



Northern Inyo County Local Hospital District

Board of Directors Regular Meeting

Wednesday April 15, 2009 5:30pm

*Board Room
Northern Inyo Hospital*

DRAFT AGENDA

NORTHERN INYO COUNTY LOCAL HOSPITAL DISTRICT BOARD OF DIRECTORS MEETING

April 15, 2009 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.
 - A. Mr. Tom Clements, Radiology concerns.
3. Approval of minutes of the March 18, 2009 regular meeting.
4. Financial and Statistical Reports for the month of February 2009; John Halfen.
5. Administrator's Report; John Halfen.
 - A. Building Update
 - B. Radiology Update
 - C. General Obligation Bonds
 - D. Unemployment Insurance statistics
 - E. F.Y.I. Section
 - Dietary Inspection
 - F. Other
6. Chief of Staff Report – Richard Nicholson, M.D..
 - A. Medical Staff category change, Michael Karch, M.D. (*action item*).
 - B. Approval of POLST Policy and Procedure (*action item*).
 - C. Other
7. Old Business
 - A. I.T. Action Plan (*action item*).
8. New Business
 - A. Argon Laser Purchase, \$39,840 (*action item*).
 - B. Affirmation of John Halfen as negotiator regarding potential acquisition of real property at Barlow Lane and Highway 395, Bishop, California. Negotiation will be with the designee(s) of Inyo Mono title (*action item*).
9. Reports from Board members on items of interest.
10. Opportunity for members of the public to comment on any items on this Agenda, and/or on any items of interest.
11. 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. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).
 - C. Instruct negotiator regarding price and terms of payment for the purchase, sale, exchange, or lease of a real property (Government Code Section 54956.8).
12. Return to open session, and report of any action taken in closed session.
13. Opportunity for members of the public to address the Board of Directors on items of interest.
14. Adjournment.

THIS SHEET
INTENTIONALLY
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- CALL TO ORDER The meeting was called to order at 5:33 pm by Peter Watercott, President.
- PRESENT Peter Watercott, President
 John Ungersma, M.D., Vice President
 M.C. Hubbard, Secretary
 Michael Phillips, M.D., Treasurer
 D. Scott Clark, M.D., Director
- ALSO PRESENT John Halfen, Administrator
 Taema Weiss, M.D., Vice Chief of Staff
 Douglas Buchanan, Hospital District Legal Counsel
 Sandy Blumberg, Administrative Secretary
- ABSENT Richard Nicholson, M.D., Chief of Staff
 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 February 18, 2009 regular meeting were approved.
- ADMINISTRATOR'S
REPORT John Halfen, Chief Financial Officer reviewed with the Board the financial and statistical reports for the month of January 2009. Mr. Halfen noted the statement of operations shows a bottom line excess of revenues over expenses of \$542,084. Mr. Halfen called attention to the following:
- FINANCIAL AND
STATISTICAL REPORTS
 - *Inpatient and outpatient service revenue were both significantly over budget*
 - *Total expenses were over budget*
 - *Salaries and wages were over budget*
 - *Professional fees expense was over budget*
 - *The Balance Sheet did not show significant change*
 - *Year-to-date net income totals \$2,735,963*

Mr. Halfen noted the average number of days patient accounts are in receivables is 50 days, the lowest average he has seen since coming to Northern Inyo Hospital (NIH). Mr. Halfen also reviewed the status of the Hospital's investments, which is unchanged since the last report. He additionally noted NIH has received an \$800,000.00 payment from Medicare, and that the second bond issue has not yet taken place. It was moved by M.C. Hubbard, seconded by John Ungersma, M.D., and passed to approve the financial and statistical reports for the month of January 2009 as presented.
- BUILDING UPDATE Mr. Halfen reported several problems recently surfaced with Phase II of the building project, and each problem is reconcilable, although there is a

cost associated with some of the corrections that are needed. The issues that have arisen include conflicts between the location of the foundation piers and the sewer system; design errors regarding the exact location of the walls of the existing Hospital building; a small diesel spill which affected soil quality in the area of the foundation for the new building; and a push-back of the expected permit approval date from the Office of Statewide Healthcare Planning and Development (OSHPD). It was noted that NTD Stichler Architects will be responsible for correcting the two design plan errors. Mr. Halfen also reported a required pre-construction meeting with OSHPD will take place on March 25, and interested members of the Board are welcome to attend this meeting.

RADIOLOGY UPDATE

Mr. Halfen reported the Hospital has received a letter from attorneys for former NIH Staff Radiologist John Nesson, M.D. demanding reinstatement of the Doctor's privileges. The letter of demand has been refused and the Hospital is currently providing Radiology coverage through use of locums physicians who have been credentialed by NIH. The Hospital expects to continue to use Locums Radiologists for the next several months, and it is Mr. Halfen's hope that the change in Radiology coverage will not have a significant negative financial effect on the Hospital.

GENERAL OBLIGATION BONDS

Mr. Halfen reported the general obligation bonds for financing of Phase II of construction have not yet been issued, and he continues to monitor market conditions in order to choose the best possible time for the bond offering. Paperwork for the bond issue has been re-issued in order to change the year of the preliminary offering statement from 2008 to 2009.

DIETARY INSPECTION

Mr. Halfen reported the Hospital's Dietary Department again underwent an unannounced inspection by the County of Inyo, and once again the Department passed the inspection with flying colors.

CHIEF OF STAFF REPORT

Taema Weiss MD, Vice Chief Staff, reported the Medical Staff Executive Committee met on March 3 2009, and following careful review and consideration recommends the following to the Hospital District Board of Directors:

- Advancement of Board-certified anesthesiologist John Daniel Cowan, M.D. to the Northern Inyo Hospital Active Medical Staff with requested privileges;
- Appointment of Board-certified radiologists Karen Aderholdt MD, Kevin McDonnell MD, Victoria Nguyen DO, Bruce Reiner MD, Ronald Sonken M.D., Mark Takaki MD, William Zinn MD, and Jeffrey Zorn, MD, affiliated with Virtual Radiologic, to the Provisional Consulting Staff with requested privileges.

It was moved by D. Scott Clark, M.D., seconded by Ms. Hubbard, and passed to approve all Medical Staff advancements and appointments as recommended.

- OLD BUSINESS There were no Old Business items listed on the agenda for this meeting;
- NEW BUSINESS
- IT ASSESSMENT Mr. Halfen reported the Information Technology (IT) Assessment will not be presented at this meeting, and this agenda item will be revisited at a future meeting of the District Board.
- HOSPITAL CELL PHONES Leo Freis, Compliance Officer and Administrative Support Services referred to a proposed hospital wide Policy and Procedure titled "Hospital Cell Phone Use", which was presented for approval of the District Board. The purpose of the policy is to ensure that hospital cell phones are used in accordance with IRS rules, to enhance communication within the hospital for the benefit of patient care. Mr. Freis also referred to a proposed agreement with Verizon Wireless for cell phone service. He stated that Verizon was chosen to be the Hospital's cell phone vendor following extensive pricing research, and after contacting all local vendors. It was moved by Ms. Hubbard, seconded by Doctor Ungersma, and passed to approve both the cell phone Policy and Procedure and the proposed agreement with Verizon Wireless as presented.
- CHANGES TO BOND DOCUMENTS Mr. Halfen called attention to proposed Board Resolution 09-03, which allows for changes being made to the documents for the second general obligation bond issue. The changes to the bond documents include a change to the year of issuance (from 2008 to 2009), and a designation of John Halfen as negotiator regarding the terms of the bond offering. It was moved by Michael Phillips, M.D., seconded by Ms. Hubbard, and passed to approve Resolution 09-03 as presented.
- PURCHASE OF MIZUHOSI FRACTURE TABLE Surgery Unit Nurse Manager, Barbara Stuhaan R.N. presented a proposal to purchase a Mizuhosi fracture table at a cost of \$117,329. Ms. Stuhaan reported that the fracture table currently in use at NIH is 17 years old and the manufacturer of the equipment has gone out of business, making it nearly impossible to get replacement parts. Orthopedic Surgeon Mark Robinson M.D. was also present and expressed his opinion on the importance of purchasing the new fracture table, which is completely radiolucent and allows for better views during surgery. Doctor Clark expressed his concern about purchasing the table at this time, mentioning it may be prudent to wait to select a new table until such time that NIH has an orthopedic surgeon who is 100% percent dedicated to practicing at this hospital. Doctor Clark noted that if NIH were to have its own orthopedic surgeon, that person may have specific desires regarding which fracture table he or she would like to use. Doctor Robinson expressed his opinion that it is likely that any orthopedic surgeon would be very satisfied with this particular table, and following discussion it was moved by Doctor Ungersma, seconded by Ms. Hubbard, and passed to approve the purchase of the Mizuhosi fracture table as requested, with

Doctor Clark voting against the purchase, and Doctor Phillips abstaining from the vote.

AMO PHACO MACHINE
FOR CATARACT
SURGERY

Ms. Stuhaan also referred to a request to purchase an AMO Phaco machine for use during cataract surgery, at a cost of \$75,000. Ms. Stuhaan stated that Staff physician Thomas Reid, M.D. has evaluated the machine and is very impressed with its capabilities. Following discussion it was moved by Doctor Clark, seconded by Ms. Hubbard, and passed to approve the purchase of the AMO Phaco surgery equipment as requested.

BOARD MEMBER
REPORTS

Mr. Watercott asked if any members of the Board of Directors wished to report on any items of interest. Doctor Ungersma reported on the expected negative effects that government budget cuts and the economic stimulus package will have on hospitals.

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 listed on this agenda, and/or on any items of interest. Marie Boyd, R.N. updated the Board on preparations for the upcoming High Sierra Ultra Marathon, which will be held on May 16 2009. Ms. Boyd noted over 130 runners have registered for the race already, and this year a 100K distance has been added to the event.

Barbara Stuhaan R.N. reported that the video equipment purchased for the Surgery Unit is now in use, and she thanked the Board for allowing the purchase of this invaluable high quality equipment.

ADJOURNMENT TO
CLOSED SESSION

At 6:27 pm 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 activist and hear a report from the Medical Staff Executive Committee (Section 32155 of the Health and Safety Code, and Government Code Section 54962).
- B. Confer with legal counsel regarding pending litigation against the District by an employee (Government Code Section 54956.9(a)).
- C. Conduct CEO Annual Performance Evaluation and compensation (Government Code Section 54957).

RETURN TO OPEN
SESSION

At 7:47 pm the meeting was returned to open session. Mr. Watercott reported the Board voted to readjust the pay range for the CFO/CEO position to reflect the mid-point of the current market survey for hospitals in the same size category and of the same scope as NIH. He additionally noted CFO John Halfen will be placed at the average mid-point in the salary range reflected in the market survey report, and that a market adjustment to this pay grade has not been made for 8 years.

OPPORTUNITY FOR
PUBLIC COMMENT

Mr. Watercott again asked if any members of the public wished 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 7:53 pm.

Peter Watercott, President

Attest:

M.C. Hubbard, Secretary

BUDGET VARIANCE ANALYSIS

Feb-09 PERIOD ENDING PRIOR TO AUDIT

In the month, NIH was

-8% under budget in IP days;
(-0.2%) under in IP Ancillary Revenue and
(-5.9%) under in OP Revenue resulting in
\$ (707,591) (-10.8%) under in gross patient revenue from budget &
\$ 484,592 (12.4%) over in net patient revenue from budget

Total Expenses were:

\$ 238,709 (6.2%) over budget. Wages and Salaries were
\$ (80,989) (-5.8%) under budget and Employee Benefits
\$ 211,492 (25.2%) over budget.
\$ 163,423 of other income resulted in a net income of
\$ 450,963 \$ 224,510 over budget.

The following expense areas were over budget for the month:

\$ 211,492 25% Employee Benefits
\$ 69,961 25% Professional Fees; registry staff & Physicians
\$ 59,745 31% Supplies Expense
\$ 11,905 6% Depreciation Expense (see note below)
\$ 65,047 142% Interest Expense (see note below)

Other Information:

28.31% Contractual Percentages for month
40.82% Contractual Percentages for Year

\$ 3,186,926 Year-to-date Net Revenue

Special Notes for Month:

Interest Expense will remain high for year due to first Phase of Building Project being completed and the interest payments for the first issue of the 2005 General Obligation Bond will no longer be capitalized as it was during the construction. The depreciation expense was under estimated during the budget process and will be over budget all year.

