Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday July 16, 2008; 5:30pm

Board Room
Northern Inyo Hospital

DRAFT AGENDA

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT
BOARD OF DIRECTORS MEETING

July 16, 2008 at 5:30 P.M.

In the Board Room at Northern Inyo Hospital

1. Call to Order (at 5:30 P.M.).
2. Opportunity for members of the public to comment on any items on this Agenda.
3. Approval of minutes of the June 18 2008 regular meeting.
4. Financial and Statistical Reports for the month of May 2008; John Halfen.
5. Administrator's Report; John Halfen.

   A. Building Update

   B. Alpha Fund Safety Audit

   C. F.Y.I. Section

   - Second Bond Issue
   - Turner Times

   D. Other

6. Chief of Staff Report – Richard Nicholson, M.D.
   A. Policies and Procedures (*action items*)
      1. *Interdisciplinary Practice Committee Policies and Procedures*
      2. *General Policy for Rural Health Clinic Nurse Practitioner Standardized Procedure*
      3. *Rural Health Clinic Standardized Procedure, Obstetrical Care*
      4. *Medical Screening Exam for the Obstetrical Patient - Standardized*
   B. Honorary Medical Staff Appointment, John Ungersma, M.D. (*action item*)
   C. Election results for 2008-2009 Medical Staff Year
   D. Other
7. Old Business
   A. Reaffirmation of John Halfen as negotiator regarding potential acquisition of real property at 2957 Birch Street, Bishop, California. Negotiation will be with the designee(s) of Southern Mono County Healthcare District (*action item*).
   B. Reaffirmation of John Halfen as negotiator regarding potential acquisition of real property at 152-H Pioneer Lane, Bishop, California. Negotiation will be with the designee(s) of Pioneer Medical Associates and/or Alice Casey, M.D. and Clifford Beck, M.D. (*action item*).
8. New Business
   A. Resolution 08-01, Consolidation of November Elections (*action item*)
   B. Language Services Quarterly Report

C. Security Proposal (*action item*)

D. Updates to Disaster/HICS Plan

E. NICLHD Retirement Plan Actuarial Valuation as of January 1, 2008

F. Report on NIH / RHC Operational Assessment

9. Reports from Board members on items of interest.

11. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.

12. Adjournment to closed session to:

A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).

B. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of real property (Government Code Section 54956.8).

C. Instruction of negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a second real property (Government Code Section 54956.8).

D. Discussion with counsel of pending litigation and whether or not the District shall initiate litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).

E. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).

13. Return to open session, and report of any action taken in closed session.

14. Opportunity for members of the public to address the Board of Directors on items of interest.

15. Adjournment.

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CALL TO ORDER	The meeting was called to order at 5:30 p.m. by Peter Watercott, President.
PRESENT	Peter Watercott, President D. Scott Clark, M.D., Vice President John Ungersma, M.D., Treasurer Michael Phillips, M.D., Secretary M.C. Hubbard, Director Richard Nicholson, M.D., Chief of Staff
ALSO PRESENT	John Halfen, Administrator Douglas Buchanan, Esq., District Legal Counsel Sandy Blumberg, Administrative Secretary
ALSO PRESENT FOR RELEVANT PORTIONS	Dianne Shirley, R.N., Performance Improvement Coordinator
OPPORTUNITY FOR PUBLIC COMMENT	Mr. Watercott asked if any members of the public wished to address the Board on any items listed on the agenda for this meeting. No comments were heard.
MINUTES	The minutes of the May 21, 2008 regular meeting and the minutes of the May 30, 2008 special meeting were approved.
FINANCIAL AND STATISTICAL REPORTS	John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of April 2008. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of $1,293,583. Mr. Halfen called attention to the following: - *Net patient service revenue was 30% over budget* - *Total expenses were slightly over budget* - *Salaries and wages and professional fees expense were over budget* - *Employee benefits were under budget* - *The Balance Sheet showed an increase to net assets and total liabilities* - *Year-to-date net income is $4,306,418* Mr. Halfen noted the average number of days accounts are in receivables is 60.64 days. He additionally noted that funds for financing new General Electric (GE) equipment will be received and disbursed in the near future. It was moved by D. Scott Clark, M.D., seconded by M.C. Hubbard, and passed to approve the financial and statistical reports for the month of April as presented.
ADMINISTRATOR'S REPORT	
BUILDING UPDATE	Mr. Halfen reported preliminary asbestos abatement work has begun on the 1949 hospital building, but there is confusion as to which public agency is responsible for monitoring this portion of the building project.

The move of some outpatient services to a temporary clinic services building is complete, and the cooperative attitude of those responsible for the move and those departments that were displaced helped to make the transition go smoothly. It is still anticipated that the knockdown of the original 1949 Hospital building will occur in the next month.

PHYSICIAN RECRUITMENT AND RETENTION WORKSHOP

Mr. Halfen reported the Physician Recruitment and Retention workshop took place on June 14 2008 and eight doctors from varied of practices were in attendance, as was one member of the general public. During the month of July Hospital Administration will solicit and attempt to gather written input from area agencies, healthcare providers, and physicians on the question of what role Northern Inyo Hospital (NIH) should take in the effort to recruit and retain physicians in this area. It was noted during the workshop that legislation that would allow rural hospital districts to employ physicians may be passed in the relatively near future.

CHIEF OF STAFF REPORT

Chief of Staff Richard Nicholson, M.D. reported the Medical Staff Executive Committee recommends the following (four) policies and procedures for approval by the District Board:

1. *Employee Tuberculosis Surveillance Program*
2. *Picture Archival Communication System (PACS) Direct Physician Access*
3. *Recalls: Drugs*
4. *Black Box warnings*

It was moved by Doctor Clark, seconded by Ms. Hubbard and passed to approve all four policies and procedures as recommended.

OLD BUSINESS

REAFFIRMATIONS OF NEGOTIATOR

Mr. Halfen asked for reaffirmation of himself as negotiator regarding the potential acquisition of real property at 2957 Birch Street, Bishop, California. Negotiation will be with the designee(s) of Southern Mono County Healthcare District. Mr. Halfen also asked for reaffirmation of himself as negotiator regarding the potential acquisition of real property at 152-H Pioneer Lane, Bishop, California. Negotiation will be with the designee(s) of Pioneer Medical Associates and/or Alice Casey, M.D. and Clifford Beck, M.D.. It was moved by Michael Phillips M.D., seconded by Ms. Hubbard and passed to approve both reaffirmations as requested, with Doctor Clark abstaining from the vote.

NEW BUSINESS

ACHD NOMINATIONS

Mr. Halfen called attention to a letter received from the Association of California Healthcare Districts (ACHD) soliciting nominations for their 2008-2009 Board of Directors. He asked if any member of this Board would consider running for ACHD office, and it was suggested that Doctor Ungersma might be an excellent candidate, especially in light of the fact that he has attended ACHD's annual Legislative Day for years. It was moved by Mr. Watercott, seconded by Doctor Clark, and passed to nominate John Ungersma M.D. for the 2008-2009 ACHD Board.

CONTRACTS FOR C-SECTION / OB / GYN CALL	Mr. Halfen called attention to proposed agreements for Obstetrical and Gynecological Services (OB/Gyn) for Lara Jeanine Arndal, M.D., David Greene M.D., and Amr Ramadan M.D.. Mr. Halfen explained the existing OB/Gyn contracts need updating to fit the current physician mix and call arrangement appropriate for coverage, and he noted the proposed agreements would increase the Hospital's cost for OB/Gyn services by roughly $30,000. Mr. Halfen also noted the proposed agreements cover a 120-day trial period, after which time they will be reevaluated for continuation or possible modification. It was moved by Doctor Clark, seconded by Ms. Hubbard and passed to approve all three OB/Gyn agreements as presented.
EMERGENCY CAPITAL PURCHASE OF C-ARM FOR SURGERY UNIT	Mr. Halfen called attention to an agreement to purchase a Digital C-Arm for the Hospital's surgery unit, at a total cost of $201,600. The equipment was scheduled to be a priority one purchase for the 2008-2009 fiscal year but the Hospital's existing C-Arm equipment failed and its replacement was deemed by Administration to be an emergency need. Under emergency conditions Mr. Halfen has authority to approve capital purchases on the condition that they are later ratified by the District Board. Following discussion it was moved by Ms. Hubbard, seconded by Dr. Ungersma, and passed to ratify the purchase of a Digital Mobile C-Arm ESP from GE Healthcare as requested.
CORPORATE BANKING RESOLUTION WITH WACHOVIA SECURITIES	Mr. Halfen referred to a proposal to establish a corporate banking resolution with Wachovia Securities which would allow NIH to open a standard investment account with that company. Following review of the proposal it was moved by Ms. Hubbard, seconded by Doctor Phillips, and passed to approve the corporate banking resolution with Wachovia Securities as presented.
AMMENDMENT TO AGREEMENT FOR EKG SERVICES	Mr. Halfen referred to a letter received from Asao Kamei, M.D. requesting an amendment to his agreement for EKG services due to an expected increase to his workload when Sudhir Kakarla M.D. moves out of the area on July 1 2008. Doctor Kamei's amendment would increase his compensation for EKG services by $350 per month, which Mr. Halfen feels is certainly reasonable in light of the fact that Dr. Kakarla's compensation for EKG services was $740 per month. It was moved by Doctor Clark, seconded by Doctor Ungersma, and passed to approve the amendment to Doctor Kamei's agreement for EKG services as requested.
BOARD MEMBER REPORTS	Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. No reports were heard.
OPPORTUNITY FOR PUBLIC COMMENT	In keeping with the Brown Act, Mr. Watercott again asked if any members of the public wished to address the Board of Directors on any items on this agenda and/or on any items of interest. Marie Boyd, R.N.

reported the annual Northern Inyo Hospital Foundation High Sierra Ultra marathon was held on May 17 2008, and once again the event was a great success. She noted that the race had more participants than in the past, attracting a total of 230 runners. Ms. Boyd thanked the volunteers who helped make the race possible and thanked the Hospital for their sponsorship of the event. She also reported that a 100K segment is expected to be added to the race next year. Ms. Boyd presented a check to the NIH Foundation in the amount of $10,000, and noted that overall race proceeds donated to the Foundation over the years now total $73,000. Members of the Board thanked Ms. Board for her selfless dedication to the Foundation and to the Ultra marathon, and commented on the community's positive response to the event. They also noted that the proceeds from the race benefit all members of our local community.

CLOSED SESSION

At 6:05pm Mr. Watercott announced the meeting was being adjourned to closed session to allow the Board of Directors to:

A. Hear reports on the hospital quality assurance activities, and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
B. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of real property (Government Code Section 54956.8).
C. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a second real property (Government Code Section 54956.8).
D. Discuss with counsel of pending litigation and whether or not the District shall initiate litigation. This discussion will be held under the authority of Government Code Section 54956.9(c).
E. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).

RETURN TO OPEN SESSION

At 6:18 pm the meeting was returned to open session. Mr. Watercott reported the Board took no reportable action.

OPPORTUNITY FOR PUBLIC COMMENT

Mr. Watercott again asked if any members of the public would like to comment on any items listed on the agenda for this meeting or on any items of interest. No comments were heard.

ADJOURNMENT

The meeting was adjourned at 6:19pm.

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Peter Watercott, President

Attest:

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Michael Phillips, M.D., Secretary

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BUDGET VARIANCE ANALYSIS

May-08 PERIOD ENDING PRIOR TO AUDIT

In the month, NIH was

			over budget in IP days; over in IP Ancillary and
		17%	over in OP Revenue resulting in
$	1,174,672	(19.4%)	over in gross patient revenue from budget and
$	747,957	(21.5%)	over in net patient revenue from budget

Total Expenses were:

$	312,362	(9.0%)	over budget. Wages and Salaries were
$	63,967	(4.9%)	over budget and Employee Benefits
$	66,063	(8.5%)	over budget.
$	224,045		of other income resulted in a net income of
$	1,074,221	$ 841,297	over budget.

The following expense areas were over budget for the month:

$	63,967	5%	Wages & Salaries
$	83,198	40%	Professional Fees; registry staff & Physicians
$	21,553	14%	Purchased Services
$	14,904	46%	Interest Expense due to Leases for Equipment from GE and Healthcare Financial Solutions
$	177,357	109%	Depreciation due to Radiology Equipment

Other Information:

42.87%	Contractual Percentages for month
43.35%	Contractual Percentages for Year
$ 5,380,639	Year-to-date Net Revenue

Special Notes for Month:

Interest Expense will remain high for year due to new leases for Laundry and Radiology Equipment

The depreciation expense is coming in line for the year; has been under budget

NORTHERN INYO HOSPITAL

Balance Sheet

May 31, 2008

Assets

	Current Month	*Prior Month*	*FYE 2007*
Current assets:			
Cash and cash equivalents	2,763,301	2,722,435	1,341,678
Short-term investments	15,715,454	15,125,211	12,719,858
Assets limited as to use	382,877	394,690	1,057,115
Plant Expansion and Replacement Cash	2,318,396	2,706,314	10,944,955
Other Investments (Partnership)	386,880	386,880	386,880
Patient receivable, less allowance for doubtful accounts $819,760	7,948,001	7,524,288	7,625,080
Other receivables (Includes GE Financing Funds)	660,798	871,755	207,225
Inventories	2,095,423	2,094,768	2,077,353
Prepaid expenses	603,077	654,566	620,550
Total current assets	32,874,208	32,480,906	36,980,693
Assets limited as to use:			
Internally designated for capital acquisitions	558,087	557,948	455,329
Specific purpose assets	529,913	557,363	482,715
	1,088,000	1,115,311	938,044
Revenue bond construction funds held by trustee	904,546	860,823	788,195
Less amounts required to meet current obligations	382,877	394,690	1,057,115
Net Assets limited as to use:	1,609,669	1,581,445	669,125
Long-term investments	6,873,115	6,873,115	5,741,537
Property and equipment, net of accumulated depreciation and amortization	29,557,832	29,186,682	17,498,027
Unamortized bond costs	310,070	311,557	326,426
Total assets	71,224,893	70,433,704	61,215,807

NORTHERN INYO HOSPITAL

Balance Sheet

May 31, 2008

Liabilities and net assets

	Current Month	*Prior Month*	*FYE 2007*
Current liabilities:			
Current maturities of long-term debt	63,723	71,050	270,000
Accounts payable	595,303	622,924	559,389
Accrued salaries, wages and benefits	2,621,686	2,904,577	2,565,601
Accrued interest and sales tax	254,722	156,758	168,394
Deferred income	199,811	236,824	105,164
Due to third-party payors	3,940,301	3,940,301	3,219,011
Due to specific purpose funds	-	-	-
Total current liabilities	7,675,545	7,932,434	6,887,558
Long-term debt, less current maturities	25,897,454	25,897,454	22,180,000
Bond Premium	393,009	394,215	406,270
Total long-term debt	26,290,463	26,291,669	22,586,270
Net assets:			
Unrestricted	36,728,972	35,652,237	31,259,264
Temporarily restricted	529,913	557,363	482,715
Total net assets	37,258,885	36,209,601	31,741,979
Total liabilities and net assets	71,224,893	70,433,704	61,215,807

NORTHERN INYO HOSPITAL

Statement of Operations

As of May 31, 2008

	MTD Actual	MTD Budget	MTD Variance $	MTD Variance %	YTD Actual	YTD Budget	YTD Variance $	YTD Variance %
Unrestricted revenues, gains and other support:								
In-patient service revenue:								
Routine	636,874	592,334	44,540	7.5	6,437,125	6,515,710	(78,585)	(1.2)
Ancillary	2,187,483	1,926,340	261,143	13.6	21,383,445	21,189,677	193,768	0.9
Total in-patient service revenue	2,824,357	2,518,674	305,683	12.1%	27,820,570	27,705,387	115,183	0.4%
Out-patient service revenue	4,411,348	3,542,358	868,990	24.5	42,309,069	38,965,854	3,343,215	8.6
Gross patient service revenue	7,235,704	6,061,032	1,174,672	19.40	70,129,640	66,671,241	3,458,399	5.2
Less deductions from patient service revenue:								
Patient service revenue adjustments	176,901	180,594	3,693	2.1	1,914,996	1,986,543	71,547	3.6
Contractual adjustments	2,838,317	2,407,909	(430,408)	(17.9)	26,884,178	26,486,990	(397,188)	(1.5)
Total deductions from patient service revenue	3,015,218	2,588,503	(426,715)	(16.5)	28,799,174	28,473,533	(325,641)	(1.1)
Net patient service revenue	4,220,486	3,472,529	747,957	22%	41,330,465	38,197,708	3,132,757	8%
Other revenue	25,159	26,497	(1,339)	(5.1)	313,305	291,451	21,854	7.5
Transfers from Restricted Funds for Other Operating Expenses	392,495	65,541	326,954	498.9	786,490	720,949	65,541	9.1
Total Other revenue	417,654	92,038	325,616	353.8	1,099,795	1,012,400	87,395	8.6
Total revenue, gains and other support	4,638,140	3,564,567	1,073,573	354.0	42,430,261	39,210,108	3,220,153	8.7
Expenses:								
Salaries and wages	1,367,317	1,303,350	(63,967)	(4.9)	14,358,375	14,336,852	(21,523)	(0.2)
Employee benefits	846,350	780,287	(66,063)	(8.5)	8,307,613	8,583,134	275,521	3.2
Professional fees	291,350	208,152	(83,198)	(40.0)	3,165,548	2,289,650	(875,898)	(38.3)
Supplies	441,051	467,888	26,837	5.7	4,912,827	5,146,790	233,963	4.6
Purchased services	175,141	153,588	(21,553)	(14.0)	1,839,554	1,689,404	(150,150)	(8.9)
Depreciation	340,196	162,839	(177,357)	(108.9)	1,797,688	1,791,233	(6,455)	(0.4)
Interest	47,175	32,271	(14,904)	(46.2)	447,813	354,984	(92,829)	(26.2)
Bad debts	86,907	150,682	63,775	42.3	1,601,346	1,657,503	56,157	3.4
Other	173,998	198,066	24,068	12.2	2,055,699	2,178,733	123,034	5.7
Total expenses	3,769,485	3,457,123	(312,362)	(9.0)	38,486,463	38,028,283	(458,180)	(1.2)
Operating income (loss)	868,655	107,444	761,211	363.0	3,943,798	1,181,825	2,761,973	9.9
Other income:								
District tax receipts	37,013	41,816	(4,803)	(11.5)	407,143	459,974	(52,831)	(11.5)
Interest	110,003	83,333	26,670	32.0	928,922	916,667	12,255	1.3
Other	77,029	4,663	72,366	1,551.9	209,428	51,290	158,138	308.3
Grants and Other Non-Restricted Contributions	-	12,500	(12,500)	(100.0)	109,189	137,500	(28,311)	(20.6)
Partnership Investment Income	-	-	-	N/A	-	-	-	N/A
Total other income, net	224,045	142,312	81,733	57	1,654,682	1,565,431	89,251	5.7
Non-Operating Expense								
Medical Office Expense	12,984	10,111	(2,873)	(28.4)	113,319	111,220	(2,099)	(1.9)
Urology Office	5,495	6,721	1,226	18.2	104,522	73,933	(30,589)	(41.4)
Total Non-Operating Expense	18,480	16,832	(1,648)	(9.8)	217,840	185,153	(32,687)	(17.7)
Excess (deficiency) of revenues over expenses	1,074,221	232,924	841,297	361.2	5,380,639	2,562,103	2,818,536	110.0

