

January 23, 2023

**TO: Members of the Board of Directors**

Victor Rey, Jr. – President  
Joel Hernandez Laguna – Vice President  
Rolando Cabrera, MD – Secretary  
Juan Cabrera – Treasurer  
Catherine Carson – Assistant Treasurer

**Legal Counsel**

Ottone & Leach LLP

**News Media**

Salinas Californian  
El Sol  
Monterey County Herald  
Monterey County Weekly  
KION-TV  
KSBW-TV/ABC Central Coast  
KSMS/Entravision-TV

The Regular Meeting of the **BOARD OF DIRECTORS OF THE SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM** will be held **THURSDAY, JANUARY 26, 2023**, at **3:00 P.M.**, in the **DOWNING RESOURCE CENTER, ROOMS A, B & C** at **SALINAS VALLEY MEMORIAL HOSPITAL, 450 E. ROMIE LANE, SALINAS, CALIFORNIA**, or by **TELECONFERENCE (Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information)**.

Pursuant to SVMHS Board Resolution No. 2022-21, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.



Pete Delgado  
President/Chief Executive Officer

**REGULAR MEETING OF THE BOARD OF DIRECTORS  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**THURSDAY, JANUARY 26, 2023, 3:00 P.M.  
DOWNING RESOURCE CENTER, ROOMS A, B & C  
SALINAS VALLEY MEMORIAL HOSPITAL  
450 E. ROMIE LANE, SALINAS, CALIFORNIA  
or via TELECONFERENCE**

**(Visit [svmh.com/virtualboardmeeting](http://svmh.com/virtualboardmeeting) for Access Information)**

*Pursuant to SVMHS Board Resolution No. 2022-21, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.*

**AGENDA**

- |   | <i><u>Presented By</u></i>    |
|---|-------------------------------|
| <b>I. CALL TO ORDER / ROLL CALL</b>   | <i>Victor Rey, Jr.</i>        |
| <b>II. CLOSED SESSION</b> <i>(See Attached Closed Session Sheet Information)</i>  | <i>Victor Rey, Jr.</i>        |
| <b>III. RECONVENE OPEN SESSION/CLOSED SESSION REPORT</b><br><i>(Estimated time 5:00 pm)</i>   | <i>Victor Rey, Jr.</i>        |
| <b>IV. BOARD ORIENTATION – BOARD BEST PRACTICES</b>   | <i>District Legal Counsel</i> |
| <b>V. REPORT FROM THE PRESIDENT/CHIEF EXECUTIVE OFFICER</b>   | <i>Pete Delgado</i>           |
| <b>VI. PUBLIC INPUT</b>   | <i>Victor Rey, Jr.</i>        |
| This opportunity is provided for members of the public to make a brief statement, not to exceed three (3) minutes, on issues or concerns within the jurisdiction of this District Board which are not otherwise covered under an item on this agenda. |                               |
| <b>VII. BOARD MEMBER COMMENTS</b>   | <i>Board Members</i>          |
| <b>VIII. CONSENT AGENDA - GENERAL BUSINESS</b>  | <i>Victor Rey, Jr.</i>        |
| <i>(Board Member may pull an item from the Consent Agenda for discussion.)</i>  |                               |
| A. Minutes of December 15, 2022 for the Annual Meeting of the Board of Directors  |                               |
| B. Financial Report   |                               |
| C. Statistical Report   |                               |
| ▪ Board President Report  |                               |
| ▪ Questions to Board President/Staff  |                               |
| ▪ Public Comment  |                               |
| ▪ Board Discussion/Deliberation   |                               |
| ▪ Motion/Second   |                               |
| ▪ Action by Board/Roll Call Vote  |                               |

**IX. REPORTS ON STANDING AND SPECIAL COMMITTEES**

**A. Quality and Efficient Practices Committee**

*Catherine  
Carson*

Minutes of the January 23, 2023 Quality and Efficient Practices Committee meeting have been provided to the Board for their review. Additional Report from Committee Chair, if any.

**B. Finance Committee**

*Joel Hernandez  
Laguna*

Minutes of the January 23, 2023 Finance Committee meeting have been provided to the Board for their review. The following recommendations have been made to the Board:

1. Consider Recommendation to Board of Directors for Approval of the Terms and Conditions for an Agreement for Anesthesia Services Between SVMHS and Cypress Coast Anesthesia Medical Group
  - Committee Chair Report
  - Questions to Committee Chair/Staff
  - Motion/Second
  - Public Comment
  - Board Discussion/Deliberation
  - Action by Board/Roll Call Vote
2. Consider Recommendation for Board Approval of Contract Award for Translation Services to Language Line Services, Inc.
  - Committee Chair Report
  - Questions to Committee Chair/Staff
  - Motion/Second
  - Public Comment
  - Board Discussion/Deliberation
  - Action by Board/Roll Call Vote
3. Consider Recommendation for Board Approval of Contract Award to Shredlogix for Replacement Vendor for Confidential Paper Destruction
  - Committee Chair Report
  - Questions to Committee Chair/Staff
  - Motion/Second
  - Public Comment
  - Board Discussion/Deliberation
  - Action by Board/Roll Call Vote

**C. Transformation, Strategic Planning and Governance Committee**

*Victor Rey*

Minutes of the January 25, 2023 Transformation, Strategic Planning and Governance Committee meeting have been provided to the Board for their review. Additional Report from Committee Chair, if any.

**X. Report on Behalf of the Medical Executive Committee (MEC) Meeting of January 12, 2023, and Recommendations for Board Approval of the following:**

*Theodore, Kaczmar, Jr., MD*

- A. Reports
  - 1. Credentials Committee Report
  - 2. Interdisciplinary Practice Committee Report
- Questions to Chief of Staff
- Public Comment
- Board Discussion/Deliberation
- Motion/Second
- Action by Board/Roll Call Vote

**XI. Consider Board Resolution No. 2023-01 Proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor's State of Emergency Declaration March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period January 1, 2023 to January 30, 2023.**

*District Legal Counsel*

- Report by District Legal Counsel
- Questions to District Legal Counsel/Staff
- Public Comment
- Board Discussion/Deliberation
- Motion/Second
- Action by Board/Roll Call Vote

**XII. Consider Resolution No. 2023-02 Adopting Amended and Restated District Bylaws**

*District Legal Counsel*

- Report by District Legal Counsel
- Questions to District Legal Counsel/Staff
- Public Comment
- Board Discussion/Deliberation
- Motion/Second
- Action by Board/Roll Call Vote

**XIII. EXTENDED CLOSED SESSION** *(if necessary)*

*Victor Rey, Jr.*

**XIV. ADJOURNMENT**

The Regular Meeting of the Board of Directors is scheduled for **Thursday, February 23, 2023, at 4:00 p.m.**

The complete Board packet including subsequently distributed materials and presentations is available at the Board Meeting and in the Human Resources Department of the District. All items appearing on the agenda are subject to action by the Board. Staff and Committee recommendations are subject to change by the Board.

Requests for a disability related modification or accommodation, including auxiliary aids or services, in order to attend or participate in a meeting should be made to the Board Clerk during regular business hours at 831-755-0741. Notification received 48 hours before the meeting will enable the District to make reasonable accommodations.

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM BOARD OF DIRECTORS**

**AGENDA FOR CLOSED SESSION**

*Pursuant to California Government Code Section 54954.2 and 54954.5, the board agenda may describe closed session agenda items as provided below. No legislative body or elected official shall be in violation of Section 54954.2 or 54956 if the closed session items are described in substantial compliance with Section 54954.5 of the Government Code.*

**CLOSED SESSION AGENDA ITEMS**

**REPORT INVOLVING TRADE SECRET**

*(Government Code §37606 & Health and Safety Code § 32106)*

Discussion will concern: (Specify whether discussion will concern proposed new service, program, or facility):  
Trade Secret, Strategic Planning, Proposed New Programs and Services

Estimated date of public disclosure: (Specify month and year): Unknown

**CONFERENCE WITH REAL PROPERTY NEGOTIATORS**

*(Government Code §54956.8)*

**Property:** (Specify street address, or if no street address, the parcel number or other unique reference, of the real property under negotiation): 1067 No. Davis Road, Salinas

**Agency negotiator:** (Specify names of negotiators attending the closed session): Gary Ray

**Negotiating parties:** (Specify name of party (not agent): \_\_\_\_\_

**Under negotiation:** (Specify whether instruction to negotiator will concern price, terms of payment, or both):  
\_\_\_\_\_

**HEARINGS/REPORTS**

*(Government Code §37624.3 & Health and Safety Code §1461, §32155)*

**Subject matter:** (Specify whether testimony/deliberation will concern staff privileges, report of medical audit committee, hospital internal audit report, or report of quality assurance committee):

1. Report of the Medical Staff Quality and Safety Committee
2. Report of the Medical Staff Credentials Committee
3. Report of the Medical Staff Interdisciplinary Practice Committee

**ADJOURN TO OPEN SESSION**

*CALL TO ORDER/ROLL CALL*

*(VICTOR REY, JR.)*

*CLOSED SESSION*

*(Report on Items to be  
Discussed in Closed Session)*

*(VICTOR REY, JR.)*

*RECONVENE OPEN SESSION/  
CLOSED SESSION REPORT  
(ESTIMATED TIME: 5:00 P.M.)*

*(VICTOR REY, JR.)*



*BOARD ORIENTATION –  
BOARD BEST PRACTICES*

*(VERBAL)*

*(OTTONE)*

*REPORT FROM THE PRESIDENT/  
CHIEF EXECUTIVE OFFICER*

*(VERBAL)*

*(PETE DELGADO)*

# *PUBLIC INPUT*

*BOARD MEMBER COMMENTS*

*(VERBAL)*

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
REGULAR MEETING OF THE BOARD OF DIRECTORS  
MEETING MINUTES  
DECEMBER 15, 2022**

*Approved Pursuant to SVMHS Board Resolution No. 2022-21, Assembly Bill 361, and guidance from the Monterey County Health Department in response to concerns regarding COVID-19, Board Members of Salinas Valley Memorial Healthcare System, a local health care district, are permitted to participate in this duly noticed public meeting via teleconference and certain requirements of The Brown Act are suspended.*

The Board of Directors convened in the Downing Resource Center, Rooms A, B, & C at 4:11 p.m.

**Present:**

Rolando Cabrera, Director  
Catherine Carson, Director  
Victor Rey, Jr., President  
Juan Cabrera, Director - *joined at 5:26 p.m.*

**Absent:**

Joel Hernandez Laguna, Director

**Also Present:**

Pete Delgado, President/Chief Executive Officer  
Theodore Kaczmar MD, Chief of Staff  
Matthew Ottone, Esq., District Legal Counsel  
Elizabeth Soto, Board Clerk

**CALL TO ORDER/ROLL CALL**

President Rey, Jr., called the meeting to order at 4:11 p.m.

**CLOSED SESSION**

President Victor Rey, Jr., announced that the closed session items to be discussed in Closed Session as listed on the posted Agenda are:

1. Report Involving Trade Secret: Trade secrets, strategic planning, proposed new programs and services.
2. Hearings/Reports: Reports from the Medical Staff Quality and Safety Committee, Reports of the Medical Staff Credentials Committee and Interdisciplinary Practice Committee.

The meeting was recessed into Closed Session under the Closed Session Protocol at 4:12 p.m. The Board completed its business of the Closed Session at 4:33 p.m.

## **RECONVENE OPEN SESSION/REPORT ON CLOSED SESSION**

The Board reconvened Open Session at 5:00 p.m.

In Closed Session, the Board received the Medical Staff Quality and Safety Committee Report, the Report of the Medical Staff Credentials Committee and the Report of the Medical Staff Interdisciplinary Practice Committee.

No reportable action.

## **OATH OF OFFICE**

Judge Jonathan Price administered the Oath of Office to Board member Elect Rolando Cabrera.

Board President Victor Rey, Jr. administered the Oath of Office to Board member Elect Catherine Carson.

## **ELECTION OF BOARD PRESIDENT**

### **MOTION:**

Upon motion by Director Carson, second by Director Cabrera, MD., the Board of Directors elected Victory Rey, Jr., as Board President for a term of two years.

Ayes: Directors: Cabrera, MD, Carson, and President Rey. Noes: None. Abstentions: None.  
Absent: Directors: Cabrera and Hernandez Laguna. Motion Carried.

## **ELECTION OF OFFICERS**

### **Vice President**

No public comment received.

### **MOTION:**

Upon motion by President Rey, Jr., second by Director Carson, the Board of Directors elected Joel Hernandez Laguna, as Board Vice President for a term of two years.

Ayes: Directors: Cabrera, MD, Carson, and President Rey. Noes: None. Abstentions: None.  
Absent: Directors: Cabrera and Hernandez Laguna. Motion Carried.

### **Secretary**

No public comment received.

**MOTION:**

Upon motion by President Rey, Jr., second by Director Carson, the Board of Directors elected Rolando Cabrera, MD, as Board Secretary for a term of two years.

Ayes: Directors: Cabrera, MD, Carson, and President Rey. Noes: None. Abstentions: None.  
Absent: Directors: Cabrera and Hernandez Laguna. Motion Carried.

**Treasurer**

No public comment received.

**MOTION:**

Upon motion by Director Cabrera, MD., second by Director Carson, the Board of Directors elected Juan Cabrera, as Board Treasurer for a term of two years.

Ayes: Directors: Cabrera, MD, Carson, and President Rey. Noes: None. Abstentions: None.  
Absent: Directors: Cabrera and Hernandez Laguna. Motion Carried.

**Assistant Treasurer**

No public comment received.

**MOTION:**

Upon motion by Director Cabrera, MD., second by President Rey, Jr., the Board of Directors elected Catherine Carson as Board Assistant Treasurer for a term of two years.

Ayes: Directors: Cabrera, MD, Carson, and President Rey. Noes: None. Abstentions: None.  
Absent: Directors: Cabrera and Hernandez Laguna. Motion Carried.

**STANDING COMMITTEE APPOINTMENTS**

The Board of Directors appointments to the following Standing Committees for a two-year term:

- A. Community Advocacy *(Meets Quarterly)*  
*Chair Rolando Cabrera, MD*  
*Vice Chair Joel Hernandez Laguna*
  
- B. Corporate Compliance and Audit *(Meets Quarterly)*  
*Chair Juan Cabrera*  
*Vice Chair Catherine Carson*

- C. Finance *(Meets Monthly)*  
*Chair Joel Hernandez Laguna*  
*Vice Chair Juan Cabrera*
- D. Personnel, Pension and Investment *(Meets Monthly)*  
*Chair Juan Cabrera*  
*Vice Chair Catherine Carson*
- E. Quality and Efficient Practices *(Meets Monthly)*  
*Chair Catherine Carson*  
*Vice Chair Rolando Cabrera, MD*
- F. Transformation, Strategic Planning and Governance *(Meets Quarterly)*  
*Chair Victory Rey*  
*Vice Chair Rolando Cabrera, MD*

## **ANNUAL BOARD OF DIRECTORS REPORT**

President Rey presented the Overall Performance of Salinas Valley Memorial Healthcare System for 2022.

Programs benefitting the community:

- Those living with obesity have new resources with the 2022 opening of our Lifestyle and Metabolic Program.
- Bariatric surgery service line launched this year.
- Relief from painful kidney stones is now possible with Lithotripsy -- a state-of-the-art, non-invasive technology that means shorter recovery for patients undergoing this outpatient procedure.
- This year the relaunch of our organization’s minimally invasive, robotics surgery program, and
- The expansion of the interventional Gastrointestinal Service Line.
- The retail pharmacy was opened this year

The Salinas Valley Memorial Hospital Foundation helped support the “*Healing Our Healthcare Heroes*” three day retreat held at the Santa Cruz Mountains. Staff and physicians had an opportunity to reflect on the experience of the last few years and heal from the distress that the pandemic caused.

SVMHS, California State University (CSU) Monterey Bay, and Hartnell College continue their strong collaboration to grow local talent in healthcare.

The Health Scholars program allows high school graduates or college students the opportunity for hands-on experience, right at the bedside, while earning a certification from Keck Graduate Institute.



The Community Health Needs Assessment developed implementation strategies to address health concerns, identified in the report, and provide community outreach to help the community rise in good health. Health concerns identified were diabetes, mental health, and access to healthcare services.

Mobile Health Clinic served its ten-thousandth patient this year, and continues to bring medical services to underserved areas of our community, as well as addressing food insecurity and other social determinants of health.

Blue Zones Project Monterey County and its transformative community health initiative expanded to cover the entire county of Monterey.

New wellness platform launched to help staff and their families improve their health.

In June, the Service League celebrated its 70th anniversary. The Service League is the longest-standing and largest individual donor to the Salinas Valley Memorial Hospital Foundation and we value its strong support. Efforts are underway to rebuild the League's volunteer force to its pre-pandemic numbers.

The Foundation and its newly deployed Patient Assistance Program supported patient needs this year. In 2022, more than 670 lives were provided assistance to address issues such as food insecurity, uninsured services, and medical equipment, providing more than \$68-thousand dollars in support.

SVMHS is identifying ways to strengthen and diversify how they honor Veterans, patients, staff and members of the community.

We are also leading a local initiative, the Rose River Memorial, to pay tribute to the lives impacted by the nearly 800 COVID deaths in Monterey County.

President Rey was honored and humbled to be part of such an exceptional team. While SVMHS routinely receives high marks for exceptional patient outcomes – and this year was no exception – he is especially proud this year to have also been honored by the Lown Institute as ranking fifth in the nation for social responsibility – an achievement based on quality outcomes, value, and equity. SVMHS earned national recognition from the American Hospital Association, receiving the Dick Davidson Award for improving community health through work in addressing diabetes, as part of the collaboration with Montage Health.