We have added a new line on the Income Statement to show the amount of 3rd party contractals being reduced monthly. Auditors feel we have too high of an amount booked for Medicare and Medi-Cal Cost Report settlements. Medicare Paid \$961,000 for tentative settlement for 2007 Medicare Cost Report

NORTHERN INYO HOSPITAL

Statement of Operations

As of February 28, 2009

	MTD		MTD		YTD			YTD	
	Actual	MTD Budget	Variance \$	Variance %	YTD Actual	YTD Budget	Variance \$	Variance %	Prior YTD
Unrestricted revenues, gains and other support:									
In-patient service revenue:									
Routine	524,251	607,596	(83,345)	(13.7)	4,898,775	4,860,768	38,007	0.8	1,959,439
Ancillary	1,637,726	2,028,606	(390,880)	(19.3)	15,693,865	16,228,848	(534,983)	(3.3)	6,342,843
Total in-patient service revenue	2,161,976	2,636,202	(474,226)	-18.0%	20,592,640	21,089,616	(496,976)	-2.4%	8,302,282
Out-patient service revenue	3,715,382	3,948,747	(233,365)	(5.9)	32,705,479	31,589,976	1,115,503	3.5	11,346,822
Gross patient service revenue	5,877,358	6,584,949	(707,591)	(10.80)	53,298,119	52,679,592	618,527	1.2	19,649,104
Less deductions from patient service revenue:									
Patient service revenue adjustments									
Contractual adjustments	85,234	142,545	57,311	40.2	1,735,427	1,140,360	(595,067)	(52.2)	405,095
Prior Period Adjustments	2,362,143	2,535,204	173,061	6.8	20,582,553	20,281,632	(300,921)	(1.5)	8,444,707
Other	(961,811)	-	961,811	100.0	(1,643,677)	-	1,643,677	100.0	(41,889)
Total deductions from patient service revenue	1,485,566	2,677,749	1,192,183	44.5	20,674,303	21,421,992	747,689	3.5	8,807,914
Net patient service revenue	4,391,792	3,907,200	484,592	12%	32,623,816	31,257,600	1,366,216	4%	10,841,190
Other revenue	19,307	28,005	(8,698)	(31.1)	298,544	224,040	74,504	33.3	81,422
Transfers from Restricted Funds for Other Operating Expenses	65,541	65,541	-	-	524,328	524,328	-	0.0	-
Total Other revenue	84,848	93,546	(8,698)	(9.3)	822,872	748,368	74,504	10.0	81,422
Total revenue, gains and other support	4,476,641	4,000,746	475,895	(9.2)	33,446,688	32,005,968	1,440,720	10.0	10,922,613
Expenses:									
Salaries and wages	1,326,437	1,407,426	80,989	5.8	11,068,781	11,259,408	190,627	1.7	3,831,559
Employee benefits	1,050,462	838,970	(211,492)	(25.2)	6,806,128	6,711,760	(94,368)	(1.4)	2,119,417
Professional fees	351,492	281,531	(69,961)	(24.9)	2,729,950	2,252,248	(477,702)	(21.2)	832,154
Supplies	460,499	474,570	14,071	3.0	3,852,822	3,796,560	(56,262)	(1.5)	1,310,138
Purchased services	254,578	194,833	(59,745)	(30.7)	1,620,382	1,558,664	(61,718)	(4.0)	459,146
Depreciation	221,055	209,150	(11,905)	(5.7)	1,729,170	1,673,200	(55,970)	(3.4)	370,096
Interest	110,883	45,836	(65,047)	(141.9)	876,821	366,688	(510,133)	(139.1)	96,812
Bad debts	178,458	168,022	(10,436)	(6.2)	1,082,842	1,344,176	261,334	19.4	459,178
Other	146,719	241,537	94,818	39.3	1,613,149	1,932,296	319,147	16.5	557,114
Total expenses	4,100,584	3,861,875	(238,709)	(6.2)	31,380,045	30,895,000	(485,045)	(1.6)	10,035,614
Operating income (loss)	376,057	138,871	237,186	(3.0)	2,066,643	1,110,968	955,675	11.6	886,998
Other income:									
District tax receipts	47,650	37,013	10,637	28.7	381,200	296,104	85,096	28.7	111,039
Interest	80,344	60,000	20,344	33.9	696,064	480,000	216,064	45.0	265,680
Other	35,430	8,333	27,097	325.2	284,468	66,664	217,804	326.7	18,839
Grants and Other Non-Restricted Contributions	-	3,333	(3,333)	(100.0)	9,105	26,664	(17,559)	(65.9)	10,000
Partnership Investment Income	-	-	-	-	-	-	-	-	-
Total other income, net	163,423	108,679	54,744	50	1,370,836	869,432	501,404	57.7	405,559
Non-Operating Expense									
Medical Office Expense	16,069	13,408	(2,661)	(19.8)	115,233	107,264	(7,969)	(7.4)	31,239
Urology Office	9,332	7,689	(1,643)	(21.4)	67,613	61,512	(6,101)	(9.9)	43,252
Pediatric Office	49,211	-	(49,211)	N/A	52,343	-	(52,343)	N/A	-
OB-GYN Office	13,905	-	(13,905)	N/A	15,365	-	(15,365)	N/A	-
Total Non-Operating Expense	88,517	21,097	(67,420)	(319.6)	250,553	168,776	(81,777)	(48.5)	74,491
Excess (deficiency) of revenues over expenses	450,963	226,453	224,510	99.1	3,186,926	1,811,624	1,375,302	75.9	1,218,066

NORTHERN INYO HOSPITAL

Balance Sheet

February 28, 2009

Assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2008</u>
Current assets:			
Cash and cash equivalents	2,663,285	2,632,007	2,434,216
Short-term investments	16,788,728	16,775,118	15,199,287
Assets limited as to use	1,894,253	1,518,923	49,003
Plant Expansion and Replacement Cash	1	1,857	1,941,239
Other Investments (Partnership)	961,824	961,824	352,361
Patient receivable, less allowance for doubtful accounts \$460,776	7,380,603	8,127,669	8,273,347
Other receivables (Includes GE Financing Funds)	622,064	539,572	571,376
Inventories	2,171,599	2,168,386	2,177,577
Prepaid expenses	730,591	644,219	602,851
Total current assets	<u>33,212,948</u>	<u>33,369,575</u>	<u>31,601,257</u>
Assets limited as to use:			
Internally designated for capital acquisitions	548,176	548,050	558,237
Specific purpose assets	568,632	568,632	520,160
	<u>1,116,809</u>	<u>1,116,682</u>	<u>1,078,397</u>
Revenue bond construction funds held by trustee	759,081	729,992	782,802
Less amounts required to meet current obligations	1,894,253	1,518,923	49,003
Net Assets limited as to use:	<u>(18,364)</u>	<u>327,751</u>	<u>1,812,196</u>
Long-term investments	<u>8,914,638</u>	<u>8,914,638</u>	<u>8,914,638</u>
Property and equipment, net of accumulated depreciation and amortization	<u>32,616,097</u>	<u>32,113,056</u>	<u>29,541,929</u>
Unamortized bond costs	<u>296,687</u>	<u>298,174</u>	<u>308,583</u>
Total assets	<u>75,022,007</u>	<u>75,023,194</u>	<u>72,178,602</u>

NORTHERN INYO HOSPITAL

Balance Sheet

February 28, 2009

Liabilities and net assets

	<u>Current Month</u>	<u>Prior Month</u>	<u>FYE 2008</u>
Current liabilities:			
Current maturities of long-term debt	226,072	283,862	683,626
Accounts payable	1,726,291	1,592,050	1,140,966
Accrued salaries, wages and benefits	3,018,049	2,883,355	2,600,516
Accrued interest and sales tax	352,980	255,154	172,391
Deferred income	190,608	238,258	-
Due to third-party payors	2,604,006	3,316,399	3,940,301
Due to specific purpose funds	-	-	-
Total current liabilities	<u>8,118,006</u>	<u>8,569,077</u>	<u>8,537,799</u>
Long-term debt, less current maturities	25,270,196	25,270,196	25,270,196
Bond Premium	382,159	383,365	391,804
Total long-term debt	<u>25,652,356</u>	<u>25,653,561</u>	<u>25,662,000</u>
Net assets:			
Unrestricted	40,683,013	40,231,923	37,458,642
Temporarily restricted	568,632	568,632	520,160
Total net assets	<u>41,251,645</u>	<u>40,800,556</u>	<u>37,978,803</u>
Total liabilities and net assets	<u>75,022,007</u>	<u>75,023,194</u>	<u>72,178,602</u>

NORTHERN INYO HOSPITAL
Statement of Operations--Statistics
As of February 28, 2009

	Month Actual	Month Budget	Month		Variance		YTD Actual	YTD Budget	Year	
			Variance	Percentage	Percentage	Variance			Percentage	
Operating statistics:										
Beds	25.00	25.00	N/A	N/A		25.00	25.00	N/A	N/A	
Patient days	245.00	265.00	(20.00)	0.92		2,336.00	2,120.00	216.00	1.10	
Maximum days per bed capacity	700.00	750.00	N/A	N/A		6,075.00	6,000.00	N/A	N/A	
Percentage of occupancy	35.00	35.33	(0.33)	0.99		38.45	35.33	3.12	1.09	
Average daily census	8.75	8.83	(0.08)	0.99		9.61	8.83	0.78	1.09	
Average length of stay	2.92	3.01	(0.09)	0.97		3.11	3.01	0.10	1.03	
Discharges	84.00	88.00	(4.00)	0.95		750.00	704.00	46.00	1.07	
Admissions	81.00	87.00	(6.00)	0.93		747.00	696.00	51.00	1.07	
Gross profit-revenue depts.	3,491,308.23	4,321,007.00	(829,698.77)	0.81		34,919,273.97	34,568,056.00	351,217.97	1.01	

Percent to gross patient service revenue:

	Month Actual	Month Budget	Month Variance	Month Percentage	YTD Actual	YTD Budget	YTD Variance	YTD Percentage
Percent to gross patient service revenue:								
Deductions from patient service revenue and bad debts	28.31	43.22	(14.91)	0.66	40.82	43.22	(2.40)	0.94
Salaries and employee benefits	40.04	34.08	5.96	1.17	33.32	34.08	(0.76)	0.98
Occupancy expenses	5.69	4.38	1.31	1.30	5.37	4.38	0.99	1.23
General service departments	7.26	6.28	0.98	1.16	6.05	6.28	(0.23)	0.96
Fiscal services department	6.24	4.74	1.50	1.32	4.87	4.74	0.13	1.03
Administrative departments	5.82	5.37	0.45	1.08	5.00	5.37	(0.37)	0.93
Operating income (loss)	4.89	1.84	3.05	2.66	3.42	1.84	1.58	1.86
Excess (deficiency) of revenues over expenses	7.67	3.44	4.23	2.23	5.98	3.44	2.54	1.74

Payroll statistics:

	Month Actual	Month Budget	Month Variance	Month Percentage	YTD Actual	YTD Budget	YTD Variance	YTD Percentage
Payroll statistics:								
Average hourly rate (salaries and benefits)	46.76	43.24	3.52	1.08	41.52	43.24	(1.72)	0.96
Worked hours	44,657.90	47,276.00	(2,618.10)	0.94	375,039.19	378,208.00	(3,168.81)	0.99
Paid hours	50,330.72	51,895.00	(1,564.28)	0.97	427,765.59	415,160.00	12,605.59	1.03
Full time equivalents (worked)	279.11	273.27	5.84	1.02	270.98	273.27	(2.29)	0.99
Full time equivalents (paid)	314.57	299.97	14.60	1.05	309.08	299.97	9.11	1.03

NORTHERN INYO HOSPITAL

Statements of Changes in Net Assets

As of February 28, 2009

	<u>Month-to-date</u>	<u>Year-to-date</u>
Unrestricted net assets:		
Excess (deficiency) of revenues over expenses	450,963.20	3,186,926.16
Net Assets due/to transferred from unrestricted	-	12,178.75
Net assets released from restrictions used for operations	-	35,325.92
Net assets released from restrictions used for payment of long-term debt	(65,541.00)	(524,328.00)
Contributions and interest income	126.48	(10,060.17)
Increase in unrestricted net assets	385,548.68	2,700,042.66
Temporarily restricted net assets:		
District tax allocation	-	550,811.01
Net assets released from restrictions	-	(502,623.88)
Restricted contributions	-	100.00
Interest income	-	184.70
Net Assets for Long-Term Debt due from County	65,541.00	524,328.00
Increase (decrease) in temporarily restricted net assets	65,541.00	572,799.83
Increase (decrease) in net assets	451,089.68	3,272,842.49
Net assets, beginning of period	40,800,555.64	37,978,802.83
Net assets, end of period	41,251,645.32	41,251,645.32

NORTHERN INYO HOSPITAL

Statements of Cash Flows

As of February 28, 2009

	<u>Month-to-date</u>	<u>Year-to-date</u>
Cash flows from operating activities:		
Increase (decrease) in net assets	451,089.68	3,272,842.49
Adjustments to reconcile excess of revenues over expenses to net cash provided by operating activities: (correcting debt payment)	-	-
Depreciation	221,054.87	1,729,169.64
Provision for bad debts	178,458.24	1,082,841.74
Loss (gain) on disposal of equipment	-	11,229.70
(Increase) decrease in:		
Patient and other receivables	486,114.86	(240,786.09)
Other current assets	(89,584.61)	(121,761.85)
Plant Expansion and Replacement Cash	1,855.45	1,941,237.87
Increase (decrease) in:		
Accounts payable and accrued expenses	319,110.77	1,374,054.63
Third-party payors	(712,393.00)	(1,336,295.00)
Net cash provided (used) by operating activities	<u>855,706.26</u>	<u>7,712,533.13</u>
Cash flows from investing activities:		
Purchase of property and equipment	(724,096.43)	(4,803,338.07)
Purchase of investments	(13,609.08)	(2,198,903.48)
Proceeds from disposal of equipment	-	(11,229.70)
Net cash provided (used) in investing activities	<u>(737,705.51)</u>	<u>(7,013,471.25)</u>
Cash flows from financing activities:		
Long-term debt	(58,995.00)	(467,197.77)
Issuance of revenue bonds	(29,088.51)	23,720.95
Unamortized bond costs	1,486.95	11,895.60
Increase (decrease) in donor-restricted funds, net	(126.48)	(38,411.66)
Net cash provided by (used in) financing activities	<u>(86,723.04)</u>	<u>(469,992.88)</u>
Increase (decrease) in cash and cash equivalents	31,277.71	229,069.00
Cash and cash equivalents, beginning of period	<u>2,632,006.84</u>	<u>2,434,215.55</u>
Cash and cash equivalents, end of period	<u><u>2,663,284.55</u></u>	<u><u>2,663,284.55</u></u>

