pay all sales tax, use tax and other taxes, fees and charges that may be imposed by any governmental body relating to the Services. Subscriber acknowledges that it understands that Acadian bills on a calendar month schedule and prorated fees apply for the initial month.
- 3. PAYMENT DEFAULT:** Should Subscriber fail to pay any monies when due and payable, Acadian shall have the right, without prejudice to any other remedies, to restrict Subscriber's access to the reporting features provided by Acadian in any way, charge a monthly interest rate of 1% on all delinquent amounts and to terminate this Agreement after providing Subscriber with at least fifteen (15) days advance written notice and time to cure. If not cured, Acadian can rescind or terminate this Agreement upon written notice to Subscriber and Subscriber must return all equipment to Acadian including any tablet devices given to Subscriber by Acadian. Subscriber agrees to pay all costs for collecting the amounts owed to Acadian including, but not limited to, reasonable attorneys' fees. In addition, Acadian's acceptance of sums due following an event of default or breach by Subscriber of any of the provisions of this Agreement, including but not limited to payments, hereunder shall not be construed as Acadian's waiver of such event of default or breach and Acadian maintains all rights and remedies it may have hereunder, at law, or in equity as a result of such default or breach.
- 4. SERVICES:** Subscriber has acquired or will acquire from Acadian a Mobile Monitoring Unit ("Unit"), which will receive signals from the Global Positioning Satellite ("GPS") system and transmit signals to, and receive signals from, Acadian or a third party Customer Service Center ("CSC"). In consideration of payment of the Charges, Acadian shall provide the Services as set forth herein. Services, under this Agreement, shall include allowing Subscriber access to Acadian's website to initiate and receive location information in connection with the Services purchased and allowing Subscriber to call Acadian's CSC to request non-emergency assistance in connection with the Services. Acadian shall also provide Subscriber with training on the use of the Services. This shall specifically include over the phone training with Subscriber on how to set up reports as well as training on viewing and managing their beacons. In the event that Subscriber needs help setting up any standard report Acadian shall be available to assist Subscriber setting this up. In the event that Subscriber needs specialized reporting that requires third party assistance, Subscriber agrees to be responsible for all direct charges related to such third party services.
- 5. TERMINATION:** Either party may terminate this agreement without cause after the Initial Term, at any time by providing thirty (30) days advance written notice. This Agreement may be terminated, and Acadian shall not be liable for any damages or subject to any penalty as a result of such termination, at the option of Acadian, at any time upon the occurrence of any of the following events: (a) destruction of or substantial damage to the CSCs so as to make it impractical for Acadian to continue to provide signal receiving and notification services under this Agreement; (b) failure of the Unit, the GPS system and/or the cellular communication networks to transmit signals between Subscriber's Unit and the CSCs; (c) unavailability of, or inability of Acadian either to secure or retain the connections or privileges necessary for the transmission of signals by means of conductors between the CSCs and the police agencies or other service providers; (d) Subscriber's failure to follow any recommendations Acadian may make for the repair or replacement of a defective part of the Unit; (e) Subscriber's failure to follow the operating instructions provided at the time the Unit is installed into Subscriber's monitored vehicle; (f) if the monitored vehicle is so modified or altered after installation of the Unit as to render continuation of service impractical; (g) in the event of default in payment of any monies due under this Agreement, or (h) in the event any governmental regulations or limitations necessitate the discontinuance of the Unit or Service as determined by Acadian in its sole discretion. If one of these events occur and Acadian decides to terminate this Agreement, Acadian will provide Subscriber with fifteen (15) days advance written notice of such termination of service. Acadian will, where Subscriber is not at fault, refund to Subscriber any advance payments minus any financing fee payments made for Service to be supplied subsequent to the date of such termination, less any amount still due for the period prior to such termination and any Units not returned to Acadian in acceptable condition. Acadian may charge a re-activation fee if Subscriber cancels its service with Acadian and then asks to re-activate the service.
- 6. RATE INCREASES:** Acadian shall have the right to increase the prices charged for its Services after the Initial Term. Upon Subscriber's receipt of notice that an increase in the rates for Services will occur, Subscriber may terminate this Agreement, without penalty, provided that Subscriber provides to Acadian written notice of such termination within thirty (30) days of the date it receives notice of such increase. Subscriber's failure to object to any such increase within thirty (30) days of notification thereof shall be deemed an acceptance of said increase.
- 7. SUBSCRIBER RESPONSIBILITIES:** Services are provided either by an Acadian CSC or an independent monitoring facility which Acadian selects. Subscriber's Unit is designed to work only with Acadian's CSCs and will not work with any other monitoring centers. Subscriber agrees to do the following: (1) instruct all persons who Subscriber may permit to use the Unit as to its proper use, (2) make sure that the Unit is properly used and maintained, including ensuring that the Unit is plugged into a cigarette lighter or alternate power source that receives constant power from the vehicle battery and (3) ensure that the monitored vehicle has complete automobile liability insurance coverage.
- 8. TESTING AND SERVICE OF UNIT:** The parties hereto agree that the Unit, once installed, is in the exclusive possession of Subscriber, and it is Subscriber's sole responsibility to test the operation of the Unit and to notify Acadian if it is in need of repair. Acadian shall not be required to service the Unit unless it has received notice from Subscriber. Upon such notice, Acadian shall begin servicing the Unit to the best of its ability within forty-eight (48) hours, which does not imply physically replacing or repairing the Unit within that time frame, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 AM and 5 PM. In the event Subscriber complies with the terms of this Agreement and Acadian fails to begin to act on repairs of the equipment within forty-eight (48) hours after notice is given, Subscriber shall not be responsible for payments due while the Unit remains inoperable. In any lawsuit between the parties in which the condition or operation of the Unit is in issue, Subscriber shall be precluded from raising the issue that the Unit was not operating unless Subscriber can produce a post office certified or registered receipt, signed by Acadian, evidencing that service was requested by Subscriber.
- 9. SUBSCRIBER'S CARE OF UNIT:** After Acadian installs the Unit, Subscriber agrees not to tamper with, remove or otherwise interfere with the Unit or Subscriber will incur a reasonable service fee. The Unit shall remain in the same location as installed and Subscriber agrees to bear the cost of repairs, replacement, relocation or additions to the Unit made necessary as a result of any painting, alteration, remodeling or damage, including damage caused by unauthorized intrusion to the vehicle, lightning or electrical surge, except for ordinary wear and tear, in which event repair or replacement shall be made by Acadian without additional charge. Subscriber agrees to bear all costs of repairs, replacement, or additions to the Units that result from any damage caused by Subscriber.
- 10. ALTERATION OF VEHICLE FOR INSTALLATION:** Acadian is authorized to make preparations necessary, in Acadian's sole discretion, for the installation and service of the Unit. Acadian shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the



Unit. Acadian shall not be responsible for the condition of the vehicle upon removal of the Unit and Subscriber represents that the owner of the vehicle, if other than Subscriber, authorizes the installation of the Unit under the terms of this Agreement.

**11. MAINTENANCE AND REPAIRS:** It is understood and agreed that in cases of damage, other than ordinary wear and tear, Acadian is in no way obligated to maintain, repair, service, or assume the operation of any Unit located at Subscriber's location(s). Subscriber shall be solely responsible for knowing how to properly use their Unit as well as knowing the procedures necessary to make use of Services.

**12. UNAUTHORIZED USE OF UNIT:** Subscriber is responsible for all charges to the telephone number utilized to perform Services. If Subscriber's Unit is lost, misplaced, or stolen, or if Subscriber's Unit number is used without Subscriber's permission, Subscriber must notify Acadian within forty-eight (48) hours of the loss and provide all information and documentation relating to the problem, including any police reports and affidavits. If Acadian determines that Subscriber's Unit number was fraudulently used without Subscriber's fault or authorization, and Subscriber notified Acadian within forty-eight (48) hours, Acadian will not charge Subscriber for such usage. As part of Acadian's investigation, Subscriber expressly authorizes Acadian, its agents and law enforcement agencies to call any telephone numbers that Subscriber claims were called without Subscriber's permission and for which Subscriber seeks credit from Acadian.

**13. RELEASE OF INFORMATION:** Subscriber authorizes Acadian to release emergency contact information as provided by Subscriber to notify the appropriate emergency services provider.

**14. SERVICE AVAILABILITY:** Services are available only within the United States and only when the Unit is within the operating range of an Acadian wireless carrier that is part of the Acadian service network. Services may be limited, interrupted, or discontinued, without liability to Acadian due to many conditions, including: (a) wireless transmission capacity limitations, (b) atmospheric and geographic conditions, (c) other natural or artificial environment conditions beyond Acadian's control, (d) limitations of the electrical system design and architecture of Acadian, (e) the condition of the Unit, (f) government regulations or limitations, (g) restrictions by an underlying carrier, (h) installation, repair, or modification to the network, (i) Acadian's efforts to combat fraudulent use, and (j) other legitimate business and operational reasons. Acadian provide a 99.5% uptime guarantee for all services, excluding any planned maintenance required.

**15. REQUESTS TO SERVICE PROVIDERS:** Subscriber authorizes Acadian to make requests for information, service, orders, equipment, or units in any respect on behalf of Subscriber to such cellular company or other entity providing equipment, facilities, or services for transmission of signals under this Agreement ("Service Providers"), as Acadian determines to be necessary or desirable. Subscriber understands that the Unit installed in the monitored vehicle uses cellular telephone technology as the transmission mode for sending signals to the CSC. Subscriber understands that due to the very nature of cellular telephone, network and GPS technologies, there will be times when the Unit is unable to secure, maintain, or transmit signals and thus, Acadian will be unable to receive such signals. Subscriber also understands that Acadian does not receive signals when the transmission mode is or becomes non-operational and when the Unit is damaged, does not have an adequate power source, or is otherwise non-operational.

**16. USE OF SUBSCRIBER INFORMATION:** Subscriber agrees that in connection with acceptance of this Agreement, employee training, quality control and the provision of Services, Acadian may monitor or record Subscriber conversations with CSC personnel, emergency service providers and law enforcement personnel. Further, Subscriber understands that privacy cannot be guaranteed on cellular telephone systems such as those used under this Agreement, and Acadian is not liable to Subscriber for any claims, loss, damages, or cost resulting from any lack of privacy. Subscriber consents to Acadian using information about Subscriber, Subscriber's Unit, or Subscriber's location to provide Services, offer new products or services, or enforce terms of this Agreement. Acadian may use and share aggregate Subscriber statistics with third parties. This does not include information that identifies Subscriber personally. Except as provided above, Acadian will not monitor Subscriber's Unit location.

**17. ADDITIONAL UNITS:** All additional Units purchased by Subscriber from Acadian after this initial purchase, unless otherwise stated, will be subject to the terms and conditions of this Agreement.

**18. OVERAGES:** Any overages for Unit(s) will be the responsibility of Subscriber and will be invoiced in the month immediately following the month incurred. All overages are due at the time of invoice.

**19. NO WARRANTIES OR REPRESENTATIONS:** SUBSCRIBER DOES NOT RECEIVE ANY WARRANTY UNDER THIS AGREEMENT. ACADIAN DOES NOT REPRESENT OR WARRANT EQUIPMENT OR SERVICES. NEITHER ACADIAN NOR ITS LICENSOR SHALL BE LIABLE FOR ANY GENERAL, DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE AND/OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO SUBSCRIBER.

**20. INCIDENTAL/CONSEQUENTIAL DAMAGES:** NEITHER ACADIAN, IT'S LICENSOR, AGENTS, EMPLOYEES, AFFILIATES, OR SUBSIDIARIES ARE LIABLE TO SUBSCRIBER OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.

**21. INDEMNIFICATION:** SUBSCRIBER SHALL INDEMNIFY ACADIAN AGAINST ANY EXPENSES, LOSS, COST, DAMAGE, CLAIM, ACTION, OR LIABILITY PAID, SUFFERED, OR INCURRED AS A RESULT OF ANY BREACH BY SUBSCRIBER OF THIS AGREEMENT, OR AS A RESULT OF THE NEGLIGENCE OR WILLFUL MISCONDUCT OF SUBSCRIBER, ITS AGENTS, SERVANTS, EMPLOYEES OR LICENSEES. FURTHERMORE, SUBSCRIBER AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS ACADIAN, ITS EMPLOYEES, AGENTS, AFFILIATES AND SUBCONTRACTORS, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES THAT ARISE, WHETHER DIRECTLY OR INDIRECTLY, FROM USE OF THE UNIT AND/OR RELIANCE UPON A CELLULAR NETWORK.

**22. THIRD PARTY INDEMNIFICATION:** IF ANYONE OTHER THAN SUBSCRIBER, ASKS ACADIAN TO PAY FOR ANY HARM OR DAMAGES CONNECTED WITH OR RESULTING FROM (I) ACADIAN'S BREACH OF THIS AGREEMENT OR A FAILURE OF THE UNIT AND/OR MONITORING SERVICE, (II) ACADIAN NEGLIGENCE OR FAILURE TO PERFORM, (III) ANY OTHER IMPROPER OR CARELESS ACTIVITY OF ACADIAN IN PROVIDING THE UNIT AND/OR MONITORING SERVICE OR (IV) A CLAIM FOR INDEMNIFICATION, SUBSCRIBER WILL PAY ACADIAN ANY AMOUNT WHICH A COURT ORDERS ACADIAN TO PAY OR WHICH ACADIAN REASONABLY AGREES TO PAY.

**23. EXCULPATION:** THE PARTIES AGREE THAT ACADIAN IS NOT AN INSURER AND NO INSURANCE COVERAGE IS OFFERED HEREIN OR EFFECTED HEREBY. ACADIAN IS NOT ASSUMING LIABILITY AND THEREFORE SHALL NOT BE LIABLE TO SUBSCRIBER FOR ANY LOSS SUSTAINED BY SUBSCRIBER AS A RESULT OF ANY CAUSE WHATSOEVER, REGARDLESS OF WHETHER OR NOT SUCH LOSS OR INJURY

WAS CAUSED BY OR CONTRIBUTED TO BY ACADIAN'S NEGLIGENCE, FAILURE TO PERFORM ANY OBLIGATION, OR STRICT PRODUCTS LIABILITY. ACADIAN SHALL ONLY BE LIABLE TO SUBSCRIBER, TO THE EXTENT CONTAINED HEREIN, SPECIFICALLY WITHIN THE LIMITATION OF LIABILITY CLAUSE, FOR ITS GROSS NEGLIGENCE OR BREACH OF ITS OBLIGATIONS CONTAINED HEREIN.

**24. LIMITATION OF LIABILITY:** THE PARTIES AGREE THAT IN THE EVENT ACADIAN IS FOUND TO BE LIABLE TO SUBSCRIBER FOR ANY DAMAGE BY REASON EITHER OF NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF THIS AGREEMENT, IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES. ACADIAN AND SUBSCRIBER FURTHER AGREE THAT SHOULD THERE ARISE ANY SUCH LIABILITY TO SUBSCRIBER ON THE PART OF ACADIAN, SUCH LIABILITY SHALL BE LIMITED TO THE TOTAL AMOUNT OF ONE THOUSAND DOLLARS (\$1,000.00). IN THE EVENT THAT SUBSCRIBER WISHES TO INCREASE THE MAXIMUM AMOUNT OF SUCH LIMITED LIABILITY, SUBSCRIBER MAY OBTAIN A HIGHER LIMITATION OF LIABILITY AMOUNT BY PAYING AN ADDITIONAL AMOUNT, BUT THIS HIGHER LIMITATION SHALL IN NO WAY BE INTERPRETED TO HOLD ACADIAN AS AN INSURER.

**25. ASSIGNMENT:** This Agreement is not assignable by Subscriber except upon written consent of Acadian being obtained. Acadian shall have the right to assign this Agreement or to subcontract any of its obligations under this Agreement without notice to Subscriber.

**26. JURISDICTION:** This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana. Subscriber agrees that any action brought by it against Acadian must be brought in a court of competent jurisdiction in Louisiana.

**27. NOTICE:** Any notice required to be given hereunder by either party shall be in writing addressed to the other party at the address at the head of this Agreement or at such other address as either party shall notify the other party hereof.

**28. ATTORNEYS' FEES:** In the event of any dispute relating to or arising out of this Agreement, the prevailing party shall recover, in addition to all other damages and remedies, reasonable attorneys' fees.

**29. FULL AGREEMENT:** This Agreement constitutes the entire agreement between Acadian and Subscriber with respect to its subject matter. This Agreement may not be modified except by an instrument in writing executed by the parties hereto.

**30. SEVERABILITY:** In the event one or more of the provisions contained in this Agreement shall be held, for any reason, to be invalid, void, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the remaining provisions hereof, and this Agreement shall remain unaffected and shall be construed as if such invalid, void, illegal, or unenforceable provision never had been contained herein.

**WHEREFORE,** the parties acknowledge that they have read and understand this Agreement and voluntarily accept the duties and obligations set forth herein.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ to be effective on \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ ("Effective Date").

**SUBSCRIBER**

**ACADIAN TOTAL SECURITY, LLC**

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## THREE DAY NOTICE OF CANCELLATION

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS OF THE EFFECTIVE DATE OF THIS AGREEMENT.

IF YOU CANCEL, ANY PAYMENTS MADE BY YOU UNDER THE AGREEMENT, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY ACADIAN OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO ACADIAN AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS AGREEMENT, OR YOU MAY IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF ACADIAN REGARDING THE RETURN SHIPMENT OF THE GOODS AT ACADIAN'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO ACADIAN AND ACADIAN DOES NOT PICK THEM UP WITHIN TWENTY DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO ACADIAN, OR IF YOU AGREE TO RETURN THE GOODS TO ACADIAN AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE AGREEMENT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE TO: ACADIAN TOTAL SECURITY, 300 HOPKINS STREET, LAFAYETTE, LA 70501.

**I HEREBY CANCEL THIS TRANSACTION.**

**SIGN:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**PHONE #:** \_\_\_\_\_



### AGREEMENT

This agreement ("Agreement") is made by and between:

- 1. **Acadian Total Security, LLC**, a limited liability company incorporated under the laws of Louisiana and whose mailing address is P.O. Box 93088, Lafayette, LA 70509-3088 ("Acadian");

**AND**

- 2. **Subscriber:**

Account Type: \_\_\_\_\_ Commercial \_\_\_\_\_ Residential

Subscriber Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_ Pass Code: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Cell: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

**BILLING TOTALS:**

Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
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Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
Installation: _____ Qty _____ (X) Price _____ = Subtotal _____	

Billing Total\*: \_\_\_\_\_

Other:

\*Overages are not included in the amounts shown here. The overage price is \_\_\_\_\_ for each unit of data.

**ALL ADDITIONAL UNITS PURCHASED FROM ACADIAN AFTER THIS ORIGINAL PURCHASE ARE SUBJECT TO THE TERMS OF THIS AGREEMENT. SUBSCRIBER MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR EXPLANATION OF THIS RIGHT. SUBSCRIBER ACKNOWLEDGES RECEIPT OF UNEXECUTED CANCELLATION FORM.**

- 1. TERM:** The initial term of this Agreement shall be for the period beginning on the Effective Date and ending \_\_\_\_\_ months following the Effective Date ("Initial Term"). Under all plans offered, after the Initial Term, unless terminated, this Agreement shall automatically, without action by either party, extend and renew itself monthly under the same terms and conditions.
- 2. CHARGES:** The charges ("Charges") for Acadian's services ("Services") begin upon installation of the equipment, receipt of all or part of the equipment by Subscriber or, in accordance with the terms of this Agreement, thirty (30) days after the Effective Date of this Agreement. Subscriber agrees to pay all sales tax, use tax and other taxes, fees and charges that may be imposed by any governmental body relating to the Services. Subscriber acknowledges that it understands that Acadian bills on a calendar month schedule and prorated fees apply for the initial month.
- 3. PAYMENT DEFAULT:** Should Subscriber fail to pay any monies when due and payable, Acadian shall have the right, without prejudice to any other remedies, to restrict Subscriber's access to the reporting features provided by Acadian in any way, charge a monthly interest rate of 1% on all delinquent amounts and to terminate this Agreement after providing Subscriber with at least fifteen (15) days advance written notice and time to cure. If not cured, Acadian can rescind or terminate this Agreement upon written notice to Subscriber and Subscriber must return all equipment to Acadian including any tablet devices given to Subscriber by Acadian. Subscriber agrees to pay all costs for collecting the amounts owed to Acadian including, but not limited to, reasonable attorneys' fees. In addition, Acadian's acceptance of sums due following an event of default or breach by Subscriber of any of the provisions of this Agreement, including but not limited to payments, hereunder shall not be construed as Acadian's waiver of such event of default or breach and Acadian maintains all rights and remedies it may have hereunder, at law, or in equity as a result of such default or breach.
- 4. SERVICES:** Subscriber has acquired or will acquire from Acadian a Mobile Monitoring Unit ("Unit"), which will receive signals from the Global Positioning Satellite ("GPS") system and transmit signals to, and receive signals from, Acadian or a third party Customer Service Center ("CSC"). In consideration of payment of the Charges, Acadian shall provide the Services as set forth herein. Services, under this Agreement, shall include allowing Subscriber access to Acadian's website to initiate and receive location information in connection with the Services purchased and allowing Subscriber to call Acadian's CSC to request non-emergency assistance in connection with the Services. Acadian shall also provide Subscriber with training on the use of the Services. This shall specifically include over the phone training with Subscriber on how to set up reports as well as training on viewing and managing their beacons. In the event that Subscriber needs help setting up any standard report Acadian shall be available to assist Subscriber setting this up. In the event that Subscriber needs specialized reporting that requires third party assistance, Subscriber agrees to be responsible for all direct charges related to such third party services.
- 5. TERMINATION:** Either party may terminate this agreement without cause after the Initial Term, at any time by providing thirty (30) days advance written notice. This Agreement may be terminated, and Acadian shall not be liable for any damages or subject to any penalty as a result of such termination, at the option of Acadian, at any time upon the occurrence of any of the following events: (a) destruction of or substantial damage to the CSCs so as to make it impractical for Acadian to continue to provide signal receiving and notification services under this Agreement; (b) failure of the Unit, the GPS system and/or the cellular communication networks to transmit signals between Subscriber's Unit and the CSCs; (c) unavailability of, or inability of Acadian either to secure or retain the connections or privileges necessary for the transmission of signals by means of conductors between the CSCs and the police agencies or other service providers; (d) Subscriber's failure to follow any recommendations Acadian may make for the repair or replacement of a defective part of the Unit; (e) Subscriber's failure to follow the operating instructions provided at the time the Unit is installed into Subscriber's monitored vehicle; (f) if the monitored vehicle is so modified or altered after installation of the Unit as to render continuation of service impractical; (g) in the event of default in payment of any monies due under this Agreement, or (h) in the event any governmental regulations or limitations necessitate the discontinuance of the Unit or Service as determined by Acadian in its sole discretion. If one of these events occur and Acadian decides to terminate this Agreement, Acadian will provide Subscriber with fifteen (15) days advance written notice of such termination of service. Acadian will, where Subscriber is not at fault, refund to Subscriber any advance payments minus any financing fee payments made for Service to be supplied subsequent to the date of such termination, less any amount still due for the period prior to such termination and any Units not returned to Acadian in acceptable condition. Acadian may charge a re-activation fee if Subscriber cancels its service with Acadian and then asks to re-activate the service.
- 6. RATE INCREASES:** Acadian shall have the right to increase the prices charged for its Services after the Initial Term. Upon Subscriber's receipt of notice that an increase in the rates for Services will occur, Subscriber may terminate this Agreement, without penalty, provided that Subscriber provides to Acadian written notice of such termination within thirty (30) days of the date it receives notice of such increase. Subscriber's failure to object to any such increase within thirty (30) days of notification thereof shall be deemed an acceptance of said increase.
- 7. SUBSCRIBER RESPONSIBILITIES:** Services are provided either by an Acadian CSC or an independent monitoring facility which Acadian selects. Subscriber's Unit is designed to work only with Acadian's CSCs and will not work with any other monitoring centers. Subscriber agrees to do the following: (1) instruct all persons who Subscriber may permit to use the Unit as to its proper use, (2) make sure that the Unit is properly used and maintained, including ensuring that the Unit is plugged into a cigarette lighter or alternate power source that receives constant power from the vehicle battery and (3) ensure that the monitored vehicle has complete automobile liability insurance coverage.
- 8. TESTING AND SERVICE OF UNIT:** The parties hereto agree that the Unit, once installed, is in the exclusive possession of Subscriber, and it is Subscriber's sole responsibility to test the operation of the Unit and to notify Acadian if it is in need of repair. Acadian shall not be required to service the Unit unless it has received notice from Subscriber. Upon such notice, Acadian shall begin servicing the Unit to the best of its ability within forty-eight (48) hours, which does not imply physically replacing or repairing the Unit within that time frame, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 AM and 5 PM. In the event Subscriber complies with the terms of this Agreement and Acadian fails to begin to act on repairs of the equipment within forty-eight (48) hours after notice is given, Subscriber shall not be responsible for payments due while the Unit remains inoperable. In any lawsuit between the parties in which the condition or operation of the Unit is in issue, Subscriber shall be precluded from raising the issue that the Unit was not operating unless Subscriber can produce a post office certified or registered receipt, signed by Acadian, evidencing that service was requested by Subscriber.
- 9. SUBSCRIBER'S CARE OF UNIT:** After Acadian installs the Unit, Subscriber agrees not to tamper with, remove or otherwise interfere with the Unit or Subscriber will incur a reasonable service fee. The Unit shall remain in the same location as installed and Subscriber agrees to bear the cost of repairs, replacement, relocation or additions to the Unit made necessary as a result of any painting, alteration, remodeling or damage, including damage caused by unauthorized intrusion to the vehicle, lightning or electrical surge, except for ordinary wear and tear, in which event repair or replacement shall be made by Acadian without additional charge. Subscriber agrees to bear all costs of repairs, replacement, or additions to the Units that result from any damage caused by Subscriber.
- 10. ALTERATION OF VEHICLE FOR INSTALLATION:** Acadian is authorized to make preparations necessary, in Acadian's sole discretion, for the installation and service of the Unit. Acadian shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the

Unit. Acadian shall not be responsible for the condition of the vehicle upon removal of the Unit and Subscriber represents that the owner of the vehicle, if other than Subscriber, authorizes the installation of the Unit under the terms of this Agreement.

**11. MAINTENANCE AND REPAIRS:** It is understood and agreed that in cases of damage, other than ordinary wear and tear, Acadian is in no way obligated to maintain, repair, service, or assume the operation of any Unit located at Subscriber's location(s). Subscriber shall be solely responsible for knowing how to properly use their Unit as well as knowing the procedures necessary to make use of Services.

**12. UNAUTHORIZED USE OF UNIT:** Subscriber is responsible for all charges to the telephone number utilized to perform Services. If Subscriber's Unit is lost, misplaced, or stolen, or if Subscriber's Unit number is used without Subscriber's permission, Subscriber must notify Acadian within forty-eight (48) hours of the loss and provide all information and documentation relating to the problem, including any police reports and affidavits. If Acadian determines that Subscriber's Unit number was fraudulently used without Subscriber's fault or authorization, and Subscriber notified Acadian within forty-eight (48) hours, Acadian will not charge Subscriber for such usage. As part of Acadian's investigation, Subscriber expressly authorizes Acadian, its agents and law enforcement agencies to call any telephone numbers that Subscriber claims were called without Subscriber's permission and for which Subscriber seeks credit from Acadian.

**13. RELEASE OF INFORMATION:** Subscriber authorizes Acadian to release emergency contact information as provided by Subscriber to notify the appropriate emergency services provider.

**14. SERVICE AVAILABILITY:** Services are available only within the United States and only when the Unit is within the operating range of an Acadian wireless carrier that is part of the Acadian service network. Services may be limited, interrupted, or discontinued, without liability to Acadian due to many conditions, including: (a) wireless transmission capacity limitations, (b) atmospheric and geographic conditions, (c) other natural or artificial environment conditions beyond Acadian's control, (d) limitations of the electrical system design and architecture of Acadian, (e) the condition of the Unit, (f) government regulations or limitations, (g) restrictions by an underlying carrier, (h) installation, repair, or modification to the network, (i) Acadian's efforts to combat fraudulent use, and (j) other legitimate business and operational reasons. Acadian provide a 99.5% uptime guarantee for all services, excluding any planned maintenance required.

**15. REQUESTS TO SERVICE PROVIDERS:** Subscriber authorizes Acadian to make requests for information, service, orders, equipment, or units in any respect on behalf of Subscriber to such cellular company or other entity providing equipment, facilities, or services for transmission of signals under this Agreement ("Service Providers"), as Acadian determines to be necessary or desirable. Subscriber understands that the Unit installed in the monitored vehicle uses cellular telephone technology as the transmission mode for sending signals to the CSC. Subscriber understands that due to the very nature of cellular telephone, network and GPS technologies, there will be times when the Unit is unable to secure, maintain, or transmit signals and thus, Acadian will be unable to receive such signals. Subscriber also understands that Acadian does not receive signals when the transmission mode is or becomes non-operational and when the Unit is damaged, does not have an adequate power source, or is otherwise non-operational.

**16. USE OF SUBSCRIBER INFORMATION:** Subscriber agrees that in connection with acceptance of this Agreement, employee training, quality control and the provision of Services, Acadian may monitor or record Subscriber conversations with CSC personnel, emergency service providers and law enforcement personnel. Further, Subscriber understands that privacy cannot be guaranteed on cellular telephone systems such as those used under this Agreement, and Acadian is not liable to Subscriber for any claims, loss, damages, or cost resulting from any lack of privacy. Subscriber consents to Acadian using information about Subscriber, Subscriber's Unit, or Subscriber's location to provide Services, offer new products or services, or enforce terms of this Agreement. Acadian may use and share aggregate Subscriber statistics with third parties. This does not include information that identifies Subscriber personally. Except as provided above, Acadian will not monitor Subscriber's Unit location.

**17. ADDITIONAL UNITS:** All additional Units purchased by Subscriber from Acadian after this initial purchase, unless otherwise stated, will be subject to the terms and conditions of this Agreement.

**18. OVERAGES:** Any overages for Unit(s) will be the responsibility of Subscriber and will be invoiced in the month immediately following the month incurred. All overages are due at the time of invoice.

**19. NO WARRANTIES OR REPRESENTATIONS:** SUBSCRIBER DOES NOT RECEIVE ANY WARRANTY UNDER THIS AGREEMENT. ACADIAN DOES NOT REPRESENT OR WARRANT EQUIPMENT OR SERVICES. NEITHER ACADIAN NOR ITS LICENSOR SHALL BE LIABLE FOR ANY GENERAL, DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE AND/OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO SUBSCRIBER.

**20. INCIDENTAL/CONSEQUENTIAL DAMAGES:** NEITHER ACADIAN, IT'S LICENSOR, AGENTS, EMPLOYEES, AFFILIATES, OR SUBSIDIARIES ARE LIABLE TO SUBSCRIBER OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.

**21. INDEMNIFICATION:** SUBSCRIBER SHALL INDEMNIFY ACADIAN AGAINST ANY EXPENSES, LOSS, COST, DAMAGE, CLAIM, ACTION, OR LIABILITY PAID, SUFFERED, OR INCURRED AS A RESULT OF ANY BREACH BY SUBSCRIBER OF THIS AGREEMENT, OR AS A RESULT OF THE NEGLIGENCE OR WILLFUL MISCONDUCT OF SUBSCRIBER, ITS AGENTS, SERVANTS, EMPLOYEES OR LICENSEES. FURTHERMORE, SUBSCRIBER AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS ACADIAN, ITS EMPLOYEES, AGENTS, AFFILIATES AND SUBCONTRACTORS, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES THAT ARISE, WHETHER DIRECTLY OR INDIRECTLY, FROM USE OF THE UNIT AND/OR RELIANCE UPON A CELLULAR NETWORK.

**22. THIRD PARTY INDEMNIFICATION:** IF ANYONE OTHER THAN SUBSCRIBER, ASKS ACADIAN TO PAY FOR ANY HARM OR DAMAGES CONNECTED WITH OR RESULTING FROM (I) ACADIAN'S BREACH OF THIS AGREEMENT OR A FAILURE OF THE UNIT AND/OR MONITORING SERVICE, (II) ACADIAN NEGLIGENCE OR FAILURE TO PERFORM, (III) ANY OTHER IMPROPER OR CARELESS ACTIVITY OF ACADIAN IN PROVIDING THE UNIT AND/OR MONITORING SERVICE OR (IV) A CLAIM FOR INDEMNIFICATION, SUBSCRIBER WILL PAY ACADIAN ANY AMOUNT WHICH A COURT ORDERS ACADIAN TO PAY OR WHICH ACADIAN REASONABLY AGREES TO PAY.

**23. EXCULPATION:** THE PARTIES AGREE THAT ACADIAN IS NOT AN INSURER AND NO INSURANCE COVERAGE IS OFFERED HEREIN OR EFFECTED HEREBY. ACADIAN IS NOT ASSUMING LIABILITY AND THEREFORE SHALL NOT BE LIABLE TO SUBSCRIBER FOR ANY LOSS SUSTAINED BY SUBSCRIBER AS A RESULT OF ANY CAUSE WHATSOEVER, REGARDLESS OF WHETHER OR NOT SUCH LOSS OR INJURY

WAS CAUSED BY OR CONTRIBUTED TO BY ACADIAN'S NEGLIGENCE, FAILURE TO PERFORM ANY OBLIGATION, OR STRICT PRODUCTS LIABILITY. ACADIAN SHALL ONLY BE LIABLE TO SUBSCRIBER, TO THE EXTENT CONTAINED HEREIN, SPECIFICALLY WITHIN THE LIMITATION OF LIABILITY CLAUSE, FOR ITS GROSS NEGLIGENCE OR BREACH OF ITS OBLIGATIONS CONTAINED HEREIN.

**24. LIMITATION OF LIABILITY:** THE PARTIES AGREE THAT IN THE EVENT ACADIAN IS FOUND TO BE LIABLE TO SUBSCRIBER FOR ANY DAMAGE BY REASON EITHER OF NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF THIS AGREEMENT, IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES. ACADIAN AND SUBSCRIBER FURTHER AGREE THAT SHOULD THERE ARISE ANY SUCH LIABILITY TO SUBSCRIBER ON THE PART OF ACADIAN, SUCH LIABILITY SHALL BE LIMITED TO THE TOTAL AMOUNT OF ONE THOUSAND DOLLARS (\$1,000.00). IN THE EVENT THAT SUBSCRIBER WISHES TO INCREASE THE MAXIMUM AMOUNT OF SUCH LIMITED LIABILITY, SUBSCRIBER MAY OBTAIN A HIGHER LIMITATION OF LIABILITY AMOUNT BY PAYING AN ADDITIONAL AMOUNT, BUT THIS HIGHER LIMITATION SHALL IN NO WAY BE INTERPRETED TO HOLD ACADIAN AS AN INSURER.

**25. ASSIGNMENT:** This Agreement is not assignable by Subscriber except upon written consent of Acadian being obtained. Acadian shall have the right to assign this Agreement or to subcontract any of its obligations under this Agreement without notice to Subscriber.

**26. JURISDICTION:** This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana. Subscriber agrees that any action brought by it against Acadian must be brought in a court of competent jurisdiction in Louisiana.

**27. NOTICE:** Any notice required to be given hereunder by either party shall be in writing addressed to the other party at the address at the head of this Agreement or at such other address as either party shall notify the other party hereof.

**28. ATTORNEYS' FEES:** In the event of any dispute relating to or arising out of this Agreement, the prevailing party shall recover, in addition to all other damages and remedies, reasonable attorneys' fees.

**29. FULL AGREEMENT:** This Agreement constitutes the entire agreement between Acadian and Subscriber with respect to its subject matter. This Agreement may not be modified except by an instrument in writing executed by the parties hereto.

**30. SEVERABILITY:** In the event one or more of the provisions contained in this Agreement shall be held, for any reason, to be invalid, void, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the remaining provisions hereof, and this Agreement shall remain unaffected and shall be construed as if such invalid, void, illegal, or unenforceable provision never had been contained herein.

**WHEREFORE,** the parties acknowledge that they have read and understand this Agreement and voluntarily accept the duties and obligations set forth herein.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ to be effective on \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ ("Effective Date").

**SUBSCRIBER**

**ACADIAN TOTAL SECURITY, LLC**

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## THREE DAY NOTICE OF CANCELLATION

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS OF THE EFFECTIVE DATE OF THIS AGREEMENT.

IF YOU CANCEL, ANY PAYMENTS MADE BY YOU UNDER THE AGREEMENT, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY ACADIAN OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO ACADIAN AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS AGREEMENT, OR YOU MAY IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF ACADIAN REGARDING THE RETURN SHIPMENT OF THE GOODS AT ACADIAN'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO ACADIAN AND ACADIAN DOES NOT PICK THEM UP WITHIN TWENTY DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO ACADIAN, OR IF YOU AGREE TO RETURN THE GOODS TO ACADIAN AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE AGREEMENT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE TO: ACADIAN TOTAL SECURITY, 300 HOPKINS STREET, LAFAYETTE, LA 70501.

**I HEREBY CANCEL THIS TRANSACTION.**

**SIGN:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**PHONE #:** \_\_\_\_\_





### AGREEMENT

This agreement ("Agreement") is made by and between:

- 1. **Acadian Total Security, LLC**, a limited liability company incorporated under the laws of Louisiana and whose mailing address is P.O. Box 93088, Lafayette, LA 70509-3088 ("Acadian");

**AND**

- 2. **Subscriber:**

Account Type: \_\_\_\_\_ Commercial \_\_\_\_\_ Residential

Subscriber Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_ Pass Code: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Cell: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

**BILLING TOTALS:**

Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
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Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
Installation: _____ Qty _____ (X) Price _____ = Subtotal _____	

Billing Total\*: \_\_\_\_\_

Other:

\*Overages are not included in the amounts shown here. The overage price is \_\_\_\_\_ for each unit of data.

ALL ADDITIONAL UNITS PURCHASED FROM ACADIAN AFTER THIS ORIGINAL PURCHASE ARE SUBJECT TO THE TERMS OF THIS AGREEMENT. SUBSCRIBER MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR EXPLANATION OF THIS RIGHT. SUBSCRIBER ACKNOWLEDGES RECEIPT OF UNEXECUTED CANCELLATION FORM.