NORTHERN INYO HOSPITAL

Statement of Operations--Statistics

As of May 31, 2008

	Month Actual	Month Budget	Month Variance	Variance Percentage	YTD Actual	YTD Budget	Year Variance	Year Percentage
Operating statistics:								
Beds	25.00	25.00	N/A	N/A	25.00	25.00	N/A	N/A
Patient days	316.00	271.00	45.00	1.17	3,330.00	2,981.00	349.00	1.12
Maximum days per bed capacity	775.00	775.00	N/A	N/A	8,400.00	8,400.00	N/A	N/A
Percentage of occupancy	40.77	34.97	5.80	1.17	39.64	35.49	4.15	1.12
Average daily census	10.19	8.74	1.45	1.17	9.91	8.87	1.04	1.12
Average length of stay	3.13	3.08	0.05	1.02	3.34	3.08	0.26	1.08
Discharges	101.00	88.00	13.00	1.15	998.00	968.00	30.00	1.03
Admissions	101.00	89.00	12.00	1.13	993.00	979.00	14.00	1.01
Gross profit-revenue depts.	5,031,888.99	3,956,919.00	1,074,969.99	1.27	46,701,177.58	43,526,054.00	3,175,123.58	1.07
Percent to gross patient service revenue:								
Deductions from patient service revenue and bad debts	42.87	45.24	(2.37)	0.95	43.35	45.24	(1.89)	0.96
Salaries and employee benefits	30.53	34.38	(3.85)	0.89	32.27	34.38	(2.11)	0.94
Occupancy expenses	5.62	3.54	2.08	1.59	3.64	3.54	0.10	1.03
General service departments	5.53	5.65	(0.12)	0.98	5.72	5.65	0.07	1.01
Fiscal services department	4.33	4.56	(0.23)	0.95	4.48	4.56	(0.08)	0.98
Administrative departments	4.02	5.46	(1.44)	0.74	4.56	5.46	(0.90)	0.84
Operating income (loss)	11.75	1.70	10.05	6.91	5.47	1.70	3.77	3.22
Excess (deficiency) of revenues over expenses	14.85	3.84	11.01	3.87	7.67	3.84	3.83	2.00
Payroll statistics:								
Average hourly rate (salaries and benefits)	42.18	41.24	0.94	1.02	39.75	41.24	(1.49)	0.96
Worked hours	46,930.64	44,676.00	2,254.64	1.05	503,845.80	491,436.00	12,409.80	1.03
Paid hours	52,367.10	50,524.00	1,843.10	1.04	569,377.09	555,764.00	13,613.09	1.02
Full time equivalents (worked)	266.65	253.84	12.81	1.05	264.07	257.57	6.50	1.03
Full time equivalents (paid)	297.54	287.07	10.47	1.04	298.42	291.28	7.13	1.02

NORTHERN INYO HOSPITAL

Statements of Changes in Net Assets

As of May 31, 2008

	Month-to-date	Year-to-date
Unrestricted net assets:		
Excess (deficiency) of revenues over expenses	1,074,220.65	5,380,639.05
Net Assets due/to transferred from unrestricted	-	(99,188.98)
Net assets released from restrictions used for operations	394,870.00	871,990.00
Net assets released from restrictions used for payment of long-term debt	(392,495.00)	(786,490.00)
Contributions and interest income	138.69	102,757.55
Increase in unrestricted net assets	1,076,734.34	5,469,707.62
Temporarily restricted net assets:		
District tax allocation	367,420.01	903,638.52
Net assets released from restrictions	(394,870.00)	(871,990.00)
Restricted contributions	-	15,005.00
Interest income	-	544.84
Increase (decrease) in temporarily restricted net assets	(27,449.99)	47,198.36
Increase (decrease) in net assets	1,049,284.35	5,516,905.98
Net assets, beginning of period	36,209,600.57	31,741,978.94
Net assets, end of period	37,258,884.92	37,258,884.92

NORTHERN INYO HOSPITAL

Statements of Cash Flows

As of May 31, 2008

	Month-to-date	Year-to-date
Cash flows from operating activities:		
Increase (decrease) in net assets	1,049,284.35	5,516,905.98
Adjustments to reconcile excess of revenues	-	-
over expenses to net cash provided by		
operating activities: (correcting debt payment)	-	-
Depreciation	340,196.32	1,797,688.32
Provision for bad debts	86,907.41	1,601,346.09
Loss (gain) on disposal of equipment	70,000.00	97,151.87
(Increase) decrease in:		
Patient and other receivables	(299,663.42)	(2,377,840.29)
Other current assets	50,833.25	(597.67)
Plant Expansion and Replacement Cash	387,918.31	8,626,559.32
Increase (decrease) in:		
Accounts payable and accrued expenses	(249,562.90)	272,973.61
Third-party payors	-	721,290.00
Net cash provided (used) by operating activities	1,435,913.32	16,255,477.23
Cash flows from investing activities:		
Purchase of property and equipment	(711,346.15)	(13,860,698.82)
Purchase of investments	(590,243.83)	(4,127,174.28)
Proceeds from disposal of equipment	(70,000.00)	(93,946.87)
Net cash provided (used) in investing activities	(1,371,589.98)	(18,081,819.97)
Cash flows from financing activities:		
Long-term debt	(8,532.12)	3,497,916.24
Issuance of revenue bonds	(43,722.81)	(116,350.88)
Unamortized bond costs	1,486.95	16,356.45
Increase (decrease) in donor-restricted funds, net	27,311.30	(149,955.91)
Net cash provided by (used in) financing activities	(23,456.68)	3,247,965.90
Increase (decrease) in cash and cash equivalents	40,866.66	1,421,623.16
Cash and cash equivalents, beginning of period	2,722,434.71	1,341,678.31
Cash and cash equivalents, end of period	2,763,301.37	2,763,301.47

Financial Indicators

	Target	May-08	Apr-08	Mar-08	Feb-08	Jan-08	Dec-07	Nov-07	Oct-07	Sep-07	Aug-07	Jul-07	Jun-07
Current Ratio	>1.5-2.0	4.28	4.09	3.85	4.22	4.42	4.43	4.28	4.12	4.43	4.69	4.97	5.37
Quick Ratio	>1.33-1.5	3.85	3.64	3.40	3.44	3.63	3.99	3.84	3.71	4.04	4.29	4.56	4.95
Days Cash on Hand	>75	239.70	254.30	229.19	274.52	258.26	270.34	263.64	267.90	303.54	283.51	310.04	353.49

Northern Inyo Hospital
Summary of Cash and Investment Balances
Calendar Year 2008

	Operations Checking Account					Time Deposit Month-End Balances							
Month	Balance at Beginning of Month	Deposits	Disbursements	Balance at End of Month	Investment Operations Fund	Bond and Interest Fund (2)	Equipment Donations Fund	Childrens Fund	Scholarship Fund	Tobacco Settlement Fund	Total Revenue Bond Fund (1)	Project Revenue Bond Fund (1)	General Obligation Bond Fund
January	799,688	3,470,821	3,178,334	1,092,175	20,699,869	533,220	25,185	3,034	5,854	432,993	729,781	18,154	4,996,062
February	1,092,175	3,784,341	3,845,492	1,031,024	21,348,607	533,220	25,185	3,034	5,854	433,239	773,502	18,193	3,693,002
March	1,031,024	8,396,549	9,206,848	220,726	22,761,607	533,397	25,192	3,035	5,855	433,438	817,192	18,221	2,905,472
April	220,726	5,565,892	5,070,387	716,230	21,993,157	533,397	25,192	3,035	5,855	532,756	904,546	18,258	2,706,314
May	716,230	4,861,035	4,171,128	1,406,138	22,583,401	505,947	25,192	3,035	20,855	532,894	934,534	18,258	2,318,199
PRIOR YEAR													
June	112,551	5,152,683	4,224,606	1,040,628	18,456,227	473,766	25,157	3,031	5,842	430,173	788,259	17,745	10,944,955
July *	1,040,628	3,387,765	3,921,993	506,401	20,781,983	440,641	25,157	3,031	5,842	430,618	830,478	17,810	8,999,586
August	506,401	4,397,557	4,059,627	844,331	20,725,316	478,140	25,157	3,031	5,842	431,050	872,949	17,876	8,000,350
September	844,331	3,624,606	4,136,051	332,887	21,064,617	478,437	25,173	3,033	5,846	431,441	915,472	17,935	6,743,527
October	332,887	5,621,707	5,376,158	578,436	19,686,180	34,442	25,173	3,033	5,846	431,874	958,132	17,996	6,095,837
November	578,436	4,268,508	4,207,737	639,207	19,167,169	34,442	25,173	3,033	5,846	432,257	1,020,656	18,056	5,862,534
December	639,207	4,613,761	4,453,280	799,688	19,603,236	533,220	25,185	3,034	5,849	432,642	686,080	18,106	4,973,046

* Cash for July corrected after report due to late posting of Medicare deposits

Notes: (1) The difference between the Total and Project Revenue Bond Funds represents amounts held by the trustee to make payments on the District's behalf and about $575,000 to cover the Bond Reserve Account Requirement with respect to the Series 1998 Bonds. The Project amount represents the balance available to spend on the building project; however, the district accumulates invoices and only requests reimbursement quarterly.

(2) The Bond and Interest Fund now contains the Debt Service amount from the County for both the original Bond and the 2005 Bond.

Investments as of 5/31/2008

ID	Purchase Date	Maturity Date	Institution	Broker	Certificate ID	Rate	Yield%	Principal Invested
1	02-May-08	01-Jun-08	Local Agency Investment Fund	Northern Inyo Hospital	20-14-002	3.07%	3.07%	302,915.07
2	28-May-08	02-Jun-08	Local Agency Investment Fund	Northern Inyo Hospital	20-14-002 Walker	3.07%	3.07%	7,056,991.54
3	11-Mar-05	11-Jun-08	Community Bank	Financial Northeaster Corp.	31282VBY0	4.00%	4.00%	98,000.00
4	11-Mar-05	11-Jun-08	Equity Bank	Financial Northeaster Corp.	20355QAM3	4.00%	4.00%	100,000.00
5	20-Jun-07	15-Jun-08	FANNIE MAE FNMA-MBS	Multi-Bank Service	29460TAC2	5.29%	5.29%	486,750.00
		Short Term Investments		**Maturing Fiscal Year 2008**				**8,044,656.61**
6	19-Dec-07	02-Jul-08	Bear Stearns Co Note	Multi-Bank Service	073902CC0	2.88%	5.06%	988,600.00
7	15-Oct-03	15-Oct-08	R-G Crown Bank	Financial Northeaster Corp.	74956XAA4	4.00%	4.00%	97,000.00
8	09-Oct-07	24-Nov-08	Citigroup Med Term Note	Multi-Bank Service	125581AS7	3.38%	5.33%	1,330,153.95
9	28-Apr-08	08-Dec-08	First Tennessee Bank Note	Multi-Bank Service	33715WCM6	5.32%	5.21%	800,000.00
10	04-Jan-05	05-Jan-09	Mututal Bank	Financial Northeaster Corp.	9N01836	4.36%	4.36%	99,000.00
11	22-Feb-08	25-Mar-09	Bear Stearns Co Note	Multi-Bank Service	073902CF3	3.25%	4.43%	3,073,286.72
12	21-Sep-07	01-Apr-09	Citigroup Med Term Note	Multi-Bank Service	125581AJ7	3.38%	3.38%	239,293.07
			Maturing Fiscal Year 2009					**6,627,333.74**
13	28-May-08	01-Nov-09	Cantella & Co., Inc	Gemini Financial	31282VBY0	4.50%	4.50%	86,591.43
14	21-Sep-07	01-Nov-09	Citigroup Med Term Note	Multi-Bank Service	12560PCL3	6.88%	6.65%	702,986.88
15	22-Feb-08	07-Dec-09	Bear Stearns Co Note	Multi-Bank Service	073902BR8	7.63%	4.58%	933,927.36
16	30-Dec-04	30-Dec-09	Capital City Bank and Trust	Financial Northeaster Corp.	9N01713	4.75%	4.75%	99,000.00
17	22-Apr-05	22-Apr-10	Bank of Waukegan	Financial Northeaster Corp.	065563AR9	4.75%	4.75%	99,000.00
18	24-Apr-08	15-May-10	American General Finance Corp Note	Multi-Bank Service	02635PSV6	4.79%	4.47%	503,905.00
			Maturing Fiscal Year 2010					**2,425,410.67**
19	23-Jul-07	23-Jul-10	Federal Home Loan Bank-MBS	Multi-Bank Service	3133XLLH4	5.50%	5.50%	500,000.00
20	13-Nov-07	04-Aug-10	Merrill Lynch & Co Inc	Multi-Bank Service	59018YVV0	4.79%	5.35%	986,000.00
			Maturing Fiscal Year 2011					**1,486,000.00**
21	12-Mar-08	12-Sep-11	Federal Home Loan Mtg Corp-FNC	Financial Northeaster Corp.	3128X64J2	4.05%	4.05%	1,000,000.00
			Maturing Fiscal Year 2012					**1,000,000.00**
22	18-Mar-08	01-Mar-13	Federal Home Loan Mtg Corp-FNC	Financial Northeaster Corp.	3128X7BFO	4.38%	4.38%	3,000,000.00
			Maturing Fiscal Year 2013					**3,000,000.00**
GRAND TOTAL ALL INVESTMENTS								**22,583,401.02**

NORTHERN INYO HOSPITAL
DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS

5 MONTHS 2008	* DIAGNOSTIC RADIOLOGY 06 / 07 / 08	* MAMMOGRAPHY 06 / 07 / 08	* NUCLEAR MEDICINE 06 / 07 / 08	* ULTRASOUND 06 / 07 / 08	* CT SCANNING 06 / 07 / 08	* MRI 06 / 07 / 08	LABORATORY 06 / 07 / 08	EKG / EEG 06 / 07 / 08	PHYSICAL THERAPY 06 / 07 / 08	RESPIRATORY THERAPY 06 / 07 / 08	RURAL HEALTH CLINIC 06 / 07 / 08	TOTALS 06 / 07 / 08
JANUARY	312 / 308 / 544	229 / 198 / 193	29 / 36 / 71	107 / 166 / 205	123 / 112 / 170	85 / 86 / 89	1686 / 1621 / 1809	103 / 139 / 103	302 / 335 / 335	12 / 19 / 10	1029 / 941 / 1057	4017 / 3961 / 4586
FEBRUARY	250 / 263 / 593	211 / 194 / 193	60 / 38 / 63	135 / 157 / 205	111 / 102 / 217	92 / 71 / 85	1633 / 1662 / 1744	82 / 84 / 113	361 / 302 / 364	19 / 19 / 11	970 / 965 / 1150	3924 / 3857 / 4738
MARCH	329 / 269 / 529	83 / 122 / 311	52 / 29 / 133	133 / 144 / 223	126 / 95 / 233	105 / 76 / 403	1853 / 1734 / 1774	132 / 100 / 149	425 / 340 / 346	14 / 16 / 12	1099 / 1095 / 1211	4351 / 4020 / 5324
APRIL	254 / 258 / 697	237 / 246 / 199	35 / 46 / 183	109 / 139 / 196	107 / 123 / 264	84 / 105 / 453	1984 / 1767 / 1984	84 / 85 / 121	397 / 300 / 410	21 / 14 / 14	915 / 883 / 1318	4227 / 3966 / 5839
MAY	263 / 262 / 613	241 / 230 / 479	41 / 85 / 167	122 / 150 / 213	110 / 131 / 230	88 / 100 / 424	1741 / 1743 / 1758	95 / 112 / 137	374 / 295 / 349	18 / 18 / 9	958 / 1007 / 1308	4051 / 4133 / 5687
JUNE	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
JULY	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
AUGUST	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
SEPTEMBER	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
OCTOBER	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
NOVEMBER	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
DECEMBER	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /	/ /
CALENDAR YEAR	1408 / 1360 / 2976	1001 / 990 / 1375	217 / 234 / 617	606 / 756 / 1042	577 / 563 / 1114	454 / 438 / 1454	8897 / 8527 / 9069	496 / 520 / 623	1859 / 1572 / 1804	84 / 86 / 56	4971 / 4891 / 6044	20570 / 19937 / 26174
MONTHLY AVERAGES	282 / 272 / 595	200 / 198 / 275	43 / 47 / 123	121 / 151 / 208	115 / 113 / 223	91 / 88 / 291	1779 / 1705 / 1814	99 / 104 / 125	372 / 314 / 361	17 / 17 / 11	994 / 978 / 1209	4114 / 3987 / 5235

*Radiology has changed their methodology for capturing statistics and feel these are more accurate. They are much higher than previously reported.

