



# AGENDA

## Board of Directors Meeting

5:30 PM - Wednesday, November 29, 2023

[Click link to join Zoom meeting](#)

SPH Conference Rooms 1&2

Meeting ID: 878 0782 1015 Pwd: 931197

Phone Line: 669-900-9128 or 301-715-8592

Kelly Cooper President		Keriann Baker		Edson Knapp, MD	
Aaron Weisser Vice Pres.		M. Todd Boling, DO		Bernadette Wilson	
Julie Woodworth Secretary		Matthew Hambrick		Beth Wythe	
Walter Partridge Treasurer		Melissa Jacobsen		Ryan Smith, CEO	

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**1. CALL TO ORDER**

**2. ROLL CALL**

**3. REFLECT ON LIVING OUR VALUES**

**4. WELCOME GUESTS & PUBLIC / INTRODUCTIONS / ANNOUNCEMENTS**

- 4 4.1. Rules for Participating in a Public Meeting  
[Rules for Participating in a Public Meeting](#)

**5. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER**

**6. APPROVAL OF THE AGENDA**

**7. APPROVAL OF THE CONSENT CALENDAR**

- 5 - 9 7.1. Consideration to Approve the South Peninsula Hospital (SPH) Board of Directors meeting minutes for October 25, 2023

[Board of Directors - Oct 25 2023 - Minutes - DRAFT](#)

- 10 - 14      7.2.    Consideration to Approve October FY2024 Financials  
[Balance Sheet October FY24](#)  
[Income Statement October FY24](#)  
[Cash Flows Statement October FY24](#)  
[Capital Report October FY24](#)
- 15            7.3.    Consideration to Approve 2024 Calendar of Meetings for the South Peninsula Hospital Board of Directors  
[Calendar of Meetings 2024](#)

**8.    PRESENTATIONS**

- 8.1.    Childcare Facility Update  
      **Presenter:** Kyle Settles, Childcare Administrator
- 8.2.    Recognition of Kelly Cooper, Todd Boling, Keriann Baker and Julie Woodworth for Years of Service to the South Peninsula Hospital Board of Directors.

**9.    UNFINISHED BUSINESS**

**10.   NEW BUSINESS**

- 16 - 17      10.1.   Consideration to Approve SPH Resolution 2023-28, A Resolution of the South Peninsula Hospital Board of Directors Authorizing Administration to Take Actions to De-Risk the South Peninsula Hospital Employees Pension Plan and Update Policy PEN-001 Employee Investment Policy  
[SPH Resolution 2023-28](#)
- 18            10.2.   Consideration to Approve SPH Resolution 2023-29, A Resolution of the South Peninsula Hospital Board of Directors Approving the Startup of a Childcare Facility  
[SPH Resolution 2023-29](#)
- 19 - 36      10.3.   Consideration to Approve the South Peninsula Hospital and Long Term Care Facility Corporate Compliance and Ethics Program for 2023-2024 and revised policy HW-101, Corporate Compliance and Ethics.  
[Memo](#)  
[Corporate Compliance Program, revised](#)  
[Policy HW-101, revised](#)

**11.   REPORTS**

- 37 - 41 11.1. Chief Executive Officer  
[Balanced Scorecard 3Q 2023](#)
- 42 - 46 11.2. BOD Committee: Pension  
[PEN-001 - Proposed Policy Revisions](#)
- 11.3. BOD Committee: Finance
- 47 11.4. BOD Committee: Governance  
[EMP-09 CEO Succession Plan, revised](#)
- 11.5. BOD Committee: Education
- 11.6. Chief of Staff
- 11.7. Service Area Board Representative

## **12. DISCUSSION**

## **13. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER**

## **14. COMMENTS FROM THE BOARD**

(Announcements/Congratulations)

- 14.1. Chief Executive Officer
- 14.2. Board Members

## **15. INFORMATIONAL ITEMS**

- 48 - 51 15.1. Forms to Complete for January 2024 Meeting  
[2024 CMS Form](#)  
[Confidentiality Agreement](#)

## **16. ADJOURN TO EXECUTIVE SESSION (IF NEEDED)**

## **17. ANNOUNCEMENTS AS A RESULT OF EXECUTIVE SESSION**

- 17.1. Credentialing
- 17.2. Board Member Elections

## **18. ADJOURNMENT**

To: Public Participants  
From: Operating Board of Directors – South Peninsula Hospital  
Re: Rules for Participating in a Public Meeting

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The following has been adapted from the “Rules for Participating in a Public Meeting” used by Kenai Peninsula SAB of SPHI.

*Each member of the public desiring to speak on any issue before the SPH Operating Board of Directors at tonight’s meeting will be given an opportunity to speak to the following guidelines:*

- *Those who wish to speak will need to sign in on the sign in sheet being circulated. When the chair recognizes you to speak, you need to clearly give your name and the subject you wish to address.*
- *Please be concise and courteous, in time, so others present will have an opportunity to speak.*
- *Please observe normal rules of decorum and avoid disparaging by name the reputation or character of any member of the Operating Board of directors, the administration or personnel of SPHI, or the public. You cannot mention or use names of individuals.*
- *The Operating Board Directors may ask you to respond to their questions following your comments. You could be asked to give further testimony in “Executive Session” if your comments are directly related to a member of personnel, or management of SPHI, or dealing with specific financial matters, either of which could be damaging to the character of an individual or the financial health of SPHI, however, you are under no obligation to answer any question put to you by the Operating Board Directors.*
- *This is your opportunity to provide your support or opposition to matters that are within the areas of Operating Board of Directors governance. If you have questions, you may direct them to the chair.*

These rules for participating in a public meeting were discussed and approved at the Board Governance Committee meeting on February 24, 2013.

## MINUTES

# Board of Directors Meeting

12:00 AM - Wednesday, October 25, 2023

Conference Rooms 1&2 and Zoom

The Board of Directors of the South Peninsula Hospital was called to order on Wednesday, October 25, 2023, at 5:30 AM, in the Conference Rooms 1&2 and Zoom.

### 1. CALL TO ORDER

**Acting President Aaron Weisser called the regular meeting to order at 5:30pm.**

At the start of the meeting it was announced that Kelly Cooper had resigned from the Board of Directors effective 10/18/23, after being elected to a seat on the Kenai Peninsula Borough Assembly. Aaron Weisser, Vice President, will fill the role of President for the remaining meetings of 2023, until a new president can be elected in January 2024.

### 2. ROLL CALL

**BOARD PRESENT:** Acting President Aaron Weisser, Keriann Baker, Matthew Hambrick, Melissa Jacobsen, Edson Knapp, Walter Partridge, Aaron Weisser, Bernadette Wilson, Julie Woodworth, and Beth Wythe

**ALSO PRESENT:** Ryan Smith (CEO), Angela Hinnegan (COO), Anna Hermanson (CFO), Rachael Kincaid (CNO), Christy Tuomi (CMO), Derotha Ferraro (Marketing Director), Melissa Blair (Foundation Director)

*\*Due to the hybrid-Zoom meeting format, only meeting participants who comment, give report or give presentations are noted in the minutes. Others may be present on the virtual meeting.*

#### 2.1. A quorum was present.

### 3. REFLECT ON LIVING OUR VALUES

The Board of Directors viewed a snippet of video honoring Dr. Paul Eneboe who recently received the Paton Award from AHHA.

### 4. WELCOME GUESTS & PUBLIC / INTRODUCTIONS / ANNOUNCEMENTS

Ms. Weisser welcomed everyone to the meeting.

#### 4.1. Rules for Participating in a Public Meeting

### 5. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER

Derotha Ferraro, SPH Marketing Director, shared the Rotary Health Fair is coming up next Saturday morning at the Homer High School. She introduced Melissa Blair, the new Foundation Director.

**6. APPROVAL OF THE AGENDA**

*Julie Woodworth made a motion to approve the agenda as presented. Matthew Hambrick seconded the motion. Motion Carried.*

**7. APPROVAL OF THE CONSENT CALENDAR**

Julie Woodworth read the consent calendar into the record.

**7.1. Consideration to Approve the South Peninsula Hospital (SPH) Board of Directors meeting minutes for September 27, 2023**

**7.2. Consideration to Approve September FY24 Financials**

*Julie Woodworth made a motion to approve the consent calendar as read. Beth Wythe seconded the motion. Motion Carried.*

**8. PRESENTATIONS**

There were no presentations.

**9. UNFINISHED BUSINESS**

There was no unfinished business.

**10. NEW BUSINESS**

**10.1. Consideration to Approve SPH Resolution 2023-27, A Resolution Approving the Transfer of Cash in Excess of 90 Days Cash on Hand to the Plant/Equipment Replacement and Expansion Fund for the Period Ending September 30, 2023**

Anna Hermanson, CFO, reported. This resolution authorizes administration to transfer 2.4 days of cash to the borough PREF, which is required in the operating agreement. The total comes to \$711,888.67. There were no questions.

*Beth Wythe made a motion to approve SPH Resolution 2023-27, A Resolution Approving the Transfer of Cash in Excess of 90 Days Cash on Hand to the Plant/Equipment Replacement and Expansion Fund for the Period Ending September 30, 2023. Edson Knapp seconded the motion. Motion Carried.*

- Julie Woodworth*    Yes
- Walter Partridge*    Yes
- Keriann Baker*    Yes
- M. Todd Boling*    Excused
- Matthew Hambrick*    Yes
- Melissa Jacobsen*    Yes
- Edson Knapp*    Yes
- Bernadette Wilson*    Yes
- Beth Wythe*    Yes
- Aaron Weisser*    yes

## **11. REPORTS**

### **11.1. Chief Executive Officer**

Ryan Smith, CEO, gave a verbal report. SPH had two items on the assembly agenda last night - the Mako smart robotics system and the Epic sole source award. We have issued an RFP for housing solutions. We are still waiting to find out how much money we're getting for the childcare grant. The public hearing for the Certificate of Need was held on October 5th, and the public comment period will end on November 10th.

Ryan Smith and Rachael Kincaid, CNO reported on the updated balanced scorecard. Ms. Kincaid described the work being done to improve and sustain improvements in areas like stroke, sepsis, falls, and ER times. Ms. Hermanson reviewed the financial indicators for the board.

### **11.2. BOD Committee: Finance**

Walter Partridge, Finance Chair, reported. The committee met last week and reviewed the resolution approved earlier in this meeting, as well as the finances for September. The net operating revenue was right on target, slightly above budget. We're also back to 51 days in accounts receivable.

### **11.3. BOD Committee: Governance**

Aaron Weisser, Governance Chair, reported. The committee met last week. We are continuing to review policies on a three year rotating schedule, and are moving into the Quality policies next. We discussed board membership, and will be setting up candidate interviews for open board seats. Those interviews will be done via Zoom and all board members are welcome to participate. The committee also compiled a master list of reports with the schedule and nature in which they're provided. We will be adding a link to that list on all board meeting agendas starting in 2024. The committee also discussed scheduling the next Doctors' Dinner for the week of February 18th in 2024.

### **11.4. BOD Committee: Education**

Melissa Jacobsen, Education Committee Chair, reported. The Education Committee met this month, though only one other member was able to attend. We are looking at late March/early April for the next board work session/retreat. We touched on strategic planning and talked about professional development for new board members. We discussed iProtean, and decided not move forward on renewing the platform, as it was not well utilized, but will discuss this further when the full committee is in attendance.

### **11.5. Chief of Staff**

Dr. Landess, Chief of Staff, reported. He announced that Dr. Paula Godfrey has stepped down as the Peer Review Committee Chair and Trauma Coordinator, so he would be joining the committee in her place. The medical staff is looking at the Peer Review Charter and the requirements for chairmanship. Dr. Murphy will take over as the Trauma Coordinator. Brian McCorison has stepped down

as Surgery Medical Director and Dr. Kincaid has stepped into that role. The medical staff is also working on the way critical labs are reported during after-hours.

**11.6. Service Area Board Representative**

Kathryn Ault reported on behalf of the Service Area Board. The October meeting was Judith Lund's last meeting with the SAB, after serving for 15 years. Tim Whip also stepped down after one term. Two new members were welcomed to the board - Francie Roberts and Tamera Fletcher. The board approved the two state priorities for capital improvement projects.

**12. DISCUSSION**

There was no further discussion.

**13. COMMENTS FROM THE AUDIENCE ON ITEMS OF ANY MATTER**

There were no further comments from the audience.

**14. COMMENTS FROM THE BOARD**

(Announcements/Congratulations)

**14.1. Chief Executive Officer**

Mr. Smith had no comments.

**14.2. Board Members**

Bernadette Wilson stated that Judith Lund will be missed on the SAB. Edson Knapp noted he was very appreciative of Tiffany Park, the new Imaging Director. The department had an open house and it was very well attended. They hosted a panel discussion on breast cancer last night as well. Melissa Jacobsen thanked the lab staff and supporting departments for all the extra effort during the rotary health fair blood draws. She thanked Kelly Cooper for her time on the board. She appreciated her mentoring and feedback. Aaron Weisser agreed, stating Ms. Cooper was his board mentor and he appreciated her help and friendship.

**15. INFORMATIONAL ITEMS**

There were no informational items.