- 1. TERM:** The initial term of this Agreement shall be for the period beginning on the Effective Date and ending \_\_\_\_\_ months following the Effective Date ("Initial Term"). Under all plans offered, after the Initial Term, unless terminated, this Agreement shall automatically, without action by either party, extend and renew itself monthly under the same terms and conditions.
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- 3. PAYMENT DEFAULT:** Should Subscriber fail to pay any monies when due and payable, Acadian shall have the right, without prejudice to any other remedies, to restrict Subscriber's access to the reporting features provided by Acadian in any way, charge a monthly interest rate of 1% on all delinquent amounts and to terminate this Agreement after providing Subscriber with at least fifteen (15) days advance written notice and time to cure. If not cured, Acadian can rescind or terminate this Agreement upon written notice to Subscriber and Subscriber must return all equipment to Acadian including any tablet devices given to Subscriber by Acadian. Subscriber agrees to pay all costs for collecting the amounts owed to Acadian including, but not limited to, reasonable attorneys' fees. In addition, Acadian's acceptance of sums due following an event of default or breach by Subscriber of any of the provisions of this Agreement, including but not limited to payments, hereunder shall not be construed as Acadian's waiver of such event of default or breach and Acadian maintains all rights and remedies it may have hereunder, at law, or in equity as a result of such default or breach.
- 4. SERVICES:** Subscriber has acquired or will acquire from Acadian a Mobile Monitoring Unit ("Unit"), which will receive signals from the Global Positioning Satellite ("GPS") system and transmit signals to, and receive signals from, Acadian or a third party Customer Service Center ("CSC"). In consideration of payment of the Charges, Acadian shall provide the Services as set forth herein. Services, under this Agreement, shall include allowing Subscriber access to Acadian's website to initiate and receive location information in connection with the Services purchased and allowing Subscriber to call Acadian's CSC to request non-emergency assistance in connection with the Services. Acadian shall also provide Subscriber with training on the use of the Services. This shall specifically include over the phone training with Subscriber on how to set up reports as well as training on viewing and managing their beacons. In the event that Subscriber needs help setting up any standard report Acadian shall be available to assist Subscriber setting this up. In the event that Subscriber needs specialized reporting that requires third party assistance, Subscriber agrees to be responsible for all direct charges related to such third party services.
- 5. TERMINATION:** Either party may terminate this agreement without cause after the Initial Term, at any time by providing thirty (30) days advance written notice. This Agreement may be terminated, and Acadian shall not be liable for any damages or subject to any penalty as a result of such termination, at the option of Acadian, at any time upon the occurrence of any of the following events: (a) destruction of or substantial damage to the CSCs so as to make it impractical for Acadian to continue to provide signal receiving and notification services under this Agreement; (b) failure of the Unit, the GPS system and/or the cellular communication networks to transmit signals between Subscriber's Unit and the CSCs; (c) unavailability of, or inability of Acadian either to secure or retain the connections or privileges necessary for the transmission of signals by means of conductors between the CSCs and the police agencies or other service providers; (d) Subscriber's failure to follow any recommendations Acadian may make for the repair or replacement of a defective part of the Unit; (e) Subscriber's failure to follow the operating instructions provided at the time the Unit is installed into Subscriber's monitored vehicle; (f) if the monitored vehicle is so modified or altered after installation of the Unit as to render continuation of service impractical; (g) in the event of default in payment of any monies due under this Agreement, or (h) in the event any governmental regulations or limitations necessitate the discontinuance of the Unit or Service as determined by Acadian in its sole discretion. If one of these events occur and Acadian decides to terminate this Agreement, Acadian will provide Subscriber with fifteen (15) days advance written notice of such termination of service. Acadian will, where Subscriber is not at fault, refund to Subscriber any advance payments minus any financing fee payments made for Service to be supplied subsequent to the date of such termination, less any amount still due for the period prior to such termination and any Units not returned to Acadian in acceptable condition. Acadian may charge a re-activation fee if Subscriber cancels its service with Acadian and then asks to re-activate the service.
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- 7. SUBSCRIBER RESPONSIBILITIES:** Services are provided either by an Acadian CSC or an independent monitoring facility which Acadian selects. Subscriber's Unit is designed to work only with Acadian's CSCs and will not work with any other monitoring centers. Subscriber agrees to do the following: (1) instruct all persons who Subscriber may permit to use the Unit as to its proper use, (2) make sure that the Unit is properly used and maintained, including ensuring that the Unit is plugged into a cigarette lighter or alternate power source that receives constant power from the vehicle battery and (3) ensure that the monitored vehicle has complete automobile liability insurance coverage.
- 8. TESTING AND SERVICE OF UNIT:** The parties hereto agree that the Unit, once installed, is in the exclusive possession of Subscriber, and it is Subscriber's sole responsibility to test the operation of the Unit and to notify Acadian if it is in need of repair. Acadian shall not be required to service the Unit unless it has received notice from Subscriber. Upon such notice, Acadian shall begin servicing the Unit to the best of its ability within forty-eight (48) hours, which does not imply physically replacing or repairing the Unit within that time frame, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 AM and 5 PM. In the event Subscriber complies with the terms of this Agreement and Acadian fails to begin to act on repairs of the equipment within forty-eight (48) hours after notice is given, Subscriber shall not be responsible for payments due while the Unit remains inoperable. In any lawsuit between the parties in which the condition or operation of the Unit is in issue, Subscriber shall be precluded from raising the issue that the Unit was not operating unless Subscriber can produce a post office certified or registered receipt, signed by Acadian, evidencing that service was requested by Subscriber.
- 9. SUBSCRIBER'S CARE OF UNIT:** After Acadian installs the Unit, Subscriber agrees not to tamper with, remove or otherwise interfere with the Unit or Subscriber will incur a reasonable service fee. The Unit shall remain in the same location as installed and Subscriber agrees to bear the cost of repairs, replacement, relocation or additions to the Unit made necessary as a result of any painting, alteration, remodeling or damage, including damage caused by unauthorized intrusion to the vehicle, lightning or electrical surge, except for ordinary wear and tear, in which event repair or replacement shall be made by Acadian without additional charge. Subscriber agrees to bear all costs of repairs, replacement, or additions to the Units that result from any damage caused by Subscriber.
- 10. ALTERATION OF VEHICLE FOR INSTALLATION:** Acadian is authorized to make preparations necessary, in Acadian's sole discretion, for the installation and service of the Unit. Acadian shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the

Unit. Acadian shall not be responsible for the condition of the vehicle upon removal of the Unit and Subscriber represents that the owner of the vehicle, if other than Subscriber, authorizes the installation of the Unit under the terms of this Agreement.

**11. MAINTENANCE AND REPAIRS:** It is understood and agreed that in cases of damage, other than ordinary wear and tear, Acadian is in no way obligated to maintain, repair, service, or assume the operation of any Unit located at Subscriber's location(s). Subscriber shall be solely responsible for knowing how to properly use their Unit as well as knowing the procedures necessary to make use of Services.

**12. UNAUTHORIZED USE OF UNIT:** Subscriber is responsible for all charges to the telephone number utilized to perform Services. If Subscriber's Unit is lost, misplaced, or stolen, or if Subscriber's Unit number is used without Subscriber's permission, Subscriber must notify Acadian within forty-eight (48) hours of the loss and provide all information and documentation relating to the problem, including any police reports and affidavits. If Acadian determines that Subscriber's Unit number was fraudulently used without Subscriber's fault or authorization, and Subscriber notified Acadian within forty-eight (48) hours, Acadian will not charge Subscriber for such usage. As part of Acadian's investigation, Subscriber expressly authorizes Acadian, its agents and law enforcement agencies to call any telephone numbers that Subscriber claims were called without Subscriber's permission and for which Subscriber seeks credit from Acadian.

**13. RELEASE OF INFORMATION:** Subscriber authorizes Acadian to release emergency contact information as provided by Subscriber to notify the appropriate emergency services provider.

**14. SERVICE AVAILABILITY:** Services are available only within the United States and only when the Unit is within the operating range of an Acadian wireless carrier that is part of the Acadian service network. Services may be limited, interrupted, or discontinued, without liability to Acadian due to many conditions, including: (a) wireless transmission capacity limitations, (b) atmospheric and geographic conditions, (c) other natural or artificial environment conditions beyond Acadian's control, (d) limitations of the electrical system design and architecture of Acadian, (e) the condition of the Unit, (f) government regulations or limitations, (g) restrictions by an underlying carrier, (h) installation, repair, or modification to the network, (i) Acadian's efforts to combat fraudulent use, and (j) other legitimate business and operational reasons. Acadian provide a 99.5% uptime guarantee for all services, excluding any planned maintenance required.

**15. REQUESTS TO SERVICE PROVIDERS:** Subscriber authorizes Acadian to make requests for information, service, orders, equipment, or units in any respect on behalf of Subscriber to such cellular company or other entity providing equipment, facilities, or services for transmission of signals under this Agreement ("Service Providers"), as Acadian determines to be necessary or desirable. Subscriber understands that the Unit installed in the monitored vehicle uses cellular telephone technology as the transmission mode for sending signals to the CSC. Subscriber understands that due to the very nature of cellular telephone, network and GPS technologies, there will be times when the Unit is unable to secure, maintain, or transmit signals and thus, Acadian will be unable to receive such signals. Subscriber also understands that Acadian does not receive signals when the transmission mode is or becomes non-operational and when the Unit is damaged, does not have an adequate power source, or is otherwise non-operational.

**16. USE OF SUBSCRIBER INFORMATION:** Subscriber agrees that in connection with acceptance of this Agreement, employee training, quality control and the provision of Services, Acadian may monitor or record Subscriber conversations with CSC personnel, emergency service providers and law enforcement personnel. Further, Subscriber understands that privacy cannot be guaranteed on cellular telephone systems such as those used under this Agreement, and Acadian is not liable to Subscriber for any claims, loss, damages, or cost resulting from any lack of privacy. Subscriber consents to Acadian using information about Subscriber, Subscriber's Unit, or Subscriber's location to provide Services, offer new products or services, or enforce terms of this Agreement. Acadian may use and share aggregate Subscriber statistics with third parties. This does not include information that identifies Subscriber personally. Except as provided above, Acadian will not monitor Subscriber's Unit location.

**17. ADDITIONAL UNITS:** All additional Units purchased by Subscriber from Acadian after this initial purchase, unless otherwise stated, will be subject to the terms and conditions of this Agreement.

**18. OVERAGES:** Any overages for Unit(s) will be the responsibility of Subscriber and will be invoiced in the month immediately following the month incurred. All overages are due at the time of invoice.

**19. NO WARRANTIES OR REPRESENTATIONS:** SUBSCRIBER DOES NOT RECEIVE ANY WARRANTY UNDER THIS AGREEMENT. ACADIAN DOES NOT REPRESENT OR WARRANT EQUIPMENT OR SERVICES. NEITHER ACADIAN NOR ITS LICENSOR SHALL BE LIABLE FOR ANY GENERAL, DIRECT, SPECIAL, INCIDENTAL, EXEMPLARY, PUNITIVE AND/OR CONSEQUENTIAL DAMAGES, SO THE ABOVE LIMITATIONS OR EXCLUSIONS MAY NOT APPLY TO SUBSCRIBER.

**20. INCIDENTAL/CONSEQUENTIAL DAMAGES:** NEITHER ACADIAN, IT'S LICENSOR, AGENTS, EMPLOYEES, AFFILIATES, OR SUBSIDIARIES ARE LIABLE TO SUBSCRIBER OR ANY OTHER PERSON FOR ANY INCIDENTAL OR CONSEQUENTIAL DAMAGES.

**21. INDEMNIFICATION:** SUBSCRIBER SHALL INDEMNIFY ACADIAN AGAINST ANY EXPENSES, LOSS, COST, DAMAGE, CLAIM, ACTION, OR LIABILITY PAID, SUFFERED, OR INCURRED AS A RESULT OF ANY BREACH BY SUBSCRIBER OF THIS AGREEMENT, OR AS A RESULT OF THE NEGLIGENCE OR WILLFUL MISCONDUCT OF SUBSCRIBER, ITS AGENTS, SERVANTS, EMPLOYEES OR LICENSEES. FURTHERMORE, SUBSCRIBER AGREES TO AND SHALL INDEMNIFY AND HOLD HARMLESS ACADIAN, ITS EMPLOYEES, AGENTS, AFFILIATES AND SUBCONTRACTORS, FROM AND AGAINST ALL CLAIMS, LAWSUITS AND LOSSES THAT ARISE, WHETHER DIRECTLY OR INDIRECTLY, FROM USE OF THE UNIT AND/OR RELIANCE UPON A CELLULAR NETWORK.

**22. THIRD PARTY INDEMNIFICATION:** IF ANYONE OTHER THAN SUBSCRIBER, ASKS ACADIAN TO PAY FOR ANY HARM OR DAMAGES CONNECTED WITH OR RESULTING FROM (I) ACADIAN'S BREACH OF THIS AGREEMENT OR A FAILURE OF THE UNIT AND/OR MONITORING SERVICE, (II) ACADIAN NEGLIGENCE OR FAILURE TO PERFORM, (III) ANY OTHER IMPROPER OR CARELESS ACTIVITY OF ACADIAN IN PROVIDING THE UNIT AND/OR MONITORING SERVICE OR (IV) A CLAIM FOR INDEMNIFICATION, SUBSCRIBER WILL PAY ACADIAN ANY AMOUNT WHICH A COURT ORDERS ACADIAN TO PAY OR WHICH ACADIAN REASONABLY AGREES TO PAY.

**23. EXCULPATION:** THE PARTIES AGREE THAT ACADIAN IS NOT AN INSURER AND NO INSURANCE COVERAGE IS OFFERED HEREIN OR EFFECTED HEREBY. ACADIAN IS NOT ASSUMING LIABILITY AND THEREFORE SHALL NOT BE LIABLE TO SUBSCRIBER FOR ANY LOSS SUSTAINED BY SUBSCRIBER AS A RESULT OF ANY CAUSE WHATSOEVER, REGARDLESS OF WHETHER OR NOT SUCH LOSS OR INJURY

WAS CAUSED BY OR CONTRIBUTED TO BY ACADIAN'S NEGLIGENCE, FAILURE TO PERFORM ANY OBLIGATION, OR STRICT PRODUCTS LIABILITY. ACADIAN SHALL ONLY BE LIABLE TO SUBSCRIBER, TO THE EXTENT CONTAINED HEREIN, SPECIFICALLY WITHIN THE LIMITATION OF LIABILITY CLAUSE, FOR ITS GROSS NEGLIGENCE OR BREACH OF ITS OBLIGATIONS CONTAINED HEREIN.

**24. LIMITATION OF LIABILITY:** THE PARTIES AGREE THAT IN THE EVENT ACADIAN IS FOUND TO BE LIABLE TO SUBSCRIBER FOR ANY DAMAGE BY REASON EITHER OF NEGLIGENCE, GROSS NEGLIGENCE, WILLFUL MISCONDUCT OR BREACH OF THIS AGREEMENT, IT WOULD BE IMPRACTICAL AND EXTREMELY DIFFICULT TO FIX ACTUAL DAMAGES. ACADIAN AND SUBSCRIBER FURTHER AGREE THAT SHOULD THERE ARISE ANY SUCH LIABILITY TO SUBSCRIBER ON THE PART OF ACADIAN, SUCH LIABILITY SHALL BE LIMITED TO THE TOTAL AMOUNT OF ONE THOUSAND DOLLARS (\$1,000.00). IN THE EVENT THAT SUBSCRIBER WISHES TO INCREASE THE MAXIMUM AMOUNT OF SUCH LIMITED LIABILITY, SUBSCRIBER MAY OBTAIN A HIGHER LIMITATION OF LIABILITY AMOUNT BY PAYING AN ADDITIONAL AMOUNT, BUT THIS HIGHER LIMITATION SHALL IN NO WAY BE INTERPRETED TO HOLD ACADIAN AS AN INSURER.

**25. ASSIGNMENT:** This Agreement is not assignable by Subscriber except upon written consent of Acadian being obtained. Acadian shall have the right to assign this Agreement or to subcontract any of its obligations under this Agreement without notice to Subscriber.

**26. JURISDICTION:** This Agreement shall be governed by and construed in accordance with the laws of the State of Louisiana. Subscriber agrees that any action brought by it against Acadian must be brought in a court of competent jurisdiction in Louisiana.

**27. NOTICE:** Any notice required to be given hereunder by either party shall be in writing addressed to the other party at the address at the head of this Agreement or at such other address as either party shall notify the other party hereof.

**28. ATTORNEYS' FEES:** In the event of any dispute relating to or arising out of this Agreement, the prevailing party shall recover, in addition to all other damages and remedies, reasonable attorneys' fees.

**29. FULL AGREEMENT:** This Agreement constitutes the entire agreement between Acadian and Subscriber with respect to its subject matter. This Agreement may not be modified except by an instrument in writing executed by the parties hereto.

**30. SEVERABILITY:** In the event one or more of the provisions contained in this Agreement shall be held, for any reason, to be invalid, void, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect the remaining provisions hereof, and this Agreement shall remain unaffected and shall be construed as if such invalid, void, illegal, or unenforceable provision never had been contained herein.

**WHEREFORE,** the parties acknowledge that they have read and understand this Agreement and voluntarily accept the duties and obligations set forth herein.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ to be effective on \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ ("Effective Date").

**SUBSCRIBER**

**ACADIAN TOTAL SECURITY, LLC**

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## THREE DAY NOTICE OF CANCELLATION

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS OF THE EFFECTIVE DATE OF THIS AGREEMENT.

IF YOU CANCEL, ANY PAYMENTS MADE BY YOU UNDER THE AGREEMENT, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY ACADIAN OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO ACADIAN AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS AGREEMENT, OR YOU MAY IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF ACADIAN REGARDING THE RETURN SHIPMENT OF THE GOODS AT ACADIAN'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO ACADIAN AND ACADIAN DOES NOT PICK THEM UP WITHIN TWENTY DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO ACADIAN, OR IF YOU AGREE TO RETURN THE GOODS TO ACADIAN AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE AGREEMENT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE TO: ACADIAN TOTAL SECURITY, 300 HOPKINS STREET, LAFAYETTE, LA 70501.

**I HEREBY CANCEL THIS TRANSACTION.**

**SIGN:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**PHONE #:** \_\_\_\_\_



### AGREEMENT

This agreement ("Agreement") is made by and between:

- 1. **Acadian Total Security, LLC**, a limited liability company incorporated under the laws of Louisiana and whose mailing address is P.O. Box 93088, Lafayette, LA 70509-3088 ("Acadian");

**AND**

- 2. **Subscriber:**

Account Type: \_\_\_\_\_ Commercial \_\_\_\_\_ Residential

Subscriber Name: \_\_\_\_\_ Contact Person: \_\_\_\_\_ Pass Code: \_\_\_\_\_

Mailing Address: \_\_\_\_\_ City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Phone: (\_\_\_\_) \_\_\_\_\_ Cell: (\_\_\_\_) \_\_\_\_\_ Email: \_\_\_\_\_

#### BILLING TOTALS:

Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
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Equipment _____ Qty _____ (X) Price _____ = Subtotal _____	Monthly _____ Qty _____ (X) Price _____ = Subtotal _____
Installation: _____ Qty _____ (X) Price _____ = Subtotal _____	

Billing Total\*: \_\_\_\_\_

Other:

\*Overages are not included in the amounts shown here. The overage price is \_\_\_\_\_ for each unit of data.

**ALL ADDITIONAL UNITS PURCHASED FROM ACADIAN AFTER THIS ORIGINAL PURCHASE ARE SUBJECT TO THE TERMS OF THIS AGREEMENT. SUBSCRIBER MAY CANCEL THIS TRANSACTION AT ANY TIME PRIOR TO MIDNIGHT OF THE THIRD BUSINESS DAY AFTER THE DATE OF THIS TRANSACTION. SEE THE ATTACHED NOTICE OF CANCELLATION FORM FOR EXPLANATION OF THIS RIGHT. SUBSCRIBER ACKNOWLEDGES RECEIPT OF UNEXECUTED CANCELLATION FORM.**

- 1. TERM:** The initial term of this Agreement shall be for the period beginning on the Effective Date and ending \_\_\_\_\_ months following the Effective Date ("Initial Term"). Under all plans offered, after the Initial Term, unless terminated, this Agreement shall automatically, without action by either party, extend and renew itself monthly under the same terms and conditions.
- 2. CHARGES:** The charges ("Charges") for Acadian's services ("Services") begin upon installation of the equipment, receipt of all or part of the equipment by Subscriber or, in accordance with the terms of this Agreement, thirty (30) days after the Effective Date of this Agreement. Subscriber agrees to pay all sales tax, use tax and other taxes, fees and charges that may be imposed by any governmental body relating to the Services. Subscriber acknowledges that it understands that Acadian bills on a calendar month schedule and prorated fees apply for the initial month.
- 3. PAYMENT DEFAULT:** Should Subscriber fail to pay any monies when due and payable, Acadian shall have the right, without prejudice to any other remedies, to restrict Subscriber's access to the reporting features provided by Acadian in any way, charge a monthly interest rate of 1% on all delinquent amounts and to terminate this Agreement after providing Subscriber with at least fifteen (15) days advance written notice and time to cure. If not cured, Acadian can rescind or terminate this Agreement upon written notice to Subscriber and Subscriber must return all equipment to Acadian including any tablet devices given to Subscriber by Acadian. Subscriber agrees to pay all costs for collecting the amounts owed to Acadian including, but not limited to, reasonable attorneys' fees. In addition, Acadian's acceptance of sums due following an event of default or breach by Subscriber of any of the provisions of this Agreement, including but not limited to payments, hereunder shall not be construed as Acadian's waiver of such event of default or breach and Acadian maintains all rights and remedies it may have hereunder, at law, or in equity as a result of such default or breach.
- 4. SERVICES:** Subscriber has acquired or will acquire from Acadian a Mobile Monitoring Unit ("Unit"), which will receive signals from the Global Positioning Satellite ("GPS") system and transmit signals to, and receive signals from, Acadian or a third party Customer Service Center ("CSC"). In consideration of payment of the Charges, Acadian shall provide the Services as set forth herein. Services, under this Agreement, shall include allowing Subscriber access to Acadian's website to initiate and receive location information in connection with the Services purchased and allowing Subscriber to call Acadian's CSC to request non-emergency assistance in connection with the Services. Acadian shall also provide Subscriber with training on the use of the Services. This shall specifically include over the phone training with Subscriber on how to set up reports as well as training on viewing and managing their beacons. In the event that Subscriber needs help setting up any standard report Acadian shall be available to assist Subscriber setting this up. In the event that Subscriber needs specialized reporting that requires third party assistance, Subscriber agrees to be responsible for all direct charges related to such third party services.
- 5. TERMINATION:** Either party may terminate this agreement without cause after the Initial Term, at any time by providing thirty (30) days advance written notice. This Agreement may be terminated, and Acadian shall not be liable for any damages or subject to any penalty as a result of such termination, at the option of Acadian, at any time upon the occurrence of any of the following events: (a) destruction of or substantial damage to the CSCs so as to make it impractical for Acadian to continue to provide signal receiving and notification services under this Agreement; (b) failure of the Unit, the GPS system and/or the cellular communication networks to transmit signals between Subscriber's Unit and the CSCs; (c) unavailability of, or inability of Acadian either to secure or retain the connections or privileges necessary for the transmission of signals by means of conductors between the CSCs and the police agencies or other service providers; (d) Subscriber's failure to follow any recommendations Acadian may make for the repair or replacement of a defective part of the Unit; (e) Subscriber's failure to follow the operating instructions provided at the time the Unit is installed into Subscriber's monitored vehicle; (f) if the monitored vehicle is so modified or altered after installation of the Unit as to render continuation of service impractical; (g) in the event of default in payment of any monies due under this Agreement, or (h) in the event any governmental regulations or limitations necessitate the discontinuance of the Unit or Service as determined by Acadian in its sole discretion. If one of these events occur and Acadian decides to terminate this Agreement, Acadian will provide Subscriber with fifteen (15) days advance written notice of such termination of service. Acadian will, where Subscriber is not at fault, refund to Subscriber any advance payments minus any financing fee payments made for Service to be supplied subsequent to the date of such termination, less any amount still due for the period prior to such termination and any Units not returned to Acadian in acceptable condition. Acadian may charge a re-activation fee if Subscriber cancels its service with Acadian and then asks to re-activate the service.
- 6. RATE INCREASES:** Acadian shall have the right to increase the prices charged for its Services after the Initial Term. Upon Subscriber's receipt of notice that an increase in the rates for Services will occur, Subscriber may terminate this Agreement, without penalty, provided that Subscriber provides to Acadian written notice of such termination within thirty (30) days of the date it receives notice of such increase. Subscriber's failure to object to any such increase within thirty (30) days of notification thereof shall be deemed an acceptance of said increase.
- 7. SUBSCRIBER RESPONSIBILITIES:** Services are provided either by an Acadian CSC or an independent monitoring facility which Acadian selects. Subscriber's Unit is designed to work only with Acadian's CSCs and will not work with any other monitoring centers. Subscriber agrees to do the following: (1) instruct all persons who Subscriber may permit to use the Unit as to its proper use, (2) make sure that the Unit is properly used and maintained, including ensuring that the Unit is plugged into a cigarette lighter or alternate power source that receives constant power from the vehicle battery and (3) ensure that the monitored vehicle has complete automobile liability insurance coverage.
- 8. TESTING AND SERVICE OF UNIT:** The parties hereto agree that the Unit, once installed, is in the exclusive possession of Subscriber, and it is Subscriber's sole responsibility to test the operation of the Unit and to notify Acadian if it is in need of repair. Acadian shall not be required to service the Unit unless it has received notice from Subscriber. Upon such notice, Acadian shall begin servicing the Unit to the best of its ability within forty-eight (48) hours, which does not imply physically replacing or repairing the Unit within that time frame, exclusive of Saturday, Sunday and legal holidays, during the business hours of 9 AM and 5 PM. In the event Subscriber complies with the terms of this Agreement and Acadian fails to begin to act on repairs of the equipment within forty-eight (48) hours after notice is given, Subscriber shall not be responsible for payments due while the Unit remains inoperable. In any lawsuit between the parties in which the condition or operation of the Unit is in issue, Subscriber shall be precluded from raising the issue that the Unit was not operating unless Subscriber can produce a post office certified or registered receipt, signed by Acadian, evidencing that service was requested by Subscriber.
- 9. SUBSCRIBER'S CARE OF UNIT:** After Acadian installs the Unit, Subscriber agrees not to tamper with, remove or otherwise interfere with the Unit or Subscriber will incur a reasonable service fee. The Unit shall remain in the same location as installed and Subscriber agrees to bear the cost of repairs, replacement, relocation or additions to the Unit made necessary as a result of any painting, alteration, remodeling or damage, including damage caused by unauthorized intrusion to the vehicle, lightning or electrical surge, except for ordinary wear and tear, in which event repair or replacement shall be made by Acadian without additional charge. Subscriber agrees to bear all costs of repairs, replacement, or additions to the Units that result from any damage caused by Subscriber.
- 10. ALTERATION OF VEHICLE FOR INSTALLATION:** Acadian is authorized to make preparations necessary, in Acadian's sole discretion, for the installation and service of the Unit. Acadian shall not be responsible for any condition created thereby as a result of such installation, service, or removal of the

Unit. Acadian shall not be responsible for the condition of the vehicle upon removal of the Unit and Subscriber represents that the owner of the vehicle, if other than Subscriber, authorizes the installation of the Unit under the terms of this Agreement.

**11. MAINTENANCE AND REPAIRS:** It is understood and agreed that in cases of damage, other than ordinary wear and tear, Acadian is in no way obligated to maintain, repair, service, or assume the operation of any Unit located at Subscriber's location(s). Subscriber shall be solely responsible for knowing how to properly use their Unit as well as knowing the procedures necessary to make use of Services.

**12. UNAUTHORIZED USE OF UNIT:** Subscriber is responsible for all charges to the telephone number utilized to perform Services. If Subscriber's Unit is lost, misplaced, or stolen, or if Subscriber's Unit number is used without Subscriber's permission, Subscriber must notify Acadian within forty-eight (48) hours of the loss and provide all information and documentation relating to the problem, including any police reports and affidavits. If Acadian determines that Subscriber's Unit number was fraudulently used without Subscriber's fault or authorization, and Subscriber notified Acadian within forty-eight (48) hours, Acadian will not charge Subscriber for such usage. As part of Acadian's investigation, Subscriber expressly authorizes Acadian, its agents and law enforcement agencies to call any telephone numbers that Subscriber claims were called without Subscriber's permission and for which Subscriber seeks credit from Acadian.

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**16. USE OF SUBSCRIBER INFORMATION:** Subscriber agrees that in connection with acceptance of this Agreement, employee training, quality control and the provision of Services, Acadian may monitor or record Subscriber conversations with CSC personnel, emergency service providers and law enforcement personnel. Further, Subscriber understands that privacy cannot be guaranteed on cellular telephone systems such as those used under this Agreement, and Acadian is not liable to Subscriber for any claims, loss, damages, or cost resulting from any lack of privacy. Subscriber consents to Acadian using information about Subscriber, Subscriber's Unit, or Subscriber's location to provide Services, offer new products or services, or enforce terms of this Agreement. Acadian may use and share aggregate Subscriber statistics with third parties. This does not include information that identifies Subscriber personally. Except as provided above, Acadian will not monitor Subscriber's Unit location.

**17. ADDITIONAL UNITS:** All additional Units purchased by Subscriber from Acadian after this initial purchase, unless otherwise stated, will be subject to the terms and conditions of this Agreement.

**18. OVERAGES:** Any overages for Unit(s) will be the responsibility of Subscriber and will be invoiced in the month immediately following the month incurred. All overages are due at the time of invoice.

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**28. ATTORNEYS' FEES:** In the event of any dispute relating to or arising out of this Agreement, the prevailing party shall recover, in addition to all other damages and remedies, reasonable attorneys' fees.

**29. FULL AGREEMENT:** This Agreement constitutes the entire agreement between Acadian and Subscriber with respect to its subject matter. This Agreement may not be modified except by an instrument in writing executed by the parties hereto.

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**WHEREFORE,** the parties acknowledge that they have read and understand this Agreement and voluntarily accept the duties and obligations set forth herein.

Executed on this \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ to be effective on \_\_\_\_\_ day of \_\_\_\_\_, year \_\_\_\_\_ ("Effective Date").

**SUBSCRIBER**

**ACADIAN TOTAL SECURITY, LLC**

Sign: \_\_\_\_\_

Sign: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

## **THREE DAY NOTICE OF CANCELLATION**

YOU MAY CANCEL THIS TRANSACTION, WITHOUT ANY PENALTY OR OBLIGATION, WITHIN THREE BUSINESS DAYS OF THE EFFECTIVE DATE OF THIS AGREEMENT.

IF YOU CANCEL, ANY PAYMENTS MADE BY YOU UNDER THE AGREEMENT, AND ANY NEGOTIABLE INSTRUMENT EXECUTED BY YOU WILL BE RETURNED WITHIN 10 BUSINESS DAYS FOLLOWING RECEIPT BY ACADIAN OF YOUR CANCELLATION NOTICE, AND ANY SECURITY INTEREST ARISING OUT OF THE TRANSACTION WILL BE CANCELED.

IF YOU CANCEL, YOU MUST MAKE AVAILABLE TO ACADIAN AT YOUR RESIDENCE, IN SUBSTANTIALLY AS GOOD CONDITION AS WHEN RECEIVED, ANY GOODS DELIVERED TO YOU UNDER THIS AGREEMENT, OR YOU MAY IF YOU WISH, COMPLY WITH THE INSTRUCTIONS OF ACADIAN REGARDING THE RETURN SHIPMENT OF THE GOODS AT ACADIAN'S EXPENSE AND RISK.

IF YOU DO MAKE THE GOODS AVAILABLE TO ACADIAN AND ACADIAN DOES NOT PICK THEM UP WITHIN TWENTY DAYS OF THE DATE OF YOUR NOTICE OF CANCELLATION, YOU MAY RETAIN OR DISPOSE OF THE GOODS WITHOUT ANY FURTHER OBLIGATION. IF YOU FAIL TO MAKE THE GOODS AVAILABLE TO ACADIAN, OR IF YOU AGREE TO RETURN THE GOODS TO ACADIAN AND FAIL TO DO SO, THEN YOU REMAIN LIABLE FOR PERFORMANCE OF ALL OBLIGATIONS UNDER THE AGREEMENT.

TO CANCEL THIS TRANSACTION, MAIL OR DELIVER A SIGNED AND DATED COPY OF THIS CANCELLATION NOTICE TO: ACADIAN TOTAL SECURITY, 300 HOPKINS STREET, LAFAYETTE, LA 70501.

**I HEREBY CANCEL THIS TRANSACTION.**

**SIGN:** \_\_\_\_\_

**NAME:** \_\_\_\_\_

**DATE:** \_\_\_\_\_

**PHONE #:** \_\_\_\_\_

## HGH CHILLER CIRCUIT NUMBER 2 COIL REPLACEMENT

Humboldt General Hospital  
Board of Trustees Meeting  
26 FEBUARY 2019  
Agenda item: D.4.A

### **Executive Summary – HGH CHILLER CIRCUIT NUMBER 2 COIL REPLACEMENT**

#### **Request**

Approve bid to repair leaking condenser coil on chiller 2

#### **Rationale**

A leak on the condenser coil was found in a location that can't be repaired. This was confirmed by TRANE and RHP technicians. Only solution is entire condenser coil replacement. This leak affects 50 tons of cooling.

#### **Recommendation**

Recommend Board to Approve TRANE bid to replace the leaking condenser coil on chiller 2 circuit 2.

Point of Contact: Duane Grannis, Plant Facility & Safety Director



LET'S GO BEYOND™

Trane U.S. Inc. dba Trane  
5595 Equity Avenue, Suite 100  
Reno, NV 89502  
Phone: (775) 954-1352  
Fax: (866) 539-7201  
Service Contact: (775) 856-3343

January 25, 2019

Duane Grannis  
Asset Manager  
Humboldt County Hospital  
118 E Haskell Street  
WINNEMUCCA, NV 89445 U.S.A.

Site Address:  
Humboldt General Hospital  
118 E Haskell Street  
WINNEMUCCA, NV 89445  
United States

**ATTENTION:** Duane Grannis

**PROJECT NAME:** HGH Chiller Circuit Number 2 Coil Replacement

This proposal is to provide all of the necessary materials and labor to replace the leaking condenser coil on the chiller listed below. Trane inspected the unit to see if a repair was possible, and no repair is possible due to the location of the leak. All work performed will be by Trane factory certified technicians and OEM parts will be used to ensure factory specifications and maintain warranty. Humboldt Hospital will be working with Trane directly on this project to ensure warranties which are not valid through third parties. Thank you very much for the opportunity.

**EQUIPMENT LIST**

Equipment	Qty	Manufacturer	Model Number	Serial Number
Air-Cooled Chiller, Scroll Compressors	1	Trane	CGAM100	U13M39919

**SCOPE OF SERVICE**

- Check in with site
- Lock out/tag out chiller
- Remove and dispose of failed condenser coil on the above listed chiller
- Install new OEM provided condenser coil direct from the Trane factory
- Test system for leaks
- Charge with up to 90 lbs of refrigerant per Trane specifications
- Remove lock out/tag out
- Start chiller and test for proper operation
- Confirm proper chiller controls sequence and program as necessary
- 1 year Trane Factory Warranty (Valid through Trane Direct Only)
- Clean work station
- Check out with site

**PRICING AND ACCEPTANCE**

**TOTAL PRICE:**..... **\$24,327.00**

**CLARIFICATIONS**

- 1. Any service not listed is not included.
- 2. Work will be performed during normal Trane business hours.
- 3. This proposal is valid for 30 days from January 25, 2019.

I appreciate the opportunity to earn your business, and look forward to helping you with all of your service needs. Please contact me if you have any questions or concerns.

Sincerely,

Travis Jackson  
Business Advisor  
Cell: (775) 240-1584

In addition to any other amounts then due hereunder, if this Agreement is terminated or cancelled prior to its scheduled expiration, Customer shall pay to Company the balance of any amounts billed to but unpaid by Customer and, if a "Service Project" is included in the Agreement, the Cancellation Fee set forth in "Exhibit A" Cancellation Schedule attached hereto and incorporated herein, which Cancellation Fee represents unbilled labor, non-labor expenses and parts materials and components. Subject only to a prior written agreement signed by Trane, payment is due upon receipt of invoice in accordance with Section 6 of the attached Terms and Conditions – Quoted Service.

**This agreement is subject to Customer's acceptance of the attached Trane Terms and Conditions – Quoted Service.**

<p><b>CUSTOMER ACCEPTANCE</b></p> <hr/> <p>Authorized Representative</p> <hr/> <p>Printed Name</p> <hr/> <p>Title</p> <hr/> <p>Purchase Order</p> <hr/> <p>Acceptance Date</p> <p>Trane's License Number: 0033245</p>
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**TERMS AND CONDITIONS – QUOTED SERVICE**

“Company” shall mean Trane U.S. Inc. dba Trane for Company performance in the United States and Trane Canada ULC for Company performance in Canada.

To obtain repair service within the scope of Services as defined, contact your local Trane District office identified on the first page of the Agreement by calling the telephone number stated on that page. That Trane District office is responsible for Trane’s performance of this Agreement. Only Trane authorized personnel may perform service under this Agreement. For Service covered under this Agreement, Trane will be responsible for the cost of transporting a part requiring service.

**1. Agreement.** These terms and conditions are an integral part of Company’s offer and form the basis of any agreement (the “Agreement”) resulting from Company’s proposal (the “Proposal”) for the services (the “Services”) on equipment listed in the Proposal (the “Covered Equipment”). **COMPANY’S TERMS AND CONDITIONS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT.**

**2. Acceptance.** The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent (“Customer”) delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer’s order shall be deemed acceptance of the Proposal subject to Company’s terms and conditions. If Customer’s order is expressly conditioned upon the Company’s acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company’s terms and conditions attached or referenced serves as Company’s notice of objection to Customer’s terms and as Company’s counter-offer to provide Services in accordance with the Proposal. If Customer does not reject or object in writing to Company within 10 days, the Company’s counter-offer will be deemed accepted. Customer’s acceptance of the Services by Company will in any event constitute an acceptance by Customer of Company’s terms and conditions. In the case of a dispute, the applicable terms and conditions will be those in effect at the time of delivery or acceptance of the Services. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer’s obligation to pay for Services rendered by Company to the date of cancellation.

**3. Cancellation by Customer Prior to Services; Refund.** If Customer cancels this Agreement within (a) thirty (30) days of the date this Agreement was mailed to Customer or (b) twenty (20) days of the date this Agreement was delivered to Customer, if it was delivered at the time of sale, and no Services have been provided by Company under this Agreement, the Agreement will be void and Company will refund to Customer, or credit Customer’s account, the full Service Fee of this Agreement that Customer paid to Company, if any. A ten percent (10%) penalty per month will be added to a refund that is due but is not paid or credited within forty-five (45) days after return of this Agreement to Company. Customer’s right to cancel this Agreement only applies to the original owner of this Agreement and only if no Services have been provided by Company under this Agreement prior to its return to Company.

**4. Cancellation by Company.** This Agreement may be cancelled by Company for any reason or no reason, upon written notice from Company to Customer no later than 30 days prior to performance of any Services hereunder and Company will refund to Customer, or credit Customer’s account, that part of the Service Fee attributable to Services not performed by Company. Customer shall remain liable for and shall pay to Company all amounts due for Services provided by Company and not yet paid.

**5. Services Fees and Taxes.** Fees for the Services (the “Service Fee(s)”) shall be as set forth in the Proposal and are based on performance during regular business hours. Fees for outside Company’s regular business hours and any after-hours services shall be billed separately according to the then prevailing overtime or emergency labor/labour rates. In addition to the stated Service Fee, Customer shall pay all taxes not legally required to be paid by Company or, alternatively, shall provide Company with acceptable tax exemption certificates. Customer shall pay all costs (including attorneys’ fees) incurred by Company in attempting to collect amounts due.