NORTHERN INYO HOSPITAL
STATISTICS

5 MONTHS	SURGERIES									BIRTHS			ER						OP REFERRALS			ADMITS (W/NB)			PT DAYS (W/O NB)			PT DAYS (W/NB)			DISCH (W/NB)		
	IP			OP			TOTAL						ADMITS			VISITS																
2008	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08	06	07	08
JANUARY	40	38	33	72	73	106	112	111	139	19	17	16	60	47	48	563	510	573	3135	3331	3237	126	111	107	370	299	329	410	350	364	124	106	96
FEBRUARY	29	24	17	62	59	81	91	83	98	20	19	14	44	14	39	467	521	545	3100	2991	3165	106	107	86	255	251	241	303	291	274	113	105	96
MARCH	50	25	32	101	53	82	151	78	114	26	17	13	63	49	43	543	460	506	3387	3079	3285	152	117	108	333	286	318	399	322	349	149	116	102
APRIL	31	31	35	81	59	120	112	90	155	18	17	14	54	48	61	474	525	558	3145	3251	3611	114	105	112	310	245	307	346	276	338	116	112	118
MAY	31	38	41	73	95	110	104	133	151	20	19	27	53	40	68	564	580	594	3313	3343	3406	111	112	128	345	299	316	381	342	376	106	103	126
JUNE																																	
JULY																																	
AUGUST																																	
SEPTEMBER																																	
OCTOBER																																	
NOVEMBER																																	
DECEMBER																																	
CALENDAR YEAR	181	156	158	389	339	499	570	495	657	103	89	84	274	198	259	2611	2596	2776	16080	15995	16704	609	552	541	1613	1380	1511	1839	1581	1701	608	542	538
MONTHLY AVERAGE	36	31	32	78	68	100	114	99	131	21	18	17	55	40	52	522	519	555	3,216	3,199	3,341	122	110	108	323	276	302	368	316	340	122	108	108

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of May 31, 2008

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 1995-96	Hospital Information System	$1,300,000
FY 2006-07	Platelet Incubator/Agitator Purchase (non-budget)	2,600
	QuadraMed Tempus One Scheduling System (Includes Surgery Module)	224,634 *
	GE Centricity RHC Electronic Health Record Software	110,964 *
	Hologic Stereotactic Breast Biopsy System	122,775 *
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	1,760,973
FY 2007-08	Biomerieux Blood Culture Instrument	47,275 *
	Manageware Infant Security Solution	45,001 *
	Contract Management Software	4,400 *
	GE Pelvic Ultrsound for RHC	47,351 *
	Network Switch Upgrade	154,620 *
	Gemstar Pain Management Devices	34,978 *
	GE Pelvic Utrasound for OB	38,913 *
	Clark Equipment TMX 20 Forklift	33,539 *
	Seimens Patient Monitor SC 9000XL	7,799
	Node Seeker 800 System	28,106 *
	Pulmonary Function Equipment	30,965 *
	FCR Carbon XL with Lite IIP	71,889 *
	3-D FOR M.E.P.	45,000
	OMNICELL COLOR TOUCH	58,354

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of May 31, 2008

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
	RHC MODULAR BUILDING BUY-OUT	211,749 *
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	859,939
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	1,760,973
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	859,939
	Year-to-Date Board-Approved Amount to be Expended	1,413,752
	Year-to-Date Administrator-Approved Amount	386,547 *
	Actually Expended in Current Fiscal Year	1,207,160 *
	Year-to-Date Completed Building Project Expenditures	485,248 *
	TOTAL FUNDS APPROVED TO BE EXPENDED	3,007,460
	Total-to-Date Spent on Incomplete Board Approved Expenditures (Hospital Information System and Building Project)	1,199,399

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of May 31, 2008

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
	Reconciling Totals:	
	Actually Capitalized in the Current Fiscal Year Total-to-Date	1,593,708
	Plus: Lease Payments from a Previous Period	0
	Less: Lease Payments Due in the Future	0
	Less: Funds Expended in a Previous Period	0
	Plus: Other Approved Expenditures	1,413,752
	ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	3,007,460

Donations by Auxiliary	0
Donations by Hospice of the Owens Valley	0
Donations by Others (Barry Miller & Associates for Infant Security System)	5,000
Donations by Others (Union Bank of California for Infant Security System)	1,000
	6,000

*Completed Purchase
(Note: The budgeted amount for capital expenditures for the fiscal year ending June 30, 2006, is $3,600,000 coming from existing hospital funds.)

**Completed in prior fiscal year

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of May 31, 2008

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
Board Approved Construction and Remodel amounts to be Reimburse from Revenue Bonds:		
FY 1996-97	Central Plant and Emergency Power Generator	3,000,884 **
FY 1997-98	Administration/Office Building (Includes Furniture and Landscaping)	1,617,772 **
FY 2000-01	New Water Line Construction	89,962 **
FY 2001-02	Siemens ICU Patient Monitoring Equipment	170,245 **
	Central Plant and Emergency Power Generator OSHPD Fee	18464.5 **
FY 2003-04	Emergency Room Remodel (Included in New Building & Remodel)	0
FY 2004-05	Emergency Room Remodel (add to $500,000) (In New Building & Remodel)	0
FY 2005-06	Hospital Building and Remodel	39,500,000
FY 2005-06	Construction Cost Overrun Approval	15,250,000
	Total-To-Date Board Approved Construction Amounts to be reimbursed from Revenue Bonds & General Obligation Bond	59,647,328
	Total-To-Date Spent on Construction In Progress from Rev Bonds for Incomplete Projects (Includes Architect Fees for Future Phases)	

*Completed Purchase

Northern Inyo Hospital
Monthly Report of Capital Expenditures
Fiscal Year Ending JUNE 30, 2008
As of May 31, 2008

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
PA-1 DISHMACHINE	DIETARY	5,255		
FENDER PASSPORT DELUXE PA SYSTEM	ADMINISTRATION	1,599		
SONY 52INCH LCD TV	ADMINISTRATION	2,875		
INVISIO CYSTONEPHROSCOPE	UROLOGY OFFICE	7,290		
CANON IMAGE RUNNER	MEDICAL OFFICE	1,772		
DATADIRECTOR INTERFACE	RURAL HEALTH CLINIC	6,000		
GPS NETCLOCKS	MAINTENANCE/IT	5,574		
NETWORK TIME SERVER	MAINTENANCE/IT	2,568		
HP SBD3800 SERVER	IT	4,354		
HP SBD3800 SERVER	RURAL HEALTH CLINIC	4,354		
ELECTRONIC DOOR LOCK SYSTEMS	RADIOLOGY BUILDING	8,147		
NEW LOBBY FURNISHINGS	RADIOLOGY BUILDING	15,056		
TREE REMOVAL	GROUNDS	3,000		
IVENT DISASTER VENTILATOR	RESPIRATORY THERAF	10,236		
Month Ending May 31, 2008			**78,082**	**386,547**

THIS SHEET

INTENTIONALLY

LEFT BLANK

ALPHA
FUND
Partners in Employee Safety

June 6, 2008

Ms. Gayla Blua
Human Resources Director
Northern Inyo Hospital
150 Pioneer Lane
Bishop, CA 93514

RECEIVED
JUN 16 2008
H.R. & Ed.

Re: April 29, 2008 Loss Prevention Visit

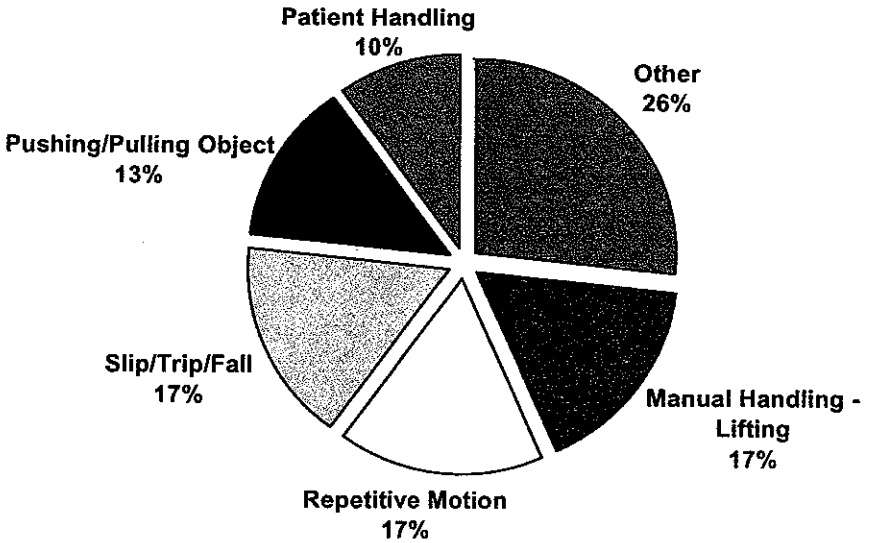
Dear Gayla:

It was nice seeing you again during the visit that I made to your facility on April 29, 2008. The purpose of my visit was to meet with you to discuss injury prevention and workers' compensation loss trends. I appreciate the time that you and Dianne Shirley, Performance Improvement Coordinator, spent providing me with information and a facility tour.

Loss Analysis

As we discussed during our meeting, Northern Inyo's most frequent causes of injury over the last several years are repetitive motion, slips/trips/falls, and the lifting and moving of materials. The "other" category includes low-frequency claim causes occurring singularly during the reporting period.

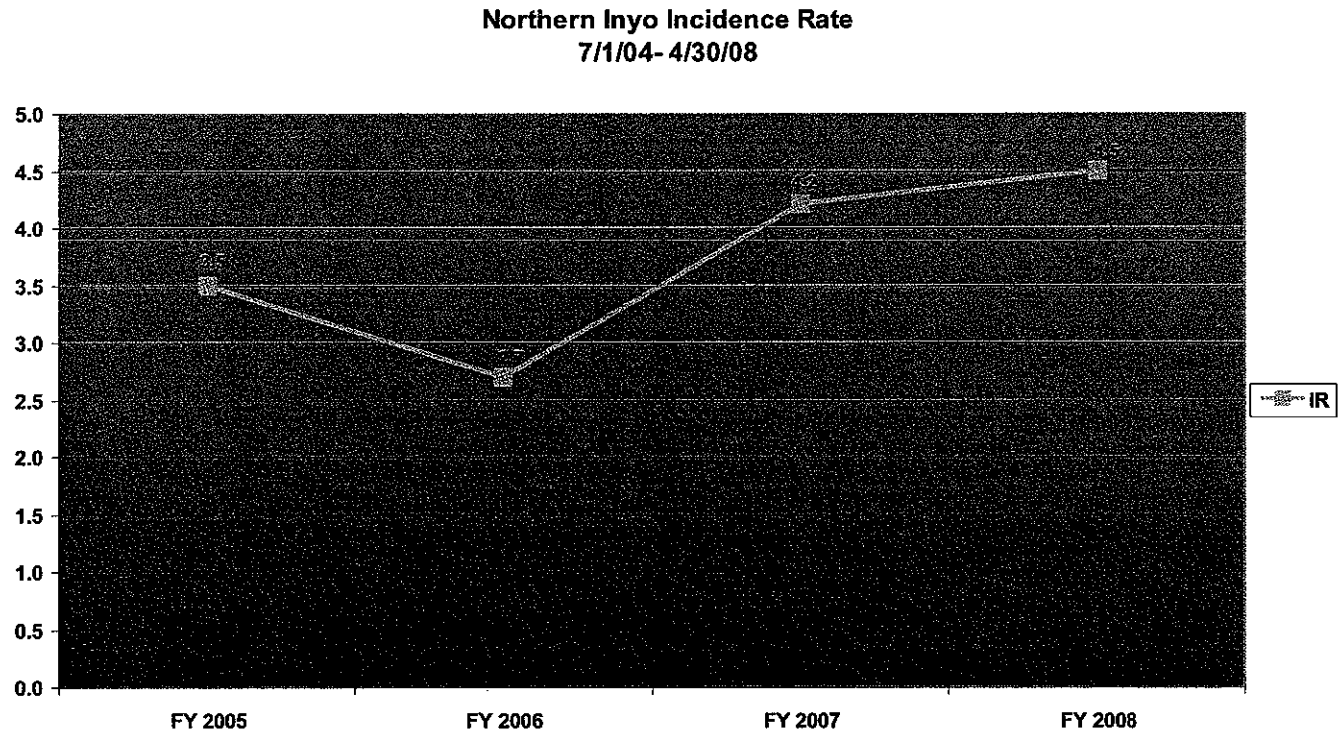
Northern Inyo Workers' Compensation Losses 7/1/04- 4/30/08
Valued as of April 30, 2008



P.O. Box 419068 · Rancho Cordova, CA 95741-9068 · tel. 916-266-6100 · fax 916-266-0317 · toll-free 1-800-655-COMP (2667)

During the facility tour I observed, and am concerned with, several of the workstations in the Imaging Building and Laundry Department. As your claims history shows Northern Inyo has five (5) repetitive motion claims, which represents 17% of claims frequency, shown in the graph above. As I suggested during our meeting, your organization may want to consider forming an internal ergonomics team that would in effect, act as internal consultants. ALPHA Fund would be happy to provide training to this team that would provide them with the expertise they need to identify and manage internal ergonomic exposures. Creating this model of self-sufficiency is one of the best ways for your organization to realize its injury prevention goals. I have also attached a sample Draft Ergonomics Program that you might find useful in ratcheting up the intensity of your existing ergonomics program. Please let me know if you have any questions about this policy. I will wait to hear from you about a mutually convenient time for scheduling the ergonomic training session.

During our meeting we also discussed the District's injury frequency and incidence rate. The incidence rate allows us to measure injury/illness frequency using a more scientific means. As you can see in the graph below, your District's incidence rate has seen an overall increase with the exception of Fiscal Year 2006. In fact, for the fiscal year ending 6/30/08, the incidence rate is at an all time high of 4.5. This is a trend that is a cause for concern and requires additional focus on injury prevention.



Incidence Rate= Number of Injuries ÷ Productive Payroll Hours x 200,000 (100 FTE's working 50 wks/yr) FY 2008 IR calculated through 4/30/08.

Facility Tour

The remainder of my visit focused on the newly constructed and occupied areas of your facility. The areas visited included, the Imaging Building and the New Support Building Housing, the Clinical Laboratory, Purchasing, Laundry, and Engineering. The remainder of this letter focuses on the observations made during our tour of the work areas previously mentioned and includes suggestions for improvement.

Imaging Building

I appreciated the time that Marsha Winston, Radiology Manager, took to provide us with a tour of the Imaging Building. Marsha is understandably proud of the building, the state-of-the-art technology in use, and the Department's Technologists. The District's commitment to providing these high-level services to Bishop and its surrounding communities is commendable.

In speaking with Marsha, it came to my attention that the department does not currently have any patient lifting equipment or devices available for staff use. We discussed the benefits of outfitting the Department with a HoverMatt to assist with the significant number of lateral transfers that occur in the Department. The HoverMatt is radiolucent and can be utilized in a variety of diagnostic settings. In addition, the Department may want to consider the purchase of a sit-to-stand device for use with those patients who have a limited ability to assist with their own ambulation.

While touring the Imaging Building I expressed my concerns to you regarding many of the office/computer workstation set-ups that I observed. Given the increase in frequency of repetitive motion claims the District is experiencing, this is an area requiring additional attention. The limited amount of time that we had to tour the Imaging Building prevented us from looking at any of the workstations in detail.

- ***Recommendation 1:*** *Patient Handling Equipment Needs Assessment*
  In the near future, I recommend that your Imaging Department conduct a patient handling equipment needs assessment. I also encourage you to involve your Physical Therapy Department in this process as they can certainly bring a tremendous amount of expertise to the process. I am also happy to provide assistance to the department should they desire it.

- ***Recommendation 2:*** *Ergonomic Evaluations*
  Conduct individual workstation evaluations of workstations in the Imaging Building. These evaluations should include all areas where seated work and computer related work is performed on a regular basis. Your Physical Therapy Department may be able to assist you in this process.