**16. ADJOURN TO EXECUTIVE SESSION**

The board adjourned to Executive Session at 6:32pm.

**17. ANNOUNCEMENTS AS A RESULT OF EXECUTIVE SESSION**

The board moved back into open session at 8:29pm.

**17.1. Credentialing**

*After review of the applicant's files through the secure online portal, Julie Woodworth moved to approve the following positions in the medical staff as*



*requested and recommended by the Medical Executive Committee. Melissa Jacobsen seconded the motion. Motion carried.*

Reappointments

Devry Garity, PNP; Pediatrics; Active Staff  
Michael Hennigan, MD; Internal Medicine; Courtesy Staff  
Renda Knapp, MD; Ob/Gyn; Active Staff  
Jessica Malone, MD; Hospitalist; Courtesy Staff

Remote Echocardiograph-AHVI- Telemedicine Reappointments

Ahmed Abuzaid, MD  
Jacob Kelly, MD  
Gene Quinn, MD

Radiology – Telemedicine Reappointments

Steven Edson, MD  
Adam Hecht, MD  
Gregory Kenyherz, MD  
Michael Rethy, MD

**18. ADJOURNMENT**

The meeting was adjourned at 8:30pm.

Respectfully Submitted,

Accepted:

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Maura Jones, Executive Assistant

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Aaron Weisser, Acting Vice President

Minutes Approved:

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Julie Woodworth, Secretary



# South Peninsula Hospital

DRAFT-UNAUDITED

## BALANCE SHEET As of October 31, 2023

	As of October 31, 2023	As of October 31, 2022	As of September 30, 2023	CHANGE FROM October 31, 2022
<b>ASSETS</b>				
CURRENT ASSETS:				
1 CASH AND CASH EQUIVALENTS	27,557,618	23,748,103	27,022,375	3,809,515
2 EQUITY IN CENTRAL TREASURY	11,225,309	9,939,223	10,212,213	1,286,086
3 TOTAL CASH	<u>38,782,927</u>	<u>33,687,326</u>	<u>37,234,588</u>	<u>5,095,601</u>
4 PATIENT ACCOUNTS RECEIVABLE	34,137,201	30,169,876	34,752,757	3,967,325
5 LESS: ALLOWANCES & ADJ	(17,250,834)	(14,480,298)	(17,386,907)	(2,770,536)
6 NET PATIENT ACCT RECEIVABLE	<u>16,886,367</u>	<u>15,689,578</u>	<u>17,365,850</u>	<u>1,196,789</u>
7 PROPERTY TAXES RECV - KPB	1,152,163	1,126,482	2,180,688	25,681
8 LESS: ALLOW PROP TAX - KPB	(4,165)	(4,165)	(4,165)	0
9 NET PROPERTY TAX RECV - KPB	<u>1,147,998</u>	<u>1,122,317</u>	<u>2,176,523</u>	<u>25,681</u>
10 OTHER RECEIVABLES - SPH	344,554	403,973	260,383	(59,419)
11 INVENTORIES	2,078,763	1,985,439	2,104,374	93,324
12 NET PENSION ASSET- GASB	3,559,619	4,858,772	3,559,619	(1,299,153)
13 PREPAID EXPENSES	<u>1,006,290</u>	<u>945,665</u>	<u>1,027,640</u>	<u>60,625</u>
14 TOTAL CURRENT ASSETS	<u>63,806,518</u>	<u>58,693,070</u>	<u>63,728,977</u>	<u>5,113,448</u>
ASSETS WHOSE USE IS LIMITED				
15 PREF UNOBLIGATED	6,745,415	6,873,094	6,156,930	(127,679)
16 PREF OBLIGATED	2,172,324	2,307,376	2,112,254	(135,052)
17 OTHER RESTRICTED FUNDS	19,298	46,530	44,857	(27,232)
	<u>8,937,037</u>	<u>9,226,999</u>	<u>8,314,041</u>	<u>(289,962)</u>
PROPERTY AND EQUIPMENT:				
18 LAND AND LAND IMPROVEMENTS	4,124,558	4,114,693	4,114,693	9,865
19 BUILDINGS	64,069,452	67,494,237	63,998,829	(3,424,785)
20 EQUIPMENT	28,773,915	30,423,111	27,857,105	(1,649,196)
21 BUILDINGS INTANGIBLE ASSETS	2,871,299	2,382,262	2,478,113	489,037
22 EQUIPMENT INTANGIBLE ASSETS	851,479	462,427	851,479	389,052
23 SOFTWARE INTANGIBLE ASSETS	1,986,711	0	1,986,711	1,986,711
24 IMPROVEMENTS OTHER THAN BUILDINGS	312,979	273,935	311,331	39,044
25 CONSTRUCTION IN PROGRESS	1,932,158	889,608	2,500,722	1,042,550
26 LESS: ACCUMULATED DEPRECIATION FOR FIXED ASSETS	(58,727,950)	(62,884,450)	(58,368,308)	4,156,500
27 LESS: ACCUMULATED AMORTIZATION FOR LEASED ASSETS	(2,176,213)	(566,873)	(1,905,417)	(1,609,340)
28 NET CAPITAL ASSETS	<u>44,018,388</u>	<u>42,588,950</u>	<u>43,825,258</u>	<u>1,429,438</u>
29 GOODWILL	1,000	13,000	2,000	(12,000)
30 TOTAL ASSETS	<u>116,762,943</u>	<u>110,522,019</u>	<u>115,870,276</u>	<u>6,240,924</u>
DEFERRED OUTFLOWS OF RESOURCES				
31 PENSION RELATED (GASB 68)	5,789,464	4,530,917	5,789,464	1,258,547
32 UNAMORTIZED DEFERRED CHARGE ON REFUNDING	<u>271,298</u>	<u>332,217</u>	<u>271,298</u>	<u>(60,919)</u>
33 TOTAL DEFERRED OUTFLOWS OF RESOURCES	6,060,762	4,863,134	6,060,762	1,197,628
34 TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	<u>122,823,705</u>	<u>115,385,153</u>	<u>121,931,038</u>	<u>7,438,552</u>

	<u>As of October 31, 2023</u>	<u>As of October 31, 2022</u>	<u>As of September 30, 2023</u>	<u>CHANGE FROM October 31, 2022</u>	
<b>LIABILITIES &amp; FUND BALANCE</b>					
CURRENT LIABILITIES:					
35	ACCOUNTS AND CONTRACTS PAYABLE	2,053,072	955,498	1,409,635	1,097,574
36	ACCRUED LIABILITIES	9,530,352	8,288,742	9,942,194	1,241,610
37	DEFERRED CREDITS	17,243	24,183	64,691	(6,940)
38	CURRENT PORTION OF LEASE PAYABLE	654,790	384,340	589,886	270,450
39	CURRENT PORTION SOFTWARE INTANGIBLE PAYABLE	45,065	0	488,080	45,065
40	CURRENT PORTIONS OF NOTES DUE	0	0	0	0
41	CURRENT PORTIONS OF BONDS PAYABLE	1,850,000	1,785,000	1,850,000	65,000
42	BOND INTEREST PAYABLE	11,606	61,635	67,440	(50,029)
43	DUE TO/(FROM) THIRD PARTY PAYERS	1,440,709	1,388,761	1,440,709	51,948
44	TOTAL CURRENT LIABILITIES	<u>15,602,837</u>	<u>12,888,159</u>	<u>15,852,635</u>	<u>2,714,678</u>
LONG-TERM LIABILITIES					
45	NOTES PAYABLE	0	0	0	0
46	BONDS PAYABLE NET OF CURRENT PORTION	6,615,000	8,465,000	6,615,000	(1,850,000)
47	PREMIUM ON BONDS PAYABLE	359,988	486,704	359,988	(126,716)
48	CAPITAL LEASE, NET OF CURRENT PORTION	2,285,338	2,064,578	2,087,421	220,760
49	SOFTWARE INTANGIBLE LEASE, NET OF CURRENT PORTION	322,237	0	460,247	322,237
50	TOTAL NONCURRENT LIABILITIES	<u>9,582,563</u>	<u>11,016,282</u>	<u>9,522,656</u>	<u>(1,433,719)</u>
51	TOTAL LIABILITIES	25,185,400	23,904,441	25,375,291	1,280,959
52	DEFERRED INFLOW OF RESOURCES	0	0	0	0
53	PROPERTY TAXES RECEIVED IN ADVANCE	0	0	0	0
<b>NET POSITION</b>					
54	INVESTED IN CAPITAL ASSETS	5,731,963	5,731,963	5,731,963	0
55	CONTRIBUTED CAPITAL - KPB	0	0	0	0
56	RESTRICTED	25,286	25,286	25,286	0
57	UNRESTRICTED FUND BALANCE - SPH	91,881,056	85,723,463	90,798,498	6,157,593
58	UNRESTRICTED FUND BALANCE - KPB	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
59	TOTAL LIAB & FUND BALANCE	<u><u>122,823,705</u></u>	<u><u>115,385,153</u></u>	<u><u>121,931,038</u></u>	<u><u>7,438,552</u></u>

	MONTH			YEAR TO DATE					
	10/31/23		10/31/22	10/31/23		10/31/22			
	Actual	Budget	Var B/(W)	Actual	Actual	Budget	Var B/(W)	Actual	
<b>Patient Service Revenue</b>									
1	Inpatient	2,610,805	2,616,838	-0.23%	2,305,915	12,259,577	10,959,628	11.86%	10,717,443
2	Outpatient	15,608,628	14,970,666	4.26%	12,895,642	60,277,449	56,385,624	6.90%	51,099,136
3	Long Term Care	1,018,308	1,182,413	-13.88%	1,128,093	4,301,064	4,729,651	-9.06%	4,319,108
4	Total Patient Services	19,237,741	18,769,917	2.49%	16,329,650	76,838,090	72,074,903	6.61%	66,135,687
<b>Deductions from Revenue</b>									
5	Medicare	4,493,907	4,170,851	-7.75%	3,211,688	17,970,627	14,193,406	-26.61%	13,518,852
6	Medicaid	2,157,949	2,625,062	17.79%	2,017,142	8,600,284	8,933,087	3.73%	9,073,008
7	Charity Care	11,242	231,988	95.15%	86,656	695,008	789,454	11.96%	686,274
8	Commercial and Admin	2,037,614	1,843,340	-10.54%	1,829,485	6,748,588	6,272,885	-7.58%	6,096,805
9	Bad Debt	54,227	308,635	82.43%	336,729	1,256,637	1,050,284	-19.65%	1,094,046
10	Total Deductions	8,754,939	9,179,876	4.63%	7,481,700	35,271,144	31,239,116	-12.91%	30,468,985
11	Net Patient Services	10,482,802	9,590,041	9.31%	8,847,950	41,566,946	40,835,787	1.79%	35,666,702
12	USAC and Other Revenue	86,661	76,690	13.00%	56,764	341,387	306,758	11.29%	244,850
13	Total Operating Revenues	10,569,463	9,666,731	9.34%	8,904,714	41,908,333	41,142,545	1.86%	35,911,552
<b>Operating Expenses</b>									
14	Salaries and Wages	4,951,135	4,646,885	-6.55%	3,828,203	19,140,190	18,639,948	-2.68%	16,780,389
15	Employee Benefits	2,322,016	2,110,196	-10.04%	1,956,339	6,899,872	8,097,089	14.79%	7,357,817
16	Supplies, Drugs and Food	1,292,377	1,262,799	-2.34%	1,038,149	4,883,653	4,810,840	-1.51%	4,301,062
17	Contract Staffing	222,141	111,842	-98.62%	217,703	829,492	443,948	-86.84%	1,032,092
18	Professional Fees	501,702	593,904	15.52%	496,952	2,178,759	2,159,283	-0.90%	2,081,690
19	Utilities and Telephone	154,158	123,537	-24.79%	156,035	651,997	484,330	-34.62%	561,783
20	Insurance (gen'l, prof liab, property)	69,136	73,116	5.44%	77,441	285,161	315,020	9.48%	257,019
21	Dues, Books, and Subscriptions	7,769	21,537	63.93%	19,264	60,816	82,779	26.53%	65,956
22	Software Maint/Support	(16,284)	188,316	108.65%	178,377	494,965	689,308	28.19%	699,694
23	Travel, Meetings, Education	96,726	91,040	-6.25%	45,455	242,578	346,151	29.92%	181,711
24	Repairs and Maintenance	244,813	169,970	-44.03%	182,263	779,340	607,576	-28.27%	589,158
25	Leases and Rentals	61,295	80,989	24.32%	98,976	260,768	307,576	15.22%	272,864
26	Other (Recruiting, Advertising, etc.)	109,478	155,583	29.63%	155,740	840,168	622,325	-35.00%	480,262
27	Depreciation & Amortization	586,543	345,137	-69.94%	338,400	1,631,978	1,380,554	-18.21%	1,354,180
28	Total Operating Expenses	10,603,005	9,974,851	-6.30%	8,789,297	39,179,737	38,986,727	-0.50%	36,015,677
29	Gain (Loss) from Operations	<b>(33,542)</b>	<b>(308,120)</b>	<b>89.11%</b>	<b>115,417</b>	<b>2,728,596</b>	<b>2,155,818</b>	<b>-26.57%</b>	<b>(104,125)</b>
<b>Non-Operating Revenues</b>									
30	General Property Taxes	1,032,720	814,185	26.84%	823,155	4,054,449	3,248,001	24.83%	3,835,676
31	Investment Income	111,754	34,521	223.73%	23,890	263,400	138,083	90.75%	84,166
32	Governmental Subsidies	0	0	0.00%	0	0	0	0.00%	0
33	Other Non Operating Revenue	487	419	100.00%	0	1,470	1,678	100.00%	952
34	Gifts & Contributions	0	0	0.00%	0	0	0	0.00%	0
35	Gain <Loss> on Disposal	0	0	0.00%	0	0	0	0.00%	0
36	SPH Auxiliary	199	375	-46.93%	2	1,599	1,500	6.60%	6
37	Total Non-Operating Revenues	1,145,160	849,500	34.80%	847,047	4,320,918	3,389,262	27.49%	3,920,800
<b>Non-Operating Expenses</b>									
38	Insurance	0	0	0.00%	0	0	0	0.00%	0
39	Service Area Board	1,484	1,242	-19.48%	5,000	3,083	8,176	0.00%	32,920
40	Other Direct Expense	3,267	6,056	46.05%	541	4,255	24,226	82.44%	541
41	Administrative Non-Recurring	0	0	0.00%	0	0	0	0.00%	0
42	Interest Expense	24,304	34,394	29.34%	39,085	134,961	137,576	1.90%	157,181
43	Total Non-Operating Expenses	29,055	41,692	30.31%	44,626	142,299	169,978	16.28%	190,642
<b>Grants</b>									
44	Grant Revenue	0	67,216	0.00%	9,430	62,790	268,865	0.00%	9,430
45	Grant Expense	0	2,501	100.00%	2,502	0	10,004	100.00%	10,006
46	Total Non-Operating Gains, net	0	64,715	-100.00%	6,928	62,790	258,861	75.74%	(576)
47	Income <Loss> Before Transfers	1,082,563	564,403	-91.81%	924,766	6,970,005	5,633,963	23.71%	3,625,457
48	Operating Transfers	0	0	0.00%	0	0	0	0.00%	0
49	Net Income	<b>1,082,563</b>	<b>564,403</b>	<b>91.81%</b>	<b>924,766</b>	<b>6,970,005</b>	<b>5,633,963</b>	<b>23.71%</b>	<b>3,625,457</b>