**6. Payment.** Payment is due upon receipt of Company’s invoice. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys’ fees) incurred by Company in attempting to collect amounts due or otherwise enforcing these terms and conditions.

**7. Customer Breach.** Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice: (1) Any failure by Customer to pay amounts when; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in connection with this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement. Customer shall be liable to the Company for all Services furnished to date and all damages sustained by Company (including lost profit and overhead)

**8. Performance.** Company shall perform the Services in accordance with industry standards generally applicable in the state or province where the Services are performed under similar circumstances as of the time Company performs the Services. Company is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company. Company may refuse to perform any Services or work where working conditions could endanger property or put at risk the safety of people. Parts used for any repairs made will be those selected by Company as suitable for the repair and may be parts not manufactured by Company. Customer must reimburse Trane for services, repairs, and/or replacements performed by Trane at Customer’s request beyond the scope of Services or otherwise excluded under this Agreement. The reimbursement shall be at the then prevailing applicable regular, overtime, or holiday rates for labor/labour and prices for materials. Prior to Trane performing the additional services, repairs, and/or replacements, Customer may request a separate written quote stating the work to be performed and the price to be paid by Customer for the work.

**9. Customer Obligations.** Customer shall: (a) provide Company reasonable and safe access to the Covered Equipment and areas where Company is to work; and (b) unless otherwise agreed by Customer and Company, at Customer’s expense and before the Services begin, Customer will provide any necessary access platforms, catwalks to safely perform the Services in compliance with OSHA, state, or provincial industrial safety regulations or any other applicable industrial safety standards or guidelines.

**10. Exclusions.** Unless expressly included in the Proposal, the Services do not include, and Company shall not be responsible for or liable to the Customer for, any claims, losses, damages or expenses suffered by the Customer in any way connected with, relating to or arising from any of the following:

- (a) Any guarantee of room conditions or system performance;
- (b) Inspection, operation, maintenance, repair, replacement or performance of work or services outside the Services;
- (c) Damage, repairs or replacement of parts made necessary as a result of the acts or omission of Customer or any Event of Force Majeure;
- (d) Any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the premises before the effective date of this Agreement (“Pre-Existing Conditions”) including, without limitation, damages, losses, or expenses involving a Pre-Existing

Condition of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould, bacteria, microbial growth, fungi or other contaminants or airborne biological agents; and

(e) Replacement of refrigerant is excluded, unless replacement of refrigerant is expressly stated as included with the Proposal.

**11. Limited Warranty.** Company warrants that: (a) the material manufactured by Company and provided to the Customer in performance of the Services is free from defects in material and manufacture for a period of 12 months from the earlier of the date of equipment start-up or replacement and (b) the labor/labour portion of the Services is warranted to have been properly performed for a period of 90 days from date of completion (the "Limited Warranty"). Company obligations of equipment start-up, if any are stated in the Proposal, are coterminous with the Limited Warranty period. Defects must be reported to Company within the Limited Warranty period. Company's obligation under the Limited Warranty is limited to repairing or replacing the defective part at its option and to correcting any improperly performed labor/labour. No liability whatsoever shall attach to Company until the Services have been paid for in full. Exclusions from this Limited Warranty include claims, losses, damages, and expenses in any way connected with, related to, or arising from failure or malfunction of equipment due to the following: wear and tear; end of life failure; corrosion; erosion; deterioration; Customer's failure to follow the Company-provided maintenance plan; unauthorized or improper maintenance; unauthorized or improper parts or material; refrigerant not supplied by Trane; and modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Some components of Company equipment may be warranted directly from the component supplier, in which case this Limited Warranty shall not apply to those components and any warranty of such components shall be the warranty given by the component supplier. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer.

**THE REMEDIES SET FORTH IN THIS LIMITED WARRANTY ARE THE SOLE AND EXCLUSIVE REMEDIES FOR WARRANTY CLAIMS PROVIDED BY COMPANY TO CUSTOMER UNDER THIS AGREEMENT AND ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, CONDITIONS AND REMEDIES, WHETHER IN CONTRACT, WARRANTY, STATUTE, OR TORT (INCLUDING NEGLIGENCE), EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. COMPANY EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, ENDORSEMENTS OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF QUALITY, FITNESS, MERCHANTABILITY, DURABILITY AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE OR REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY EXPRESSLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS. THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

**12. Indemnity.** To the maximum extent permitted by law, Company and Customer shall indemnify and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of the indemnifying party, and/or its respective employees or authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses, or liabilities to the extent attributable to the acts or omissions of the other party or third parties. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify and hold harmless will continue in full force and effect, notwithstanding the expiration or early termination of this Agreement, with respect to any claims based on facts or conditions that occurred prior to expiration or termination of this Agreement.

**13. Limitation of Liability. NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, PRODUCT LOSS, LOST REVENUE OR PROFITS, OR LIABILITY TO THIRD PARTIES), OR PUNITIVE DAMAGES WHETHER BASED IN CONTRACT, WARRANTY, STATUTE, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY OR FACTS. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE TOTAL AND AGGREGATE LIABILITY OF THE COMPANY TO THE CUSTOMER WITH RESPECT TO ANY AND ALL CLAIMS CONNECTED WITH, RELATED TO OR ARISING FROM THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, WHETHER BASED IN CONTRACT, WARRANTY, STATUTE, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY OR FACTS, SHALL NOT EXCEED THE COMPENSATION RECEIVED BY COMPANY UNDER THIS AGREEMENT. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS. TO THE MAXIMUM EXTENT ALLOWED BY LAW, COMPANY SHALL NOT BE LIABLE FOR ANY OF THE FOLLOWING IN CONNECTION WITH PROVIDING THE ENERGY AND BUILDING PERFORMANCE SERVICES: INTERRUPTION, DELETION, DEFECT, DELAY IN OPERATION OR TRANSMISSION; CUSTOMER'S NETWORK SECURITY; COMPUTER VIRUS; COMMUNICATION FAILURE; THEFT OR DESTRUCTION OF DATA; GAPS IN DATA COLLECTED; AND UNAUTHORIZED ACCESS TO CUSTOMER'S DATA OR COMMUNICATIONS NETWORK.**

**14. Asbestos and Hazardous Materials.** The Services expressly exclude any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos or other hazardous materials (collectively, "Hazardous Materials"). Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations. Customer shall be exclusively responsible for any claims, liability, fees and penalties, and the payment thereof, arising out of or relating to any Hazardous Materials on or about the premises, not brought onto the premises by Company. Company shall be required to resume performance of the Services only when the affected area has been rendered harmless.

**15. Insurance.** Company agrees to maintain the following insurance during the term of the contract with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so but only subject to Company's manuscript additional insured endorsement under its primary Commercial General Liability policies. In no event does Company or its insurer waive its right of subrogation

**16. Force Majeure.** Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon ten (10) days notice to Customer, in which event Customer shall pay Company for all parts of the Services furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the

foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; lightning; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor disputes; labor or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

**17. General.** Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Services are performed without regard to choice of law principles which might otherwise call for the application of a different state's or province's law. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Services are performed. Any action or suit arising out of or related to this Agreement must be commenced within one year after the cause of action has accrued. To the extent the premises are owned and/or operated by any agency of the United States Federal Government, determination of any substantive issue of law shall be according to the United States Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the Services. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, without the written consent of Company. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties hereto and their permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original. No modifications, additions or changes may be made to this Agreement except in a writing signed by Company. No failure or delay by the Company in enforcing any right or exercising any remedy under this Agreement shall be deemed to be a waiver by the Company of any right or remedy.

**18. Equal Employment Opportunity/Affirmative Action Clause.** Company is a United States federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250; and Executive Order 13496 and Section 29 CFR 471, appendix A to subpart A, regarding the notice of employee rights in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

**19. U.S. Government Contracts.**

**The following provision applies only to direct sales by Company to the US Government.** The Parties acknowledge that all items or services ordered and delivered under this Agreement / Purchase Order are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business. **The following provision applies only to indirect sales by Company to the US Government.** As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35; 52.222-36; 52.222-39; 52.247-64. If the Services are in connection with a U.S. government contract, Customer agrees and hereby certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to contractor's Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the Services that are the subject of this offer or agreement, other than the Proposal or this Agreement.

**20. Limited Waiver of Sovereign Immunity.** If Customer is an Indian tribe (in the U.S.) or a First Nation or Band Council (in Canada), Customer, whether acting in its capacity as a government, governmental entity, a duly organized corporate entity or otherwise, for itself and for its agents, successors, and assigns: (1) hereby provides this limited waiver of its sovereign immunity as to any damages, claims, lawsuit, or cause of action (herein "Action") brought against Customer by Company and arising or alleged to arise out of the furnishing by Company of any product or service under this Agreement, whether such Action is based in contract, tort, strict liability, civil liability or any other legal theory; (2) agrees that jurisdiction and venue for any such Action shall be proper and valid (a) if Customer is in the U.S., in any state or United States court located in the state in which Company is performing this Agreement or (b) if Customer is in Canada, in the superior court of the province or territory in which the work was performed; (3) expressly consents to such Action, and waives any objection to jurisdiction or venue; (4) waives any requirement of exhaustion of tribal court or administrative remedies for any Action arising out of or related to this Agreement; and (5) expressly acknowledges and agrees that Company is not subject to the jurisdiction of Customer's tribal court or any similar tribal forum, that Customer will not bring any action against Company in tribal court, and that Customer will not avail itself of any ruling or direction of the tribal court permitting or directing it to suspend its payment or other obligations under this Agreement. The individual signing on behalf of Customer warrants and represents that such individual is duly authorized to provide this waiver and enter into this Agreement and that this Agreement constitutes the valid and legally binding obligation of Customer, enforceable in accordance with its terms.

1-10.48 (1114)  
Supersedes 1-10.48 (0614)





## **TRANE'S SAFETY STANDARD**

Trane is committed to providing a safe work environment for all employees and to preventing accidents in its business operations. To accomplish our objectives Trane has instituted safety programs, procedures and training that incorporate a progressive approach to injury prevention.

## **PROVEN SAFETY SUCCESS**

Trane's safety culture in North America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

## **TRANE INJURY RATES V. INDUSTRY COMPETITORS**

Since 2003 the US Bureau of Labor Statistics records reflect Trane's Total Recordable Rate (TRIR) and Days away from work (DAFW) rate have been significantly lower than HVAC repair and maintenance contractors and Specialty Trade contractors (construction). Trane's safety culture in America is unparalleled in the building services industry and has demonstrated proven results via continuous reduction of injury rates.

Trane's incident (OSHA) rates are consistently 50-70% below the industry average. This outstanding safety achievement is the end result of the rigorous team oriented approach to our safety program that creates accountability and empowerment in all employees and management and fuels our institutional safety culture. This is the key to our continual improvement.

## **SAFETY TOOLS, TRAINING & EXPERTISE**

Trane's service and contracting technicians are not only among the most skilled in the industry they are also extensively trained in safe work procedures. Our technicians receive safety training, equipment, tools, procedures, and management support to identify jobsite hazards and take appropriate measures to prevent personal injuries. The resources available to Trane technicians include:

- Safety Training – 20 hrs per year, including classroom and web-based platforms.
- -Topics include, but are not limited to, Lockout/Tagout, Confined Space Entry, Hazard Communication, Respiratory Protection, Hearing Conservation, Excavations, Scaffolding, Rigging, Powered Industrial Truck operation, Ladders, Vehicle Safety, Fire Protection, PPE, Emergency Response, First Aid / CPR.
- Electrical Safety – NFPA 70E compliant – electrical PPE; flame-resistant clothing; training.
- Fall Protection – full complement of fall arrest and fall restraint equipment for each technician.
- Ergonomics – custom-designed for HVAC field technicians, includes training, material handling equipment and procedures.
- Smith System Safe Driving Program – Trane's safety Managers are certified instructors; safety Managers train technicians; 1-800 "How's My Driving?" stickers are located on the back of service vehicles.
- USDOT compliance – technicians scheduled within Material of Trade and Hours of Service limits and are fully qualified under Department of Transportation rules for driving commercial motor vehicles with GVWR >10,000 and 26,000 lbs.
- Refrigerant Management – Service technicians are trained to manage refrigerant in accordance with U.S. EPA rules using a sophisticated electronic tracking system developed by Trane.
- Empowerment - Technicians are empowered with full management support to address safety hazards as they see fit. If ever in doubt about how to do a job or task safely, the technician is required to ask a qualified person for assistance before proceeding with work.

## **MANAGEMENT LEADERSHIP AND COMMITMENT**

Accident prevention is a primary responsibility of management at Trane. Trane's safety culture is based on the following management principles:

- Leadership at the local level manages the local organization's safety performance.
- Management is financially accountable for safety performance.
- Local management is actively engaged in risk reduction activities and training and manages safety performance outcomes.
- Management clearly communicates to all Trane employees their safety expectations and strongly enforces compliance with those expectations.
- Employees are held accountable when they fail to meet safety expectations.

Local management and supervisory personnel at the local level are responsible for implementation of the following safety program elements:

- The Safety Management System developed by Trane – developed in accordance with OHSAS 18001.
- Audits and Inspections – Supervisors, Middle and Upper Managers must conduct field inspections. Corporate Safety conducts detailed compliance and management systems audits.
- Company safety compliance programs – ensure that they are fully implemented.
- Safety and environmental performance – tracked using a Balanced Scorecard with leading and lagging indicators and metrics.
- Subcontractor Qualification – implement this process to promote safety and safety plan compliance on multi-employer job sites.
- Six Sigma and Lean – use these productivity tools to enhance safety on job sites.
- Drug and Alcohol Policy – mandatory DOT required for-cause and post-accident testing after recordable injuries and property damage.
- Motor Vehicle Records Search – annual checking of driving records of employees driving company vehicles.

## **JOBSITE SAFETY EQUALS CUSTOMER VALUE**

At Trane safety is part of our culture for every employee. What this means to our customers is fewer job site accidents and the delays and liability concerns that come along with them. What this means to our staff is greater confidence in the practices and procedures they use on the job and the pride that comes from working for one of the premier service organizations in the world. Tighter safety standards and fewer accidents can also lead to better on-time project completion and higher quality results.

When you use Trane Building Services to install, maintain or upgrade your building systems you will take full advantage of our superior safety program, low incident rates and subcontractor safety management procedures. These help you manage project risk more effectively than you could using multiple contractors or even a single prime contractor with a less impressive safety record.

# Financial Narrative

## Period Ending January 31, 2019

### STATISTICS

- Med/Surg days are higher than budgeted by 21 days
- Nursery days are 7 days lower than budgeted
- OR cases are 15 cases over budget
- Radiology tests are higher than budgeted by 114 tests
- Lab tests are 619 tests over budget
- Emergency room visits are higher than budgeted by 64 visits
- Clinic visits are 242 visits lower than budgeted

### FINANCIAL STATEMENTS

- The Balance Sheet and Profit and Loss are presented in Medhost format per our audit firm recommendations
- Net income from operations for January was \$506,357 compared to a budgeted loss of \$323,226
- January operating revenues are approximately \$923K over budget due to an increase in volumes over month to date budgeted amounts and a reduction in contractals
- Month to date non-operating revenues are approximately \$134K over budget
- Month to date net income is \$1,040,257, approximately \$964K over budget
- Year to date net income is \$2,032,346, approximately \$1.4M over budget
- Cash and investments formerly reported as “Restricted Assets” have been reported as cash and investments in current assets
- Restricted cash of approximately \$28K is related to nursing home patient funds held in trust for the residents

### YEAR TO DATE REVENUE PAYOR MIX

Payor	Hospital FY19	Hospital FY18	Clinic FY19	Clinic FY18
Medicare	36.8%	36.9%	32.0%	26.9%
Medicaid	22.0%	20.7%	21.2%	28.1%
Insurance	29.4%	30.8%	38.2%	35.8%
Private pay	8.5%	7.6%	5.7%	6.2%
Other	3.3%	4.0%	2.9%	3.0%

### RATIOS

- The current ratio of 17.76 increased significantly over December’s ratio of 7.89 due to the grouping of cash and investments previously reported as restricted assets to current assets
- Gross days receivable has been included for the current month only

**Humboldt General Hospital  
Statistics Comparison**

**January 31, 2019**

	<b>Monthly Budget</b>	<b>January-19 Actual</b>	<b>MTD Variance</b>	<b>YTD Budget</b>	<b>YTD Actual</b>	<b>YTD Variance</b>
Med/Surg Pt Days	158	179	13.05%	1,108	1,189	7.28%
Obstetrics Pt Days	30	27	-10.99%	212	217	2.20%
Nursery Pt Days	32	25	-21.05%	222	231	4.21%
ICU Pt Days	12	12	2.86%	82	94	15.10%
Swing Bed Days	28	38	38.18%	193	181	-5.97%
Harmony Manor	840	784	-6.67%	5,880	5,041	-14.27%
Quail Corner	200	217	8.50%	1,400	1,388	-0.86%
Labor Room Deliveries	19	17	-9.33%	131	142	8.19%
Operating Room Cases	93	108	15.71%	653	730	11.73%
Radiology Tests	1,100	1,214	10.36%	7,700	7,611	-1.16%
Laboratory Tests	7,018	7,637	8.82%	49,125	48,070	-2.15%
Emergency Room Visits	600	664	10.67%	4,200	4,286	2.05%
Amulance Runs	225	207	-8.00%	1,575	1,847	17.27%
RHC Visits	2,424	2,182	-10.00%	16,970	13,943	-17.84%

Days are counted in month discharged.

**Humboldt County Hospital District**  
**STATISTICAL REPORTING**

Report Period: JANUARY 31 2019, FY 2019

**JANUARY 31, 2019**

**FISCAL YEAR 2018**

\*  
 \* DAYS IN  
 \* PERIOD: **31**  
 \*  
 \*  
 \*

HGH Stats, Period Ending 1/31/19:

	BEDS AVAIL.	ADMIT #'S	DISCH. #'S (Includes Deaths)	TOTAL PATIENT DAYS	AVERAGE DAILY CENSUS	%% OCCUPY	FACILITY LENGTH OF STAY	MONTH DEATHS
<b>PATIENT DAY RECAPS:</b>								
<b>SERVICE CLASSIFICATIONS:</b>								
AC02 MEDICAL/SURGICAL	16	53	54	217	7.00	43.75%	4.02	3
AC03 OBSTETRICS	6	19	19	27	0.87	21.77%	1.42	0
AC04 NEWBORN NURSERY	6	17	17	25	0.81	13.44%	1.47	0
AC05 INTENSIVE CARE UNIT	3	6	6	12	0.39	19.35%	2.00	0
<b>TOTAL ACUTE CARE:</b> ( # of beds do not include Nursery)	25	95	96	281	9.06	41.20%	2.93	3
<b>Monthly Average Length of Stay</b>							2.48	
AC01 NURSING HOME / MEMORY CARE	42	4	1	1001	32.29	107.63%		1
<b>FACILITY GRAND TOTALS:</b>	67	99	97	1282	41.35	79.53%		4
		ckd	ckd	ckd				ckd

Humboldt County Hospital District  
 HGH Stats, Period Ending 1/31/19:

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	Jan-19		Jan-18		CURRENT		PRIOR	Y-T-D
	CURRENT		MONTH		FY 2019		FY 2018	Amount
OUTPATIENT/EMERGENCY ROOM STATS:	MONTH		PRIOR YR		Y-T-D		Y-T-D	Inc. (Dec)
ADMITTS FROM EMERGENCY ROOM	37		34		214		223	-4%
SHORT OBSERVATION	32		21		204		198	3%
TRANSFERS FROM EMERGENCY ROOM	36		40		222		245	-9%
DEATHS, EMERGENCY ROOM	1		0		7		2	250%
DOA'S (Dead on Arrival)	0		0		0		0	#DIV/0!
AMA'S / ELOPEMENTS	5		5		48		41	17%
LEAVE WITHOUT BEING SEEN	0		8		25		42	-40%
*****	*****		*****		*****		*****	*****
EMERGENCY RM VISITS	664		688		4,286		4,401	-3%
OUTPATIENT VISITS (All Other)	1,700		2,326		12,320		14,239	-13%
CLINIC - DR. LI	393		412		2,786		3,351	-17%
CLINIC - WALK IN CLINIC	760		851		4,532		4,521	0%
CLINIC - RESIDENT CLINIC	303		332		1,748		2,224	100%
CLINIC - JEREMY HURST	136		228		822		1,691	100%
CLINIC - ECHO MATHEWS	227		290		1,386		1,819	100%
CLINIC - DR. PERKINSON	320		391		2,294		2,919	-21%
CLINIC - DR. BECKMAN	32		0		201		0	#DIV/0!
CLINIC - ROBERT JOHNSON	2		0		53		0	#DIV/0!
TELEMEDICINE	9		27		121		123	-2%
<b>TOTAL EMERGENCY/OUTPATIENTS:</b>	<b>4,546</b>		<b>5,545</b>		<b>30,549</b>		<b>35,288</b>	<b>-13%</b>

Humboldt County Hospital District  
HGH Stats, Period Ending 1/31/19:

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	Jan-19	Jan-18	CURRENT	PRIOR	Y-T-D
	CURRENT	MONTH	FY 2019	FY 2018	Amount
	MONTH	PRIOR YR	Y-T-D	Y-T-D	Inc. (Dec)
<b>ACUTE/SKILLED NURSING STATISTICS:</b>					
<b>PATIENTS ADMITTED:</b>					
ADULTS & PEDIATRIC	78	74	430	504	-15%
NEWBORNS	17	12	123	121	2%
SNF / MEMORY CARE	4	6	17	24	-29%
<b>TOTAL PATIENTS ADMITTED:</b>	<b>99</b>	<b>92</b>	<b>570</b>	<b>649</b>	<b>-12%</b>
<b>PATIENTS DISCHARGED:</b>					
ADULTS & PEDIATRIC	79	75	411	500	-18%
NEWBORNS	17	11	123	122	1%
SNF / MEMORY CARE	1	3	13	23	-43%
<b>TOTAL PATIENTS DISCHARGED:</b>	<b>97</b>	<b>89</b>	<b>547</b>	<b>645</b>	<b>-15%</b>
<b>TOTAL PATIENT DAYS:</b>					
ADULTS & PEDIATRIC	256	306	1,283	1,625	-21%
NEWBORNS	25	17	206	205	0%
<b>TOTAL ACUTE PATIENT DAYS:</b>	<b>281</b>	<b>323</b>	<b>1,489</b>	<b>1,830</b>	<b>-19%</b>
<b>TOTAL SNF / MEMORY CARE PATIENT DAYS:</b>	<b>1,001</b>	<b>799</b>	<b>5,428</b>	<b>5,365</b>	<b>1%</b>
<b>TOTAL FACILITY PATIENT DAYS:</b>	<b>1,282</b>	<b>1,122</b>	<b>6,917</b>	<b>7,195</b>	<b>-4%</b>
<b>TOTAL FACILITY DEATHS:</b>					
ACUTE HOSPITAL	3	3	9	13	-31%
SNF / MEMORY CARE	1	1	2	7	-71%
<b>TOTAL FACILITY DEATHS:</b>	<b>4</b>	<b>4</b>	<b>11</b>	<b>20</b>	<b>-45%</b>

Humboldt County Hospital District  
 HGH Stats, Period Ending 1/31/19:

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	Jan-19	Jan-18	CURRENT	PRIOR	Y-T-D
	CURRENT	MONTH	FY 2019	FY 2018	Amount
SURGICAL OPERATIONS PERFORMED:	MONTH	PRIOR YR	Y-T-D	Y-T-D	Inc. (Dec)
General	32	26	201	151	33%
Gynecological	1	0	16	1	1500%
C-Sections	4	3	24	32	-25%
Orthopedic	24	32	146	158	-8%
Podiatry	1	2	11	14	-21%
Ophthalmology	9	11	41	31	32%
ENT	0	0	0	0	0%
Plastic	0	0	0	0	0%
Oral	0	0	0	0	0%
Urology	0	0	0	0	0%
Other	0	0	0	39	-100%
<b>TOTAL SURGERY:</b>	<b>71</b>	<b>74</b>	<b>439</b>	<b>426</b>	<b>3%</b>
	Jan-19	Jan-18	CURRENT	PRIOR	Y-T-D
	CURRENT	MONTH	FY 2019	FY 2018	Amount
SURGICAL PROCEDURES PERFORMED:	MONTH	PRIOR YR	Y-T-D	Z-T-D	Inc. (Dec)
Colonoscopies	21	19	169	108	56%
Gastrointestinal Procedures	12	21	100	94	6%
Sigmoidoscopy	1	3	8	11	-27%
Bronchoscopy	0	0	0	0	#DIV/0!
Oral	0	0	0	0	0%
Ophthalmology-Yag	2	4	12	16	0%
Other	1	1	2	3	-33%
<b>TOTAL PROCEDURES:</b>	<b>37</b>	<b>48</b>	<b>291</b>	<b>232</b>	<b>25%</b>
<b>TOTAL SURGERIES AND PROCEDURES:</b>	<b>108</b>				
***Number of above surgeries and/or procedures that were laparoscopic.	9	9	59	55	7%



Humboldt County Hospital District  
 HGH Stats, Period Ending 1/31/19:

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	SURGERY	SURGERY	SURGERY	PROCEDURE	PROCEDURE	PROCEDURE
SURGICAL HOURS/PROCEDURE HOURS PERFORMED:	HOURS	HOURS	HOURS	HOURS	HOURS	HOURS
	INPT:	OUTPT:	TOTALS:	INPT:	OUTPT:	TOTALS:
Fiscal Year 2019: 7/1/18- 6/30/19:						
2018						
July	36.95	26.93	63.88	0.75	14.22	14.97
August	19.52	27.32	46.84	1.42	17.35	18.77
September	36.82	23.85	60.67	2.30	11.10	13.40
October	40.92	30.30	71.22	1.23	24.40	25.63
November	19.08	36.07	55.15	1.20	28.62	29.82
December	39.13	23.88	63.02	1.28	16.82	18.10
2019	*****	*****	*****	*****	*****	*****
January	32.85	38.65	71.50	1.23	18.07	19.30
February			0.00			0.00
March			0.00			0.00
April			0.00			0.00
May			0.00			0.00
June			0.00			0.00
FY 2019 Y-T-D HOURS:	225.27	207	432.27	9.42	130.57	139.99

Humboldt County Hospital District  
HGH Stats, Period Ending 1/31/19:

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	Jan-19	Jan-18	CURRENT	PRIOR	Y-T-D
	CURRENT	MONTH	FY 2019	FY 2018	Amount
ANCILLARY UNITS OF SERVICE:	MONTH	PRIOR YR	Y-T-D	Y-T-D	Inc. (Dec)
<b>LABORATORY, ALL:</b>					
INPATIENT	1,660	1,881	9,873	10,600	-7%
OUTPATIENT	5,977	6,268	38,197	39,656	-4%
<b>RADIOLOGY, ALL OTHER:</b>					
INPATIENT	73	93	396	444	-11%
OUTPATIENT	793	886	5,268	5,485	-4%
<b>RADIOLOGY, CT SCANS:</b>					
INPATIENT	9	8	73	79	-8%
OUTPATIENT	238	168	1,160	1,026	13%
<b>RADIOLOGY, MAMMOGRAPHY:</b>					
INPATIENT	0	0	1	0	#DIV/0!
OUTPATIENT	61	69	421	454	-7%
<b>RADIOLOGY, MRI:</b>					
INPATIENT	3	10	25	24	4%
OUTPATIENT	37	42	267	330	-19%
INPATIENT TOTALS:	1,745	1,992	10,368	11,147	-7%
OUTPATIENT TOTALS:	7,106	7,433	45,313	46,951	-3%

HUMBOLDT GENERAL HOSPITAL  
 FINANCIAL STATEMENT OF PROFIT OR (LOSS)  
 COMPARISON TO BUDGET  
 FOR 7TH MONTH ENDED  
 JANUARY 31, 2019

DATE: 2/20/19  
 TIME: 16:03:13

	-----CURRENT PERIOD-----			-----YEAR-TO-DATE-----		
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE
<b>OPERATING REVENUES</b>						
ROOM / BED CHARGES REVENUE						
ACUTE CARE	\$ 643,950	\$ 649,324	\$ (5,374)	\$ 4,203,091	\$ 4,545,268	\$ (342,177)
NURSING HOME (Harmony Manor)	176,110	208,658	(32,548)	1,127,860	1,460,607	(332,747)
MEMORY CARE (Quail Corner)	67,650	66,917	733	441,375	468,419	(27,044)
<b>TOTAL ROOM / BED CHARGES</b>	<b>887,710</b>	<b>924,899</b>	<b>(37,189)</b>	<b>5,772,326</b>	<b>6,474,294</b>	<b>(701,968)</b>
<b>ANCILLARY CHARGES REVENUE</b>						
IN-PATIENTS	2,196,610	2,184,377	12,233	13,958,102	15,290,642	(1,332,540)
OUT-PATIENTS	4,267,285	3,998,830	268,455	27,804,532	28,098,826	(294,294)
NURSING HOME (Harmony Manor)	154,274	166,888	(12,614)	988,097	1,168,218	(180,121)
MEMORY CARE (Quail Corner)	25,306	33,110	(7,804)	137,951	231,771	(93,820)
<b>TOTAL ANCILLARY SERVICES REV</b>	<b>6,643,475</b>	<b>6,383,205</b>	<b>260,270</b>	<b>42,888,682</b>	<b>44,789,457</b>	<b>(1,900,775)</b>
<b>GROSS REVENUES</b>						
FROM SERVICES TO PATIENTS	7,531,185	7,308,104	223,081	48,661,008	51,263,751	(2,602,743)
(LESS) CONTRACTUALS TO REVENUE	2,222,363	2,988,869	(766,506)	18,954,584	20,922,017	(1,967,433)
<b>NET REVENUE FROM PATIENT SERV</b>	<b>5,308,822</b>	<b>4,319,235</b>	<b>989,587</b>	<b>29,706,424</b>	<b>30,341,734</b>	<b>(635,310)</b>
OTHER OPERATING REVENUES	31,634	97,879	(66,245)	307,623	685,154	(377,531)
<b>GRAND TOTAL OPERATING REVENUES</b>	<b>5,340,456</b>	<b>4,417,114</b>	<b>923,342</b>	<b>30,014,047</b>	<b>31,026,888</b>	<b>(1,012,841)</b>
<b>OPERATING EXPENSES</b>						
PROFESSIONAL CARE OF PATIENTS	2,067,527	2,175,861	(108,334)	14,107,140	15,231,037	(1,123,897)
NURSING ADMIN. / QUALITY IMP.	83,112	68,129	14,983	645,646	476,909	168,737
DIETARY DEPARTMENT	67,872	89,562	(21,690)	583,285	626,934	(43,649)
HOUSEKEEPING/LAUNDRY/JANITOR	56,348	62,707	(6,359)	413,652	438,949	(25,297)
PLANT OPERATION & MAINTENANCE	82,743	96,114	(13,371)	638,706	672,798	(34,092)
MEDICAL RECORDS	55,766	41,240	14,526	396,101	288,680	107,421
ADMINISTRATION	1,123,144	1,098,246	24,898	7,259,076	7,737,722	(478,646)
PROVISION FOR DEPRECIATION	561,997	582,912	(20,915)	4,003,525	4,080,366	(76,841)
BAD DEBTS, NET OF RECOVERY	735,590	525,569	210,021	3,999,503	3,678,983	320,520
<b>TOTAL OPERATING EXPENSES</b>	<b>4,834,099</b>	<b>4,740,340</b>	<b>93,759</b>	<b>32,046,634</b>	<b>33,232,378</b>	<b>(1,185,744)</b>
<b>OPERATING PROFIT OR (LOSS)</b>	<b>506,357</b>	<b>(323,226)</b>	<b>829,583</b>	<b>(2,032,587)</b>	<b>(2,205,490)</b>	<b>172,903</b>
<b>NON-OPERATING REVENUES</b>						
AD VALOREM TAXES	424,634	319,762	104,872	2,616,156	2,238,334	377,822
CONSOLIDATED TAXES	70,780	67,091	3,689	435,472	469,637	(34,165)
NET PROCEEDS OF MINES TAX	00	00	00	832,373	00	832,373
INTEREST EARNED	38,486	12,991	25,495	180,932	90,937	89,995
EXPANSION DEBT TAX-REPAY LOAN	00	00	00	00	00	00
<b>TOTAL NON-OPERATING REVENUES</b>	<b>533,900</b>	<b>399,844</b>	<b>134,056</b>	<b>4,064,933</b>	<b>2,798,908</b>	<b>1,266,025</b>
<b>NET INCOME OR (LOSS)</b>	<b>\$ 1,040,257</b>	<b>\$ 76,618</b>	<b>\$ 963,639</b>	<b>\$ 2,032,346</b>	<b>\$ 593,418</b>	<b>\$ 1,438,928</b>

HUMBOLDT GENERAL HOSPITAL  
 BALANCE SHEET  
 AT  
 JANUARY 31, 2019

DATE: 2/20/19  
 TIME: 16:02:50

	THIS YEAR	LAST YEAR	INC/(DEC)	INC/(DEC)%
<b>ASSETS:</b>				
<b>CURRENT ASSETS</b>				
CASH AND INVESTMENTS	\$ 26,987,841	\$ 16,812,657	\$ 10,175,184	60.5
RESTRICTED CASH	27,865	11,104	16,761	150.9
ACCOUNTS RECEIVABLE, NET OF ALLOW.DBTFL.ACCT	9,739,201	9,366,463	372,738	4.0
INVENTORY	1,663,116	1,455,428	207,688	14.3
PREPAID EXPENSES	775,332	534,326	241,006	45.1
	-----	-----	-----	-----
TOTAL CURRENT ASSETS	39,193,355	28,179,978	11,013,377	39.1
	-----	-----	-----	-----
<b>PROPERTY, PLANT, &amp; EQUIPMENT</b>				
NET OF DEPRECIATION	62,619,424	67,789,217	(5,169,793)	(7.6)
	-----	-----	-----	-----
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
PENSION DEFERRED OUTFLOWS	5,170,460	5,070,455	100,005	2.0
	-----	-----	-----	-----
TOTAL ASSETS:	\$ 106,983,239	\$ 101,039,650	\$ 5,943,589	5.9
	=====	=====	=====	=====
<b>LIABILITIES:</b>				
<b>CURRENT LIABILITIES</b>				
ACCOUNTS PAYABLE	870,791	1,460,972	(590,181)	(40.4)
ACCRUED PAYROLL	887,740	1,036,693	(148,953)	(14.4)
ACCRUED PTO & SICK LEAVE	926,985	913,051	13,934	1.5
3RD PARTY PAYABLE/(REC)	(506,249)	(2,302,876)	1,796,627	78.0
SNF TRUST FUND DEPOSITS	27,715	11,104	16,611	149.6
	-----	-----	-----	-----
TOTAL CURRENT LIABILITIES	2,206,982	1,118,944	1,088,038	97.2
	-----	-----	-----	-----
<b>LONG-TERM LIABILITIES</b>				
NET PENSION LIABILITY	27,377,824	26,093,478	1,284,346	4.9
	-----	-----	-----	-----
<b>DEFERRED INFLOWS OF RESOURCES</b>				
PENSION DEFERRED INFLOWS	1,796,539	3,669,432	(1,872,893)	(51.0)
	-----	-----	-----	-----
TOTAL LIABILITIES:	31,381,345	30,881,854	499,491	1.6
	-----	-----	-----	-----

HUMBOLDT GENERAL HOSPITAL  
 BALANCE SHEET  
 AT  
 JANUARY 31, 2019

DATE: 2/20/19  
 TIME: 16:02:50

	THIS YEAR	LAST YEAR	INC/(DEC)	INC/(DEC)%
FUND BALANCE:				
RETAINED EARNINGS	\$ 2,032,347	\$ 2,383,075	\$ (350,728)	(14.7)
NET WORTH-OPERATING FUND	73,569,547	67,774,721	5,794,826	8.6
	-----	-----	-----	-----
TOTAL FUND BALANCE:	75,601,894	70,157,796	5,444,098	7.8
	-----	-----	-----	-----
TOTAL LIABILITIES AND FUND				
BALANCES COMBINED	\$ 106,983,239	\$ 101,039,650	\$ 5,943,589	5.9
	=====	=====	=====	=====

## HUMBOLDT GENERAL HOSPITAL

## RATIOS FOR THE PERIOD ENDING OCTOBER 31, 2018:

		<<<<<<<<<< <FY2019												<<<<<<<< <FY2018						
		Standard	JAN	DEC	NOV	OCT	SEPT	AUG	JUL	JUN	MAY	APR.	MAR.	FEB.	JAN.	DEC.	NOV.	OCT.	SEPT	AUG
<b>CURRENT RATIO</b>		>2:1	17.76	7.89	6.92	5.69	5.81	5.93	3.07	2.38	3.43	4.48	4.60	5.38	5.08	4.03	4.17	4.46	4.76	4.69
Measure of short-term debt paying ability (Current Assets / Current Liabilities)																				
<b>Assets are 2x as large as Liabilities</b>																				
<b>DAYS CASH ON HAND</b>		>150 DAYS	235.13	219.56	221.97	231.47	212.70	218.06	229.13	225.64	197.59	180.93	172.7	176.4	150.5	136.11	146.85	130.46	137.60	136.95
Cash + Temp Investments + Investments divided by Total Expenses (less Depreciation AND Net Bad Debts), divided by Days in Period																				
<b>DAYS RECEIVABLES (NET OF ALLOWANCE)</b>		< 70 DAYS	54.52	55.95	51.74	61.36	63.57	49.92	58.55	50.27	64.71	53.23	56.07	52.63	52.35	55.95	51.29	65.66	56.86	53.32
Measure of worth as well as billing and collection performance																				
<b>DAYS RECEIVABLES (GROSS)</b>			79.4	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
YTD Operating Profit (Loss) divided by YTD Gross Revenue from Services to Patients (Guide to Hospital's profitability)																				
<b>OPERATING MARGIN</b>		Percent > 3%	-4.18%	-6.17%	-7.52%	-5.77%	-7.94%	-11.00%	-0.58%	-0.71%	-1.39%	-1.31%	-0.96%	-1.85%	-1.02%	-3.73%	-3.60%	-2.32%	-3.92%	-5.07%
YTD Operating Profit (Loss) divided by YTD Gross Revenue from Services to Patients (Guide to Hospital's profitability)																				

Op Margin = measurement of what proportion of revenue is left over after paying for operating costs

# HUMBOLDT GENERAL HOSPITAL

## PRESENTATION OF CASH ACCOUNTS

JANUARY 31, 2019 -- FISCAL YEAR 2019

<u>ACCOUNTS FOR:</u>	<u>G/L ACCT. #:</u>	<u>LOCATION HELD:</u>	<u>ACCOUNT.#:</u>	<u>BALANCES:</u>
Petty Cash	100.0005	Safe/Business Office/Clinics	Cash Drawers(12)	\$ 3,545.00
General Fund Checking	100.0010	Wells Fargo Bank	3828	\$ 8,908,966.21
Tax Account	100.0012	Wells Fargo Bank	925	\$ 16,496.85
Payroll Checking	100.0015	Wells Fargo Bank	3836	\$ -
Benefit Claims Account	100.0065	Wells Fargo Bank	9805	\$ 553.17
General Fund Investment	100.0070	Wells Fargo Bank	6671	\$ 7,511,696.51
Hansen Scholarship Fund	100.0075	Wells Fargo Bank	7067	\$ 4,006.75
EMS Scholarship Fund	100.0078	Wells Fargo Bank	917	\$ 16,876.48
SNF Patient Trust	100.0090	Wells Fargo Bank	0021	\$ 27,864.85
SNF Memorial/Activity	100.0095	Wells Fargo Bank	9304	\$ 4,911.44
Investment Trust		Wells Fargo Bank	6500	\$ 10,157,469.66
HRG Self Pay	100.0055	Sterling Bank	1566	\$ 131,463.21
LGIP Savings	100.0080	NV State Treasurer	#xxxGHO	\$ 231,592.43

**HGH TOTALS: \$ 27,015,442.56**

*I, Sandi Lehman, CFO for Humboldt General Hospital, hereby certifies that the above report of cash account balances accurately reflects the actual cash-in-bank as reported by the financial institutions holding the funds for the current period end.*

**SUBMITTED & SIGNED:**

*Sandi Lehman, CFO*

**Sandi Lehman, CFO**

# Fiscal Year 2020 Budget Timeline

Date	Action
February 8, 2019	Distribute packets to department supervisors
February 11-22, 2019	Finance to meet with department supervisors
February 25, 2019	All operating and capital budget packets due back to Finance
March 4-8, 2019	Meetings with CEO and department supervisors
March 11, 2019	Distribute draft budget to Board of Trustees and CEO
March 23, 2019	Board of Trustees Budget Workshop
April 9, 2019	Board of Trustees meeting to review revision, if necessary
April 15, 2019	Submit tentative budget to Department of Taxation
May 28, 2019	Fiscal Year 2020 Public Budget Hearing
June 1, 2019	Submit final budget to Department of Taxation



# **REPLACE REAR INSULATED PANEL ON BOILER #2 AND HIGH PRESSURE SWITCH**

**Humboldt General Hospital  
Board of Trustees Meeting  
26 February 2019  
Agenda item: F.1**

## **Executive Summary – Replace rear insulated panel on boiler #2 and high pressure switch**

### **Request**

Approve the bid from R.F. MacDonald to replace the rear panel and the high pressure switch.