Strategic collaboration and emphasis on social responsibility are hallmarks of the reputation as a leader in the community. Hospitals across the nation face a significant financial toll because of the pandemic, inflation and reimbursement shortfalls, these principles will serve us well. Through a proactive approach and careful stewardship, SVMHS will define the future with sustainable success for years to come.

President Rey, further added, that on behalf the board, the District, and all of the people who rely on this Healthcare System, he thank all of staff, medical staff, Foundation, and Volunteers for all

they have done, and all they will do to ensure the ongoing ability to serve the community with pride and confidence. Everybody on the team continues to navigate the complexities of the expected and unexpected in the ever-evolving healthcare environment. Without their steadfast commitment to exceptional patient and family centered care, SVMHS would not be the successful organization that it is.

## **FROM THE PRESIDENT/CHIEF EXECUTIVE OFFICER**

Mr. Delgado announced, *“The mission of Salinas Valley Memorial Healthcare System is to provide quality healthcare for our patients and to improve the health and well-being of our community.”*

A Mission Moment video on “A Family of Healthcare Providers” was presented.

A summary of key highlights centered on the pillars that are the foundation of the Hospital’s vision for the organization, is as follows:

### **Service:**

Aubree Collins, BSN, RNC-OB, C-EFM, and Pamela Yates, RN of the Collaborative Care Committee 2022 provided the following update:

The Collaborative Care Committee placed the Unit Practice Councils at the top of the structure to emphasize their importance. Nurses and staff provide ideas for improvements in safety and efficiency.

### **2022 Shared Governance Accomplishments**

- “Tim Porter O’Grady Workgroup” to increase nursing professionalism, accountability, and cultivate growth.
- “Shared Governance Annual Summary, 2021”
- Collaborative Care members offered two formal leadership trainings for new members.

### **Shared Governance Annual Report**

#### *Highlights:*

- Thirteen Committee Chairs described their accomplishments in 2021
- Enthusiasm for Shared Governance
- Enculturation of Professional Nursing
- Goal Setting and Accomplishment
- Leadership Development

### **Quality:**

Door-to-tPA stroke’s goal is to provide treatment in less than thirty minutes. With strokes, every second counts: the faster the treatment, the more brain cells saved.

Several years ago, Phase II of Door-to-needle was initiated dropping the time to 45 minutes from

60 minutes. The final phase of door-to-needle in 30 minutes or less has been put into place. Each phase has been difficult for hospitals to reach and required many changes to the code stroke process to achieve these goals. This is the first achievement of this goal of 30 minutes or less. Staff looks forward to meeting this goal consistently in the future.

### **Growth:**

The tents will be put up due to the increase in volume in the Emergency Department.

### **Finance:**

#### *Industry News:*

- Several healthcare organizations closed medical departments or ended services to shore up finances.
- University Hospital closing las open unit at Ohio hospital.
- Twelve (12) hospitals and healthcare systems across the nation are trimming the or workforces or jobs due to financial and operational challenges.
- Illinois system cuts, reshuffles 76 management jobs.

#### *Federal Update:*

- Officials Begin Recommending Masks Again in Major Cities
  - Healthcare system strained
  - Over 9% of counties in the US are considering high risk of COVID infection
  - Flue and RSV are adding to the triple threat of infection.
- In New Report, Congressional Budget Office Issues Price Capping Proposal for Commercial Payers
  - Proposes policy considerations to help reduce premiums for consumers
  - California Hospital Association (CHA) responded citing concerns related to inaccurate assumptions, including noting that hospitals are not driving increases in premium costs.

#### *State Update:*

- State Legislative Outlook After Election
  - One-third of lawmakers are new to the legislature and education about hospital issues will be vital
  - Reform of the 2030 Seismic Building Standards is a priority and an educational effort about the issue is planned for 2023
- Supreme Court Allows California Flavored Tobacco Law to Remain
  - California voters approved a state flavored tobacco ban by wide margin (63.4%)
  - Tobacco industry challenged the results, stating regulation should be a federal decision
  - Supreme Court denied request and law will go into effect on December 21, 2022.

In Sacramento, Democrats will retain their supermajority in both legislative chambers; in the Assembly, they will hold 62 of 80 seats and will hold 31 of 40 seats in the Senate.

Perhaps of greater importance is that nearly one-third of lawmakers — at least 37 of 120 — will be new to the Legislature, meaning that they will need to be brought up to speed on many of the issues vital to hospitals. This includes matters like Medi-Cal underfunding, behavioral health care challenges, and physician choice for employment, among others. On one of the field’s top priorities, reform of the 2030 seismic building standards, CHA will be conducting an extensive, community-based educational effort in 2023 to acclimate legislators to this issue and help them understand the magnitude of the challenge facing hospitals, as well as the gravity of the impact on patients and communities if relief is not provided.

### **People:**

The new revitalized brand and new name “Salinas Valley Health” brings a new vision statement that reflects on the calling as healthcare professionals in transforming the future of the Salinas Valley - to help everyone rise through good health.

Star Excellence Institute (SEI) provided Leadership training during the beginning of December. The training provided a Just Culture and Financial Forecast presentation.

Salinas Valley Memorial Healthcare System (SVMHS) held its “Holiday Luncheon” and “Department Gingerbread House Competition” on December 14.

### **Community:**

Ask the Experts: Cooking for the Holidays, featured SVMHS Executive Chef Jason Giles and Chef Arturo Salazar.

SVMHS supported Christmas at Closter Park by decorating trees that were raffled to families during the event. The mobile health clinic was present during the event.

#### *Mobile Health Clinic: Operation Smiles*

The Mobile Clinic received a donation of \$10,000 to provide a holiday gift to families in need. The Community Health Advocates identified the families most in need. Gifts were distributed in Greenfield and at Martin Luther King Family Resource Center.

Paid Media focused on Respiratory Syncytial Virus Infection (RSV) and wellness.

#### *Earned Media*

- RSV is on the rise in young children.
- Children with RSV are being sent to facilities outside the county for treatment.
- Pressure on pediatric hospital beds prompts a call to families to protect themselves from respiratory illness.
- California COVID hospitalizations rise 150% in a month.

### **PUBLIC INPUT**

Received comment from a member of the public.

## **BOARD MEMBER COMMENTS**

Director Cabrera commended staff for a great job and added that he was happy to be part of the Board.

Director Carson thanked her constituents voting in to the position and stated that she hopes to serve them well.

Director Cabrera, MD., stated he attended a few meetings this week and has happy to meet staff Director Cabrera further added that he was happy to be there volunteering his time.

President Rey had the opportunity to serve the night shift during the holiday party. He added that it was Great experience. President Rey further added that he is looking for 2023. There will be many challenges for the organization, community, and country but is confident that together those challenges will be met head on.

## **CONSENT AGENDA – GENERAL BUSINESS**

- A. Minutes of the Regular Meeting of the Board of Directors of November 17, 2022. *Tabled.*
- B. Financial Report
- C. Statistical Report
- D. Policies Requiring Approval

The minutes of November 17, 2022 are tabled to the next meeting.

No public comment received.

### **MOTION:**

Upon motion by Director Cabrera, second by Director Carson, the Board of Directors approved the Consent Agenda – General Business, *Items (B) through (D)*, as presented.

Ayes: Directors: Cabrera, Cabrera, MD., Carson, and President Rey. Noes: None. Abstentions: None. Absent: Director Hernandez Laguna. Motion Carried.

## **REPORTS ON STANDING AND SPECIAL COMMITTEES**

### ***Quality and Efficient Practices Committee***

Chair Cabrera reported the minutes from the Quality and Efficient Practices Committee meeting of November 14, 2022, were provided to the Board for their review. Chair Cabrera pointed out that the information covered during the Committee meeting was presented to the Board, and that the Committee made no recommendations.

### ***Finance Committee***

Vice Chair Cabrera reported the minutes from the Finance Committee meeting of November 14, 2022, were provided to the Board for their review. Vice Chair Cabrera mentioned that the committee heard a financial standing of the hospital and that the hospital is doing well. There are no recommendations for Board approval.

### ***Personnel, Pension and Investment Committee***

President Rey reported that the minutes of the Personnel, Pension and Investment Committee meeting of November 15, 2022, were provided to the Board for their review. Background information supporting the proposed recommendation made by the Committee was included in the Board packet.

The Committee made the following recommendations:

- 1. Consider Recommendation to the Board of Directors for Approval of Multiple SVMC Professional Services Agreements for Radiologists to Provide Interventional, Diagnostic, and Mammography Radiology Services to SVMHS***

No public comment received.

### **MOTION:**

Upon motion by Director Cabrera, and second by Director Carson, the Board of Directors approved the Findings Supporting Recruitment of Radiologists and Approval of Contract Terms for Radiology Services and Salinas Valley Medical Clinic as follows:

- (i) The recruitment of Radiologists to Salinas Valley Medical Clinic is in the best interest of the public health of the communities served by the District, and
- (ii) The recruitment benefits and incentives the hospital proposes for these recruitments are necessary in order to relocate and attract appropriately qualified physician to practice in the communities served by the District.
- (iii) Professional Services Agreement between Salinas Valley Memorial Healthcare System and Paul Kamin MD contracted under a W-2 based professional services agreement.
- (iv) Recruitment Agreement between Salinas Valley Memorial Healthcare System and Paul Kamin MD., with dollar amounts in the recruitment incentive column.

Ayes: Directors: Cabrera, Cabrera, MD., Carson, and President Rey. Noes: None. Abstentions: None. Absent: Directors: Hernandez Laguna. Motion Carried.

## CONSIDERATION

Theodore Kaczmar, MD, reviewed the Medical Executive Committee (MEC) meeting of December 8, 2022, reports and Bylaw, Policy and Rules and Regulations revisions.

The following reports were received:

1. Credentials Committee Report
2. Interdisciplinary Practice Committee Report

Dr. Kaczmar announced that there were thirty-two (32) new physicians approved for initial appointment (One (1) Adult Hospitalist, one (1) Dentistry, one (1) Tele-Psychiatry, one (1) Emergency Medicine, three (3) Remote Radiology to mammography, twenty-two (22) Remote Radiology; Fourteen (14) Reappointments; One (1) return from leave of absence, one (1) continuation of provisional status, one (1) Emeritus Status, and six (6) resignations).

Interdisciplinary Practice Committee: one (1) initial appointment (Surgery); two (2) reappointment (Physician Assistant-Emergency Medicine and Taylor Farms Family Health & Wellness Center Physician Assistant – Ambulatory Care); and three (1) temporary privileges granted (Physician Assistant – Surgical Assistant Cardiac Surgery).

### I. Informational Items:

#### Committee Reports:

##### a. Quality and Safety:

- Summary of Safety Events, root cause analyses and improvements
- Antibiotic Stewardship UM Report Q3 2022
- Infection Prevents/Hand Hygiene
- Environment of Care Reports
- Disease Specific Programs Update:
- Pharmacy and Therapeutics/Infection Prevention
- Pathology Diagnostic Discrepancies

##### b. Medical Staff Excellence Committee (MSEC):

Three Committee Member Appointments were approved.

### II. Other Reports:

- a. Financial Performance Review October 2022
- b. Summary of Executive Operations Committee Meetings
- c. Summary of Medical Staff Department/Committee Meetings – November 2022
- d. Medical Staff Treasury Report November 30, 2022
- e. Medical Staff Statistics
- f. HCAHPS Update December 2, 2022

No public comment received.

**MOTION:**

Upon motion by Director Carson, second by President Rey, Jr., the Board of Directors accepted and approved the Credentials Committee and Interdisciplinary Practice Committee reports.

Ayes: Directors: Cabrera, Cabrera, MD., Carson, and President Rey. Noes: None. Abstentions: None. Absent: Director Hernandez Laguna. Motion Carried.

**CONSIDERATION**

*Consideration Board **RESOLUTION 2022-19** Authorizing the Core Rebranding of the District Facilities and Service Lines to Salinas Valley Health.*

Matthew Ottone, Esq., District Legal Counsel provided the following update:

SVMHS Board of Directors determined as part of the rebranding of the District’s facilities, necessary to submit an application for name change to the California Department of Public Health to modify the license on the District’s acute care hospital facility to reflect the newly rebranded name.

The District maintains accounts at Mechanics Bank for the deposit of funds received by the District and disbursement of funds by the District. Due to the transition involved in the rebranding of the District’s facilities and service lines, it is anticipated that payors to the District may continue to issue payments to the District in various names. The SVMHS Board of Directors desires to ensure, by virtue of this Resolution, that Mechanics Bank is authorized to continue to accept payments to the District issued in various names.

1. The District’s legal name shall remain Salinas Valley Memorial Healthcare System;
2. The Core Brand name of the organization shall be Salinas Valley Health, to be applied consistently throughout the organization;
3. The Salinas Valley Health naming convention shall be applied to individual facilities and existing and future service lines of the organization;
4. The facility name, as reflected on the California Department of Public Health (CDPH) Consolidated General Acute Care Hospital License, will be changed from Salinas Valley Memorial Hospital to Salinas Valley Health Medical Center effective upon approval by CDPH;
5. The District is authorized to continue to receive payments, accept deposits, and make payments under the following names:
  - Salinas Valley Memorial Healthcare System,
  - Salinas Valley Memorial Hospital,
  - Salinas Valley Health,
  - Salinas Valley Health Medical Center,
  - Salinas Valley Health Taylor Farms Family Health & Wellness Center, and
  - Taylor Farms Family Health & Wellness Center



No public input received.

**MOTION:**

Upon motion by Director Cabrera, second by Director President Rey, Jr., the Board of Directors adopted **RESOLUTION NO. 2022-19** Authorizing the Core Rebranding of the District Facilities and Service Lines to Salinas Valley Health, as presented.

Ayes: Directors: Cabrera, Cabrera, MD., Carson, and President Rey. Noes: None. Abstentions: None. Absent: Director Hernandez Laguna. Motion Carried.

*Consider Board **RESOLUTION NO. 2022-20** Authorizing Rebranding of Salinas Valley Medical Clinics consistent with Core Rebranding of District Facilities and Service.*

Matthew Ottone, Esq., District Legal Counsel, reported that SVMHS Board of Directors acknowledge that the organization has undergone significant transformation and growth over the past decade. In addition, dramatic shifts in the national healthcare landscape have resulted in profound changes to the healthcare delivery system locally. As such, on July 25, 2019 the SVMHS Board of Directors approved the reevaluation of the organization's current brand to ensure that it is in alignment with the District's business strategy.

1. The District's legal name shall remain Salinas Valley Memorial Healthcare System;
2. The Core Brand name of the organization shall be Salinas Valley Health, to be applied consistently throughout the organization;
3. The Salinas Valley Health naming convention shall be applied to individual facilities and existing and future service lines of the organization
4. The District is authorized to continue to receive payments, accept deposits, and make payments under the following names:
  - Salinas Valley Medical Clinics
  - Salinas Valley Health Clinics
  - SVMHS Clinics

No public input received.

**MOTION:**

Upon motion by Director Hernandez Laguna, second by Director Gage, the Board of Directors adopted **RESOLUTION NO. 2022-20** Authorizing Rebranding of Salinas Valley Medical Clinics consistent with Core Rebranding of District Facilities and Service, as presented.

Ayes: Directors: Cabrera, Cabrera, MD., Carson, and President Rey. Noes: None. Abstentions: None. Absent: Director Hernandez Laguna. Motion Carried.

*Consider Board **RESOLUTION NO. 2022-21** proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor’s State of Emergency Declaration March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period of December 31, 2022, Through January 30, 2023.*

Matthew Ottone, Esq., District Legal Counsel, reported the resolution was included in the Board Packet, for the Boards consideration. The resolution is necessary to continue remote attendance by the District Board at Committee meetings and regular Board Meetings with waiver of certain requirements under The Brown Act. The law has changed allowing remote teleconferencing through 2024. A 30-day resolution is required each month.

No public input received.

**MOTION:**

Upon motion by Director Cabrera, second by Director Hernandez Laguna, the Board of Directors adopted **RESOLUTION NO. 2022-21** proclaiming a Local Emergency, Ratifying the Proclamation of a State of Emergency by Governor’s State of Emergency Declaration on March 4, 2020, and Authorizing Remote Teleconference Meetings for the Period of December 31, 2022 through January 30, 2023, as presented.

Ayes: Directors: Cabrera, Cabrera, MD., Carson, and President Rey. Noes: None. Abstentions: None. Absent: Director Hernandez Laguna. Motion Carried.

**ADJOURNMENT**

The next Regular Meeting of the Board of Directors is scheduled for **Thursday, January 26, 2022 at 4:00 p.m.** There being no further business, the meeting was adjourned at 6:47 p.m.