Northern Inyo Hospital
Summary of Cash and Investment Balances
Calendar Year 2009

Month	<u>Operations Checking Account</u>				<u>Time Deposit Month-End Balances</u>								
	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	910,403	3,465,150	3,801,871	573,681	25,688,066	557,358	26,212	3,137	8,014	521,838	729,992	18,350	974
February	573,681	5,073,277	4,962,667	684,291	25,701,675	557,358	26,212	3,137	8,014	521,965	759,081	-	-
Prior Year													
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
June	1,406,138	3,979,790	4,241,108	1,144,820	24,112,234	506,089	25,199	3,036	10,960	533,038	782,802	18,278	1,941,042
July	1,144,820	3,591,736	4,304,179	432,378	25,157,206	473,714	25,799	3,036	10,960	533,181	826,431	18,297	1,896,555
August	432,378	3,928,525	4,052,898	308,005	24,668,222	539,232	25,799	3,036	10,960	533,315	870,108	18,316	1,802,362
September	308,005	6,941,975	5,021,257	2,228,723	23,464,535	539,363	25,805	3,037	8,963	533,463	913,829	18,335	488,249
October	2,228,723	3,669,458	5,409,330	488,851	24,438,919	72,065	25,805	3,037	8,963	521,427	957,490	18,349	490,613
November	488,851	3,294,047	3,600,921	181,977	24,595,851	89,165	25,805	3,037	8,963	521,554	1,000,949	18,350	491,657
December	181,977	4,947,737	4,219,311	910,403	24,670,653	557,358	26,222	3,037	8,014	521,703	682,553	18,350	882

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 \$75,000 to cover the Bond Reserve Account Requirement with respect to the Series 1998 Bonds. The Project is exhausted.
(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 02/28/2009

ID	Purchase Date	Maturity Date	Institution	Certificate ID	Rate	Principal Invested
1	15-Jan-09	01-Feb-09	Local Agency Investment Fund	20-14-002 Walker	1.87%	309,197
2	15-Jan-09	01-Feb-09	Local Agency Investment Fund	20-14-002	1.87%	1,731,394
3	02-Jan-09	01-Feb-09	Prudential Instl Liquidity	1012-2406	0.91%	100,000
4	30-Jan-09	01-Feb-09	Union Bank-Money Market	2740028807	0.27%	13,777,658
6	17-Jun-08	16-Mar-09	Fedl National Mtg Asso-Wachovia	31359MUQ4	3.13%	100,626
7	21-Sep-07	01-Apr-09	Citigroup Med Term Note	125581AJ7	3.38%	239,293
8	07-Aug-08	15-Jun-09	World Savings Bank Note	98153BAE4	5.17%	1,105,773
9	12-Jun-08	19-Jun-09	Federal Home Loan Bank-Wachovia	3133XFVF0	5.25%	102,703
Current Fiscal Year Totals						17,466,644
10	03-Jun-08	01-Jul-09	International Lease Finance Corp	459745FM2	4.75%	1,005,500
11	10-Oct-08	09-Oct-09	Amboy Bank	023305CF0	3.75%	250,000
12	15-Oct-08	15-Oct-09	Colonial Bank, N.A.	195554PG9	3.65%	250,000
13	15-Oct-08	15-Oct-09	Comerica Bank	200339CT4	3.65%	250,000
14	15-Oct-08	15-Oct-09	Morgan Stanley Bank	61747MPB1	3.65%	250,000
15	17-Oct-08	16-Oct-09	Bank of Michigan	06424TCW9	3.60%	250,000
16	17-Oct-08	16-Oct-09	Firstbank of Puerto Rico	337629B32	3.70%	250,000
17	17-Oct-08	16-Oct-09	GMAC Bank	36185AXP8	3.65%	250,000
18	16-Oct-08	16-Oct-09	Westernbank Puerto Rico	95989QKL0	3.75%	250,000
19	21-Sep-07	01-Nov-09	Citigroup Med Term Note	12560PCL3	6.88%	702,987
20	15-Jan-09	01-Nov-09	Federal Home Loan Bank-MBS	31282VBY0	4.50%	68,652
21	22-Feb-08	07-Dec-09	Bear Stearns Co Note	073902BR8	4.58%	933,927
22	12-Dec-08	12-Dec-09	1st Financial Bank USA (FNC CD)	5X42582	3.55%	249,000
23	12-Dec-08	12-Dec-09	Discover Bank (FNC CD)	5x42584	3.15%	250,000
24	12-Dec-08	12-Dec-09	M&T Bank N.A. (FNC CD)	5X42577	3.15%	250,000
25	12-Dec-08	12-Dec-09	Texas Community Bank (FNC CD)	5X42597	3.40%	250,000
26	18-Aug-08	15-Dec-09	World Savings Bank Note	9515GAA3	5.24%	492,950
27	30-Dec-04	30-Dec-09	Capital City Bank and Trust	9N01713	4.75%	99,000
28	05-Jan-09	05-Jan-10	Gulf Cost Community Bank IFNC CD)	5X42841	2.64%	99,000
29	11-Dec-08	15-Jan-10	Berkshire Hathaway Fin Corp GRD Sr Not	084664AR2	2.49%	203,510
30	11-Dec-08	22-Feb-10	Citigroup Inc	172967CU3	6.49%	97,308
31	25-Jul-08	01-Mar-10	Schwab Medium Term Note	80851QCX0	4.33%	528,440
32	11-Dec-08	15-Apr-10	Greater Bay Bancorp Sr Note	391648AT9	3.82%	101,688
33	22-Apr-05	22-Apr-10	Bank of Waukegan	065563AR9	4.75%	99,000
34	11-Dec-08	28-Apr-10	Toyota Motor Credit Corp Note	829233PV60	2.79%	200,164
35	24-Apr-08	15-May-10	American General Finance Corp Note	02635PSV6	4.47%	503,905
Fiscal Year End 2010						8,135,031
36	18-Dec-08	18-Dec-10	Worlds Foremost Bank (FNC CD)	5X42688	4.40%	100,000
Fiscal Year End 2011						100,000
Total Investments						25,701,675

Financial Indicators

	Target	Feb-09	Jan-09	Dec-08	Nov-08	Oct-08	Sep-08	Aug-08	Jul-08	Jun-08	May-08	Apr-08	Mar-08
Current Ratio	>1.5-2.0	4.09	3.89	4.13	3.92	3.90	3.31	3.68	3.64	3.70	4.28	4.09	3.85
Quick Ratio	>1.33-1.5	3.66	3.50	3.69	3.47	3.44	2.89	3.22	3.18	3.31	3.85	3.64	3.40
Days Cash on Hand	>75	222.55	230.22	223.53	223.62	218.15	229.56	229.67	222.74	233.39	239.70	254.30	229.19

NORTHERN INYO HOSPITAL
DEPARTMENTAL NON-EMERGENCY OUTPATIENT VISITS

MONTHS 2009	* DIAGNOSTIC RADIOLOGY		* MAMMOGRAPHY		* NUCLEAR MEDICINE		* ULTRASOUND		* CT SCANNING		* MRI		LABORATORY		EKG/ EEG		PHYSICAL THERAPY		RESPIRATORY THERAPY		RURAL HEALTH CLINIC		TOTALS																	
	07	08	09	07	08	09	07	08	09	07	08	09	07	08	09	07	08	09	07	08	09	07	08	09																
JANUARY	308	544	606	198	193	434	36	71	96	166	205	206	112	170	165	86	89	470	1621	1809	1635	439	103	120	335	335	363	19	10	10	941	1057	1457	3961	4586	5562				
FEBRUARY	263	593	477	194	193	182	38	63	51	157	205	195	102	217	153	71	85	435	1662	1744	1643	84	113	116	302	364	314	19	11	10	965	1150	1374	3857	4738	4950				
MARCH	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/			
APRIL	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/			
MAY	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/		
JUNE	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/		
JULY	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/		
AUGUST	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/		
SEPTEMBER	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/		
OCTOBER	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	
NOVEMBER	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	
DECEMBER	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/
CALENDAR	571	1137	1083	392	386	616	74	134	147	323	410	401	214	387	318	157	174	905	3283	3553	3278	223	216	236	637	699	677	38	21	20	1906	2207	2831	7818	9324	10512				
MONTHLY	286	569	542	196	193	308	37	67	74	162	205	201	107	194	159	79	87	453	1642	1777	1639	112	108	118	319	350	339	19	11	10	953	1104	1416	3909	4682	5256				

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

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2008
 As of February 28, 2009**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
FY 2006-07	NovaRad RIS (part of original NovaRad PACS System)	208,426 *
FY 2007-08	Seimens Patient Monitor SC 9000XL	7,799
	3-D FOR M.E.P.	45,000
	OMNICELL COLOR TOUCH	55,419 *
	Access II Immunoassay System (Approved 4-08 with Reagent Agreement)	64,724 *
	AMOUNT APPROVED BY THE BOARD IN PRIOR FISCAL YEARS TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>381,368</u>
FY 2008-09	Beckman Coulter AcT10	10,344 *
	Modular Building Purchase-Quality Improvement	21,785 *
	Modular Building Purchase-Employee Health & Community Relations	31,114 *
	Laparoscopic Video Equipment-Surgery	240,052 *
	Coagulation Analyzer	25,000
	AMOUNT APPROVED BY THE BOARD IN THE CURRENT FISCAL YEAR TO BE EXPENDED IN THE CURRENT FISCAL YEAR	<u>328,296</u>
	Amount Approved by the Board in Prior Fiscal Years to be Expended in the Current Fiscal Year	381,368
	Amount Approved by the Board in the Current Fiscal Year to be Expended in the Current Fiscal Year	<u>328,296</u>
	Year-to-Date Board-Approved Amount to be Expended	77,799
	Year-to-Date Administrator-Approved Amount	473,271 *
	Actually Expended in Current Fiscal Year	<u>631,865 *</u>

**Northern Inyo Hospital
 Monthly Report of Capital Expenditures
 Fiscal Year Ending JUNE 30, 2008
 As of February 28, 2009**

MONTH APPROVED BY BOARD	DESCRIPTION OF APPROVED CAPITAL EXPENDITURES	AMOUNT
	Year-to-Date Completed Building Project Expenditures	0 *
	TOTAL FUNDS APPROVED TO BE EXPENDED	<u><u>1,182,935</u></u>
	Total-to-Date Spent on Incomplete Board Approved Expenditures	0

Reconciling Totals:

Actually Capitalized in the Current Fiscal Year Total-to-Date	1,105,137
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	<u>77,799</u>
ACTUAL FUNDS APPROVED IN THE CURRENT FISCAL YEAR TOTAL-TO-DATE	<u><u>1,182,935</u></u>

Donations by Auxiliary	0
Donations by Hospice of the Owens Valley	0
+Tobacco Funds Used for Purchase	12,179
	<u>0</u>
	<u><u>12,179</u></u>

*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 February 28, 2009**

MONTH	APPROVED	AMOUNT
BY BOARD DESCRIPTION OF APPROVED CAPITAL EXPENDITURES		
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 see revisions below	39,500,000
FY 2005-06	Construction Cost Overrun Approval	15,250,000
FY 2008-09	Phase II-Bid 1 (Bid Approvals-part of above original numbers)	17,580,971
Total-To-Date Board Approved Construction Amounts to be reimbursed from Revenue Bonds & General Obligation Bond		<u><u>59,647,328</u></u>
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 February 28, 2009**

Administrator-Approved Item(s)	Department	Amount	Month Total	Grand Total
Underground Conduit for Fiber Optic	GROUPS	21,093		
Wiring for Radiology Door Switches	RADIOLOGY	2,968		
SOUND STATION 2 W/ EXTENSION MICS	ADMINISTRATION	727		
VTX 100 WITH SUBWOOFER & MICS	ADMINISTRATION	1,347		
RED HAT ENTRPRICE ES 5.0 & D3	BILLING OFFICE	3,433		
TDX/FLX FETAL LUNG MATURITY ANALYZE I LAB-CHEMISTRY		2,004		
CYSTO-NEPHRO VIDEOSCOPE	SURGERY	16,359		
Month Ending February 28, 2009			47,931	473,271

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Received

MAR 23 2009

March 4, 2009

COST SAVINGS SUMMARY
OF
UNEMPLOYMENT INSURANCE CLAIMS AND APPEALS ACTIVITY
NORTHERN INYO HOSPITAL
(for quarters 2008-1 thru 2008-4)
0143 State Account Number 925-0028-9

Please Note: Our service during this period of time has saved your organization an estimated \$15,441, based on the average amount of benefits paid (as established and published by E.D.D.) times the number of claimants who were denied benefits by E.D.D. (Benefits denied to claimants by Administrative Law Judges resulted in additional savings to you, but are not included here since the savings cannot be estimated consistently and reliably, due to numerous other factors which are involved.)