Hospital Laundry Operations

Since my last visit to your District, the Hospital's Laundry has moved to its new location. The move provides obvious benefits in both physical surroundings and equipment. It is important to remember, that any significant change in working conditions requires careful study of the environment for new work hazards. As we discussed during our tour of the Department significant ergonomic improvements resulted from the introduction of new equipment, and I believe there is opportunity to implement additional interventions to further reduce the risk of ergonomic injuries. One specific improvement involves allowing adjustability of the folding table.

As shown in the picture below, the existing folding table does not provide for adjustability, requiring workers to adjust to the table as opposed to the table adjusting to the worker. The photo below shows the worker on "tip toes" reaching to fold laundry. Providing adjustability can decrease worker fatigue, increase worker comfort, and lead to an increase in productivity.

We identified additional safety concerns while visiting the Department including Laundry Staff working around machinery without securing long hair and lanyards. Laundry Staff working with unsecured long hair, loose clothing, and dangling jewelry and/or lanyards present possible entrapment hazards when operating equipment within the Department.

Laundry Worker with unsecured hair

- ***Recommendation 1:*** *Hazard Inspection and Correction*
  The District should conduct periodic inspections to identify and evaluate workplace hazards. (*Title 8 of the CCR, §3203, Injury and Illness Prevention (IIP) Programs, Hazard Assessment and Hazard Correction Elements*)

  Periodic inspections are required to be performed according to the following schedule:
  - When the IIP is established;
  - When new substances, processes, procedures, or equipment which present potential new hazards are introduced into the workplace;
  - When new, previously unidentified hazards are recognized;
  - When occupational injuries and illnesses occur;
  - Whenever workplace conditions warrant an inspection.

  Once the inspection is conducted, any unsafe or unhealthy work conditions, practices or procedures identified, shall be corrected in a timely manner based on the severity of the hazards. Hazards shall be corrected according to the following procedures:

  - When observed or discovered;
  - When an imminent hazard exists which cannot be immediately abated without endangering employee(s) and/or property, we will remove all exposed workers from the area except those necessary to correct the existing condition. Workers who are required to correct the hazardous condition shall be provided with the necessary protection.

If you would like additional assistance or information concerning Injury and Illness Prevention Programs I would be happy to assist you.

- ***Recommendation 2:*** *Ergonomic Evaluation*
  Conduct a detailed ergonomic evaluation of work processes in the Laundry Department. These evaluations should include all areas where seated work and computer-related work is performed on a regular basis. Your Physical Therapy Department may be able to assist you in this process. Alpha Fund is also available to assist you in conducting these evaluations.

- ***Recommendation 3:*** *Entrapment Hazards*
  Prior to operating or working in, near, or around machinery presenting an entrapment hazard, workers should secure hair, loose clothing and remove jewelry or lanyards that could cause entrapment in moving parts of machinery.

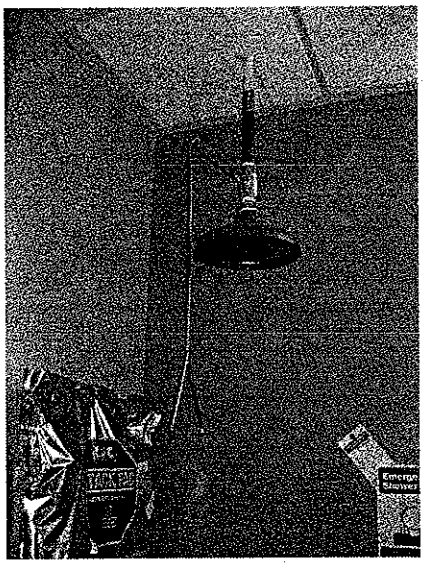
- ***Recommendation 4:*** *Lockout/Tagout*
  The District should evaluate its current Lockout/Tagout Program to ensure that it complies with *Title 8, Subchapter 7. General Industry Safety Orders, §3314: The Control of Hazardous Energy for the Cleaning, Repairing, Servicing, Setting-Up, and Adjusting Operations of Prime Movers, Machinery and Equipment, Including Lockout/Tagout.*

In addition, ALPHA Fund's Lending Library can provide the District with resources to assist in Lockout/Tagout Training for employees. The program, **Lockout/Tagout: An Open and Shut Case**, can be ordered by contacting Debby Thorburn, Loss Prevention Resource Coordinator, at (800) 655-2667, extension 217.

- ***Recommendation 5:*** *Emergency Eyewash/Shower*
  I was not able to confirm during my visit that the Laundry Department is equipped with an emergency eyewash/shower. If one is not provided, an emergency eyewash/shower should be installed that complies with *Title 8, Subchapter 7, General Industry Safety Orders, §5162.*

Clinical Laboratory

The Hospital's newly occupied Clinical Laboratory provides much needed space and improved working conditions for Staff. During our brief tour, we observed the emergency shower that was installed during construction. The installation of this shower along with the installation of emergency eyewash stations in the department requires compliance with T*itle 8, Subchapter 7, General Industry Safety Orders, §5162, Emergency Eyewash and Shower Equipment.*



The District should ensure that emergency eyewash facilities and deluge showers shall be in accessible locations that require no more than 10 seconds for the injured person to reach. If both an eyewash and shower are needed, they shall be located so that both can be used at the same time by one person. The area of the eyewash and shower equipment shall be maintained free of items which obstruct their use.

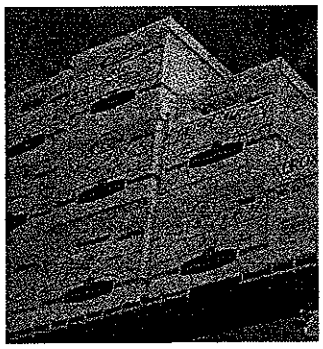
The regulation further states that plumbed eyewash and shower equipment are activated at least monthly to flush the line and to verify proper operation.

- ***Recommendation 1:*** *Emergecny Eyewash/Shower*
  All emergency eyewash/shower stations in the Clinical Laboratory should be installed and maintained in accordance with T*itle 8, Subchapter 7, General Industry Safety Orders, §5162, Emergency Eyewash and Shower Equipment.*

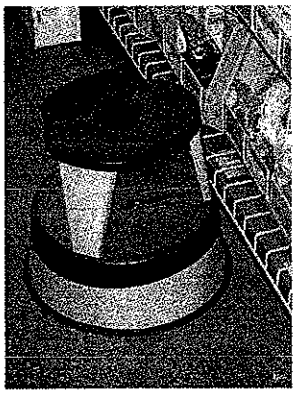
Purchasing Department

During our tour we also visited the Purchasing Department where we again observed a much improved workspace with overall good housekeeping. I expressed a few concerns about our observations. These concerns are documented below along with recommendations for improvement.

Currently, there are a number of boxes filled with documents stored on the top shelves in the Department. The location of these boxes is problematic for a number of reasons. The weight of the boxes makes their storage location a hazard for employees who must lift the boxes overhead to place them on shelves or to remove them from the shelves. In addition, in case of seismic activity these boxes could easily fall resulting in a serious injury to an employee.



We also observed a number of rolling stepstools in the Purchasing Department and throughout the hospital. The stepstool currently in use can be a trip and fall hazard, especially when an employee is carrying a box and can't use a hand for stabilization. The use of rolling stepstools should be discouraged, particularly when an employee is retrieving a box or other items. A safer choice is to supply a stepstool with a handrail allowing the employee to maintain 3-points of contact while retrieving items from height.



We also learned that both a forklift and a man-lift attachment are used by the Purchasing Department Staff. The use of this equipment requires that the District comply with all applicable regulations pertaining to the use of powered industrial trucks. These regulations speak to training, operating rules, and required postings related to the use of forklifts.

The use of the man-lift attachment creates an additional need for the District to evaluate its current Fall Protection/Prevention Program to ensure that it complies with all applicable regulations. Again, the ALPHA Fund Lending Library has a number of resources to assist the District in its employee training related to both Forklift and Fall Protection.

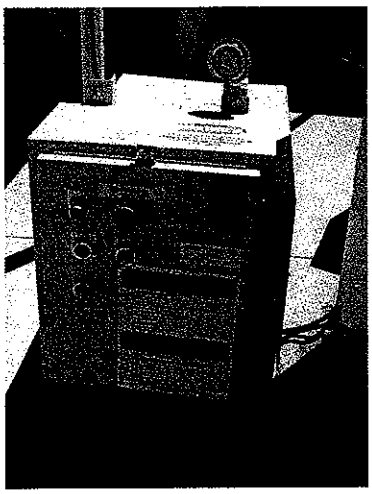
- ***Recommendation 1:*** *Box Storage*
  Remove boxes of documents and other heavy items from top storage shelves in the Purchasing Department. Their current location presents a risk of them falling and striking employees during storage, retrieval, or in the case of seismic activity.

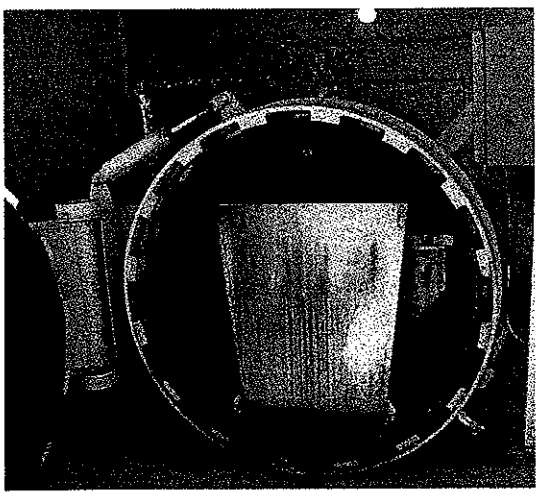
- ***Recommendation 2:*** *Step Stools*
  Replace rolling stepstools with stepstools equipped with handrails allowing the employee to maintain 3-points of contact while retrieving items from height.

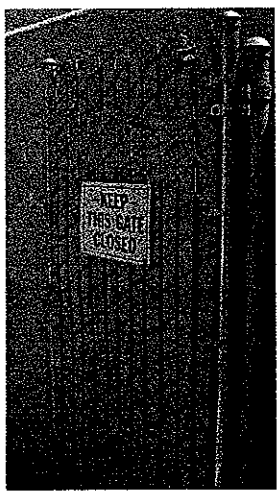
- ***Recommendation 2:*** *Forklift*
  Ensure that the District is in compliance with all applicable regulations pertaining to the use of forklifts and man-lifts as detailed in both *Title 8, Subchapter 7. General Industry Safety Orders Group 4; General Mobile Equipment and Auxiliaries Article 25. Industrial Trucks, Tractors, Haulage Vehicles, and Earthmoving Equipment; and* Title 8, *California Code of Regulations*, Division 1, Chapter 4, Subchapter 7, "General Industry Safety Orders," Article 24, "Elevating Work Platforms and Aerial Devices." Additionally, when not in operation, the key to the forklift should be removed and secured to prevent unauthorized use.

Hospital Grounds

In the process of touring the hospital grounds, we found the gate to the compactor left open and the compactor unattended. We were informed that the compactor was being serviced by a vendor. The close proximity of the adjacent school to the compactor dictates that the compactor is secured while not in immediate use. The District should ensure that all vendors/contractors follow the District's own safety and security policies while onsite.



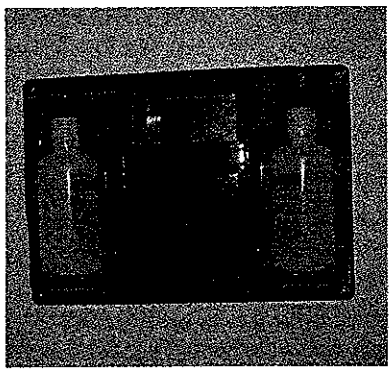




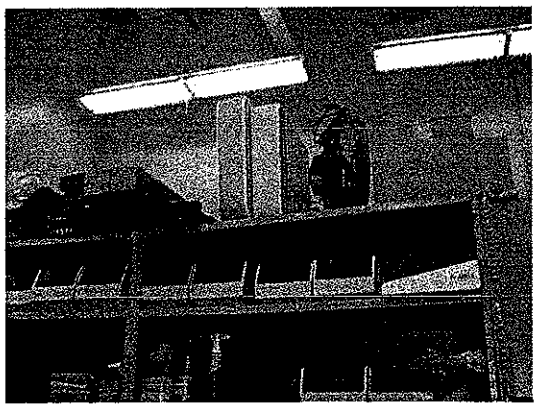
- ***Recommendation 1:*** *Compactor Security*
  The District should ensure that the gate to the compactor remains closed and locked when the equipment is not in use. In addition, all keys should be removed and secured when the equipment is not in use.

Maintenance/Engineering Shops

The Maintenance Department is currently equipped with a self-contained eyewash station. The purpose of this station is to provide enough water flow to allow the injured worker to reach a plumbed eyewash station. Currently, there is a sink located next to the portable eyewash station. This being the case, a plumbed eyewash station should be installed and maintained to comply with *Title 8, Subchapter 7. General Industry Safety Orders, §5162. Emergency Eyewash and Shower Equipment.*



While in the Maintenance/Engineering Shops we also observed the storage of heavy items on high-shelves. As was the case in the Purchasing Department, these items should be moved to a safer storage location.



- ***Recommendation 1:*** *Eyewash Station*
  The District should an emergency eyewash station in the Maintenance Department that complies with *Title 8, Subchapter 7. General Industry Safety Orders, §5162. Emergency Eyewash and Shower Equipment.*

- ***Recommendation 2:*** *Storage*
  Remove heavy items from top storage shelves in the Purchasing Department. Their current location presents a risk of them falling and striking employees during storage, retrieval, or in the case of seismic activity.

Additional Suggestions for Improvement

In addition to the observations and recommendations outlined in the body of this letter, we concluded our visit by discussing ergonomic concerns in the Medical Records Department. You expressed a desire to develop a plan to evaluate ergonomic concerns and develop a long-term improvement strategy. It is important to include the hospital's Physical Therapy Department in all phases of this project. I am happy to assist you in this important effort.

During my visit I also encouraged you to take advantage of various resources ALPHA Fund has to offer including the ALPHA Fund Lending Library. In addition to the Lending Library, you are also encouraged to take advantage of ALPHA University Regional Workshops and ASAP (ALPHA Safety in Action Program) Funds. The District's ASAP Fund balance for FYE 6/30/08 is $1,883.00. Your ASAP Funds must be used by June 30, 2008.

Please feel free to contact me with any questions about ALPHA Fund resources or other loss prevention or safety questions. I can be reached by telephone at (800) 655-2667, extension 216, or via e-mail at brendam@alphafund.org. Thank you again for your commitment to employee safety and for taking the time to meet with me during my visit.

Best Regards,

Brenda McGuire

Brenda McGuire
Director of Loss Prevention

Cc: File

Attachments in electronic format: Sample Ergonomics Policy

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TURNER TIMES

Quarterly Newsletter of Turner Sacramento

Volume 3 *July 2008*

A Message from the General Manager

By Frank Dal Zovi

Turner is proud to announce the award of the $286 million Sacramento International Airport Terminal Modernization Program—Airside Concourse project.

We have teamed with FCI Constructors, Inc. and

Teichert Construction for the completion of an aircraft parking apron and taxiways, as well as a new 300,000 gross sq. ft. 19 gate Terminal B Airside Concourse.

Turner is proud to have been selected as the Design-Build contractor for this landmark project. As one of the most significant public works projects of the Sacramento County, it will dramatically increase the quality of international transportation for our great city.

Construction began in June 2008 with final completion set for August 2012.

Groundbreaking

On June 19, 2008, Sacramento Officials and Key Team Members ceremoniously launched the County's Biggest Project Ever, a expansion of the Sacramento International Airport.

Featured Story

The Future of Alternative Deliveries

Turner Construction has earned a reputation as an innovator in the field of construction from our first project in 1902. Today innovation frequently takes the form of alternative delivery approaches. We have developed projects using every delivery strategy permissible in the country. Over the last few years, we have been working with our clients in California utilizing several alternative delivery approaches.

"The CM at Risk delivery was a positive and refreshing move for us"

The increased number of alternatives offers Owners more flexibility to choose an appropriate and effective system for their particular project. Today Owners may select their delivery method depending on a number of variables including budget, schedule, degree of risk they want to assume, complexity of the project, and the level of quality expected.

Construction Management at Risk (CMAR) is an alternative project delivery method that has become very popular among public Owners. CMAR is a delivery method where a Construction Manager (CM) is selected under a professional services agreement. This agreement provides a blend of traditional Construction Management in the design and bidding stages. Prior to the start of construction the CM provides a guaranteed maximum price (GMP) and completion date. A major benefit to Owners is the transfer of risk to the CM.

Patricia McGuire, Ed. D., Assistant Superintendent, Business Services, for the Turlock Unified School District was positive in her assessment regarding Turlock's choice to use the new method on the $23 million Walnut Elementary Education Center saying it was a "positive and refreshing move for us." By using CMAR, "it provided an avenue for the project to finish on time and within budget." At completion, the District was presented with a check from Turner for $272,000 in savings.

A benefit of CMAR projects is the collaboration between the team as it brings together the designer and constructor early on eliminating the possibility for problematic jobs and claims. Ms. McGuire also commented that the consistent "open and ongoing communication" worked positively for the Walnut project. When you have the contractor and architect working together you have the best possibilities.