**ATTEST:**

---

Rolando Cabrera, MD  
Secretary, Board of Directors

/es

SALINAS VALLEY MEMORIAL HOSPITAL  
SUMMARY INCOME STATEMENT  
December 31, 2022

	<u>Month of December,</u>		<u>Six months ended December 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Operating revenue:				
Net patient revenue	\$ 58,241,312	\$ 52,276,191	\$ 316,158,303	\$ 287,800,541
Other operating revenue	<u>671,870</u>	<u>959,742</u>	<u>4,478,457</u>	<u>5,755,345</u>
Total operating revenue	<u>58,913,182</u>	<u>53,235,933</u>	<u>320,636,760</u>	<u>293,555,886</u>
Total operating expenses	49,166,829	41,801,475	282,868,063	247,421,790
Total non-operating income	<u>(3,259,018)</u>	<u>(1,803,582)</u>	<u>(17,083,714)</u>	<u>(15,561,450)</u>
Operating and non-operating income	<u>\$ 6,487,335</u>	<u>\$ 9,630,876</u>	<u>\$ 20,684,983</u>	<u>\$ 30,572,646</u>

SALINAS VALLEY MEMORIAL HOSPITAL  
BALANCE SHEETS  
December 31, 2022

	<u>Current year</u>	<u>Prior year</u>
<b>ASSETS:</b>		
Current assets	\$ 408,623,383	\$ 443,772,673
Assets whose use is limited or restricted by board	154,427,974	148,277,441
Capital assets	241,345,738	240,294,460
Other assets	182,741,537	188,564,269
Deferred pension outflows	<u>95,857,027</u>	<u>50,119,236</u>
	<u>\$ 1,082,995,659</u>	<u>\$ 1,071,028,079</u>
<b>LIABILITIES AND EQUITY:</b>		
Current liabilities	106,984,891	131,959,240
Long term liabilities	18,514,233	14,556,513
Lease deferred inflows	1,911,058	0
Pension liability	79,111,485	83,585,120
Net assets	<u>876,473,992</u>	<u>840,927,206</u>
	<u>\$ 1,082,995,659</u>	<u>\$ 1,071,028,079</u>

**SALINAS VALLEY MEMORIAL HOSPITAL  
SCHEDULES OF NET PATIENT REVENUE  
December 31, 2022**

	<u>Month of December,</u>		<u>Six months ended December 31,</u>	
	<u>current year</u>	<u>prior year</u>	<u>current year</u>	<u>prior year</u>
Patient days:				
By payer:				
Medicare	2,249	1,824	11,972	9,816
Medi-Cal	1,395	1,004	6,952	5,924
Commercial insurance	937	937	4,863	4,608
Other patient	169	178	674	728
Total patient days	<u>4,750</u>	<u>3,943</u>	<u>24,461</u>	<u>21,076</u>
Gross revenue:				
Medicare	\$ 106,785,457	\$ 88,047,478	\$ 602,700,097	\$ 533,035,358
Medi-Cal	75,079,954	54,799,025	405,008,481	335,023,248
Commercial insurance	57,176,529	56,247,848	320,847,404	300,010,518
Other patient	<u>10,060,136</u>	<u>9,580,541</u>	<u>51,045,256</u>	<u>50,525,098</u>
Gross revenue	<u>249,102,076</u>	<u>208,674,892</u>	<u>1,379,601,238</u>	<u>1,218,594,222</u>
Deductions from revenue:				
Administrative adjustment	360,029	261,130	1,602,757	1,788,822
Charity care	461,311	689,366	4,056,276	5,924,293
Contractual adjustments:				
Medicare outpatient	28,314,767	24,625,771	174,865,499	164,189,916
Medicare inpatient	48,597,232	39,866,470	265,824,676	229,874,434
Medi-Cal traditional outpatient	2,803,692	3,240,835	18,896,956	16,407,254
Medi-Cal traditional inpatient	5,176,451	5,368,781	28,555,230	34,236,976
Medi-Cal managed care outpatient	27,123,702	21,183,274	160,178,882	132,509,949
Medi-Cal managed care inpatient	31,092,983	18,725,985	151,382,850	117,976,072
Commercial insurance outpatient	17,666,708	15,954,479	107,367,125	98,578,258
Commercial insurance inpatient	22,836,214	20,400,169	120,172,026	101,631,944
Uncollectible accounts expense	3,993,962	3,857,903	23,548,018	22,574,967
Other payors	<u>2,433,713</u>	<u>2,224,537</u>	<u>6,992,640</u>	<u>5,100,796</u>
Deductions from revenue	<u>190,860,764</u>	<u>156,398,701</u>	<u>1,063,442,935</u>	<u>930,793,681</u>
Net patient revenue	<u>\$ 58,241,312</u>	<u>\$ 52,276,191</u>	<u>\$ 316,158,303</u>	<u>\$ 287,800,541</u>
Gross billed charges by patient type:				
Inpatient	\$ 142,841,344	\$ 115,641,313	\$ 739,753,559	\$ 644,657,353
Outpatient	77,957,202	67,416,878	466,609,743	411,554,077
Emergency room	<u>28,303,531</u>	<u>25,616,701</u>	<u>173,237,936</u>	<u>162,382,792</u>
Total	<u>\$ 249,102,077</u>	<u>\$ 208,674,892</u>	<u>\$ 1,379,601,238</u>	<u>\$ 1,218,594,222</u>

**SALINAS VALLEY MEMORIAL HOSPITAL  
STATEMENTS OF REVENUE AND EXPENSES  
December 31, 2022**

	Month of December,		Six months ended December 31,	
	current year	prior year	current year	prior year
Operating revenue:				
Net patient revenue	\$ 58,241,312	\$ 52,276,191	\$ 316,158,303	\$ 287,800,541
Other operating revenue	671,870	959,742	4,478,457	5,755,345
Total operating revenue	<u>58,913,182</u>	<u>53,235,933</u>	<u>320,636,760</u>	<u>293,555,886</u>
Operating expenses:				
Salaries and wages	17,415,693	14,689,345	104,507,717	91,717,781
Compensated absences	2,691,799	2,550,895	16,932,625	16,165,543
Employee benefits	8,341,694	6,112,645	45,644,042	40,568,042
Supplies, food, and linen	7,178,051	6,087,678	40,771,325	37,332,142
Purchased department functions	3,943,870	3,943,521	24,704,973	20,272,318
Medical fees	2,189,854	1,843,045	11,741,809	11,643,054
Other fees	3,891,520	3,287,966	17,780,631	10,405,900
Depreciation	1,897,841	1,829,383	11,368,073	10,967,148
All other expense	1,616,507	1,456,997	9,416,868	8,349,862
Total operating expenses	<u>49,166,829</u>	<u>41,801,475</u>	<u>282,868,063</u>	<u>247,421,790</u>
Income from operations	<u>9,746,353</u>	<u>11,434,458</u>	<u>37,768,697</u>	<u>46,134,096</u>
Non-operating income:				
Donations	(442,031)	188,667	859,346	1,022,000
Property taxes	333,333	333,333	2,000,000	2,000,000
Investment income	(470,856)	(664,768)	(1,978,318)	(3,486,855)
Taxes and licenses	0	0	0	0
Income from subsidiaries	(2,679,464)	(1,660,814)	(17,964,742)	(15,096,595)
Total non-operating income	<u>(3,259,018)</u>	<u>(1,803,582)</u>	<u>(17,083,714)</u>	<u>(15,561,450)</u>
Operating and non-operating income	6,487,335	9,630,876	20,684,983	30,572,646
Net assets to begin	<u>869,986,657</u>	<u>831,296,330</u>	<u>855,789,009</u>	<u>810,354,560</u>
Net assets to end	<u>\$ 876,473,992</u>	<u>\$ 840,927,206</u>	<u>\$ 876,473,992</u>	<u>\$ 840,927,206</u>
Net income excluding non-recurring items	\$ 6,487,335	\$ 9,630,876	\$ 20,684,983	\$ 30,090,868
Non-recurring income (expense) from cost report settlements and re-openings and other non-recurring items	<u>0</u>	<u>0</u>	<u>0</u>	<u>481,778</u>
Operating and non-operating income	<u>\$ 6,487,335</u>	<u>\$ 9,630,876</u>	<u>\$ 20,684,983</u>	<u>\$ 30,572,646</u>

**SALINAS VALLEY MEMORIAL HOSPITAL  
SCHEDULES OF INVESTMENT INCOME  
December 31, 2022**

	<b>Month of December,</b>		<b>Six months ended December 31,</b>	
	<b>current year</b>	<b>prior year</b>	<b>current year</b>	<b>prior year</b>
<b>Detail of other operating income:</b>				
Dietary revenue	\$ 178,425	\$ 139,208	\$ 884,123	\$ 847,928
Discounts and scrap sale	30,189	968	564,942	553,449
Sale of products and services	18,882	30,423	272,091	445,932
Clinical trial fees	0	1,717	0	23,195
Stimulus Funds	0	0	0	0
Rental income	150,242	159,493	993,054	964,417
Other	294,132	627,933	1,764,247	2,920,424
<b>Total</b>	<b>\$ 671,870</b>	<b>\$ 959,742</b>	<b>\$ 4,478,457</b>	<b>\$ 5,755,345</b>
<b>Detail of investment income:</b>				
Bank and payor interest	\$ 997,625	\$ 72,763	\$ 3,767,261	\$ 533,759
Income from investments	(423,982)	(579,081)	(4,518,529)	(3,885,257)
Gain or loss on property and equipment	(1,044,499)	(158,450)	(1,227,050)	(135,357)
<b>Total</b>	<b>\$ (470,856)</b>	<b>\$ (664,768)</b>	<b>\$ (1,978,318)</b>	<b>\$ (3,486,855)</b>
<b>Detail of income from subsidiaries:</b>				
<b>Salinas Valley Medical Center:</b>				
Pulmonary Medicine Center	\$ 23,371	\$ (83,697)	\$ (885,331)	\$ (1,074,597)
Neurological Clinic	(59,807)	(25,294)	(364,178)	(308,875)
Palliative Care Clinic	(89,481)	(33,472)	(416,496)	(472,921)
Surgery Clinic	(133,589)	(60,553)	(824,203)	(702,138)
Infectious Disease Clinic	(28,030)	(14,832)	(174,440)	(157,982)
Endocrinology Clinic	(124,629)	(49,433)	(931,598)	(712,529)
Early Discharge Clinic	0	0	0	0
Cardiology Clinic	(319,912)	(164,938)	(2,426,117)	(2,162,121)
OB/GYN Clinic	(249,211)	(251,009)	(1,696,081)	(1,810,839)
PrimeCare Medical Group	(386,633)	(198,065)	(2,780,806)	(2,215,647)
Oncology Clinic	(276,033)	(311,097)	(1,574,785)	(1,755,871)
Cardiac Surgery	(273,354)	(60,986)	(1,476,512)	(841,460)
Sleep Center	(60,227)	(10,682)	(159,823)	(167,620)
Rheumatology	(65,279)	(36,960)	(365,832)	(301,491)
Precision Ortho MDs	(374,293)	(167,721)	(2,149,554)	(1,395,508)
Precision Ortho-MRI	0	0	0	0
Precision Ortho-PT	(43,964)	(24,453)	(225,510)	(278,887)
Vaccine Clinic	0	(53,749)	(683)	(135,931)
Dermatology	(10,238)	41,405	(87,636)	(77,800)
Hospitalists	0	0	0	0
Behavioral Health	(39,105)	(21,588)	(189,269)	(384,112)
Pediatric Diabetes	(62,693)	(28,750)	(291,073)	(263,467)
Neurosurgery	(29,904)	(13,569)	(176,495)	(134,563)
Multi-Specialty-RR	(3,356)	2,516	60,690	53,092
Radiology	(167,404)	(202,138)	(1,034,036)	(1,398,654)
Salinas Family Practice	(143,088)	(109,216)	(597,464)	(485,055)
Urology	(199,094)	0	(656,284)	0
<b>Total SVMC</b>	<b>(3,115,953)</b>	<b>(1,878,281)</b>	<b>(19,423,516)</b>	<b>(17,184,976)</b>
Doctors on Duty	73,634	54,794	471,409	220,797
Vantage Surgery Center	0	19,341	0	169,857
LPCH NICU JV	0	0	0	0
Central Coast Health Connect	0	0	0	0
Monterey Peninsula Surgery Center	246,940	195,329	843,083	1,441,211
Aspire/CHI/Coastal	65,995	(30,730)	(66,127)	(151,339)
Apex	0	3,925	0	70,968
21st Century Oncology	(1,448)	(51,202)	(47,658)	107,018
Monterey Bay Endoscopy Center	51,368	26,011	258,067	229,870
<b>Total</b>	<b>\$ (2,679,464)</b>	<b>\$ (1,660,814)</b>	<b>\$ (17,964,742)</b>	<b>\$ (15,096,595)</b>

**SALINAS VALLEY MEMORIAL HOSPITAL  
BALANCE SHEETS  
December 31, 2022**

	<u>Current year</u>	<u>Prior year</u>
<b>A S S E T S</b>		
Current assets:		
Cash and cash equivalents	\$ 297,265,223	\$ 340,137,885
Patient accounts receivable, net of estimated uncollectibles of \$30,888,603	91,267,037	84,894,422
Supplies inventory at cost	7,713,311	8,040,159
Current portion of lease receivable	534,201	0
Other current assets	11,843,610	10,700,207
	<u>408,623,383</u>	<u>443,772,673</u>
Total current assets		
Assets whose use is limited or restricted by board	<u>154,427,974</u>	<u>148,277,441</u>
Capital assets:		
Land and construction in process	47,308,745	36,308,014
Other capital assets, net of depreciation	194,036,993	203,986,446
	<u>241,345,738</u>	<u>240,294,460</u>
Total capital assets		
Other assets:		
Right of use assets, net of amortization	7,137,296	0
Long term lease receivable	1,462,610	0
Investment in Securities	137,538,263	144,039,022
Investment in SVMC	13,365,306	15,175,915
Investment in Aspire/CHI/Coastal	1,577,573	3,629,477
Investment in other affiliates	22,857,101	21,370,773
Net pension asset	(1,196,612)	4,349,082
	<u>182,741,537</u>	<u>188,564,269</u>
Total other assets		
Deferred pension outflows	<u>95,857,027</u>	<u>50,119,236</u>
	<u>\$ 1,082,995,659</u>	<u>\$ 1,071,028,079</u>
 <b>L I A B I L I T I E S   A N D   N E T   A S S E T S</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 68,219,631	\$ 56,932,473
Due to third party payers	17,556,458	57,214,410
Current portion of self-insurance liability	18,272,834	17,812,357
Current portion of lease liability	2,935,968	0
	<u>106,984,891</u>	<u>131,959,240</u>
Total current liabilities		
Long term portion of workers comp liability	14,058,922	14,556,513
Long term portion of lease liability	4,455,311	0
	<u>125,499,124</u>	<u>146,515,753</u>
Total liabilities		
Lease deferred inflows	1,911,058	0
Pension liability	79,111,485	83,585,120
	<u>81,022,543</u>	<u>83,585,120</u>
Total liabilities and pension liability		
Net assets:		
Invested in capital assets, net of related debt	241,345,738	240,294,460
Unrestricted	635,128,254	600,632,746
	<u>876,473,992</u>	<u>840,927,206</u>
Total net assets		
	<u>\$ 1,082,995,659</u>	<u>\$ 1,071,028,079</u>



**SALINAS VALLEY MEMORIAL HOSPITAL**  
**STATEMENTS OF REVENUE AND EXPENSES - BUDGET VS. ACTUAL**  
**December 31, 2022**

	Month of December,				Six months ended December 31,			
	Actual	Budget	Variance	% Var	Actual	Budget	Variance	% Var
Operating revenue:								
Gross billed charges	\$ 249,102,076	\$ 209,636,473	39,465,603	18.83%	\$ 1,379,601,238	\$ 1,244,300,599	135,300,639	10.87%
Deductions from revenue	190,860,764	162,195,167	28,665,597	17.67%	1,063,442,935	959,158,749	104,284,186	10.87%
Net patient revenue	58,241,312	47,441,306	10,800,006	22.76%	316,158,303	285,141,850	31,016,453	10.88%
Other operating revenue	671,870	1,374,687	(702,817)	-51.13%	4,478,457	8,248,120	(3,769,663)	-45.70%
<b>Total operating revenue</b>	<b>58,913,182</b>	<b>48,815,993</b>	<b>10,097,189</b>	<b>20.68%</b>	<b>320,636,760</b>	<b>293,389,970</b>	<b>27,246,790</b>	<b>9.29%</b>
Operating expenses:								
Salaries and wages	17,415,693	16,283,218	1,132,475	6.95%	104,507,717	96,908,238	7,599,479	7.84%
Compensated absences	2,691,799	3,183,904	(492,105)	-15.46%	16,932,625	18,375,698	(1,443,073)	-7.85%
Employee benefits	8,341,694	6,796,317	1,545,377	22.74%	45,644,042	42,705,739	2,938,303	6.88%
Supplies, food, and linen	7,178,051	6,417,896	760,155	11.84%	40,771,325	38,098,779	2,672,546	7.01%
Purchased department functions	3,943,870	3,491,015	452,855	12.97%	24,704,973	20,946,049	3,758,924	17.95%
Medical fees	2,189,854	2,026,754	163,100	8.05%	11,741,809	12,160,526	(418,717)	-3.44%
Other fees	3,891,520	1,937,066	1,954,454	100.90%	17,780,631	12,530,746	5,249,885	41.90%
Depreciation	1,897,841	1,909,682	(11,841)	-0.62%	11,368,073	11,436,116	(68,043)	-0.59%
All other expense	1,616,507	1,767,161	(150,654)	-8.53%	9,416,868	10,532,974	(1,116,106)	-10.60%
<b>Total operating expenses</b>	<b>49,166,829</b>	<b>43,813,013</b>	<b>5,353,816</b>	<b>12.22%</b>	<b>282,868,063</b>	<b>263,694,865</b>	<b>19,173,198</b>	<b>7.27%</b>
<b>Income from operations</b>	<b>9,746,353</b>	<b>5,002,980</b>	<b>4,743,373</b>	<b>94.81%</b>	<b>37,768,697</b>	<b>29,695,105</b>	<b>8,073,592</b>	<b>27.19%</b>
Non-operating income:								
Donations	(442,031)	166,667	(608,698)	-365.22%	859,346	1,000,000	(140,654)	-14.07%
Property taxes	333,333	333,333	(0)	0.00%	2,000,000	2,000,000	0	0.00%
Investment income	(470,856)	129,915	(600,771)	-462.43%	(1,978,318)	779,493	(2,757,811)	-353.80%
Income from subsidiaries	(2,679,464)	(3,513,937)	834,473	-23.75%	(17,964,742)	(20,789,598)	2,824,856	-13.59%
<b>Total non-operating income</b>	<b>(3,259,018)</b>	<b>(2,884,022)</b>	<b>(374,996)</b>	<b>13.00%</b>	<b>(17,083,714)</b>	<b>(17,010,105)</b>	<b>(73,609)</b>	<b>0.43%</b>
<b>Operating and non-operating income</b>	<b>\$ 6,487,335</b>	<b>\$ 2,118,958</b>	<b>4,368,377</b>	<b>206.16%</b>	<b>\$ 20,684,983</b>	<b>\$ 12,684,999</b>	<b>7,999,983</b>	<b>63.07%</b>