**Statement of Cash Flows**  
**As of October 31, 2023**

*Cash Flow from Operations:*

1	YTD Net Income	6,970,005
2	Add: Depreciation Expense	1,631,978
3	Adj: Inventory (increase) / decrease	51,270
4	Patient Receivable (increase) / decrease	(1,853,180)
5	Prepaid Expenses (increase) / decrease	(269,061)
6	Other Current assets (increase) / decrease	(1,035,914)
7	Accounts payable increase / (decrease)	718,095
8	Accrued Salaries increase / (decrease)	1,194,890
9	Net Pension Asset (increase) / decrease	-
10	Other current liability increase / (decrease)	(82,682)
11	Net Cash Flow from Operations	7,325,401

*Cash Flow from Investing:*

12	Cash paid for the purchase of property/equip	(2,457,727)
13	Cash transferred to plant replacement fund	(711,889)
14	Proceeds from disposal of equipment	-
15	Net Cash Flow from Investing	(3,169,616)

*Cash Flow from Financing*

16	Cash paid for Lease Payable	-
17	Cash paid for Debt Service	-
18	Net Cash from Financing	-
19	Net increase in Cash	\$ 4,155,785
20	Beginning Cash as of July 1, 2022	\$ 34,627,142
21	Ending Cash as of October 31, 2023	\$ 38,782,927



**Capital Report**  
**As of October 31, 2023**

*Prior Years Budgeted Capital Projects*

<u>Source:</u>	<u>Service Area / PREF</u>		
21SHB	Kachemak Prof Bldg Remodel	\$	18,502
21SHU	HMC Lobby remodel	\$	6,352
22SEC	Hospital Equipment/Security Updates	\$	30,887
22SHB	A/C Unit - Long Term Care/Rehab	\$	60,974
22SPR	Pioneer Ave Capital Repairs	\$	87,737
23SHD	Pre-Op PACU Patient Monitor Replacement	\$	11,082
23SHF	Main Lobby Door Replacement	\$	6,018
23SHG	OR Suite Surgical Light Replacement	\$	(18,720)
23SPH	Nuc Med, Pharmacy, Infusion Rorg	\$	12,716
	<b>Total</b>	<b>\$</b>	<b>215,548</b>

*Current Year Budgeted Capital*

<u>Source:</u>	<u>Service Area</u>		
24SHA	Acute Care Patient Beds	\$	62,791
24SHB	OB Care Minor Hospital Equipment	\$	41,069
24SHC	Long-Term Care Minor Hospital Equipment	\$	57,193
24SHD	Operating Room CORE 2 Console	\$	20,761
24SHE	Surgery Minor Hospital Equipment	\$	184,972
24SHF	ED Door Replacement	\$	7,149
24SHH	TMS Transcranial Magnetic Stimulation Unit	\$	152,775
24SHK	Portable X-Ray Machine	\$	142,500
24SHR	Replace Lab Hematology Analyzers	\$	90,766
24SHS	Lab Minor Equipment	\$	92,317
24SHU	203 W Pioneer Av Bldg Repairs-OVERAGE	\$	152,048
24SHW	IT Minor Hospital Equipment	\$	90,717
24SHX	Bariatric Floor Lift	\$	9,116
24SHZ	HMC Exam Rooms Renovation	\$	7,425
	<b>Total</b>	<b>\$</b>	<b>1,111,599</b>

*Unforeseen Required Capital*

<u>Source:</u>	<u>SPH Operations</u>		
2170	Fire Door 2 hr firewall door	\$	4,723
2222	Hohe St Renovations	\$	7,077
2332	Central Monitoring Station	\$	1,060
2334	Nuc Med, Pharmacy, Infusion Rorg	\$	88,313
2341	HMC Exam Room Remodel	\$	4,740
2343	HMC Exam Chair	\$	8,477
2344	HMC Exam Chairs (3)	\$	27,004
2345	Nathanson Retractor Nissen Surgeries	\$	6,570
2447	Hohe Parking Lot Extension	\$	9,865
2448	LEEP Precision Integrated System	\$	7,283
2449	Daycare Facility Improvements	\$	6,480
2450	Lake Street Leasehold Improvements	\$	11,298
2451	Cloud Managed Hardware for Hospital Wide TV Streaming Projec	\$	65,534
2452	Cedar House Walk way improvements	\$	17,755
2453	Surgical Scope	\$	10,025
	<b>Total</b>	<b>\$</b>	<b>276,205</b>

Total Capital Purchases 2024 \$ 1,603,352

Total Capital purchases from Service Area Funds \$ 1,327,147

Total Capital purchases from Operating Funds \$ 276,205

### Board of Directors: Calendar of Meetings 2024

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
Education Committee <i>2nd Wednesday @ 1pm</i>	1/10	2/14	3/13	4/10	5/8	6/12	7/10	8/14	9/11	10/9	11/13	12/11
Governance Committee <i>Thurs prior to BOD mtg @ 11</i>	1/16		3/20	4/17		6/19	7/17	8/21	9/18	10/16	11/21	-
Pension Committee <i>Thurs prior to BOD mtg @ 8</i>	-	2/20	-	-	5/22	-	-	8/21	-	-	11/21	-
Finance Committee <i>Thurs prior to BOD mtg @ 8*</i>	1/16	2/20	3/20	4/17	5/22	6/19	7/17	8/21	9/18	10/16	11/21	-
<b>Operating Board Meeting</b> <b>5:30pm (open session)</b>	<b>1/22</b>	<b>2/26</b>	<b>3/26</b>	<b>4/23</b>	<b>5/28</b>	<b>6/25</b>	<b>7/23</b>	<b>8/27</b>	<b>9/24</b>	<b>10/22</b>	-	<b>12/18</b>

\*or immediately following Pension Committee, quarterly

Rev: 11/22/23

Introduced by: Administration  
Date:  
Action:  
Vote: Yes –, No – 0 , Excused –

**SOUTH PENINSULA HOSPITAL  
BOARD RESOLUTION  
2023-28**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS  
AUTHORIZING ADMINISTRATION TO TAKE ACTIONS TO DE-RISK THE SOUTH  
PENINSULA HOSPITAL EMPLOYEES PENSION PLAN AND UPDATE POLICY PEN-001  
EMPLOYEE INVESTMENT POLICY**

**WHEREAS** South Peninsula Hospital holds a defined benefit plan which is currently frozen for both union and non-union participants; and

**WHEREAS** it has been the intent of South Peninsula Hospital Administration and the SPH Board of directors to fully fund the pension plan over the past several years; and

**WHEREAS** the South Peninsula Hospital Pension Plan is currently structured in conformance with F-07 which was approved by the Pension Committee in June 2021, and

**WHEREAS** the most recent quarterly statements support that the plan was 130% funded as stated in the June 30, 2023 GASB 68 report and as of June 30, the plan was a net pension asset of \$3,559,619; and

**WHEREAS** it is in the best interest of South Peninsula Hospital to change the investment structure of the plan to a less volatile investment structure that would reduce the risk of loss from future market fluctuations; and

**WHEREAS** changing the investment strategy would require updates to South Peninsula Hospital policy PEN-001 Employee Investment Policy and require Pension Committee approval; and

**WHEREAS** PEN-001 Employee Investment policy has been updated to reflect changes necessary to reflect the use of investments necessary to achieve the goal to de-risk the defined benefit plan and change the investment portfolio target from a 50% fixed 50% equity to a 95% fixed 5% equity investment mix ; and

**WHEREAS** this resolution was reviewed and approved at the Pension Committee meeting on November 16, 2023.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL:**

1. That Management is authorized and directed to execute a plan to de-risk the investments of the South Peninsula Hospital Pension Plan;
2. That Management is authorized to act under the Plan to execute and deliver any instrument necessary to effectuate the authority hereby conferred; and



3. That Management is hereby authorized to develop a new investment policy for the Pension Plan, which will reflect the new investment strategy.

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL THIS 29<sup>th</sup> DAY OF November, 2023.**

---

Aaron Weisser, Acting Board President

ATTEST:

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Julie Woodworth, Secretary

Introduced by: Administration  
Date:  
Action:  
Vote: Y-X, N-X, Exc.-X, Abstain-X

**SOUTH PENINSULA HOSPITAL  
BOARD RESOLUTION  
2023-29**

**A RESOLUTION OF THE SOUTH PENINSULA HOSPITAL BOARD OF DIRECTORS  
APPROVING THE STARTUP OF A CHILDCARE FACILITY**

**WHEREAS**, the South Peninsula Hospital (SPH) Operating Board of Directors acknowledges that SPH Administration uses a systematic, fiscally responsible process for developing the South Peninsula Hospital, Inc., annual Operating Budget, and;

**WHEREAS**, the FY 2024 Operating Budget included projects which are critical to the mission, vision, and strategic plan of South Peninsula Hospital, Inc. and;

**WHEREAS**, the FY 2024 Operating Budget approved by the Finance Committee on June 22, 2023 and the full Board of Directors on June 28, 2023, included within in it the startup of an SPH Childcare Facility in support of the strategic initiative, *Employee Engagement*, and;

**WHEREAS**, SPH desires to be an employer of choice that offers our staff an opportunity to make positive impact in our community. The addition of a Childcare Facility will help support the needs of our employees to access local childcare, and

**WHEREAS**, the SPH Operating Board understands that access to childcare provides a major advantage to the Hospital for the retention of current employees and for recruiting new employees. As such, this childcare facility is essential to the future growth and sustainability of the organization.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL, INC., TO APPROVE THE STARTUP OF A CHILDCARE FACILITY FOR DEPENDENTS OF SOUTH PENINSULA HOSPITAL EMPLOYEES.**

**PASSED AND ADOPTED BY THE BOARD OF DIRECTORS OF SOUTH PENINSULA HOSPITAL, INC. THIS WEDNESDAY, NOVEMBER 29<sup>TH</sup>, 2023.**

---

Aaron Weisser, Acting Board President

ATTEST:

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Julie Woodworth, Secretary

To: SPH Board of Directors  
From: Susan Shover, BSN, RN, CPHQ; Corporate Compliance Officer  
Date: November 21, 2023  
Re: SPH and LTC Facility Corporate Compliance & Ethics Program and Policy

---

The SPH and LTC Facility Corporate Compliance & Ethics Program is to be reviewed annually per CMS §483.85 (e).

South Peninsula Hospital (SPH) and its Long Term Care Facility (LTC) maintain a Compliance and Ethics Program to ensure quality of care and the prevention and detection of possible violations of SPH and LTC policies and procedures, criminal, civil, and administrative violations under the Social Security Act (“Act”). The Program also provides an appropriate setting for discussion of ethical issues and for protecting human dignity and patient/resident rights.

There were very minor changes required to the Program this year specifically to some of the reference information. Regulatory information remains current. Subject matter experts including LTC Administrator and CFO were able to review and provide input. Any changes made are indicated in red or blue-lines. This document, along with other compliance policies and annual training, continue to provide a good foundation for South Peninsula Hospital’s Compliance and Ethics Program.