- 8 Number of claims filed for benefits.
- 4 Number of claims with no protestable issues and/or claims received untimely.
- 4 Number of protests filed by CAHHS.
- 4 Determinations issued by the Employment Development Department. (The number of determinations reported here usually will not agree with the number of protests made, due to time period differences.)
 - 3 Benefits denied by E.D.D. (75.0%)
 - 1 Benefits allowed by E.D.D. (25.0%)
- 0 Hearings held before an Administrative Law Judge
 - 0 Benefits denied by ALJ. (0.0%)
 - 0 Benefits allowed by ALJ. (0.0%)
 - 0 Claimant's appeal was dismissed.

CAHHS received 0 claim(s) and/or sufficient claim(s) separation information after the due date for response. Of this total, 0 claim(s) had a protestable issue. The protest and appeal rights were lost on this/these claims resulting in an estimated cost to the employer of \$0.

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NORTHERN INYO HOSPITAL
Northern Inyo County Local Hospital District
Medical Staff Office

150 Pioneer Lane
Bishop, California 93514
(760) 873-2136 voice
(760) 872-5836 fax

TO: Board of Directors
Northern Inyo County Local Hospital District

FROM: Richard Nicholson, M.D., Chief of Staff
Northern Inyo Hospital Medical Staff

DATE: April 1, 2009

RE: Medical Staff Report

The Medical Staff Executive Committee met on March 31, 2009.

Following careful review and consideration, the Committee agreed to recommend to the Hospital District Board of Directors the following:

1. Appointment of Board-certified orthopaedic surgeon Michael M. Karch, M.D., currently a member of the Active Staff, to the Consulting Medical Staff;
2. Approval of *Northern Inyo Hospital Policy and Procedure on "Requests Regarding Resuscitative Measures" and "Physician Orders for Life Sustaining Treatment" (POLST)*.

Richard Nicholson, M.D., Chief of Staff

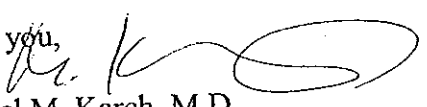
John Halfen, CEO NIH Hospital
Richard Nicholson, M.D. - Chief of Medical Staff
Mark Robinson, M.D. - Chief of Surgery
Barbara Stuuhan, RN., Operating Room Supervisor

2/15/09
23:05

Dear ladies and gentlemen,

Effective February 16, 2009 at 08:00, I will be changing my hospital staff status at Northern Inyo Hospital from "Active Staff" to "Consultant Staff". I am certainly available for a more detailed explanation of why I have made this choice.

Thank you,


Michael M. Karch, M.D.
Board Certified Orthopaedic Surgeon

2/15/09

Physician's Name Michael Karst

Staff Category: Consultant

Year: 3/6/08

OPHTHALMOLOGY

- Removal of foreign body
- Anterior segment surgery - excluding radial keratotomy
- Anterior vitrectomy
- Cataract extraction
- Excision / biopsy of skin / subcutaneous lesions and reconstruction including skin grafts
- Glaucoma surgery
 - Trabeculectomy
 - Argon laser trabeculoplasty
 - Valve implants - low flow
 - Cyclocryo therapy
- Intraocular lens placement/repositioning / exchange removal
- Oculoplastic surgery
 - Blepharoplasty
 - Entropion Repair
 - Ectropion Repair
 - Nasolacrimal duct probing/irrigation
 - Infractionure of nasal turbinate
 - Punctoplasty / punctal occlusion
 - Chalazion
 - Tarsorrhaphy
 - Lagophthalmos repair
 - Ptosis repair
 - Brow ptosis repair
 - Canthotomy
 - Tendon release

- Ophthalmic examination (Complete)
- Ophthalmologic laser surgery - Argon and Nd YAG, excluding endolaser
- Orbital surgery
 - Orbital fracture, excluding superior roof
 - Biopsy
 - Enucleation, evisceration, implant placement
- Retinal detachment repair (Scleral Buckle Placement/ Removal/ Revision, Subretinal Fluid Drainage, Air-Fluid Exchange, SF6, Pneumatic Retinopexy, Cryotherapy, etc.)
- Retrobulbar / peribulbar / subconjunctival / subtenons injections
- Ruptured globe repair, intraocular foreign body removal
- Slit lamp examination
- Strabismus surgery
- Tonometry
- Vitreous tap / intravitreal antibiotics

ORTHOPAEDICS

- Adult trauma and reconstruction
- Pediatric trauma and reconstruction
- Diagnostic (including arthroscopy) (See Radiology privileges)
- Emergency services minor adult and pediatric trauma (i.e., closed reductions, casting, extensor tendon and laceration repair, etc.)
- Joint Aspiration

I Request Reviewing Privileges only so that I can they Round on one of my associates patients when they are out of town. I am not requesting any Admitting, procedural or surgical privileges

M. Karst, MD 3/6/08



Who can help me complete the POLST form?
 Social workers, nurses and other healthcare professionals can complete the POLST form with you, but it MUST be reviewed and signed by a doctor. Your own health care representative (your healthcare agent or surrogate) must also sign the form.

Will having a POLST form cause any problems for my family or my doctor?
 Not at all. In fact, the POLST form helps your family and your doctor. The form shares your treatment wishes with your caregivers and helps keep you comfortable.

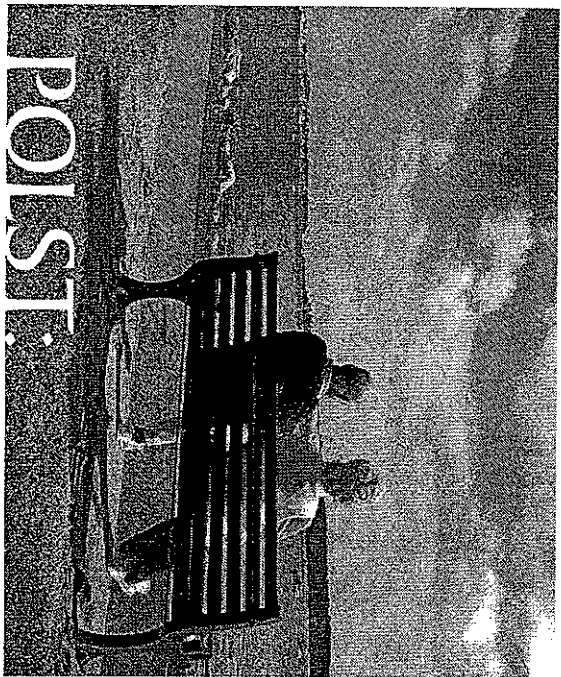
If I have a POLST form, do I need an Advance Directive too?
 Yes, it is recommended that you also have an Advance Healthcare Directive (AHCDD). The POLST form reinforces the wishes that you express in your AHCDD. The POLST form presents those wishes in an easy-to-understand way.

- The AHCDD is written instructions stating how you want future medical decisions made, in the event that you become unable to make or to communicate those decisions for yourself.
- The AHCDD states who you want to make healthcare decisions for you if you are unable to make them for yourself.

The California Coalition for Compassionate Care is the statewide leader for implementation of POLST in California.

For more information on POLST in California, visit www.fnahchoices.org.

The printing of this brochure was funded by the California Healthcare Foundation.



POLST

Physician Orders for Life-Sustaining Treatment

Do You Have a Serious Health Condition?

Make Your Wishes Known

Who should have a POLST form?

The POLST (Physician Orders for Life-Sustaining Treatment) form is important for people with serious health conditions. It is used to make a person's wishes for medical care known to doctors, nurses, emergency medical personnel and other healthcare staff. The POLST form is a bright pink medical order form. Your doctor uses the POLST form to write orders that indicate the treatment you want in the last stages of an illness.

Why should I complete a POLST form?

If you have a serious medical condition, you can help to make certain that your wishes for care in the future are known and respected.

- The POLST form makes clear what medical care you would or would not want if you become unable to make the decisions yourself.
- It provides a doctor's order so that healthcare workers can follow your plan.
- A POLST form increases the chances of living out your days as you and your family wish.

What does the POLST form do?

The POLST form is voluntary and is intended to:

- Help you and your doctor discuss and develop plans to reflect your wishes.
- Assist doctors, nurses, healthcare facilities and emergency personnel in honoring your wishes.
- Make sure that your wishes are followed as you are moved from one healthcare facility to another (for example from hospital to nursing home).

How is the POLST form used?

- A nurse, social worker or your doctor completes the form making sure the treatments are what you want.
- The doctor signs the orders, making them official immediately.
- The orders are kept near you at all times, usually on your refrigerator or by your bed if you are home, or in your medical chart if you are in a care facility. The form is then easily found in emergencies.

- The POLST form will remain with you if you are transported between care settings (from home to hospital or from hospital to skilled nursing facility).

What might happen to me if I do not have a POLST form?

Without a POLST form, emergency medical personnel, nurses and doctors would not know your treatment wishes. You most likely would receive all possible treatments, whether you want them or not, even if they are unlikely to achieve the result you would hope for, and even if these treatments cause pain or complications. Thinking through treatment choices with your family and doctor before a problem occurs can guide and provide the kind of care you want during difficult times.

What if I want to change something on my POLST form?

The POLST orders can be changed by you and your doctor at any time.

What are some of the medical terms used when talking about end-of-life care?

Resuscitation:

Resuscitation, also known as CPR, attempts to restart breathing and the heartbeat of a person who has no heartbeat or has stopped breathing. It typically involves "mouth to mouth" breathing and forceful pressure on the chest to try to restart the heart. Resuscitation may also involve electrical shock (defibrillation) or a plastic tube down the throat into the windpipe to assist breathing (intubation). When a person is not breathing on his or her own, a machine pumps air into and out of the lungs through the plastic breathing tube (mechanical ventilation/respiration).

DNR:

Do Not Resuscitate, or DNR, is a medical order not to attempt resuscitation because the patient does not want it, or it is unlikely to help the patient.

Why would I choose DNR?

Resuscitation may benefit healthy people. However, success with resuscitation is frequently very poor for

people with a serious medical condition or more than one medical condition. If they live, these people can have broken ribs, punctured lungs, or brain damage after receiving resuscitation. Resuscitation does not ensure that the person will have the same quality of life as before their heart stopped beating or breathing stopped.

Comfort Medicines:

Medical care focused on the main goal of keeping a person comfortable (rather than focused on medical procedures that may prolong life). On the POLST form, a person who requests "comfort measures only" would be moved to the hospital only if it is needed to provide comfort. The goal of managing pain and uncomfortable symptoms is always important. Food and fluids are always offered.

Antibiotics:

Antibiotics fight infections (such as pneumonia). Antibiotics may only prolong the death of a person who is terminally ill and may prolong their suffering.

Intravenous (IV) fluids:

A small plastic tube (catheter) is placed directly into the vein and fluids are given through the tube. Usually, IV fluids are given only for a short time, as IV fluids only help a person get through an acute illness.

Tube-feeding:

Fluids and liquid nutrients (formula) can be given through a tube in the nose that goes into the stomach or through a tube placed directly into the stomach (by a surgical procedure).

When are feeding tubes not useful?

It is controversial if giving nutrition by a feeding tube near the end of life may be beneficial or if it is actually harmful. People with serious illnesses such as a stroke or Alzheimer's Disease may lose the ability to eat or drink. Feeding tubes can be harmful because they can cause pneumonia, ulcers, swelling and infections.

The patient may feel more comfortable without a feeding tube or IV. When someone can no longer eat or drink, hand-feeding may be better. Hand-feeding offers a personal touch that does not happen with medically administered fluids and liquid nutrients. Food and fluids by hand-feeding are always offered for comfort and patient enjoyment.

If I have more questions or concerns?

We encourage you to talk with your doctor and your healthcare team about your illness and your treatment choices. The POLST form and this information can help guide discussions with your healthcare team.



Make a form that you can use to discuss your wishes for medical care in the last stages of an illness.



DRAFT

NORTHERN INYO HOSPITAL

POLICY AND PROCEDURE
ON "REQUESTS REGARDING RESUSCITATIVE MEASURES"
AND "PHYSICIAN ORDERS FOR LIFE SUSTAINING TREATMENT" ("POLST")

Introduction:

California law recognizes the right of patients to establish either Advance Health Care Directives ("AHCD") to direct health care providers according to patient wishes, or to establish Durable Powers of Attorney for Health Care ("Durable Powers") to empower an agent for future health care decisions, or both.

California law also recognizes the right of patients with capacity, or surrogate decision-makers, and physicians, to establish legally effective orders, in advance, relating to resuscitative measures in the event of cardiopulmonary arrest.

Effective January 1, 2009, California law permits patients with capacity, or surrogate decision-makers, and physicians to establish advance Physician Orders for Life Sustaining Treatment (POLST Orders) using a standardized form. POLST Orders direct health care providers, in any health care setting, in relation to both resuscitative measures and to other life-sustaining measures, including medical interventions and artificially administered fluids or nutrition.

Policy:

It is the policy of Northern Inyo Hospital and its Medical Staff to honor patient AHCDs and Durable Powers and to comply with legally established orders relating to resuscitative measures and POLST Orders.