### **Rationale**

Insulation on the inspection access plate failed causing damage to the rear insulated panel and inspection plate.

A high pressure switch for the when the boiler runs on diesel was noted by the state inspector as needing replacement.

This boiler is currently offline until repairs can be made.

### **Recommendation**

Recommend Board to approve the bid from R. F. MacDonald for repairs to be made to boiler #2.

Point of Contact: Duane Grannis, Plant Facility & Safety Director



8565 White Fir Street, Unit B2  
Reno, NV 89523  
Phone: 775-356-0300  
Fax: 775-356-8955  
www.rfmacdonald.com

BAKERSFIELD  
FRESNO  
LAS VEGAS  
LOS ANGELES  
MODESTO  
RENO  
SACRAMENTO  
SAN DIEGO  
SAN FRANCISCO  
SONOMA/NAPA

February 5, 2019

Duane Grannis  
Humboldt General Hospital  
118 E. Haskell Street  
Winnemucca, NV, 89445-3299

Re: RR-145983 ITEM #4 High Oil Pressure Switch for Precision Model # FTS4-13-85-15 Serial # M194740  
Quotation: QUO-93612-B9M7B0  
Revision: 0

Dear Duane,

In response to your request we are pleased to offer our proposal

- Supply and install one {1} # 1198480 High Oil Pressure Switch

Labor, Materials and Tools..... \$ 1,975.00  
Proposal is good for 30 days proposal does not include taxes, shipping or permits; Lead time 2-3 Weeks

Thank you for the opportunity to quote on your requirements. We trust that we will be able to review this proposal with you at your convenience. In the meantime if you have any questions or require additional information please let me know.

Sincerely,

Bobby Peeks  
Aftermarket Sales  
R.F. MacDonald Co.  
Phone 775-420-9004  
Bobby.Peeks@RFMacDonald.com



## SALE AND PAYMENT TERMS AND CONDITIONS

**The following sets forth the sale and payment terms and condition policies of R.F. MacDonald Co. It constitutes the general agreement between R.F. MacDonald Co. (“R.F. MacDonald Co.”, the “Company” or “we”) and you, its customer, under which products, service and parts are sold, credit is extended and payments are expected.**

This policy supersedes all previous sales and credit, payment terms and conditions, and finance policies issued by R.F. MacDonald Co. and shall remain in effect until further notice. The company reserves the right to change this policy and agreement at any time.

### EXTENSION OF CREDIT

Credit is one of the most important services R.F. MacDonald Co. offers to you as a customer. An open line of credit is established for you based upon your needs, financial strength, and history of meeting your credit obligations.

In order to insure you the best possible prices and service, we must enforce a credit and collections policy based upon sound business principals and good judgment.

### INVOICING AND PAYMENT TERMS

**Payment Terms** are 25% down payment, balance Net 30 (upon approval of credit) on all invoices unless other arrangements are made in advance of shipment. When opening a new account with an order, the Company may require payment with the initial order so as not to delay shipments while credit references and financial information are being reviewed. We reserve the right to suspend or terminate any further performance under this agreement or otherwise in the event payment is not made when due. **Quotes are valid for 30 days. Equipment will not be started up unless 90% of the purchase price of the equipment has been paid.**

**Shipment Terms** Unless otherwise specified in writing signed by an authorized representative of the Company, all shipments are Ex Works the manufacturer’s factory or R.F. MacDonald Co. warehouse as applicable. Title to the merchandise shall pass to the buyer upon delivery to the carrier and thereafter all risk of loss or damage shall be the buyer’s.

**Service Charges** We reserve the right to take action to collect any invoice which is not paid when due. We also assess a late payment SERVICE CHARGE on the day following the due date and monthly thereafter against all amounts remaining unpaid on each such date. Subject to any limitations that may be imposed by applicable law, the amount of this charge is 1½% of the amount remaining unpaid on each such date.

This policy will be applied to customers who permit their account to become delinquent. It is your responsibility to notify R.F. MacDonald Co. of any extenuating circumstances that may affect your payment and work out a solution. Please know that our interest lies not in collecting a service charge, but in receiving timely payments of your invoice.

### Warranty on Equipment and Material Provided by Manufacturer:

You will rely solely on the warranty provided by the manufacturer. Your sole and exclusive remedy for breach of warranty shall be as provided in the manufacturer’s standard warranty.

R.F. MacDonald Co. makes no warranty express or implied of any kind. We make no claim of fitness or merchantability or any other warranty, express or implied, nor is anyone else, whether employed by R.F. MacDonald Co., or not, authorized to do so on our behalf. We specifically disclaim the warranty of merchantability and the warranty of fitness.

You will be invoiced in the regular manner for all materials and parts even though it may be an in-warranty transaction. Credit will be issued promptly on our receipt of proof of return, and, as long as the return is within the prescribed time limit and has been properly authorized. Please note that withholding payment of any invoice in anticipation of an in-warranty credit is not allowed with our terms of sale.

For any items or components proposed as a substitute to specified items, it is understood that seller makes no guarantee that the products submitted will be accepted by the approving authority.

In no event shall R.F. MacDonald Co. be liable to you or any person, corporation or other type of legal entity for any special, direct, indirect, incidental, liquidated or consequential damage of any kind, including but not limited to, loss of products, loss of time, loss of use, loss of production, loss of savings or revenues, cost of replacement goods, labor costs or other charges in connection with product use or malfunction, the repair or replacement of defective parts whether such claims are alleged in strict liability, negligence, tort, contract or otherwise and even if R.F. MacDonald Co. is informed in advance of the possibility of such damages.

### Limited Warranty on R.F. MacDonald Labor (If Applicable):



If you are retaining the services of R.F. MacDonald Co.'s service department, R.F. MacDonald Co. warrants that labor performed will be free from defect for a period of one year from the completion of work. This limited warranty excludes remedy for damage or defect caused by accident, misuse, abuse, modifications not executed by R.F. MacDonald Co., improper or insufficient maintenance, or improper operation. Installation, operation, and maintenance shall be in accordance with the product manuals provided by the equipment manufacturer. R.F. MacDonald Co. shall be notified within ten (10) business days of first knowledge of defect by owner or its agent. R.F. MacDonald Co. shall be given first opportunity to make any repairs, replacements, or corrections to the defect within a reasonable period of time. R.F. MacDonald Co. makes no implied warranty of any kind. In no event shall R.F. MacDonald Co. be liable by virtue of this limited warranty or otherwise to you or any person, corporation or other type of legal entity for any special, indirect, incidental, liquidated or consequential damage of any kind.

**CLAIMS**

You are responsible for inspecting merchandise on receipt and for filing claims with the carriers for damage or loss. All claims for shortages and damages must be made in writing to the carriers within ten (10) days of receipt. We suggest you call the carrier immediately upon noticing any possible freight related damage and arrange for inspection before proceeding with unpacking. Photographs taken while the delivery truck is still on sight are recommended if possible.

Under no circumstances may you withhold payment or charge the Company for freight or warranty related claims.

No claim for expenses incurred for corrective work done on merchandise provided by the Company will be considered or accepted unless specifically agreed to in writing, in advance of the work being done, by an authorized manager of the Company.

**INFORMATION AND ASSISTANCE**

**If at any time you have a question on an invoice from the Company, a call or note to our accounting department will bring prompt action toward getting the problem resolved.**

If it becomes necessary, at R.F. MacDonald Co.'s discretion, to take legal action in order to collect your account, R.F. MacDonald Co. shall be entitled to recover, in addition to any other recovery, its court costs, reasonable attorney's fees and all other collection expenses.

If you have any questions regarding this policy, please contact our office.

We appreciate your business and look forward to providing you with reliable equipment, parts and service.

**Please acknowledge below your receipt and agreement to the provisions of this policy statement.  
Return the original to:**

**R.F. MacDonald Co.  
8565 White Fir Street, Unit B2  
Reno  
Phone 775-420-9004  
Fax 775-356-8955**

**APPLICABLE LAW: This agreement shall be governed by the substantive laws of the State of California**

Acknowledged and Agreed To:

Company Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_



8565 White Fir Street, Unit B2  
Reno, NV 89523  
Phone: 775-356-0300  
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www.rfmacdonald.com

SAN FRANCISCO  
FRESNO  
LAS VEGAS  
MODESTO  
RENO  
SAN DIEGO

February 12, 2019

Duane Grannis  
Humboldt General Hospital  
118 E. Haskell Street  
Winnemucca, NV, 89445-3299

Ref; Replace Rear Panel Precision Boiler Model # FTS4-13-85-15 Serial # M194760

Quotation: QUO-93953-D5L1M1

Revision: 0

Dear Duane,

In response to your request we are pleased to offer our proposal

- Remove side panels and top panel to expose rear insulated inner panel, remove and dispose of onsite damages rear insulated panel
- Remove down comer and save for re-installation
- Supply and install one {1} # Endwall-2 rear insulated panel for Precision Boiler Model # FTS4-13-85-15 Serial # M194760
- Supply Code Package and Inspection services for ASME Welding of down comers
- Re-install side panels and fire boiler

Labor, Materials and Tools.....\$ 18,750.00

Proposal is good for 30 days proposal does not include taxes, shipping or permits; Lead time 5-8 Weeks

Thank you for the opportunity to quote on your requirements. We trust that we will be able to review this proposal with you at your convenience. In the meantime if you have any questions or require additional information please let me know.

Sincerely,

Bobby Peeks  
Aftermarket Sales  
R.F. MacDonald Co.  
Phone 775-420-9004  
Bobby.Peeks@RFMacDonald.com

**SALE AND PAYMENT TERMS AND CONDITIONS**

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This policy supersedes all previous sales and credit, payment terms and conditions, and finance policies issued by R.F. MacDonald Co. and shall remain in effect until further notice. The company reserves the right to change this policy and agreement at any time.

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Credit is one of the most important services R.F. MacDonald Co. offers to you as a customer. An open line of credit is established for you based upon your needs, financial strength, and history of meeting your credit obligations.

In order to insure you the best possible prices and service, we must enforce a credit and collections policy based upon sound business principals and good judgment.

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**Shipment Terms** Unless otherwise specified in writing signed by an authorized representative of the Company, all shipments are Ex Works the manufacturer’s factory or R.F. MacDonald Co. warehouse as applicable. Title to the merchandise shall pass to the buyer upon delivery to the carrier and thereafter all risk of loss or damage shall be the buyer’s.

**Service Charges** We reserve the right to take action to collect any invoice which is not paid when due. We also assess a late payment SERVICE CHARGE on the day following the due date and monthly thereafter against all amounts remaining unpaid on each such date. Subject to any limitations that may be imposed by applicable law, the amount of this charge is 1½% of the amount remaining unpaid on each such date.

This policy will be applied to customers who permit their account to become delinquent. It is your responsibility to notify R.F. MacDonald Co. of any extenuating circumstances that may affect your payment and work out a solution. Please know that our interest lies not in collecting a service charge, but in receiving timely payments of your invoice.

**Warranty on Equipment and Material Provided by Manufacturer:**

You will rely solely on the warranty provided by the manufacturer. Your sole and exclusive remedy for breach of warranty shall be as provided in the manufacturer’s standard warranty.

R.F. MacDonald Co. makes no warranty express or implied of any kind. We make no claim of fitness or merchantability or any other warranty, express or implied, nor is anyone else, whether employed by R.F. MacDonald Co., or not, authorized to do so on our behalf. We specifically disclaim the warranty of merchantability and the warranty of fitness.

You will be invoiced in the regular manner for all materials and parts even though it may be an in-warranty transaction. Credit will be issued promptly on our receipt of proof of return, and, as long as the return is within the prescribed time limit and has been properly authorized. Please note that withholding payment of any invoice in anticipation of an in-warranty credit is not allowed with our terms of sale.

For any items or components proposed as a substitute to specified items, it is understood that seller makes no guarantee that the products submitted will be accepted by the approving authority.

In no event shall R.F. MacDonald Co. be liable to you or any person, corporation or other type of legal entity for any special, direct, indirect, incidental, liquidated or consequential damage of any kind, including but not limited to, loss of products, loss of time, loss of use, loss of production, loss of savings or revenues, cost of replacement goods, labor costs or other charges in connection with product use or malfunction, the repair or replacement of defective parts whether such claims are alleged in strict liability, negligence, tort, contract or otherwise and even if R.F. MacDonald Co. is informed in advance of the possibility of such damages.

**Limited Warranty on R.F. MacDonald Labor (If Applicable):**

If you are retaining the services of R.F. MacDonald Co.’s service department, R.F. MacDonald Co. warrants that labor performed will be free from defect for a period of one year from the completion of work. This limited warranty excludes remedy for damage or defect



February 12, 2019

caused by accident, misuse, abuse, modifications not executed by R.F. MacDonald Co., improper or insufficient maintenance, or improper operation. Installation, operation, and maintenance shall be in accordance with the product manuals provided by the equipment manufacturer. R.F. MacDonald Co. shall be notified within ten (10) business days of first knowledge of defect by owner or its agent. R.F. MacDonald Co. shall be given first opportunity to make any repairs, replacements, or corrections to the defect within a reasonable period of time. R.F. MacDonald Co. makes no implied warranty of any kind. In no event shall R.F. MacDonald Co. be liable by virtue of this limited warranty or otherwise to you or any person, corporation or other type of legal entity for any special, indirect, incidental, liquidated or consequential damage of any kind.

**CLAIMS**

You are responsible for inspecting merchandise on receipt and for filing claims with the carriers for damage or loss. All claims for shortages and damages must be made in writing to the carriers within ten (10) days of receipt. We suggest you call the carrier immediately upon noticing any possible freight related damage and arrange for inspection before proceeding with unpacking. Photographs taken while the delivery truck is still on sight are recommended if possible.

Under no circumstances may you withhold payment or charge the Company for freight or warranty related claims.

No claim for expenses incurred for corrective work done on merchandise provided by the Company will be considered or accepted unless specifically agreed to in writing, in advance of the work being done, by an authorized manager of the Company.

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If it becomes necessary, at R.F. MacDonald Co.'s discretion, to take legal action in order to collect your account, R.F. MacDonald Co. shall be entitled to recover, in addition to any other recovery, its court costs, reasonable attorney's fees and all other collection expenses.

If you have any questions regarding this policy, please contact our office.

We appreciate your business and look forward to providing you with reliable equipment, parts and service.

**Please acknowledge below your receipt and agreement to the provisions of this policy statement.**

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**R.F. MacDonald Co.  
8565 White Fir Street, Unit B2  
Reno  
Phone 775-420-9004  
Fax 775-356-8955**

**APPLICABLE LAW: This agreement shall be governed by the substantive laws of the State of California**

Acknowledged and Agreed To:

Company Name: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Name/Title: \_\_\_\_\_  
Date: \_\_\_\_\_

# OPTIMIZING UTILITY BILL SPENDING THROUGH RATE RESTRUCTURING

Humboldt General Hospital  
Board of Trustees Meeting  
26 February 2019  
Agenda item: F.2

## **Executive Summary – Optimizing utility bills through rate restructuring**

### **Request**

Allow TRANE to facilitate the utility rate structure changes with NV Energy on behalf of Humboldt General Hospital.

### **Rationale**

We are currently charged a single rate from NV Energy 24/7. Switching to a time of use rate will give us opportunity to save money in those areas like the Rural Health Clinics that are open from 8 to 5.

### **Recommendation**

Recommend the board approve to allow TRANE to optimize our utility bill spending through rate restructuring.

Point of Contact: Duane Grannis, Plant Facility and Safety Director



**OPTIMIZE UTILITY BILL SPENDING  
THROUGH RATE RESTRUCTURING: SAVING  
HUMBOLDT GENERAL HOSPITAL AN  
ESTIMATED \$43K ANNUALLY**





Proposal Number: 2590956

## Executive Summary

With the help of Duane Grannis with Humboldt General Hospital, Trane was able to analyze the utility rate structure that currently serves the hospital buildings listed below. Following this analysis, the report that was delivered to Humboldt General Hospital showed an estimated energy savings of \$43k per year was achievable by optimizing the rate structures for the hospital's utility accounts listed below.

**This proposal is to facilitate the utility rate structure changes with NV Energy on behalf of Humboldt General Hospital to ensure optimal bottom line energy savings. As part of this proposal, Trane will validate that energy spending savings and report that with Humboldt General Hospital.**

## Facilities

The facilities listed below are included in the proposed services.

1. 1000 Mizpah
2. 1095 Harmony
3. 1120 Mizpah
4. 1145 Harmony
5. 115 E Haskell
6. 118 E Haskell
7. 130 E Haskell
8. 155 E Haskell
9. 50 E Haskell
10. 5003 Buckaroo
11. 51 E Haskell
12. 5253 Western Way
13. 720 Weso
14. 755 W Minor
15. 838 Harmony
16. 900 Mizpah
17. 915 Harmony
18. 961 Harmony



Proposal Number: 2590956

## Scope of Services

### **1.0 ELECTRICITY TARIFF RATE REVIEW**

#### **1.01 Electricity Tariff Rate Review and Changeover:**

Through Trane's Energy Supply Analysis, a Tariff Rate Changeover could achieve large savings off of the electrical spend each month. Trane will facilitate the tariff change for each of the above accounts to optimize utility spend.

#### **Deliverables:**

- a) A written analysis of results
- b) Estimated savings and/or cost avoidance opportunities
- c) Commercial review of any new utility contracts
- d) Trane Energy Supply will facilitate the Tariff Rate switch to optimize energy savings as outlined in the analysis
- e) Trane Energy Supply will validate the energy savings over the next few months and provide that information to Humboldt General Hospital



Proposal Number: 2590956

## Implementation

Trane's implementation process enables us to plan and execute accordingly to perform a successful tariff rate review.

Once an agreement is signed, the following information will need to be provided prior to the start of the review:

1. Most recent 12 months electric invoices from utility (or an updated billing history) for all accounts (already completed)
2. Projected consumption for the budget period
3. Copy of existing contracts/agreements with applicable utilities
4. Agency agreement/Letter of Authority
5. TAX ID number/EIN by site
6. Facility Contact (Duane Grannis)
7. Energy bills for the months following the change to validate savings



Proposal Number: 2590956

## Fee Schedule

The fees for performing the services outlined in the proposal are as follows:

Term	Energy Management Fee
3 months	\$12,730.00

Trane must receive the information requested during the implementation process prior to rate restructuring.

## Contact

Thank you very much for the opportunity, and I look forward to a prosperous partnership!

Travis Jackson  
Business Advisor  
Connecting Buildings to Results  
Trane  
5595 Equity Avenue  
Reno, NV 89502  
Mobile: 775.240.1584  
Fax: 866.539.7201  
E-Mail: T\_Jackson@trane.com





Proposal Number: 2590956

**TERMS AND CONDITIONS – QUOTED SERVICE**

**“Company” shall mean Trane U.S. Inc. dba Trane for Company performance in the United States and Trane Canada ULC for Company performance in Canada.**

To obtain repair service within the scope of Services as defined, contact your local Trane District office identified on the first page of the Agreement by calling the telephone number stated on that page. That Trane District office is responsible for Trane’s performance of this Agreement. Only Trane authorized personnel may perform service under this Agreement. For Service covered under this Agreement, Trane will be responsible for the cost of transporting a part requiring service.

**1. Agreement.** These terms and conditions are an integral part of Company’s offer and form the basis of any agreement (the “Agreement”) resulting from Company’s proposal (the “Proposal”) for the services (the “Services”) on equipment listed in the Proposal (the “Covered Equipment”). **COMPANY’S TERMS AND CONDITIONS ARE SUBJECT TO PERIODIC CHANGE OR AMENDMENT.**

**2. Acceptance.** The Proposal is subject to acceptance in writing by the party to whom this offer is made or an authorized agent (“Customer”) delivered to Company within 30 days from the date of the Proposal. If Customer accepts the Proposal by placing an order, without the addition of any other terms and conditions of sale or any other modification, Customer’s order shall be deemed acceptance of the Proposal subject to Company’s terms and conditions. If Customer’s order is expressly conditioned upon the Company’s acceptance or assent to terms and/or conditions other than those expressed herein, return of such order by Company with Company’s terms and conditions attached or referenced serves as Company’s notice of objection to Customer’s terms and as Company’s counter-offer to provide Services in accordance with the Proposal. If Customer does not reject or object in writing to Company within 10 days, the Company’s counter-offer will be deemed accepted. Customer’s acceptance of the Services by Company will in any event constitute an acceptance by Customer of Company’s terms and conditions. In the case of a dispute, the applicable terms and conditions will be those in effect at the time of delivery or acceptance of the Services. This Agreement is subject to credit approval by Company. Upon disapproval of credit, Company may delay or suspend performance or, at its option, renegotiate prices and/or terms and conditions with Customer. If Company and Customer are unable to agree on such revisions, this Agreement shall be cancelled without any liability, other than Customer’s obligation to pay for Services rendered by Company to the date of cancellation.

**3. Cancellation by Customer Prior to Services; Refund.** If Customer cancels this Agreement within (a) thirty (30) days of the date this Agreement was mailed to Customer or (b) twenty (20) days of the date this Agreement was delivered to Customer, if it was delivered at the time of sale, and no Services have been provided by Company under this Agreement, the Agreement will be void and Company will refund to Customer, or credit Customer’s account, the full Service Fee of this Agreement that Customer paid to Company, if any. A ten percent (10%) penalty per month will be added to a refund that is due but is not paid or credited within forty-five (45) days after return of this Agreement to Company. Customer’s right to cancel this Agreement only applies to the original owner of this Agreement and only if no Services have been provided by Company under this Agreement prior to its return to Company.

**4. Cancellation by Company.** This Agreement may be cancelled by Company for any reason or no reason, upon written notice from Company to Customer no later than 30 days prior to performance of any Services hereunder and Company will refund to Customer, or credit Customer’s account, that part of the Service Fee attributable to Services not performed by Company. Customer shall remain liable for and shall pay to Company all amounts due for Services provided by Company and not yet paid.

**5. Services Fees and Taxes.** Fees for the Services (the “Service Fee(s)”) shall be as set forth in the Proposal and are based on performance during regular business hours. Fees for outside Company’s regular business hours and any after-hours services shall be billed separately according to the then prevailing overtime or emergency labor/labour rates. In addition to the stated Service Fee, Customer shall pay all taxes not legally required to be paid by Company or, alternatively, shall provide Company with acceptable tax exemption certificates. Customer shall pay all costs (including attorneys’ fees) incurred by Company in attempting to collect amounts due.

**6. Payment.** Payment is due upon receipt of Company’s invoice. Company reserves the right to add to any account outstanding for more than 30 days a service charge equal to the lesser of the maximum allowable legal interest rate or 1.5% of the principal amount due at the end of each month. Customer shall pay all costs (including attorneys’ fees) incurred by Company in attempting to collect amounts due or otherwise enforcing these terms and conditions.

**7. Customer Breach.** Each of the following events or conditions shall constitute a breach by Customer and shall give Company the right, without an election of remedies, to terminate this Agreement or suspend performance by delivery of written notice: (1) Any failure by Customer to pay amounts when; or (2) any general assignment by Customer for the benefit of its creditors, or if Customer becomes bankrupt or insolvent or takes the benefit of any statute for bankrupt or insolvent debtors, or makes or proposes to make any proposal or arrangement with creditors, or if any steps are taken for the winding up or other termination of Customer or the liquidation of its assets, or if a trustee, receiver, or similar person is appointed over any of the assets or interests of Customer; (3) Any representation or warranty furnished by Customer in connection with this Agreement is false or misleading in any material respect when made; or (4) Any failure by Customer to perform or comply with any material provision of this Agreement. Customer shall be liable to the Company for all Services furnished to date and all damages sustained by Company (including lost profit and overhead)

**8. Performance.** Company shall perform the Services in accordance with industry standards generally applicable in the state or province where the Services are performed under similar circumstances as of the time Company performs the Services. Company is not liable for any claims, damages, losses, or expenses, arising from or related to work done by or services provided by individuals or entities that are not employed by or hired by Company. Company may refuse to perform any Services or work where working conditions could endanger property or put at risk the safety of people. Parts used for any repairs made will be those selected by Company as suitable for the repair and may be parts not manufactured by Company. Customer must reimburse Trane for services, repairs, and/or replacements performed by Trane at Customer’s request beyond the scope of Services or otherwise excluded under this Agreement. The reimbursement shall be at the then prevailing applicable regular, overtime, or holiday rates for labor/labour and prices for materials. Prior to Trane performing the additional services, repairs, and/or replacements, Customer may request a separate written quote stating the work to be performed and the price to be paid by Customer for the work.



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**9. Customer Obligations.** Customer shall: (a) provide Company reasonable and safe access to the Covered Equipment and areas where Company is to work; and (b) unless otherwise agreed by Customer and Company, at Customer's expense and before the Services begin, Customer will provide any necessary access platforms, catwalks to safely perform the Services in compliance with OSHA, state, or provincial industrial safety regulations or any other applicable industrial safety standards or guidelines.

**10. Exclusions.** Unless expressly included in the Proposal, the Services do not include, and Company shall not be responsible for or liable to the Customer for, any claims, losses, damages or expenses suffered by the Customer in any way connected with, relating to or arising from any of the following:

- (a) Any guarantee of room conditions or system performance;
- (b) Inspection, operation, maintenance, repair, replacement or performance of work or services outside the Services;
- (c) Damage, repairs or replacement of parts made necessary as a result of the acts or omission of Customer or any Event of Force Majeure;
- (d) Any claims, damages, losses, or expenses, arising from or related to conditions that existed in, on, or upon the premises before the effective date of this Agreement ("Pre-Existing Conditions") including, without limitation, damages, losses, or expenses involving a Pre-Existing Condition of building envelope issues, mechanical issues, plumbing issues, and/or indoor air quality issues involving mold/mould, bacteria, microbial growth, fungi or other contaminants or airborne biological agents; and
- (e) Replacement of refrigerant is excluded, unless replacement of refrigerant is expressly stated as included with the Proposal.

**11. Limited Warranty.** Company warrants that: (a) the material manufactured by Company and provided to the Customer in performance of the Services is free from defects in material and manufacture for a period of 12 months from the earlier of the date of equipment start-up or replacement and (b) the labor/labour portion of the Services is warranted to have been properly performed for a period of 90 days from date of completion (the "Limited Warranty"). Company obligations of equipment start-up, if any are stated in the Proposal, are coterminous with the Limited Warranty period. Defects must be reported to Company within the Limited Warranty period. Company's obligation under the Limited Warranty is limited to repairing or replacing the defective part at its option and to correcting any improperly performed labor/labour. No liability whatsoever shall attach to Company until the Services have been paid for in full. Exclusions from this Limited Warranty include claims, losses, damages, and expenses in any way connected with, related to, or arising from failure or malfunction of equipment due to the following: wear and tear; end of life failure; corrosion; erosion; deterioration; Customer's failure to follow the Company-provided maintenance plan; unauthorized or improper maintenance; unauthorized or improper parts or material; refrigerant not supplied by Trane; and modifications made by others to Company's equipment. Company shall not be obligated to pay for the cost of lost refrigerant or lost product. Some components of Company equipment may be warranted directly from the component supplier, in which case this Limited Warranty shall not apply to those components and any warranty of such components shall be the warranty given by the component supplier. Notwithstanding the foregoing, all warranties provided herein terminate upon termination or cancellation of this Agreement. Equipment, material and/or parts that are not manufactured by Company are not warranted by Company and have such warranties as may be extended by the respective manufacturer.

**THE REMEDIES SET FORTH IN THIS LIMITED WARRANTY ARE THE SOLE AND EXCLUSIVE REMEDIES FOR WARRANTY CLAIMS PROVIDED BY COMPANY TO CUSTOMER UNDER THIS AGREEMENT AND ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, LIABILITIES, CONDITIONS AND REMEDIES, WHETHER IN CONTRACT, WARRANTY, STATUTE, OR TORT (INCLUDING NEGLIGENCE), EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING ANY IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR USE OR FITNESS FOR A PARTICULAR PURPOSE AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE. COMPANY EXPRESSLY DISCLAIMS ANY REPRESENTATIONS OR WARRANTIES, ENDORSEMENTS OR CONDITIONS OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTIES OF QUALITY, FITNESS, MERCHANTABILITY, DURABILITY AND/OR OTHERS ARISING FROM COURSE OF DEALING OR TRADE OR REGARDING PREVENTION BY THE SCOPE OF SERVICES, OR ANY COMPONENT THEREOF, OF MOLD/MOULD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR ANY OTHER CONTAMINATES. COMPANY EXPRESSLY DISCLAIMS ANY LIABILITY IF THE SCOPE OF SERVICES OR ANY COMPONENT THEREOF IS USED TO PREVENT OR INHIBIT THE GROWTH OF SUCH MATERIALS. THE WARRANTY AND LIABILITY SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES AND LIABILITIES, WHETHER IN CONTRACT OR IN NEGLIGENCE, EXPRESS OR IMPLIED, IN LAW OR IN FACT, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

**12. Indemnity.** To the maximum extent permitted by law, Company and Customer shall indemnify and hold harmless each other from any and all claims, actions, costs, expenses, damages and liabilities, including reasonable attorneys' fees, resulting from death or bodily injury or damage to real or personal property, to the extent caused by the negligence or misconduct of the indemnifying party, and/or its respective employees or authorized agents in connection with their activities within the scope of this Agreement. Neither party shall indemnify the other against claims, damages, expenses, or liabilities to the extent attributable to the acts or omissions of the other party or third parties. If the parties are both at fault, the obligation to indemnify shall be proportional to their relative fault. The duty to indemnify and hold harmless will continue in full force and effect, notwithstanding the expiration or early termination of this Agreement, with respect to any claims based on facts or conditions that occurred prior to expiration or termination of this Agreement.

**13. Limitation of Liability.** NOTWITHSTANDING ANYTHING TO THE CONTRARY, NEITHER PARTY SHALL BE LIABLE FOR SPECIAL, INCIDENTAL, INDIRECT, OR CONSEQUENTIAL LOSSES OR DAMAGES OF ANY KIND (INCLUDING WITHOUT LIMITATION REFRIGERANT LOSS, PRODUCT LOSS, LOST REVENUE OR PROFITS, OR LIABILITY TO THIRD PARTIES), OR PUNITIVE DAMAGES WHETHER BASED IN CONTRACT, WARRANTY, STATUTE, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY OR FACTS. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE TOTAL AND AGGREGATE LIABILITY OF THE COMPANY TO THE CUSTOMER WITH RESPECT TO ANY AND ALL CLAIMS CONNECTED WITH, RELATED TO OR ARISING FROM THE PERFORMANCE OR NON-PERFORMANCE OF THIS AGREEMENT, WHETHER BASED IN CONTRACT, WARRANTY, STATUTE, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY, INDEMNITY OR ANY OTHER LEGAL THEORY OR FACTS, SHALL NOT EXCEED THE COMPENSATION RECEIVED BY COMPANY UNDER



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**THIS AGREEMENT. IN NO EVENT SHALL SELLER BE LIABLE FOR ANY DAMAGES (WHETHER DIRECT OR INDIRECT) RESULTING FROM MOLD, FUNGUS, BACTERIA, MICROBIAL GROWTH, OR OTHER CONTAMINATES OR AIRBORNE BIOLOGICAL AGENTS. TO THE MAXIMUM EXTENT ALLOWED BY LAW, COMPANY SHALL NOT BE LIABLE FOR ANY OF THE FOLLOWING IN CONNECTION WITH PROVIDING THE ENERGY AND BUILDING PERFORMANCE SERVICES: INTERRUPTION, DELETION, DEFECT, DELAY IN OPERATION OR TRANSMISSION; CUSTOMER'S NETWORK SECURITY; COMPUTER VIRUS; COMMUNICATION FAILURE; THEFT OR DESTRUCTION OF DATA; GAPS IN DATA COLLECTED; AND UNAUTHORIZED ACCESS TO CUSTOMER'S DATA OR COMMUNICATIONS NETWORK.**

**14. Asbestos and Hazardous Materials.** The Services expressly exclude any identification, abatement, cleanup, control, disposal, removal or other work connected with asbestos or other hazardous materials (collectively, "Hazardous Materials"). Should Company become aware of or suspect the presence of Hazardous Materials, Company may immediately stop work in the affected area and shall notify Customer. Customer will be responsible for taking any and all action necessary to correct the condition in accordance with all applicable laws and regulations.

Customer shall be exclusively responsible for any claims, liability, fees and penalties, and the payment thereof, arising out of or relating to any Hazardous Materials on or about the premises, not brought onto the premises by Company. Company shall be required to resume performance of the Services only when the affected area has been rendered harmless.

**15. Insurance.** Company agrees to maintain the following insurance during the term of the contract with limits not less than shown below and will, upon request from Customer, provide a Certificate of evidencing the following coverage:

Commercial General Liability	\$2,000,000 per occurrence
Automobile Liability	\$2,000,000 CSL
Workers Compensation	Statutory Limits

If Customer has requested to be named as an additional insured under Company's insurance policy, Company will do so but only subject to Company's manuscript additional insured endorsement under its primary Commercial General Liability policies. In no event does Company or its insurer waive its right of subrogation

**16. Force Majeure.** Company's duty to perform under this Agreement is contingent upon the non-occurrence of an Event of Force Majeure. If Company shall be unable to carry out any material obligation under this Agreement due to an Event of Force Majeure, this Agreement shall at Company's election (i) remain in effect but Company's obligations shall be suspended until the uncontrollable event terminates or (ii) be terminated upon ten (10) days notice to Customer, in which event Customer shall pay Company for all parts of the Services furnished to the date of termination. An "Event of Force Majeure" shall mean any cause or event beyond the control of Company. Without limiting the foregoing, "Event of Force Majeure" includes: acts of God; acts of terrorism, war or the public enemy; flood; earthquake; lightning; tornado; storm; fire; civil disobedience; pandemic insurrections; riots; labor disputes; labor or material shortages; sabotage; restraint by court order or public authority (whether valid or invalid), and action or non-action by or inability to obtain or keep in force the necessary governmental authorizations, permits, licenses, certificates or approvals if not caused by Company and the requirements of any applicable government in any manner that diverts either the material or the finished product to the direct or indirect benefit of the government.

**17. General.** Except as provided below, to the maximum extent provided by law, this Agreement is made and shall be interpreted and enforced in accordance with the laws of the state or province in which the Services are performed without regard to choice of law principles which might otherwise call for the application of a different state's or province's law. Any dispute arising under or relating to this Agreement that is not disposed of by agreement shall be decided by litigation in a court of competent jurisdiction located in the state or province in which the Services are performed. Any action or suit arising out of or related to this Agreement must be commenced within one year after the cause of action has accrued. To the extent the premises are owned and/or operated by any agency of the United States Federal Government, determination of any substantive issue of law shall be according to the United States Federal common law of Government contracts as enunciated and applied by Federal judicial bodies and boards of contract appeals of the Federal Government. This Agreement contains all of the agreements, representations and understandings of the parties and supersedes all previous understandings, commitments or agreements, oral or written, related to the Services. No documents shall be incorporated herein by reference except to the extent Company is a signatory thereon. If any term or condition of this Agreement is invalid, illegal or incapable of being enforced by any rule of law, all other terms and conditions of this Agreement will nevertheless remain in full force and effect as long as the economic or legal substance of the transaction contemplated hereby is not affected in a manner adverse to any party hereto. Customer may not assign, transfer, or convey this Agreement, or any part hereof, without the written consent of Company. Subject to the foregoing, this Agreement shall bind and inure to the benefit of the parties hereto and their permitted successors and assigns. This Agreement may be executed in several counterparts, each of which when executed shall be deemed to be an original, but all together shall constitute but one and the same Agreement. A fully executed facsimile copy hereof or the several counterparts shall suffice as an original. No modifications, additions or changes may be made to this Agreement except in a writing signed by Company. No failure or delay by the Company in enforcing any right or exercising any remedy under this Agreement shall be deemed to be a waiver by the Company of any right or remedy.

**18. Equal Employment Opportunity/Affirmative Action Clause.** Company is a United States federal contractor that complies fully with Executive Order 11246, as amended, and the applicable regulations contained in 41 C.F.R. Parts 60-1 through 60-60, 29 U.S.C. Section 793 and the applicable regulations contained in 41 C.F.R. Part 60-741; and 38 U.S.C. Section 4212 and the applicable regulations contained in 41 C.F.R. Part 60-250; and Executive Order 13496 and Section 29 CFR 471, appendix A to subpart A, regarding the notice of employee rights in the United States and with Canadian Charter of Rights and Freedoms Schedule B to the Canada Act 1982 (U.K.) 1982, c. 11 and applicable Provincial Human Rights Codes and employment law in Canada.