The Hospital Wide Corporate Compliance and Ethics policy, HW-101 was also reviewed and updated to capture the language specific to the purpose of the policy.

***Recommended Motion: Consideration to Approve the SPH and LTC Facility Corporate Compliance & Ethics Program and Corporate Compliance and Ethics policy, HW-101 as presented.***

**SOUTH PENINSULA HOSPITAL  
AND  
LONG TERM CARE FACILITY**

**CORPORATE COMPLIANCE AND  
ETHICS PROGRAM**



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## 1. MISSION, VISION, VALUES

- a. Mission – South Peninsula Hospital promotes community health and wellness by providing personalized, high quality, locally coordinated healthcare.
- b. Vision - South Peninsula Hospital is the provider of choice with a dynamic and dedicated team committed to service excellence.
- c. Values
  - i. Compassion – We provide compassionate patient- and resident-centered quality care, and a safe and caring environment for all individuals
  - ii. Respect – We show respect for the dignity, beliefs, perspectives and abilities of everyone
  - iii. Trust – We are open, honest, fair and trustworthy
  - iv. Teamwork – We work together as a dynamic, collaborative team embracing change and speaking as one.
  - v. Commitment – We are responsible and accountable for supporting the vision, mission, values, strategies and processes of our organization.

## 2. OVERVIEW

South Peninsula Hospital (SPH) and its Long Term Care facility (LTC) shall maintain a Compliance and Ethics Program to ensure quality of care, the prevention and detection of possible violations of SPH and LTC policies and procedures; criminal, civil, and administrative violations under the Social Security Act (“Act”) by any staff member, individuals providing services under contractual agreements, and volunteers (non-SPH staff collectively referred to as agents). The program is also intended to provide an appropriate setting for discussion of ethical issues and to protect human dignity and patient rights. This Program is supported by the Corporate Compliance and Ethics Policy (HW-101).

## 3. STANDARDS & STAFF CONDUCT

- a. Ensuring Ethical Practices  
Policies on Conflict of Interest, Code of Conduct and Medical Staff Bylaws provides guidance for all Board Members, Employees and members of the Medical Staff on expectations for their conduct. These expectations include, but are not limited to:

- i. To the community, this organization is committed to the promotion of health and to using this organization's best efforts to satisfy the medical needs of the community while operating this organization in a fiscally responsible manner.
  - ii. To this organization's patients and residents, this organization is committed to providing an appropriate quality of care, consistent with this organization's facilities and resources, which is responsive to patient needs and complies with government laws and resources that govern the operation of a tax-exempt organization. This organization is also committed to complying with such accreditation bodies as this organization may determine.
  - iii. To this organization's employees, this organization will implement and maintain employment practices and programs that comply with all applicable federal and state laws.
  - iv. To third-party payers, both private and public, this organization is committed to submitting statements for inpatient, outpatient and LTC services in a timely and accurate fashion and reporting all reimbursable costs to the Medicare, Medicaid, and to any other third party in a legally appropriate manner.
  - v. To this organization's suppliers, this organization stresses a sense of responsibility that enables it to be a good customer. When this organization determines that is in its best interest to utilize a competitive bidding process, this organization is committed to a fair and equitable bidding process.
  - vi. To all who do business with this organization, this organization shall conduct its business in a manner that is consistent with this organization's tax-exempt status and all other applicable laws and regulations.
  - vii. To all parties we serve, SPH and LTC will support and demonstrate our Mission, Vision and Values.
- b. Medical Executive Committee duties include ad hoc ethical consultations should clinical ethical issues or concerns arise. Refer to Medical Staff Bylaws 6.2.2 Duties, q.
- c. Standards  
Compliance and Ethics Standards include, but are not limited to:
- i. Medicare Regulations
    - 1. Must comply with Medicare regulations
    - 2. Meet standards for care
    - 3. Not bill Medicare for unnecessary care, services not rendered, or in violation of the Medicare/Medicaid bundling regulations

- ii. Federal False Claims Act
  - 1. This act makes it illegal to submit a false bill to a government agency (Medicare and Medicaid are government agencies)
  - 2. “Allows a citizen who has evidence of fraud to sue on behalf of the government. This “whistleblower” is protected from retaliation for reporting the fraud”.
  - 3. For additional information, see HW-257, Reporting False or Fraudulent Claims – False Claim Acts
- iii. Stark Law
  - 1. Also called the Ethics in Patient Referrals Act
  - 2. This act makes it illegal for certain physician referrals:
    - a. If the facility and/or the provider has a financial relationship with the referring physician
    - b. If the immediate family of the referring physician has a financial relationship with the facility or provider
    - c. Prohibits the “presenting or causing to be presented claims to Medicare (or billing another individual, entity, or third party payer) for those referred services.”
- iv. Anti-Kickback Statute
  - 1. Also known as The Medicare and Medicaid Patient Protection Act of 1987
  - 2. Hospital staff or agents shall not knowingly and willfully solicit, offer to pay, actually pay or receive, any remuneration, directly, indirectly, overtly, covertly, in cash and/or in return for:
    - a. Referring an individual to a person for the furnishing, or arranging for the furnishing, of any item or service for which payment shall be made, in whole or in part, under any state or federal healthcare program
    - b. Purchasing, leasing, ordering, or arranging for, or recommending the purchasing, leasing, or ordering of any good(s), facility, service or item for which payment shall be made in whole or in part, under any federal or state healthcare program
    - c. Specific “safe harbors” are excluded from this prohibition. An example of a “safe harbor” agreement would be a volume purchasing and/or group purchasing discount agreement
- v. Sections of the Social Security Act
  - 1. Makes it illegal for hospitals to
    - a. Pay physicians to limit services provided by Medicare or Medicaid patients



- b. Offer gifts to patients with Medicare or Medicaid to gain their business.
- vi. Emergency Medical Treatment and Labor Act (EMTALA)
  - 1. Hospital staff or agents shall comply with all federal and state regulations and laws regarding the evaluation, admission and treatment of patients with emergency medical conditions and/or women in labor, regardless of the nature of the medical condition. Staff and agents shall utilize and follow all policies regarding medical screening examinations and treatment of patients with emergency medical conditions, including women in labor, policies regarding transfers or referrals of patients to other facilities or physicians for appropriate treatment. Staff and agents shall provide initial medical screening examinations to all potential patients presenting themselves to the hospital for examination and/or treatment without regard as to financial or insurance status.
- vii. Red Flags Rule
  - 1. Requires certain entities to have written policies/procedures in place to protect patients from identify theft. Refer to HW-170: Identity Theft Prevention policy for additional information.
- viii. Section 501 (c)(3) – Federal and State Tax-Exempt Status
  - 1. This hospital is a not-for-profit entity that is exempt from federal taxation pursuant to Section 501(c)(3) of the Internal Revenue Code. That tax-exempt status could be jeopardized if any of the tax-exempt benefits enjoyed by this hospital inure to the benefit of certain private individuals/interest. All employees, consultants, and agents who contract with this hospital must do so in a manner that is consistent with this hospital's federal tax-exempt status.
- ix. HIPAA Regulations
  - 1. South Peninsula Hospital is considered a covered entity under the Health Insurance Portability and Accountability Act of 1996.
  - 2. SPH will comply with the HIPAA privacy rule, protect the confidentiality of Protected Health Information (PHI) and apply protections to how PHI may be used and disclosed.
  - 3. For more comprehensive information, the HW-151 HIPAA Compliance Policy may be accessed [here](#).

## 4. PROGRAM PLAN AND ADMINISTRATOR

- a. Adopting a Corporate Compliance and Ethics Program
- b. The Board will review its Corporate Compliance and Ethics Policy and Program and make any changes necessary at least annually or more often if necessary, CMS §483.85 (e). Appointing a Corporate Compliance Officer
  - i. The Board will appoint a Corporate Compliance Officer (CCO) and ensure that proper implementation of the Corporate Compliance and Ethics Program is a component of the CCO's annual performance review.
  - ii. The CCO appointed should be within the high-level personnel of the operating organization or director of major division in the organization.
- c. Functions of the Corporate Compliance Officer

These functions include, but are not limited to:

  - i. The CCO, or designee, shall also review and, when the CCO determines that it is reasonable to do so, disseminate to appropriate parties the monthly List of Excluded Individuals and Entities (LEIE) by the Inspector General's Office and of the Department of Health and Human Services that are published in the Federal Register from time to time. The CCO, or designee, will also regularly review and disseminate new statutes, regulations, pronouncements, or directives of the federal or state government, the government's fiscal intermediary, any third-party payors, or any hospital association or trade publication that might affect these Standards.
  - ii. The CCO, or designee, shall monitor this hospital's continued compliance with the terms and conditions set forth in any settlement agreement that might be executed by this hospital with the federal or state government.
  - iii. The CCO, or designee, shall organize and facilitate a Compliance Committee meeting to review and approve any promotional and/or marketing programs considered from South Peninsula Hospital, LTC Facility and Ambulatory Clinics and Services. The committee make-up will be determined based on the issue or request, but will include at a minimum – the CCO and/or Risk Mitigation RN, the Revenue Cycle Director, and Director of Finance or Chief Financial Officer, the Director of Public Relations along with the department manager/director presenting the request.
  - iv. The CCO, or designee, shall conduct an annual review of the SPH and LTC Facility's Corporate Compliance and Ethic Program and prepare a report to the Board of Directors as directed by the CEO. This report should be prepared to allow the Board time to act if necessary and include the results of the report in the Annual Report

to the Kenai Peninsula Borough Contract Administrator according to pursuant to Section 10 of the Operating Agreement.

## 5. REPORTING

- a. Any employee who makes a “good faith” report of a potential violation of a statute or regulation shall be protected from any form of retaliation, reprisal or adverse action for making such a report. Individuals may report criminal conduct by others within the organization to his or her immediate superiors or to the institution's Corporate Compliance Officer (CCO) who can be reached through the Occurrence Reporting System on the Staff Information Site (“SIS”), email to [quality@sphosp.org](mailto:quality@sphosp.org) or by calling the Confidential Compliance Line (907) 235-0389 or x 1389.
- b. Suspected violations can be reported anonymously through the occurrence reporting system or Compliance Line.
- c. The CCO or designee will communicate issues to the Chief Executive Officer who will communicate with the Board of Directors, (“Compliance Committee”), as appropriate.
- d. In accordance with the provisions of the Deficit Reduction Act of 2005, all employees are hereby notified of their right to take any complaints or suspicions concerning violations of Medicare or Medicaid statutes or regulations directly to the Federal Government. Reports can be made to the Office of the Inspector General of the Department of Health and Human Services.
- e. Special protections are provided under the Federal and Alaska State False Claims Acts as related to reporting fraud, which can be found outlined in *HW-257 Reporting False or Fraudulent Claims - False Claims Act*.

### Reporting Methods

By phone: 1-800-HHS-TIPS (1-800-447-8477)  
By TTY: 1-800-377-4950  
By Fax: 1-800-223-8164  
By Mail: U.S. Department of Health and Human Services  
Office of Inspector General  
Attn: OIG HOTLINE OPERATIONS  
PO Box 23489  
Washington, DC 20026

## 6. EDUCATION/TRAINING

- a. Educating and Involving the Board of Directors
  - i. The administration of SPH will ensure that all new Board members are oriented to the Corporate Compliance and Ethics Program and other associated hospital policies. It is imperative for all Board members to understand and execute their duties in a manner

consistent with governing laws, regulations and other program requirements.

- ii. All new Board members will be provided an orientation that will include:
  - 1. an overview of corporate compliance and ethics, including a brief review of current federal requirements;
  - 2. an overview of the essential components of the organization's Corporate Compliance and Ethics Program;
  - 3. may include examples of corporate compliance and ethics problems identified in other facilities; and
  - 4. a review of the hospital's current corporate compliance and ethics efforts.
- iii. Current Board members will be provided a brief review of the hospital's compliance program.

b. Screening, Educating and Monitoring Employees

- i. All current and potential employees will be screened against the LEIE published by the Office of the Inspector General, Department of Health and Human Services. This screening is conducted to identify any individuals who have been previously convicted of Medicare/Medicaid fraud or other health care related actions. After consultation with legal counsel, appropriate corrective action will be taken against any existing employees who appear on the listing. Potential employees who are on the list will not be offered a position.
- ii. A Corporate Compliance component will be maintained in the orientation for new employees and the annual review for current employees. All employees will be required to complete the training which will include the following:
  - 1. an overview of corporate compliance;
  - 2. specific information regarding the hospital's corporate compliance program, including identification of the CCO; and
  - 3. an explanation of the importance of employee participation in the program; including detailed information regarding how employees can report suspicions they have concerning the hospital's compliance with the law or federal reimbursement guidelines.
- iii. Following the corporate compliance orientation and education programs, all employees will be required to complete a simple examination or post-test concerning corporate compliance. The examination or post-test will be signed and retained in the employee's personnel file as evidence the hospital trains its employees in corporate compliance.
- iv. The Compliance and Ethics Program requirements, resources, policies and procedures will be disseminated to all staff in a practical manner and will be modified to reflect the level of risk a

staff member, or agent, possesses or may encounter in their current role, CMS §483.85 (c)(5).