Procedure:

At the time of admission, or as soon thereafter as reasonably possible, NIH admissions personnel shall determine whether the patient has an AHCD; a Durable Power; POLST Orders, or any other expressions of intent for future care. The POLST Orders form is attached to this Policy and Procedure as Attachment 1.

Compliance with legally effective orders relating to resuscitative measures and POLST Orders:

The following documents relating to resuscitative measures are recognized as legally effective:

1. A pre-hospital "do not resuscitate" form developed by the Emergency Medical Services Authority or other similar form, signed by (A) an individual with capacity, or a legally recognized health care decision-maker, and (B) the

individual's physician, which directs a health care provider regarding resuscitative measures; or

2. A medallion engraved with the words "do not resuscitate" or the letters "DNR" a patient identification number, and a 24-hour toll-free telephone number, issued by a person pursuant to an agreement with the Emergency Medical Services Authority; or
3. A POLST Order form (Attachment 1) signed by a patient with capacity or by a surrogate decision maker and the patient's physician.

Directions relating to cardiopulmonary resuscitation (CPR) contained in any of the above modalities, and other POLST Orders, will be followed; subject to the following:

1. Orders will not be followed if they require medically ineffective health care or health care contrary to generally accepted health care standards applicable to the provider or facility;
2. A physician may conduct an evaluation of the individual and, if possible, in consultation with the individual, or the individual's legally recognized health care decision-maker, issue a new order consistent with the most current information available about the individual's health status and goals of care;
3. The legally recognized health care decision-maker of an individual without capacity shall consult with the physician who is, at that time, the individual's treating physician prior to making a request to modify that individual's POLST Orders;
4. An individual with capacity may, at any time, request alternative treatment to the treatment ordered on the POLST form or on another request regarding resuscitative measures;
5. If the orders in an individual's request regarding resuscitative measures or POLST Orders directly conflict with his or her ADHC, then, to the extent of the conflict, the most recent order or instruction is effective;
6. In the absence of knowledge to the contrary, it shall be presumed that the POLST Order form or other properly executed request regarding resuscitative measures is valid and unrevoked.

Additional guidelines:

1. If the patient has an existing POLST form this shall be placed in the front of the patient's medical record. If the patient does not have a completed and signed POLST Form, the treating physician shall discuss the patient's preferences and medical condition with the patient or his/her decision-maker.
2. The Primary Physician shall explain to the patient that the POLST form does not replace the patient's AHCD, but is designed to reinforce the wishes that a patient expresses in his/her AHCD.

3. The Primary Physician shall complete the POLST form based on medical indications and the patient's preferences. The POLST form must be signed by the Primary Physician and the patient or patient's decision-maker to be valid.
4. Completion of the form by the patient is voluntary, and a patient should never be forced to sign the POLST form.
5. The completed POLST form must be placed in the front of the patient's medical record where it is clearly visible.
6. A good faith effort must be made to ensure that all of the instructions on the POLST form are followed. If any section of the POLST form is incomplete, the patient shall be provided with full treatment for that section.
7. The Primary Physician should periodically review the POLST form when: (i) The patient is transferred from one facility to another; (ii) There is a significant change in the patient's health status; and/or (iii) The patient's treatment preferences change.
8. If a patient revokes a POLST form, the Primary Physician should draw a line through Sections A through D of the POLST form and "VOID" should be written in large letters. This line should then be signed and dated.
9. If the patient is discharged or transferred to another facility, the original POLST form must accompany the patient. A copy of the POLST form must always be kept in the patient's medical record.
10. Disclosure of the POLST form may be made to other healthcare professionals across treatment setting in accordance with HIPAA.



EMSA #111 B
(Effective 1/1/2009)

Physician Orders for Life-Sustaining Treatment (POLST)

First follow these orders, then contact physician. This is a Physician Order Sheet based on the person's current medical condition and wishes. Any section not completed implies full treatment for that section. Everyone shall be treated with dignity and respect.

Last Name	
First /Middle Name	
Date of Birth	Date Form Prepared

A **CARDIOPULMONARY RESUSCITATION (CPR):** *Person has no pulse and is not breathing.*
 Check One
 Attempt Resuscitation/CPR Do Not Attempt Resuscitation/DNR (Allow Natural Death)
 (Section B: Full Treatment required)
 When not in cardiopulmonary arrest, follow orders in **B** and **C**.

B **MEDICAL INTERVENTIONS:** *Person has pulse and/or is breathing.*
 Check One
 Comfort Measures Only Use medication by any route, positioning, wound care and other measures to relieve pain and suffering. Use oxygen, suction and manual treatment of airway obstruction as needed for comfort. Antibiotics only to promote comfort. *Transfer if comfort needs cannot be met in current location.*
 Limited Additional Interventions Includes care described above. Use medical treatment, antibiotics, and IV fluids as indicated. Do not intubate. May use non-invasive positive airway pressure. Generally avoid intensive care.
 Do Not Transfer to hospital for medical interventions. *Transfer if comfort needs cannot be met in current location.*
 Full Treatment Includes care described above. Use intubation, advanced airway interventions, mechanical ventilation, and defibrillation/cardioversion as indicated. *Transfer to hospital if indicated. Includes intensive care.*
 Additional Orders: _____

C **ARTIFICIALLY ADMINISTERED NUTRITION:** *Offer food by mouth if feasible and desired.*
 Check One
 No artificial nutrition by tube. Defined trial period of artificial nutrition by tube.
 Long-term artificial nutrition by tube.
 Additional Orders: _____

D **SIGNATURES AND SUMMARY OF MEDICAL CONDITION:**
 Discussed with:
 Patient Health Care Decisionmaker Parent of Minor Court Appointed Conservator Other:
Signature of Physician
 My signature below indicates to the best of my knowledge that these orders are consistent with the person's medical condition and preferences.

Print Physician Name	Physician Phone Number	Date
Physician Signature (required)	Physician License #	

Signature of Patient, Decisionmaker, Parent of Minor or Conservator
 By signing this form, the legally recognized decisionmaker acknowledges that this request regarding resuscitative measures is consistent with the known desires of, and with the best interest of, the individual who is the subject of the form.

Signature (required)	Name (print)	Relationship (write self if patient)
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Summary of Medical Condition	Office Use Only
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HIPAA PERMITS DISCLOSURE OF POLST TO OTHER HEALTH CARE PROFESSIONALS AS NECESSARY

Patient Name (last, first, middle)	Date of Birth	Gender: M F
------------------------------------	---------------	----------------

Patient Address

Contact Information			
Health Care Decisionmaker	Address	Phone Number	
Health Care Professional Preparing Form	Preparer Title	Phone Number	Date Prepared

Directions for Health Care Professional**Completing POLST**

- Must be completed by health care professional based on patient preferences and medical indications.
- POLST must be signed by a physician and the patient/decisionmaker to be valid. Verbal orders are acceptable with follow-up signature by physician in accordance with facility/community policy.
- Certain medical conditions or medical treatments may prohibit a person from residing in a residential care facility for the elderly.
- Use of original form is strongly encouraged. Photocopies and FAXes of signed POLST forms are legal and valid.

Using POLST

- Any incomplete section of POLST implies full treatment for that section.

Section A:

- No defibrillator (including automated external defibrillators) should be used on a person who has chosen "Do Not Attempt Resuscitation."

Section B:

- When comfort cannot be achieved in the current setting, the person, including someone with "Comfort Measures Only," should be transferred to a setting able to provide comfort (e.g., treatment of a hip fracture).
- IV medication to enhance comfort may be appropriate for a person who has chosen "Comfort Measures Only."
- Non-invasive positive airway pressure includes continuous positive airway pressure (CPAP), bi-level positive airway pressure (BiPAP), and bag valve mask (BVM) assisted respirations.
- Treatment of dehydration prolongs life. A person who desires IV fluids should indicate "Limited Interventions" or "Full Treatment."

Reviewing POLST

It is recommended that POLST be reviewed periodically. Review is recommended when:

- The person is transferred from one care setting or care level to another, or
- There is a substantial change in the person's health status, or
- The person's treatment preferences change.

Modifying and Voiding POLST

- A person with capacity can, at any time, void the POLST form or change his/her mind about his/her treatment preferences by executing a verbal or written advance directive or a new POLST form.
- To void POLST, draw a line through Sections A through D and write "VOID" in large letters. Sign and date this line.
- A health care decisionmaker may request to modify the orders based on the known desires of the individual or, if unknown, the individual's best interests.

California Coalition for Compassionate Care

The Coalition is the lead agency for implementation of POLST in California. This form is approved by the Emergency Medical Services Authority in cooperation with the California Coalition for Compassionate Care and the statewide POLST Task Force.

For more information or a copy of the form, visit www.finalchoices.org.

SEND FORM WITH PERSON WHENEVER TRANSFERRED OR DISCHARGED

THIS SHEET

INTENTIONALLY

LEFT BLANK



*People you know,
caring for people you love*

**NORTHERN
INYO HOSPITAL**

Northern Inyo County Local Hospital District

150 Pioneer Lane
Bishop, California 93514
(760) 873-2837 voice
(760) 873-2151 fax

3/23/2009

To: Northern Inyo Hospital Board of Directors
From: Ann Wagoner RN, PACU/OPD Nurse Manager
Re: Zeiss Ophthalmic Argon Laser (Visulas 532s)

Dear Members of the Board:

I am requesting the approval of a new Argon Laser for the ophthalmic laser procedures that are done through our outpatient department at Northern Inyo Hospital. Our current laser was purchased in 1995 and has some maintenance needs. Due to the age of the laser, HGM (the manufacturer), no longer supports parts and labor. At this time the HGM laser is in need of repairs; the fiber wires need to be replaced. A different company would need to make these wires; there is no guarantee that the energy output will be accurate.

Dr. Reid uses the laser to repair retinal tears, perform panretinal photocoagulation, perform focal macular procedures, and trabeculoplasties. Most of the procedures for which Dr. Reid uses this laser are of a fairly urgent nature. We need to have equipment that is reliable, efficient, and safe.

Currently, the laser requires 220 voltage; the new Zeiss laser can be powered with 110 voltage which is a feature that would provide flexibility. At this time, the laser cannot be moved to another room due to the power needs. Often C-Surgery, the room where the laser is kept laser is in use when Dr. Reid needs to it; the new laser could be moved, if necessary to another nearby room for urgent or emergent eye repairs.

The Zeiss Visulas 532s is much more compact and has a touch screen for control of the settings that is mounted on the laser table so the ophthalmologist can operate the laser without looking away from the patient during a treatment. This is a safety feature as well as a convenience.

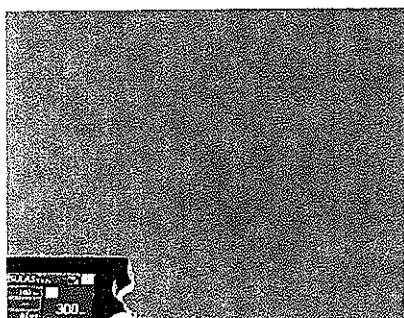
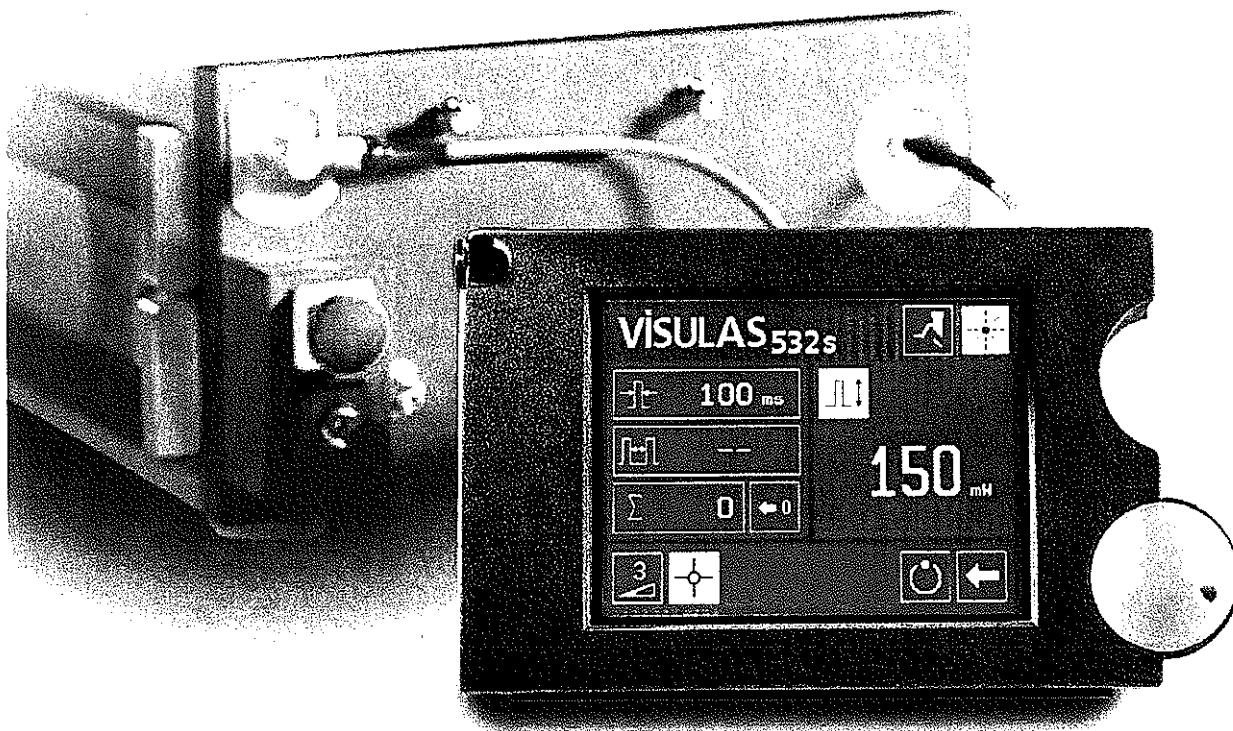
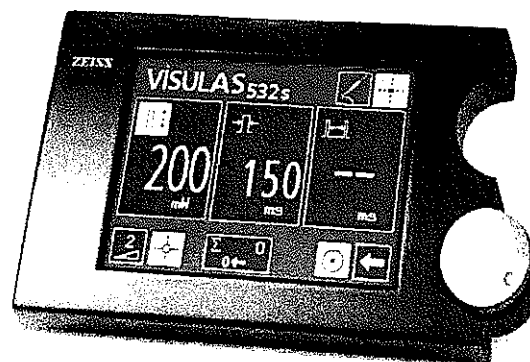
A new Argon laser has been on the OR budget (40,000) for the last few years; it appears that now is the time to replace it. This new Zeiss laser is portable and would be used in the new hospital when it is finished. The old laser can be used in the ER as a slit lamp, space permitting.