So why At-Risk? CMAR provides the following advantages: 1. CM provides construction expertise during the design phase where they can positively influence project cost and schedule, 2. Trade/Subcontracts are procured through a competitive bidding process, and 3. The final cost of construction is guaranteed prior to the start of the job.

While there are those who will continue to use traditional project delivery methods, the widespread use of alternatives, including CMAR, will only help Owners to ensure the best results for their projects.

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Project Spotlight

Washington Unified School District—New River City Replacement High School ($118M)

By Project Manager, Gary Ralls and Project Administrator, Kelly Appleby

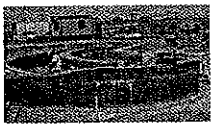
West Sacramento will see the "new age" of educational facilities come December. Currently underway is the largest new high school project ever built in the city— the 276,235 sq. ft. New River City Replacement High School.

The high school will include five classroom buildings with each building being designed around a two-story atrium space that is positioned to maximize sustainability, with the campus center featuring a "green" courtyard.

Two-Story Atrium and Common Area

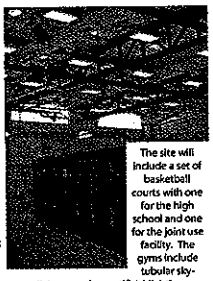
Though the campus is not pursuing green certification, the District hoped to capture features throughout the campus including the classroom buildings which are utilizing natural lighting to increase indoor quality. Studies have shown that students learn better in a natural lit environment.

The campus features a state of the art cafeterla/kitchen with seating for 200 students. With original design based on a small living facility, the campuses green courtyard will include three "common areas" to encourage student interaction with an open environment feel.



Installation of the lazy river and current pool.

In addition to the 3,000 seat football stadium, baseball and softball diamonds, tennis and basketball courts and athletic fields, the project will also include a joint use facility shared by both students and the residents of West Sacramento, which includes everything from a competition pool to water slides, basketball courts, and an auxiliary gymnasium building.

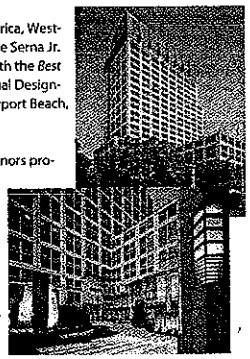


The site will include a set of basketball courts with one for the high school and one for the joint use facility. The gyms include tubular skylights to reduce artificial lighting.

Completion is set for December 2008 with construction currently ahead of schedule.

Turner Events

Cal EPA presented with the Legacy Award by the Design Build Institute of America



The Design-Build Institute of America, Western Pacific Region awarded the Joe Serna Jr. Cal EPA Headquarters Building with the *Best Project-Legacy* at the second annual Design-Build Awards Competition in Newport Beach, CA.

The DBIA Awards Competition honors projects in the Region (California, Nevada, Hawaii and Arizona) that exemplify the principles of interdisciplinary teamwork, innovation and problem solving that characterize Design-Build delivery. The Legacy award is noted to be the most prestigious award, recognizing outstanding Design-Build projects that have "left a mark" in their community. Award is based on the following: Success achieved in attaining the Owner's project goals; the success of Implementing the Design-Build "best practices"; and the design team's use of innovation to add value.

Turner was the General Contractor for the 950,000 sq. ft., 25-story headquarters building located in the heart of downtown Sacramento.

Turner Hosts Safety BBQ

Turner hosted a Safety BBQ at the Sierra College Grass Valley Jobsite on May 28th for job staff and subcontractors. 60 people came out with catering provided by Drooling Dog. Todd Gjertsen, Project Superintendent, thanked the subcontractors for an injury free start to the project.

Turner raffled off prizes to show their appreciation for the team's success.

Good Day Sacramento visits H. Allen Hight Learning Center

Good Day Sacramento reporter Julissa Ortiz made a visit to the H. Allen Hight Learning Center on May 14th to do a story on the green roof that is being installed as part of the school's commitment to sustainable design and CHPS certification. Julissa brought a blanket, pizza, soda, beach ball, and a frisbee to do her live remote reclining on her blanket eating her pizza on the roof at 7:40 AM. During her live broadcast, she showcased a Turner hardhat and safety vest "which made the Jobsite staff very proud" said Project Manager Clint Williams.

Turner in the Community

Rebuilding Together with CHW

CHW Mercy San Juan jobsite and hospital staff joined together and volunteered their time to the local Rebuilding Together program. Turner provided the required skilled labor to assist in the Rebuilding efforts and CHW Mercy San Juan sponsored the materials. For Turner Sacramento, this was the fourth event that skilled labor was provided by our staff. The labor was provided by Steve Frost, Roger Redding and Young Joon Lee. Thank you to all who volunteered. A special thanks to carpenter Ken Bilderback and subcontractor Turman Painting for rain gutter painting and Kodiak Roofing for the rain gutters.

Turner Sponsors Hard Hat Ball

On May 17, 2008 Sutter Medical Center Sacramento hosted the "Hard Hat Ball" to benefit the Sutter Children's Center at which Turner was a Gold Sponsor.

The ball, which was held atop the new Sutter Community Garage in downtown Sacramento, included dancing, dinner and entertainment. In attendance were VP and General Manager Frank Dal Zovi, VP, Operations Manager Grant Griffanti and Project Executive Cliff Kunkel.

Sutter Medical Center, Sacramento
A Sutter Health Affiliate

The event raised approximately $50,000.

Secure the Call—We need your used cell phones!

Turner Construction is pleased to announce that, once again, we're partnering up with Secure the Call, a national non-profit organization that collects used cell phones and redistributes them to the community as free 911 emergency-only phones. For our part, Turner Construction will be contributing our used and unwanted cell phones to the program. We're also hoping that our family of subcontractors and suppliers will participate in the program.

Secure the Call is a national organization that collects used phones and then wipes them clean of all previous information before giving the phones back to the community. Secure the Call works nationally with over 500 organizations such as Battered Women's Shelters, Senior Citizen Centers, Police and Sheriff's offices. Secure the Call never charges any of the groups that receive phones from them. Instead, they rely on the generosity of the community in collecting the phones they need for the program.

Any donation of phones from your company, as well as any individual, is tax deductible. A tax deduction form can be found on Secure the Call's website. The address for this form is www.securethecall.org/securethecall/images/stc_acknwldgmnt.pdf

Any phones you or your employees may have can be sent directly to Secure the Call at 6930 Carroll Avenue, Suite 400, Takoma Park, MD 20912 or you can drop the phones off at the Turner office and we'll send the phones to Secure the Call's headquarters.

Intern Spotlight

Turner recognizes that the future of our company is molded around the students of today. Because of that, for the summer we have nine college students working as interns throughout various departments and jobsites. Our summer interns include:

Matt Tate, Marketing
Kevin Oss, Estimating
Brittany Lade, Administration
George Charos, St. Joseph's Medical Center
Sara Larson, Washington Unified School District
Jayson Kaze, Children's Hospital Central California
Tyler Gilman, B.F. Sisk Courthouse
Kishan Manamperi, Sutter Medical Center Sacramento
Nathan Weiner, Sutter Medical Center Sacramento

Pictured above with our interns is Training Coordinator, Theresa Robinson.

Current Projects

Sutter Medical Center, Sacramento

Northern Inyo Hospital, Bishop

CHW Mercy San Juan New Patient Tower, Carmichael

CHW St. Joseph's Medical Center, Stockton

Children's Hospital Central California, Madera

Cal Trans District 3, Marysville

B.F. Sisk Courthouse, Fresno

UC Davis Medical Center Stockton Research, Sacramento

Bellevue Area High School, Merced

New River City Replacement High School, West Sacramento

H. Allen Hight Learning Center, Sacramento

Student Services Center - CSU Chico, Chico

Sierra College Nevada County Campus, Grass Valley

Turlock Unified School District Multiple Modernizations, Turlock

Recently Awarded

Sacramento International Airport Terminal Modernization Program—Airside Concourse, Sacramento

Center Unified School District Modernization Program Dudley and Spinelli Elementary, Antelope

Washington Unified School District Multiple Modernization Program, West Sacramento

Staff Anniversaries

Congratulations to the following staff members for celebrating their Turner Anniversary Jan-June 2008:

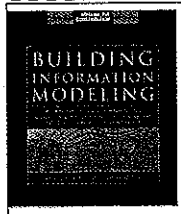
5 years:

Doug Gearman, Ken Harms, John Gillis, Yee Vang, Fred Rubis

10 years:

Debbie Watson, Summer Britt

Noteworthy

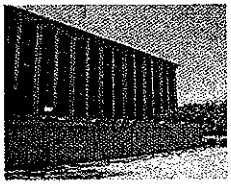


Turner's Sutter Medical Center Sacramento project was featured as a case study in the book, "Building Information Modeling—Planning and Managing Construction Projects with 4D CAD and Simulations" by Willem Kymmell, an Associate Professor at CSU Chico. An acknowledgement was also made to Turner's George Zettel, for his support and generosity.

In September 2007, CSU Chico announced the dedication of the Turner BIM Lab where students support the modeling needs of Turner's project at SMCS.

Valley Happenings

B.F. Sisk Set for Construction



Turner recently accepted bids for the $54.9 million 191,886 sq. ft. renovation of B.F. Sisk Courthouse.

Work includes the demolition of the interior floors one through five and building out 16 new courtrooms, judge chambers, and support offices.

Construction is officially set to begin late July.

Community Spotlight

Barry Owens, Project Executive of Turner's Fresno office, is **a member of Fresno State University, Kremen School of Education Community Council.**

The Kremen School Community Council is a group composed of business, community and education leaders. The council meets six times per year focusing on educational issues affecting public education in California's Central Valley community.

Turner Sponsors Mediator Mentors Fundraiser

Turner Construction sponsored an event with Fresno State University and 55 valley area schools in an effort to raise funds to support the peer mediation program, Mediator Mentors. On Sunday, May 18th 1,000 children participated in a parade around the baseball field at Chukchansi Park in recognition of their commitment to conflict resolution in middle and elementary schools. Mediators later attended a Fresno Grizzlies AAA baseball game against the Colorado Springs Sky Sox as guests of the CSUF - Kremen School of Education and the Grizzlies ownership group.

Mediator Mentors builds upon a university-community partnership, which serves in the development of public school children. Mediation is facilitated dispute resolution and the process involves establishing cross-age relationships in which 'more capable peers' are engaged in the mentoring of conflict resolution skills in younger individuals. Program values include respect for diversity, mutual benefit, and peaceful problem solving. University students, who aspire to be future helping professionals, dedicate themselves to local elementary and middle schools in order to scaffold the developing mediation abilities of the 20 to 70 student mediators at each of the 55 schools in California's Central Valley. The mediators are children who are nominated by their peers, endorsed by their teachers and trained cooperatively by university professors, university mentors and public school teachers.

Turner Construction
1211 H Street
Sacramento, CA 95814

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Interdisciplinary Practice Committee

Policies and Procedures

Purpose: The Interdisciplinary Practice Committee shall develop and review standardized procedures that apply to nurses or Allied Health Professionals (AHPs); identify functions that are appropriate for standardized procedures, initiate such procedures; and review and approve standardized procedures.

Membership: Membership of the Interdisciplinary Practice Committee will consist of at least six members, including, as the minimum, the Director of Nursing, the Administrator or his designee, and an equal number of physicians appointed by the Executive Committee and of registered nurses appointed by the Director of Nursing.

Meetings: The Interdisciplinary Practice Committee shall meet as necessary, but at least quarterly.

Credentialing Allied Health Professionals Duties: The Interdisciplinary Practice Committee shall recommend policies and procedures for expanded role privileges for assessing, planning and directing the patients' diagnostic and therapeutic care.

The Interdisciplinary Practice Committee shall review AHP's applications and requests for privileges and forward its recommendations and the applications on to the appropriate Service Chief.

The Interdisciplinary Practice Committee shall participate in AHP peer review and quality improvement by reviewing information from the appropriate peer review committee. It may initiate corrective action when indicated against AHPs in accordance with the Medical Staff Bylaws and Rules, or guidelines governing AHPs.

The Interdisciplinary Practice Committee shall serve as liaison between AHPs and the Medical Staff.

Duties and Responsibilities:

1. To establish written policies and procedures for the conduct of the business of the Committee.

2. To recommend policies and procedures for the granting of expanded role privileges to registered nurses, whether or not employed by the hospital, to provide for the assessment, planning, and direction of the diagnostic and therapeutic care of a patient in the Hospital.

13. Each Standardized procedure approved by the Interdisciplinary Committee shall:

a. Be in writing and set forth the date it was approved by the Committee.

b. Specify the Standardized procedures which registered nurses are authorized to perform and under what circumstances.

c. State any specific requirements which are to be followed by registered nurses in performing all or part of the functions covered by the particular Standardized procedure.

d. Specify any experience, training or special education requirements for performance of the Standardized procedures.

e. Establish a method for initial and continuing evaluation of the competence of those registered nurses authorized to perform the Standardized procedures.

f. Provide for a method of maintaining a written record of those persons authorized to perform the Standardized procedures.

g. Specify the nature and scope of review and/or supervision required for the performance of the Standardized procedures; for example, if the Standardized procedure is to be performed only under the immediate supervision of a physician, that limitation must be clearly stated. If physician supervision is not required, that fact should be clearly stated.

h. Set forth any specialized circumstances under which the registered nurse is to communicate immediately with a patient's physician concerning the patient's condition.

i. State any limitation on settings or departments within the Hospital where the Standardized procedure may be performed.

j. Specify any special requirements for procedures relating to patient record keeping.

k. Provide for periodic review of the standardized procedure.

Approved by Interdisciplinary Practice Committee on 3/31/99

9. To delegate to the NIH Director of Nursing the credentials review and granting and/or rescinding of privileges of those registered nurses who seek to function under the Northern Inyo Hospital standardized procedures, and to receive a report from the Director of Nursing regarding actions taken regarding credentials review and granting and/or rescinding of privileges.

(c) The Committee on Interdisciplinary Practice shall establish written policies and procedures for the conduct of its business. Policies and procedures shall include but not be limited to:

(1) Provision for securing recommendations from members of the medical staff in the medical specialty, or clinical field of practice under review, and from persons in the appropriate nonmedical category who practice in the clinical field or specialty under review.

(2) Method for the approval of standardized procedures in accordance with Sections 2725 of the Business and Professions Code in which affirmative approval of the administrator of designee and a majority of the physician members and a majority of the registered nurse members would be required and that prior to such approval, consultation shall be obtained from facility staff in the medical and nursing specialties under review.

(3) Providing for maintaining clear lines of responsibility of the nursing service for nursing care of patients and of the medical staff for medical services in the facility.

(4) Intended line of approval for each recommendation of the Committee.

NOTE: Authority cited: Section 208(a) and 1275, Health and Safety Code. Reference: Section 1276, Health and Safety Code.

HISTORY

1. New section filed 3–13–80; effective thirtieth day thereafter (Register 80, No. 11).

§ 70706.1. Granting of Nonphysician Privileges.

(a) Registered Nurses. The Committee on Interdisciplinary Practice shall be responsible for recommending policies and procedures for the granting of expanded role privileges to registered nurses, whether or not employed by the facility, to provide for the assessment, planning, and direction of the diagnostic and therapeutic care of a patient in a licensed health facility. These policies and procedures will be administered by the Committee on Interdisciplinary Practice which shall be responsible for reviewing credentials and making recommendations for the granting and/or rescinding of such privileges.

(b) Physician's Assistant. A physician's assistant who practices in a licensed facility shall be supervised by a physician approved by the Division of Allied Health Professions of the Board of Medical Quality Assurance who is a member of the active medical staff of that facility. Physician's assistants shall apply to and be approved by the Executive Committee of the medical staff of the facility in which the physician's assistant wishes to practice.

NOTE: Authority cited: Section 208(a) and 1275, Health and Safety Code. Reference: Section 1276, Health and Safety Code.

HISTORY

1. New section filed 3–13–80; effective thirtieth day thereafter (Register 80, No. 11).

§ 70706.2. Standardized Procedures.

(a) The Committee on Interdisciplinary Practice shall be responsible for:

(1) Identifying functions and/or procedures which require the formulation and adoption of standardized procedures under Section 2725 of the Business and Professions Code in order for them to be performed by registered nurses in the facility, and initiating the preparation of such standardized procedures in accordance with this section.

(2) The review and approval of all such standardized procedures covering practice by registered nurses in the facility.

(3) Recommending policies and procedures for the authorization of employed staff registered nurses to perform the identified functions and/or procedures. These policies and procedures may be administered by the Committee on Interdisciplinary Practice or by delegation to the director of nursing.

(b) Each standardized procedure shall:

(1) Be in writing and show date or dates of approval including approval by the Committee on Interdisciplinary Practice.

(2) Specify the standardized procedure functions which registered nurses are authorized to perform and under what circumstances.

(3) State any specific requirements which are to be followed by registered nurses in performing all or part of the functions covered by the particular standardized procedure.

(4) Specify any experience, training or special education requirements for performance of the functions.

(5) Establish a method for initial and continuing evaluation of the competence of those registered nurses authorized to perform the functions.

(6) Provide for a method of maintaining a written record of those persons authorized to perform the functions.

(7) Specify the nature and scope of review and/or supervision required for the performance of the standardized procedure functions; for example, if the function is to be performed only under the immediate supervision of a physician, that limitation must be clearly stated. If physician supervision is not required, that fact should be clearly stated.