- v. Compliance with SPH and LTC rules, policies and procedures as well as applicable laws and standards is included as a component of the job descriptions of all hospital employees.
- vi. Staff are required to obtain any role-specific training/education in order to maintain licensure specific to their positions.
- vii. Specialized training is offered per department to cover topics needed for staff to safely and competently carry out their job functions.
- viii. Annual performance reviews shall be conducted for employees to provide feedback on their performance per HW-268, Employee Performance Evaluations and LTC-143, Annual Performance Evaluations.

c. Educating and Monitoring Physicians

- i. The Chief Executive Officer and the Chief of Staff, or their designee(s), will conduct an orientation for all new members of the medical staff. The Compliance and Ethics Program will be included in the orientation. The physician orientation will include a summary of the issues covered in the employee orientation.
- ii. The Utilization Management staff reviews patient care documentation for evidence of medical necessity and level of care. This systematic and periodic review ensures the documentation provides evidence that:
  - 1. patient admission/observation and ongoing treatment is necessary;
  - 2. admissions into the ICU were in accordance with the admission and discharge criteria of the hospital; and
  - 3. The LTC facility utilizes Medicare criteria for Severity of illness/intensity of service to assure LTC admissions are appropriate clinically and a lower level of care under the continuum of care if not possible at time of admission.

## 7. AUDITING/MONITORING/ATTESTATION

SPH and LTC have taken reasonable steps to achieve compliance with its standards, i.e., by utilizing monitoring and auditing systems reasonably designed to detect criminal conduct by its staff including those providing services under a contractual arrangement, CMS §483.85 (c)(6).

a. Auditing

- i. Coding and billing audits are periodically conducted by regulatory bodies and/or external review.
- ii. Assessments and changes shall be documented clearly.
- iii. Periodic audits of the organization's functions, particularly with

respect to laws on anti-kickback and referrals, shall be documented.

- iv. Claim denials as well as any changes to coding regulations are reviewed and appropriate updates are made to the system to ensure compliance.

See Section 10 for examples of audit formats which may be used by the organization.

b. Monitoring

- i. Provides an ongoing system of internal, coding, billing, marketing and sale practices review and is conducted on a regular basis
- ii. Focuses on compliance to the program and performance measures
- iii. Substantiated compliance and ethics reports may be used to modify or improve processes or programs identified as vulnerable to compliance and ethics violations, CMS §483.85 (c)(8).

c. Attestation

- i. Periodic and annual reports will be filed as required by CMS and other government entities.

## 8. INVESTIGATION/REMEDIATION

- a. Through its systematic reporting, monitoring and auditing systems, SPH and LTC shall investigate and remediate identified systematic and staff/agent problems.
- b. As the Corporate Compliance Officer (CCO) is made aware of potential violations of these Standards, the CCO may contact the hospital's CEO and/or President of the Board of Directors and, when necessary, the CCO is authorized to secure the opinions of outside legal counsel, outside consultants, and other experts in compliance issues. Any investigation of a suspected violation of these standards shall be done by the CCO under the direction of this hospital's outside legal counsel.
- c. After a violation is detected, reasonable steps are taken to respond appropriately and to prevent similar violations.

## 9. ENFORCEMENT/DISCIPLINE

- a. Should the investigation show a violation occurred, SPH and LTC reserve the right to discipline any employee at any level of discipline based upon the severity or frequency of the violation in alignment with the policy HW-095, Employee Corrective Action.
- b. Agents will be held accountable to this Plan. Any known violations will be reported to the Chief Executive Officer (CEO).

## 10. RECORD CREATION/RETENTION/AUDIT GUIDELINES/TEMPLATES

- a. Record Creation.
  - i. A permanent written record of any communication (verbal, written or electronic) reporting a real or potential compliance issue, shall be maintained.
  
- b. Retention.
  - i. Records shall be available upon request for any state or federal official requesting review.
  - ii. All documentation related to the corporate compliance issues as outlined in this program shall be retained in alignment with the HW-152 – Records Management policy.
  
- c. Audit Guidelines/Templates
  - i. Reviewing Contracts
    - 1. All provider contract templates are reviewed by attorneys to ensure contracts meet federal and state laws.
      - a. The criteria for evaluating physician contracts may include:
        - i. Is the physician compensated for administrative services?
        - ii. Annual compensation?
        - iii. Is the agreement in writing?
        - iv. Does the agreement specify the services covered?
        - v. Does the agreement cover all the services to be provided by the individual or group?
        - vi. Do the services contracted for exceed those that are reasonable and necessary for legitimate business purposes?
        - vii. Is the agreement for a term of at least one year?
        - viii. Is the compensation set in advance?
        - ix. Is the compensation consistent with fair market value?
        - x. Is the compensation determined in a manner that takes into account the volume or value of any referrals where other business is generated between the parties?
        - xi. Is a service to be performed involving the counseling or promotion of a business or other activity that violates state or federal law?

- xii. Is the agreement signed by both parties?
    - xiii. Is the agreement dated?
    - xiv. Is the compensation reflected on a 1099 or W-2?
  - b. The CEO, Chief Operating Officer, or Chief Financial Officer will provide a report to the Board of Directors upon request that:
    - i. Identifies the contracts the organization maintains with its providers
    - ii. Provides evidence that each contract has been reviewed against the board's criteria;
    - iii. Documents those contracts that met the board's criteria; and
    - iv. Indicates those contracts for which there is a question concerning the attainment of criteria and which are being submitted to the board or a subcommittee of the board for its direct review.
- 2. Contract Administrator will review all non-provider contracts to ensure conformance with current regulations. HW-178, Contracts policy.
- ii. Monitoring Materials Management
  - a. South Peninsula Hospital and its LTC facility will maintain policies that ensure:
    - i. all suppliers and vendors abide by state and federal laws and standards; and
    - ii. recourse is available to suppliers or hospital personnel who suspect goods, services, devices, drugs, or other supplies are being provided, secured, or used in an illegal manner.
- iii. Auditing Financial Systems and Billing Practices
  - a. South Peninsula Hospital and LTC facility will participate in annual audit(s) by an independent auditing firm selected by the Kenai Peninsula Borough. The audit will review the accounting systems, financial position, retirement plan, internal controls and billing procedures of the hospital, and LTC as applicable, to ensure compliance with generally accepted accounting principles.
  - b. Other audits may be conducted on an as-needed basis.
- iv. Coding and Billing Audits conducted for SPH and LTC Facility may:



- a. Include review of:
  - i. Proper usage of ABN's.
  - ii. Misuse of provider identification numbers (NPI #'s)
  - iii. Unbundling/Bundling of Services, including spacing out services normally completed in one visit
  - iv. Duplicate billing
  - v. Proper use of coding modifiers
  - vi. Upcoding the level of service provided
  - vii. Accuracy of procedure codes
  - viii. Inconsistent coding among staff in a group
  - ix. Waiving of Medicare co-payments
  - x. Billing for CMS identified "never events"
  - xi. Revenue code accuracy
  - xii. Assure services delivered in LTC are appropriate for resident's level of care.

## 11. CONCLUSION

South Peninsula Hospital and LTC Facility will regularly review its performance in terms of both financial operations and clinical performance using a variety of indicators and general accepted benchmarks where available.

## RESOURCES

- Conditions of Participation for Critical Access Hospitals (State Operations Manual)
- Federal Sentencing Guidelines, §8B2.1 – Effective Compliance and Ethics Program
- Legal Information Institute, Cornell Law School. July 13, 2017. Retrieved from: <https://www.law.cornell.edu/cfr/text/42/483.85>
- Physician Self-Referral; Centers for Medicare and Medicaid Services, Dec 01, 2021. Retrieved from: <https://www.cms.gov/Medicare/Fraud-and-Abuse/PhysicianSelfReferral/index?redirect=/physicianselfreferral/>
- Exemption Requirement-501©(3) Organizations. IRS; ~~Feb 17, 2022~~ June 09, 2023. Retrieved from <https://www.irs.gov/charities-non-profits/charitable-organizations/exemption-requirements-501c3-organizations>.
- Centers for Medicare & Medicaid Services, Health and Human Services Final Rule, published October 4, 2016 and amended on November 11, 2017 for Long Term Care Facilities (CMS) §483.85, Compliance and Ethics Program; §483.95 (f), Training Requirements – Compliance and Ethics
- Federal Register Compliance Program Guidance for Hospitals
- Federal Register Compliance Program Guidance for Nursing Facilities

- Office of Inspector General - <https://oig.hhs.gov/compliance/compliance-guidance/index.asp>
- [Contact Us: Office of Inspector General. Retrieved from https://oig.hhs.gov/about-oig/contact-us/](https://oig.hhs.gov/about-oig/contact-us/)
- [Safe Harbor regulations. Retrieved from: https://www.ecfr.gov/current/title-42/chapter-V/subchapter-B/part-1001/subpart-C/section-1001.952](https://www.ecfr.gov/current/title-42/chapter-V/subchapter-B/part-1001/subpart-C/section-1001.952)
- HealthStream Annual Education – Corporate Compliance
- HW-004, Conflict of Interest
- HW-095, Employee Corrective Action
- HW-101, Corporate Compliance Policy
- HW-106, Code of Conduct
- EMP-02, Corporate Compliance (BOD policy)
- HW-151, HIPAA Compliance Policy
- HW-257, Reporting False or Fraudulent Claims – False Claim Acts
- Kenai Peninsula Borough Operating Agreement for South Peninsula Hospital
- Medical Staff Bylaws, Part I: Governance, Section 6.2.2 Duties.

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**Approvals by** Board of Directors

Original: May 2008

Revisions: October 23, 2019, October 2021, December 2022, [November 2023](#)

	<b>SUBJECT:</b> Corporate Compliance and Ethics	<b>POLICY #:</b> HW-101
		<b>Page 1 of 2</b>
<b>SCOPE:</b> Hospital-Wide <b>RESPONSIBLE DEPARTMENT:</b> <u>Patient Care Services Quality Management</u>	<b>ORIGINAL DATE:</b> 7/22/98 <b>REVISED:</b> 1/25/07; 4/23/08; 9/04/12; 9/3/15; 5/13/16; 10/31/16; 10/23/19; 12/9/22; <u>12/06/2023</u>	
<b>APPROVED BY:</b> Quality Management Director; Chief Executive Officer; Board of Directors	<b>EFFECTIVE:</b> <del>12/9/22</del> <u>12/06/2023</u>	

**PURPOSE:**

The Corporate Compliance and Ethics policy supports the Corporate Compliance and Ethics Program providing an overview of Compliance and Ethics information for employees. -is intended to provide an appropriate setting for discussion of ethical issues and to protect human dignity and patient rights. (Centers for Medicare & Medicaid Services, Health and Human Services Final Rule, published October 4, 2016 for Long Term Care Facilities (CMS) §483.85 (1))

**DEFINITION(S):**

N/A

**POLICY:**

South Peninsula Hospital (SPH), which includes Long Term Care and Ambulatory Clinics and Services, shall maintain a Compliance and Ethics Program to ensure quality of care and the prevention and detection of possible violations of SPH policies and procedures, criminal, civil, and administrative violations under the Social Security Act ("Act") by any staff member, individuals providing services under contractual agreements, and volunteers (non-SPH staff collectively referred to as agents). (Centers for Medicare & Medicaid Services, Health and Human Services Final Rule, published October 4, 2016 for Long Term Care Facilities (CMS) §483.85 (1))

The Corporate Compliance and Ethics Program allows for an appropriate setting for discussion of ethical issues to protect human dignity and patient rights.

**PROCEDURE:**

1. Components of Compliance and Ethics Program
  - a) No employee has any authority to act contrary to the provision of the law or to authorize, direct, or condone violations offered by any other employee.
  - b) Any employee or agent of this hospital who has knowledge of facts concerning this hospital's activities that they believe might violate the law has an obligation, promptly after learning such facts, to report the matter to their immediate supervisor or to the institution's Corporate Compliance Officer (CCO) who can be reached anonymously through the Occurrence Reporting System on the Staff Information Site ("SIS") or by calling the Confidential Compliance Line (907) 235-0389 or x 1389.
  - c) Any employee who makes a good faith report of a potential violation of a statute or regulation shall be protected from any form of retaliation, reprisal or adverse action for making such a report.
  - d) Human Resource policies and procedures that prohibit the selection, employment or delegation of authority to any candidate or anyone employed by the SPH organization with propensity to engage in violation of any Federal, State or local criminal, civil or administrative law or regulations, CMS §483.85 (c)(4).
  - e) SPH will take steps to effectively communicate its standards and procedures to all employees and agents by requiring participation in annual and periodic training programs, CMS §483.85 (c)(5).
  - f) SPH will take steps to achieve compliance with its standards, policies and procedures by utilizing monitoring and auditing systems reasonably designed to detect violations, CMS §483.85 (c)(6).
  - g) This Compliance and Ethics Program will be consistently enforced through appropriate disciplinary mechanisms, including, as appropriate, discipline of individuals responsible for the failure to detect and

South Peninsula Hospital

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report a violation to the compliance and ethics program contact, CMS §483.85 (c)(7). The appropriate form of discipline will be case-specific.