**SALINAS VALLEY MEMORIAL HOSPITAL**

**PATIENT STATISTICAL REPORT**

For the month of Dec and six months to date

	<u>Month of Dec</u>		<u>Six months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>NEWBORN STATISTICS</u>					
Medi-Cal Admissions	41	36	254	231	(23)
Other Admissions	109	86	584	529	(55)
Total Admissions	150	122	838	760	(78)
Medi-Cal Patient Days	66	60	392	363	(29)
Other Patient Days	174	139	955	(164)	(1,119)
Total Patient Days of Care	240	199	1,347	199	(1,148)
Average Daily Census	7.7	6.4	7.3	1.1	(6.2)
Medi-Cal Average Days	1.8	1.8	1.6	1.7	0.1
Other Average Days	1.2	1.7	1.6	-0.3	(2.0)
Total Average Days Stay	1.7	1.7	1.6	0.3	(1.4)
<u>ADULTS &amp; PEDIATRICS</u>					
Medicare Admissions	372	424	1,966	2,382	416
Medi-Cal Admissions	294	339	1,451	1,802	351
Other Admissions	439	333	1,835	1,908	73
Total Admissions	1,105	1,096	5,252	6,092	840
Medicare Patient Days	1,561	1,929	8,447	10,017	1,570
Medi-Cal Patient Days	1,085	1,436	6,167	7,202	1,035
Other Patient Days	1,097	952	5,849	(12,902)	(18,751)
Total Patient Days of Care	3,743	4,317	20,463	4,317	(16,146)
Average Daily Census	120.7	139.3	111.2	23.5	(87.8)
Medicare Average Length of Stay	4.2	4.5	4.2	4.2	(0.0)
Medi-Cal Average Length of Stay	3.8	3.7	3.5	3.5	0.0
Other Average Length of Stay	2.6	2.3	2.5	-5.4	(7.9)
Total Average Length of Stay	3.4	3.5	3.3	0.6	(2.7)
Deaths	34	32	165	135	(30)
Total Patient Days	3,983	4,516	21,810	4,516	(17,294)
Medi-Cal Administrative Days	29	3	105	41	(64)
Medicare SNF Days	0	0	0	0	0
Over-Utilization Days	0	0	0	0	0
Total Non-Acute Days	29	3	105	41	(64)
Percent Non-Acute	0.73%	0.07%	0.48%	0.91%	0.43%

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of Dec and six months to date

	<u>Month of Dec</u>		<u>Six months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>PATIENT DAYS BY LOCATION</u>					
Level I	273	463	1,600	463	(1,137)
Heart Center	136	431	1,462	431	(1,031)
Monitored Beds	767	642	4,664	642	(4,022)
Single Room Maternity/Obstetrics	439	347	2,198	347	(1,851)
Med/Surg - Cardiovascular	858	990	4,035	990	(3,045)
Med/Surg - Oncology	287	226	1,706	226	(1,480)
Med/Surg - Rehab	459	633	2,518	633	(1,885)
Pediatrics	108	153	550	153	(397)
Nursery	240	199	1,347	199	(1,148)
Neonatal Intensive Care	202	0	606	0	(606)
<u>PERCENTAGE OF OCCUPANCY</u>					
Level I	67.74%	114.89%	66.89%	116.14%	
Heart Center	29.25%	92.69%	52.97%	93.70%	
Monitored Beds	91.64%	76.70%	93.88%	77.54%	
Single Room Maternity/Obstetrics	38.27%	30.25%	32.29%	30.58%	
Med/Surg - Cardiovascular	61.51%	70.97%	48.73%	71.74%	
Med/Surg - Oncology	71.22%	56.08%	71.32%	56.69%	
Med/Surg - Rehab	56.95%	78.54%	52.63%	79.39%	
Med/Surg - Observation Care Unit	0.00%	81.97%	0.00%	82.86%	
Pediatrics	19.35%	27.42%	16.61%	27.72%	
Nursery	46.92%	38.91%	22.18%	19.66%	
Neonatal Intensive Care	59.24%	0.00%	29.94%	0.00%	

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of Dec and six months to date

	<u>Month of Dec</u>		<u>Six months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<u>DELIVERY ROOM</u>					
Total deliveries	139	116	813	733	(80)
C-Section deliveries	47	51	276	232	(44)
Percent of C-section deliveries	33.81%	43.97%	33.95%	31.65%	-2.30%
<u>OPERATING ROOM</u>					
In-Patient Operating Minutes	17,198	23,855	114,688	122,771	8,083
Out-Patient Operating Minutes	29,521	27,526	155,547	160,494	4,947
Total	46,719	51,381	270,235	283,265	13,030
Open Heart Surgeries	14	18	72	86	14
In-Patient Cases	110	137	812	825	13
Out-Patient Cases	300	271	1,546	1,650	104
<u>EMERGENCY ROOM</u>					
Immediate Life Saving	31	38	222	172	(50)
High Risk	499	595	2,730	3,397	667
More Than One Resource	2,376	2,974	15,518	17,998	2,480
One Resource	1,538	2,467	10,046	13,880	3,834
No Resources	86	97	566	561	(5)
Total	<u>4,530</u>	<u>6,171</u>	<u>29,082</u>	<u>36,008</u>	<u>6,926</u>

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of Dec and six months to date

	Month of Dec		Six months to date		Variance
	2021	2022	2020-21	2021-22	
<b>CENTRAL SUPPLY</b>					
In-patient requisitions	16,315	15,295	102,118	105,727	3,609
Out-patient requisitions	6,250	6,730	67,967	63,426	-4,541
Emergency room requisitions	1,375	698	11,273	8,349	-2,924
Interdepartmental requisitions	7,849	7,115	49,644	44,398	-5,246
Total requisitions	31,789	29,838	231,002	221,900	-9,102
<b>LABORATORY</b>					
In-patient procedures	42,107	38,721	253,735	241,589	-12,146
Out-patient procedures	9,286	11,597	76,062	80,263	4,201
Emergency room procedures	9,433	11,145	60,934	76,430	15,496
Total patient procedures	60,826	61,463	390,731	398,282	7,551
<b>BLOOD BANK</b>					
Units processed	318	297	1,996	1,965	-31
<b>ELECTROCARDIOLOGY</b>					
In-patient procedures	1,041	1,068	6,566	6,885	319
Out-patient procedures	349	302	2,706	2,668	-38
Emergency room procedures	1,045	1,148	6,142	7,127	985
Total procedures	2,435	2,518	15,414	16,680	1,266
<b>CATH LAB</b>					
In-patient procedures	64	77	512	607	95
Out-patient procedures	51	71	571	625	54
Emergency room procedures	0	0	1	0	-1
Total procedures	115	148	1,084	1,232	148
<b>ECHO-CARDIOLOGY</b>					
In-patient studies	298	371	2,033	2,406	373
Out-patient studies	138	156	1,262	1,520	258
Emergency room studies	2	1	16	5	-11
Total studies	438	528	3,311	3,931	620
<b>NEURODIAGNOSTIC</b>					
In-patient procedures	140	165	1,109	1,090	-19
Out-patient procedures	24	27	169	164	-5
Emergency room procedures	0	0	0	0	0
Total procedures	164	192	1,278	1,254	-24

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of Dec and six months to date

	<u>Month of Dec</u>		<u>Six months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<b>SLEEP CENTER</b>					
In-patient procedures	0	0	1	0	-1
Out-patient procedures	183	167	1,315	1,153	-162
Emergency room procedures	0	0	0	0	0
Total procedures	<u>183</u>	<u>167</u>	<u>1,316</u>	<u>1,153</u>	<u>-163</u>
<b>RADIOLOGY</b>					
In-patient procedures	1,654	1,429	9,708	8,710	-998
Out-patient procedures	416	356	4,323	2,915	-1,408
Emergency room procedures	1,217	1,382	7,939	8,809	870
Total patient procedures	<u>3,287</u>	<u>3,167</u>	<u>21,970</u>	<u>20,434</u>	<u>-1,536</u>
<b>MAGNETIC RESONANCE IMAGING</b>					
In-patient procedures	105	141	860	890	30
Out-patient procedures	127	77	953	768	-185
Emergency room procedures	14	6	80	49	-31
Total procedures	<u>246</u>	<u>224</u>	<u>1,893</u>	<u>1,707</u>	<u>-186</u>
<b>MAMMOGRAPHY CENTER</b>					
In-patient procedures	2,718	3,550	20,910	24,711	3,801
Out-patient procedures	2,696	3,518	20,790	24,527	3,737
Emergency room procedures	3	0	3	8	5
Total procedures	<u>5,417</u>	<u>7,068</u>	<u>41,703</u>	<u>49,246</u>	<u>7,543</u>
<b>NUCLEAR MEDICINE</b>					
In-patient procedures	12	14	86	94	8
Out-patient procedures	61	78	506	541	35
Emergency room procedures	1	0	4	4	0
Total procedures	<u>74</u>	<u>92</u>	<u>596</u>	<u>639</u>	<u>43</u>
<b>PHARMACY</b>					
In-patient prescriptions	111,491	94,299	636,356	605,331	-31,025
Out-patient prescriptions	10,439	11,319	99,978	104,283	4,305
Emergency room prescriptions	5,342	7,197	36,983	48,996	12,013
Total prescriptions	<u>127,272</u>	<u>112,815</u>	<u>773,317</u>	<u>758,610</u>	<u>-14,707</u>
<b>RESPIRATORY THERAPY</b>					
In-patient treatments	29,606	21,738	156,457	131,478	-24,979
Out-patient treatments	143	981	3,391	7,896	4,505
Emergency room treatments	373	194	1,179	1,583	404
Total patient treatments	<u>30,122</u>	<u>22,913</u>	<u>161,027</u>	<u>140,957</u>	<u>-20,070</u>
<b>PHYSICAL THERAPY</b>					
In-patient treatments	2,256	2,396	16,109	16,284	175
Out-patient treatments	99	170	1,751	2,108	357
Emergency room treatments	0	0	0	0	0
Total treatments	<u>2,355</u>	<u>2,566</u>	<u>17,860</u>	<u>18,392</u>	<u>532</u>

**SALINAS VALLEY MEMORIAL HOSPITAL**  
**PATIENT STATISTICAL REPORT**  
For the month of Dec and six months to date

	<u>Month of Dec</u>		<u>Six months to date</u>		<u>Variance</u>
	<u>2021</u>	<u>2022</u>	<u>2020-21</u>	<u>2021-22</u>	
<b>OCCUPATIONAL THERAPY</b>					
In-patient procedures	1,445	1,660	9,403	10,682	1,279
Out-patient procedures	74	99	797	1,086	289
Emergency room procedures	0	0	0	0	0
Total procedures	<u>1,519</u>	<u>1,759</u>	<u>10,200</u>	<u>11,768</u>	<u>1,568</u>
<b>SPEECH THERAPY</b>					
In-patient treatments	348	525	2,682	3,077	395
Out-patient treatments	23	28	171	200	29
Emergency room treatments	0	0	0	0	0
Total treatments	<u>371</u>	<u>553</u>	<u>2,853</u>	<u>3,277</u>	<u>424</u>
<b>CARDIAC REHABILITATION</b>					
In-patient treatments	0	0	0	0	0
Out-patient treatments	498	401	2,637	4,268	1,631
Emergency room treatments	0	0	1	0	-1
Total treatments	<u>498</u>	<u>401</u>	<u>2,638</u>	<u>4,268</u>	<u>1,630</u>
<b>CRITICAL DECISION UNIT</b>					
Observation hours	<u>378</u>	<u>344</u>	<u>1,866</u>	<u>2,252</u>	<u>386</u>
<b>ENDOSCOPY</b>					
In-patient procedures	85	78	626	636	10
Out-patient procedures	12	29	159	223	64
Emergency room procedures	0	0	0	0	0
Total procedures	<u>97</u>	<u>107</u>	<u>785</u>	<u>859</u>	<u>74</u>
<b>C.T. SCAN</b>					
In-patient procedures	537	596	3,803	4,027	224
Out-patient procedures	445	281	3,598	2,517	-1,081
Emergency room procedures	433	552	3,208	4,164	956
Total procedures	<u>1,415</u>	<u>1,429</u>	<u>10,609</u>	<u>10,708</u>	<u>99</u>
<b>DIETARY</b>					
Routine patient diets	17,554	21,351	113,154	130,102	16,948
Meals to personnel	19,345	21,421	144,216	152,161	7,945
Total diets and meals	<u>36,899</u>	<u>42,772</u>	<u>257,370</u>	<u>282,263</u>	<u>24,893</u>
<b>LAUNDRY AND LINEN</b>					
Total pounds laundered	<u>99,573</u>	<u>100,531</u>	<u>710,088</u>	<u>689,921</u>	<u>-20,167</u>

*QUALITY AND EFFICIENT  
PRACTICES COMMITTEE*

*Minutes of the January 23, 2023  
Quality and Efficient Practices Committee  
will be distributed at the Board Meeting*

*(CATHERINE CARSON)*



## *FINANCE COMMITTEE*

*Minutes from the January 23, 2023 meeting  
of the Finance Committee will be distributed  
at the Board Meeting*

*Background information supporting the  
proposed recommendations from the  
Committee is included in the Board Packet*

*(Joel Hernandez Laguna)*

- *Committee Chair Report*
- *Board Questions to Committee Chair/Staff*
- *Motion/Second*
- *Public Comment*
- *Board Discussion/Deliberation*
- *Action by Board/Roll Call Vote*

## Board Paper: Finance Committee

---

Agenda Item: **Consider Recommendation to Board of Directors for Approval of the Terms and Conditions for an Agreement for Anesthesia Services Between SVMHS and Cypress Coast Anesthesia Medical Group**

Executive Sponsor: Allen Radner, MD, Chief Medical Officer  
Gary Ray, Chief Administrative Officer, SVMC

Date: January 18, 2023

### Executive Summary

SVMHS presently contracts with Cypress Coast Anesthesia Medical Group, Inc. (CCAMG) to provide anesthesia services at Salinas Valley Memorial Hospital (SVMH). The current agreement became effective May 1, 2020 with a term of two (2) years, but was extended for an additional year to provide time for the parties to negotiate a new PSA. During the past several months, the parties have worked diligently to evaluate and negotiate a commercially reasonable, fair-market-value anesthesia services agreement. Both parties engaged third-party specialists to provide the financial modeling and FMV analysis. This PSA ensures SVMHS retains a high quality group accountable for consistent coverage critical to our hospital operations.

The parties believe they have reached a fair agreement which enables SVMHS to secure the appropriate level and range of anesthesiology skills needed to support hospital services including, cardiovascular surgery, obstetrics and gynecology, oncology, and pain management, while providing the necessary compensation to CCAMG to continue to recruit and retain highly skilled anesthesiologists.

### Anesthesia Services Summary

CCAMG currently provides professional anesthesia services and medical direction at SVMH 24 hours per day, seven days per week. This PSA proposal is a renewal of an existing agreement between SVMHS and CCAMG to provide exclusive coverage for anesthesia services to patients at SVMH, and to serve on SVMH's anesthesiology call list and anesthesiology backup on-call panel. The proposed renewal agreement provides for the following:

- Emergency department on-call coverage with two anesthesiologists available for coverage;
- Cardiac anesthesia on-call coverage by one of the approved cardiac anesthesiologists;
- In the event that a vaginal birth after cesarean (VBAC) or trial of labor after cesarean (TOLAC) is in process, first call physician must be in-house 24 hours per day;
- Second-call physician coverage available within the requirements of the medical staff bylaws;
- Dedicated obstetrics anesthesia coverage from 7 a.m. to 7 p.m. five days per week;
- Dedicated second-call obstetrics anesthesia coverage available weekdays between the hours of 7 p.m. to 7 a.m., and 24 hours per day coverage on weekends and/or holidays, should first call physician be called into a case;
- Anesthesiologist staffing for six operating rooms 52 weeks per year;
- Cardiac anesthesiologist staffing 24 hours per day, seven days per week for cardiac surgery;
- Transesophageal echocardiography (TEE) privileged anesthesiologist staffing for structural heart and trans-septal access cases in the cardiac catheterization laboratory;
- Anesthesiologist staffing for nonconventional locations (e.g., cardioversion, cardiac catheterization laboratory, endoscopy, post-operative pain management); and
- CCAMG designates one physician to serve as the Medical Director of Anesthesia Services, one physician for Medical Director of OB Services, and one physician for Medical Director of Cardiac Anesthesia Services.

## PSA Terms and Conditions

The essential terms and conditions of the Agreement for Anesthesia Services with CCAMG are as follows:

### 1. General Terms and Conditions

- Independent Group Agreement. The PSA is an independent contractor agreement with the medical group CCAMG. CCAMG employs or contracts with the anesthesiology providers.
- Effective/Start Date. The Effective Date of the Agreement is February 1, 2023. The term of the Agreement is for a period of three (3) years with an option to extend for an additional year at a fixed percentage increase.
- Professional Liability Insurance. CCAMG maintains professional liability insurance for all of its anesthesiologists with minimum coverage limits \$1 million/\$3 million.
- Physician Recruitment Assistance. SVMHS will assist with recruitment of new anesthesiologists to CCAMG by providing recruitment incentives of up to \$50,000 for new physicians.
- Physician Retention Incentive. SVMHS will provide a one-time retention incentive to CCAMG for eleven anesthesiologists in the amount of \$50,000 per physician to be paid over a period of two (2) years subject to a commitment from eleven (11) physicians to continue to provide services to SVMH over the two-year period.