**19. U.S. Government Contracts.**

**The following provision applies only to direct sales by Company to the US Government.** The Parties acknowledge that all items or services ordered and delivered under this Agreement / Purchase Order are Commercial Items as defined under Part 12 of the Federal Acquisition Regulation (FAR). In particular, Company agrees to be bound only by those Federal contracting clauses that apply to "commercial" suppliers and that are contained in FAR 52.212-5(e)(1). Company complies with 52.219-8 or 52.219-9 in its service and installation contracting business. **The following provision applies only to indirect sales by Company to the US Government.** As a Commercial Item Subcontractor, Company accepts only the following mandatory flow down provisions: 52.219-8; 52.222-26; 52.222-35;





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52.222-36; 52.222-39; 52.247-64. If the Services are in connection with a U.S. government contract, Customer agrees and hereby certifies that it has provided and will provide current, accurate, and complete information, representations and certifications to all government officials, including but not limited to the contracting officer and officials of the Small Business Administration, on all matters related to the prime contract, including but not limited to all aspects of its ownership, eligibility, and performance. Anything herein notwithstanding, Company will have no obligations to Customer unless and until Customer provides Company with a true, correct and complete executed copy of the prime contract. Upon request, Customer will provide copies to Company of all requested written communications with any government official related to the prime contract prior to or concurrent with the execution thereof, including but not limited to any communications related to contractor's Customer's ownership, eligibility or performance of the prime contract. Customer will obtain written authorization and approval from Company prior to providing any government official any information about Company's performance of the Services that are the subject of this offer or agreement, other than the Proposal or this Agreement.

**20. Limited Waiver of Sovereign Immunity.** If Customer is an Indian tribe (in the U.S.) or a First Nation or Band Council (in Canada), Customer, whether acting in its capacity as a government, governmental entity, a duly organized corporate entity or otherwise, for itself and for its agents, successors, and assigns: (1) hereby provides this limited waiver of its sovereign immunity as to any damages, claims, lawsuit, or cause of action (herein "Action") brought against Customer by Company and arising or alleged to arise out of the furnishing by Company of any product or service under this Agreement, whether such Action is based in contract, tort, strict liability, civil liability or any other legal theory; (2) agrees that jurisdiction and venue for any such Action shall be proper and valid (a) if Customer is in the U.S., in any state or United States court located in the state in which Company is performing this Agreement or (b) if Customer is in Canada, in the superior court of the province or territory in which the work was performed; (3) expressly consents to such Action, and waives any objection to jurisdiction or venue; (4) waives any requirement of exhaustion of tribal court or administrative remedies for any Action arising out of or related to this Agreement; and (5) expressly acknowledges and agrees that Company is not subject to the jurisdiction of Customer's tribal court or any similar tribal forum, that Customer will not bring any action against Company in tribal court, and that Customer will not avail itself of any ruling or direction of the tribal court permitting or directing it to suspend its payment or other obligations under this Agreement. The individual signing on behalf of Customer warrants and represents that such individual is duly authorized to provide this waiver and enter into this Agreement and that this Agreement constitutes the valid and legally binding obligation of Customer, enforceable in accordance with its terms.

1-10.48 (1114)  
Supersedes 1-10.48 (0614)

## **Medical Staff Bylaws: Proposed Revisions by HGH Medical Staff**

**Humboldt General Hospital**

**Board of trustees Meeting**

**26 February 2019**

**Agenda Item: F.3**

### **Executive Summary**

The HGH Medical Staff submitted revisions of their Bylaws for approval by the Governing Body in August, 2018. A summary of the proposed revisions is found in the board packet.

The proposed Medical Staff Bylaws were recently submitted for review and recommendation to consultant Phil Zarone with Horthy, Springer & Mattern. This is the same individual and firm that had assisted HGH in finalizing the current, approved HGH Medical Staff bylaws. Although there are some proposed revisions that would require minimal discussion, such as updating the professional liability insurance requirements for members of the medical staff, other proposed revisions will require much greater consideration and an understanding of the consequences of accepting or rejecting a proposed revision. Additionally, the Governing Body may desire to propose their own recommendations to the medical staff. One example might be including a category of staff for mid-level practitioners. It is common practice for these valuable providers of health care to be included on the medical staff in a category that provides them participation and voting on medical staff committees. Their contribution is increasingly important to the healthcare delivery system, especially in more rural settings.

### **Recommendations:**

1. Consider approving the following proposed revisions to MHGH Medical Staff Bylaws:  
Section 3.01 Categories  
Section 3.02 Active Staff  
Section 3.03 Associate Staff

Rationale: Current bylaws residence restriction limits the number of active medical staff to conduct the business of the HGH Organized Medical Staff. Proposed revisions provide for potentially increasing the number of active staff members to conduct business and hold elective office.

2. Consider scheduling a mini-retreat for Governing Body, Medical Staff and Administration:  
For example:  
Day 1 - An educational Session on the role of the Governing Body, the Medical Staff and Administration in a critical access hospital, as well as the most recent trends in Medical Staff Bylaws in the industry.  
Suggest a Friday evening session from 5:30pm – 7:30 pm. Phil Zoran to provide session.

## Medical Staff Bylaws,

August 8, 2018

### The most substantial changes are:

1. The associate category of membership is eliminated. All members previously associate would be active. Groups with rotating members such as the ER, hospitalist and Surgery physicians get one vote per group.
2. The qualifications for officers who make up the Medical Executive Committee, are changed so that active members who attend at least 70% of the meetings can stand for election as Treasurer, Vice Chief, Chief.
3. There was a discussion about making a provision for credentialing through proxy. However, this was not adopted. It is felt that the local medical staff should have direct review and input into every physician applying for privileges.
4. It is proposed that a fee of \$200 will be charged for ever new application and reapplication so that virtual radiologists and others who never actually do any patient care at HGH might be discouraged from going through the application process. If this does not decrease the “nuisance” applicants, then the next step would be to not offer reapplication to those doctors who provided less than 10 patient encounters during the previous 2 years.
5. There have been no valid “Rules and Regulations” for the last 15 years. We have bylaws and we have policies and procedures. So the “Rules and Regulations” references are all removed.
6. There were many typo corrections. There are probably a few typo errors that persist.
7. Current Bylaws allow for the Governing Board to override MEC decisions including initiating and essentially running investigations of physicians that bypass the MEC. This undermines Medical Staff autonomy and so was removed. The Governing Board can ask the MEC to initiate an investigation but if the MEC decides not do so then the decision cannot be reversed.

Submitted respectfully by the Bylaws committee:

Brad Granath  
Robbie Grant  
Ajeet Mahendernath

# **HUMBOLDT GENERAL HOSPITAL**

## **MEDICAL STAFF BYLAWS**

**Version 22. 7.9.2018**



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# HUMBOLDT GENERAL HOSPITAL

## MEDICAL STAFF BYLAWS

### PREAMBLE

These Bylaws are adopted in order to provide for the organization of the Medical Staff of Humboldt General Hospital; to provide a framework for self-government that permits the Medical Staff to discharge its responsibilities in matters involving the quality of medical care; to govern the orderly resolution of issues and the conduct of Medical Staff functions supportive to those purposes; and to account to the Governing Body for the effective performance of Medical Staff responsibilities. These Bylaws provide the professional and legal structure for Medical Staff operations, organized Medical Staff relations with the Governing Body, and relations with applicants to and members of the Medical Staff. This current version makes all previous versions and amendments null and void.

### DEFINITIONS

1. "ALLIED HEALTH PROFESSIONAL" or "AHP" means an individual, other than a licensed physician, dentist or podiatrist, who exercises independent judgment within the areas of his/her professional competence and the limits established by the Governing Body, the Medical Staff and the applicable State Practice Acts, who is qualified to render direct or indirect medical, dental or podiatric care under the supervision or direction of a Medical Staff member possessing privileges to provide such care in the hospital, and who may be eligible to exercise privileges and prerogatives in conformity with **these bylaws as the rules** adopted by the Governing Body. ~~these Bylaws, and Medical Staff Rules and Regulations.~~ AHPs are not eligible for Medical Staff membership.
2. "APPELLATE REVIEW BODY" means the group designated pursuant to Article 7 of these Bylaws to hear a request for appellate review properly filed and pursued by a practitioner or the Medical Executive Committee.
3. "BOARD" means the Board of Trustees of the Hospital, which has the overall responsibility for the Hospital, or its designated committee. **Also referred to as the "Governing Body".**
4. "BOARD CERTIFICATION" is the designation conferred by one of the affiliated specialties of the American Board of Medical Specialties ("ABMS"), the American Osteopathic Association ("AOA"), the American Board of Oral and Maxillofacial Surgery, a specialty board recognized by the American Dental Association, or the American Board of Podiatric Surgery, upon a practitioner, as applicable, who has successfully completed an approved educational training program and an evaluation process, including passing an examination, in the applicant's area of clinical practice.
5. "CHIEF EXECUTIVE OFFICER" or "CEO" means the individual appointed by the Board to act on its behalf in the overall management of the Hospital.
6. "CHIEF OF STAFF" means the chief elected officer of the Medical Staff.
7. "CLINICAL PRIVILEGES" or "PRIVILEGES" means the authorization granted by the Board to render specific patient care services, for which the Medical Staff leaders and Board have developed

eligibility and other credentialing criteria and focused and ongoing professional practice evaluation standards.

8. "CORE PRIVILEGES" or "CORE" means a defined grouping of privileges for a specialty or subspecialty that includes the fundamental patient care services that are routinely taught in residency and/or fellowship training for that specialty or subspecialty and that have been determined by the Medical Staff leaders and Board to require closely related skills and experience.
9. "DATE OF RECEIPT" of any notice or other communication shall be deemed to be the date such notice or communication was delivered personally to the required addressee or, if sent by mail, 72 hours after being deposited, postage prepaid, in the United States mail. (See also, definition of "NOTICE").
10. "HEARING COMMITTEE" means the committee appointed pursuant to Article 7 of these Bylaws to hear a request for an evidentiary hearing properly filed and pursued by a practitioner.
11. "HOSPITAL REPRESENTATIVE" means the Governing Body, its individual Trustees and committee members; the Chief Executive Officer, and other Hospital employees; the Medical Staff, all Medical Staff officers and/or committee members having responsibility for collecting or evaluating the applicant's credentials; and any authorized representative of any of the foregoing.
12. "MEDICAL STAFF" or "STAFF" means those physicians (M.D. or D.O.), dentists and podiatrists who have been granted recognition as members of the Medical Staff pursuant to the terms of these Bylaws.
13. "MEDICAL STAFF YEAR" means the period from January 1 through December 31.
14. "NOTICE" means a written communication delivered personally to the addressee or sent by United States mail, first-class postage prepaid or email addressed to the addressee at the last address as it appears in the official records of the Medical Staff or the Hospital. "SPECIAL NOTICE" means written communication sent by certified or registered mail, return receipt requested. (See also, definition of "DATE OF RECEIPT").
15. "PARTIES" mean the practitioner who requested the hearing or appellate review and the body or bodies upon whose adverse action a hearing or appellate review request is predicated.
16. "PHYSICIAN" means an individual with an M.D. or D.O. degree who is currently licensed to practice medicine.
17. "PRACTITIONER" means, unless otherwise expressly limited, any physician (M.D. or D.O.), dentist or podiatrist holding a current license to practice within the scope of his/her license. In the context of corrective action and fair hearings pursuant to Articles 6 and 7 of these Bylaws, it shall also mean clinical psychologists.
18. "SPECIAL PRIVILEGES" means privileges that fall outside of the core privileges for a given specialty, which require additional education, training, and/or experience beyond that required for core privileges in order to demonstrate competence.

19. "UNASSIGNED PATIENT" means any individual who comes to the Hospital for care and treatment who does not have an attending physician, or whose attending physician or designated alternate is unavailable to attend the patient, or who does not want the prior attending physician to provide him/her care while a patient at the Hospital.

20. Timeframes will always refer to calendar dates unless otherwise stated.

## ARTICLE 1: DESCRIPTION OF ORGANIZATION

### 1.01 DESCRIPTION

- (a) The Medical Staff organization is structured as follows: The members of the Medical Staff are assigned to a staff category depending upon time at the hospital and nature of practice at the hospital. All new members are assigned to the Provisional Staff. Upon satisfactory completion of the provisional period, the members are assigned to one of the following staff categories: Active, Provisional, Courtesy, Consulting. Only active staff members are eligible to vote. Active staff who meet additional qualifications listed later may hold office in this organization.
- (b) There are also Medical Staff committees, which perform staff-wide responsibilities, and which oversee related activities.
- (c) Overseeing all of this is the Chief of Staff and the Medical Executive Committee (MEC) whose duties are described later in these bylaws.

### 1.02 PURPOSES AND RESPONSIBILITIES

The purposes of this organization are to provide a mechanism for organization and coordination of practitioners at the Hospital, and to discharge the responsibilities and prerogatives entrusted by law and custom to an organized Medical Staff by adopting Bylaws ~~and Rules and Regulations~~ to establish a framework for self-governance of the Medical Staff with respect to the professional work performed in the Hospital and to provide for accountability to the Governing Body.

## ARTICLE 2: MEDICAL STAFF MEMBERSHIP

### 2.01 NATURE OF MEDICAL STAFF MEMBERSHIP

Membership on the Medical Staff and/or clinical privileges shall be extended to, and may be maintained by only those professionally competent practitioners who continuously meet the qualifications, standards and requirements set forth in these Bylaws—~~Except as otherwise provided in the Medical Staff Rules and Regulations,~~ A practitioner, including those in a medical-administrative position by virtue of a contract with the Hospital, shall admit or provide medical or health related services to patients in the Hospital only if he/she is a member of the Medical Staff and has been granted clinical privileges in accordance with the procedures set forth in these Bylaws. Appointment to the Medical Staff shall confer only such clinical privileges and prerogatives as have been granted by the Governing Body in accordance with these Bylaws.

## 2.02 QUALIFICATIONS FOR MEMBERSHIP

- (a) A practitioner must satisfy the following threshold criteria to be eligible to apply for Medical Staff membership:
- (1) be licensed in the State of Nevada and (if practicing clinical medicine, dentistry or podiatry) have a federal DEA number;
  - (2) have successfully completed a residency training program approved by the Accreditation Council for Graduate Medical Education or the AOA in the specialty in which the applicant seeks clinical privileges, a dental or an oral and maxillofacial surgery training program accredited by the Commission on Dental Accreditation of the American Dental Association, or a podiatry surgical residency program accredited by the Council on Podiatric Medical Education of the American Podiatric Medical Association. (This requirement is applicable only to those individuals who apply for initial staff appointment after the date of adoption of this Policy (2011). All individuals appointed previously will be governed by the training requirements in effect at the time of their appointments.);
  - (3) be board certified in their primary area of practice at the Hospital. Applicants who are not board certified at the time of application but who have completed their residency or fellowship training within the last four years will be eligible for Medical Staff appointment. However, in order to remain eligible, those applicants must achieve board certification in their primary area of practice within four years from the date of completion of their residency or fellowship training. This requirement is applicable only to those individuals who apply for initial staff appointment after the date of adoption of this Policy (2011). All individuals appointed previously will be governed by the board certification requirements in effect at the time of their appointments.
  - (4) demonstrate recent clinical activity of at least 20 hours per week in their primary area of practice during at least two of the last five years, and have actively practiced for an average of at least 20 hours per week in his/her field for 18 of the previous 24 months (or have completed a 12-month residency within the previous 18 months), and have practiced in an acute care hospital at least two of the previous five years; and
  - (5) have liability insurance coverage in minimum limits of \$1,000,000 ~~\$500,000~~ per occurrence/ \$3,000,000 ~~/\$1,000,000~~ annual aggregate or as set by the Medical Executive Committee and the Governing Body and coverage is consistent with privileges requested.
- (b) A practitioner must also satisfy the following requirements to be appointed to and maintain membership on the Medical Staff:
- (1) be able to verify his/her compliance with the provisions of Section 2.02(a); and
  - (2) document his/her:
    - a. adequate experience, education and training for the clinical privileges being requested, as set forth in applicable policies or delineations of privileges; and
    - b. current professional competence, good judgment and adherence to the lawful ethics of his/her profession.

## 2.03 PARTICULAR QUALIFICATIONS

- (a) Physicians. An applicant for physician membership in the Medical Staff must hold an M.D. or D.O. degree issued by a medical or osteopathic school recognized by the Council on Postsecondary Accreditation, and must also hold a certificate to practice medicine issued by the Medical Board of Nevada or the Board of Osteopathic Examiners of the State of Nevada which is valid, current, and unsuspended.
- (b) Dentists. An applicant for dental membership in the Medical Staff must hold a D.D.S. or equivalent degree issued by a dental school recognized by the Council on Postsecondary Accreditation, and must also hold a certificate to practice dentistry issued by the Board of Dental Examiners of Nevada which is valid, current, and unsuspended.
- (c) Podiatrists. An applicant for podiatric membership in the Medical Staff must hold a D.P.M. degree issued by a podiatric medicine school recognized by the Council on Postsecondary Accreditation, and must hold a certificate to practice podiatry issued by the Medical Board of Nevada which is valid, current, and unsuspended.

## 2.04 EFFECT OF OTHER AFFILIATIONS

No practitioner shall be entitled to membership on the Medical Staff merely because he/she holds a certain degree, is licensed to practice in this or in any other state, is a member of any professional organization, is certified by any clinical board, or because he/she had, or presently has, staff membership or privileges at another health care facility.

## 2.05 NONDISCRIMINATION

Medical Staff membership or particular clinical privileges shall not be denied on the basis of race, color, national origin, ancestry, religious creed, age, disability, sex, sexual orientation, gender identity or expression, or familial status.

## 2.06 ADMINISTRATIVE AND CONTRACT PRACTITIONERS

- (a) A practitioner employed by or contracting with the Hospital in a purely administrative capacity with no clinical duties or privileges is subject to the regular personnel policies of the Hospital and to the terms of his/her contract or other conditions of employment, and need not be a member of the Medical Staff.
- (b) A practitioner contracting with the Hospital in an administrative capacity who also wishes to perform clinical duties must be granted Medical Staff appointment and clinical privileges pursuant to the procedures described in these Bylaws.

### 2.06a PHYSICIANS IN TRAINING

Physicians in training will not be granted appointment to the Medical Staff or clinical privileges. The program director, clinical faculty, or attending staff member will be responsible for the direction and supervision of the on-site or day-to-day patient care activities of each trainee, who will be permitted to perform only those clinical functions set out in curriculum requirements, affiliation agreements, or



training protocols approved by the Hospital. The applicable program director will be responsible for verifying and evaluating the qualifications of each physician in training.

## 2.07 BASIC RESPONSIBILITIES OF STAFF MEMBERSHIP

Each member of the Medical Staff shall:

- (a) Provide his/her patients with care of the generally recognized professional level of quality and efficiency;
- (b) Abide by the Medical Staff Bylaws ~~and Rules and Regulations and standards, policies~~, and rules of the Hospital and the Medical Staff;
- (c) Abide by all applicable laws and regulations of governmental agencies;
- (d) Discharge such Staff, committee, and service functions for which he/she is responsible by appointment, election, or otherwise;
- (e) Prepare and complete in timely manner the medical and other required records for all patients he/she admits or in any way provides care to in the Hospital;
- (f) Abide by the ethical principles of his/her profession and the Hospital which include, but not by way of limitation, a pledge to:
  - 1. Refrain from fee splitting or other inducements relating to patient referral;
  - 2. Provide for continuous care of his/her hospitalized patients, without regard for the patient's race, color, national origin, ancestry, religious creed, age, disability, sex, sexual orientation, gender identity or expression, familial status, ability to pay, or source of payment;
  - 3. Refrain from delegating the responsibility for diagnosis or care of hospitalized patients to a practitioner who is not qualified to undertake this responsibility and who is not adequately supervised; and
  - 4. Seek consultation as required ~~in~~ by the Medical Staff ~~Rules and Regulations~~, or whenever warranted by the patient's condition.
- (g) Actively participate in and regularly cooperate with the Medical Staff in assisting the Hospital to fulfill its obligations related to patient care, including but not limited to patient care audits, peer review, utilization review, quality evaluation and related monitoring activities required of the Medical Staff, and in discharging such other functions as may be required from time to time;
- (h) Participate in Continuing Medical Education programs appropriate to his/her specialty. As a minimum, members shall comply with Medical Board of Nevada requirements, or comparable requirements of other applicable licensing agencies;
- (i) Work cooperatively, with members, nurses, hospital administration, and others so as not to adversely affect patient care;

- (j) Accept responsibility for emergency care and for support of the Emergency Room, including consultation and/or admission as may be necessary. Availability and assignment shall be in accordance with policies formulated by the Medical Executive Committee. Such policies may call for voluntary participation in Emergency Room call responsibilities; the Medical Executive Committee may require mandatory participation if voluntary policies fail to assure the necessary coverage. Medical Staff members who are at least 65 years of age may request removal from emergency call and other rotational obligations. The Medical Executive Committee shall recommend to the Board whether to grant these requests based on the needs of patients, the Hospital's legal obligations under the Emergency Medical Treatment and Active Labor Act ("EMTALA"), and the effect on others who serve on the call roster for that specialty. The Medical Executive Committee recommendation shall be subject to final approval by the Board; and
- (k) Continuously meet the qualifications for membership as set forth in these Bylaws. (It is understood that a member may be required to demonstrate continuing satisfaction of any of the requirements of these Bylaws whenever the Medical Executive Committee has good cause to question whether the member continues to meet such requirement.)

## 2.08 WAIVER OF QUALIFICATIONS

Insofar as is consistent with applicable laws, any qualification may be waived by the Board if recommended by the Medical Executive Committee upon determination that such waiver will serve the best interests of the patients and of the Hospital. The individual requesting the waiver bears the burden of demonstrating exceptional circumstances and that his or her qualifications are equivalent to or exceed the criterion in question. No individual is entitled to a waiver or to a hearing if the Board determines not to grant a waiver. A determination that an individual is not entitled to a waiver is not a denial of appointment or clinical privileges.

## ARTICLE 3: CATEGORIES OF THE MEDICAL STAFF

### 3.01 CATEGORIES

The Staff shall be divided into Active, Provisional, ~~Associate~~, Courtesy, and Consulting categories. Except for the Consulting Staff appointments, all initial appointments to the Staff shall be to the Provisional category.

### 3.02 ACTIVE STAFF

The Active Staff shall be composed of practitioners who utilize the Hospital on a regular basis by **having at least 10 patient encounters** per year, ~~who have their primary residence within Humboldt County~~, and who have completed their Provisional Staff terms satisfactorily.

**Active** Staff members may vote on all matters presented at general and special Staff meetings, are expected to attend meetings as required under Section 11.04, and may hold office **if they meet the requirements in section 9.01-2** and serve on committees, except that limited license members shall only have the right to hold office or vote on matters within the scope of their licensure. In the event of a dispute over a limited license member's right to vote or hold office, the issue shall be determined by the chairperson of the meeting, subject to final decision by the Medical Executive Committee.

### 3.03 — ASSOCIATE STAFF

~~The Associate Staff shall consist of those physicians who have been contracted with by the Hospital and nursing home to provide specific services, such as pathology, radiology, hospitalist and surgicalist services. This Staff shall consist of recognized specialists who are active in Hospital matters. Associate Staff members are encouraged to attend the Medical Staff meetings. The chief of each contracted service or their designee will be allowed the privilege of voting when in attendance. The percentage attendance requirements for Medical Staff attendance is not required of the Associate Staff. The Associate Staff members may also be appointed to serve on various committees. An Associate Staff member may not serve as a general staff officer or as a committee chairperson.~~

~~Appointment shall be made by the Governing Body on the recommendation of the Active Staff. Credentials shall be required for such appointments. The term of service is for a two year period and may be renewed by the Governing Body upon the recommendation of the Active Staff and acceptance by the Associate Staff Physician.~~

### 3.04 PROVISIONAL STAFF

- (a) The Provisional Staff shall consist of practitioners who are newly appointed to the medical Staff and who intend to admit or treat more than 10 patients per year. Except for Consulting Staff appointments or as otherwise determined by the Governing Body, all initial appointments to the Staff shall be to the Provisional category. Provisional members who will, after successful completion of the provisional period, be placed on the Active Staff are expected to attend Staff meetings as required under Section 11.04, and they may serve on Staff committees but may not vote at any general or special meeting of the Staff. A Provisional member may not serve as a general Staff officer or a committee chairperson.
- (b) Each Provisional member shall be proctored in accordance with proctoring requirements established by the Medical Executive Committee, in accordance with the provisions of Section 5.08. A member remains in Provisional status until he/she meets all the qualifications and has successfully completed his/her proctoring program. Provisional appointments are for not less than 6 months, and a member may serve no more than two consecutive 6 month terms as a Provisional Staff member, unless a special exception is approved by the Medical Executive Committee for an additional 6 month period. The Chief of Staff shall certify satisfactory completion of the Provisional period to the Medical Executive Committee and the Chief Executive Officer.

### 3.05 COURTESY STAFF

The Courtesy Staff shall consist of practitioners who admit or treat not more than 10 patients per year in the Hospital, and who are members of the medical staff of another accredited hospital, where such staff member is subject to a patient care audit program and other quality maintenance activities similar to those required by this Hospital. A Courtesy Staff member may attend meetings of the Staff and any Staff or Hospital education programs. Courtesy members are not eligible to vote or to hold office in the Medical Staff organization, or the committees.

### 3.06 CONSULTING STAFF

The Consulting Staff shall consist of practitioners who possess ability and knowledge so as to constitute an important adjunct in the care of difficult cases. Consulting Staff members may not admit patients to the Hospital. A Consulting Staff member may attend meetings of the Staff, and any Staff or Hospital education programs. Consulting Staff members are not eligible to vote or hold office in the Medical Staff organization, or the committees.

## **ARTICLE 4: PROCEDURES FOR APPOINTMENT AND REAPPOINTMENT**

### 4.01 APPLICATION FOR INITIAL APPOINTMENT

Membership on the Medical Staff and/or clinical privileges shall be extended to, and may be maintained by only those professionally competent practitioners who continuously meet the qualifications, standards and requirements set forth in these Bylaws. **The first step to begin the application process is payment of \$200 to : HGH Medical Staff.**

#### 4.01-1 NATIONAL PRACTITIONER DATA BANK

In accordance with Title IV of Public Law 99-660, an authorized representative of the Hospital is required to query the National Practitioner Data Bank on each applicable practitioner who applies for privileges (permanent or locum tenens). The Hospital representative is also required to query the Data Bank every two years when practitioners apply for reappointment of privileges. The Hospital representative will query/report to the Data Bank as outlined in the National Practitioner Data Bank Guidebook.

#### 4.01-2 COMPLETION OF APPLICATION

All applicants for Medical Staff membership must complete, sign, and submit to the Hospital Administrator, or his/her designee, the Hospital's Application for Medical Staff Membership and Clinical Privileges, established by the Medical Executive Committee and approved by the Governing Body.

#### 4.01-3 CONTENT OF FORM

The application form shall be developed by the Medical Executive Committee, and shall be subject to approval by the Governing Body. The application shall include a statement of agreement to abide by the Medical Staff Bylaws ~~and Rules and Regulations~~, and such lawful and reasonable requirements imposed by the Hospital. The application shall also include statements regarding the applicant's involvement in any professional liability actions, previously successful or currently pending challenges to any licensure or registration or the voluntary relinquishment of such licensure or registration, voluntary or involuntary termination of medical staff membership or voluntary or involuntary limitation, reduction, or loss of clinical privileges while under investigation or disciplinary action at another, hospital or health facility, and information detailing any prior or pending government agency or third party payor investigation, proceeding, or litigation challenging or sanctioning the practitioner's patient admission, treatment, discharge, charging, collection, or utilization practices, including but not limited to Medicare or Medicaid fraud and abuse proceedings or convictions.

#### 4.01-4 EFFECT OF APPLICATION

By applying for or by accepting appointment or reappointment to the Medical Staff, the applicant:

- (a) Signifies his/her willingness to appear for interviews in regard to his/her application for appointment;
- (b) Authorizes Medical Staff and Hospital representatives to consult with other hospitals, persons or entities who have been associated with him/her and/or who may have information bearing on his/her competence and qualifications;
- (c) Consents to the inspection, by Hospital representatives, of all records and documents that may be material to an evaluation of his/her professional qualifications and ability to carry out the clinical privileges he/she requests as well as of his/her professional ethical qualifications for Staff membership, regardless of who is in possession of these records;
- (d) Releases from liability to the fullest extent of the law the Medical Staff and the Hospital and their representatives for their acts performed in connection with evaluating the applicant;
- (e) Releases from any liability all individuals and organizations who provide information, including otherwise privileged or confidential information, to Hospital representatives concerning the applicant's ability, professional ethics, character, physical and mental health, emotional stability, and other qualifications for Staff appointment and clinical privileges;
- (f) Authorizes and consents to Hospital representatives providing other hospitals, professional societies, licensing boards, and other organizations concerned with provider performance and the quality of patient care with relevant information the Hospital may have concerning him/her, and releases the Hospital and Hospital representatives from liability for so doing;
- (g) Consents to undergo and to release the results of a medical, psychiatric, or psychological examination by a practitioner acceptable to the Medical Executive Committee, at the applicant's expense, if the Medical Executive Committee has any concerns about the individual's ability to perform the privileges requested or the responsibilities of appointment; and
- (h) Signifies his/her willingness to abide by all the conditions of membership, as stated on the application form, the reapplication form, and in these Bylaws.

#### 4.01-5 PROCESSING THE APPLICATION

- (a) Applicant's Burden: The applicant shall have the burden of producing adequate information for a proper evaluation of his/her experience, background, training, demonstrated ability, and, upon request of the Medical Executive Committee or of the Governing Body, physical and mental health status (as evidenced by the results of a medical, psychiatric, or psychological examination conducted by a practitioner acceptable to the Medical Executive Committee), and of resolving any doubts about these or any of the other qualifications specified in these Bylaws.
- (b) Verification of Information: The applicant shall fill out and deliver an application form to the Administrator, who shall, within 30 days, seek to verify the information submitted. The application will be deemed complete when the \$200 application fee has been received and all necessary verifications have been obtained, including current license, DEA certificate if appropriate, verification of all practice from professional school through the present, current malpractice liability insurance and reference letters. The Administrator shall then transmit the application and all supporting materials to the Medical Executive Committee.

(c) Incomplete Application.

- (1) If the Administrator is unable to verify the information, or if all necessary references have not been received, or if the application is otherwise significantly incomplete, the Administrator may delay further processing of the application, or may begin processing the application based only on the available information with an indication that further information may be considered upon receipt. An application that had been deemed complete will become incomplete if the need arises for new, additional, or clarifying information at any time.
- (2) If the processing of the application is delayed for more than 60 days and if the missing information is reasonably deemed significant to a fair determination of the applicant's qualifications, the affected practitioner shall be so informed. He/She shall then be given the opportunity to withdraw his/her application, or to provide the information necessary to complete the continued processing of his/her application, but shall be informed that such an election shall not relieve him/her from the provisions of Section 4.01-4(a) of these Bylaws. If the applicant does not respond within 30 days, he/she shall be deemed to have voluntarily withdrawn his/her application. Such an applicant's application may, thereafter, be reconsidered only if the Medical Executive Committee approves the extension, all requested information is submitted, and all other information has been updated.

(d) Medical Executive Committee Action: At its next regular meeting, the Medical Executive Committee shall consider all relevant information available to it. The Medical Executive Committee shall then forward to the Governing Body a written report and recommendations, as well as any minority report, as to Staff appointment, clinical privileges to be granted, and any special conditions to be attached to the appointment.

- (1) Favorable Recommendation: When the recommendation is favorable, the Chief Executive Officer shall promptly forward it to the Governing Body together with the application form and its accompanying information and the reports (including any minority reports) and recommendations.
- (2) Adverse Recommendation: When the recommendation is adverse the Chief Executive officer shall immediately inform the practitioner by special notice, and he/she shall be entitled to the procedural rights as provided in Article 7. The Governing Body shall be informed of, but shall not take action on, the pending recommendation until the applicant has exhausted or waived his/her procedural rights.

For the purposes of this section, an "adverse recommendation" by the Medical Executive Committee is as defined in Sections 7.04-1 and 7.04-2 of these Bylaws. A "minority report" is a dissenting opinion on the recommendation together with the reasons for the dissent.

(e) Deferral: The Medical Executive Committee may defer its recommendation in order to obtain or clarify information, or in other special circumstances. A deferral must be followed up within 60 days of receipt of information with a subsequent recommendation for appointment and privileges, or for rejection for Staff membership.

- (f) Governing Body Action: On favorable Medical Executive Committee recommendation: The Governing Body shall, **within 60 days,** adopt or reject ~~or modify~~ a favorable recommendation of the Medical Executive Committee, or shall refer the recommendation back to the Medical Executive Committee for further consideration, stating the reasons for the referral and setting a time limit within which the Medical Executive Committee shall respond. If the Governing Body's action is adverse to the applicant, the Chief Executive officer shall promptly inform the applicant by special notice, and he/she shall be entitled to the procedural rights as provided in Article 7. Whenever the Governing body's decision differs with the Medical Executive Committee recommendations then the rationale for their decision will be returned in writing with their recommendation.
- (g) Notice of Final Decision: The Chief Executive Officer shall give notice of the Board's final decision to the Medical Executive Committee and (by special notice, if adverse) to the applicant. A decision and notice to appoint shall include: (i) the Staff category to which the applicant is appointed; (ii) the clinical privileges he/she may exercise; and (iii) any special conditions attached to the appointment.
- (h) Time Periods for Processing: Applications for Staff appointments shall be considered in a timely and good faith manner by all individuals and groups required by these Bylaws to act thereon and, except for good cause, shall be processed within the time periods specified in these Bylaws, and summarized in this Section 4.01-4. The Medical Executive Committee shall review the application and make its recommendation to the Governing Body within 30 days after receiving the completed application. The Governing Body shall then take action on the application at its next regular meeting. These time periods are provided to assist in the processing of the application and not to create rights for applicants to have their applications processed within these specific periods.

#### 4.02 DURATION OF APPOINTMENT

The Medical Executive Committee shall develop policies and procedures (which shall become effective upon approval by the Governing Body) to implement the following:

- (a) All new Staff members shall be appointed to the Provisional Staff and subjected to a period of formal observation and review (except for those appointed to the Consulting Staff). Provisional appointments are for not less than 6 months, and a member may serve no more than two consecutive 6 month terms as a Provisional Staff member, unless a special exception is approved by the Medical Executive Committee for an additional 6 month period, **not to exceed 18 months.**

- (b) Reappointments to any Staff category shall be for a period of two years. Change in Staff category may be requested at any time during the reappointment period after requirements of Provisional status are met.
- (c) If an application for reappointment has been submitted in a timely manner, but has not been fully processed by the expiration date of the appointment, the Chief Executive Officer, upon the recommendation of the Chief of Staff, may grant the individual temporary clinical privileges until such time as Board can act on the application, provided there is an important patient care need that mandates an immediate authorization to practice, including but not limited to an inability to meet on-call coverage requirements or denying the community access to needed medical services. The temporary privileges will be for a period up to 120 days and shall not create a right for the member to be automatically reappointed.
- (d) Recommendations for appointment or reappointment or the granting of initial or renewed privileges, may be contingent upon an individual's compliance with certain specific conditions. These conditions may relate to behavior (e.g., code of conduct) or to clinical issues (e.g., general consultation requirements, proctoring, completion of CME requirements). Unless the conditions would constitute an adverse recommendation under Article 7 of these Bylaws, the imposition of such conditions does not entitle an individual to the procedural rights set forth in Article 7.
- (e) Appointment, reappointment or the granting of clinical privileges may be recommended for periods of less than two years in order to permit closer monitoring of an individual's compliance with any conditions that may be imposed. A recommendation for a period of less than two years does not entitle an individual to the procedural rights set forth in Article 7.

#### 4.03 REAPPOINTMENT PROCESS

##### 4.03-1 INFORMATION FORM FOR REAPPOINTMENT

At least 120 days prior to the expiration date of each Staff member's term of appointment, the Administrator shall provide the member with a reappointment form. Completed reappointment forms shall be returned to the Administrator within 30 days or a registered reminder will be sent. Failure, without good cause, to return the form **and the \$200 reapplication fee** within 90 days shall be deemed a voluntary resignation effective at the expiration of the member's current term.

##### 4.03-2 CONTENT OF REAPPOINTMENT FORM

The reappointment form shall be developed by the Medical Executive Committee and shall be subject to approval by the Board. The reappointment form shall seek at least the following: information necessary to update the Medical Staff file on the Staff member's health care related activities other than as a member of this Staff; a statement of agreement to abide by Hospital and Medical Staff Bylaws, **Rules and Regulations**; a statement detailing the amounts of malpractice insurance carried; and a renewed request for clinical privileges. In addition to completing the information requested on the reappointment form, the Staff member shall be responsible to provide any physical or mental health evaluations requested. The application for reappointment shall also include statements regarding the applicant's involvement in any professional liability actions; previously successful or currently pending challenges to any licensure or



registration or the voluntary relinquishment of such licensure or registration in this or any other state; voluntary or involuntary termination of medical staff membership or voluntary or involuntary limitation, reduction, or loss of clinical privileges at another hospital or health facility; and information detailing any prior (within the preceding five years) or pending government agency or third party payor investigation, proceeding, or litigation challenging or sanctioning the practitioner's patient admission, treatment, discharge, charging, collection, or utilization practices, including but not limited to Medicare or Medicaid fraud and abuse proceedings or convictions.

#### 4.03-3 CONTINUING COMPLIANCE WITH REQUIREMENTS

By applying for reappointment and by accepting reappointment to the Medical Staff, the Staff member signifies his/her continuing acknowledgment and acceptance of the provisions of Section 4.01-4. Continued membership and exercise of clinical privileges shall require at least the following:

- (a) Documentation of continuing satisfaction of the General Qualifications set forth in Section 2.02; and insofar as clinical privileges are concerned, with the requirements applicable from time to time to the exercise of such privileges;
- (b) Satisfactory results in Medical Staff quality assessment reviews, or satisfactory correction of any significant problems identified through such reviews;
- (c) Satisfaction of the meeting attendance requirements of the Medical Staff;
- (d) Documentation of "reporting endorsements" (tail coverage) or "prior acts coverage" (nose coverage) when changing insurance companies; and
- (e) Written notification to the Chief of Staff of any subsequently occurring changes in the information submitted in the application or reappointment form.

#### 4.03-4 PROCESSING THE APPLICATION

The reappointment application shall be processed in substantially the same manner and subject to the same conditions described in Section 4.01-4 including a requirement of a \$200 payment to the HGH Medical Staff. Personal interviews may, but need not be, conducted. For purposes of reappointment, the terms "applicant" and "appointment" as used in that section shall be read, respectively, as "Staff member" and "reappointment".

#### 4.04 REQUESTS FOR MODIFICATION OF APPOINTMENT

- (a) A Staff member may, at any time, request modification of his/her clinical privileges, and a non Provisional Staff member may request modification of his/her staff category by submitting a written application to the Chief of Staff on the prescribed form. Such application shall be processed in substantially the same manner as provided in Section 4.03 for reappointment.