- h) SPH will assure that reasonable steps are taken if a violation is detected to prevent future similar violations.
- 2. Corporate Compliance Officer CMS §483.85 (c)(2-4)
  - a) This hospital designates the Director of Quality Management as its Corporate Compliance Officer (CCO). Each employee has a duty to report any suspected violations of any of these Standards to the Compliance Officer.
  - b) The Compliance Officer will report to the Chief Executive Officer and Operating Board responsible to oversee the organization's compliance with the Program's standards, policies and procedures, CMS §483.85 (c)(2).

For more comprehensive information, the Corporate Compliance and Ethics Program may be accessed [here](#).

**ADDITIONAL CONSIDERATION(S):**

- A. Special protections are provided under the Federal and Alaska State False Claims Acts as related to reporting fraud, which can be found outlined in HW-257 Reporting False or Fraudulent Claims - False Claims Act
- B. For Long Term Care, Compliance and Ethics training will be provided to those under a contractual arrangement, volunteers and students consistent with their roles.

**REFERENCE(S):**

- 1. Corporate Compliance and Ethics Program
- 2. Social Security Act, Sections 1819 and 1919
- 3. Centers for Medicare & Medicaid Services, Health and Human Services Final Rule, published October 4, 2016 for Long Term Care Facilities - CMS §483.85 Compliance and ethics program and CMS §483.95 Training requirements, section (f) Compliance and ethics.
- 4. HW-004, Conflict of Interest
- 5. HW-106, Code of Conduct
- 6. HW-095, Employee Corrective Action
- 7. HW-228 HIPAA Disciplinary Guidelines
- 8. HW-257 Reporting False or Fraudulent Claims, False Claims Act
- 8-9. [Medical Staff Bylaws, 6.2 Medical Executive Committee \(MEC\), section 6.2.2 q.](#)
- 9-10. [Legal Information Institute, Cornell Law School. July 13, 2017. Retrieved from: https://www.law.cornell.edu/cfr/text/42/483.85](#)

**CONTRIBUTOR(S):**

Corporate Compliance Officer; Quality Management Department; Director Long Term Care and LTC Administrator-Administrator; Policy Committee

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**South Peninsula Hospital**  
**Hospital Board of Trustees Balanced Scorecard Report**  
**3rd Quarter Calendar 2023 (Jul, Aug, Sep)**

Overall Indicators	3Q 2023	Target	n	Note
Medicare Care Compare Overall Hospital Star Rating	N/A	5		There are too few measures or measure groups reported to calculate.
Medicare Care Compare Overall Patient Survey Star Rating	5*	5		*Updated Nov 08, 2023
Medicare Care Compare Overall Nursing Home Star Rating	5	5		
Medicare Merit Based Incentive Payment System Total Score	60.38	50		2019-- 60.6; 2020--75.2; 2021--81.34

**Clinical & Service Excellence**

Using evidence-based practices, South Peninsula Hospital is dedicated to achieving consistent and demonstrated excellence in clinical quality and safety.

Quality of Care / Patient Safety	3Q 2023	Target	n	Note
<b>Severe Sepsis &amp; Septic Shock Care</b>	81%	>75%	59	* (Care Compare : 33 cases - 76%, 10/1/21-9/30/22)
Sepsis (% of patients who received appropriate care for sepsis and/or septic shock.)				# of cases passing/total # of cases-exceptions (59 cases reviewed: 13 pass, 3 fail, 43 exclusions)
<b>Stroke Care</b>	64%	> 95%	26	* (Care Compare N/A, 10/1/21-9/30/22)
Percentage of patients who came to ED w/Stroke symptoms and received CT/MRI within 45 minutes of arrival.				Numerator = CT/MRI within 45 min & documented last known well. Denominator = Patients with Stroke presenting within 2 hours of symptoms. (9- pass, 5- failed, 12- exclusions)
<b>Median Emergency Room Time</b>	169	<180 min	1747	* Target (minutes) (Care Compare:152 min, 10/1/21-9/30/22)
Average time spent in department before leaving.				Average throughput time of all ED visits
<b>Readmission</b>	17%	< 15%	95	* (Care Compare 15.3%, 214 patients 7/1/21-6/30/22))
The readmission measures are estimates of the rate of unplanned readmission to an acute care hospital in 30 days after discharged from a hospitalization. Patients may have had an unplanned readmission for any reason.				% of patients with unplanned readmission to (IP/Obs) within 30 days of discharge - exclusions/Eligible admissions- 16 readmits/95 total admits
<b>Elective Deliveries</b>	0%	0%		* (Care Compare 0%, 18 patients 10/1/21-9/30/22)
Percentage of mothers whose deliveries were scheduled too early (1-2 weeks early), when a scheduled delivery wasn't medically necessary.				# of non-medically indicated deliveries before 39 weeks gestation / total deliveries.
<b>Provider Quality Score (Group)</b>	20	20 pts	N/A	Scoring tabulated as a running, annual score.
CMS Merit-Based Incentive Payment System (MIPS) for providers				Target to be adjusted Quarterly as appropriate
<b>Patient Fall Rate AC</b>	4.81	< 5	1247	# of patient falls / # patient days x 1000
Measures the number of patient falls per 1,000 patient days				n = IP, observations and swing bed patient days. Note: AC had 6 falls - 2 falls without injury and 4 near falls

Quality of Care / Patient Safety <i>(continued)</i>	3Q 2023	Target	n	Note
<b>Medication Errors</b>	0	0	N/A	
Measures the number of reported medication errors causing patient harm or death.				Reported errors classified as type E-I by the National Coordinating Council for Med Error Reporting and Prevention/CMS
<b>Never Events</b>	0	0	N/A	
Unexpected occurrence involving death/serious physiological or psychological injury, or the risk thereof.				
<b>Home Health (HH)</b>	3Q 2023	Target	n	Note
<b>Improvement in Breathing</b>	75%	> 75%	28	
Percentage of home health quality episodes patient became less short of breath.				100% of the patients stayed the same or improved. 21 Patients improved, 7 patients stayed the same.
<b>Correct Medication Administration</b>	75%	> 75%	32	
Percentage of home health quality episodes patients improved taking oral medication correctly.				100% of the patients stayed the same or improved. 24 Patients improved, 8 stayed the same ( <i>all 8 were dependent on oral medications being administered by another person</i> ).
<b>Nursing Home</b>	3Q 2023	Target	n	Note
<b>Fall with Major Injury</b>	0	< 3%	N/A	
Number of residents who sustained a fall resulting in fracture, dislocation, head injury w/alterd consciousness, or subdural hematoma.				Last fall with major injury: September 2021
<b>Urinary Tract Infections (UTI)</b>	3	< 3	N/A	
Number of residents diagnosed with a UTI.				

### **Patient & Resident Experience**

As the patient and resident experience is a prime indicator of the organization's overall health, South Peninsula Hospital strives to tenaciously pursue patient and resident experience improvements.

<b>Consumer Assessment of Healthcare Providers and Services</b>	3Q 2023	Target	n	Note: Measures as a % ranking across PG clients.
<b>HCAHPS Percentile</b>	88th	75th	36	
Measures the 1-10 ranking received by inpatient client ( <i>or family</i> ) respondents.				Q1 -2023, 88th, n = 25 Q2 -2023, 97th, n = 35
<b>HHAHPS Percentile</b>	62nd	75th	31	*Running 12 months due to low quarterly returns
Measures the 1-10 ranking received by Home Health Care client (or family) respondents.				Q1 -2023, 96th, n = 33 Q2 -2023, 94th, n = 29

<b>Patient Satisfaction Through Press Ganey (PG)</b>	<b>3Q 2023</b>	<b>Target</b>	<b>n</b>	<b>Note: % ranking across PG clients.</b>
<b>Inpatient Percentile</b>	<b>79th</b>	<b>75th</b>	<b>38</b>	
Measures the satisfaction of inpatient pts. respondents.				Q1 -2023: 84th, n = 25 Q2 -2023: 82nd, n = 36
<b>Outpatient Percentile</b>	<b>8th</b>	<b>75th</b>	<b>272</b>	
Measures the satisfaction of outpatient pts. respondents.				Q1 -2023: 24th, n = 271 Q2 -2023: 15th, n = 290
<b>Emergency Department Percentile</b>	<b>95th</b>	<b>75th</b>	<b>119</b>	
Measures the satisfaction of emergency pts. respondents.				Q1 -2023: 88th, n = 59 Q2 -2023: 97th, n = 97
<b>Medical Practice Percentile</b>	<b>59th</b>	<b>75th</b>	<b>357</b>	
Measures the satisfaction of pts. respondents at SPH Clinics.				Q1 -2023: 62nd, n = 358 Q2 -2023: 60th, n = 425
<b>Ambulatory Surgery (AS) Percentile</b>	<b>77th</b>	<b>75th</b>	<b>57</b>	
Measures the satisfaction of AS pts. respondents.				Q1 -2023: 67th, n = 75 Q2 -2023: 38th, n = 83
<b>Home Health Care Percentile (HHC)</b>	<b>97th</b>	<b>75th</b>	<b>32</b>	<b>*Running 12 months due to low quarterly returns</b>
Measures the overall satisfaction of HHC clients ( <i>or family</i> ) respondents.				Q1 -2023: 99th, n = 33 Q2 -2023: 99th, n = 29
<b>Information System Solutions</b>	<b>3Q 2023</b>	<b>Target</b>	<b>n</b>	<b>Note</b>
<b>Eligible Hospital (EH) Promoting Interoperability: hospital-based measures for inpatient and observation stays.</b>	<b>78</b>	<b>&gt; 60</b>		<b>CMS score 60 and above = pass</b>
e-Prescribing: Electronic Prescribing ( <i>Rx</i> )	<b>8</b>	<b>10</b>	352	290 of 352
Query PDMP	<b>10</b>	<b>10</b>		PDMP Query via EHR interface
Health Information Exchange: Support Electronic Referral Loops by receiving and incorporating health information	<b>10</b>	<b>15</b>	3	3 of 3
HIE: Suppt. Electronic Referral Loops by sending health info. ( <i>Sum.of Care sent</i> )	<b>3</b>	<b>15</b>	174	44 of 174
Provider to patient exchange: Provide patients electronic access to their health information ( <i>timely access via the patient portal</i> )	<b>22</b>	<b>25</b>	226	203 of 226
Public Health & Clinical Data Exchange	<b>25</b>	<b>25</b>	4	4 of 4
<b>Eligible Provider (EP) - Promoting Interoperability (Group)</b>	<b>25</b>	<b>30 pts</b>		<b>Target quarterly for annual score</b>
Merit Based Incentive Payment System Promoting Interoperability score ( <i>MIPS tracking is in Athena</i> )				Promoting Interoperability for Providers: N/A * Athena hasn't calculated our score yet
<b>Electronic Medical Record (EMR) Adoption Stage</b>	<b>5</b>	<b>5</b>		
Health Information Management & Systems Society ( <i>HIMSS</i> ) Electronic Medical Record Adoption Model ( <i>EMRAM</i> ) stage.				The current US average is 2.4 out of a possible 7.0 stages. Stage 6 and 7 require site visit validation.


<b>Information System Solutions (Continued)</b>	<b>3Q 2023</b>	<b>Target</b>	<b>n</b>	<b>Note</b>
<b>IT Security Awareness Training Complete Rate</b>	<b>85%</b>	<b>97%</b>	<b>1759</b>	
% of employees who have completed assigned security training				1759 videos training sent, 1488 completed.
<b>Phishing Test Pass Rate</b>	<b>99.1%</b>	<b>97%</b>	<b>2971</b>	
% of Phishing test emails that were not failed.				2971 test phishing emails sent out to staff. 26 of the email links were clicked, causing 26 potential security risks.
<b><u>Medical Staff Alignment</u></b>				
South Peninsula Hospital desires to be an employer and/or provider of choice for medical staff practitioners by fostering an atmosphere of continuous collaboration.				
<b>Provider Alignment</b>	<b>2021</b>	<b>Target</b>	<b>n</b>	<b>Note</b>
<b>Provider Satisfaction Percentile</b>	<b>74th</b>	<b>75th</b>		
Measures the satisfaction of physician respondents as indicated by Press Ganey physician survey results. Measured as a percentile.				Result of provider survey 2021
<b><u>Employee Engagement</u></b>				
South Peninsula Hospital desires to be an employer of choice that offers our staff an opportunity to make positive impact in our community.				
<b>Staff Alignment</b>	<b>2021</b>			
<b>Employee Satisfaction Percentile</b>	<b>70th</b>	<b>75th</b>		
Measures the satisfaction of staff respondents as indicated in Press Ganey staff survey results Measured as a percentile.				Result of employee survey 2021
<b>Workforce</b>	<b>3Q 2023</b>	<b>Target</b>	<b>n</b>	<b>Note</b>
<b>Turnover: All Employees</b>	<b>3.3%</b>	<b>&lt; 5%</b>	<b>582</b>	
Percentage of all employees separated from the hospital for any reason				20 Terminations / 602 Total Employees
<b>Turnover: Voluntary All Employees</b>	<b>2.98%</b>	<b>&lt; 4.75%</b>	<b>582</b>	
Measures the percentage of voluntary staff separations from the hospital				18 Voluntary Terminations / 605 Total Employees
<b>First Year Total Turnover</b>	<b>4.8%</b>	<b>&lt; 7%</b>	<b>121</b>	
Measures the percentage of staff hired in the last 12 months and who separated from the hospital for any reason during the quarter.				6 New Staff Terminated in Q2 125 Total New Hires from - 10/1/2022-9/30/2023
<b>Travel Nursing Utilization</b>	<b>19</b>	<b>&lt; 20</b>	<b>86</b>	
Measure total travel staff utilized in a previous quarter (Internal & External)				0-2023 - External: 0 / Internal: 0, Total: 0



## Financial Health

SPH is financially positioned to support our dedication to the Mission, Vision and Values, and our continued investment in our employees, medical staff, physical plant and equipment.