### 2. Financial Terms and Conditions

- Base Compensation. Base compensation to supplement CCAMG's collections for professional services is in the amount of three hundred thousand dollars (\$300,000) per month.
- Extended-Time/Second-Call Compensation. Compensation for Extended-Time Coverage will be in the amount of \$240,000 per year and OB Second-Call Coverage will be in the amount of three hundred dollars (\$300.00) per hour not to exceed 1,600 hours per year (or a maximum of \$720,000 per year).
- Performance Incentive Program. SVMHS will fund an incentive pool to be awarded based on performance of established metrics. Maximum incentive achievable per year is \$400,000.
- Totals. Base Compensation, plus Extended Time/Second Call Compensation (if the maximum number of hours is reached), plus achievement of 100% of the Performance Incentive Program would be a total of **\$4.72 million per year for three (3) years**. In addition, a Physician Retention Incentive in the amount of \$550,000 would be paid over two (2) years with a two-year commitment of continued service by eleven individual physicians. **Total compensation for Anesthesia Services over the three (3) year period is approximately \$14.71 million** (not including physician recruitment support).

## Meeting our Mission, Vision, Goals

### Strategic Plan Alignment:

Renewing our Agreement for Anesthesia Services with Cypress Coast Anesthesia Medical Group and obtaining a three (3) year term for the agreement is aligned with our strategic priorities for the service, quality, and growth pillars. SVMHS continues to develop and improve its medical services which engages our physicians in a meaningful way, promotes efficiencies in care delivery, and creates opportunities for expansion of services. This continuing partnership with CCAMG provides the opportunity to retain highly skilled anesthesiologists to perform needed services for our hospital and patients.

### Pillar/Goal Alignment:

Service     People     Quality     Finance     Growth     Community

## Financial/Quality/Safety/Regulatory Implications

The compensation proposed in this PSA been reviewed by independent valuation and compensation consulting firms to confirm that the terms contemplated are fair market value and commercially reasonable.

## Recommendation

Administration requests the Finance Committee to recommend to the SVMHS Board of Directors approval of:

**The Terms and Conditions for an Agreement for Anesthesia Services Between Salinas Valley Memorial Healthcare System and Cypress Coast Anesthesia Medical Group, as presented.**

# Board Paper: Finance Committee

---

Agenda Item: Consider Recommendation for Board Approval of contract award for translation services to Language Line Services, Inc.

Executive Sponsor: Lisa Paulo, Chief Nursing Officer  
Laurie Lawson, Director of Clinical Operations

Date: January 23, 2023

## **Executive Summary**

Language Line Services, Inc.'s contract with SVMHS will provide inpatient and outpatient support with interpretation services in over 240 languages. These support services are vital to the organization to communicate with patients in their preferred/native language. Interpreting services are used to bridge communication and help the patient and family understand the treatment and diagnosis.

## **Background/Situation**

SVMHS treats patients of all languages. We have certified Spanish interpreters on staff. On occasions, our interpreters require additional support, and Language Line Services are available 24/7 through an Interpreter on wheels (IOW) with a connection time of fewer than 3 minutes. The IOW allows us to connect with interpreters that can facilitate communication with over 240 languages, including American Sign Language. Language Line Services has historically provided these services to SVMHS.

The current vendor is listed under our Vizient GPO. Currently the video interpreting rates are a fixed amount. Through the negotiation, a tiered rate structure was established. This is estimated to yield a cost savings of \$48,600 per year, an 8.1% decrease from the current contract. There has been an increased use of the solution to enhance communication and ensure exceptional service. With better pricing terms, we will continue to offer the best quality interpretation service and provide our patients, families, and staff resources for the best care. Additionally, there has been language added to our new agreement to ensure that vendor equipment provided (IPads and IOWs) is properly documented.

## **Timeline/Review Process to Date:**

July 2022 – Began discussions with vendor regarding new contract  
Aug/Sep 2022 – Negotiated Terms of Contract  
Jan 2023 – Submit for Board approval of contract Award  
Feb 2023 – Contract Effective Date

Page 44 of 125

## **Strategic Plan Alignment:**

Language Line Services are necessary tools to help our staff and physicians bridge communication with patients to help them understand the care process, diagnosis, and treatment process and demonstrate our commitment to positively impacting our community.

**Pillar/Goal Alignment:**

✓ Service ✓ People ✓ Quality ✓ Finance ✓ Growth ✓ Community

**Financial/Quality/Safety/Regulatory Implications:**

<b>Key Contract Terms</b>	<b>Vendor: Language Line Solutions</b>
1. Proposed effective date	February 1, 2022
2. Term of agreement	One Year Initial term
3. Renewal terms	Automatic one year renewal
4. Termination provision(s)	60 days without cause
5. Payment Terms	Net 45
6. Annual cost	\$733,455 -Estimate
7. Cost over life of agreement	Depending on use
8. Budgeted (indicate y/n)	Y

**Recommendation**

Consider Recommendation for Board Approval of contract award for translation services to Language Line Services Inc. Contract is subject to final negotiation and legal review.

**Attachments**

- (1) Exhibit C – End User Agreement
- (2) Vizient Contract Brief (SV4035)
- (3) Cost Estimates and Impact
- (4) Historical Contract

**EXHIBIT C**  
**END USER AGREEMENT FORM(S)**

Language Line Services, Inc.

**For Members who are current customers of Language Line,  
meaning they signed the End User Agreement before August 1, 2022.**

Member (full legal name): Salinas Valley Memorial Hospital	
Vizient Member Number: 58206	LanguageLine® Customer number 16840

This End User Agreement Pricing Enhancement is effective August 1, 2022 (the "Effective Date"), by and between Language Line Services, Inc., a Delaware corporation, with its principal place of business at 1 Lower Ragsdale Drive, Bldg. 2, Monterey, CA 93940 ("Supplier") and Salinas Valley Memorial Hospital (the "Member"), with its principal place of business at 450 E. Romie Lane, Salinas, CA 93901 (each a "Party" and collectively the "Parties").

This Agreement is subject to the Supplier Services Agreement between Vizient Supply, LLC ("Vizient") and Supplier (the "Vizient Agreement"). Notwithstanding anything to the contrary in this Agreement, or in any order acknowledgement, instrument, correspondence or other terms or conditions provided, presented or submitted, from time to time, by Language Line Services, Inc. or its representatives to, or executed by Member (any of the foregoing "Language Line Services' Other Terms"), Supplier hereby expressly agrees and acknowledges that none of the rights and remedies of Members, or the obligations and liabilities of Supplier, contained in the Vizient Agreement shall be reduced, eliminated, superseded or otherwise affected by any of the terms, conditions, limitations, disclaimers, restrictions or other provisions set forth in this Agreement or in any of Language Line Services' Other Terms.

**1. TERM**

This Agreement shall remain in effect for one (1) year from the Effective Date ("Initial Term"). At the expiration of the Initial Term, this Agreement shall automatically renew for subsequent one (1) year periods (each a "Renewal Term"). The Initial Term and Renewal Term may be collectively referred to in this Agreement as the "Term".

**2. TERMINATION**

Should either Party default on its obligations under this Agreement, the other Party has the right to notify them in writing of the breach, and the Party in default shall have ten (10) business days to cure such breach. Should the Party in default fail to cure the default within the ten (10) day period, the other Party shall have the right to immediately terminate this Agreement. Either Party may terminate this Agreement at any time without stating a cause or reason and without penalty upon sixty (60) days' prior written notice to the other Party.

**3. DESIGNATION**

The Member named above is a member of the Group Purchasing Organization ("GPO") Program of Vizient Inc. and hereby elects to utilize this Vizient End User Agreement Pricing Enhancement to designate Language Line Services, Inc. as its primary language services provider. This form will supersede any current purchasing relationship between the Member and Language Line Services, Inc., for the Services described herein.

**4. PAYMENT TERMS**

Member agrees to pay all undisputed invoiced charges for Services in full within forty-five (45) days of the invoice date. Any disputed charges in an invoice must be identified to the Company within sixty (60) days of the invoice issue date or the right to dispute will be waived by Member.

**5. SERVICES**

**5.1. LanguageLine® Phone Interpreting and InSight Audio Interpreting**

5.1.1. Description of Services. Supplier will provide qualified and trained interpreters for Phone Interpreting to facilitate effective communication between Member service providers and Limited English Proficient (LEP) individuals by converting spoken language statements between English and another language.

5.1.2. Service Delivery. Services are delivered on-demand via telephone and invoiced monthly following service delivery. Services are available twenty-four (24) a day; seven (7) days a week; 365 days a year, including holidays, in over 240 spoken languages.



5.1.3. **Pricing.** No set up or monthly fees apply. Charges begin when the Member is connected to the interpreter.

Phone Interpreting Per- Minute Usage Fee	
All languages	\$0.85

**5.2. LanguageLine® Direct Response™**

5.2.1. **Description of Services.** Supplier will provide a customized and dedicated in-language toll-free number (“TFN”) which routes to interpreters in the preferred language. This TFN may be published directly to LEP individuals who will be paired with an interpreter and both parties will route to the Member’s Direct Inward Dialing (DID) point.

5.2.2. **Service Delivery.** Services are delivered on-demand via telephone and invoiced monthly following service delivery. Services are available twenty-four (24) a day; seven (7) days a week; 365 days a year, including holidays, in Supplier’s commonly requested spoken languages.

5.2.3. **Pricing**

Direct Response Enrollment Fees and Rates	
One-time setup fee for custom in-language greetings and prompts (per language)	\$650
One-time setup fee per dedicated toll-free line	\$150
<b>INCREMENTAL PRICE PER MINUTE</b> in addition to the contracted per-minute usage fees for LanguageLine® Phone Interpreting	\$0.20

**5.3 InSight® Video Interpreting**

5.3.1 **Description of Services.** LanguageLine will provide qualified and trained interpreters for Video Remote Interpreting to facilitate effective communication between Member service providers and Limited English Proficient (LEP) individuals by converting spoken or signed language statements between English and another language. Equipment purchases are optional. Additional Terms described in Addendum A apply to services under section 5.3.

5.3.2 **Service Delivery.** Services are delivered on-demand via native iOS app, or Android tablet with Chrome and Mac/PC using a Chrome or Firefox browser. Each call has full end-to-end encryption ensuring privacy. Services are available 24/7 for Sign Language, Spanish, Mandarin, Arabic, Polish, Cantonese, Korean, Portuguese, Vietnamese and Russian, and during business or extended business hours for 30 additional languages.

5.3.3 **Pricing.** No set-up or monthly fees apply.

InSight Video Interpreting Per-Minute Usage Fee Based on Total Monthly Volume			
Monthly Minute Volume Tiers (Back to Minute 1)	ASL Per Minute Rate	Spanish Per Minute Rate	All Other Language Per Minute Rate
1 - 15,000	\$2.50	\$1.67	\$1.87
15,001 – 30,000	\$2.35	\$1.60	\$1.80
30,001 – 45,000	\$2.20	\$1.50	\$1.70
45,001 - 60,000	\$2.05	\$1.40	\$1.60
60,001+	\$1.90	\$1.30	\$1.50

**5.4 LanguageLine for Telehealth**

Gives healthcare providers the ability to invite professional, medically trained interpreters into their telemedicine sessions. With round-the-clock support, our on-demand interpreters are available to assist in both video and audio-only formats. LanguageLine for Telehealth is intuitive. It is easy to install and even easier to use. Even better, it can be accessed via most commonly used teleconferencing and telehealth platforms.

LanguageLine for Telehealth is available in more than 240 languages, including American Sign Language.

5.4.1 LanguageLine for Telehealth – Audio (uses pricing from Phone Interpreting above)

Allows you to invite a medically trained interpreter into your telehealth session. In this instance, the interpreter can be heard, but not seen. This on-demand solution is available around the clock in more than 240 languages. The quick steps for inviting an interpreter into your session are easy.

LanguageLine for Telehealth – Audio is available on most major teleconferencing and telemedicine platforms, including:

- American Well (Pexip and Avizia)
- Google Meet (formerly Google Hangouts)
- GoToMeeting
- Microsoft Teams
- Otto Health
- Skype
- Teledoc
- WebEx
- Zoom

5.4.2 LanguageLine for Telehealth – Video (uses pricing from Insight Video above)

LanguageLine for Telehealth – Video allows you to invite a medically trained interpreter into your telehealth session. In this instance, the interpreter can be seen and heard. This on-demand solution is available 6 a.m.- 5 p.m. Pacific, Monday through Friday in the following languages:

- American Sign Language
- Arabic
- Cantonese
- Mandarin
- Spanish
- Russian
- Vietnamese

The steps for inviting an interpreter into your session are very intuitive, with technical assistance at the ready 24 hours a day, seven days a week.

At this time, our video solution is available on the following platforms:

- Zoom
- Doxy.me
- Amwell

5.5 **Translation & Localization**

5.5.1 Description of Services

Translation - LanguageLine will provide qualified translators to convert Member’s written content between English and another language with attention to accuracy, tone, and style.

Localization - LanguageLine will provide qualified translators, project managers, and engineers to adapt MEMBER’s digital content to a specific region’s language and cultural sensitivities, including:

- Translation of written text
- Modifying graphics and design to properly display translated text
- Changing content to suit preferences
- Converting to local currencies and units of measurement
- Using proper formatting for elements like dates, addresses, and phone numbers
- Addressing local regulations and legal requirements

5.5.2 Service Delivery. How to Request Services

- Request a Quote from our website.
- Email [translation@language.com](mailto:translation@language.com).
- Call 1-800-878-8523.

5.5.3 Pricing. Translation fees include Translation and Editing and are based on the English word count.

Both Directions - English > Language & Language > English Per-Word Fee	
Spanish US/Latin America	\$0.16



Chinese (Simplified), Chinese (Traditional)	\$0.18
Arabic, Italian, Korean, Portuguese, Russian	\$0.22
Bosnian, Croatian, Czech, French, German, Haitian Creole, Hungarian, Nepali, Romanian, Serbian, Slovak, Tagalog, Thai, Ukrainian, Vietnamese	\$0.24
Bulgarian, Burmese, Greek, Hmong, Japanese, Slovenian, Somali, Turkish	\$0.26
All Other Languages	\$0.35

**Additional Pricing Components**

Component	Standard Turnaround	Expedited Turnaround
Minimum total fees and charges per document translation	\$80.00	\$125.00
Proofreading / Review, per hour	\$65.00	\$85.00
Basic layout/formatting/PDF creation, per hour	\$50.00	\$75.00
Graphic Design Services, per hour	\$65.00	\$85.00
In-Language Recordings	Individual Quote	
Software, HTML, XML, ASP programming	Individual Quote	
File Prep./Trans. Memory Update per hour	\$60.00	\$85.00
Transcription/translation of Audio or Videos files	Individual Quote	
Translation Summaries/Synopsis	Individual Quote	
Project Management	Greater of: \$27.50 or 10% of total fees and charges per project.	

**Other**

- **Rush Fees.** A 50% rush charge will apply to the per word linguistic rates when an expedited delivery date is requested. Rush fees for DTP, Proofreading, Graphic Design, and File Prep are specified in the list of services above. The foregoing notwithstanding, the minimum charge for rush projects will be \$125 (i.e., Supplier applies the greater of (i) \$125 or (ii) 50% rush charge (based on per word linguistic rate) plus other applicable rush fees, if any). All service fees and charges, including project management fee, contribute to the Minimum total fees and charges per document translation project.
- No delivery charge for Fax, E-mail, or U.S. Mail. Additional charge for courier services only.
- Unless indicated otherwise, a one-hour minimum will apply to hourly services.
- Business hours are Monday – Friday, 6 a.m. to 5 p.m. (Pacific Time)
- Requests received on weekends and holidays will be processed on the next business day.
- Holidays are New Year’s Day, President’s Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and day after Thanksgiving, Christmas Eve, and Christmas Day.
- Translation charges will appear in a single, monthly invoice.

**5.6 Onsite Interpreting**

5.6.1 **Description of Services.** LanguageLine will provide highly qualified and trained in-person interpreters at Member’s business locations to perform consecutive interpreting between Member Service Providers and Limited English Proficient (LEP) individuals, by converting spoken or signed language statements between English and another language.

5.6.2 **Service Delivery.** Services are available by appointment, with language availability dependent upon regional resources.

5.6.3 **Pricing**

Pricing Tiers	Spoken Languages	American Sign Language (ASL)
Standard Hourly Rate	\$70.00	\$100.00
Non-Standard Hourly Rate	\$105.00	\$150.00
Emergency/Holiday Rate	\$105.00	\$150.00

Other

- Standard hourly rate: 8:00 a.m. – 5:00 p.m. local time Monday to Friday with more than one full business days’ notice.
- Non – Standard Hourly Rate: Before 8:00 a.m. or after 5:00 p.m. local time Monday through Friday, Saturday/Sunday or assignments with less than one full business days’ notice.
- Emergency/Holiday Rate: Assignments with less than one hour’s notice or assignments on federally recognized holidays.
- Cancellation: Assignments canceled with less than one full business days’ notice or assignments on federally recognized holidays
- Minimum appointment time: Two Hours, with time beyond minimum appointment time will be billed in 15-minute increments.
- Billed for the greater of time reserved or actual time, subject to the minimum.
- Mileage reimbursement: Mileage reimbursement charged at prevailing IRS rate, currently \$0.575 per mile. If the one-way travel exceeds 60 miles, travel time may be charged.

**5.7 Testing and Training**

5.7.1 Description of Services. Testing and training programs assess Member’s bilingual staff and interpreters’ ability to provide quality, careful communication and proficiency in two languages, as well as competence in the requisite medical vocabulary. Programs focus on the critical interpretation skills of accuracy, efficiency, and cultural competency. Tests and training courses are delivered remotely by assessors with a proven internal record of superior performance as an interpreter and typically hold advanced degrees in language related fields. The content and curricula have been developed in conjunction with leading academic experts and validated by psychometricians.