- (b) The Medical Executive Committee may recommend to the Governing Body that a change in Staff category of a current Staff member or the granting of additional privileges to a current Staff member be made provisional in accordance with procedures similar to those outlined in Section 3.06 for initial appointments.

#### 4.05 REAPPLICATION AFTER ADVERSE DECISION

- (a) The following persons shall not be eligible to reapply for Medical Staff membership and/or clinical privileges affected by the previous action for a period of at least one year from the date the adverse decision became final, the date the application or request was withdrawn, or the date the former Medical Staff member's resignation became effective, whichever is applicable:
  - (1) An applicant who - (i) has received a final adverse decision regarding appointment or (ii) withdrew his or her application or request for membership or privileges following an adverse recommendation by the Medical Executive Committee or Governing Body;
  - (2) A former Medical Staff member who has - (i) received a final adverse decision resulting in termination of Medical Staff membership and clinical privileges or (ii) resigned from the Medical Staff following the issuance of a Medical Staff or Governing Body recommendation adverse to the member's Medical Staff membership or clinical privileges; or
  - (3) A Medical Staff member who has received a final adverse decision resulting in - (i) termination or restriction of his/her clinical privileges or (ii) denial of his/her request for additional clinical privileges.
- (b) A decision shall be considered to be adverse, for medical disciplinary reasons, only if it is based on the type of occurrences which might give rise to corrective action and not if it is based upon reasons that do not pertain to medical or ethical conduct. Actions which are not considered adverse include actions based on a failure to maintain a practice in the area (which can be cured by a move), or to maintain professional liability insurance (which can be cured by securing such insurance). Further, for the purpose of this section, an adverse decision shall be considered final at the time of completion of: (i) all hearings, appellate review, and other quasi-judicial proceedings conducted by the Hospital bearing on the decision, and (ii) all judicial proceedings bearing upon the decision which are filed and served within one year after the completion of the Hospital proceedings described in above.
- (c) After the one year period, the former applicant, former Medical Staff member, or Medical Staff member may submit an application for Medical Staff membership and/or clinical privileges, which shall be processed as an initial application. The former applicant, former Medical Staff member, or Medical Staff member shall also furnish evidence that the basis for the earlier adverse recommendation or action no longer exists and/or of reasonable rehabilitation in those areas which formed the basis for the previous adverse recommendation or action, whichever is applicable. In addition, such applications shall not be processed unless the applicant or member submits satisfactory evidence to the Medical Executive Committee that he/she has complied with all of the specific requirements any such adverse decision may have included, such as completion

of training or proctoring conditions. The Medical Executive Committee decision as to whether satisfactory evidence has been submitted shall be final, subject only to further review by the Governing Body within 45 days after the Medical Executive Committee decision was rendered.

#### 4.06 CONFIDENTIALITY; IMPARTIALITY

To maintain confidentiality, and to ensure the unbiased performance of appointment and reappointment functions, Staff members participating in the credentialing process shall limit their discussion of the matters involved to the formal avenues provided in these Bylaws for processing applications for appointment and reappointment.

### **ARTICLE 5: DETERMINATION OF CLINICAL PRIVILEGES**

#### 5.01 EXERCISE OF PRIVILEGES

Except in emergency situations every practitioner or other professional providing direct clinical services at this Hospital shall be entitled to exercise only those clinical privileges or services specifically granted to him/her.

#### 5.02 DELINEATION OF PRIVILEGES IN GENERAL

##### 5.02-1 REQUESTS

Each application for appointment and reappointment to the Medical Staff must contain a request for the specific clinical privileges desired by the applicant. Such a request for clinical privileges, or a request by staff member pursuant to Section 4.04 for a modification of privileges must be supported by documentation of training and/or experience supportive of the request.

##### 5.02-2 CRITERIA FOR PRIVILEGES DETERMINATIONS

Requests for clinical privileges shall be evaluated on the basis of the practitioner's education, training, experience, demonstrated ability, and medical and clinical judgment. The basis for privileges determinations, in connection with periodic reappointment or otherwise, shall include any observed clinical performance and judgment, performance of a sufficient number of procedures each year to develop and maintain the practitioner's skills and knowledge, and the documented results of the patient care audit and other quality assessment activities required by the Medical Staff Bylaws and Rules and Regulations. Privilege determinations shall also be based on pertinent information concerning clinical performance obtained from other sources, especially other institutions and health care settings where a practitioner exercises clinical privileges. This information shall be added to and maintained in the Medical Staff file established for each Staff member.

##### 5.02-3 PROCEDURE

All requests for clinical privileges shall be processed pursuant to the procedures outlined in Article 4 and subject to the restrictions regarding proctoring outlined in Section 5.08.

### 5.03 CONSULTATIONS

Consultations may be required at the discretion of the Chief of Staff. In addition, the Medical Executive Committee may identify instances where consultation will be required as a matter of course.

### 5.04 CREDENTIALING OF ALLIED HEALTH PROFESSIONALS

#### 5.04-1 CATEGORIES

The Governing Body shall determine, based upon recommendation of the Medical Executive Committee and such other information as it has before it, those categories of Allied Health Professionals that shall be eligible to exercise clinical privileges in the Hospital. Such Allied Health Professionals shall be subject to the supervision requirements developed by the Medical Executive Committee and the Governing Body.

#### 5.04-2 CREDENTIALING PROCEDURE

Except as provided in Section 5.04-5, applications for Allied Health Professional privileges will be processed in the same manner as specified in Section 4.01.

- (a) The applicant will obtain and complete an application form.
- (b) The Medical Executive Committee shall make a recommendation to the Governing Body through the Chief Executive Officer.
- (c) Applications shall be processed in timely fashion appropriate to the circumstances of the case.

#### 5.04-3 FREQUENCY OF CREDENTIALS REVIEW

The Medical Executive Committee shall develop policies and procedures (which shall become effective upon approval by the Governing Body) to implement the following:

- (a) All new Allied Health Professionals shall be subject to a 6 month period of formal proctoring.
- (b) Proctoring requirements shall be determined by the Medical Executive Committee.
- (c) Upon successful completion of the proctoring period, the credentials of each Allied Health Professional practicing in the Hospital shall be reviewed at least biennially.

#### 5.04-4 PRIVILEGES AND RESPONSIBILITIES

- (a) Allied Health Professionals may exercise only those privileges specifically granted them by the Governing Body. The range of privileges for which each Allied Health Professional may apply and any special limitations or conditions to the exercise of such privileges shall be based on recommendations of the Medical Executive Committee and approved by the Governing Body.

- (b) Each Allied Health Professional shall be required to comply with all applicable rules, and to participate in and cooperate with patient care audit and other quality review, evaluation, and monitoring activities required of Allied Health Professionals and in supervising initial appointees of his/her same occupation or profession or of a lesser included occupation or profession, and in discharging such other functions as may be required from time to time.

#### 5.04-5 ADVERSE ACTIONS

Denial, revocation, or modification of an Allied Health Professional's privileges shall be the prerogative of the Medical Executive Committee and the Governing Body. The procedural rights described in these Bylaws for Medical Staff members shall not apply to Allied Health Professionals. However, prior to the Board permanently denying, revoking, or modifying privileges of an Allied Health Professional for any disciplinary reason, such Allied Health Professional shall be given notice of the proposed action and an opportunity to present written or verbal response to the Medical Executive Committee. This section shall not be deemed to afford an Allied Health Professional a right to an adversarial hearing as described in Article 7, nor shall it be deemed to limit the ability of the Chief of Staff to summarily restrict or suspend privileges whenever circumstances warrant such action for the protection of patients. The Chief Executive Officer may also summarily restrict or suspend privileges when the Medical Executive Committee and the Chief of Staff are not available despite reasonable attempts to contact them and when failure to take action may result in an imminent danger to the health of any individual.

#### 5.05 LOSS OF SPONSOR

In the event an Allied Health Professional's required sponsor loses or resigns his/her clinical privileges or his/her legal right to sponsor and/or supervise the Allied Health Professional, then the Allied Health Professional's privileges shall be automatically rescinded. This shall not be deemed an adverse action, and shall not entitle the Allied Health Professional to the procedural rights set forth in Section 5.04-5, or in Article 7 of these Bylaws.

#### 5.06 CONFIDENTIALITY; IMPARTIALITY

To maintain confidentiality, and to ensure the unbiased performance of privilege review functions, Staff members participating in the credentialing process shall limit their discussion of the matters involved to the formal avenues provided in these Bylaws for processing applications for clinical privileges.

#### 5.07 TEMPORARY PRIVILEGES AND LOCUM TENENS

##### 5.07-1 CIRCUMSTANCES

Temporary Privileges may be granted by the CEO or the CEO's designee when recommended by the Chief of Staff in the following circumstances:

- (a) Pendency of Application: When an applicant for initial appointment has submitted a completed application, including a request for temporary privileges, and the application is pending review by

the Medical Executive Committee and Board, an appropriately licensed applicant may be granted temporary privileges for a period not to exceed 30 days and may be renewed in 30-day increments up to a total of 90 days. In order to be eligible for this type of temporary privileges, an individual must demonstrate that (i) there are no current or previously successful challenges to his or her licensure or registration, and (ii) he/she has not been subject to involuntary termination of Medical Staff membership or involuntary limitation, reduction, denial, or loss of clinical privileges, at another health care facility. In exercising such privileges, the applicant shall act under the supervision of the Chief of Staff or the Chief of Staff's designee, and in accordance with the conditions specified in Section 5.07-2.

- (b) Locum Tenens: A practitioner applying for temporary privileges in a locum tenens capacity shall follow the same procedure required for appointments and reappointments, as specified in Article IV. After receipt of an application for locum tenens appointment, including a request for specific temporary privileges, an appropriately licensed practitioner of documented competence who is serving as a locum tenens for a member of the Medical Staff may be granted temporary privileges for a period not to exceed 30 days. Locum tenens appointments may be renewed in 30 day increments up to a total of 90 days.
- (c) Care of Specific Patients: Upon receipt of a written application for specific temporary privileges, a practitioner who is not an applicant for membership may be granted temporary privileges for the care of one or more specific patients. Such privileges shall be restricted to the treatment of not more than four patients in any one year by any practitioner. Practitioners requesting permission to attend more than four patients in any one year shall be required to apply for Medical Staff membership before being granted the requested privileges.
- (d) Verification of Information: The following verified information will be considered prior to the granting of any temporary privileges: current licensure, relevant training, experience, current competence, satisfaction of the insurance requirements set forth in Section 13.04, and results of a query to the National Practitioner Data Bank.

#### 5.07-2 CONDITIONS

Temporary privileges shall be granted only when the information available reasonably supports a favorable determination regarding the requesting practitioner's or Allied Health Professional's qualifications, ability and judgment to exercise the privileges requested, and only after the practitioner or Allied Health Professional has satisfied the requirement of Section 13.04 regarding professional liability insurance. Special requirements of consultation and reporting may be imposed by the individual responsible for supervision of a practitioner or Allied Health Professional granted temporary privileges. Before temporary privileges are granted, the practitioner or Allied Health Professional must acknowledge in writing that he/she has received the Medical Staff Bylaws, **Rules and Regulations** and that he/she agrees to be bound by their terms, whether or not he/she has actually read such Bylaws, Rules and Regulations.

#### 5.07-3 TERMINATION

Temporary privileges may be terminated at any time by the Chief of Staff. Where the life or well-being of a patient is determined to be endangered by continued treatment by the practitioner, the termination may be effected by any person entitled to impose summary suspensions under Article 6.

#### 5.07-4 RIGHTS OF THE PRACTITIONER

Except in cases where denial, termination or suspension of temporary privileges must be reported to the Medical Board of Nevada, a practitioner or Allied Health Professional shall not be entitled to the procedural rights afforded by Article 7 because of his/her inability to obtain temporary privileges or because of any termination or suspension of temporary privileges.

#### 5.08 PROCTORING

##### 5.08-1 APPOINTMENT OF PROCTORS

All initial appointees to the Medical Staff and all members granted new clinical privileges may be subject to a period of proctoring as determined by the Medical Executive Committee. Proctoring shall be conducted under the auspices of the Medical Executive Committee. The duty of the proctor is not to participate in patient care, but to review and report to the committee. The Chief of Staff shall appoint proctors, and the persons appointed shall be deemed members of the Medical Executive Committee with respect to serving as a proctor.

##### 5.08-2 GUIDELINES

~~The Medical Executive Committee shall develop Rules and Regulations (subject to approval by the Governing Body) to implement the following guidelines relative to proctoring:~~

- (a) Proctoring will begin immediately, with the first case scheduled or admitted, following appointment (including locum tenens appointments) to the Staff. Proctoring may be required whenever indicated for the evaluation of professional competence or performance.
- (b) Proctors shall submit written reports on appropriate evaluation forms promptly following each case evaluated.
- (c) The Medical Executive Committee shall require sufficient evaluations to provide adequate basis for determining competency or defining privileges.

##### 5.08-3 COMPLETION OF PROCTORING; CONSEQUENCES OF FAILURE TO COMPLETE PROCTORING

- (a) A Provisional Staff member or applicant for additional clinical privileges shall remain subject to proctoring until he/she has furnished to the Medical Executive Committee a report signed by the Chief of Staff describing the types and numbers of cases which were proctored, and an evaluation of the member's performance stating that the member meets all of the qualifications, has discharged all of the responsibilities, and has not exceeded or abused the prerogatives of the category to which he/she was appointed.

- (b) A Provisional Staff member who fails to complete the necessary number of proctored cases within the time frame established shall be deemed to have voluntarily resigned from the Medical Staff. Similarly, a Staff member in any category who is subjected to proctoring as a result of seeking additional clinical privileges must complete the necessary number of proctored cases within the time frame established, or shall be deemed to have voluntarily relinquished the particular privileges subject to proctoring. There shall be no procedural rights associated with any such relinquishment. The member may reapply for membership or clinical privileges after six months.
- (c) A member who completes the necessary volume of proctored cases, but nonetheless fails to obtain the necessary certification of satisfactory completion of such cases shall be terminated (or in the case of applicants for additional privileges, such privileges shall be terminated); however, the practitioner shall be afforded the procedural rights provided in Article 7.

## **ARTICLE 6: CORRECTIVE ACTION**

### **6.01 COLLEGIAL INTERVENTION**

- (1) These Bylaws encourage the use of progressive steps by the Medical Executive Committee or their designee, beginning with collegial and educational efforts, to address questions relating to an individual's clinical practice and/or professional conduct. The goal of these efforts is to arrive at voluntary, responsive actions by the individual to resolve questions that have been raised.
- (2) Collegial intervention is a part of ongoing and focused professional practice evaluation, performance improvement, and peer review.
- (3) Collegial intervention efforts involve reviewing and following up on questions raised about the clinical practice and/or conduct of staff members and pursuing counseling, education, and related steps, such as the following:
  - (a) advising colleagues of all applicable policies, such as policies regarding emergency call obligations and the timely and adequate completion of medical records;
  - (b) proctoring, monitoring, consultation, and letters of guidance; and
  - (c) sharing comparative quality, utilization, and other relevant information, including any variations from clinical protocols or guidelines, in order to assist individuals to conform their practices to appropriate norms.
- (4) The Medical Executive Committee will determine whether it is appropriate to include documentation of collegial intervention efforts in an individual's confidential **Medical Staff** file. If documentation of collegial efforts is included in an individual's file, the individual will **be notified** and have an opportunity to review it and respond in writing. The response will be maintained in that individual's file along with the original documentation. **Medical Staff Files will be kept by the Chief of Staff who will control access.**



- (5) Collegial intervention efforts are encouraged, but are not mandatory, and will be within the discretion of the Medical Executive Committee.
- (6) The Medical Executive Committee will determine whether to direct that a matter be handled in accordance with another policy (e.g., code of conduct policy, practitioner health policy, peer review policy, hospital staff policy). The MEC may also initiate an investigation per section 6.03.

## 6.02 DISRUPTIVE BEHAVIOR

### 6.02-1 PURPOSE

To promote patient safety and quality improvement through facilitating communication and cooperation among health care professionals by describing and prohibiting disruptive behavior involving Medical Staff members and delineating the response to be followed in all cases of allegations of disruptive behavior involving Medical Staff members. Disruptive behavior by members of the Medical Staff, or refusal of members to cooperate with the procedures described in this Policy, may result in corrective action, which shall be carried out according to these Bylaws.

### 6.02-2 DEFINITIONS

- A. “Disruptive Behavior” means any behavior including without limitation, harassment, sexual harassment or other forms of inappropriate behavior which:
  - (1) jeopardize or is inconsistent with quality patient care or with the ability of others to provide quality patient care at the Hospital;
  - (2) is unethical;
  - (3) constitutes the physical or verbal abuse of patients or others involved with providing patient care at the Hospital; or
  - (4) demonstrates a failure to maintain a professional demeanor on the Hospital campus.
- B. “Harassment” means verbal or physical abuse directed against any individual (e.g., against another Medical Staff member, house staff, Hospital employee or patient) on the basis of race, color, national origin, ancestry, religious creed, age, disability, sex, sexual orientation, gender identity or expression, or **familial** **marital** status, and shall not be tolerated.
- C. “Member” and “Medical Staff member” is defined as an individual who has been granted Medical Staff membership or, although not a Medical Staff member, has been granted temporary or disaster privileges. The term does not include medical students or residents, or Allied Health Professionals with or without clinical privileges.

- D. “Sexual harassment” is defined as unwelcome sexual advances, requests for sexual favors, or verbal or physical activity through which submission to sexual advances is made an explicit or implicit condition of employment or future employment related decisions; or unwelcome conduct of a sexual nature which has the purpose or effect of unreasonably interfering with a person’s work performance or which creates an offensive, intimidating or otherwise hostile work environment.

#### 6.02-3 POLICY

- A. Behavior by Medical Staff members while on Hospital property that generates a complaint by another Medical Staff member, a member of the Hospital clinical or administrative staff, or individuals in contact with the Medical Staff member will be responded to according to these Bylaws. Behavior that indicates that the Medical Staff member suffers from a physical, mental or emotional condition may be evaluated so as to arrange referral to promote rehabilitation for the Medical Staff member. Sexual harassment, harassment and other disruptive behavior is not acceptable to the Medical Staff and will be corrected, or if correction fails or the initial conduct warrants, discipline.
- B. Disruptive behavior occurs in varying degrees, which are classified here into three levels of severity. Level I behavior is the most severe violation of this policy. Any corrective action will be commensurate with the nature and severity of the disruptive behavior. Repeated instances of disruptive behavior will be considered cumulatively, and action shall be taken accordingly.
- C. Classification of severity shall follow these guidelines:

Level I: Physical violence, other physical abuse which is directed at people, sexual harassment, harassment involving physical contact ~~or possession of weapons~~ on hospital property.

Level II: Verbal abuse such as inappropriately speaking loudly, swearing or cursing with demeaning intent, sexual harassment or harassment that does not involve physical contact; threatening, humiliating, sexual or otherwise inappropriate comments directed at a person or persons; visual abuse such as threatening, humiliating, sexual or otherwise inappropriate writing or picture(s) directed at a person or persons, or physical violence or abuse directed in anger at an inanimate object.

Level III: Verbal abuse which is directed at-large, but has been reasonably perceived by a witness to be disruptive behavior as defined above.

#### 6.02-4 PROCEDURE

- A. Complaints about a member of the Medical Staff regarding alleged disruptive behavior must be in writing, signed and directed to the Chief of Staff. A copy of all complaints shall be provided to the CEO.

- B. The Chief of Staff or designee must review the complaint **immediately**, and provide the complainant with a written acknowledgement of the complaint and this Article of these Bylaws.
- C. The Chief of Staff or designee shall make an initial determination of authenticity and severity, and act accordingly. The CEO shall be informed of the action taken by the Chief of Staff or designee with respect to every complaint.
- D. In all cases, the member involved shall be provided with a copy of this Article of these Bylaws and a **complete copy of the complaint with all relevant details of time , place and people involved**. ~~At the discretion of the Chief of Staff and where the identity of the complainant is not relevant to the complaint the identity of the complainant may be redacted from the complaint.~~
- E. At the discretion of the Chief of Staff or at the discretion of the Medical Executive Committee, the duties here assigned to the Chief of Staff can be delegated to a different officer of the Medical Staff, on a case by case basis or for the Chief of Staff's term of office. However, if a complaint involves the Chief of Staff, the matter shall be delegated to the Vice Chief of Staff.
- F. The following procedures will be followed for different levels of incidents:
- Level I: The Chief of Staff or designee, in consultation with the CEO or designee, shall consider whether summary suspension is warranted and interview the complainant and, if possible, any witnesses within **2 business days** of receiving the complaint. The Chief of Staff, CEO and another member of the Medical Executive Committee shall interview the Medical Staff member within 48 hours. The Chief of Staff shall provide the member the opportunity to respond in writing.
- Level II: The Chief of the Medical Staff shall interview the complainant and, if possible, any witnesses within two weeks of receiving the complaint. The Chief of Staff, CEO and another member of the Medical Executive Committee shall interview the Medical Staff member within two weeks. The Chief of Staff shall provide the member the opportunity to respond in writing.
- Level III: The Chief of the Medical Staff shall interview the complainant and, if possible, any witnesses within 45 days of receiving the complaint. The Chief of Staff shall provide the member the opportunity to respond in writing.
- G. Any response to a complaint of disruptive behavior will depend on the totality of the circumstances surrounding the incident. The Chief of Staff's response may include but is not limited to the following options:
1. determine that no disruptive behavior occurred;
  2. determine that no action is warranted;
  3. issue a letter of education or of warning;
  4. require a written apology to the complainant;
  5. recommend the member seek personal counseling; **or peer counsel.**
  6. require the member to meet with the Medical Executive Committee; or

7. initiate corrective action pursuant to these Bylaws.

#### 6.02-5 DISRUPTIVE BEHAVIOR AGAINST A MEDICAL STAFF MEMBER

Disruptive behavior which is directed against a Medical Staff member by a Hospital employee, board member, contractor, or other member of the Hospital community shall be reported by the member to the Hospital pursuant to Hospital policy governing conduct.

#### 6.02-6 RETALIATION AND ABUSE OF PROCESS

- A. Threats or actions directed against the complainant or those who provide information in response to a complaint, by the subject of the complaint will not be tolerated under any circumstance. Retaliation or attempted retaliation by members against complainants or others will give rise to corrective action pursuant to these Bylaws.
- B. Individuals who submit a complaint or complaints which they know to be false or misleading shall be subject to corrective action under the Medical Staff Bylaws or Hospital employment policies, whichever applies to the individual. However, this subsection shall not be interpreted to mean that individuals have a duty to investigate a matter before submitting a complaint. Also, individuals who file a complaint shall not be subject to corrective action simply because the responsible individual or committee ultimately determines that the behavior in question did not meet the definition of “disruptive behavior,” “harassment,” or “sexual harassment,” or did not otherwise violate these Bylaws or other applicable policy.

#### 6.03 ROUTINE EVALUATION FOR THE NEED FOR CORRECTIVE ACTION

##### 6.03-1 CRITERIA FOR INITIATION

Any person may provide information to the Medical Staff about the conduct, performance or competence of its members. When reliable information indicates a member may have exhibited conduct within the Hospital that is reasonably likely to be:

- A. detrimental to patient safety or to the delivery of quality patient care within the Hospital;
- B. unethical;
- C. contrary to the Medical Staff Bylaws or Rules and Regulations;
- D. below applicable professional standards;
- E. disruptive of Medical Staff or Hospital operations; or
- F. an improper use of Hospital resources,

then a request for an investigation of such member may be submitted to the Medical Executive Committee by the Chief of Staff, any other Medical Staff member, the CEO or the Governing Board.

#### 6.03-2 REQUESTS FOR INVESTIGATION AND CORRECTIVE ACTION

- (a) When a request for an investigation is submitted to or is raised on its own initiative by the Medical Executive Committee, then the Medical Executive Committee will review the matter and determine whether to conduct an investigation and may discuss the matter with the individual. An investigation will begin only after a formal determination by the Medical Executive Committee to do so.
- (b) The Medical Executive Committee will inform the individual **within 1 week** that an investigation has begun. Notification may be delayed if, in the Medical Executive Committee's judgment, informing the individual immediately would compromise the investigation or disrupt the operation of the Hospital or Medical Staff.
- (c) The Chief of Staff shall **inform** the CEO **when an investigation is initiated and at its conclusion.** ~~In all action taken in connection with an investigation.~~

#### 6.03-3 INVESTIGATION

- A. The investigation shall be conducted promptly by an ad hoc committee appointed by the Chief of Staff, in consultation with the CEO. An ad hoc committee may include individuals not on the Medical Staff and will always have at least one physician.
- B. An outside consultant or agency may be used whenever a determination is made by the Medical Executive Committee that:
  - 1. the clinical expertise needed to conduct the review is not available on the Medical Staff; or
  - 2. the individual under review has raised questions about the objectivity of other practitioners on the Medical Staff.
- C. The investigating committee may require a physical and or mental health examination of the individual by a health care professional(s) acceptable to it. The individual being investigated must execute a release allowing:
  - 1. the investigating committee to discuss with the health care professional(s) conducting the examination the reasons for the examination; and
  - 2. the health care professional(s) conducting the examination to discuss and provide documentation of the results of such examination directly to the investigating committee.

- D. Prior to completing its investigation, the practitioner against whom corrective action has been requested shall have an opportunity to interview with the investigating committee. Prior to such interview he/she shall be informed of the specific nature of the investigation, and be invited to discuss, explain or refute the matters at issue. Such interview shall not constitute a hearing, shall be preliminary in nature, and none of the procedural rules set forth in Article 7 shall apply.
- E. ~~Within~~ Every 30 days ~~after completion of the investigation,~~ the ad hoc committee shall forward a written report of the investigation's progress and again at the completion together with any recommendations to the Chief of Staff. ~~If additional time is needed to complete the investigation, an interim report shall be forwarded which will include a specific request for additional time to complete the investigation.~~
- F. Members participating in ad hoc investigations shall not participate in deliberations or voting by the Medical Executive Committee. When the practitioner being investigated is the Chief of Staff then the Vice Chief of Staff shall appoint the ad hoc committee.
- G. The Chief of Staff may conduct or delegate to be conducted a chart review of patient care of a physician without prior notification of the physician. Such chart review shall not constitute an investigation. The chart review may be retrospective, prospective or both. If it indicates concern for substandard care then the physician in question will be notified and either an investigation as described in this section will proceed or if more appropriate a referral for a "Quality Assurance/Peer Review" committee action.

#### 6.03-4 MEDICAL EXECUTIVE COMMITTEE ACTION

Within 30 days following the Chief of Staff's receipt of the investigative report, the Medical Executive Committee shall consider the report and take action, to include, without limitation:

- A. determine that no action is justified;
- B. issue a letter of guidance, counsel, warning or reprimand;
- C. impose a requirement for proctoring in accordance with Section 5.08, monitoring or consultation;
- D. impose conditions for continued appointment;
- E. recommend additional training or education;
- F. recommend reduction of clinical privileges;
- G. recommend suspension of clinical privileges for a term;
- H. recommend revocation of appointment and or clinical privileges; or

- I. make any other recommendation that it deems necessary or appropriate.

## 6.0 3-5 PROCEDURAL RIGHTS

A recommendation by the Medical Executive Committee that would entitle the individual to request a hearing pursuant to Article 7 will be forwarded to the CEO who will promptly inform the individual by special notice. The CEO will hold the recommendation until after the individual has completed or waived a hearing and appeal. If the individual has not requested a hearing or appeal in writing to the CEO or Chief of Staff within 30 days then a hearing or appeal is waived.

### 6.03 6 GOVERNING BODY INITIATION OF ACTION

~~If the Medical Executive Committee fails to initiate an investigation in response to a direction from the Governing Body then the Governing Body shall have the authority to initiate an independent investigation by an outside agency of such practitioner. Such action shall only be taken after written notice to the Medical Executive Committee. If the outside agency makes a recommendation that would give rise to the procedural rights described in Article 7, the individual under review is entitled to exercise those procedural rights.~~

## 6.04 SUMMARY SUSPENSION

### 6.04-1 CRITERIA AND INITIATION

- A. Whenever a practitioner's conduct is such that a failure to take action may result in an imminent danger to the health of any individual, he/she may be summarily suspended by the Medical Executive Committee or by any of the persons authorized below. The Medical Executive Committee hereby authorizes the Chief of Staff, or when not available the Vice Chief of Staff, to summarily suspend or restrict the Medical Staff membership status or the clinical privileges of such practitioner. The Chief Executive Officer, or when not available, the Governing Body, may summarily suspend or restrict the clinical privileges of a practitioner when acting upon the recommendation of a two Active Medical Staff members when no other person authorized by the Medical Staff is available, provided the Governing Body or Chief Executive officer has made reasonable attempts to contact the persons so authorized.
- B. Unless otherwise stated, such summary restriction or suspension shall become effective immediately upon imposition, and the person or body responsible therefor shall promptly give written notice of the suspension to the practitioner, Governing Body, Medical Executive Committee and Chief Executive Officer. The individual in question shall be provided with a brief written description of the reasons for the summary suspension, including the names and medical records of the patients involved (if any) within three days of the imposition of the suspension.
- C. The summary restriction or suspension may be limited in duration in order to permit an investigation to be conducted. Unless otherwise indicated by the terms of the summary restriction or suspension, the practitioner's patients shall be promptly assigned to another practitioner by

the Chief of Staff, considering, where feasible, the wishes of the patient in the choice of a substitute practitioner.

#### 6.04-2 MEDICAL EXECUTIVE COMMITTEE ACTION

- A. As soon as possible, but no later than 14 days after such summary suspension, a meeting of the Medical Executive Committee shall be convened to review the action taken; provided, however, that if the suspension was effected by the Governing Body or Chief Executive Officer, the Medical Executive Committee must meet within five working days, excluding weekends and holidays. Failure of the Medical Executive Committee to ratify the suspension within this time frame shall result in automatic termination of the suspension and reinstatement of the practitioner.
- B. The individual may be given an opportunity to meet with the Medical Executive Committee. The individual may propose ways other than the summary suspension or restriction to protect patients, employees and or the orderly operation of the Hospital, depending on the circumstances.
- C. After considering the matters resulting in the suspension or restriction and the individual's response, if any, the Medical Executive Committee will determine whether there is sufficient information to warrant a final recommendation or whether it is necessary to commence an investigation. The Medical Executive Committee will also determine whether the summary suspension or restriction should be continued, modified or terminated pending the completion of the investigation an hearing if applicable.
- D. No notification of outside entity is done until suspension has had final confirmation by the Governing Board.

#### 6.04-3 PROCEDURAL RIGHTS

- A. Unless the Medical Executive Committee recommends immediate termination of the suspension or restriction and cessation of all further corrective action (or a suspension imposed by the Governing Body is terminated through lack of Medical Executive Committee ratification within the time frame specified in Section 6.04-2), the practitioner shall be entitled to the procedural rights as provided in Article 7. The terms of the summary suspension or restriction as sustained or as modified by the Medical Executive Committee shall remain in effect pending satisfaction of any conditions of reinstatement or a final decision by the Governing Body. There shall be no procedural rights associated with any suspension of 14 days or less that is rescinded or not ratified by the Medical Executive Committee.
- B. The procedural rights described in this section are limited to addressing whether the decision to impose the summary suspension was appropriate, given the information reasonably available at the time. If the Medical Executive Committee commences an investigation while the summary suspension is in effect, the Medical Executive Committee shall continue its investigation regardless of the outcome of any hearing regarding the decision to impose a summary suspension. If, following the Medical Executive Committee's investigation, it recommends action that would



entitle the practitioner to the procedural rights set forth in Article 7, the practitioner may once again invoke those procedural rights.

## 6.05 AUTOMATIC SUSPENSION AND TERMINATION

### 6.05-1 LICENSE

A Medical Staff member or Allied Health Professional whose Nevada license to practice is revoked or suspended shall immediately and automatically be suspended from practicing in the Hospital. In addition, whenever restrictions have been placed on a staff member's or AHP's license, corresponding restrictions shall automatically be placed on the member's or AHP's privileges in the Hospital. In the case of restrictions of licensure, or at the time a practitioner or AHP seeks reinstatement following suspension or revocation (and reinstatement) of a license, the Medical Executive Committee shall convene to review and consider the matter. The Medical Executive Committee may then take such further corrective action as is appropriate to the facts disclosed in the investigation.

### 6.05-2 CONTROLLED DRUG NUMBER

A Medical Staff member whose permit to prescribe or administer narcotics and dangerous drugs is revoked or suspended shall immediately and automatically be divested of his/her right to prescribe medications covered by such permit. In addition, whenever restrictions have been placed on a staff member's permit, corresponding restrictions shall automatically be placed on the member's prescribing privileges in the Hospital. The Medical Executive Committee shall convene to review and consider their recommendation. The Medical Executive Committee may then take such further corrective action as is appropriate to the facts disclosed in the investigation.

### 6.05-3 MEDICAL RECORDS

After warning of delinquency, an automatic suspension from Medical Staff membership shall be imposed for failure to complete medical records as specified in these Medical Staff **Bylaws Rules and Regulations**. Such suspension shall apply to the staff member's right to admit, treat, or provide services to new patients in the Hospital, but shall not affect his/her right to continue to care for a patient already admitted by or being treated by the affected staff member. The suspension shall be effective until the medical records are completed.

### 6.05-4 LIABILITY INSURANCE

Automatic suspensions from Medical Staff membership shall be imposed for failure to maintain professional liability in accordance with Section 13.04. In addition, failure to maintain professional liability insurance for certain procedures shall result in automatic suspension of clinical privileges to perform those specific procedures. The suspension shall be effective until appropriate coverage is reinstated.

### 6.05-5 FAILURE TO SATISFY SPECIAL APPEARANCE REQUIREMENT

- A. Whenever there is a concern regarding the clinical practice or professional conduct involving any individual, the Chief of Staff, Medical Executive Committee may require the individual to attend a special conference with Medical Staff leaders and or with a standing or ad hoc committee of the Medical Staff.
- B. The notice to the individual regarding this conference will be given by special notice at least three days prior to the conference and will inform the individual that attendance at the conference is mandatory.
- C. Failure of the individual to attend the conference will be reported to the Medical Executive Committee. Unless excused by the Medical Executive Committee upon a showing of good cause, such failure will result in automatic relinquishment of all or such portion of the individual's clinical privileges as the Medical Executive Committee may direct. Such relinquishment will remain in effect until the matter is resolved.

#### 6.05-6 FAILURE TO COMPLY WITH GOVERNMENT AND OTHER THIRD PARTY PAYOR REQUIREMENTS

The Medical Executive Committee and CEO shall each be empowered to determine that certain specific rules and requirements of third party payors, government agencies, and professional review organizations are of a nature that compliance with such requirements by Medical Staff members and Allied Health Professionals is essential to Hospital and/or Medical Staff operations and that compliance with such requirements can be objectively determined. Thereafter, upon general notice to the Medical Staff or specific notice to the affected practitioner, a practitioner may be automatically suspended for failure to comply with such requirements. The suspension shall be effective until he/she complies with such requirements.

#### 6.05-7 FAILURE TO SATISFY THE THRESHOLD ELIGIBILITY CRITERIA, EXCLUSION AND CRIMINAL ACTIVITY

- A. An individual's clinical privileges will be automatically relinquished if the individual fails to satisfy any of the threshold eligibility criteria set forth in Section 2.02 of these Bylaws. Individuals must notify the Chief of Staff and the CEO immediately of any action or event that causes them to not satisfy a threshold eligibility criterion.
- B. Without limiting the generality of subsection (A) of this section, an individual's clinical privileges will be automatically relinquished if any of the following occur:
  - (1) Revocation, expiration, suspension, or the placement of conditions or restrictions on an individual's license.
  - (2) Revocation, expiration, suspension, or the placement of conditions or restrictions on an individual's DEA or state controlled substance authorization.
  - (3) Termination or lapse of an individual's professional liability insurance coverage per 2.02 a(5), or other action causing the coverage to fall below the minimum required by the Hospital, or the coverage ceases to be in effect, in whole or in part.

- (4) Termination, exclusion, or preclusion by government action from participation in the Medicare/Medicaid or other federal or state health care programs.
- (5) Indictment, conviction, or a plea of guilty or no contest pertaining to any felony, or to any misdemeanor which involves (i) controlled substances; (ii) illegal drugs; (iii) Medicare, Medicaid, or insurance or health care fraud or abuse; or (iv) violence against another.

#### 6.05-8 PROCEDURAL RIGHTS ASSOCIATED WITH AUTOMATIC ACTIONS

- A. An individual who has automatically relinquished his or her clinical privileges pursuant to this Section and who desires reinstatement must request reinstatement within 90 days of the relinquishment. The Medical Executive Committee will review the request and submit a recommendation to the Board. If the request for reinstatement would require a waiver of a threshold eligibility criterion, the Medical Executive Committee will consider the factors set forth in Section 2.02 of these Bylaws in its recommendation.
- B. Automatic relinquishment of clinical privileges will take effect immediately upon notice to the Hospital and continue until the matter is resolved, if applicable. If an individual engages in any patient contact at the Hospital after the occurrence of an event that results in automatic relinquishment without notifying the Hospital of that event, then the individual will be deemed to have permanently relinquished his or her clinical privileges and appointment.
- C. Whenever the automatic suspension or termination is required to be reported to the Medical Board of Nevada the practitioner shall be entitled to a hearing pursuant to Article 7.
- D. In all other cases, anyone whose membership has been automatically suspended or terminated shall be entitled at his/her request to meet with the Medical Executive Committee to review the action. The review must be requested within seven days after notification of the action, will be conducted within 30 days of such notification and shall be limited to whether or not the conditions described in these sections had in fact occurred. There shall be a right to only one Medical Executive Committee review of the reasons for suspension and termination; if there is a review conducted after a suspension there shall be no right of additional review in the event a suspended practitioner is later terminated pursuant to this Section. The formal hearing procedures described in Article 7 shall not apply and the decision of the Medical Executive Committee shall then become and remain effective pending the final decision of the Governing Board.
- E. Failure to resolve the underlying matter leading to the automatic relinquishment of an individual's clinical privileges within 90 days of the date of relinquishment will result in automatic resignation from the Medical Staff.

#### 6.06 LEAVES OF ABSENCE

- (A) A Medical Staff member may request a leave of absence by submitting a written request to the Medical Executive Committee (MEC). The request must state the beginning and ending dates of the leave, which will not exceed one year, and the reasons for the leave.