Financial Health	3Q 2023	Target	n	Note
<b>Operating Margin</b>	8.89%	7.9%		
Measures the surplus (deficit) of operating income over operating expenses as a percentage of net patient service revenue for the quarter.				Target is based on budgeted operating margin for the period.
<b>Adjusted Patient Discharges</b>	1,075.23	1001.98		
Measures the number of patients discharged, adjusted by inpatient revenues for the quarter divided by ( <i>inpatient + outpatient revenues</i> ).				Total Discharges: 191 ( <i>Acute, OB, Swing, ICU</i> ) ( <i>LTC Revenue &amp; discharges not included</i> )
<b>Net Revenue Growth</b>	15.9%	16.5%		
Measures the percentage increase ( <i>decrease</i> ) in net patient revenue for the quarter compared to the same period in the prior year.				Target is based on budgeted net patient service revenue for the period compared to net patient service revenue for the same period in prior year.
<b>Full Time Equivalents (FTEs) per Adjusted Occupied Bed</b>	8.47	7.80		
Measures the average number of staff FTEs per adjusted occupied bed for the quarter.				Target is based on budgeted paid hours ( <i>FTE</i> ) divided by ( <i>budget gross patient revenue/budget gross inpatient rev</i> ) X budgeted average daily census for the quarter.
<b>Net Days in Accounts Receivable</b>	51.0	55		
Measures the rate of speed with which the hospital is paid for health care services.				
<b>Cash on Hand</b>	92.4	90		113.5 Total Days Cash on Hand, Operating +Unobligated PREF
Measure the actual unrestricted cash on hand (excluding PREF and Service Area) that the hospital has to meet daily operating expenses.				Cash available for operations based average daily operating expenses during the quarter less depreciation for the quarter.
<b>Uncompensated Care as a Percentage of Gross Revenue</b>	3.3%	2.5-3.5%		
Measures bad debt & charity write offs as a percentage of gross patient service revenue				Target is based on industry standards & SPH Payer Mix Budgeted total is 2.9% Expected range of 2.5-3.5%
<b>Average Age of Plant</b>	13.9	8 yrs.		
Average age of assets used to provide services				Target is based on hospital optimal age of plant.
<b>Intense Market Focus to Expand Market Share</b>	3Q 2023	Target	n	Note
<b>Outpatient Revenue Growth</b>	-5.4%	8%		
Measures percentage increase (decrease) in outpatient revenue for the quarter, compared to the same period in the prior year.				Target is based on budgeted outpatient revenue for the period compared to outpatient revenue for the same period prior year.
<b>Surgical Case Growth</b>	26.1%	12.9%		
Measures the increase ( <i>decrease</i> ) in surgical cases for the quarter compared to the same period in the prior year.				Target is based on budgeted surgeries above actual from same quarter prior year.

	<b>SUBJECT:</b> Employee Investment Policy	<b>POLICY #:</b> PEN-001
	<b>Page 1 of 5</b>	
<b>SCOPE:</b> Pension Plan <b>RESPONSIBLE DEPARTMENT:</b> Administration	<b>ORIGINAL DATE:</b> 5/28/97 <b>REVISED:</b> 9/2/01; 4/29/09; 6/23/10; 10/23/13; 2/19/14; 3/26/14; 10/18/19; 5/20/21; 12/3/21	
<b>APPROVED BY:</b> Pension Plan Trustee Committee	<b>EFFECTIVE:</b> 12/3/21	

**PURPOSE:**  
Guidelines for management of employee pension trust.

**DEFINITIONS:**  
N/A

**POLICY:**  
South Peninsula Hospital sponsors a Defined Benefit Plan for the exclusive benefit of the participants. The name of the plan is The South Peninsula Hospital Employee Pension Plan (Plan). The Plan Trustees shall fulfill their fiduciary responsibility solely for the plan participants and their beneficiaries while controlling administrative costs at a reasonable level. Plan contributions and assets must be sufficient to meet the obligations of the plan as they come due.

**INVESTMENT POWERS AND DUTIES OF THE TRUSTEES:** Section 7.2 of the South Peninsula Hospital Employee Pension Plan authorizes the Plan Trustees to invest the funds of the plan. This Section of the plan states,  
*"The Trustee shall invest and reinvest the Trust Fund to keep the Trust Fund invested without distinction between principal and income and in such securities or property, real or personal, wherever situated, as the Trustee shall deem advisable, including, but not limited to, stocks, common or preferred, bonds and other evidences of indebtedness or ownership, and real estate or any interest therein. The Trustee shall at all times in making investments of the Trust Fund consider, among other factors, the short and long-term financial needs of the Plan on the basis of information furnished by the Employer."*

- INVESTMENT POLICY:**
1. Invest the Plan's assets with the objective to maintain and increase the purchasing power of those assets relative to inflation.
  2. Purchase assets of a type and in a manner that a normal investment manager of prudence and caution would purchase. This includes limiting the fees associated with "churning" the investments.
  3. Emphasize continuity of performance over volatility and short-term performance.

- INVESTMENT GOALS:**
1. To attain a rate of return that compares favorably relative to standard market indices over a market cycle
  - ~~2. To generate sufficient asset growth in real terms to meet future benefit obligations. Asset growth within the plan should reduce the long term capital required from the plan sponsor.~~
  - ~~3. Exceed the rate of inflation as measured by the Consumer Price Index by at least 3% per annum.~~
  - ~~4.3. Improve and stabilize the funded status of the Plan. Accordingly, plan assets may be allocated for the purposes of:~~
    - ~~5. Achieving a long-term rate of return that exceeds the growth rate of liabilities; and~~
    - ~~6. Matching the market value and risk of the Plan's assets with the Plan's liabilities.]~~

**Commented [MJ1]:** In Pension Committee it was noted this is no longer necessary, as it's now included in #3

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**Commented [SS2]:** Consider adding an investment objective regarding the desire to use the investments to support the future payment of benefit obligations of the pension plan. Here's an example.

**INVESTMENT STRATEGY:**  
Capital preservation and managed risk are an integral part of the hospital's investment strategy. Capital

preservation during periods of declining markets should be emphasized versus maximizing

performance during expanding market periods. High risks should be avoided, while moderate risks should be assumed in order to achieve the goals of exceeding inflation.

The primary strategy used to reduce risk and enhance returns is diversification. Diversification in equities is most easily and economically achieved through the use of index mutual funds. The Fund's investments are spread between three (3) major asset classes:

- Equities
- Fixed Income
- Cash Equivalents

This diversification not only reduces the possibility of major losses but enables the Plan to share in the gains made in each of the assets' classes.

South Peninsula Hospital will at all times seek to minimize the risk to the Plan by selecting investments and investment strategies that will maintain the plan assets at a level sufficient to cover current and future plan payouts while simultaneously keeping PGBC premiums and monthly cash contributions to the plan at a minimum.

#### INVESTMENT OBJECTIVES:

##### A. Fixed Income:

1. The fixed account should provide a competitive return with the lowest level of risk. This can be achieved through a fixed account that guarantees a minimum interest rate and pays current rates.
2. ~~All fixed income securities held in the portfolio shall have a Moody's, Standard & Poor's and/or Fitch's credit quality rating of no less than "Baa." The U.S. Treasury and government agencies, which are unrated securities, are qualified for inclusion in the portfolio. If a bond falls below Baa or equivalent and the Investment Manager in consultation with the Trustees demonstrates the Plan will benefit by holding the bond to maturity rather than selling at a loss, then the bond may be retained.~~
3. ~~The exposure of the portfolio to any one issuer, other than securities of the U.S. government or agencies, shall not exceed 10% of the market value of the fixed income portfolio.~~
4. ~~Holdings of individual issues shall be large enough (round lots) for easy liquidation.~~
- 5-2. The Plan shall be allowed to hold fixed-income mutual funds with an average bond quality of A or better.

##### B. Cash/Cash Equivalents:

1. Cash equivalent reserves shall consist of cash instruments having a quality rating of A-1, P-1 or higher. Eurodollar certificates of deposit, time deposits, and repurchase agreements are also acceptable investment vehicles.
2. Any idle cash not invested by the investment managers shall be invested daily through an automatic interest-bearing sweep vehicle managed by the custodian.

##### C. Long Term Objectives – Five Years and Beyond – Equities:

Index mutual funds shall normally be used to achieve adequate diversification and minimize management costs. If investments are made in equities other than through mutual funds, such equity investments will be reasonably diversified in the most efficient manner in order to:

###### 1. U.S. Equities:

- Equity holdings in any one company should not exceed more than 5% unless the specific stock is equal to more than 5% of its benchmark index of the market value of the Plan's equity portfolio.
- No more than 25% of the market value of the portfolio shall be invested in any one economic sector.

###### 2. International Equities:

- Equity holdings in any one company shall not exceed more than 5% unless the specific stock is equal to more than 5% of its benchmark index of the international equity portfolio.
- No more than 25% of the portfolio shall be invested in one industry category.
- Allocations to any specific country shall not be excessive relative to a broadly diversified international equity manager peer group. It is expected that the non-U.S. equity portfolio will have

**Commented [S53]:** These provisions are intended for the use of individual bond securities and do not apply to the way Newport approaches defined benefit plans. We feel that mutual funds offer the advantage of lower costs and better diversification due to the benefit of scale. While I don't see any negative consequence to keeping this language, if the plan does wish to use a manager that invests in individual fixed income securities, it may be beneficial to coordinate the IPS with the manager's approach.

no more than 40% in any one country.

**INVESTMENT GUIDELINES:**

1. Allowable Investments

All or any part of the pension assets may be placed in investment vehicles that are not listed under prohibited transactions. All companies offering investments should have nationally recognized ratings such as Standard & Poor's, A.S. Best, Morningstar, and Duff & Phelps etc.

2. Prohibited Transactions

There shall be no investments or transactions specifically prohibited by the Employee Retirement Income Security Retirement Act of 1974 or amendments thereto. In addition, investment activity in the following is prohibited without prior written permission of the Board of Directors of the South Peninsula Hospital, Inc.:

- Stock Options, Futures, or Commodities
- Coin or Gold Futures
- Volatile Derivative Investments
- Stock Loans
- Margin Purchase or Borrowing Money
- Direct Ownership of Letter Stock
- Any Municipal or other Tax Exempt Securities

**ELIGIBLE ASSETS:**

U.S. Fixed Income

Government & Corporate Bonds ~~Baa rated or better~~

U.S. Equities

Large Cap  
Mid Cap  
Small Cap

International Equities

Developed Countries / EAFE  
Emerging Markets

Cash & Cash Equivalents

**ASSET ALLOCATION:**

<u>Allowable Range</u>	<u>Target</u>	<u>Minimum</u>	<u>Maximum</u>
<u>Equities</u>	5%	3%	55%
<u>Large Cap</u>	5%	3%	50%
<u>Mid Cap</u>	0%	0%	25%
<u>Small Cap</u>	0%	0%	25%
<u>International</u>	0%	0%	25%
<u>Fixed Income</u>	95%	45%	97%
<u>Total Return Bond</u>	7%	5%	75%
<u>Short Term Bonds</u>	3%	0%	15%
<u>Long Term Bonds</u>	82%	0%	85%
<u>Cash Alternatives</u>	3%	0%	10%

**Commented [S54]:** You should consider removing the US, or allowing for the use of international bonds. While most bond funds we recommend for your plan currently will be nearly 100% US, we don't want to violate the IPS if any funds have small allocations to international holdings.

**Commented [S55]:** Consider removing this since we use mutual funds. Many mutual funds will have a small allocation to below-investment grade bonds. Additionally, if you want to invest in individual bonds, the criteria will be outlined earlier in the IPS.

**Commented [S56]:** The table in the current IPS has a very narrow range of allowable allocations and has specific ranges for styles such as value and growth. I narrowed down the "Large Cap" styles to a single category to allow more flexibility over the long term. For the target, I used our current recommendation for the plan, but allowed a wide range to accept the current 50/50 allocation and some market drift. For the fixed income minimum range, I want to be sure there is ample flexibility to set a fixed income allocation that is driven by the plan's liabilities, rather than an arbitrary limit by asset class.