5.7.2 Pricing

Training Pricing				
Training Courses	Training Delivery	1 – 4 * Attendees	5 – 9* Attendees	10*+ Attendees
Fundamentals of Interpreting	Web	\$335	\$305	\$250
Advanced Medical Training (AMT)	Web	\$499	\$449	\$399
Module 1 – Medical Interpreter Training: Professional Skills and Ethics	Phone or Onsite	**	\$340	\$250
Module 1 – Medical Interpreter Training: Professional Skills and Ethics	Web	\$230	\$200	\$150
Module 2 – Medical Interpreting Training: Working in the Healthcare System	Phone or Onsite	**	\$450	\$350
Module 2 – Medical Interpreting Training: Working in the Healthcare System	Web	\$290	\$250	\$200
Module 3 – Medical Interpreter Training: Terminology and Advanced Skills	Phone or Onsite	**	\$450	\$350
Module 3 – Medical Interpreter Training: Terminology and Advanced Skills	Web	\$290	\$250	\$200
Combined Modules – Intensive Advanced Medical Interpreter Training ( 2 of 3 the above modules)	Phone or Onsite	**	\$700	\$550
Combined Modules – Intensive Advanced Medical Interpreter Training ( 2 of the 3 above modules)	Web	\$460	\$400	\$300

Testing Pricing				
Assessment/Tests	1 – 49* Tests	50 - 99 * Tests	100 – 499 Tests	500* Or More
Language Proficiency Test (LPT)	\$145	\$135	\$125	\$115
Language eProficiency Test (eLPT)	\$130	\$120	\$110	\$100
Bilingual Fluency Assessment	\$125	\$115	\$105	\$100
eBilingual Fluency Assessment (eBFA)	\$115	\$105	\$95	\$90
Bilingual Fluency Assessment for Clinicians	\$140	\$130	\$120	\$115
eBilingual Fluency Assessment for Clinicians (eBFAC)	\$125	\$115	\$105	\$100
Interpreter Readiness Assessment	\$135	\$125	\$115	\$110
Interpreter Skills Test (IST)	\$175	\$160	\$145	\$130
eInterpreter Skills Test (eIST)	\$160	\$145	\$130	\$115
Medical Certification Test (MCT)	\$190	\$180	\$170	\$160

Other

- \*Prices are in U.S. dollars per individual training course.
- \*\* Via phone or onsite, requires a minimum of 5 participants to conduct the training.
- A training manual with in-language glossary may be purchased for an additional \$99 with the Advanced Medical Interpreter Training. Purchase price of manuals: \$69 Standard Manual, \$99 In-language Glossary.
- Interpreter Association members qualify for group discounts upon submission of a copy of their membership card to [LLA@LanguageLine.com](mailto:LLA@LanguageLine.com).
- Training courses can be rescheduled or cancelled only by the person who submitted the original Training Registration Form.
- Written cancellation of onsite courses made no less than 10-business days prior to the course start date will be credited in full.
- Written cancellation of the web training courses made no less than three business days prior to the Learning Management System registration will be credited in full.
- Group discounts are based on the actual number participants.
- eTests will be billed when the test link is delivered to the client.
- To reschedule or cancel, please email [LLA@language.com](mailto:LLA@language.com).
- Written cancellations or reschedules of live tests made with no less than three business days advance notice before the test date will be credited in full.
- Cancellations or reschedules of live tests made less than three business days before the test date will be credited at 50%.
- Cancellations or reschedules of live tests made one business day or less before the test date will be charged full price.
- Group discounts are applied once the minimum number of tests have been completed within the calendar year.

5.8 TeamLink®:

Language Line Services will provide Member with a custom solution named TeamLink® whereby Customer's staff interpreters can be made available to receive Video interpretation calls, placed using Language Line Services' proprietary video interpretation application InSight®. When Members' interpreters are not available, the video calls will be serviced by Language Line Services' interpreters. Any language not staffed by Member will route directly to Language Line Services' interpreters.

Contact Language Line for more information.

## Addendum A

### ADDITIONAL TERMS AND CONDITIONS FOR INSIGHT VIDEO INTERPRETING®

1. **TERMS REGARDING SOFTWARE APPLICATION.** The InSight® video interpretation Services (the "Services") are provided by LanguageLine through a proprietary desktop and/or tablet application owned by LanguageLine (the "App"). For Member-Supplied or Member-Owned devices, the App must be downloaded by Member to use the Services (see Addendum A Section 8 below for additional terms). The App is pre-installed and configured on LanguageLine-provided leased Equipment (see Addendum A, Addendum B, and Addendum C below). Member agrees (a) that it will not make any copies of the App except as described hereunder or attempt to reverse engineer it or make any changes to it; (b) that it will only download the App onto any iPad, tablet, or other digital computer device that is (i) Member-Owned, (ii) LanguageLine-Owned, or (iii) purchased by Member from an authorized seller of such devices, excluding other language services providers. Further, Member will not use any iPad, tablet, or other digital computer device on which the InSight® application is installed with any equipment provided by other language service providers; and (c) that the following uses of the Services are prohibited: the transmission of any message or other material which constitutes an infringement of any third party copyright or trademark; an unauthorized disclosure of a trade secret; the transfer of information or technology abroad in violation of any applicable export law or regulation; a violation of Section 223 of the Communications Act of 1934, as amended, 47 U.S.C. Section 223, or other criminal prohibitions regarding the use of telephonic or video devices to transmit obscene, threatening, harassing or other messages specified therein; a libelous or slanderous statement; or a violation of any other applicable statute or government regulation.
2. **INTELLECTUAL PROPERTY.** Customer acknowledges and agrees that all rights including copyright throughout the world in the App, in the LanguageLine TrueSound®, Notepad™, InSight®, and Interpreter on Wheels trademarks (collectively, the "Trademarks"), and in the issued patents and pending patents relating to the Equipment, are exclusively owned by LanguageLine, and that neither this Agreement, nor Customer's use of the Services, the App or the Equipment grants to Member any right, title, or interest in or to the Services, the Equipment, the App, the Trademarks, or any of the other technology, systems, processes or other aspect of the Services, including but not limited to any intellectual property rights therein (collectively, the "LanguageLine Properties"). Member expressly agrees that it shall not assert any rights in any of the LanguageLine Properties, or challenge LanguageLine's rights in or the validity of any of the LanguageLine Properties in any country, nation, or jurisdiction in the world, and Member agrees that it shall not directly or through others copy, decompile, reverse engineer, disassemble, modify, or create derivative works of the App, or any aspect thereof. Member agrees that this Paragraph shall survive the expiration of this Agreement and will continue to apply after the Agreement ends.
3. **ENCRYPTION.** LanguageLine acknowledges that encryption is built into the App and the Services platform, ensuring the security of the live video as it traverses the Internet. This encryption allows LanguageLine to fulfill its obligation under any Member Business Associate Agreement ("BAA") with respect to the Services. LanguageLine does not record the video call and therefore has no record of the call content. With respect to the App's electronic Notepad™ function, written information relayed during the call is also encrypted. As with the live video, no recording is made of information written on the Notepad™ and therefore this information cannot be retrieved after the call's completion.
4. **TRANSMISSION RELEASE.** Member acknowledges that the use of the Services requires that the user's voice, likeness and/or image as well as the user's personally identifiable information is or will be transmitted over the Internet. Member hereby authorizes LanguageLine to transmit each user's voice, likeness, image and/or personally identifiable information over the Internet solely for the purpose of the Services, and Member agrees to obtain such privacy consents, releases and approvals as may be required to obtain authorization from each user to transmit all of the foregoing for purposes of the Services. Member shall indemnify and hold harmless LanguageLine and its affiliates and their respective employees from all costs, fees, expenses, and damages of any nature whatsoever related to any claims relating to the unauthorized use by Member of the image, likeness, voice and/or personally identifiable information of any Member employee, agent, contractor, patient, customer, client or other user of the Services under Member's control. This Paragraph shall survive the expiration of this Agreement.
5. **RESPONSIBILITY FOR UNAUTHORIZED USE.** Member will safeguard its use of the Services against use by unauthorized persons and will be responsible for charges resulting from use of its Services, whether or not such use is authorized. Page 52 of 125
6. **AVAILABILITY OF SERVICES.** The Services may not be available at all times due to interruptions, technical problems, and/or system upgrades and maintenance. All interpreters provided in conjunction with the Services may not be available at all times and interpreters will be assigned solely by LanguageLine.
7. **QUALITY CONTROL.** Member acknowledges that LanguageLine from time to time will monitor calls made through the Service for purposes of quality control.

8. **PURCHASED EQUIPMENT ADDITIONAL TERMS** (applies to the InSight® application with LanguageLine-Owned equipment option only): Member agrees that (a) the TrueSound® patented technology and LanguageLine rolling cart will not be used with any non-LanguageLine equipment.
9. **LEASED EQUIPMENT FEES:** LanguageLine shall charge Member a monthly lease fee for all leased equipment, which may be waived upon Member meeting certain criteria for Placement Equipment.
- iPad with Interpreter on Wheels Stand..... \$75.00/month
  - iPad with Table Top Stand..... \$45.00/month
- If a minimum of 250 LanguageLine video-interpreted minutes are generated per device per month, the monthly LanguageLine-Owned equipment lease fees detailed in this section of the Agreement may be waived
10. **PLACEMENT EQUIPMENT TERMS:** LanguageLine agrees to supply the iPads, Interpreter on Wheels stands and any other Equipment mutually agreed upon by LanguageLine and Member for the duration of this Agreement on a placement basis (Addendum B).



**Addendum B  
Placement Equipment**

1. The parties acknowledge and agree that the equipment as described hereunder (“Placement Equipment”) remains the sole property of LanguageLine and will be returned to LanguageLine, undamaged except for normal wear and tear, upon termination of this Agreement, unless superseded by a purchasing agreement.
2. If Member utilizes 250 InSight video interpreting minutes per iPad per month, the monthly Lease Fee will be discounted to \$0.00. The InSight video interpreting minutes will be on a cumulative basis and not based on any specific device or address.
3. The parties agree that the Placement Equipment will be used for the sole and exclusive purpose of the Services and may not be configured and/or altered for any other purpose without express prior written consent from LanguageLine, including using the Placement Equipment or the Services with any equipment, app, software or services provided (through purchase, lease or otherwise) by a language services provider other than LanguageLine.
4. LanguageLine will enroll LanguageLine-Owned iPads in LanguageLine’s MDM (Mobile Device Management) system. As a condition of the Leased Equipment Terms, on LanguageLine-Owned devices Location Services must remain enabled/on at all times, with “Always Allow Location Access” selected within the Hub application. Member agrees that Equipment will be kept only at the Member-owned or Member-managed address(es) or as otherwise mutually agreed by LanguageLine and Member in writing.
5. From time to time, upon twenty-four (24) hours’ notice to Member, LanguageLine, during a Member’s regular business hours, may enter the Member’s premises where the Equipment is located to inspect and maintain Equipment. Member hereby agrees to such inspection by LanguageLine and agrees to provide such support and cooperation as is requested by LanguageLine. In order to access Member’s premises, LanguageLine must be in compliance with applicable Member policies, procedures, and vendor credentialing program.
6. LanguageLine warrants that Placement Equipment shall be free from defects in materials and workmanship, except that all warranties are waived if (i) Placement Equipment has been altered or modified or the App, Equipment or components thereof are used other than as authorized under this Agreement, all without written approval from LanguageLine, or (ii) Placement Equipment has been used by a person or entity other than the Member or other permitted users. LanguageLine disclaims any and all other warranties, including all implied and express warranties of every kind and nature.
7. Member assumes and bears all risk of loss and/or damage of Equipment, other than normal wear and tear, from the time that Equipment is delivered until returned to LanguageLine following the expiration of this Agreement. Member will be charged and agrees to pay for any lost, stolen, or damaged Placement Equipment. Member agrees that the sole and exclusive remedy for breach of warranty, damages or loss relating to Placement Equipment is limited to the repair or replacement of the Placement Equipment and acknowledges that LanguageLine reserves all rights and remedies to re-take possession of the Placement Equipment if Member fails to pay any undisputed invoiced amounts owed hereunder. Member waives any and all legal claims for damages in connection with the Placement Equipment. Parties agree that in no circumstance shall Member’s total liability related to the Placement Equipment exceed the purchase price of same or similar model of equipment at the time of replacement.
8. LanguageLine shall not provide, and Member shall not be liable for, any Placement Equipment, or equipment of any other kind, which is not specifically listed hereunder. Should the Parties agree to modify the Placement Equipment, the Placement Equipment List (Addendum C) shall be amended by mutual written agreement.

**LANGUAGE LINE - LANGUAGE INTERPRETATION & TRANSLATION SERVICES  
SV4035**

**Addendum C: Equipment Placement List**

Parties agree that this Addendum D: Equipment Placement List contains all Equipment which Supplier has provided to Member at the time of the execution of this Agreement.

	QTY	Monthly Lease Fee	EXT Monthly Lease Fee	EXT InSight Video Minutes
iPads w/ Interpreter on Wheels Stand:	53	\$75	\$3,975	14,500
iPads w/ Table Top Stand:	5	\$45	\$225	
<b>Total</b>	<b>58</b>		<b>\$4,200</b>	

**CURRENT DEVICE LIST (NAMES of Devices)**

355 Abbott 200-LZTJ	5 tower covid2-MB2A	ICU-MB2A
MAMMO TT 4-JK5C	OCU-new-MB2A	4 Main-MB2A
Pediatrics-MB2A	1.6.2021-MB2A	611 Abbott-LZTJ
4 Tower-MB2A	5 Tower-MB2A	1main new-MB2A
355 Abbott 2002-LZTJ	Heart Center-MB2A	5main new-MB2A
505 E Romie A 1-LZTJ	Hospitalist-MB2A	2 tower new-MB2A
MAMMO TT 2-JK5C	3rd main-MB2A	MAMMO4-JK5C
4main new-MB2A	PAC-MB2A	5 Main - OCU-MB2A
Dia Endo 2-LZTJ	L&d svmh-MB2A	2 main new-MB2A
505 E Romie A 2-LZTJ	355 Abbott 100-LZTJ	1st tower new-MB2A
4tower new-MB2A	ED-4-MB2A	611 Abbott 2-LZTJ
MAMMO TT 1-JK5C	Heart center 2-MB2A	MOAMMO7-JK5C
5tower new-MB2A	Cath Lab-MB2A	motherbaby-new-MB2A
1 Main-MB2A	212SanJose301-2-LZTJ	PT-MB2A
ED 2.1-MB2A	230 san jose-LZTJ	ED Tynan-MB2A
Emergency-MB2A	3 Tower-MB2A	
Wound Center-LZTJ	3t new-MB2A	

The Equipment placed by Supplier may be modified from time to time by reasonable Member request in the form of a no charge purchase order and shall be effective when Supplier provides Member with a signed copy of attached Addendum D: Equipment Order Form, within thirty (30) days of delivery of Equipment. Similarly, Equipment which is returned to Supplier will have an Equipment Order Form containing reduced quantities with Supplier signing as the receiving Party

**Addendum D: Equipment Order Form**

<b>Please submit completed order form to</b>	Paul J. Aliotti Strategic Account Executive - WEST LanguageLine Solutions Phone: 831-648-7522 E-mail: <a href="mailto:paliotti@languageline.com">paliotti@languageline.com</a>
<b>Date of Order</b>	
<b>Ordering Department</b>	
<b>Purchase Order # (as applicable):</b>	
<b>Order Contact Information</b>	Name: Title: Email: Phone:
<b>Billing Information:</b>	Attn: Dept: Address: City/State/Zip
<b>Shipping Information:</b>	Attn: Dept: Address: City/State/Zip
<b>Shipping Method:</b>	Ground ___ Overnight ___ 2-day Air ___

	<b>Current Total QTY</b>	<b>Adjustment QTY</b>	<b>Updated Total QTY</b>
<b>iPads w/ Interpreter on Wheels Stand:</b>			
<b>iPads w/ Table Top Stand:</b>			
<b>Total</b>			

**Received by**

**Delivered By**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date



**LANGUAGE LINE - LANGUAGE INTERPRETATION & TRANSLATION SERVICES  
SV4035**

Vizient is the GPO and Member is a current member of Vizient, and the person executing this Agreement on behalf of Member has read, acknowledges, and understands all of the foregoing terms and conditions, and is fully authorized to execute this Agreement on behalf of and bind the Member to all its terms and conditions. Both parties agree the delivery of the signed service agreement by facsimile or e-mail shall have the same force and effect of execution and delivery as the original signature.

Member	Supplier
Accepted and agreed to date:	Accepted and agreed to date:
Signature:	Signature:
Print Name:	Print Name: <b>Bonaventura A. Cavaliere</b>
Title:	Title: <b>CFO</b>

**Member Setup Instructions**

Client Name	Client Address	Billing Contact	Operations Contact	Training Contact
Salinas Valley Memorial Hospital	450 E. Romie Lane Salinas, CA 93901	<u>PO BOX 3827</u> <u>Salinas, CA 93912</u> <u>Accountspayable@svmh.com</u>	William H. Tienken III 450 E. Romie Lane Salinas, CA 93901 Phone 831.759.3063	William H. Tienken III 450 E. Romie Lane Salinas, CA 93901 Phone 831.759.3063

## VIZIENT CONTRACT BRIEF

SV4035

Language Line Services, Inc.