- (B) Members of the Medical Staff must report to the MEC any time they are away from medical staff and/or patient care responsibilities for longer than 30 days and the reason for such absence is related to their physical or mental health or otherwise to their ability to care for patients safely and competently. Under such circumstances, the MEC may trigger an automatic medical leave of absence.
- (C) The MEC will determine whether a request for a leave of absence will be granted and will notify the member and the CEO of its decision. In determining whether to grant a request. The granting of a leave of absence, or reinstatement, as appropriate, may be conditioned upon the individual's completion of all medical records.
- (D) During the leave of absence, the individual will not exercise any clinical privileges. In addition, the individual will be excused from all Medical Staff responsibilities (e.g., meeting attendance, committee service, emergency service call obligations) during this period.
- (E) Individuals requesting reinstatement will submit a written summary of their professional activities during the leave, and any other information that may be requested by the Hospital. Requests for reinstatement will then be reviewed by the MEC. If there is a favorable recommendation on reinstatement, the Medical Staff member may immediately resume clinical practice at the Hospital. If, however a request for reinstatement is not granted, for reasons related to clinical competence or professional conduct, the individual will be entitled to request a hearing and appeal.
- (F) If the leave of absence was for health reasons, other than pregnancy, the request for reinstatement must be accompanied by a report from the individual's physician indicating that the individual is physically and/or mentally capable of resuming a hospital practice and safely exercising the clinical privileges requested.
- (G) Absence for longer than one year will result in automatic relinquishment of Medical Staff appointment and clinical privileges unless an extension is granted by the MEC. Extensions will be considered only in extraordinary cases where the extension of a leave is in the best interest of the Medical Staff and the Hospital.
- (H) If an individual's current appointment is due to expire during the leave, the individual's appointment and clinical privileges will lapse at the end of the appointment period, and the individual will be required to apply for reappointment.
- (I) Leaves of absence are matters of courtesy, not of right. In the event that it is determined that an individual has not demonstrated good cause for a leave, or where a request for extension is not granted, the determination will be final, with no recourse to a hearing and appeal.

## **ARTICLE 7: "FAIR HEARING PLAN" (INTERVIEWS, HEARINGS AND APPELLATE REVIEW)**

### **7.01 INTERVIEWS**

When the Medical Executive Committee receives or is considering initiating an adverse recommendation concerning a practitioner, the practitioner may be afforded an informal interview with the Medical Executive Committee, at the discretion of the Medical Executive Committee. The interview shall not constitute a hearing, shall be preliminary in nature, and need not be conducted according to the procedural rules applicable to hearings. If the practitioner elects an interview, the practitioner will be informed of the general nature of the circumstances and may present relevant information. A record of any such interview shall be made; however, such record need not be verbatim. Nothing in the foregoing shall limit the ability of any authorized individual or body to take summary action when warranted by the circumstances.

## 7.02 HEARINGS AND APPELLATE REVIEW

### 7.02-1 ADVERSE MEDICAL EXECUTIVE COMMITTEE RECOMMENDATION

When any practitioner receives notice of an adverse recommendation of the Medical Executive Committee, he/she shall be entitled, upon request, to a hearing before an ad hoc hearing committee of the Medical Staff or arbitrator(s), as outlined in this Fair Hearing Plan. If the recommendation following such hearing is still adverse to the practitioner, he/she shall then be entitled, upon request, to an appellate review by the Governing Body or a hearing officer appointed by the Governing Body before a final decision is rendered by the Governing Body.

### 7.02-2 EXCEPTIONS

None of the following actions will constitute grounds for a hearing, and they will take effect without hearing or appeal, provided that the individual will be entitled to submit a written explanation to be placed into his or her file:

- A. issuance of a letter of guidance, counsel, admonition, warning or reprimand;
- B. imposition of conditions, monitoring or a general consultation requirement (i.e., the individual must obtain a consult but need not get a prior approval for treatment);
- C. denial, reduction or termination of temporary privileges;
- D. automatic suspensions of appointment or privileges;
- E. imposition of a requirement for additional training or continuing education that does not take the practitioner away from patient care activities for an unreasonable period of time;
- F. denial of a request for leave of absence or for an extension of a leave;
- G. determination that an application is incomplete; or
- H. determination of ineligibility based on a failure to meet threshold eligibility criteria, a lack of need or resources, or because of an exclusive contract.

Further, the fair hearing procedures described in these Bylaws are intended for the resolution of factual disputes, or to challenge whether or not the provisions of these Bylaws have been followed. The Fair Hearing Plan is not intended as mechanism to challenge the substantive validity of the Medical Staff or Hospital Bylaws, ~~Rules and Regulations~~ or policies, and the hearing committee appointed pursuant to this Fair Hearing Plan shall not be empowered to hold quasi-legislative, notice and comment type hearings, or to make quasi-legislative determinations, or determinations as to the substantive validity of bylaws, ~~rules, regulations,~~ or other intra-organizational legislation. Such challenges, shall instead, be made through the mechanism described in Article 8 of these Bylaws.

#### ~~7.02-3 ADVERSE GOVERNING BODY DECISION~~

~~When any practitioner receives notice of an adverse decision by the Governing Body taken either contrary to a favorable recommendation by the Medical Executive Committee or on the Board's own initiative, such practitioner shall be entitled, upon request, to a hearing by a committee comprised of Medical Staff and Governing Body members appointed by the Governing Body, or by arbitrator(s), as outlined at Section 7.05-2. If such hearing results in a tie vote or an unfavorable recommendation, he/she shall then be entitled, upon request, to an appellate review by the Governing Body or a hearing officer appointed by the Governing Body before a final decision is rendered.~~

#### 7.03 EXHAUSTION OF REMEDIES

If adverse action is taken with respect to a practitioner's Medical Staff membership or clinical privileges, regardless of whether the practitioner is an applicant or a Medical Staff member, the practitioner must exhaust the remedies afforded by these Bylaws before resorting to legal action challenging the action or procedures used to arrive at the action or asserting any claim against any participants in the decision making process. (This section shall not be deemed to limit the immunities available to such participants pursuant to these Bylaws or any applicable provision of Nevada or federal law.)

#### 7.04 INITIATION OF HEARING

##### 7.04-1 RECOMMENDATIONS OR ACTIONS

A. Except as otherwise provided in Section 7.02-2, the following recommendations or actions shall, ~~if deemed adverse pursuant to Section 7.04-2 and except as otherwise provided in Section 6.03,~~ entitle the affected practitioner to a hearing ~~except as otherwise provided in Section 6.03:~~

- (1) Denial of initial Staff appointment;
- (2) Denial of reappointment;
- (3) Suspension of Staff membership;
- (4) Revocation of Staff membership;
- (5) Reduction in Staff category;

- (6) Limitation of the right to admit or treat patients;
- (7) Denial of requested clinical privileges;
- (8) Reduction in clinical privileges;
- (9) Suspension of clinical privileges;
- (10) Revocation of clinical privileges;
- (11) Requirement of consultation (except as imposed by department Rules and Regulations or on a specific patient basis);
- (12) Mandatory concurring consultation requirement (i.e.; the consultant must approve the course of treatment in advance);
- (13) Denial of reinstatement from a leave of absence if the reasons relate to professional competence or conduct; or
- (14) Any other "medical disciplinary" action or recommendation that must be reported to the Medical Board of Nevada.

B. No other recommendations will entitle the individual to a hearing.

~~C. If the Board makes any of these recommendations without an adverse recommendation by the Medical Executive Committee, an individual will also be entitled to a hearing. For ease of use, when this Article refers to adverse recommendation of the Medical Executive Committee triggering a hearing it will also include adverse recommendations made by the Board.~~

#### ~~7.04-2 WHEN DEEMED ADVERSE~~

~~A recommendation or action listed in Section 7.04-1 shall be deemed adverse only when it has been:~~

- ~~(a) Recommended by the Medical Executive Committee;~~
- ~~(b) Taken by the Governing Body contrary to a favorable recommendation by the Medical Executive Committee; or~~
- ~~(c) Taken by the Governing Body on its own initiative without benefit of a prior recommendation by the Medical Executive Committee.~~

#### 7.04-3 NOTICE OF ADVERSE RECOMMENDATION OR ACTION

A practitioner against whom adverse action has been taken shall promptly be given special notice of such action. Such notice shall:

- (a) Contain a Notice of Charges consisting of a statement of the practitioner's alleged acts or omissions, a list by number of the specific or representative patient records in question, and/or the other reasons or subject matter forming the basis for the adverse recommendation or action which is the subject of the hearing;
- (b) Advise the practitioner of his or her right to a hearing pursuant to the provisions of this Fair Hearing Plan;
- (c) Specify that the practitioner has 30 days following the date of receipt of notice within which a request for a hearing must be submitted;
- (d) State that failure to request a hearing within the specified time period shall constitute a waiver of rights to a hearing and to an appellate review on the matter;
- (e) State that after receipt by the Hospital of his/her request, the practitioner will be notified of the date, time and place of the hearing, and the grounds upon which the adverse action is based;
- (f) Contain a copy of the Fair Hearing Plan;
- (g) List the witnesses expected to testify at the hearing, to the extent known at the time; and
- (h) Advise the practitioner that the action, if adopted, shall be reported when required to the Medical Board of Nevada per Title IV of Public Law 99-660.

#### 7.04-4 REQUEST FOR HEARING

A practitioner shall have up to 30 days following the date of receipt of special notice to file a written request for a hearing. Such request shall be delivered to the Chief Executive Officer either in person or by certified or registered mail.

#### 7.04-5 WAIVER BY FAILURE TO REQUEST A HEARING

A practitioner who fails to request a hearing within 30 days from the date of receipt of special notice waives any right to such hearing and to any appellate review. Such waiver in connection with:

- (a) ~~An adverse action by the Governing Body shall constitute acceptance of that action, which shall then become effective as the final decision of the Governing Body.~~

An adverse recommendation by the Medical Executive Committee shall constitute acceptance of that recommendation, which shall then become and remain effective pending the final decision of the Governing Body. If the Governing Body's action on the matter is in accord with the Medical Executive Committee's final recommendation, such action shall constitute a final decision of the Governing Body. If the Governing Body proposes changing the Medical Executive Committee's recommendation, the matter shall be submitted to a joint conference of **members equal numbers** of the Medical Staff and Governing Body members selected by the Chief of Staff and Chairperson



of the Governing Body. The Governing Body's action on the matter following receipt of the joint conference recommendation shall constitute its final decision.

The Chief of Staff ~~Executive Officer~~ shall promptly send the practitioner special notice informing him/her of each action taken pursuant to this Section, and shall notify the Chief ~~Executive Officer~~ of Staff of each such action.

## 7.05 APPOINTMENT OF HEARING COMMITTEE

### 7.05-1 BY MEDICAL STAFF

Except as next provided, a hearing based upon an adverse Medical Executive Committee recommendation shall be conducted by a hearing committee appointed by the Chief of Staff. It will be composed of at least three members of the Medical Staff; however, at the discretion of the Chief of Staff, hearing committee members may be selected who are not Hospital Medical Staff members. At the discretion of the Chief of Staff and with the approval of the affected practitioner, the committee may be comprised of less than three members, or the hearing may be conducted before an arbitrator or arbitrators selected by a process mutually acceptable to the Medical Executive Committee and the practitioner. One of the appointees shall be designated as chairperson.

### ~~7.05-2 BY GOVERNING BODY~~

~~A hearing based upon an adverse action of the Governing Body shall be conducted by a hearing committee appointed by the Chief of Staff, in consultation with the Chairperson of the Governing Body and composed of at least four persons, two of whom should be Medical Staff members, or the hearing may be conducted before an arbitrator or arbitrators selected by a process mutually acceptable to the Governing Body and the practitioner. One of the appointees shall be designated as chairperson. Such committee shall be deemed a Medical Staff committee.~~

### 7.05-2 SERVICE ON HEARING COMMITTEE

In order to avoid a possible claim of prejudice by the affected practitioner, a hearing committee shall be composed of individuals who have not acted as an accuser, investigator, fact-finder, or initial decision maker in the same matter, and who shall gain no direct benefit from the outcome of the hearing. Without limiting the foregoing, economic competitors of the practitioner may not serve on the hearing committee. If feasible, the hearing committee should include an individual practicing the same specialty as the practitioner.

### 7.05-3 VOIR DIRE

The affected practitioner shall be notified in writing of his/ her right to question the hearing committee and the presiding officer, and to challenge the impartiality of those individuals based upon bias or conflict of interest. Any such challenge of a hearing committee member(s) must be supported by facts.

## 7.06 ADDITIONAL NOTICES

### 7.06-1 NOTICE OF TIME AND: PLACE FOR HEARING

Within 10 days after receipt by the Chief Executive Officer of the request, the Chief of Staff ~~or the Chief Executive Officer (on behalf of the Governing Body)~~ shall schedule a hearing. The Chief Executive Officer shall send the practitioner special notice of the time, place and date of the hearing. The hearing date shall be not less than 30 days nor more than 60 days from the date of receipt of the request.

### 7.06-2 SUPPLEMENTAL NOTICE OF CHARGES

The Medical Executive Committee may amend its Notice of Charges (Section 7.04-3(a)); provided, however, that such amendment shall be provided to the practitioner as soon as reasonably possible under the circumstances; and, provided, further, that the practitioner shall be entitled to a continuance if any such amendment substantially changes the scope of the hearing, or substantially affects the practitioner's ability to adequately prepare for the hearing. The hearing officer shall determine whether any such continuance is necessary.

## 7.07 EXCHANGE OF WITNESS LISTS; DISCOVERY; PREHEARING MOTIONS

### 7.07-1 WITNESS LISTS

- (a) If known at the time of the Notice of Adverse Recommendation or Action (Section 7.04-3), the practitioner shall be given a list of witnesses (if any) who are expected to testify at the hearing. Within five days of receipt of a request from the Medical Executive Committee, the practitioner shall forward his/her list of anticipated witnesses. Nothing in the foregoing shall preclude the testimony of additional witnesses whose possible participation was not reasonably anticipated. The parties shall notify each other as soon as they become aware of the possible participation of such additional witnesses.
- (b) The failure to have provided the name of any witness at least three days prior to the hearing date at which the witness is to appear shall constitute good cause for a continuance.

### 7.07-2 DISCOVERY RIGHTS

- (a) The practitioner shall have the right to inspect and copy, at his/her expense, any documentary information relevant to the charges which the Medical Executive Committee has in its possession or under its control as soon as practical after delivery of his/her request for a hearing.
- (b) The Medical Executive Committee shall have the right to inspect and copy, at its expense, any documentary information relevant to the charges which the practitioner has in his/her possession or control, as soon, as practical after receipt of the Medical Executive Committee's request.
- (c) The failure by either party to provide access to this information at least 30 days before the hearing shall constitute good cause for a continuance.

- (d) The right to inspect and copy by either party does not extend to confidential information referring to individually identifiable practitioners, other than the practitioner under review; nor does it create or imply any obligation to modify or create documents in order to satisfy a request for information.
- (e) The hearing officer shall rule on any contested requests for access to information. In making such rulings, the presiding officer may impose any safeguards for protection of the peer review process and justice requires. Moreover, in making such rulings and determining the relevancy of the requested information, the presiding officer shall, among other factors, consider the following;
  - (1) Whether the information sought may be introduced to support or defend the charges;
  - (2) The exculpatory or inculpatory nature of the information sought, if any;
  - (3) The burden imposed on the party in possession of the information sought, if access is granted; and
  - (4) Any previous requests for access to information submitted or resisted by the parties to the same proceeding.

#### 7.07-3 PREHEARING MOTIONS

The parties shall be entitled to file prehearing motions as deemed necessary to give full effect to rights established by these Bylaws, and to resolve such procedural matters as the hearing officer determines may properly be resolved outside the presence of the full hearing committee. Such motions shall be in writing and shall specifically state the motion, all relevant factual information, and any supporting authority for the motion. The moving party shall deliver a copy of the motion to the opposing party, who shall have five working days to submit a written response to the hearing officer, with a copy to the moving party. The hearing officer shall determine whether to allow oral argument on any such motions. The hearing officer's ruling shall be in writing and shall be provided to the parties promptly upon its rendering. All motions, responses, and rulings shall be entered into the hearing record by the hearing officer.

#### 7.07-4 PRE-HEARING CONFERENCE

The presiding officer will require the individual or a representative (who may be counsel) for the individual and for the Medical Executive Committee to participate in a pre-hearing conference. At the pre-hearing conference, the presiding officer will resolve all procedural questions, including any objections to exhibits or witnesses. The presiding officer will establish the time to be allotted to each witness's testimony and cross examination. It is expected that the hearing will last no more than 12 hours, with each side being afforded approximately six hours to present its case, in terms of both direct and cross-examination of witnesses. Both parties are required to prepare their case so that a hearing will be concluded after a maximum of 12 hours. The presiding officer may, after considering any objections, grant extensions upon a demonstration of good cause and to the extent compelled by fundamental fairness.

## 7.08 HEARING PROCEDURE

### 7.08-1 PERSONAL PRESENCE

The personal presence of the practitioner who requested the hearing shall be required. A practitioner who fails, without good cause, to appear and proceed, or who refuses to be called and to answer questions as a witness at such hearing, shall be deemed to have waived his/her rights in the same manner and with the same consequence as provided in Section 7.04-5, above.

### 7.08-2 HEARING OFFICER

The hearing officer, who shall be an attorney qualified and appointed in accordance with Section 7.13-1, shall be the presiding officer. The hearing officer shall act to maintain decorum and to assure that all participants in the hearing have a reasonable opportunity to present relevant oral and documentary evidence. He/She shall be entitled to determine the order of procedure during the hearing and shall make all rulings on matters of law, procedure, and the admissibility of evidence, including but not limited to:

- (a) Rulings on challenges to the impartiality of any of the hearing committee members or of the presiding officer himself/herself;
- (b) Rulings on requests for access to information pursuant to Section 7.07-2; and
- (c) Prohibiting conduct or presentation of evidence that is harassing, cumulative, excessive, irrelevant or abusive or that causes undue delay.

### 7.08-3 REPRESENTATION

The practitioner who requested the hearing shall be entitled to be accompanied and represented at the hearing by a member of the Medical Staff in good standing or by a member of his/her local professional society. The Medical Executive Committee ~~or the Governing Body, depending on whose recommendation or action prompted the hearing,~~ shall appoint an individual or individuals to represent it at the hearing, to present the facts in support of its adverse recommendation or action, and to examine witnesses. Representation of either party by an attorney at law (including Medical Staff or professional society members who are also attorneys shall be governed by Section 7.13-2.

### 7.08-4 RIGHTS OF PARTIES

During a hearing, each of the parties shall have the right, subject to the reasonable limits set by the presiding officer:

- (a) To question the hearing panel and the presiding officer, and to challenge the impartiality of any member or the presiding officer, in accordance with Sections 7.05-4 and 7.08-2;
- (b) To call and examine witnesses, to the extent that they are available and willing to testify;

- (c) To introduce relevant evidence;
- (d) To cross-examine any witness on any matter relevant to the issues;
- (e) To impeach any witness;
- (f) To rebut any relevant evidence;
- (g) To be provided with all of the information provided to the hearing committee; and
- (h) To have a record made of the hearing, in accordance with Section 7.08-8.

In addition, the affected practitioner may be called and examined as if under cross-examination.

#### 7.08-5 PROCEDURE AND EVIDENCE

The hearing need not be conducted strictly according to rules of law relating to the examination of witnesses or presentation of evidence. Subject to the provisions of Section 7.08-7(b), any relevant matter upon which responsible persons customarily rely in the conduct of serious affairs shall be admitted, regardless of the admissibility of such evidence in a court of law. Each party shall, prior to, or within 10 days after the close of the hearing, be entitled to submit memoranda concerning any issue of law or fact, and such memoranda shall become a part of the hearing record. The presiding officer may order that oral evidence be taken only on oath or affirmation.

#### 7.08-6 OFFICIAL NOTICE

In reaching a decision, the hearing committee may take official notice, either before or after submission of the matter for decision, of any generally accepted technical or scientific matter relating to the issues under consideration and of any facts that may be judicially noticed by the courts of the State of Nevada. Parties present at the hearing shall be informed of the matters to be noticed and those matters shall be noted in the hearing record. Any party shall be given the opportunity, on timely request, to request that a matter be officially noticed and to refute the officially noticed matters by evidence or by written or oral presentation of authority (the manner of such refutation to be determined by the hearing officer).

#### 7.08-7 BURDEN OF PRODUCING EVIDENCE; BURDEN OF PROOF

- (a) The body making the adverse action or recommendation shall have the initial obligation to present evidence in support of that action or recommendation.
- (b) Thereafter, initial applicants shall bear the burden of persuading the hearing committee, by a preponderance of the evidence, of their qualifications by producing information which allows for adequate evaluation and resolution of reasonable doubts concerning their current qualifications for staff privileges or membership. Initial applicants shall not be permitted to introduce information not produced upon request of the peer review body during the application process,

unless the initial applicant establishes that the information could not have been produced previously in the exercise of reasonable diligence.

- (c) Except as provided above for initial applicants (including Medical Staff members requesting new clinical privileges), the Medical Executive Committee shall bear the burden of persuading the hearing committee, by a preponderance of the evidence, that the action or recommendation is reasonable and warranted.

#### 7.08-8 RECORD OF HEARING

To facilitate Governing Body and possible judicial review, a record of the hearing shall be made by a court reporter. The cost of the court reporter shall be borne by the Hospital and the cost of the transcript shall be borne by the requesting party.

#### 7.08-9 CONTINUANCE OR POSTPONEMENT AND COMPLETION OF THE HEARING

Requests for continuance or postponement of a hearing may be granted by the hearing officer only upon a showing of good cause. The hearing shall be completed within a reasonable time unless the hearing officer issues a written decision finding that the practitioner failed to comply with requests to produce documentary evidence, pursuant to Section 7.07-2, in a timely manner, or consented to the delay.

#### 7.08-10 PRESENCE OF HEARING COMMITTEE MEMBERS AND VOTE

A majority of the hearing committee must be present throughout the hearing and deliberations. In unusual circumstances where a committee member must be absent from any part of the proceedings, he/she shall not be permitted to participate in the deliberations or the decision unless and until he/she has read the entire transcript of the portion of the hearing from which he/she was absent.

#### 7.08-11 RECESSES AND ADJOURNMENT

The hearing committee may recess and reconvene the hearing, without additional notice, for the convenience of the participants or for the purpose of obtaining new or additional evidence or consultation. Upon conclusion of the presentation of oral and written evidence, the hearing record shall be closed. The hearing committee shall then, at a time convenient to itself, conduct its deliberations outside the presence of the parties. Upon the conclusion of its deliberations, the hearing shall be declared finally adjourned.

### 7.09 HEARING COMMITTEE REPORT AND FURTHER ACTION

#### 7.09-1 HEARING COMMITTEE REPORT

Within 30 days (ten working days if a summary suspension is involved) after final adjournment of the hearing, the hearing committee shall render its recommendation in writing. The recommendation shall include the hearing committee's findings of fact and a conclusion articulating the connection between the evidence produced at the hearing and the decision reached.

#### 7.09-2 REPORT

The hearing committee report shall be sent to the parties to the hearing together with the notice of a right to appeal and a written explanation of the procedure for appealing the decision.

#### 7.09-3 REQUEST FOR APPEAL

Either party may request appeal of the findings and recommendations of the hearing committee, as provided at Section 7.10-2, below.

#### 7.09-4 NO APPEAL

If an appellate review is not requested within ~~7~~ 10 days, the recommendation of the hearing committee shall be forwarded to the Governing Body for final action.

### 7.10 INITIATION AND PREREQUISITES OF APPELLATE REVIEW

#### 7.10-1 REQUEST FOR APPELLATE REVIEW

A practitioner shall have 10 days following his/her receipt of a notice as provided for in Section 7.09-2 to file a written request for an appellate review. Such request shall state the grounds for the appeal (see Section 7.10-2) and shall be delivered to the Chief Executive Officer either in person or by certified or registered mail. The practitioner may also request a copy of the report and record of the hearing committee and all other material, favorable or unfavorable, if not previously forwarded, that was considered by the hearing committee or by a subsequently reviewing body in making the adverse recommendation.

#### 7.10-2 GROUNDS FOR APPEAL

An appeal shall be based upon one or more of the following grounds:

- (a) The recommendation of the hearing committee is arbitrary, capricious or not supported by substantial evidence; or
- (b) The substantial failure of the hearing committee to follow the procedures outlined in the Medical Staff Bylaws.

The request for appeal shall state the specific manner in which the decision is arbitrary, capricious, or lacking in substantial basis, or in which the applicable procedures were not followed.

#### 7.10-3 WAIVER BY FAILURE TO REQUEST APPELLATE REVIEW

A practitioner who fails to request an appellate review within the time and in the manner specified above waives any right to such review. Such waiver shall have the same force and effect as provided above for failure to request a hearing.

#### 7.10-4 NOTICE OF TIME AND PLACE FOR APPELLATE REVIEW

Upon receipt of a timely request for appellate review, the Chief Executive Officer shall deliver the request to the Governing Body. As soon as practical, the Governing Body shall schedule an appellate review which shall be held not less than 15 days nor more than 30 days from the date of receipt of the request; however, an appellate review for a practitioner who is under a suspension then in effect shall be held as soon as the arrangements may reasonably be made, but not later than 30 days from the date of receipt of the request. At least 15 days prior to the appellate review, the Chief Executive Officer shall send the practitioner special notice of the time, place and date of the review. The time for the appellate review may be extended by the appellate review body for good cause and if the request for extension is made as soon as is reasonably practical.

#### 7.10-5 APPELLATE REVIEW BODY

The Governing Body shall determine whether an appeal shall be conducted by:

- (a) The Governing Body as a whole, with or without the assistance of an appellate hearing officer; or
- (b) An appellate hearing officer only.

Whenever members of the Governing Body have had prior involvement, such as **initiating**, investigating, or reporting on matters at issue in the appeal, such member(s) shall be excluded from serving on the appellate review body, or an appellate hearing officer should be appointed pursuant to subparagraph (b), above. If an appellate hearing officer is appointed to hear the appeal by himself/herself, references throughout Sections 7.10 and 7.11 to an “appellate review body” shall be deemed to mean appellate hearing officer.

#### 7.11 APPELLATE REVIEW PROCEDURE

##### 7.11-1 NATURE OF PROCEEDINGS

The proceedings by the appellate review body shall be in the nature of an appellate review based upon the record of the hearing committee, that committee’s report, the written statements, if any, submitted as provided below, and such other material as may be presented and accepted within the terms of this Fair Hearing Plan.

##### 7.11-2 WRITTEN STATEMENTS

The party seeking the review may submit a written statement detailing the findings, conclusions and procedural matters with which he/she or it disagrees, and the reasons for such disagreement. This written statement may cover any matters raised at any step in the hearing process, and legal counsel may assist



in its preparation. The statement shall be submitted to the appellate review body and the opposing party through the Chief Executive Officer at least 5 days prior to the scheduled date of the appellate review, or later if this time limit is waived by the appellate hearing officer. A written statement in reply may be submitted by the opposing party and if submitted, the Chief Executive Officer shall provide a copy to the appealing party at least three days prior to the appellate review hearing.

#### 7.11-3 PRESIDING OFFICER

The chairperson of the appellate review body or an appellate hearing officer, if one is appointed, shall be the presiding officer. The presiding officer shall determine the order of procedure during the review, make all required rulings and maintain decorum.

#### 7.11-4 ORAL STATEMENTS

The parties or their representatives shall have the right to personally appear and make oral statements in favor of their positions. Any party or representative so appearing shall be expected to answer questions put to him/her by any member of the appellate review body.

#### 7.11-5 CONSIDERATION OF NEW OR ADDITIONAL MATTERS

Except as otherwise provided at Section 7.10-1, new or additional matters or evidence not raised or presented during the original hearing or in the hearing report and not otherwise reflected in the record shall be introduced at the appellate review level only in the discretion of the appellate hearing officer, following an explanation by the party requesting the consideration of such matter or evidence as to why it was not presented earlier.

#### 7.11-6 POWERS

The appellate review body shall have all powers granted to the hearing committee, and such additional powers as are reasonably appropriate to the discharge of its responsibilities.

#### 7.11-7 RECESSES AND ADJOURNMENT

The appellate review body may recess and reconvene the review proceedings, without additional notice, for the convenience of the participants or for the purpose of obtaining new or additional evidence or consultation. Upon the conclusion of oral statements and upon submission of any written statements within the time frame established by the presiding officer, the appellate review record shall be closed. The appellate review body shall then, at a time convenient to itself, conduct its deliberations outside the presence of the parties.

#### 7.11-8 ACTION OF THE APPELLATE REVIEW BODY

The recommendation of the hearing committee shall be sustained, unless the appellate review body finds that the recommendation is not supported by substantial evidence, or that it is arbitrary, unreasonable, or capricious. If the recommendation is not sustained, the appellate review body may recommend that

the Governing Body ~~modify or reverse the recommendation of the hearing committee or, in its discretion, the appellate review body may~~ refer the matter back to a hearing committee for further review and recommendation to be returned to it within 30-days (10 working days if summary suspension is involved) and in accordance with its instructions. Within 30 days (10 working days if summary suspension is involved) after receipt of a recommendation after referral, the appellate review body shall make its recommendation to the Governing Body. The appellate review body's recommendation shall be in writing, shall include findings of fact and a conclusion articulating the connection between the evidence produced during the hearing and appeal process and the decision reached, and shall be provided to the Governing Body and the parties.

#### 7.11-9 CONCLUSION OF APPELLATE PROCEEDINGS

The appellate review shall not be deemed to be concluded until all of the procedural steps provided in this Fair Hearing Plan have been completed or waived.

#### 7.12 FINAL DECISION OF THE GOVERNING BODY

##### 7.12-1 GOVERNING BODY ACTION

Within 30 days (10 working days if summary suspension is involved) after the conclusion of the appellate review, the Governing Body shall render its final decision in writing. The decision shall include the Governing Body's findings of fact and a conclusion articulating the connection between the evidence produced during the hearing and appeal process and the decision ultimately reached. The Chief Executive Officer shall send notice of the decision to the practitioner (by special notice), to the Chief of Staff, and to the Medical Executive Committee. The decision shall be immediately effective and final.

#### 7.13 GENERAL PROVISIONS

##### 7.13-1 HEARING OFFICER APPOINTMENT AND DUTIES

(a) The use of a hearing officer to preside at the initial hearing is mandatory. The appointment of such officer shall be by the Chief of Staff after consultation with the Chief Executive Officer. A hearing officer shall be an attorney, who must be experienced in conducting or participating in administrative hearings. He/She shall act in an impartial manner as the presiding officer of the hearing. He/She shall gain no direct financial benefit from the outcome of the hearing, shall not act as a prosecuting officer or advocate, ~~and~~ shall not be entitled to vote **and shall not be affiliated with the hospital.**

##### 7.13-2 ATTORNEYS

(a) The affected practitioner shall have the right at his/her expense, to attorney representation at the hearing. If the affected practitioner elects to have attorney representation, the Medical Executive Committee may also have attorney representation. Conversely, if the practitioner elects not to be represented by an attorney in the hearing, then the Medical Executive Committee shall not be represented by an attorney in the hearing. The affected practitioner shall state in writing his/her intentions with respect to attorney representation at the time he/she files the request for

a hearing. Notwithstanding the foregoing, and regardless of whether the practitioner elects to have attorney representation at the hearing, the parties shall have the right to utilize the assistance of legal counsel in connection with preparation for a hearing or an appellate review.

- (b) Both parties shall have the right, at their own expense, to be represented by an attorney or any other representative designated by the party at any appellate review hearing. If the affected practitioner elects not to be represented by an attorney at this stage, the Medical Executive Committee may nonetheless elect to have attorney representation in the appellate review hearing.

#### 7.13-3 WAIVER

If at any time after receipt of special notice of an adverse recommendation or action, a practitioner fails to make a required appearance or otherwise fails to proceed or to comply with this Fair Hearing Plan, he/she shall be deemed to have consented to such adverse recommendation or action and to have voluntarily waived all rights to which he/she might otherwise have been entitled under the Medical Staff Bylaws or under this Fair Hearing Plan.

#### 7.13-4 NUMBER OF REVIEWS

No practitioner shall be entitled as a right to more than one evidentiary hearing and appellate review with respect to an adverse recommendation or action.

#### 7.13-5 CONFIDENTIALITY; IMPARTIALITY

To maintain confidentiality, and to ensure the unbiased performance of peer review, disciplinary, and credentialing functions, Medical Staff members participating in any stages of the fair hearing process shall limit their discussion of the matters involved to the formal avenues provided in the Medical Staff Bylaws and this Fair Hearing Plan.

#### 7.13-6 RELEASE

By requesting a hearing or appellate review under this Fair Hearing Plan, a practitioner agrees to be bound by the provisions in the Medical Staff Bylaws relating to immunity from liability.

#### 7.13-7 GOVERNING BODY COMMITTEES

In the event the Governing Body should delegate some or all of its responsibilities described in this Article to one of its committees, the Governing Body shall nonetheless retain ultimate authority to accept, reject, modify or return for further action or hearing, the recommendations of its committee.

#### 7.13-8 FINANCIAL EXPENSES

The Hospital will provide or pay expenses related to the general conduct of the hearing and the MEC presentation, such as the sending of notices, copying costs related to the MEC presentation, fees of

presiding officers, hearing committee members, arbitrators, and any attorney representing the MEC and Hospital. The affected practitioner shall pay his or her own attorney fees, copying costs, transcript fees, and other fees related to the practitioner's presentation of his or her case.

## **ARTICLE 8: REVIEW OF BYLAWS, RULES AND REGULATIONS, AND POLICIES**

### **8.01 REQUEST FOR REVIEW**

- A. Any Medical Staff member or applicant against whom an adverse action has been taken (as described in Sections 7.04-1 and 7.04-2) may request review leading to amendment or repeal of the underlying bylaw, rule or regulation, or policy on the basis that it is believed to be substantively irrational. Such review shall be initiated by the submission of a written request, together with the substantiating rationale for such request. A practitioner shall have 30 days following the date of receipt of special notice of such adverse action to file a written request for review of such bylaw, rule, regulation or policy. Such request shall be delivered to the Chief of Staff and CEO either in person or by certified or registered mail and shall include the substantiating rationale for such request.
- B. A request for a review under this section shall result in the postponement of the obligations of the Medical Staff member and Hospital with respect to the adverse recommendation until the review requested pursuant to this section has been completed. However, a summary suspension shall not be ended solely as a result of a Medical Staff member requesting review under this section.

### **8.02 BYLAWS COMMITTEE REVIEW**

The Medical Executive Committee shall consider request within 30 days. The Medical Executive Committee shall either:

- (A) Recommend amendment of the bylaw, rule, regulation, or policy;
- (B) Recommend denial of the request; or
- (C) Request further information from the practitioner and/or appropriate Medical Staff committees or representatives (which information should be provided within 30 days), following receipt of which it shall recommend amendment or denial of the request for amendment.

~~The Medical Executive Committee failure to act within 30 days shall be deemed to be a denial of the request.~~

### **8.03 MEDICAL EXECUTIVE COMMITTEE ACTION**

- (a) If the Medical Executive Committee recommendation is to amend the bylaw, rule, regulation, or policy substantially as requested, the amendment shall be processed as set forth in Article 14 of these Bylaws.

- (b) If the Medical Executive Committee recommendation is to not amend the bylaw, rule, regulation, or policy substantially as requested, and subject to Section 8.04 below, the affected practitioner shall be informed of such decision. Thereafter, the practitioner may, within 10 days, request that the Medical Executive Committee convene an appropriate notice and comment forum for consideration of the involved provision. Such forum shall occur within 30 days of the request and shall enable all interested Medical Staff members, adversely affected applicants, and affected Medical Staff committees or representatives, and Hospital administration an opportunity to present information relating to the involved provision.
- (c) Thereafter, the Medical Executive Committee shall make its final recommendation upon the matter, considering all information presented in conjunction with the above review.

#### 8.04 LIMITATION ON FREQUENCY OF REVIEW

Notwithstanding the above, the Medical Executive Committee shall not be compelled to reconsider any request for amendment as to any provision that has been reviewed (or that is then under review) pursuant to the above provisions, within the immediately preceding ~~two~~ 3 year period.

#### 8.05 TIME FRAMES

Requests pursuant to this Article shall be processed as expeditiously as reasonably possible, and, except for good cause, each action or recommendation described above should occur, respectively, at the next regularly scheduled meeting of each involved committee.

### **ARTICLE 9: MEDICAL STAFF OFFICERS**

#### 9.01 MEDICAL STAFF OFFICERS - GENERAL PROVISIONS

##### 9.01-1 IDENTIFICATION

- (a) There shall be the following general Medical Staff Officers:
  - (1) Chief of Staff;
  - (2) Vice-chief of Staff; and
  - (3) Treasurer

##### 9.01-2 QUALIFICATIONS

- (a) All Medical Staff officers shall have:

- (1) An understanding of the purposes and the functions of the Medical Staff organization and a demonstrated willingness to assure that patient welfare always take precedence over other concerns;
- (2) An understanding of and willingness to work toward the attainment of the Hospital's policies and requirements that are lawful and reasonable; administrative ability as applicable to the respective office;
- (3) An ability to work with and motivate others to achieve the objectives of the Medical Staff organization;
- (4) Demonstrated clinical competence in his/her field of practice;
- (5) Active Staff status (and must remain in good standing as Active Staff members while in office); ~~and~~
- (6) An absence of any significant conflict of interest.
- (7) Have attended at least 70% of the Medical Staff meetings during the previous 2 years

(b) All nominees for election or appointment to Medical Staff offices (including those nominated by petition of the Medical Staff, pursuant to Section 9.01-3(c) shall, at least 20 days prior to the date of election or appointment, disclose in writing to the Medical Executive Committee those personal, professional, or financial affiliations or relationships of which they are reasonably aware that could foreseeably result in a conflict of interest with their activities or responsibilities on behalf of the Medical Staff.

#### 9.01-3 METHOD OF SELECTION - GENERAL OFFICERS

A slate of candidates shall be developed by nominations from voting Medical Staff members during a general medical staff meeting at which a quorum exists as per 11.02-2. ~~more than 50% of the voting active members are in attendance.~~ Candidates must meet the qualifications of office, as described in Section 9.01-2, above. The slate of candidates shall be developed at least 45 days prior to the scheduled election. At least one candidate shall be nominated for open positions for Chief of Staff, Vice Chief of Staff and Treasurer. The Medical Staff shall thereafter elect its officers. The outcome shall be determined by a majority of the voting Medical Staff. Officers shall be elected and shall take office in January.

#### 9.01-4 TERM OF OFFICE

The term of office for officers shall be two years.

#### 9.01-5 SUCCESSION OF OFFICERS

At the end of each term the Chief of Staff will leave office. The Vice-Chief shall, if willing, become the Chief of Staff. If the Vice-Chief is not willing, the Vice-Chief shall leave office. The Treasurer shall, if willing, become the Vice-Chief or, if not willing, shall leave office.

#### 9.01-6 RECALL OF OFFICERS

Except as otherwise provided, recall of a general Medical Staff officer may be initiated by the Medical Executive Committee or by a majority vote of the Medical Staff members eligible to vote for officers, but recall shall require a two thirds vote of the Medical Staff members eligible to vote for general Medical Staff officers.

#### 9.01-7 FILLING VACANCIES

Vacancies created during a term by resignation, removal, death, or disability shall be filled as follows:

- (a) A vacancy in the office of Chief of Staff shall be filled by the Vice-chief.
- (b) A vacancy in the office of Vice-Chief shall be filled by the Treasurer.
- (c) A vacancy in the office of Treasurer shall be filled by appointment by the Medical Executive Committee.