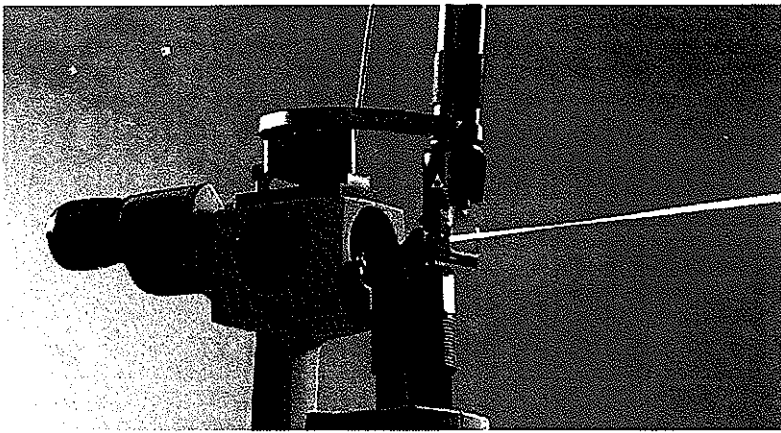
Please see the attached quote for the laser.

Thank you for your consideration in this matter.

The VISULAS 532s.

A laser with many talents for many locations





At Carl Zeiss Meditec we have incorporated many years of in-depth experience in the development and manufacturing of ophthalmic lasers. The result is a solution which has been consistently and precisely tailored to your needs.

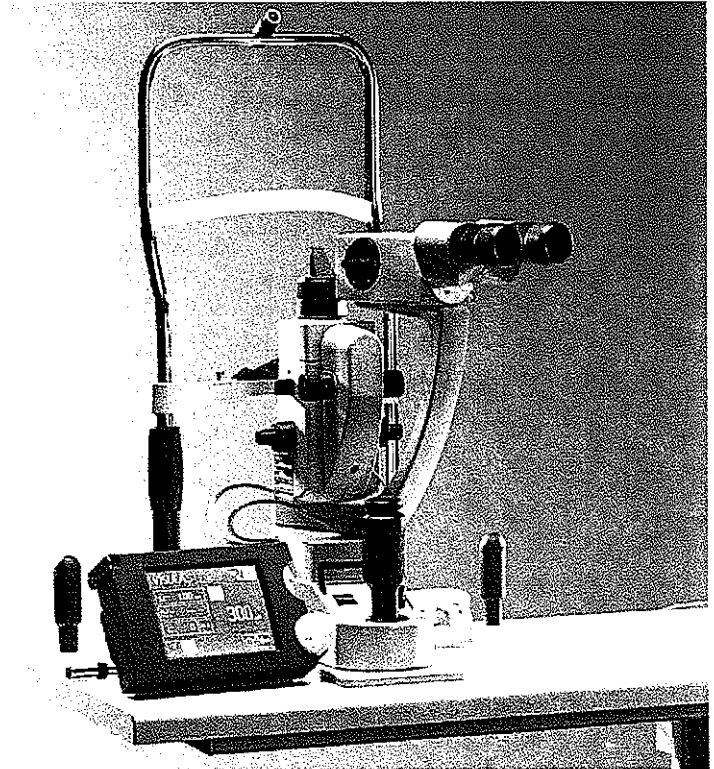
The new generation VISULAS 532s lasers combines ease of use, efficiency and safety, designed to provide an overall system sharply focused on your practice needs.

The VISULAS 532s has been designed for laser therapy in the ophthalmologist's office and in the operating room.

Compact, go-anywhere design

The VISULAS 532s delivers big performance in a small package. Inserted in its convenient transportation case, the compact system is immediately ready for action on the go.

The VISULAS 532s is suitable for space-saving table, floor mounting, or simply attach to the side of the instrument table. The control panel is detachable and can be slanted at whatever angle you find most convenient. The VISULAS 532s also provides a positive solution for left-handed users.



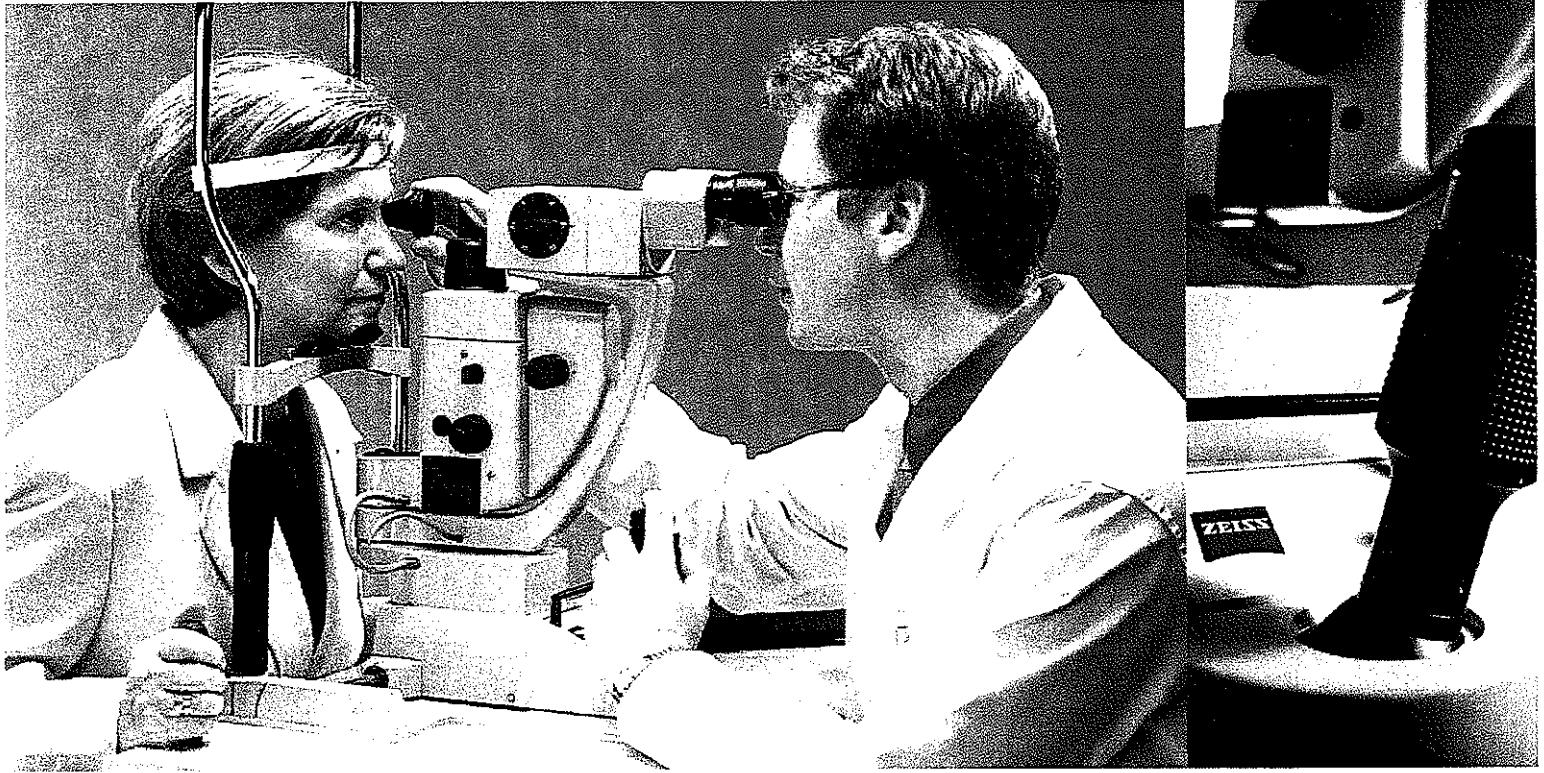
Convenient and ergonomic

The detachable control panel of the VISULAS 532s combines many ergonomic benefits for efficient, intuitive and reliable single-handed operation.

The brightness of the anti-reflective touch screen can be adjusted incrementally. All parameters are visible with astounding clarity against a dark background.

Unique, ease-of-use results from the combination of touch-screen and single-handed operation. After entering the parameters, you can continue to devote your full attention to the site of therapy — without interruption.

The PowerPress™ function allows you to directly select the power setting without taking your eyes off the site of treatment.



Energy where you need it

The laser light of the VISULAS 532s is ideal for retinal photo-coagulation. The laser radiation source is a diode-pumped, solid state laser with a wavelength of 532 nm. The robust, solid state technology of the VISULAS 532s offers many impressive benefits.

Characteristic features of solid state lasers include, minimum maintenance requirements, low energy consumption, and the energy comes directly from the power socket.

With low power consumption, the Diode on Demand technology guarantees a long service life.

Safety is our first concern

We have incorporated the safety expertise we have gathered from our experience with all medical lasers in to the VISULAS 532s. This includes a true-to-color physician's safety filter which swings automatically into position each time the therapy beam is triggered. It guarantees unrestricted visibility during diagnosis and optimum protection against the laser light — all with outstanding clarity.

The electronic micromanipulator on the joystick ensures the ultimate in controlled safety.

The precise guidance of the aiming and therapy beams assures optimum illumination of the site of therapy at all times — regardless of whether it is in the periphery or in the vicinity of the macula.

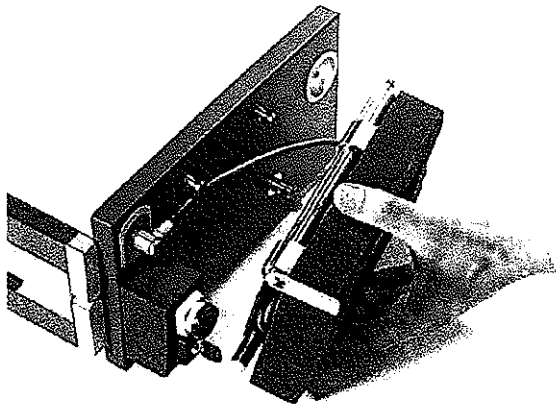
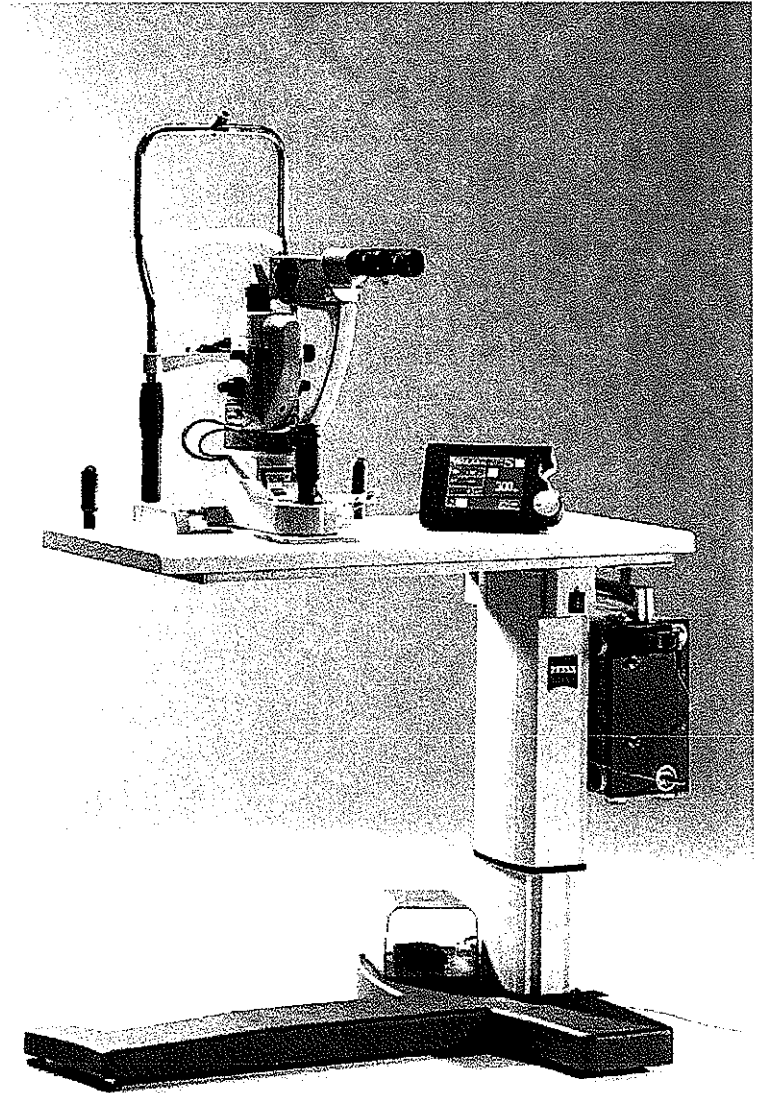
Laser therapy in the office