Language Interpretation Services

- Translation Services

Effective dates: 08/01/2022 - 07/31/2025

Multi-source contract

**OTHER CONTRACTS IN THIS CATEGORY** SV4031 - AMN Healthcare Language Services, Inc. Lang. Interpretation, SV4032 - Culturalink Language Interpretation, SV4033 - CyraCom International, Inc. Language Interpretation, SV4034 - Global Interpreting Language Interpretation, SV4036 - Language Services Lang Interpretation

**PREVIOUS CONTRACTS IN THIS CATEGORY** SV0920 - Language Services Associates Interpretation Services, SV1520 - CyraCom Language Translation and Interpretation Awarded by MedAssets, SV1521 - Stratus Video Language Translation and Interpretation Awarded by MedAssets, SV1522 - Language Line Lang Trans & Inter Awarded by MedAssets, SV1523 - InDemand Language Interpretation Services Awarded by MedAssets

**DISTRIBUTION** Direct from the supplier

Agreement access

**TO ACTIVATE CONTRACT TIERS** - For those who have access to request tiers, click the purple "Activate Now" button on the catalog contract details page to launch the online activation process. Follow the prompts and provide all requested data until you reach the Submit stage. If requesting a different tier, click the purple "Request a New Tier" button and follow the same process.

**ADDITIONAL FORM REQUIRED** This contract requires an end user agreement or Supplier provided form. The form is completed as part of the online activation process described above.

Pricing and terms

Page 59 of 125

**PRICING** Pricing detail is available from the Contract Documents area of the contract details page in Vizient Catalog.

**PRICE TIERS** Refer to Vizient Catalog for tier eligibility requirements. If you qualify for a different tier from the one your facility is currently on, click the "Request a New Tier" button on the Facility Status line to VIZIENT

initiate a new tier request with the supplier. Follow the prompts and provide all requested data until you reach the Submit stage.

**PRICE PROTECTION** Will remain fixed for the term of the agreement but may be subject to reduction due to market conditions.

**CONTRACT TERM** Initial term is effective through 07/31/2025; Automatic Two (2) One Year Options; unless Vizient gives 90 days notice or Supplier gives 180 days notice.

**CONTRACT AND PRODUCT UPDATES** Product and price updates, promotions, supplier news and other changes that occur during the term of this contract are shared via Vizient Catalog. They can be viewed at the Contract News link on the contract details page.

Contract process and award rationale

**COMPETITIVE CONTRACTING PROCESS** Vizient awards product agreements to the suppliers that offer best overall value, as determined through a comprehensive contracting process that follows the principles of the American Bar Association's Model Procurement Code and involves participating member organizations to the greatest practical degree. The process uses member-driven criteria and a weighted award decision tool that considers financial and product specification/quality factors. This contract was awarded based solely on the results of this process.

Based solely upon the results of this process, Vizient awarded this category as described on page 1.

### **Request for proposal**

Vizient issued a request for proposal in April 2021.

The RFP was issued to these suppliers: Ad Astra, Bromberg & Associates, CulturaLink, CyraCom International, Effectiff Services, Global Interpreting Network, ISI Language Solutions, Language Line Services, Language Services Associates, MDA Healthcare Services, PGLS, Professional Translating Services, Propio Language Services, RWS Life Sciences, Stratus Video (an AMN Healthcare Company), Telanguage, United Language Group, Visual Language Professionals and Voyce.

Responses were received from these suppliers: Ad Astra, CulturaLink, CyraCom International, Effectiff Services, Global Interpreting Network, ISI Language Solutions, Language Line Services, Language Services Associates, PGLS, Propio Language Services, Stratus Video (an AMN Healthcare Company), Telanguage, and United Language Group.

### **Proposal evaluation**

In addition to financial value, the proposals were evaluated based on the following product specification /quality factors, which were developed and weighted by Vizient's Purchased Services Council in March 2021:

- Quality of Services, Breadth and Depth, Member Preference and Terms and Conditions

### **Member input**

A member preference survey was conducted in June 2021 in conjunction with the request for proposal to assess which suppliers' members find acceptable and prefer to use. Results were factored into the award recommendation.

### **Best-and-final offer**

Based on the scoring results, AMN Healthcare Language Services (fka Stratus Video), CulturaLink, CyraCom International, Global Interpreting Network, Language Line Services and Language Services Associates were invited to submit their best-and-final pricing offer in March 2022.

### **Award validation**

Based on the proposal scorecard results and the recommendation of the council, Vizient awarded this category as described above.

Vizient wishes to thank the members of the Purchased Services Council for their valuable direction and input into this award decision.

### **Additional Contract Terms**

Force Majeure: Please see legal document for specific contract language.

## Phone Interpreting Services

- Phone interpreting will remain the same, with no change to the previous agreement. All calls will be charged at \$.85 per minute.

## Video interpreting Services

- The key illustrates the tier plans available with Language Line depending on the monthly volume. Previously, all calls, no matter low or high volume, were charged at a fixed rate, illustrated in section 1A under "current rate."

### •Section 1A

- Illustrates how SVMH would be billed for the month (tier), depending on the total video call volume.

### •Section 2A

- The monthly tier is determined by the total monthly volume of all three sections, including ASL, SP, and Other. Therefore the accumulated amount defines the tier plan for the billing month.

### •Section 3A

- The total monthly minutes by section are multiplied by the tier plan section cost.
- After, the total monthly cost is aggregated to represent the monthly bill.

### •Section 4A

- Illustrates the cost savings by comparing the current plan to the new plan.
- The new rate volume fluctuates between tiers 2,3, and 4 and provides a significant difference in cost savings.

## Phone Interpreting

Audio			
2021	SP	Other	Total
January	8,880	9,566	18,446
February	8,215	8,519	16,734
March	11,154	11,708	22,862
April	11,303	11,903	23,206
May	9,322	9,850	19,172
June	8,235	8,499	16,734
July	8,729	9,119	17,848
August	8,817	9,208	18,025
September	7,942	8,420	16,362
October	6,810	7,329	14,139
November	6,782	7,101	13,883
December	7,066	7,290	14,356
<b>Total</b>	<b>103,255</b>	<b>108,512</b>	<b>211,767</b>

		Current Rate		New Rate	
		\$0.85		\$0.85	
		Current Rate		New Rate	
Spend	Spanish	Other	Spanish	Other	Delta
2021	\$87,766.8	\$92,235.2	\$87,766.8	\$92,235.2	
Total 2019		\$180,002.0		\$180,002.0	\$0.00



# Video Interpreting

## Key

Minute Vol.	ASL per Minute	SP per minute	Others per Minute
1-15,000	\$ 2.50	\$ 1.67	\$ 1.87
15,001-30,	\$ 2.35	\$ 1.60	\$ 1.80
30,001-45,	\$ 2.20	\$ 1.50	\$ 1.70
45,001- 60	\$ 2.05	\$ 1.40	\$ 1.60
60,001+	\$ 1.90	\$ 1.30	\$ 1.50

1A 2021	Current Rate			New Rate		
	ASL	Spanish	Other	ASL	Spanish	Other
January	\$2.50	\$1.67	\$1.87	\$2.20	\$1.50	\$1.70
February				\$2.35	\$1.60	\$1.80
March				\$2.20	\$1.50	\$1.70
April				\$2.20	\$1.50	\$1.70
May				\$2.20	\$1.50	\$1.70
June				\$2.05	\$1.40	\$1.60
July				\$2.05	\$1.40	\$1.60
August				\$2.05	\$1.40	\$1.60
September				\$2.05	\$1.40	\$1.60
October				\$2.05	\$1.40	\$1.60
November				\$2.20	\$1.50	\$1.70
December				\$2.20	\$1.50	\$1.70

2A 2021	Video Minutes			
	ASL	SP	Other	Total
January	63	17,671	19,040	36,774
February	110	12,953	14,069	27,132
March	55	15,671	17,408	33,134
April	71	16,386	17,130	33,587
May	71	18,584	19,761	38,416
June	509	21,570	23,674	45,753
July	47	22,503	23,897	46,447
August	107	26,498	27,604	54,209
September	146	24,524	25,502	50,172
October	365	24,712	26,368	51,445
November	174	21,647	23,106	44,927
December	67	21,644	22,278	43,989
Total	1,785	244,363	259,837	505,985

3A 2021	Monthly Cost with New Rate			
	ASL	SP	Other	Total
January	\$ 139	\$ 26,507	\$ 32,368	\$ 59,013
February	\$ 259	\$ 20,725	\$ 25,324	\$ 46,308
March	\$ 121	\$ 23,507	\$ 29,594	\$ 53,221
April	\$ 156	\$ 24,579	\$ 29,121	\$ 53,856
May	\$ 156	\$ 27,876	\$ 33,594	\$ 61,626
June	\$ 1,043	\$ 30,198	\$ 37,878	\$ 69,120
July	\$ 96	\$ 31,504	\$ 38,235	\$ 69,836
August	\$ 219	\$ 37,097	\$ 44,166	\$ 81,483
September	\$ 299	\$ 34,334	\$ 40,803	\$ 75,436
October	\$ 748	\$ 34,597	\$ 42,189	\$ 77,534
November	\$ 383	\$ 32,471	\$ 39,280	\$ 72,134
December	\$ 147	\$ 32,466	\$ 37,873	\$ 70,486
Total	\$ 3,767	\$ 355,859	\$ 430,425	\$ 790,052

4A 2021	Current			New Rate			
	ASL	Spanish	Other	ASL	Spanish	Other	
Rate	\$2.50	\$1.67	\$1.87	Tier 2, 3 & 4			
Spend	\$4,463	\$ 408,086	\$ 485,895	\$3,767	\$355,859	\$430,425	Delta
Video Year Total	\$898,444			\$790,052			-\$108,392

Page 63 of 125

2021	Current	New Rate	Delta (\$)	Delta (%)
Year Total	\$1,078,446	\$970,054	-\$108,392	-10.1%

# Video Interpreting

## Key

Minute Vol.	ASL per Minute	SP per minute	Others per Minute
1-15,000	\$ 2.50	\$ 1.67	\$ 1.87
15,001-30,	\$ 2.35	\$ 1.60	\$ 1.80
30,001-45,	\$ 2.20	\$ 1.50	\$ 1.70
45,001- 60	\$ 2.05	\$ 1.40	\$ 1.60
60,001+	\$ 1.90	\$ 1.30	\$ 1.50

## 1A

### Current Rate

### New Rate

2022	ASL	Spanish	Other	ASL	Spanish	Other
January	\$2.50	\$1.67	\$1.87	\$2.35	\$1.60	\$1.80
February				\$2.35	\$1.60	\$1.80
March				\$2.35	\$1.60	\$1.80
April				\$2.35	\$1.60	\$1.80
May				\$2.20	\$1.50	\$1.70
June				\$2.20	\$1.50	\$1.70
July				\$2.20	\$1.50	\$1.70
August				\$2.20	\$1.50	\$1.70
September				\$2.20	\$1.50	\$1.70
October				\$2.20	\$1.50	\$1.70
November				\$2.20	\$1.50	\$1.70
December				\$2.35	\$1.60	\$1.80

## 2A

### Video Minutes

2022	ASL	SP	Other	Total
January	79	24,603	864	25,546
February	51	22,200	697	22,948
March	62	28,436	866	29,364
April	217	27,739	1,169	29,125
May	5	31,822	1,022	32,849
June	112	28,620	1,421	30,153
July	167	30,115	1,447	31,729
August	647	37,451	1,421	39,519
September	142	33,669	950	34,761
October	39	31,796	1,610	33,445
November	86	29,859	926	30,871
December	175	17,202	384	17,761
Total	1,782	343,512	12,777	358,071

## 3A

### Monthly Cost with New Rate

2022	ASL	SP	Other	Total
January	\$ 186	\$ 39,365	\$ 1,555	\$ 41,106
February	\$ 120	\$ 35,520	\$ 1,255	\$ 36,894
March	\$ 146	\$ 45,498	\$ 1,559	\$ 47,202
April	\$ 510	\$ 44,382	\$ 2,104	\$ 46,997
May	\$ 11	\$ 47,733	\$ 1,737	\$ 49,481
June	\$ 246	\$ 42,930	\$ 2,416	\$ 45,592
July	\$ 367	\$ 45,173	\$ 2,460	\$ 48,000
August	\$ 1,423	\$ 56,177	\$ 2,416	\$ 60,016
September	\$ 312	\$ 50,504	\$ 1,615	\$ 52,431
October	\$ 86	\$ 47,694	\$ 2,737	\$ 50,517
November	\$ 189	\$ 44,789	\$ 1,574	\$ 46,552
December	\$ 411	\$ 27,523	\$ 691	\$ 28,626
Total	\$ 4,008	\$ 527,286	\$ 22,119	\$ 553,413

## 4A

### Current

### New Rate

	ASL	Spanish	Other	ASL	Spanish	Other		
Rate	\$2.50	\$1.67	\$1.87	Tier 2 and 3				
Spend	\$4,455	\$ 573,665	\$ 23,893	\$4,008	\$527,286	\$22,119	Delta	Delta (%)
Video Year Total	\$602,013			\$553,413			-\$48,600	-8.1%

Page 64 of 125

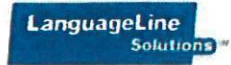
2022	Current	New Rate	Delta (\$)	Delta (%)
Year Total	\$782,015	\$733,415	-\$48,600	-6.2%





## GPO DESIGNATION FORM

### Vizient and Language Line Solutions



#### GPO MEMBERSHIP DESIGNATION FORM

The facility named below is a member of the Group Purchasing Organization ("GPO") Program of Vizient Inc. and hereby selects to utilize the Membership Designation Form by and between Vizient, Inc. and Language Line Solutions ("SSP"), for all language solutions. This form will supersede any current purchasing relationship between the Member and SSP.

Please select one or more language solutions products:

- a. for Over the phone (OPI) Services, Attachment A1 Interpreter Services Usage Charges & Schedule of Fees
- b. for Onsite Services, Attachment A2, Onsite Interpreter Services Usage Charges & Schedule of Fees (Please note: Onsite is available in certain areas only upon approval from the product manager).
- c. for Translation and Localization Services, Attachment A3, Translation and Localization Terms & Conditions
- d. for Training and Testing of Interpreters, Attachment A5, Language Line Academy, LLA Services Fees
- e. for Video Services, Attachment A7 InSight Usage Charges & Schedule of Fees

This Agreement, and the Services you have selected, will become effective upon the signing by both parties of this agreement and will continue in effect for the Initial Term (the "Initial Term") identified on the respective Services Attachments for each of the Services, unless earlier terminated as set forth in this agreement.

Upon the expiration of the Initial Term, this Agreement will be automatically renewed for successive one year periods unless either party provides written cancellation notice to the other at least one hundred twenty (120) days prior to the expiration of the then-current Term. As used in this Agreement, each term after the initial Term is a "Renewal Term" and the initial Term and the total Renewal Terms are the "Term." Upon receipt of a timely cancellation notice by either party, this Agreement will terminate at the end of the then-current Term.

All of the terms and conditions in the current agreement remain in full force and effect.

Contractor:	Language Line Services Inc.
Contract Number:	SV1522
Contract Dates:	11-1-19 - 4-30-20
Service Category:	Interpretation and Translation Services

Participating GPO	Vizient, Inc.	Contractor / Vendor Information	
Name of GPO Member	Salinas Valley Memorial Healthcare System	Contractor/Vendor Name	Language Line Services, Inc
Authorized Signature	<i>[Signature]</i>	Print name of Signer	Bonaventura Cavaliere
Title of Signer	GPO	Title of Signer	Chief Financial Officer
Date signed	5/13/19	Date Signed	11/19/2019
Phone Number	831.759.1910		
E-mail address	cmcguire@svmh.com		
Entity Number (if app)			
Print Name of Member	Salinas Valley Memorial Healthcare System	Upon completion of this form, please submit to both contractor/vendor and GPO listed below	
Member Address	450 E. Romie Ln	Contractor/Vendor	Global Purchasing Organization
Member City, State, Zip	Salinas, CA 93901	Language Line Services, Inc	Vizient Inc.
Member Contact Name	Jon Baird	Fax Number	Fax Number
Member Billing Address	PO Box 3827, Salinas, CA 93912	831-886-3655	
Member Phone Number	831.755.0762	Email address	Email address:
	jbaird@svmh.com	gpogroup@languageline.com	
Members Ops Contact Name			
Member Ops Phone Number			

A:4



This GPO Designation Form and Pricing will document Vizient Members' designation of Vizient as their respective GPO for all Services available. Please initial for services requested and return a signed copy to your Language Line Services representative.

Initial Here to  
Add Service

	A1: Over the Phone Interpreting	
	Language	Rate/Min
	All Languages	\$0.85

Initial Here to  
Add Service

	A7: Video Remote Interpreting	
	Language	Rate/Min
	ASL	\$2.50
	Spanish	\$1.67
	All Others	\$1.87

Initial Here to  
Add Service

	A2: Onsite Interpretation	
	Description of Rate	American Sign Language and Spoken Language Interpretation
	Standard Hourly Rate	Varies by market; \$70-\$125/hour
	Non-Standard Hourly Rate	Varies by market
	Emergency/Holiday Hourly Rate	Varies by market



Initial Here  
to Add  
Service

CM

<b>A3: Translation and Localization Services</b>		
TIERS	BOTH DIRECTIONS: ENGLISH->LANGUAGE & LANGUAGE->ENGLISH	TRANSLATION FEE (PER WORD)
Tier 1	Chinese (Simplified), Chinese (Traditional), Spanish (US/Latin America)	\$0.18/word
Tier 2	Arabic, French, German, Italian, Portuguese (Brazil), Russian	\$0.24/word
Tier 3	Bosnian, Bulgarian, Croatian, Czech, Greek, Haitian Creole, Hungarian, Romanian, Serbian, Slovak, Slovenian, Turkish, Ukrainian	\$0.26/word
Tier 4	Burmese, Hmong, Japanese, Korean, Nepali, Somali, Tagalog, Thai, Vietnamese	\$0.28/word
<i>All Other languages</i>		\$0.35/word
<b>ADDITIONAL PRICING COMPONENTS</b>		
Minimum charge per document translation order		\$99.00 – Spanish \$125.00 – all other languages
<b>3rd Party Review</b>		\$65.00
<b>Basic layout/Formatting/Desktop Publishing</b>		\$55.00/hour
<b>Graphic Design Services</b>		\$55.00/hour
<b>In-Language Recordings (includes 100 words of translated text)</b>		Individual Quote
<b>UI, HTML, XML Engineering</b>		Individual Quote
<b>Transcription/Translation of Audio or Videos files</b>		Individual Quote
<b>Project Management</b>		10% of overall project cost (0.50 hour minimum @\$55/hour)
No delivery charge for Fax, E-mail, or U.S. Mail. Additional charge for courier services only.		
Unless indicated otherwise, a one-hour minimum will apply to hourly services.		