(8) Set forth any specialized circumstances under which the registered nurse is to communicate immediately with a patient's physician concerning the patient's condition.

(9) State any limitations on settings or departments within the facility where the standardized procedure functions may be performed.

(10) Specify any special requirements for procedures relating to patient recordkeeping.

(11) Provide fo periodic review of the standardized procedure.

(c) If nurses have been approved to perform procedures pursuant to a standardized procedure, the names of the nurses so approved shall be on file in the office of the director of nursing.

NOTE: Authority cited: Section 208(a) and 1275, Health and Safety Code. Reference: Section 1276, Health and Safety Code.

HISTORY

1. New section filed 3–13–80; effective thirtieth day thereafter (Register 80, No. 11).

§ 70707. Patients' Rights.

(a) Hospitals and medical staffs shall adopt a written policy on patients' rights.

(b) A list of these patients' rights shall be posted in both Spanish and English in appropriate places within the hospital so that such rights may be read by patients. This list shall include but not be limited to the patients' rights to:

(1) Exercise these rights without regard to sex, economic status, educational background, race, color, religion, ancestry, national origin, sexual orientation or marital status, or the source of payment for care.

(2) Considerate and respectful care.

(3) Knowledge of the name of the physician who has primary responsibility for coordinating the care and the names and professional relationships of other physicians and nonphysicians who will see the patient.

(4) Receive information about the illness, the course of treatment and prospects for recovery in terms that the patient can understand.

(5) Receive as much information about any proposed treatment or procedure as the patient may need in order to give informed consent or to refuse this course of treatment. Except in emergencies, this information shall include a description of the procedure or treatment, the medically significant risks involved in this treatment, alternate courses of treatment or nontreatment and the risks involved in each and to know the name of the person who will carry out the procedure or treatment.

(6) Participate actively in decisions regarding medical care. To the extent permitted by law, this includes the right to refuse treatment.

(7) Full consideration of privacy concerning the medical care program. Case discussion, consultation, examination and treatment are confidential and should be conducted discreetly. The patient has the right to be advised as to the reason for the presence of any individual.

(8) Confidential treatment of all communications and records pertaining to the care and the stay in the hospital. Written permission shall be obtained before the medical records can be made available to anyone not directly concerned with the care.

(9) Reasonable responses to any reasonable requests made for service.

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NORTHERN INYO HOSPITAL
GENERAL POLICY FOR RURAL HEALTH CLINIC NURSE PRACTIONER
STANDARDIZED PROCEDURE

I. Definition: "Nurse Practitioner" (NP) means a registered nurse who possesses additional preparation and skills in physical diagnosis, psychosocial assessment, and management of health-illness needs in primary health care, and who has been prepared in a program that conforms to board standards.

II. Development and Review
- A. All standardized procedures are developed collaboratively and approved by the NIH Interdisciplinary Practice Committee (IDPC) and must conform to all 11 steps of the standardized procedure guidelines as specified in Title 16, CCR Section 1474.
- B. All standardized procedures will be kept in a manual that includes dated and signed approval sheets of the persons covered by the standardized procedures.
- C. All standardized procedures are to be reviewed every 3 years at minimum by the NP(s), Clinic Nurse Manager, Medical Director and then by the IDPC. Standardized procedures will be updated by the Nurse Practitioner(s), Nurse Clinic Manager, or Medical Director as practice changes.
- D. All changes or additions to the standardized procedures are to be approved by the IDPC. All standardized procedures approved by the IDPC will be sent to the Medical Staff Executive Committee and, if so approved, to the NIH Board of Directors.

III. Setting of Practice: Northern Inyo Hospital Rural Health Clinic (NIHRHC)

IV. Scope of Practice
- A. The NP may perform the following functions within his/her specialty area and consistent with their experience and credentialing: assessment, management, and treatment of episodic illness, chronic illness, contraception, and the common nursing functions of health promotion, and general evaluation of health status (including but not limited to ordering laboratory procedures, x-rays, and physical therapies as well as recommending diets, and referring to specialty services when indicated).
- B. Standardized procedure functions, such as managing medication regimens, are to be performed at NIHRHC. Consulting Medical Director Physician, or his/her relief will be available to the NP(s) in person or by phone.
- C. Physician consultation is to be obtained under the following circumstances:
  1. Emergent conditions requiring prompt medical intervention after the initial stabilizing care has been started.
  2. Acute decompensation of patient situation.
  3. Problem which is not resolving as anticipated.
  4. History, physical, or lab finding inconsistent with the clinical picture.
  5. Upon request of patient, nurse, or supervising physician.
- D. Medical Records: Medical record entries by the NP shall include, for all problems addressed: the patients' statement of symptoms, the physical finding, results of special studies, the NP's assessment and management plan including further studies ordered, medication or procedures, information given patient and the names of any physicians consulted.

V. Qualifications and Evaluations
- A. Each nurse performing standardized procedure functions must have a current California registered nursing license, be a graduate of an approved Nurse Practitioner program, and have current certification as a Nurse Practitioner by the California Board of Registered Nursing
- B. Evaluation of NP's competence in performance of standardized procedure functions will be done in the following manner:
  1. Initial: at 3 months, 6 months, and 12 months by the clinic nurse manager, through feedback from the NIHRHC Medical Director, other physicians

and colleagues, and review of charting completed during performance period being evaluated.

2. Routine: annually after the first year by the NIHRHC Nurse Manager through feedback from the physicians, colleagues and charting review.
3. Follow-up: are as requiring increased proficiency, as determined by the initial or routine evaluation, will be reevaluated by the NIHRHC Nurse Manager and NIHRHC Medical Director at appropriate intervals until acceptable skill level is achieved.

The scope of supervision for the performance of the functions referred to in this area shall **include chart review as per RHC chart review protocols.** Further requirements shall be regular continuing education in primary care, including reading of appropriate journals and new text books, attending conferences in primary care sponsored by hospitals, professional societies, and teaching institutions equaling 15 hours a year, minimum.

4. A record of continuing education must be submitted to the Clinic Nurse Manager annually at the time of the NP's evaluation.
5. Continuing education information will remain on file in the NP's personnel folder along with written evaluations.

VI. Protocols

A. The standardized procedure protocols developed for the use by the nurse practitioners are designed to describe the steps of medical care for given patient situations. They are to be used in the following circumstances: health promotion exams, contraception, routine gynecological problems, trauma, infectious disease contacts, management of acute/episodic or chronic conditions, and furnishing of medications.

Approval: This standardized procedure has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

Registered Nurses authorized to perform this standardized procedure and date of authorization:

1. _____ _____
2. _____ _____
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NORTHERN INYO HOSPITAL – RURAL HEALTH CLINIC
STANDARDIZED PROCEDURE

Subject: ADULT HEALTH MAINTENANCE (Specific chronic diseases – protocols i.e. HTN, DM.)

Scope: FNPs

I. POLICY - Will meet all General Policy Standardized Procedure guidelines.

A. Function: management of adult health maintenance.

B. Circumstances:

1. Patient population: adult patients of
2. Setting: Medical Clinic
3. Supervision: Physicians indicated in general standardized procedure statement.

II. PROTOCOL

A. Definition: health maintenance, health promotion and prevention activities which promote the physical, psychosocial and developmental well-being of adults.

Includes health assessment, and disease prevention through physical exam, diagnostic testing, immunizations, developmental screening, and health education.

B. Data Base

1. Subjective: obtain complete histories on all first time patients; interval histories on subsequent visits.

2. Objective.

a. At each visit obtain vital signs, height, weight.
b. Perform complete physical exam.
c. Perform appropriate psychosocial assessment.
d. Laboratory/diagnostic testing as needed.

C. Plan

1. Diagnosis

a. Health maintenance
b. Acute illness
c. Current assessment of chronic illness

2. Therapeutic regimen

a. Diet as appropriate for age/nutritional status
b. Medications

i. Vitamins/mineral supplements
ii. Immunizations as indicated
iii. Hormonal replacement **if** indicated
iv. **Medications appropriate to address acute and chronic health problems.**

c. Activity/exercise as appropriate for age/health status
d. Health education related to age/health status, preventive health behaviors.
e. **Interventions appropriate to address acute and chronic health problems.**

3. Consultation/referral

a. Physician consult to be obtained under the circumstances:

i. Unexplained history, physical laboratory/diagnostic finding.
ii. Emergency conditions requiring medical intervention.
iii. Upon request of patient/family.

b. Refer to specialist or other community resource indicated.

4. Follow-up

a. According to adult health maintenance schedule sooner as indicated.

5. Record keeping

a. Appropriate documentation to be maintained patient's chart.
b. Allergic reaction to vaccine/medication.

D. Contraindications to immunization

1. Live virus vaccines contraindicated (consult with physician first):

a. Patient with disorder of immune system
b. Household member of patient with disorder of immune system
c. Patient who received immune globulin in last 3 months
d. During pregnancy
e. PPD should not be administered for 3 months following MMR

E. Management of anaphylactic reactions to immunizations

1. Mild anaphylaxis involving skin (immediate):

a. Pruritus, flush, urticaria, angioedema
b. Emergency treatment

i. Maintain patient airway
ii. Administer 1:1000 (aqueous) Epinephrine SQ or IM 0.01 ml/kg. Repeat dose q 15-20 minutes.
Usual dose: infants 0.05-0.10 ml, children 0.10-0.30 ml.
Consult with physician.

2. Systemic – in addition to skin rash, rhinitis, redness, tearing of eyes, bronchospasm, laryngeal spasm, shock with cardiovascular collapse.

   a. Treatment:

      i. Maintain patient airway, administer CPR if necessary.
      ii. Administer Epinephrine as outlined above.
      iii. Refer to M. D. Call Code Blue if indicated
      iv. Report adverse reaction to local health department/manufacturer of vaccine.

APPROVAL: This standardized procedure has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

Registered Nurses authorized to perform this standardized procedure and date of authorization:

1. _____ _____
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NORTHERN INYO HOSPITAL – RURAL HEALTH CLINIC
STANDARDIZED PROCEDURE

Subject: MINOR SURGICAL PROCEDURES

Scope: FNPs

I. POLICY – Will meet all General Policy Standardized Procedure guidelines.

A. Function: management of minor surgical procedures.

B. Circumstances:

1. Patient population: pediatric and adult patients
2. Setting: Medical Clinics
3. Supervision: Physicians as indicated in the General Standardized Procedure statement

II. PROTOCOL

A. Definition: this standardized procedure is designed to establish guidelines that will allow the FNP to perform minor surgical procedures incidental to the provision of routine primary care to ambulatory patients of Northern Inyo Hospital Rural Health Clinic.

B. Conditions: after appropriate training and experience minor procedures that can be performed by the FNP without direct physician supervision include:

Pessary placement
Electrocautery of external, non-facial, non-malignant lesions less than 5 cm in size, e.g. warts
Epidermal cyst removal (non-facial) less than 3 cm in size
Incision and drainage of non-facial abscess less than 5 cm in size
Suture non-facial laceration less than 5 cm in size without nerve or tendon involvement
Mole removal (non-facial)
Punch or shave biopsy
Toe nail removal
Cryotherapy
IUD insertion and removal
Excision of simple lesions
Simple foreign body removal
Endometrial biopsy
Arthrocentesis/Steroid joint injection
Excision of hemorrhoid thrombus

C. Data Base

1. Subjective

a. Obtain pertinent history including involved organ system, injury, trauma, dermatology problems, etc.
b. Obtain information regarding review of system, risk taking behaviors, prior surgery, allergies, and immunizations.

2. Objective

a. Perform physical examination pertinent to assessment of the problem.
b. Collect appropriate diagnostic/radiological studies.

D. Assessment

1. Formulate diagnosis consistent with the above data base.

E. Plan

1. Develop therapeutic regimen

a. Perform appropriate procedure utilizing standard aseptic technique.
b. Obtain additional diagnostic studies as indicated.
c. Physician consultation/assistance in performing the procedure as per policy statement or above conditions.
d. Patient education and self-care techniques.
e. Development of appropriate follow-up care plan.
f. Update problem list.

APPROVAL: This standardized procedure has been approved for use at Northern Inyo Hospital by:

Chairman, Interdisciplinary Practice Committee	Date
Administrator	Date
Chief of Staff	Date
President, Board of Directors	Date

Registered Nurses authorized to perform this standardized procedure and date of authorization:

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NORTHERN INYO HOSPITAL-RURAL HEALTH CLINIC
STANDARDIZED PROCEDURE

OBSTETRIC CARE

Scope: Nurse Practitioner

I. POLICY

A. Function: Management of Obstetric Care

B. Circumstances:
1. Patient population: pregnant patients of the Rural Health Clinic.
2. Setting: Rural Health Clinic.
3. Supervision: Rural Health Clinic physician as indicated in the General Standardized Procedure statement.
4. Specialized education to provide OB care will consist of one of the following:
   a. Certification as a Nurse Practitioner with a specialty which includes OB training
   b. Education by the physician provider of OB care in clinic both by didactic proctoring and attending at least 2 hours of continuing education in the field of obstetrics

II. PROTOCOL

A. Definition: This standardized procedure establishes guidelines for antepartum care and postpartum care of pregnant patients presenting at the Rural Health Clinic for Obstetric care.
Prenatal visits may include but are not limited to documentation of gestational age, maternal uterine growth and weight gain, urinalysis by dipstick, blood pressure monitoring, patient teaching, fetal heart rate, fetal activity, identification of high risk conditions (see list), and referral to community resources or the supervising physician as necessary.

The NPs shall consult with the supervising physician on any prenatal female with a potential or obvious high-risk condition.

B. Data Base: Data shall include but not be limited to:
1. Subjective:
   a. Relevant health history
   b. Family medical/genetic history
   c. Medications and sensitivities
   d. Self-care practices-sexual, nutritional, exercise, use of drugs, alcohol and tobacco
   e. Current issues and problems with pregnancy-nausea, vomiting, edema, abdominal pain, vaginal discharge/bleeding, urinary symptoms
   f. Assess for HIV risk factors

2. Objective:

a. Physical examination as soon as possible after determination of pregnancy
b. Laboratory and diagnostic tests appropriate to the gestational age.
c. Measurement of fundal height and fetal heart tones appropriate to presenting gestational age.

3. Assessment: Maternal and fetal diagnosis consistent with subjective and objective findings. Notation of risk factors for possible referral or consultation.
4. Plan:
   a. Plan of care initiated based on objective findings and assessment. Treatment regimens to include, but not limited to: monitoring diet, exercise, employment, medication, psycho/social issues, baby and child safety and common complaints in pregnancy.
   b. Medications shall be ordered as appropriate according to Drugs in Pregnancy and Lactation.

C. Patient Education:
1. Provide client with information on course of pregnancy, utilizing the Pregnancy handout created by Dr. Arndal.
2. Provide counseling and approximate schedule of follow-up prenatal visits (see schedule C).

D. Consultation and/or Referral: Provide consultation and referral as indicated in General Policy Statement. Additional reference text resource for management guidelines: Management Guidelines for Nurse Practitioners Working with Women, 2nd edition, 2004 Chapters 12-13 (Antepartum and Postpartum Care)

POTENTIAL HIGH RISK CONDITIONS

Anemia: Hct 30%/Hgb 10 gm/dl unresponsive to iron replacement.
Abnormal QUAD screen
Drug/Alcohol abuse
Diabetes Mellitus or history of gestational diabetes
Habitual spontaneous abortions
Hemoglobinopathies
Rh isoimmunization or positive antibody screen
Multiple gestation
Maternal cardiac disease
Maternal hypertensive disease
Maternal hepatic disease
Maternal cancer
Maternal collagen vascular disease
Maternal renal disease
Maternal seizure disorder
Other maternal Gyn, endocrine, GI, neuromuscular, infectious, or pulmonary disease.
Previous pre-term labor or pre-term delivery
Pregnancy induced hypertension
Post maturity 41 weeks gestation
Positive HIV, Herpes, Hep B, Hep C
Psychiatric illness
Premature rupture of membranes
Bleeding at any time during pregnancy
Maternal age over 35 years or under 16 years
Fetal malpresentation after 36 weeks gestation

Maternal/paternal or family history of congenital anomalies
Grand multiparity ≥ 6
Late presentation for prenatal care (≥ 16 weeks)

Source: The Journal of Family Practice 28(i)

SCHEDULE

Prenatal Visit Schedule: Every 4 weeks up to 28 weeks
Every 2 weeks from 28-36 weeks
Weekly from 36 weeks to delivery

Estimated Schedule of Care

Initial visit:
Labs, Studies, Referrals
Schedule or perform complete physical examination to include Pap smear, Chlamydia and Gc
Prenatal Lab Panel: CBC Rubella
Type and Rh HepBsAg
RPR PPD
UA & Pregnancy test
HIV
Cystic Fibrosis Screen optional
QUAD Screen at 12-18 weeks
1 hour GTT – 50 grams glucola at 20-28 weeks gestation
U/S @ 15-24 weeks
Group B Strep perineal culture @ 36 weeks

Education
Outline prenatal care
Diet, psychosocial, exercise
Risks
Prenatal vitamins

12-18 weeks:	QUAD Screen	Review diet, exercise, habits
15-24 weeks:	Ultrasound	OB Ultrasound for size dates, AFI, Anatomy
24-28 weeks:	1-hour GTT Hct/Hgb Rhogam @ 28 weeks if Negative	Discuss scheduling prenatal classes Discuss BTL/Family Planning
32 weeks:	BTL consent signed	Discuss labor precautions Breast Feeding options Circumcision options
34-36 weeks:	Begin Fetal Activity Studies	Review procedure for fetal activity studies
36 weeks:	GBS Swab	Discuss episiotomy, vacuum, forceps, C-Section

38 weeks: **Review labor precautions**

39-41 weeks: Vaginal exam **Postpartum: car seat, WCC,**
NST by 41 weeks **Discuss induction if indicated**

Post-dates: NST/CST after 41 weeks (2x/week)
NST for decreased fetal movement

APPROVAL: This standardized procedure has been approved for use at Northern Inyo Hospital by:

_____ _____
Chairman, Interdisciplinary Practice Committee Date

_____ _____
Administrator Date

_____ _____
Chief of Staff Date

_____ _____
President, Board of Directors Date

Registered Nurses authorized to perform this standardized procedure and date of authorization:

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NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

I. POLICY

A. Procedure to be performed

Standardized procedure for medical screening examination for the obstetrical patient performed by a registered nurse (RN) who is determined qualified by the Hospital's Medical Staff Bylaws, Rules and Regulations and approved by the Hospital's Governing Board, in compliance with the provisions of the Emergency Medical Treatment Act (EMTALA) 42 U.S.C., Section 1395, Tag A406.