Allowable Range	Target	Minimum	Maximum
<b>Equities</b>	<b>50.0%</b>	<b>40.0%</b>	<b>40.0%</b>
Large Cap Funds	7.0%	6.0%	6.0%
Large Cap Value	10.0%	8.0%	8.0%
Large Cap Growth	6.0%	5.0%	5.0%
Mid Cap Funds	8.0%	6.0%	6.0%
Small Cap Funds	5.0%	4.0%	4.0%
International Equities	11.0%	9.0%	9.0%
Emerging Market Equities	3.0%	2.0%	2.0%
<b>Fixed Income</b>	<b>47.0%</b>	<b>58.0%</b>	<b>58.0%</b>
Total Return Bond	38.0%	42.0%	42.0%
Short Term Bond	9.0%	16.0%	16.0%
<b>Cash Alternatives</b>	<b>3.0%</b>	<b>2.0%</b>	<b>2.0%</b>

**ASSET REBALANCING:**

The Plan’s strategic asset allocation will be reviewed annually during the first quarter of the calendaryear, and rebalanced if any of the asset classes vary as much as plus or minus 10 percent, depending on market conditions.

Each year the Plan’s trustees will meet to discuss the asset allocation to determine how much of the fund to invest in fixed income, U.S., and international equities. The following factors will be taken into consideration:

- The long term average rate of return being sought
- The amount of risk to which the portfolio should be exposed
- The probability of preserving principal
- The probability of earning enough to offset inflation; and
- The probability of earning, in upcoming years, the target rate of return.

**COMMUNICATION AND CONTROL PROCEDURES:**

1. Control:

If an investment manager is used, the duties and responsibilities of each investment manager retained by the Trustees include:

- Managing the Plan’s assets under its care, custody, and/or control in accordance with investment policy goals, objectives and guidelines set forth herein, or expressed in separate written agreements when deviation is deemed prudent and desirable by the Plan.
- Exercising investment discretion (including holding cash equivalents as an alternative) with the investment policy goals, objectives and guidelines set forth herein.
- ~~Promptly voting all proxies and related actions in a manner consistent with the long term interests and objectives of the Plan set forth herein. Each manager shall keep detailed records of said voting of proxies and related actions and will comply with all regulatory obligations related thereto.~~
- Utilize the same care, skill, prudence, and due diligence under the circumstances then prevailing that experienced investment professionals acting in a like capacity and fully familiar with such matters would use in like activities with like aims in accordance and compliance with all applicable laws, rules and regulations from local, state, federal and international political entities as they pertain to fiduciary duties and responsibilities.
- Acknowledge and agree in writing to their fiduciary responsibility to fully comply with the entire investment policy set forth herein, and as modified in the future.

**Commented [S57]:** Please be aware that Newport does not vote proxies on behalf of our clients.

2. Communications:

If an investment manager is not used, the Plan Administrator will provide quarterly reports to the Trustees

and Board of Directors, South Peninsula Hospital, Inc. on asset allocation percentages, gains or losses, and total account value.

If an investment manager is used, the following specific communications shall be required by the Trustees to monitor the investment activities:

- Promptly informing the Plan in writing regarding all significant and/or material matters and changes pertaining to the investment of Plans' assets, including, but not limited to:
  - Investment Strategy
  - Portfolio structure
  - Tactical approaches
  - Ownership
  - Organizational Structure
  - Financial condition
  - Professional staff
  - Recommendations for guideline changes
  - All legal, material and SEC and other regulatory agency proceedings affecting the firm
- Quarterly reports will be provided by the investment manager including allocation percentages, growth, and total account value. Information about the funds' holdings should also be provided.
- A semi-annual investment performance report will be provided, with a more comprehensive review annually, to determine the continued feasibility of achieving the investment goals and objectives and the appropriateness of the Investment Policy. The reports will compare overall investment performance to the appropriate indices:

Balanced Index  
S&P 500  
EAFE Index  
Consumer Price Index

**PROCEDURE:**

N/A

**ADDITIONAL CONSIDERATIONS:**

N/A


**REFERENCES:**

N/A

**CONTRIBUTOR(S)**

Pension Committee; Chief Financial Officer

**Commented [SS8]:** The list of benchmarks should be coordinated with the actual investments used to appropriately measure the performance of the plan's funds. The last line of the above paragraph is well-worded, but should end in a period without the list of indices below.

	<b>SUBJECT:</b> CEO Succession Plan	<b>POLICY #:</b> EMP-09
		<b>Page 1 of 1</b>
<b>Scope:</b> Executive Management Performance <b>Approved by:</b> Board of Directors	<b>Original Date:</b> 08/23/2007 <b>Effective:</b> 11/20/2019	
<b>Revised:</b> 11/17/2015; 11/2019 <b>Reviewed:</b> 1/25/23	<b>Revision Responsibility:</b> Operating Board of Directors	

## **POLICY STATEMENT**

To ensure the continuous coverage of executive duties critical to the ongoing operations of South Peninsula Hospital, the ~~following procedure will be followed~~ provides Board of Directors is adopting policies and procedures for the temporary appointment of an Acting Executive Director in the event of an unplanned ~~and sudden~~ absence of the ~~Chief Executive Officer (CEO)~~ Chief Executive Officer (CEO). ~~and procedures to follow for hiring a new CEO in the event of a retirement or resignation.~~

## **PROCEDURE**

~~Each year at the annual meeting of the South Peninsula Hospital Operating Board (the Board), the CEO will provide a recommendation for an Acting Executive Director for Board consideration. Upon approval by the Board, the agreed upon individual shall assume the role of Acting CEO i~~ In the event of an unplanned ~~and sudden~~ absence of the CEO, ~~or the~~ or resignation/retirement of the CEO, ~~the Board President and an ad hoc committee will implement an interim plan as well as a recruitment plan. No senior leader may perform more than one role for any extended time in accordance with the Operating Agreement.~~

In the event of the separation of the agreed upon Acting Executive Director from South Peninsula Hospital, the CEO will present a substitute to the Board at the following Board meeting.

The Board will follow the established hiring procedures to replace the CEO if required.

## **SPECIAL CONSIDERATIONS**

None

## **REFERENCES**

Operating Agreement for South Peninsula Hospital with Kenai Peninsula Borough, 2020

## **CONTRIBUTORS**

Board of Directors





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## SECTION 3: ADVERSE LEGAL ACTIONS/CONVICTIONS

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This section captures information on adverse legal actions, such as convictions, exclusions, revocations, and suspensions. All applicable adverse legal actions must be reported, regardless of whether any records were expunged or any appeals are pending. If you are uncertain as to whether an action falls within one of the adverse legal action categories or whether a name reported on this application has an adverse legal action, query the Healthcare Integrity and Protection Data Bank. For information on how to access the Data Bank, call 1-800-767-6732 or visit [www.npdb-hipdb.com](http://www.npdb-hipdb.com). There is a charge for using this service.

### **Convictions**

1. The provider, supplier, or any owner of the provider or supplier was, within the last 10 years preceding enrollment or revalidation of enrollment, convicted of a Federal or State felony offense that CMS has determined to be detrimental to the best interests of the program and its beneficiaries. Offenses include: Felony crimes against persons and other similar crimes for which the individual was convicted, including guilty pleas and adjudicated pre-trial diversions; financial crimes, such as extortion, embezzlement, income tax evasion, insurance fraud and other similar crimes for which the individual was convicted, including guilty pleas and adjudicated pre-trial diversions; any felony that placed the Medicare program or its beneficiaries at immediate risk (such as a malpractice suit that results in a conviction of criminal neglect or misconduct); and any felonies that would result in a mandatory exclusion under Section 1128(a) of the Act.
2. Any misdemeanor conviction, under Federal or State law, related to: (a) the delivery of an item or service under Medicare or a State health care program, or (b) the abuse or neglect of a patient in connection with the delivery of a health care item or service.
3. Any misdemeanor conviction, under Federal or State law, related to theft, fraud, embezzlement, breach of fiduciary duty, or other financial misconduct in connection with the delivery of a health care item or service.
4. Any felony or misdemeanor conviction, under Federal or State law, relating to the interference with or obstruction of any investigation into any criminal offense described in 42 C.F.R. Section 1001.101 or 1001.201.
5. Any felony or misdemeanor conviction, under Federal or State law, relating to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.

### **Exclusions, Revocations or Suspensions**

1. Any revocation or suspension of a license to provide health care by any State licensing authority. This includes the surrender of such a license while a formal disciplinary proceeding was pending before a State licensing authority.
2. Any revocation or suspension of accreditation.
3. Any suspension or exclusion from participation in, or any sanction imposed by, a Federal or State health care program, or any debarment from participation in any Federal Executive Branch procurement or non-procurement program.
4. Any current Medicare payment suspension under any Medicare billing number.
5. Any Medicare revocation of any Medicare billing number.

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## MEDICARE SUPPLIER ENROLLMENT APPLICATION PRIVACY ACT STATEMENT

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The Centers for Medicare and Medicaid Services (CMS) is authorized to collect the information requested on this form by Sections 1124(a)(1), 1124A(a)(3), 1128, 1814, 1815, 1833(e), and 1842(r) of the Social Security Act [42 U.S.C. §§ 1320a-3(a)(1), 1320a-7, 1395f, 1395g, 1395(l)(e), and 1395u(r)] and Section 31001(1) of the Debt Collection Improvement Act [31 U.S.C. § 7701(c)].

The purpose of collecting this information is to determine or verify the eligibility of individuals and organizations to enroll in the Medicare program as suppliers of goods and services to Medicare beneficiaries and to assist in the administration of the Medicare program. This information will also be used to ensure that no payments will be made to providers who are excluded from participation in the Medicare program. All information on this form is required, with the exception of those sections marked as “optional” on the form. Without this information, the ability to make payments will be delayed or denied.

The information collected will be entered into the Provider Enrollment, Chain and Ownership System (PECOS). The information in this application will be disclosed according to the routine uses described below.

Information from these systems may be disclosed under specific circumstances to:

1. CMS contractors to carry out Medicare functions, collating or analyzing data, or to detect fraud or abuse;
2. A congressional office from the record of an individual health care provider in response to an inquiry from the congressional office at the written request of that individual health care practitioner;
3. The Railroad Retirement Board to administer provisions of the Railroad Retirement or Social Security Acts;
4. Peer Review Organizations in connection with the review of claims, or in connection with studies or other review activities, conducted pursuant to Part B of Title XVIII of the Social Security Act;
5. To the Department of Justice or an adjudicative body when the agency, an agency employee, or the United States Government is a party to litigation and the use of the information is compatible with the purpose for which the agency collected the information;
6. To the Department of Justice for investigating and prosecuting violations of the Social Security Act, to which criminal penalties are attached;
7. To the American Medical Association (AMA), for the purpose of attempting to identify medical doctors when the Unique Physician Identification Number Registry is unable to establish identity after matching contractor submitted data to the data extract provided by the AMA;
8. An individual or organization for a research, evaluation, or epidemiological project related to the prevention of disease or disability, or to the restoration or maintenance of health;
9. Other Federal agencies that administer a Federal health care benefit program to enumerate/enroll providers of medical services or to detect fraud or abuse;
10. State Licensing Boards for review of unethical practices or non-professional conduct;
11. States for the purpose of administration of health care programs; and/or
12. Insurance companies, self insurers, health maintenance organizations, multiple employer trusts, and other health care groups providing health care claims processing, when a link to Medicare or Medicaid claims is established, and data are used solely to process supplier’s health care claims.

The enrolling supplier should be aware that the Computer Matching and Privacy Protection Act of 1988 (P.L. 100-503) amended the Privacy Act, 5 U.S.C. § 552a, to permit the government to verify information through computer matching.

### **Protection of Proprietary Information**

Privileged or confidential commercial or financial information collected in this form is protected from public disclosure by Federal law 5 U.S.C. § 552(b)(4) and Executive Order 12600.

### **Protection of Confidential Commercial and/or Sensitive Personal Information**

If any information within this application (or attachments thereto) constitutes a trade secret or privileged or confidential information (as such terms are interpreted under the Freedom of Information Act and applicable case law), or is of a highly sensitive personal nature such that disclosure would constitute a clearly unwarranted invasion of the personal privacy of one or more persons, then such information will be protected from release by CMS under 5 U.S.C. §§ 552(b)(4) and/or (b)(6), respectively.



Administration  
4300 Bartlett Street  
Homer, AK 99603  
907-235-0325 ~ 907-235-0253 fax

### CONFIDENTIALITY AGREEMENT

I, \_\_\_\_\_, do hereby agree to keep all information obtained regarding patients and/or physicians confidential. I hereby agree not to discuss any information obtained during the course of this job with persons outside the hospital. I release South Peninsula Hospital and its representatives any liability arising from a breach of confidentiality caused by myself.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

### Guidelines for Practicing Confidentiality

- Patients should not be discussed at breaks or meal times.
- Patients should not be discussed with health care workers not directly involved in their care.
- Medical and nursing records should not be left at any location where they can be seen by unauthorized personnel.
- Patients must give permission for information (such as diagnosis) to be revealed to anyone. A patient may withdraw permission at any time.
- Patients should not be discussed where information can be overheard by visitors.
- When a patient is your neighbor or friend, you should be particularly careful not to reveal any information to mutual friends.
- No information about patients should be revealed to reporters, press, or media.
- Interviews with confused or disoriented patients are not permitted without family and/or physician's permission.