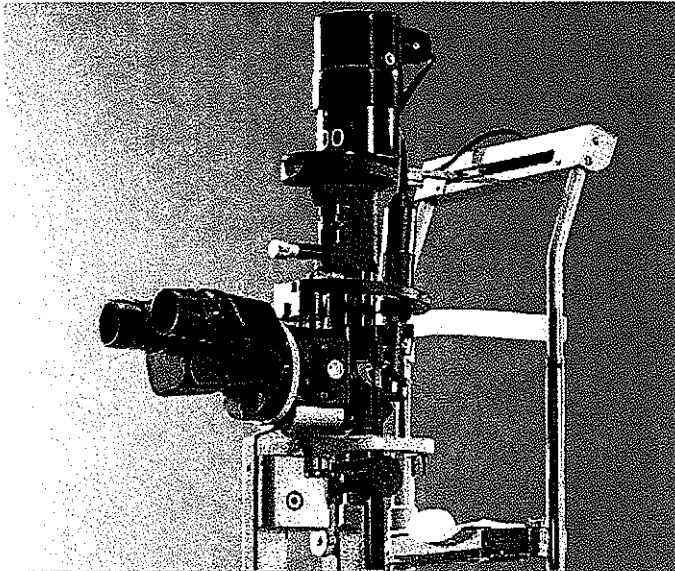
The VISULAS 532s Laser Slit Lamp offers three major benefits for use in the ophthalmologist's office:

- The laser beam is coupled coaxially into the illumination system. Together with the electronic micromanipulator, this results in optimum illumination of the site of therapy.
- The parfocal system from 50 μm to 1000 μm images the laser spot directly in the target tissue, thereby increasing the safety of the procedure.
- The legendary ZEISS optics guarantee crisp images with razor-sharp definition, even at low light intensities.

The full line of accessories for ZEISS slit lamps is available — from the tonometer to the video documentation system. The compact design of the VISULAS 532s allows it to be attached to the instrument table — a convenient space-saving solution.

The VISULAS 532s extends the spectrum of patient care provided in the ophthalmologist's office. Laser therapy, easier than ever before.





Combines mobility with flexibility

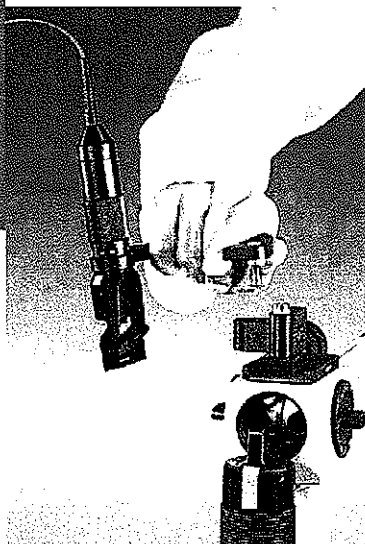
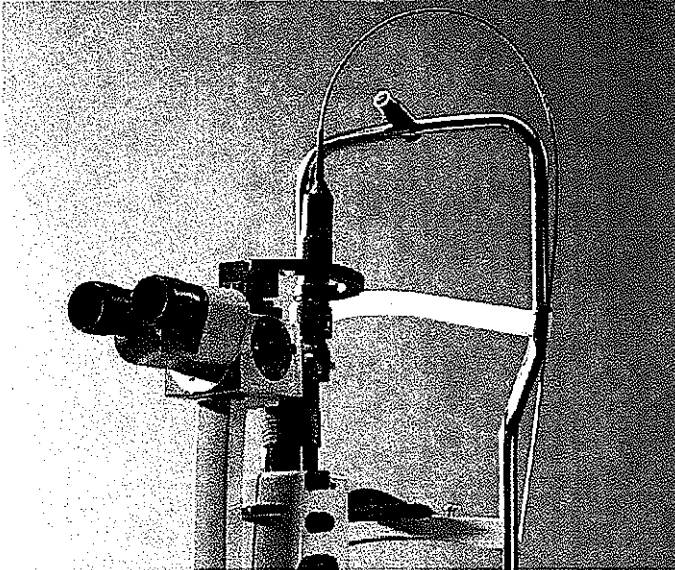
In its convenient case, the VISULAS 532s can be transported wherever and whenever you want.

With its compactness, the various mounting possibilities and the detachable control panel, the VISULAS 532s offers you the ultimate in flexibility.

A winning combination

The VISULINK® 532/U consists of the link and an adapter. It operates with spot sizes from 50 μm to 1000 μm and is equipped with a true-to-color safety filter for the physician. The VISULINK 532/U can be used on a variety of slit lamps.

The unique QuickFix mechanism allows the laser link to be quickly removed provided it is equipped with a pre-adjusted adapter. When the slit lamp must be used for diagnosis only, the VISULINK 532/U can easily be rotated out of the visual axis.



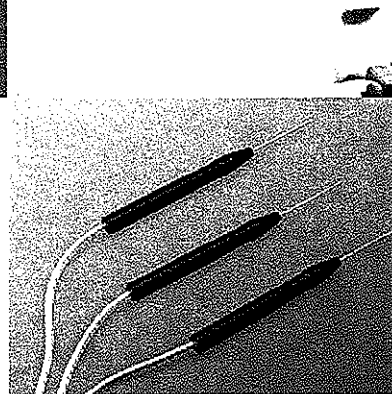
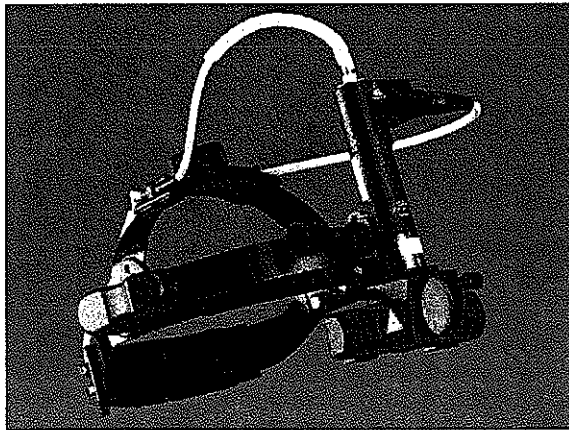
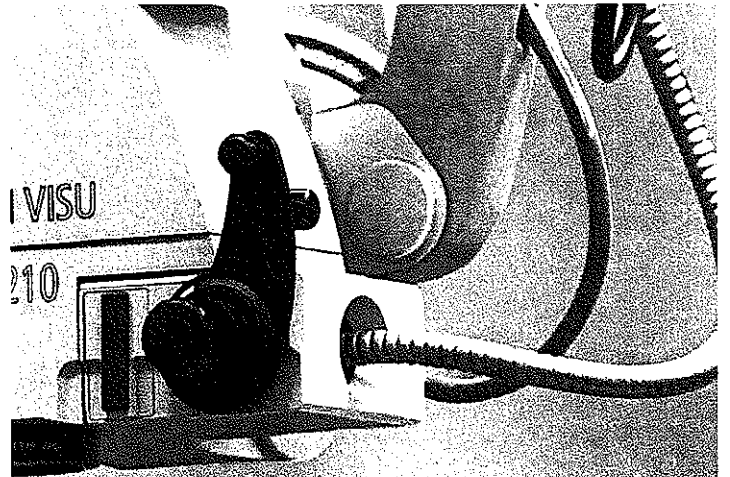
Expanded operating room utility

The VISULAS 532s LSL has been optimized for use in the OR. It is ready for action at any time, fits onto any OR cart, and in cramped conditions can be placed in a corner of the room.

Special benefits of the control panel include:

- High visibility black on yellow screen
- Larger format numbers
- Sterile tip holder for optimal screen management
- Continuous wave "paint" mode

For use in the OR, Carl Zeiss offers physician's safety filters for surgical microscopes and the Laser Indirect Ophthalmoscope.



Technical data.

VISULAS 532s Laser Console

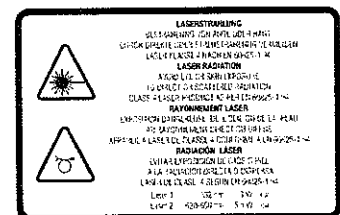
Laser type:	Frequency-doubled, solid state laser, diode-pumped, cw
Wavelength	532 nm
Power	1.5 W at the cornea
Aiming beam	Diode, 635 nm, max. 1 mW
Electrical connection	115 - 230 V, 50/60 Hz, max. 400 Watt
Pulse duration	10 - 2500 ms, cw
Autopulse	100 - 6000 ms pulse interval
Cooling	Thermoelectric
Dimensions (h x w x d)	150 x 300 x 400 mm
Weight	14 kg
Accessories	Endo-probes, LIO 532 Laser Indirect Ophthalmoscope, instrument table, table mount, transportation case, laser safety eyeglasses, contact lenses

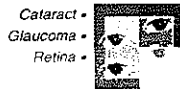
LSL 532s Laser Slit Lamp

Laser beam delivery	Coaxial via slit illumination
Laser spot diameter	Continuously adjustable from 50 - 1000 µm, parfocal
Micromanipulator	Servo-electric
Physician's safety filter	True-to-color, swings automatically into position
Magnification	5 / 8 / 12 / 20 / 32 x
Slit adjustment	Slit height in steps 1 / 3 / 5 / 9 / 14 mm Slit width, continuous 0 - 14 mm
Illumination	12 V, 30 W; brightness continuously adjustable
Weight	11 kg
Accessories	Tonometer, video documentation, etc. from the accessory line for the SL 120 and SL 130 Slit Lamps

532/U

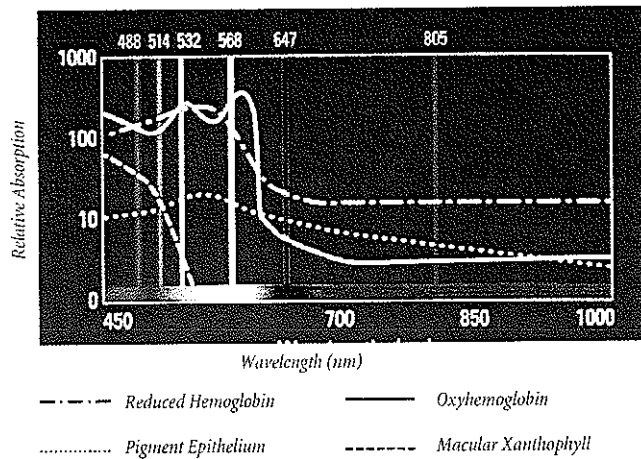
Spot size	Continuously adjustable from 50 - 1000 µm, parfocal
Compatible slit lamps	Zeiss SL 115 Classic, SL 120, SL 130, 20 SL, 30 SL Haag-Streit 900 [®] BM / 900 [®] BQ
Fiber	50µm, NA 0.1
Physician's safety filter	True-to-color, integrated
Weight	0.4 kg
Accessory	Transportation case





When your patients entrust you with their eyesight, their vision and your expertise converge. For the world's most advanced surgical and diagnostic solutions in ophthalmology, you can turn to Carl Zeiss Meditec. We're committed to earning your trust anew, every day.

Absorption in Ocular Tissue



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Dublin, CA 94568 Fax: 1-925-557-4101
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Carl Zeiss Meditec, Inc.
5160 Hacienda Drive
Dublin, CA 94568 U.S.A.