B. Responsible Party

1. A physician on the hospital medical staff available for consultation and to certify false labor.

2. A medical screening examination may be performed by a RN certified to perform medical screening examinations following this standardized procedure.

3. The RN must successfully complete a didactic module and a competency validation. Documentation is to be kept in the employee's competency file.

C. Conditions for Physician Consultation and Orders

1. All pregnant women presenting to the obstetrical department for care will receive a Medical Screening Examination and Assessment of Labor when requested without discrimination and regardless of their ability to pay.

2. Following examination and assessment of the patient, the RN will communicate with the physician by telephone to apprise him/her of the findings. Based thereon, the physician will either concur with the assessment of the RN, or will present to the hospital to further evaluate the patient him/herself

3. If the RN determines that a woman is in false labor; a physician must certify the diagnosis. How the physician certifies (telephone consultation, or actually examines the patient) the diagnosis of false labor is determined by the hospital and its medical staff. If telephone consultation is the means utilized to satisfy this requirement, documentation within the patient charts must be in accordance with the hospital Conditions of Participation (CoP) at 42 CFR §482.24(c)(1).

4. A physician must be notified immediately if:
    a. Delivery is imminent. Preparations should be made for immediate delivery.

    b. Complications or abnormal assessments arise during the performance of this procedure. Such problems include:
        (1) fever, signs of infection;
        (2) excessive vaginal bleeding;
        (3) elevated blood pressure;
        (4) abnormal reflexes;
        (5) non-vertex presentation;
        (6) hyperstimulation of the uterus;
        (7) no uterine activity;
        (8) tetanic contraction;
        (9) abnormal FHR (non-reassuring); and
        (10) premature gestation with ruptured membranes.

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

c. Contraindications to performing this procedure are present
(1) patient refusal

D. Review Process

1. Quality improvement monitoring of this standardized procedure is ongoing.

2. Quarterly (or more frequently as indicated), an audit of the Medical Screening Examination will be completed by the Nursing Manager, the Department of Obstetrics, Administration, and Interdisciplinary Practice Committee as appropriate.

3. Quality indicators developed and applied to all obstetrical patients:
   a. Births occurring outside the hospital, following a Medical Screening Exam by a RN; and
   b. Maternal or neonatal complications occurring following a Medical Screening Exam performed by a RN.

II. PROTOCOL

A. Purpose/Definition

To allow designated RN's to perform Medical Screening Examinations on obstetric patients presenting to the obstetrical department.

B. Database (Patient Selection Criteria)

1. Patient must be an obstetric patient.
2. Patient must give consent.
3. Patient must have absence of complications as listed under Section I (C)(4).

C. Treatment Plan

1. Initiation
   a. Confirm appropriate patient selection under Section II (B).
   b. Validate patient obstetrical status.

2. Preparation
   a. Explain procedure to patient/family.

3. Equipment
   a. See Procedure, Section III (C).

4. Process
   a. See Procedure, Section III.

5. Follow-up
   a. Provide patient education and any ordered follow-up care.

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

III. PROCEDURE

A. Purpose

To outline the methodology for the medical screening examination of the obstetric patient by the RN.

B. Supportive Data

1. Only Northern Inyo Hospital certified RN's or physicians may perform this standardized procedure.

C. Equipment

1. Sterile gloves
2. Lubricant
3. Amniotest if appropriate
4. Electronic Fetal Monitor
5. BP cuff
6. Thermometer
7. Reflex hammer
8. Slides/microscope for ferning

D. **Content**

Action	**Key Points**
1. Validate appropriate patient selection criteria	Ensure compliance with standardized procedure.
2. Explain procedure to patient.	Allay anxiety
3. If delivery is imminent, CALL THE PHYSICIAN and prepare for immediate delivery.	
4. If delivery is not imminent, continue assessment which will include but is not limited to:	
a. gravida, parity, EDC, maternal age, chief compliant;	
b. prenatal preparation, determination of physician/patient relationship;	
c. partner support needs;	
d. obstetric history; risk factors;	
e. labor status:	To establish baseline assessment for labor process.
(1) vital signs	
(2) fetal monitoring	
(3) frequency of contractions	
(4) presentation	

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

(5) status of membranes
f. any other associated information.

5. Continue examination to assess maternal hydration, labor progress, and fetal. wellbeing.

Maternal Hydration

a. If temperature is elevated:
(1) Assess for bladder distention:
a. Encourage to void
b. Check urine for protein, color, amount and odor
c. If unable to void, continue to assess bladder and include this information with report to physician when total assessment is completed.
(2) Suspect infection – CALL ATTENDING PHYSICIAN.
(3) Assess for other abnormal findings such as elevated blood pressure or excessive bleeding. If present – CALL ATTENDING PHYSICIAN.
(4) Determine proteinuria and check reflexes. If abnormal – CALL ATTENDING PHYSICIAN.

b. If hydration status and temperature are normal:

(1) Encourage to void; and
(2) Include this information with report to physician when total assessment is completed.

Assessment of Labor Progress

Action	**Key Points**
a. Abdominal palpation	To establish baseline assessment of uterine activity.

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

Action	**Key Points**
(1) Assess uterine contraction pattern noting: (a) Frequency; (b) Duration; (c) Intensity; and (d) Resting tone.	
(2) If normal, include this information with report to physician when total assessment is completed.	
(3) Potential complications may include but are not limited to: (a) Hypotonia; and (b) Tetanic contraction.	Tetanic contractions decrease adequate fetal oxygenation.
(4) If potential complications are present – CALL ATTENING PHYSICIAN.	
b. Assess position of presenting part.	Perform Leopold's Maneuvers.
c. Vaginal examination: (1) Determine the membrane status: (a) Intact or ruptured (b) Color, odor, or amount. Normal appearing amniotic fluid is clear to pale straw in color. A green, brown, or black color indicates passage of meconium and possible fetal distress. (c) Include this information with report to physician when total assessment is completed. (d) NO DIGITAL EXAM IF PRETERM OR IF KNOWN PLACENTA PREVIA	Follow Nitrazine procedure
(2) Determine descent of presenting part (a) If normal, include this information with report to physician when total assessment is completed. (b) If abnormal, CALL ATTENDING PHYSICIAN	
(3) Determine the state of the cervix: (a) Effacement; (b) Dilation; (c) Station;	

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

Action	Key Points
(d) If normal, include this information with report to physician when total assessment is completed; and (e) If abnormal, CALL ATTENDING PHYSICIAN	
(4) Assess bleeding: (a) CALL ATTENDING PHYSICIAN if abnormal due to: (i) Suspected bleeding is greater than normal "bloody show"; and (ii) Vaginal exam only at discretion of MD. (b) If normal, include this information with report to physician when total assessment is completed.	
d. Assessment of fetal wellbeing	
(1) Identify fetal heart rate pattern with application of a Doppler or an electronic fetal monitor	See Fetal Heart Rate Monitoring procedure
(2) Abnormal patterns (non-reassuring) may include but are not limited to:	• ACOG states normal fetal heart rate baseline is110-160 bmp.
(a) Baseline outside normal range with recurrent late or variable decelerations;	• Late decelerations indicate uteroplacental insufficiency
(b) Prolonged decelerations;	
(c) Absence of long-term variability;	
(d) Sinusoidal pattern;	
(e) Severe bradycardia; and	
(f) If abnormal, CALL ATTENDING PHYSICIAN	• Variable decelerations indicate umbilical cord compression. • A prolonged deceleration lasts longer than 2 minutes. • Average long-term variability indicates an intact central nervous system.
(3) Normal patterns (reassuring) (a) Consistent baseline rate of 110-160 beats per minute (b) Average long-term variability	

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

Action	Key Points
(c) Periodic accelerations (d) Early decelerations (e) Include this information with report to physician when total assessment is completed	Accelerations indicate an intact central nervous system. Early decelerations indicate head compression.

6. At the completion of the medical screening examination, the RN will report to the patient's physician, by phone or in person, the findings of the examination and any other pertinent information before any further procedures are performed. Regardless of the assessment, any patient meeting the following criteria will be examined, in person, by a physician prior to discharge home:
    a. No prenatal care;
    b. Maternal temperature >100.6(F), of uncertain etiology;
    c. Patient not alert and/or patient not oriented to person, time and place;
    d. Active vaginal bleeding;
    e. Rupture of membranes with meconium;
    f. FHR abnormalities; and
    g. Major maternal trauma.
7. In regards to a patient who is determined to not be in labor but needs additional evaluation to rule out an emergency condition: This patient will be seen in the Emergency Department and be provided with a medical screening examination to rule out other medical conditions prior to being discharged home. Prior to transfer back to the Emergency Department, the L&D RN will report to the patient's physician, or the on-call obstetrician, the findings of the labor examination and any other pertinent information. This RN will also call report to the Emergency Department RN and/or the Emergency Department Attending Physician to inform them of the patient's impending return to the Emergency Department.

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

E. Documentation

1. On Obstetrical Log, document:
    a. Date and time of arrival;
    b. Physician;
    c. Admitting RN;
    d. Name of patient;
    e. Medical record number;
    f. Account number;
    g. Room number;
    h. Patient status (observation/inpatient)
    i. Procedure (NST, Labor check, Ferning)
    j. Other procedures;
    k. Comments;
    l. Disposition (transported to other facility, home);
    m. Date and time of discharge; and
    n. Discharge RN.

2. On Obstetrical Assessment Record, document:
    a. Attending Practioner;
    b. Pediatrician (if other than Attending Practioner);
    c. Gravida, parity;
    d. LMP;
    e. EDC;
    f. Age;
    g. Date and time of arrival;
    h. Name and telephone number of next of kin;
    i. Reasons for admission;
    j. Prenatal care and education;
    k. Allergies;
    l. Contraction status;
    m. Membrane status;
    n. Presence of bleeding;
    o. Other medical history;
    p. Plan for anesthesia;
    q. Current medications;
    r. Cervical examination;
    s. Fetal evaluation;
    t. Physical assessment;
    u. Height and weight; and other vital signs;
    v. Deep tendon reflexes;
    w. Notification of physician;
    x. Narrative notes;
    y. Discharge instructions;
    z. Date and time of discharge;
    aa. Disposition;
    bb. Patient signature; and
    cc. RN signature.

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

REQUIREMENTS FOR MEDICAL SCREENING EXAMINATION FOR THE OBSTETRICAL PATIENT

I. Minimal Education/Training

Selected RNs will have:

A. Successfully completed the hospital didactic module for performing Medical Screening Examination of the Obstetric Patient.

II. Expertise

Selected RNs will demonstrate:

A. Experience in direct patient care with laboring patients as a RN.
B. Successful completion of annual antepartum and intrapartum competency validation.
C. Current California Registered Nurse (RN) license.
D. Completion of electronic fetal monitoring program every two years.

III. Initial Evaluation

A. Successfully complete the Northern Inyo Hospital module post-test with 100% accuracy.

B. Successfully complete at least two (2) different obstetric patient medical screening examinations under the observation of the physician preceptor or a qualified nurse preceptor.

1. A qualified "nurse preceptor" is a RN who may validate the competency of another RN to perform this procedure. A nurse preceptor must have completed at least five (5) obstetric patient medical screening examinations.

Determined competency must be documented on the Medical Screening Examination of Obstetric Patient Competency Validation Tool.

IV. Ongoing Evaluation

A. Annual competency validation to be performed.

B. Review/evaluation of Quality Improvement Data on all patients where a RN performed a medical screening examination.

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

MEDICAL SCREENING EXAMINATION FOR THE OBSTETRICAL PATIENT EDUCATIONAL COMPONENT

OBJECTIVES

Upon completion of this class/module, the RN will be able to:

1. Describe systemic changes occurring in the woman's body during pregnancy;
2. List the forces affecting labor;
3. Identify the possible causes of the onset of labor;
4. List the techniques used for assessing uterine activity;
5. Differentiate between the labor and false labor, using information gathered by history and physical examination;
6. Define fetal lie, attitude, presentation, presenting part, position and station;
7. Recognize the signs and symptoms of labor;
8. Accurately record documentation of nursing care; and
9. Describe patient education.

OUTLINE

A. Anatomy and Physiology
B. Maternal-Fetal surveillance during pregnancy
C. Overview of labor
D. Maternal Status and Assessment
E. Fetal Status and Assessment
F. Fetal Membrane Status and Assessment
G. Labor Status
H. Priority setting and decision making
I. Patient Education
J. Documentation and Communication

Reviewed/Revised 11/12/07

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

PATIENT CARE SERVICES DIVISION

NAME/TITLE: _____ DATE: _____

COMPETENCY: Medical Screening Examination for the Obstetrical Patient Performed by the Registered Nurse

*Evaluation Method Codes: O=Observation; M=Module; T=Test; RD=Return Demonstration; C-Computer

Measurement of Competency	**Meets Requirements Date**	**Needs Additional Assistance**	***Evaluation Methods/ Comments**
1. Successfully completes module and post-test with 100% accuracy.			
2. Describes patient selection criteria and instances of physician notification.			
a. Imminent delivery			
b. Fever, signs of infection			
c. Excessive vaginal bleeding			
d. Elevated blood pressure			
e. Abnormal deep tendon reflexes			
f. Non-vertex presentation			
g. Uterine hyperstimulation			
h. Lack of uterine activity			
i. Tetanic contraction			
j. Non-reassuring fetal heart rate			
k. Premature gestation			
l. Ruptured membranes regardless of gestational age.			
3. Explains procedure to patient			
4. Assembles equipment			
5. Performs assessment in systematic format			
a. Chief complaint			
b. Obstetric history			
c. Labor status and progress			
d. Maternal hydration			
e. Fetal wellbeing			
6. Communicates findings of examination and any other pertinent information to physician.			
7. Documents appropriately on the Birthing Center Log Book and on the Obstetrical Assessment Record.			

_____ _____

Employee Signature Instructors Signature

NORTHERN INYO HOSPITAL
POLICY AND PROCEDURE

Title: **Medical Screening Exam for the Obstetrical Patient - Standardized Procedure**	
Scope:	Department: **OB/Gyn**
Source: Kneip, Jan	Effective Date:

MEDICAL SCREENING EXAMINATION FOR THE OBSTETRICAL PATIENT
PERFORMED BY REGISTERED NURSE

QUALITY IMPROVEMENT DATA

MEDICAL RECORD #_____

AGE: _____

C.C.: _____

DATE: _____

1. Patient Selection
   - ❑ Meets criteria
   - ❑ Does not meet criteria. Describe: _____
2. Maternal Assessment
   - ❑ All systems WNL
   - ❑ Presence of complications
3. Fetal Assessment
   - ❑ Reassuring FHR
   - ❑ Non-reassuring tracing

   Describe: _____
4. Documentation
   - ❑ Log Book ❑ Medical Record
5. Physician Contacted:
   - ❑ Yes Who: _____
   - ❑ No Why not: _____
6. Outcome
   - ❑ Birth Outside of Hospital
   - ❑ Maternal complications Describe: _____
   - ❑ Neonatal complications Describe: _____

NOT A PART OF PERMANENT MEDICAL RECORD

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RESOLUTION NO. 08-01

RESOLUTION OF THE BOARD OF DIRECTORS OF THE NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT REQUESTING CONSOLIDATION OF ELECTION

WHERAS, it is necessary that four (4) directors be elected to the Board of Directors of Northern Inyo County Local Hospital District, one each from Zones I, II, IV and V of said District; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of Northern Inyo County Local Hospital District that it request that the Board of Supervisors of the County of Inyo, State of California, consolidate said election of directors with the statewide election to be held on November 4, 2008; and,

BE IT FURTHER RESOLVED THAT THE Hospital Administrator be, and he is hereby directed to file copies of this Resolution with said Board of Supervisors of the County of Inyo, State of California, and the County Clerk-Recorder, Registrar of Voters of said County.

Adopted, signed and approved this 16th day of July, 2008.

_____
Peter J. Watercott, President

Attest: _____
Michael Phillips, M.D., Secretary

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Northern Inyo County
Local Hospital District
Retirement Plan

Actuarial Valuation as of January 1, 2008

Prepared by:

Richard A. Wright, F.S.A.