#### 9.02 THE CHIEF OF STAFF

The Chief of Staff is the individual in charge of the Medical Staff organization, and, with assistance of the Medical Executive Committee, is responsible for the effective discharge of the functions of the Medical Staff as set forth in these Bylaws. The Chief of Staff shall receive such administrative support as necessary to the effective performance of his/her responsibilities.

#### 9.02-1 DUTIES.

The Chief of Staff shall:

- (a) Exercise such authority as he/she deems necessary so that at all times patient welfare takes precedence over all other concerns;
- (b) In the interim between Medical Executive Committee meetings, perform those responsibilities of the Committee that, in his/her opinion, must be accomplished prior to the next regular or special meeting of the Committee;
- (c) Appoint practitioners to such committees as he/she deems necessary to perform the functions of the Medical Staff organization;

- (d) Report regularly to the Governing Body on the performance of all Medical Staff functions (as further described in Section 9.02-3), and communicate to the Staff any concerns expressed by the Governing Body with respect to the quality of medical care; and
- (e) Be chairperson of the Medical Executive Committee and be an ex officio member of all Medical Staff committees.

#### 9.02-2 AUTHORITY

The Chief of Staff shall have the authority:

- (a) To summarily suspend Medical Staff members;
- (b) To initiate appropriate corrective or disciplinary actions;
- (c) To require consultations whenever, in his/her discretion, he/she deems it necessary;
- (d) To appoint, in consultation with the Medical Executive Committee, the chairpersons and members of standing and special committees of the medical Staff;
- (e) To appoint practitioners (or, if appropriate, Allied Health Professionals) who are not members of the Medical Staff, to serve as special consultants to the Medical Executive Committee, or any other committee of the Medical Staff when deemed necessary or appropriate to assist such Committee with any peer review or quality assessment activities;
- (f) To require that other Medical Staff officers and committee chairpersons assist him/her in performance of his/her responsibilities as Chief;
- (g) To require all Staff members to comply with the Hospital and the Medical Staff Bylaws, ~~Rules and Regulations~~, and policies and procedures, or face disciplinary action;
- (h) To call special meetings of the Medical Executive Committee, any Staff committee, or of the Medical-Staff;
- (i) To seek authorization from the CEO or from the Chairperson of the Governing Body to incur the expense of contacting legal counsel for assistance or guidance;
- (j) Be designated to sign bank account checks on behalf of the Medical Staff;
- (k) To act on behalf of the Medical Executive Committee whenever he/she determines that action is called for prior to the next regular or special meeting of the Medical Executive Committee; and
- (l) To take whatever action reasonably necessary to the effective performance of his/her duties.

#### 9.02-3 ACCOUNTABILITY AND RELATIONSHIPS



- (a) The Chief of Staff shall be accountable to the Medical Staff and to the Governing Body. Accountability shall entail at least the following:
  - (1) The Chief of Staff shall regularly report to the Governing Body on the activities of the Medical Executive Committee as described in Section 10.02-5.
  - (2) The Chief of Staff shall keep the Chief Executive Officer informed of all violations of Medical Staff Bylaws and ~~Rules and Regulations or of~~ Hospital bylaws or policies which put patient welfare in jeopardy, and shall report on what action is being taken to prevent such incidents from recurring.
  - (3) The Chief of Staff shall report to the Chief Executive Officer concerning the progress being made toward attaining Medical Staff and Hospital objectives with respect to the Medical Staff organization.
  - (4) The frequency, type, and channel of reporting shall be determined by the Governing Body, based upon the recommendation of the Chief of Staff and the Chief Executive Officer.
- (b) The Chief of Staff shall be the chairperson of the Medical Executive Committee and shall be the focal point for the Committee:
  - (1) Communications with the Governing Body.
  - (2) Communications with committee chairpersons
- (c) All committee chairpersons shall be accountable to the Chief of Staff.

### 9.03 VICE-CHIEF OF STAFF (VICE-CHIEF)

The Vice-Chief of Staff is second in charge of the Medical Staff organization.

#### 9.03-1 DUTIES

The Vice-Chief shall:

- (a) In the absence or disability of the Chief of Staff, perform all of the duties of the Chief;
- (b) Assist the Chief of Staff in the performance of his/ her duties; and
- (c) Be a member of the Medical Executive Committee.

#### 9.03-2 AUTHORITY

The Vice-Chief shall have the authority:

- (a) When acting as the Chief of Staff or at the discretion of the Chief of Staff, to exercise all the authority of the Chief of Staff; and
- (b) To initiate appropriate corrective or disciplinary actions.

#### 9.03-3 ACCOUNTABILITY AND RELATIONSHIPS

The Vice-Chief of Staff shall be jointly accountable to the Chief of Staff and the Medical Executive Committee, and when acting as Chief of Staff he/she shall be accountable to the Governing Body and relate to the Staff and committees in the same manner as the Chief, as described in Section 9.02-3.

#### 9.04 TREASURER

The Treasurer is responsible for the financial management of the Medical Staff revenues and expenses and will maintain bookkeeping records in good order including the Medical Staff bank account(s).

##### 9.04-1 DUTIES

The Treasurer shall:

- (a) Update the Medical Executive Committee on a monthly basis of any significant changes in Medical Staff financial assets.
- (b) At least twice a year or as often as requested by the Chief of Staff provide a detailed report of Medical Staff revenues, expenses and account balances.
- (c) Assist with other administrative and record keeping duties as assigned by the Medical Executive Committee.

##### 9.04-2 AUTHORITY

The Treasurer shall:

- (a) Be designated to sign bank account checks on behalf of the Medical Staff.
- (b) Collect dues from Medical Staff members when authorized by the Medical Executive Committee to do so.

##### 9.04-3 ACCOUNTABILITY AND RELATIONSHIPS

The Treasurer shall be jointly accountable to the Chief of Staff and the Medical Executive Committee.

### **ARTICLE 10: COMMITTEES**

## 10.01 MEDICAL EXECUTIVE COMMITTEE

### 10.01-1 COMPOSITION

- A. The Medical Executive Committee shall be comprised of the Medical Staff officers listed in Section 9.01-1. The Chief Executive Officer shall be an ex-officio member without vote. The Chief of Staff shall be chairperson of the Medical Executive Committee. At the discretion of the Chief of Staff, any other person may be invited to attend without vote.
- B. At the discretion of the Chief of Staff, the following may be requested to attend to participate in discussions or give reports: the Director of Nursing, Pharmacist, Lab Manager, Radiology Manager, Respiratory Therapist, Physical Therapist, and EMS Director.
- C. The Chief of Staff may convene an executive session of the Medical Executive Committee as needed with voting members only to be present.
- D. When the Medical Executive Committee members are present during a General Medical Staff meeting then the two meetings may occur concurrently. Any actions taken by either body will occur separately and will be documented in separate minutes.
- E. Confidential peer review and other confidential information will not be discussed in the presence of individuals who are not members of the Medical Staff.

### 10.01-2 PURPOSE

The purpose of the Medical Executive Committee is to assist the Chief of Staff and CEO in the development and implementation of policies, procedures, programs, rules, and regulations that accomplish the purposes and functions of the Medical Staff organization. The Committee shall also serve as the primary forum by which the Medical Staff formally participates in the Hospital budget, planning, and policymaking processes.

### 10.01-3 DUTIES

The Medical Executive Committee shall:

- (a) Assist the Chief of Staff in supervising the performance of all Medical Staff functions, which shall include:
  - (1) Requiring regular reports and recommendations from the committees and officers of the Staff concerning discharge of assigned functions;
  - (2) Issuing such directives as appropriate to ensure effective performance of all Medical Staff functions; and
  - (3) Following up to ensure implementation of all directives.

- (b) Make recommendations regarding all applications for Medical Staff appointment, reappointment and clinical privileges.
- (c) In accordance with Article 6, initiate and/or pursue disciplinary or corrective actions affecting Medical Staff members.
- (d) Assist the Chief of Staff in supervising the Medical Staff compliance with:
  - (1) The Medical Staff Bylaws, ~~Rules and Regulations~~, policies, and procedures;
  - (2) Hospital Bylaws, Rules and Regulations, policies, and procedures;
  - (3) State and federal laws and regulations; and
  - (4) Accreditation requirements.
- (e) Implement, as it relates to the Medical Staff, the medical care policies and procedures of the Hospital that have been approved by the Medical Executive Committee.
- (f) Establish objectives for the maintenance and enforcement of professional standards within the Hospital, and for the continuing improvement of the quality of care rendered in the Hospital, and assist in developing programs to achieve these objectives.
- (g) Regularly report to the Governing Body through the Chief of Staff and the Chief Executive Officer on at least the following:
  - (1) The outcomes of Medical Staff quality assessment programs with sufficient background and detail to assure the Governing Body that quality care is consistent with professional standards; and
  - (2) Any Medical Staff disciplinary or corrective actions in progress.
- (h) Establish, ~~subject to the approval of the Governing Body~~, such additional standing committees as necessary to carry out functions described in these Bylaws or otherwise assigned to or assumed by the Medical Staff.
- (i) Establish, as necessary, such ad hoc committees which will function for limited times for the performance of circumscribed functions and which will report directly to the Medical Executive Committee.
- (j) May meet concurrently with general Medical Staff meetings and as often as necessary and will maintain a permanent record of all meetings.

- (k) Establish the date, place, time and **program agenda** of the regular meetings of the Medical Staff, which shall be held monthly but, at the discretion of the Medical Executive Committee, such meetings may be more or less frequent as needed.

#### 10.01-4 AUTHORITY

The Medical Executive Committee shall have the authority to:

- (a) Summarily suspend any practitioner whenever the personal or professional conduct-of that member is such that a failure to take action may result in an imminent danger to the health of any individual.
- (b) Require any practitioner to appear before the Committee whenever the Committee considers it necessary in order to carry out its duties and responsibilities.
- (c) Establish subcommittees to study and advise on any matters before the Committee. Subcommittees may consist of practitioners other than those on the Medical Staff, but each subcommittee shall be chaired by a member of the Medical Staff.
- (d) Take any action which the Committee deems necessary in discharging its duties and responsibilities.

#### 10.01-5 ACCOUNTABILITY AND RELATIONSHIPS

The Medical Executive Committee is directly responsible and accountable to the Chief of Staff. The Medical Executive Committee shall report through the Chief of Staff

#### 10.02 OTHER MEDICAL STAFF COMMITTEES, GENERAL, PROVISIONS

The Medical Executive Committee may establish committees to perform staff functions as it sees fit. The Medical Executive Committee may dissolve or rearrange the committee structure, duties or composition as needed to best accomplish the Medical Staff functions. Any function required to be performed by these Bylaws which is not assigned to an individual or other committee shall be performed by the Medical Executive Committee.

The provisions set forth in this section (but not by way of limitation) apply to all committees of the Medical Staff.

#### 10.02-1 COMPOSITION

Except as otherwise specifically noted in these Bylaws:

- (a) All Medical Staff members of committees shall be appointed by the Chief of Staff in consultation with the Medical Executive Committee.

- (b) The Chief of Staff or his/her designee may attend each committee.
- (c) The chairperson of each committee shall be appointed by the Chief of Staff; the vice-chairperson may be elected from among the committee members.

#### 10.02-2 TERM

- (a) Committee members will be appointed to serve for two years, and may be reappointed to serve an additional consecutive two-year term.
- (b) Committee chairpersons shall serve a two year term.

#### 10.02-3 DUTIES

Each Staff committee is responsible to:

- (a) Develop policies and procedures describing how it will carry out its purpose and, upon approval by the Medical Executive Committee and the Governing Body, implement the policies and procedures.
- (b) Be aware of and use best efforts to assure compliance with applicable state and federal laws and regulations.
- (c) Unless otherwise specified in these Bylaws, meet as often as necessary to fulfill its purpose.
- (d) Unless otherwise provided by hospital policy, maintain permanent records of its activities in accordance with Section 11.02.

#### 10.02-4 AUTHORITY

Each Staff committee shall have the following authority:

- (a) To review all records and charts pertinent to the purposes of the committee and to perform quality assessment reviews as requested.
- (b) To require the appearance before it of any practitioner or nurse whose conduct is being reviewed, or who has information relevant to the purposes of the committee.
- (c) To request that the Chief of Staff and CEO appoint one or more special consultants, who need not be members of the Medical Staff, to assist in any peer review or quality assessment activities.

#### 10.02-5 ACCOUNTABILITY AND RELATIONSHIPS

- (a) Each committee shall be accountable to its chairperson.

- (b) The chairperson of each committee shall be accountable to the Medical Executive Committee and the Chief of Staff.
- (c) Each chairperson shall regularly report to the Medical Executive Committee, through the Chief of Staff.

#### 10.03 CREDENTIALS COMMITTEE

##### 10.03-1 COMPOSITION

The Credentials Committee shall be comprised of the Medical Executive Committee as a whole.

##### 10.03-2 PURPOSE

The purpose of the Credentials Committee is to evaluate the qualifications of all applicants for Medical Staff appointment, reappointment, promotions, or changes in Medical Staff categories. The Committee shall coordinate the credentials review activities within the various departments, maintain records used in evaluation of applicants, and shall develop recommendations based on its evaluations of each applicant.

##### 10.03-3 OTHER

A confidential file on each applicant, Medical Staff member, and Allied Health Professional shall be maintained by the Credentials Committee. The application and all information obtained in conjunction with processing the application shall be Credentials Committee records. The Chief of Staff shall be the custodian of these records and will grant access to the CEO upon request.

#### 10.4 MEDICAL STAFF PEER REVIEW COMMITTEE

##### 10.4-1 COMPOSITION

The Medical Staff Peer Review Committee will be comprised of one Active Medical Staff member appointed by the Chief of Staff to be the chairperson and at least two other Medical Staff members. The Hospital Quality Assessment Coordinator and the CEO (or his/her designee) may be invited by the chairperson to participate to provide support and resources.

##### 10.4-2 PURPOSE

The purpose of the Medical Staff Peer Review Committee is: to improve patient care services; to assist in assessing Medical Staff performance in a manner which promotes continuous improvement; and to promote best practices, and compliance with evidence based medicine and national guidelines for patient care when appropriate. Summary reports of committee evaluations, deficiencies and progress reports on an institutional level will be supplied to the Hospital Quality Assessment Coordinator and CEO to support the Hospital program for Quality Improvement.

10.4-3 Meetings will be monthly or as often as needed.

## ARTICLE 11: MEETINGS

### 11.01 GENERAL STAFF MEETINGS

#### 11.01-1 REGULAR MEETINGS

The Medical Staff and Medical Executive Committee shall meet at least quarterly or as often as necessary. One of these meetings shall be designated as the "Annual Meeting."

#### 11.01-2 SPECIAL MEETINGS

Special meetings of the Medical Staff may be called at any time by the Chief of Staff, the Medical Executive Committee or by a petition signed by not less than half of the active voting staff.

### 11.02 PROVISIONS COMMON TO ALL MEETINGS

#### 11.02-1 NOTICE OF MEETINGS

- (a) Medical Staff members shall be provided notice of all regular meetings of the Medical Staff and regular meetings of departments and committees at least one week in advance of the meetings. Notice may also be provided by posting in a designated location or by email or telephone. All notices shall state the date, time, and place of the meetings.
- (b) The attendance of any individual at any meeting shall constitute a waiver of that individual's objection to the notice given for the meeting.

#### 11.02-2 QUORUM AND VOTING

- (a) For any regular or special meeting of the Medical Staff ~~or committee, 50% of the voting~~ 5 active staff members, **at least 2 being Medical Staff officers** shall constitute a quorum. Once a quorum is established, the business of the meeting may continue and all actions taken shall be binding.
- (b) Recommendations and actions of the Medical Staff, departments and committees shall be by consensus. In the event it is necessary to vote on an issue, that issue will be determined by a majority vote of the voting Medical Staff members.
- (c) The voting members of the Medical Staff, a department, or a committee may also be presented with a question by mail, facsimile, email, hand-delivery, or telephone, and their votes returned to the chairperson by the method designated in the notice. A quorum for purposes of these votes shall be the number of responses returned to the chairperson by the date indicated. The question raised shall be determined in the affirmative if a majority of the responses returned has so indicated.



- (d) Meetings may be conducted by telephone conference in which each participant can hear and be heard by each other participant.

#### 11.02-3 AGENDA

The presiding officer for the meeting shall set the agenda for any regular or special meeting of the Medical Staff, department or committee.

#### 11.02-4 RULES OF ORDER

Robert's Rules of Order shall not be binding at Medical Staff meetings or elections, but may be used for reference in the discretion of the presiding officer for the meeting. Rather, specific provisions of these Bylaws and the Medical Staff department or committee custom shall prevail at all meetings. The committee chairperson shall have the authority to rule definitively on all matters of procedure.

#### 11.02-5 MINUTES, REPORTS, AND RECOMMENDATIONS

- (a) Minutes of all meetings of the Medical Staff, departments, and committees shall be prepared and shall include a record of the attendance of members and the recommendations made and the votes taken on each matter. The minutes shall be authenticated by the presiding officer.
- (b) A summary of all recommendations and actions of the Medical Staff and committees shall be transmitted to the Medical Executive Committee and CEO. The Board shall be kept apprised of the recommendations of the Medical Staff and its and committees.
- (c) A permanent file of the minutes of all meetings shall be maintained by the Medical Staff. The Chief of Staff shall be the custodian of these records.

#### 11.02-6 CONFIDENTIALITY

Members of the Medical Staff who have access to or are the subjects of credentialing and/or peer review information agree to maintain the confidentiality of this information. Credentialing and peer review documents, and information contained therein, must not be disclosed to any individual not involved in the credentialing or peer review processes, except as authorized by the Medical Staff Bylaws or other applicable Medical Staff ~~or Hospital~~ policy. A breach of confidentiality may result in disciplinary action.

### 11.03 COMMITTEE MEETINGS

#### 11.03-1 REGULAR MEETINGS

Committees will meet as often as members deem necessary according to the discretion of the committee chairman.

#### 11.04 ATTENDANCE REQUIREMENTS

#### 11.04-1 REGULAR ATTENDANCE

Each member of a Staff category required to attend meetings under Article 3 shall be required to attend 50% of regularly scheduled general **Medical** Staff meetings during the two-year reappointment period. **For Active Staff Members who share a position with a contracted group such as hospitalists, and ER Physicians the number of required meetings will be 50% of the meetings that take place when they are on duty.** Special meetings will count towards attendance credit but will not be counted as a required meeting.

#### 11.04-2 FAILURE TO MEET ATTENDANCE REQUIREMENTS

Staff members will be notified annually if they have not yet met the full attendance requirements. Physicians who have not met meeting attendance requirements before the end of the appointment/reappointment period will be reappointed for a two-year period on probationary status. If the physician does not meet the meeting attendance requirements during the next two-year period, he/she will not be reappointed.

### **ARTICLE 12: IMMUNITY AND RELEASES**

#### 12.01 CONFIDENTIALITY, IMMUNITY AND RELEASES

##### 12.01-1 GENERAL

Medical Staff or committee minutes, files and records, including applications and information regarding any member or applicant to this Medical Staff shall, to the fullest extent permitted by law, be confidential. Such confidentiality shall also extend to information of like kind that may be provided by third parties. This information shall become a part of the Medical Staff committee files and shall not become part of any particular patient's file or the general Hospital files. Dissemination of such information and records shall only be made where expressly required by law, pursuant to officially adopted policies of the Medical Staff or, where no officially adopted policy exists, only with the express approval of the Chief of Staff.

##### 12.01-2 BREACH OF CONFIDENTIALITY

In as much as effective peer review and consideration of the qualifications of Medical Staff members and applicants to perform specific procedures must be based on free and candid discussions, any breach of confidentiality of the discussions or deliberations of Medical Staff committees, **except as required by federal or state statute** ~~in conjunction with other health facility, or professional society, or licensing authority peer review activities,~~ is outside appropriate standards of conduct for this Medical Staff and will be deemed disruptive to the operations of the Hospital. If it is determined that such a breach has occurred, the Medical Executive Committee may undertake such corrective action as it deems appropriate.

#### 12.02 IMMUNITY FROM LIABILITY

##### 12.02-1 FOR ACTION TAKEN

- A. Applicants and members of the Medical Staff release from liability, and grant immunity to the fullest extent permitted by law to each representative of the Medical Staff and Hospital and all third parties from liability for damages or other relief by reason of:
- (1) any action taken pursuant to these Bylaws for purposes of credentialing or peer review;  
or
  - (2) providing information to a representative of the Medical Staff, Hospital or any third party concerning such person who is, or has been, an applicant to or member of the staff or who did, or does, exercise clinical privileges or provide services at this Hospital.
- B. The Hospital shall provide a legal defense for, and shall indemnify, all Medical Staff officers, department directors, committee chairpersons, committee members, and other authorized representatives when acting in those capacities, to the fullest extent permitted by law and as set forth in the Hospital corporate bylaws, provided there is no final adjudication finding **by a court of law** that such individuals engaged in intentional misconduct amounting to bad faith.

#### 12.02-2 FOR PROVIDING INFORMATION

No representative of the Hospital or Medical Staff and no third party shall be liable for damages or other relief by reason of providing information (including otherwise privileged or confidential information) to a representative of this Hospital or Medical Staff or to any other hospital, organization of health professionals, or other health-related organization concerning a practitioner or Allied Health Professional who is or has been an applicant to or member of the Staff or who did or does exercise clinical privileges or provide specified services at this Hospital.

#### 12.03 ACTIVITIES AND INFORMATION COVERED

##### 12.03-1 ACTIVITIES

The immunity provided by this Article shall apply to all acts, communications, reports, recommendations, or disclosures performed or made in connection with this or any other health-related institution's or organization's activities concerning, but not limited to:

- (a) Applications for appointment, clinical privileges, or specified services;
- (b) Periodic reappraisals for reappointment, privileges, or specified services;
- (c) Corrective action;
- (d) Hearing and appellate reviews;
- (e) Patient care audits;
- (f) Utilization reviews;

- (g) Peer Review Committee;
- (h) Hospital Quality Assessment Program;
- (i) Morbidity and mortality conferences; and
- (j) Other Hospital or committee activities related to monitoring and maintaining quality patient care and appropriate professional conduct.

#### 12.03-2 INFORMATION

The acts, communications, reports, recommendations, disclosures, and other information referred to in this Article may relate to a practitioner's professional qualifications, clinical ability, judgment, character, physical and mental health, emotional stability, professional ethics, or other matter that might directly or indirectly affect patient care.

#### 12.04 RELEASES

Each practitioner shall, upon request of the Hospital, execute general and specific releases in accordance with the tenor and import of this Article; however, execution of such releases shall not be deemed a prerequisite to the effectiveness of this Article.

#### 12.05 CUMULATIVE EFFECT

Provisions in these Bylaws and in Medical Staff application forms relating to authorizations, confidentiality of information, and immunities from liability shall be in addition to other protections provided by law and not in limitation thereof.

### **ARTICLE 13: GENERAL PROVISIONS**

#### ~~13.01—STAFF RULES AND REGULATIONS~~

~~Rules and regulations shall be developed as necessary to implement more specifically the general principles found within these Bylaws. These shall relate to the proper conduct of Medical Staff organizational activities as well as embody the clinical level of practice that is to be required of each Staff member or Allied Health Professional in the Hospital. The rules and regulations may be adopted, amended or repealed by majority vote of the Medical Executive Committee and approval of the Governing Body.~~

#### 13.01 MEDICAL STAFF POLICIES

Policies shall be developed as necessary to implement more specifically the general principles found within these Bylaws ~~and the Medical Staff rules and regulations~~. The policies may be adopted, amended or repealed by majority vote of the Medical Executive Committee. ~~and approval by the Governing Body.~~

### 13.02 MEDICAL STAFF PARTICIPATION IN HOSPITAL DELIBERATIONS

Medical Staff representatives as designated by the Chief of Staff shall participate in any hospital deliberation affecting the discharge of Medical Staff responsibilities.

### 13.03 PROFESSIONAL LIABILITY INSURANCE

Each practitioner granted clinical privileges in the Hospital shall maintain in force professional liability insurance from a company authorized to sell insurance in the State of Nevada or from an insurance trust incorporated under the laws of one of the United States of America in no less than the minimum amounts, if any, as from time to time may be jointly determined by the Governing Body and Medical Executive Committee.

### 13.04 FORMS

Application forms and any other prescribed forms required by these Bylaws for use in connection with staff appointments, reappointments, delineation of clinical privileges, corrective action, notices, recommendations, reports, and other matters shall be developed by the Medical Staff and approved by the Governing Body. Upon adoption, they shall be deemed part of these Bylaws, except that they may be amended by approval of the Medical Executive Committee and the Governing Body.

### 13.05 HISTORIES AND PHYSICALS

A physical examination and medical history shall be done on each patient not more than 7 days before or more than 48 hours after the patient is admitted into the hospital by a member of the Medical Staff who is a doctor of medicine or osteopathy.

## **ARTICLE 14: ADOPTION AND AMENDMENT OF BYLAWS**

### 14.01 MEDICAL STAFF RESPONSIBILITY AND AUTHORITY

The Medical Staff shall have the initial responsibility and delegated authority to formulate, adopt, and recommend Medical Staff Bylaws and amendments which shall be effective when approved by the Governing Body. ~~If~~ The Governing Body must vote to reject or accept bylaws or amendments within 60 days of being presented to the hospital CEO or they will automatically become effective. If the hospital board votes to reject then there must be a reason given in writing ~~has not acted (e.g., adopted, rejected, or proposed modifications) on the proposed amendment within 60 days~~ and a meeting of the Joint Conference Committee shall be held within ~~10~~ 14 days to work toward a consensus. The Governing Body's responsibility and authority shall be exercised in good faith and in a reasonable, timely and responsible manner, reflecting the interests of providing patient care of a generally professionally recognized level of quality and efficiency, and maintaining a harmony of purpose and effort with the Governing Body.

### 14.02 METHODOLOGY

- (a) All proposed amendments must be reviewed by the Medical Executive Committee prior to a vote by the Medical Staff. The Medical Executive Committee shall provide notice by reporting on the proposed amendments either favorably or unfavorably at the next regular meeting of the Medical Staff, or at a special meeting called for such purpose. The proposed amendments may be voted upon at any meeting if notice has been provided at least 14 days prior to the meeting. To be adopted, the amendment must receive a majority of the voting active staff members.
- (b) The Medical Executive Committee may present proposed amendments to the voting staff by **electronic or regular** mail ballot, returned to the Medical Staff Office by the date indicated by the Medical Executive Committee. Along with the proposed amendments, the Medical Executive Committee may, in its discretion, provide a written report on them either favorably or unfavorably. To be adopted, an amendment must receive a majority of the Active Staff eligible to vote.
- (c) If the Board has determined not to accept a recommendation submitted to it by the Medical Executive Committee or the Medical Staff, the Medical Executive Committee may request a joint conference between the officers of the Board and the officers of the Medical Staff. Such conference shall be for the purpose of further communicating the Board's rationale for its contemplated action and permitting the officers of the Medical Staff to discuss the rationale for the recommendation. Such a conference will be scheduled by the CEO within 30 days after receipt of a request for same submitted by the Chief of Staff.

#### 14.03 MEDICAL STAFF DOCUMENTS

- (a) In addition to the Medical Staff Bylaws, there shall be policies, procedures ~~and rules and regulations~~ that shall be applicable to all members of the Medical Staff and other individuals who have been granted clinical privileges or a scope of practice. All Medical Staff policies **and** procedures ~~and rules and regulations~~ shall be considered an integral part of the Medical Staff Bylaws.
- (b) Medical Staff documents other than the Medical Staff Bylaws may be amended by a majority vote of the members of the Medical Executive Committee present and voting at any meeting of that committee where a quorum exists.
- (c) Notice of all proposed amendments of such other Medical Staff documents shall be provided to each voting member of the Medical Staff at least 14 days prior to the Medical Executive Committee meeting when the vote is to take place and any Medical Staff member may submit written comments on the amendments to the Medical Executive Committee.

In recognition of the ultimate legal and fiduciary responsibility of the Governing Body, the organized Medical Staff acknowledges, in the event the Medical Staff has unreasonably failed to exercise its responsibility and after notice from the Governing Body to such effect including a reasonable period of time for response, the Governing Body may impose conditions on the Staff that are required for continued State licensure **of the hospital**, approval by accrediting bodies or to comply with a court judgment. In such event, Staff recommendations and views shall be carefully considered by the Governing Body in its actions.

These Bylaws are adopted and made effective upon approval of the Board, superseding and replacing any and all previous Medical Staff Bylaws, Rules and Regulations, policies, manuals or Hospital policies pertaining to the subject matter thereof.

~~The present Rules and Regulations of the Medical Staff are hereby readopted and placed into effect insofar as they are consistent with these Bylaws, until such time as they are amended. To the extent they are inconsistent, the Rules and Regulations are of no force or effect.~~

**ADOPTED BY THE MEDICAL STAFF ON:**

\_\_\_\_\_, 2018

\_\_\_\_\_  
Chief of Staff

**APPROVED BY THE GOVERNING BODY AND EFFECTIVE AS OF:**

\_\_\_\_\_ 2018

\_\_\_\_\_  
Chairman Board of Trustees

**HUMBOLDT GENERAL HOSPITAL  
CRITICAL ACCESS HOSPITAL  
118 East Haskell St.  
Winnemucca, Nevada 89445**

**Date: 2-20-19  
Reviewed:**

**Developed by: Hospital Administration  
Revised by:  
Department: Obstetrics and Nursery  
Page 1 of 1**

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## **POLICY: OBSTETRIC AND NEONATAL CALL RESPONSIBILITIES**

**POLICY STATEMENT:** Appropriate on call coverage for perinatal patients at Humboldt General Hospital (HGH) is essential to maintaining quality and continuity of care in a rural area. All providers participating in Obstetric and Neonatal care at HGH will cooperatively participate in an equivalent call schedule with other like care providers on the medical staff. If an obstetric or neonatal provider desires not to participate in call responsibilities, they will independently arrange for the appropriate 24/7 coverage of those patients enrolled in their practice, by a physician with privileges for maternal/neonatal care at HGH.

### **I. Procedure:**

- A. An OB/Neonatal call schedule will be drafted each month and provided to the Maternal Services Director, ED Manager, CNO, Administration and all providers of Obstetric and Neonatal care.
- B. It is primarily the responsibility of the chairman of the hospital perinatal service line committee to insure that on an annual basis (as much as possible) call responsibilities are equivalently distributed.
  1. Every reasonable effort will be made to accommodate the scheduling preference of call participants.
  2. If scheduling conflicts arise, the hospital perinatal committee chairman's decision will be final.
  3. Any changes to the published call schedule will become the responsibility of the provider to which call coverage is assigned
- C. Failure to comply with this policy can result in inadequate or unsafe patient care and will result in referral to the hospital perinatal committee chair for review and follow up. As appropriate action may include report of EMTALA violation.



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WINNEMUCCA, NEVADA 89446  
TEL: (775) 623 5277 FAX: (775) 623 2468  
EMAIL: KENT@WINNEMUCCALAW.COM

## MEMORANDUM

TO: Interim Administrator-CEO

FROM: Hospital District Legal Counsel *OKM*

DATE: February 21, 2019

RE: Johnson / Physician Assistant services agreement amendment

Attached (in pdf. format to the email) is a draft version of the proposed *First Amendment to Agreement for Physician Assistant Employment* with Robert J. Johnson, PA-C, which was prepared using the terms and conditions information provided by staff.

The *Agreement* will be considered for approval by the District Board of Trustees at the next Board meeting. Accordingly, this memo and the attached agreement are copied to administration staff for distribution to the Hospital Board members in the Board meeting packet. When the Board approves the *Agreement* as drafted or revised, as the case may be, the document will be prepared for submittal to the physician assistant.

If you have any questions, please contact me. Thank you.

OKM/lp  
Attachment

xc: Board Chairman (w/ attachment)

**FIRST AMENDMENT TO AGREEMENT  
FOR PHYSICIAN ASSISTANT EMPLOYMENT**

THIS AGREEMENT, made and entered into effective the 2nd day of February, 2019 (the "Effective Date") by and between:

**DISTRICT:** HUMBOLDT COUNTY HOSPITAL DISTRICT  
c/o Humboldt General Hospital  
118 East Haskell Street  
Winnemucca, Nevada 89445

**PHYSICIAN ASSISTANT:** ROBERT J. JOHNSON, PA-C  
4096 Kathy Street  
Winnemucca, Nevada 89445

**RECITALS:**

**A.** District and Physician Assistant entered into an Agreement for Physician Assistant Employment effective for the period commencing January 1, 2018 and ending December 31, 2020 (the "Agreement") to provide Practice Specialty physician assistant services for the District as described in the Agreement.

**B.** District and Physician Assistant mutually desire to amend the terms of the Agreement and have agreed to change certain provisions of the Agreement to include the amendments set forth herein.

**WITNESSETH:** For and in consideration of the mutual recitals, representations, warranties and covenants herein it is mutually agreed as follows:

**1. PHYSICIAN ASSISTANT DUTIES AMENDMENT.** Section 2. entitled "Physician Assistant Duties" at pages 1 and 2 of the Agreement shall be amended to read as follows:

**"2. PHYSICIAN ASSISTANT DUTIES.** During the term of this Agreement Physician Assistant shall:

**a.** Personally provide a full range of customary Practice Specialty services: (i) to patients utilizing the Clinic; (ii) to patients accepted under District Facilities' rules, regulations and policies; (iii) to patients admitted to the District Facilities; and, (iv) to patients at District medical facilities in outlying Humboldt County.

**b.** Participate in federal and state governmental third party programs, health maintenance organizations ("HMOs"), preferred provider organizations ("PPOs") with substantial representation in the District service area and other indemnity health insurance programs as determined by District.

**c.** In all matters connected with the Practice Specialty services, Physician Assistant shall exercise Physician Assistant's independent professional judgment, unless otherwise directed by the Physician Assistant's supervising physician.

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d. Meet the standards and requirements of: (i) the District, including core measures defined by CMS and appropriate levels of patient experience perspectives (HCAHPS); (ii) appropriate licensing agencies, including the State of Nevada; and, (iii) any other relevant community standards.

e. Perform all duties in an ethical, professional and competent manner.

f. Personally provide services as the Clinic Director pursuant to the job description for the Clinic Director attached hereto as Exhibit "A" and incorporated by reference."

2. **BASE COMPENSATION AMENDMENT.** Subsection 4.a. entitled "Base Compensation" of Section 4. at page 2 of the Agreement shall be amended to read as follows:

**4. COMPENSATION / BENEFITS.**

a. **Base Compensation.** District shall pay Physician Assistant a base compensation salary of \$159,000 for each Agreement year, with the sum of \$135,000 being allocated to the Practice Specialty services and the sum of \$24,000 being allocated to the Clinic Director services. In the event Physician Assistant ceases to provide services as the Clinic Director, the base compensation shall be adjusted to \$135,000 for each Agreement year. There may be an adjustment to the base compensation salary depending on the PERS (as herein defined) retirement plan selected by Physician Assistant. The base compensation salary is paid in equal biweekly payments on the District's regularly scheduled payroll dates during the term."

3. **PHYSICIAN ASSISTANT WARRANTIES AMENDMENT.** Section 10 entitled "Physician Assistant Warranties" at page 7 of the Agreement shall be amended to add a new subsection g. to read as follows:

**10. PHYSICIAN ASSISTANT WARRANTIES.** Physician Assistant represents and warrants that:

a. Physician Assistant is a registered physician assistant, duly licensed as of the effective date of this Agreement and in good standing, without restriction, as a registered physician assistant in the State of Nevada.

b. Physician Assistant is eligible to participate in Medicare and Medicaid and has never been denied participation, restricted or charged with any program violation by those administering Medicare or Medicaid programs. Physician Assistant will abide by all procedures, practices and administrative regulations promulgated by Medicare and Medicaid.

c. Physician Assistant will maintain the Nevada license to engage in Practice Specialty services, and the Medicare and Medicaid practice eligibility in good standing, without restriction or challenge, throughout the term of this Agreement.

d. Physician Assistant will on request by District and at District's expense, if any,

apply for and promptly take all steps necessary to qualify for, obtain and maintain throughout the term of this Agreement a right of participation in any provider panel, e.g., IPA, PPO panel, HMO panel, or third-party insurance program, or contractual agreements with which District elects to participate.

e. Physician Assistant will comply with the American Medical Association’s Principles of Medical Ethics, the standards of the Joint Commission, the National Committee on Quality Assurance and any other accrediting or licensing agency that may have jurisdiction or authority over the District.

f. Physician Assistant will provide services under this Agreement in compliance with all applicable federal and state statutes, regulations, rules and standards, including the Medicare Conditions of Participation applicable the District.

g. Physician Assistant will provide District not less than thirty (30) days written notice to the Administrator in the event Physician Assistant desires to cease providing services as the Clinic Director.”

**4. EFFECT OF AMENDMENTS.** Except as expressly modified or amended by this First Amendment to Agreement, the Agreement and each and every provision thereof shall in all other respects remain in full force and effect.

IN WITNESS WHEREOF, the parties have hereunto caused this First Amendment to Agreement to be executed effective as of the effective date.

**DISTRICT:**

**PHYSICIAN ASSISTANT:**

\_\_\_\_\_  
JoAnn Casalez, Board of Trustees Chairman  
Humboldt County Hospital District

\_\_\_\_\_  
Robert J. Johnson, PA-C

February 21, 2019

David Masuck, M.D.  
Humboldt General Hospital  
118 E Haskell Street  
Winnemucca, NV 89445

RE: Letter of Intent

Dear Dr. Masuck,

It is with great excitement that we offer you this opportunity to become a member of our Medical Staff as a Family Practitioner at Humboldt General Hospital. Please accept this letter as an outline of the major terms and conditions for the development of your employment agreement. After you review this document I would be happy to address any questions or concerns. Once you are comfortable with the terms of this document, please sign and return to me. At that point, we will prepare a formal contract for your review and acceptance.

Start Date:	Completion of Residency Program: August 1, 2020
Term:	Three years.
Inpatients:	May utilize hospitalist service or elect to follow own patients.
Hours:	Salaried position; minimum of forty hours/week plus call rotation as per requirements of Rural Health Clinic.
Annual Salary:	\$250,000.00 Base
Bonus Provision:	w/RVU based on 2019 MGMA productivity statistics.
Employee Benefits:	Medical, Dental, Vision and Life coverage provided to physician. Medical, Dental, Vision provided to spouse/eligible dependents.
PERS Retirement:	Enrollment in Public Employees Retirement System of Nevada.
PTO:	240 hours accrued PTO.
CME Time Off:	Five paid days for CME in addition to PTO.
CME Expense:	\$3,500.00 per year.
Dues and Subscriptions:	Up to \$1,200.00 per year.

HGH

License: Paid by District.

Insurance: Paid by district to include tail insurance.

Signing Bonus: HGH will pay physician a \$25,000.00 signing bonus upon signing a five year contract.

Stipend During Residency: \$1,500.00 per month.

Sincerely,

Accepted: \_\_\_\_\_  
David Masuck, M.D.      Date

Karen Cole, MS, FACHE  
Interim CEO