Toll Free: (877) 486-7473
Telephone: (925) 557-4100
Fax: (925) 557-4393
On the Web: www.meditec.zeiss.com

PRICE QUOTATION / PURCHASE AGREEMENT

Quotation Date: 3/16/2009
Quotation Number: TROH-7Q85TK01

Billing Site:

Northern Inyo Hospital

150 Pioneer Lane
Bishop, CA 93514

Instrument Site:

Northern Inyo Hospital

Barbara Stuhaan
150 Pioneer Lane
Bishop, CA 93514
760-873-2160

Email: barbara.stuhaan@nih.org

For assistance contact: Tom Roush 916-826-2990

Prepared by: Tom Roush Ext: 5035

Qty	Model/Description	List Price	Discount	Unit Price	Ext Price
1	532s w/Laser SL and Table\Zeiss Visulas 532s Laser System	\$41,950.00	\$7,000.00	\$34,950.00	\$34,950.00
1	LIO\Lasere Indirect Ophthalmoscope	\$9,500.00	\$2,100.00	\$7,400.00	\$7,400.00
1	DISCOUNT Based on Thomas Reid, MD-Preferred Customer Discount	\$0.00	\$3,000.00	(\$3,000.00)	(\$3,000.00)
Sub Total					\$39,350.00
Freight					\$490.00
Tax					As Applies
Grand Total					\$39,840.00
Sales Tax Not Included					

Ask us about our Special Low Interest Financing Options

Payment Options

Type	Deposit Required	Balance due on invoice	Description
Cash/Credit Card	\$19,920.00	\$19,920.00	50% Deposit with order, balance on invoice Software ONLY sales require payment in full

Carl Zeiss Meditec, Inc is licensed and required to collect applicable sales taxes in all states.
Prices are valid for 30 days from Quotation Date.
One year warranty unless otherwise specified.
This quotation is valid only in the USA and will be null and void if intended for Resale or Export.
Prices shown in connection with a Trade-in shall be null and void in the event Buyer elects to retain, or for any reason not provide, the specified Trade-in. Any equipment accepted as a Trade-In may be immediately disposed of by Carl Zeiss Meditec.
Terms are FOB Origin; Payment Terms are Deposit with Balance due on receipt. Software ONLY sales require payment in full with order.

In signing this agreement, buyer agrees to all Carl Zeiss Meditec Inc Sales Terms and Conditions, as attached.

Authorized Customer Signature	Date
Select Payment Method	_____ Deposit with Balance due on invoice _____ Lease
Deposit	Amount to be charged to Credit Card: \$ _____ Total Deposit: \$ _____
Credit Card No./P.O. No./Check No.	Credit Card Expiration Date
Printed Name on Credit Card and Credit Card Billing Address including Zip Code if different from above	

Requested Ship Date: ASAP Ship To Contact: _____

If the Billing Site (Bill-To) or the Instrument Site (Ship-To) information is different from the information listed above, please specify correct information below.



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Terms and Conditions of Sale

These Terms, combined with the information on the front or attached pages ("Front") constitute an agreement with Carl Zeiss Meditec, Inc. ("Zeiss") in which the purchaser named on the Front ("Buyer", "You", "Your") will purchase the product(s) described on the Front ("Products"). Terms on the Front will supersede these terms below.

1. PRICES AND TAXES - All prices in this Agreement ("Price(s)") are in U.S. dollars. Quotations are only valid for thirty (30) days from the date of quote. The Price does not include applicable sales, excise, use, or other taxes in effect or later levied. Zeiss is licensed and required by law to collect sales tax in all states. Except for those taxes attaching to Zeiss (e.g. income taxes), Buyer is responsible for payment of all taxes associated with its purchase of the Product(s), including (but not limited to) sales or excise taxes, duties, or property taxes.

2. TRADE-IN POLICY - If Buyer's "trade-in" equipment ("Trade-In(s)") is part of the Price, Buyer warrants that Buyer owns the Trade-In(s) free of any liens, security interests or other encumbrances. Buyer must complete the de-installation of the Trade-In(s). Trade-In(s) must be in the condition as noted on the Quotation, and must include all hardware, software, components, and applicable license(s), and are the model and serial number listed on the Quotation ("Complete"). Trade-In(s) are subject to Zeiss' inspection and acceptance. If Trade-In(s) are not delivered to Zeiss within 60 days of delivery of the Products, are not Complete or otherwise unacceptable to Zeiss, Zeiss may recalculate the Price and Buyer agrees to pay Zeiss the adjusted Price. Buyer will bear the risk of loss for Trade-In(s) until they are delivered to Zeiss or its carrier. If accepted, Zeiss may immediately dispose of the Trade-In and Buyer will have no right to a return of the Trade-In. If this Agreement is terminated, or the Products are returned, then Buyer agrees that Buyer will only receive a credit for the Trade-In(s) value toward Buyer's next purchase of Zeiss product(s).

3. TERMS AND METHOD OF PAYMENT - Unless stated otherwise on the Front, payment in full will be due thirty (30) days from the date of invoice. Zeiss may require a deposit upon placement of the order, with the balance Due On Delivery (including applicable sales tax, freight, insurance, etc.). Zeiss reserves the right to require payment in full, in advance or C.O.D., or otherwise modify credit terms either before or after acceptance of any order if for any reason Buyer's credit is or becomes objectionable to Zeiss. Pending correction of any objectionable credit situation, Zeiss may withhold shipments without incurring any liability to Buyer. All balances not paid when due shall be subject to a service charge equal to one-and-one-half percent (1 1/2%) per month, or the highest rate permitted by law, whichever is less. For Zeiss to extend tax exempt status to Buyer, Buyer must provide a tax-exemption certificate based upon the jurisdiction of the installation location prior to acceptance of the order.

4. CREDIT STATEMENT - Buyer certifies that the information submitted pertaining to its credit worthiness is accurate. Buyer, its owners and/or principals, and all individuals whose names appear on the Agreement expressly authorize consumer reporting agencies and other persons to furnish credit information to Zeiss, separately or jointly with other creditors, for use in connection with this Agreement. Zeiss and joint users of such information are authorized to receive and exchange credit information and to update such information as appropriate for the express purpose of assessing Buyer's credit worthiness.

5. SHIPMENT, RISK OF LOSS, SHIPPING DATE - All shipments will be made F.O.B. Zeiss' shipping points. Absent specific agreement, Zeiss will select the carrier. Title and Risk of Loss to the Product(s) passes to the Buyer upon Zeiss' delivery to the designated carrier or delivery service. Buyer shall reimburse Zeiss for any insurance proceeds obtained covering losses associated with delivering the Product(s) to the carrier. If a shipment date is indicated on this Agreement, such date is only an estimated delivery date, and not a material term of this Agreement. Zeiss will make all reasonable efforts to meet the delivery date. If Zeiss does not deliver the Products within sixty (60) days of the delivery date, then Buyer may terminate this Agreement, and neither Buyer nor Zeiss will have any further obligations.

6. ACCEPTANCE - Buyer will be deemed to have accepted the Products on the earlier of (i) delivery of the Products to the Buyer (if installation is not priced separately on the Front) or (ii) confirmation by Zeiss that the Products have been installed and conform to Zeiss' specifications and requirements for operation or (iii) Buyer's use of the Products.

7. SECURITY INTEREST - Until the Products are paid for in full, Buyer gives Zeiss a security interest in the Products, all monies received for the Products, or in any chattel paper regarding the Products (e.g.: lease agreements).

8. LIMITED WARRANTY - This is a limited warranty that gives Buyer specific legal rights. Non-institutional Buyers may have other rights, which vary from state to state. Warranty is void outside the U.S.A.

Duration of Warranty: This Limited Warranty will last, unless otherwise stated on the Front, for one (1) year from shipment date ("Warranty Period"). **What is Covered:** All parts defective in material and workmanship. **What Zeiss Will Do:** Zeiss will, at its sole option, repair or replace any parts it reasonably determines to have failed due to defects in material or workmanship during the Warranty Period, free of any charge for either parts or labor. **What is Not Covered:** Consumable items nor the servicing/replacement of other manufacturer's equipment or accessories. These items, as well as any third-party supplied items (software or hardware) will be covered by their manufacturer's warranty and any arrangements for service or replacement of such items must be made through that manufacturer. This Limited Warranty does not cover failure that has resulted from improper or unreasonable use or maintenance, accident, unauthorized transportation from the initial installation location or environmental conditions outside of those prescribed in the Product specifications, improper packaging or shipment, electrical failure, or unauthorized tampering, alteration or modification. Consumables and items with a limited expected useful life are not subject to this Limited Warranty. On-site planned or preventive maintenance activities are not included as a part of this Limited Warranty. **Exclusive Warranty:** The provisions of this Limited Warranty are in lieu of any other warranty, whether expressed or implied, written or oral, including any warranty of fitness for a particular purpose. **Exclusionary Remedy:** Zeiss' obligation to repair, replace, or at its sole option refund the value of such defective parts, are the only remedies available under this Limited Warranty. Some jurisdictions do not allow limitations on exclusion of or limitation of remedies so the foregoing limitations and exclusions may not apply.

9. SERVICE AGREEMENT - If this Agreement includes the purchase of a Service Agreement, then the Zeiss Service Agreement Terms and Conditions will apply to those services.

10. TRAINING - Zeiss may provide training related to certain Product(s), the form, duration and content of which will be at Zeiss' discretion. Training commitments expire 6 months after the Product(s) are shipped.

11. LICENSE FOR USE OF SOFTWARE - Zeiss grants Buyer a non-exclusive, non-transferable license to use the software incorporated in the Product(s) ("Software"), solely for Buyer's internal practice uses. This license does not include the right to make copies of Software, extract, modify or incorporate any part of the Software, nor reverse engineer, decompile, or disassemble the Software. Zeiss does not claim that the Software is free from defects and shall have no obligation to supply software upgrades (i.e., new versions, or new, or in-line releases). This limitation will not apply to required corrective actions.

12. RETURN POLICY - Unless it has given its written consent, Zeiss will not accept any Product returns. If Zeiss consents to the return, Buyer may be charged a twenty percent (20%) restocking fee for all Zeiss authorized Product(s) returns. Risk of Loss, and Shipping and Handling fees for returned Product(s) are the Buyer's responsibility. Unless Zeiss agrees otherwise, returned Product(s) must be in new condition and packaged in the original packaging. Consumable Product(s), such as bulbs, lamps, fuses, fiber optic cables, etc., are not returnable.

13. CANCELLATION POLICY - This Agreement can only be cancelled prior to shipment by written agreement of Buyer and Zeiss. If Buyer cancels this Agreement, Buyer may be charged a 20% cancellation fee. If Buyer only cancels part of Buyer's order under this Agreement, Zeiss may adjust the Price of the remaining Product(s) being purchased, which may mean discounts offered on the original order will not be available.

14. FORCE MAJEURE - Zeiss will make every reasonable effort to complete shipment, but shall not be liable for any loss or damage for delay in delivery, or any other failure to perform due to causes beyond its reasonable control including but not limited to, fire, storm, flood, earthquake, explosion, accident, acts of a public enemy, war, rebellion, insurrection, sabotage, epidemic, quarantine restrictions, labor disputes, labor or material shortages, embargo, failure or delays in transportation, unavailability of components or parts for machinery used for manufacture of its Product(s), acts of God, acts of the Federal Government or any agency thereof, acts of any state or local government or any agency thereof, and judicial action. Should such a delay occur, Zeiss may reasonably extend delivery or production schedules or, at its option, cancel the order in whole or part without any liability other than to return any unearned deposit or prepayment.

15. ASSIGNMENT - Buyer shall not assign or transfer any rights, duties or obligations under this Agreement without Zeiss' prior written consent.

16. GOVERNING LAW; DISPUTE RESOLUTION - The substantive laws of the State of New York will govern the construction of this Agreement. Both parties agree to waive any right to a trial by jury.

17. LIMITATION OF LIABILITY - Notwithstanding anything contained in this or any other agreement between Zeiss and Buyer, neither party will be liable to the other for any loss, damage, cost of repairs, incidental, punitive, exemplary, indirect or consequential damages of any kind, including (without limitation) loss of profit, revenues or business opportunity, (all of which each party expressly waive to the fullest extent permitted by law) even if either party has been advised of the possibility of such damages, whether or not based upon express warranty or implied warranty (except for the obligations assumed by Zeiss under the Limited Warranty Clause), contract, tort, negligence, strict liability or other cause of action arising in connection with this Agreement or with the design, manufacture, sale, use or repair of the Product(s). This provision may not affect third party claims for bodily injury or death arising in products liability or from Zeiss' gross negligence. Some states do not allow the exclusion or limitation of consequential or incidental damages, so the above limitation or exclusion may not apply.

18. PATENT INDEMNITY - Zeiss will defend or settle any claim, suit or proceeding brought against Buyer based on allegations that the Product(s) infringe on a third party patent, provided that: Zeiss is notified timely of such claim, suit or proceeding; Buyer renders all reasonable cooperation to Zeiss; Buyer gives Zeiss the sole authority to defend or settle the same. If the Product(s) are held to infringe on any patent and the use of the Product(s) is enjoined, Zeiss will have the option, at its discretion (i) to procure Buyer the right to use the Product(s) or (ii) to modify the Product(s) so that they no longer infringe or (iii) upon the return of the Product(s), refund Buyer the depreciated value of the Product(s) and accept the return thereof. This indemnification will not apply to changes made by Zeiss at Buyer's instruction or by Buyer, or by the use of third party items in conjunction with the Product(s) (unless sold or directed by Zeiss). In no event will Zeiss' total liability to Buyer with respect to any infringement or misappropriation exceed the depreciated value of the Product(s).

19. EXPORT / RE-EXPORT - The Product(s) and Software may be subject to United States Export Administration Regulations, and diversion contrary to U.S. law is prohibited.

20. ENTIRE AGREEMENT - This Agreement constitutes the final and complete agreement between the parties and supersedes all prior agreements and understandings, whether written or oral, relating to the purchase or sale of the Product(s). The terms and conditions of this Agreement shall prevail over any variance with the terms and conditions of any order submitted by the Buyer for the Product(s), regardless of any provisions to the contrary. No claimed additions to or modifications or amendments of this Agreement, nor any claimed waiver of any of its terms or conditions, shall be effective unless in writing and signed by the party against whom the same may be asserted.

END