June 26, 2008

Milliman

650 California Street
17th Floor
San Francisco, CA 94108-2702
USA

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June 26, 2008

Northern Inyo Hospital
150 Pioneer Lane
Bishop, California 93514-2599

Northern Inyo County Local Hospital District Retirement Plan
Actuarial Valuation as of January 1, 2008

At the request of the Hospital, we have made an actuarial valuation of the Northern Inyo County Local Hospital District Retirement Plan for the plan year beginning January 1, 2008.

In preparing our report, we relied on financial information provided by New York Life Insurance Company and employee data furnished to us by the Hospital. While Milliman has not audited the financial and census data, they have been reviewed for reasonableness and are, in our opinion, sufficient and reliable for the purposes of our calculations. If any of this information as summarized in this report is inaccurate or incomplete, the results shown could be materially affected and this report may need to be revised.

The actuarial cost method and assumptions used as well as the supporting data and principal plan provisions upon which the valuation is based are set forth in the following report. In our opinion, each actuarial assumption, method, and technique used is reasonable taking into account the experience of the Plan and reasonable expectations. Nevertheless, the emerging costs will vary from those presented in this report to the extent actual experience differs from that projected by the actuarial assumptions.

The calculations reported herein have been made in accordance with the applicable provisions of the Internal Revenue Code. The results of this valuation are applicable only for the current year and are intended to be used only by the plan sponsor for the specific purposes described herein. Accordingly, this report may not be distributed to any third party without Milliman's written consent. Reliance on information contained in this report by anyone for anything other than the intended purpose puts the relying entity at risk of being misled.

On the basis of the foregoing, we hereby certify that, to the best of our knowledge and belief, all costs, liabilities, and other factors under the Plan were determined in accordance with generally accepted actuarial principles and practices which are consistent with the applicable Actuarial Standards of Practice of the American Academy of Actuaries. We further certify that, to the best of our knowledge, the report is complete and accurate and the information presented herein, in our opinion, fully and fairly discloses the actuarial position of the Plan.

The undersigned is a member of the American Academy of Actuaries and meets the Qualification Standards of the American Academy of Actuaries to render the actuarial opinion contained herein.

Sincerely,

Richard A. Wright, FSA, MAAA
Consulting Actuary

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Introduction

This report sets forth the results of our valuation of the Northern Inyo County Local Hospital District Retirement Plan, as of January 1, 2008. In Section II we furnish certain financial statements and actuarial exhibits of the Fund for the 2007 plan year. Section III presents the determination of the contribution requirement for the 2008 plan year.

A summary of the Plan is set forth in Appendix A, and the actuarial assumptions and cost method used in determining the costs and liabilities are described in Appendix B. The membership data is shown in Appendix C.

Highlights

The investment performance of the fund showed a return of 6.7% for 2007 in comparison with 5.6% for 2006. For this valuation, we have lowered the pre-retirement interest assumption from 7.25% to 6.75%. We have kept the post-retirement interest assumption at 8.0%, since most distributions are paid as lump sums and are calculated using an interest rate of 8.0%. We have also changed the withdrawal assumption to better reflect recent turnover experience. These assumption changes resulted in an $891,224 increase in the present value of accumulated plan benefits.

The normal cost increased from $1,909,674 in last year's valuation to $2,097,840 this year, due to the $1,077,593 increase in payroll, the above-mentioned assumption changes, and actuarial experience. The normal cost as a percentage of payroll increased from 14.0% in last year's valuation to 14.3% this year.

The Full Funding Limitation is a measure of the funding status of the plan as of the valuation date. It is normally used to determine minimum required contributions and the maximum tax-deductible limit for taxable entities. For the 2008 Plan Year, the Full Funding Limitation would limit contributions to the Plan to $8,551,215 for the year.

The recommended contribution is based on a target funding level of 125% of the Accumulated Benefit Obligation (ABO). The plan's current funding level is 122.7% of ABO, compared with 128.4% as of January 1, 2007. The excess over 125% (or deficit, in the case of this year's valuation) is being amortized over a 25-year period beginning on January 1, 2002. The recommended contribution for the 2008 Plan Year is $2,652,000, or $221,000 per month if paid in 12 monthly installments during the 7/1/2008-6/30/2009 fiscal year.

Results of Valuation

The following table summarizes the principal valuation results and compares them with the prior plan year.

	January 1, 2008	*January 1, 2007*
Number of Participants		
Active – Fully vested	107	108
– Partially vested	69	66
– Nonvested	93	93
– Total	269	267
Part-time employees with accrued benefits	26	27
Disabled employees with accrued benefits	1	1
Terminated vested	44	42
Retired	0	0
Total participants	340	337
Participant Payroll	$ 14,681,204	$ 13,603,611
Actuarial Liability (PBO)	$ 32,372,597	$ 29,386,211
Funding Target – 125% of Accumulated Benefit Obligation (ABO)	$ 26,961,254	$ 23,762,099
Actuarial Assets	$ 26,459,931	$ 24,411,394
Normal Cost at Beginning of Year	$ 2,097,840	$ 1,909,674
As a percentage of applicable payroll	14.3%	14.0%
Full Funding Limitation	$ 8,551,215	$ 7,383,617
Recommended Contribution	$ 2,652,000	$ 2,112,000
As a percentage of applicable payroll	18.1%	15.5%
Investment Return		
Current annual yield	6.7%	5.6%
Average annual yield for last 5 years	5.8%	6.1%

Monthly Contributions

To satisfy the funding requirement for the 2008 plan year, we recommend the schedule of contributions shown below. Contributions for a fiscal year (July 1 to June 30) are being applied to the plan year (January 1 to December 31) ending within the fiscal year.

Approximate Date of Contribution	*Contributions for the 2008 Plan Year*
07/15/2008	$ 221,000
08/15/2008	221,000
09/15/2008	221,000
10/15/2008	221,000
11/15/2008	221,000
12/15/2008	221,000
01/15/2009	221,000
02/15/2009	221,000
03/15/2009	221,000
04/15/2009	221,000
05/15/2009	221,000
06/15/2009	221,000
Total	$ 2,652,000

Exhibit 1. Summary of Plan Assets

The valuation assets as of January 1, 2008, are the sum of the accrued balances in the contractual Fixed Dollar Account (GA-928) and the Indexed Bond Fund (account #11344) as of December 31, 2007, maintained by New York Life, plus any accrued but unpaid contributions and minus any distributions payable. The balance in the contractual Pension Account is allocated to retired participants and beneficiaries and is excluded from the valuation. Development of the assets is as follows:

	January 1, 2008	*January 1, 2007*
Plan Assets		
Fixed Dollar Account (GA-928)	$ 17,747,190	$ 16,314,013
Indexed Bond Fund (Acc. #11344)	7,656,741	7,161,381
Total	$ 25,403,931	$ 23,475,394
Accrued Contributions	1,056,000	936,000
Actuarial Assets	$ 26,459,931	$ 24,411,394
Asset Allocation		
Fixed Dollar Account	67.1%	66.8%
Indexed Bond Fund	28.9%	29.3%
Accrued Contributions	4.0%	3.8%
Total	100.0%	100.0%

Note: We have not audited the fund's assets shown above. We have relied on the information furnished by New York Life Insurance Company.

Exhibit 2. Summary of Changes in Plan Assets

Plan assets increase or decrease each year due to employer contributions, investment income, benefit payments to retiring participants, plan expenses paid by the trust fund, and any realized and unrealized gains and losses from investments.

	Plan Year Ending	
	December 31, 2007	*December 31, 2006*
Beginning Balance	$ 23,475,394	$ 21,237,610
Additions:		
Employer contributions	1,992,000	1,590,000
Investment income	1,601,277	1,239,143
Experience adjustment	135,379	0
Total	3,728,656	2,829,143
Subtractions:		
Benefit payments	(1,766,020)	(499,365)
Expenses & related charges	(34,099)	(32,405)
Experience adjustment	0	(59,589)
Total	(1,800,119)	(591,359)
Ending Balance	$ 25,403,931	$ 23,475,394

Exhibit 3. Historical Returns on Plan Assets

The following table shows the historical return on plan assets since 1993:

Plan Year	*Return*
2007	6.71%
2006	5.57%
2005	5.32%
2004	5.84%
2003	5.41%
2002	8.18%
2001	7.33%
2000	8.48%
1999	4.42%
1998	7.90%
1997	8.64%
1996	5.70%
1995	12.16%
1994	2.89%
1993	8.89%
Average for last 5 years	5.77%
Average for last 10 years	6.51%

The actuarial valuation rate for the 2008 plan year is 6.75%.

Exhibit 4. Present Value of Accumulated Plan Benefits (ABO)

The present value of accumulated plan benefits (also known as the Accumulated Benefit Obligation or ABO) is the value of benefits that have been accrued to date.

	As of January 1, 2008	*As of January 1, 2007*
Vested Benefits		
Active participants	$ 17,584,311	$ 14,487,688
Part-time participants with accrued benefits	343,536	335,708
Terminated vested participants	2,359,353	3,029,417
Disabled participants	12,693	11,296
Participants currently receiving payments	0	0
Total	$ 20,299,893	$ 17,864,109
Nonvested Benefits	1,269,110	1,145,570
Total	$ 21,569,003	$ 19,009,679
Valuation Assets	$ 26,459,931	$ 24,411,394
Funding Ratio	122.7%	128.4%

Exhibit 5. Changes in Accumulated Plan Benefits

The changes in the present value of accumulated plan benefits for the last two plan years are summarized below.

	Plan Year Ending	
	December 31, 2007	*December 31, 2006*
Beginning of Year	$ 19,009,679	$ 16,322,132
Benefits accumulated and actuarial experience	2,055,918	2,003,557
Increase for interest due to the decrease in the discount period	1,378,202	1,183,355
Plan amendment	0	0
Change in actuarial assumptions	891,224	0
Benefits paid	(1,766,020)	(499,365)
End of Year	$ 21,569,003	$ 19,009,679

Exhibit 6. Development of Normal Cost

The normal cost is calculated according to the actuarial cost method. Under the projected unit credit cost method, the normal cost is equal to the value of the benefits accrued during the year based on compensation projected to retirement. The normal cost is as follows:

	Plan Year Beginning	
	January 1, 2008	*January 1, 2007*
Normal cost as of beginning of plan year	$ 2,097,840	$ 1,909,674
Estimated payroll for plan participants	14,681,204	13,603,611
Normal Cost as % of payroll	14.3%	14.0%
Normal cost as of end of plan year	2,239,444	2,048,125

Exhibit 7. Actuarial Liability (PBO)

In the Projected Unit Credit method, the actuarial liability is equal to that portion of an employee's projected benefit that is allocated to past service periods and includes the value of assumed future compensation increases. This is also known as the Projected Benefit Obligation or PBO. Any actuarial liability in excess of the plan's assets is called an unfunded liability.

	As of January 1, 2008	*As of January 1, 2007*
Actuarial Liability (PBO)		
Active participants	$ 29,657,015	$ 26,009,790
Part-time participants with accrued benefits	343,536	335,708
Terminated vested participants	2,359,353	3,029,417
Disabled participants	12,693	11,296
Participants currently receiving payments	0	0
Total	$ 32,372,597	$ 29,386,211
Actuarial Assets	$ 26,459,931	$ 24,411,394
Unfunded Actuarial Liability	$ 5,912,666	$ 4,974,817

Exhibit 8. Full Funding Limitation

The full funding limitation is defined by the Internal Revenue Code and limits minimum required and maximum deductible contributions of well-funded retirement plans.

	Plan Year Ending	
	December 31, 2008	*December 31, 2007*
Actuarial Liability	$ 32,372,597	$ 29,386,211
Normal Cost	2,097,840	1,909,674
Total	$ 34,470,437	$ 31,295,885
Actuarial assets	$ 26,459,931	$ 24,411,394
Full Funding Limitation, beginning of year	$ 8,010,506	$ 6,884,491
Interest	540,709	499,126
Full Funding Limitation, end of year	$ 8,551,215	$ 7,383,617

Exhibit 9. Recommended Contribution

The recommended contribution targets a funding level of 125% of the Accumulated Benefit Obligation (ABO). Since the plan is currently funded in excess of 125% of ABO, the surplus is used to reduce the normal contribution requirements over the 25 years starting from January 1, 2002. The recommended contribution is reduced, if necessary, to the Full Funding Limitation.

	Plan Year Ending	
	December 31, 2008	*December 31, 2007*
Target Surplus		
Accumulated Benefit Obligation (ABO)	$ 21,569,003	$ 19,009,679
Funding Target %	x 125%	x 125%
Funding Target (125% of ABO)	$ 26,961,254	$ 23,762,099
Actuarial Assets	26,459,931	24,411,394
Excess / (deficit)	$ (501,323)	$ 649,295
Recommended Contribution		
ABO Normal Cost	$ 2,435,752	$ 2,024,719
Amortization of (Excess) / Deficit	44,589	(58,261)
Total as of beginning of year	$ 2,480,341	$ 1,966,458
Interest	167,423	142,568
Total as of end of year	$ 2,647,764	$ 2,109,026
Full Funding Limitation, end of year	$ 8,551,215	$ 7,383,617
Recommended Contribution	$ 2,647,764	$ 2,109,026

Appendix A. Summary of Pension Plan

The following paragraphs are only a brief summary of the more important provisions of the plan. In the event there are any inconsistencies between statements contained in this Appendix and the plan document, the provisions of the plan document shall control.

Effective Date: March 1, 1975; last restatement January 1, 2002.

Plan Eligibility: An employee becomes a participant of the plan on the earliest January 1 or July 1 following the later of attainment of age 21 and completion of 1 year of service.

Vesting: 50% vesting after 5 years of Credited Service increasing 10% per year until 100% vested after 10 years of service. Active participants automatically become 100% vested upon attainment of normal retirement age or if they become totally and permanently disabled.

Normal Retirement Date: The first day of the month coinciding with or following the later of Participant's attainment of age 65 or completion of 5 years of plan participation. However, the Normal Retirement Date shall not be later than age 70.

Normal Retirement Benefit: 2.50% of Average Annual Compensation multiplied by years of Credited Service, but not less than $600.

Average Annual Compensation: Average of annual compensations for the highest consecutive 36-month period within the 10 years immediately preceding the determination date. Compensation includes wages, shift differential, standby pay, and 50% of the value of any unused and unpaid sick leave existing at the time of termination of employment, and accrued after April 26, 1997.

Accrued Benefit: Normal Retirement Benefit prorated on credited service.

Normal Form of Retirement Benefit: Life Annuity.

Early Retirement: The first day of the month coinciding with or following the Participant's attainment of age 55 and completion of at least 5 years of credited service. Then the normal retirement benefit will be reduced by 5/9% for each of the first 60 months and 5/18% for each additional month that payment starts before normal retirement age.

Pre-Retirement Death Benefit: If a vested participant dies prior to retirement, his or her beneficiary will receive the actuarially determined present value of his or her accrued benefit.

Appendix B. Actuarial Cost Method and Assumptions

The following cost method and assumptions were used in valuing the benefits of all participants.

	January 1, 2008	*January 1, 2007*
Actuarial Cost Method	Projected Unit Credit	Projected Unit Credit
Funding Interest Rate		
Pre-retirement	6.75%	7.25%
Post-retirement	8.00%	8.00%
Salary Scale	6.00%	6.00%
Administrative Expenses	None.	None.
Mortality	1984 UP Mortality Table set back 4 years.	1984 UP Mortality Table set back 4 years.
Disability		
Disablement Rate	None.	None.
Disabled Annuitants Mortality	None.	None.
Withdrawal Rates	Table T-8, The Actuary's Pension Handbook, Crocker-Sarason-Straight.	Table T-5, The Actuary's Pension Handbook, Crocker-Sarason-Straight.
Retirement Age	The later of age 65 or the 5th anniversary of date of participation; or age 70, if earlier.	The later of age 65 or the 5th anniversary of date of participation; or age 70, if earlier.
Asset Valuation Method	Market value	Market value

Appendix C. Summary of Participant Data

Active Participants

	Number of Participants			Annual Salaries		
Age	*Males*	*Females*	*Total*	*Males*	*Females*	*Total*
Under 25	0	6	6	$ 0	$ 229,903	$ 229,903
25 - 29	2	14	16	111,158	454,106	565,264
30 - 34	6	6	12	404,884	223,250	628,134
35 - 39	7	14	21	345,191	594,430	939,621
40 - 44	5	15	20	333,786	751,776	1,085,562
45 - 49	6	43	49	302,808	2,213,776	2,516,584
50 - 54	11	55	66	606,258	2,961,928	3,568,186
55 - 59	5	40	45	284,334	2,114,925	2,399,259
60 - 64	9	22	31	861,229	1,471,957	2,333,186
65 - 69	0	3	3	0	146,414	146,414
70 & Over	0	0	0	0	0	0
Total	51	218	269	$ 3,249,648	$11,162,465	$14,412,113

Other Participants

	Number of Participants			Annual Benefits		
Participant Status	*Males*	*Females*	*Total*	*Males*	*Females*	*Total*
Part-time	2	24	26	$ 19,504	$ 85,812	$ 105,316
Disabled	0	1	1	0	1,480	1,480
Terminated Vested	9	35	44	121,205	333,266	454,471
Retired	0	0	0	0	0	0
Total	11	60	71	$ 140,709	$ 420,558	$ 561,267

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