Initial Here  
to Add  
Service

*CM*

**A5: LanguageLine Testing and Training Services**

TEST NAME	PRICE PER LANGUAGE TEST			
	1-49	50-99	100-499	500+
Language Proficiency Test (LPT)	\$145	\$135	\$125	\$115
Language eProficiency Test (eLPT)	\$130	\$120	\$110	\$100
Bilingual Fluency Assessment	\$125	\$115	\$105	\$100
eBilingual Fluency Assessment (eBFA)	\$115	\$105	\$95	\$90
Bilingual Fluency Assessment for Clinicians	\$140	\$130	\$120	\$115
eBilingual Fluency Assessment for Clinicians (eBFAC)	\$125	\$115	\$105	\$100
Interpreter Readiness Assessment	\$135	\$125	\$115	\$110
Interpreter Skills Test (IST)	\$175	\$160	\$145	\$130
eInterpreter Skills Test (eIST)	\$160	\$145	\$130	\$115
Medical Certification Test (MCT)	\$190	\$180	\$170	\$160

TRAINING NAME	PRICE PER LANGUAGE TRAINING		
	1-4	5-9	10+
Fundamentals of Interpreting	\$335	\$305	\$250
Advanced Medical Training	\$499	\$449	\$399
Module 1: Professional Skills and Ethics (Phone or Onsite)	-	\$340	\$250
Module 1: Professional Skills and Ethics (Web)	-	\$200	\$150
Module 2: Working in the Healthcare System (Phone or Onsite)	-	\$450	\$350
Module 2: Working in the Healthcare System (Web)	-	\$250	\$200
Module 3: Terminology and Advanced Skills (Phone or Onsite)	-	\$450	\$350
Module 3: Terminology and Advanced Skills (Web)	-	\$250	\$200
Course discount if you take any 2 of these 3 modules from the AMT Course (Phone or Onsite)	-	\$700	\$550
Course discount if you take any 2 of these 3 modules from the AMT Course (Web)	-	\$400	\$300

The person signing this agreement certifies that such person has read and acknowledged all terms and conditions, that he or she has read and understands all of the terms and conditions, and is fully authorized to execute this Agreement on behalf of and bind the Customer to all its terms and conditions. Both parties agree the delivery of the signed service agreement by facsimile or e-mail shall have the same force and effect of execution and delivery as the original signature.

Vizient Member Name: Language Line Services, Inc.

Accepted by (signature): *Christine McGuire* Accepted by (signature): *Bonaventura A. Cavaliere* DocuSigned by: Bonaventura A. Cavaliere

Name: *Christine McGuire* Name (type or print): Bonaventura A. Cavaliere

Title (type or print): *CNO* Title: CFO

Date: *5/3/2019* Date: 11/19/2019



# Board Paper: Finance Committee

Agenda Item: Consider Recommendation for Board Approval of the ShredLogix Document Shred Services Agreement. (Lopez, Martin, Katzenberger)

Executive Sponsor: Augustine Lopez, Chief Financial Officer  
Shereen Martin, Privacy Officer  
Philip Katzenberger, Health Information Management

Date: November 14, 2022

## Executive Summary

Salinas Valley Memorial Healthcare System current agreement for Document Shred Service is with Stericycle/Shred-It, this agreement is set to expire **August 1, 2023**. At this time, management desires to move the Document Shred service to ShredLogix, for a sixty (60) month period.

## Background/Situation

SVMHS is seeking a new vendor to provide a more consistent shred bin service experience for SVMHS. This is also an opportunity to consolidate all shredding for SVMH and SVMC under one contract plus eliminate interruptions in scheduled pickup services.

## Timeline/Review Process to Date:

April 27, 2022	Requests for Proposal Sent to Vendors
May 4, 2022	Intent to Bid Deadline
May 18, 2022	Deadline for Proposals
July 28 & 29, 2022	Notification of Vendor Selection

## Pillar/Goal Alignment:

**X Service**  People  Quality  Finance  Growth  Community

## Financial Implications:

The essential terms of the proposed Lease are as follows:

Key Agreement Terms	Vendor: Shredlogix, Offsite Document Shred Service
1. Proposed effective date	March 1, 2023
2. Term of agreement	60 Months
3. Renewal terms	Upon Mutual Agreement
4. Termination provision(s)	Bankruptcy/Insolvency, 30 Day Notice, Without Cause
5. Payment Terms	Monthly Invoicing payable within 30 days divided between SVMH & SVMC
6. Annual cost	\$95,103 with 3% Annual increase after 2nd year
7. Cost over life of agreement	\$495,980
8. Budgeted (indicate y/n)	Yes, at current annual rate \$58,000 SVMH and \$40,047 SVMC= Total \$98,047

## Recommendation

Consider Recommend for Board Approval of the Agreement between Salinas Valley Memorial Healthcare System and Shredlogix, for Document Shred Service, in the amount of \$495,980.

## Attachments

- (1) ShredLogix Agreement
- (2) Vendor Score Card

**INDEPENDENT CONTRACTOR AGREEMENT  
FOR PROFESSIONAL SERVICES**

This Independent Contractor Agreement (“Agreement”) is entered into and effective as of **February 1, 2023** (“Effective Date”), by and between **Salinas Valley Memorial Healthcare System**, a local health care district organized and operated pursuant to Division 23 of the California Health & Safety Code (“SVMHS”), and **Shredlogix, Inc.** (“Contractor”).

**RECITALS**

- A. SVMHS is the owner and operator of Salinas Valley Memorial Hospital, an acute care facility located at 450 East Romie Lane, Salinas, California (“Hospital” or “SVMH”).
- B. SVMHS is also the owner of Salinas Valley Medical Clinic, a network of primary and specialty care clinics (“SVMC”).
- C. Contractor provides secure document destruction services.

SVMHS and Contractor hereby agree to the following terms and conditions:

**ARTICLE 1. SERVICES TO BE PERFORMED BY CONTRACTOR**

- 1.1 **Services.** Contractor shall perform the services set forth in Exhibit A of this Agreement and such other services as mutually agreed upon with SVMHS from time to time (“Services”). Contractor agrees to consult with SVMHS regarding the methods and means for carrying out the Services to the extent that such Services might impact the Hospital’s obligations or operations. Services shall be performed for the locations described in Exhibit B (SVMHS Locations).
- 1.2 **Performance of Services.** SVMHS shall not have or exercise any control or direction over the methods by which Contractor shall perform its Services under this Agreement except as specifically delineated hereunder. The sole interest of SVMHS is to assure that Contractor’s Services are performed and administered in a competent, efficient and satisfactory manner. The Services provided by Contractor under this Agreement are intended to be non-exclusive in nature, and both parties expressly reserve the right to contract with other entities for the same or similar services.
- 1.3 **Independent Contractor.** In the performance of Services under this Agreement, it is mutually understood and agreed that the parties to this Agreement are at all times acting and performing as independent contractors, and nothing in this Agreement shall be construed to create between SVMHS and Contractor an employer/employee relationship or a joint venture relationship. No offer or obligation of permanent employment with SVMHS is intended or implied in any manner by this Agreement. Contractor understands and agrees that Contractor is not entitled to and shall not receive any healthcare, retirement, workers’ compensation or other benefits available to SVMHS employees.

**ARTICLE 2. COMPENSATION**

- 2.1 **Fees for Services.** Contractor’s fee for Services provided pursuant to this Agreement shall be as set forth in Exhibit C, attached hereto and incorporated herein. Contractor’s fee for Services will be fixed for the term of this Agreement or until modified by written agreement of the parties to this Agreement.
- 2.2 **Payment of Contractor Invoices.** Contractor will invoice SVMHS for Services provided under this Agreement on a monthly basis and shall include detail of Services provided, including number of bins serviced at each location. Contractor’s invoices are payable by SVMHS within thirty (30) days of receipt by SVMHS of a complete invoice. **Contractor shall issue two separate monthly invoices for Services associated with the Hospital locations and Services associated with SVMC locations.**

**The locations associated with the Hospital and SVMC are described in detail in Exhibit B. All invoices shall be specifically itemized relative to each location serviced. Invoices shall be submitted to [ACCOUNTSPAYABLE@SVMH.COM](mailto:ACCOUNTSPAYABLE@SVMH.COM)**

- 2.3 Reimbursements. SVMHS shall have no obligation to reimburse Contractor for reasonable business expenses incurred by Contractor during the course of performing Services under this Agreement (including, but not limited to, training, travel expenses, mileage, fuel, transcription services). The only expenses SVMHS agrees to pay are explicitly as listed in Exhibit C.
- 2.4 Pricing. The pricing for the first two years of the Agreement is defined on Exhibit C. Thereafter, the prices may be adjusted annually on the anniversary of the Effective Date by no more than three percent (3%) per year without the prior written approval of SVMHS. Any proposed price adjustments shall be sent in writing to SVMHS no later than sixty (60) days prior to the effective date of the price adjustment.

### ARTICLE 3. TERM AND TERMINATION

- 3.1 Term. This Agreement is effective and shall commence on the Effective Date first set forth above, and will continue for a period of sixty (60) months, unless earlier terminated pursuant to the terms of this Agreement (“Initial Term”). This Agreement may be renewed upon mutual agreement of the Parties (each a “Renewal Term”).
- 3.2 Automatic Termination. This Agreement shall terminate automatically on the occurrence of any of the following events: (i) upon the bankruptcy or insolvency of either party; or (ii) upon thirty (30) days’ prior written notice by either party, with or without stating a cause or reason.

### ARTICLE 4. COMPLIANCE

- 4.1 Compliance with Laws, Rules and Regulations, Compliance Program. Contractor shall provide Services in strict accordance with all applicable state and federal laws and regulations, accreditation requirements, SVMHS rules, regulations, policies and procedures, without limitation. Contractor shall comply with the SVMHS Compliance Program (“Program”) and any Program policies and procedures, as applicable to the Services provided under this Agreement. Contractor acknowledges that, in accordance with regulatory and accreditation requirements, the quality of Services provided will be evaluated by SVMHS in accordance with established indicators/metrics, and may include data reporting requirements by Contractor.
- 4.2 HIPAA Compliance. Contractor may have access to medical records and other information regarding patients of Hospital (“Protected Health Information”) for the purposes of providing Services under this Agreement. Contractor may use and disclose Protected Health Information only in accordance with such purposes and subject to the restrictions in the Business Associate Agreement attached here as Exhibit E. Contractor shall maintain the confidentiality of all Protected Health Information in accordance with all applicable federal, state and local laws and regulations, including, but not limited to, the California Confidentiality of Medical Information Act and the Federal Health Insurance Portability and Accountability Act of 1996, and regulations from time to time promulgated there under (“HIPAA”).

### ARTICLE 5. OBLIGATIONS OF CONTRACTOR

- 5.1 Insurance Coverage. Contractor shall maintain in effect throughout the term of this Agreement:
- 5.1.1 General Liability Insurance in the amount of \$1,000,000 per occurrence and \$3,000,000 annual aggregate;
- 5.1.2 Comprehensive Automobile Liability Insurance in the amount of \$100,000 per occurrence and \$300,000 annual aggregate covering all motor vehicles, including owned, leased, non-owned,



and hired vehicles that are or will be used in providing Services under this Agreement, with coverage that complies with California statutory insurance requirements.

Evidence of insurance coverage shall be submitted to SVMHS as of the Effective Date of this Agreement.

- 5.2 Indemnification. Contractor shall indemnify and hold harmless SVMHS, its officers, directors, agents, and employees from and against any and all claims, liabilities, and losses occurring or resulting to any person or entity for damage, injury, or death, to the extent such claims, liabilities, or losses arise out of, are alleged to arise out of, or are connected with the wrongful, willful or negligent act or omission of the Contractor or its agents in the performance of this Agreement.
- 5.3 Contractor Not Excluded. Contractor warrants that, to its knowledge, neither Contractor nor its employees or agents performing services under this Agreement have been excluded from participation in federal or state healthcare programs. If an employee/agent performing services under this Agreement is excluded, Contractor will replace that employee/agent within a reasonable time. If Contractor is excluded, SVMHS may terminate this Agreement, without penalty and with applicable refund, upon written notice to Contractor.
- 5.4 Failure to Provide Services. In the event that Contractor is unable to provide Services as agreed to in under this Agreement, Contractor shall have twenty-four (24) hours to provide Services or reschedule Services for a time which is acceptable to SVMHS at SVMHS' reasonable discretion. In the event that Contractor is unable to comply with the above, they agree to pay to SVMHS a penalty of \$500.00 per site per day starting at the end of the twenty-four (24) hours. Furthermore, should Contractor be unable to provide Services as agreed to in advance in excess of three (3) days in any four (4) week period, SVMHS shall have the option, at their reasonable discretion, to terminate this Agreement immediately upon notice and shall be entitled to liquidated damages from Contractor in the amount of \$50,000.00.

## ARTICLE 6. RECORDS AND CONFIDENTIALITY

- 6.1 Confidentiality. Contractor shall comply with any and all federal, state, and local laws that provide for the confidentiality of records and other information. Contractor shall not disclose any confidential records or other confidential information received from the Hospital or prepared in connection with the performance of this Agreement unless Contractor is specifically authorized in writing to disclose such records or information. Contractor shall promptly transmit to SVMHS any and all requests for disclosure of any such confidential records or information. Contractor shall not use any confidential information gained by Contractor in the performance of this Agreement except for the sole purpose of carrying out Contractor's obligations under this Agreement.
- 6.2 Access to Records. SVMHS shall have the right to examine and audit all records and documents of Contractor and its subcontractors related to services provided under this Agreement. In accordance with Section 952 of the Omnibus Reconciliation Act of 1980, Contractor agrees that the books and records of Contractor will be available to the Secretary of Department of Health and Human Services and the Comptroller General of the United States, or their duly authorized representatives, for four (4) years after termination of this Agreement. In the event that any of the Services to be performed under this Agreement are performed by any subcontractor of Contractor at a value or cost of \$10,000 or more over a twelve (12) month period, Contractor shall comply and assure that such subcontractor complies with the provisions of Section 952 of the Omnibus Reconciliation Act of 1980. This Section shall be of no force and effect if it is required by law.

## ARTICLE 7. GENERAL PROVISIONS

- 7.1 Entire Agreement/Amendment. This Agreement constitutes the entire agreement between the parties pertaining to the subject matter. This Agreement supersedes all prior agreements, representations and understandings of the parties pertaining to subject matter of this Agreement. No amendment or modification of this Agreement shall be binding unless in writing and signed by the parties.

- 7.2 Waiver. Any waiver of any term or condition of this Agreement must be in writing and signed by the parties. The waiver of any of the term or condition shall not be construed as a waiver of any other terms or conditions in this Agreement.
- 7.3 Assignment and Subcontracting. Contractor shall not assign, subcontract or transfer its interest or obligations in this Agreement without the prior written consent of SVMHS.
- 7.4 Successors and Assigns. This Agreement and the rights, privileges, duties and obligations of the parties hereunder, to the extent assignable or delegable, shall be binding upon and inure to the benefit of the parties and their respective successors and permitted assigns.
- 7.5 Governing Law/Venue. This Agreement shall be governed by and interpreted under the laws of the State of California. Venue shall rest in Monterey County, California.
- 7.6 Severability. If any provision of this Agreement is declared illegal, unenforceable or in conflict with any governing law, it shall not affect the validity of the remaining portion of this Agreement.
- 7.7 Notices. Any notices under this Agreement may be effected either by personal delivery in writing or by mail, registered or certified, postage prepaid with return receipt requested. Mailed notices shall be addressed to the parties at the addresses appearing at the end of this Agreement, but each party may change the address by written notice in accordance with this paragraph.

The parties have executed this Agreement to be effective as of the Effective Date first set forth above.

**SVMHS**  
 Salinas Valley Memorial Healthcare System  
 450 East Romie Lane  
 Salinas, CA 93901

**Contractor**  
 Shredlogix, Inc.  
 7483 Gresham Court  
 San Jose, CA 95139

By: \_\_\_\_\_  
 Pete Delgado, President/CEO

By: \_\_\_\_\_

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

Title: \_\_\_\_\_

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

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

**Exhibit A**  
Scope of Work

SVMHS Responsibilities

- a. SVMHS personnel will initiate a practice of putting all classified, sensitive or administrative documents, and documents containing Personal Health Information (“PHI”) in locked containers located throughout the facilities.
- b. SVMHS personnel will facilitate access to the shred bins according to the agreed upon pickup schedule.
- c. SVMHS will notify Contractor of additions/changes in locations and frequency of pick-up.

Contractor Responsibilities

- d. Contractor shall provide all labor, personnel, equipment, supplies, secured vehicles, materials, supervision, and other related services necessary to provide off-site commercial document destruction services for confidential waste (administrative papers, classified papers, sensitive documents and white and mixed recycled paper, and documents containing PHI at SVMHS.
- e. Contractor shall use agreed upon pickup schedule frequency and locations.
- f. Ongoing assessment will be performed to adjust the pickup schedule and/or the size the of the shred bins to meet SVMHS needs.
- g. As the location of SVMHS operations change by addition of a location or deletion of a location, adjustment will be made to the pick-up schedule and number of bins provided.
- h. If scheduled pick-up needs to be adjusted based on Contractor’s needs, Contractor will give proper notice to allow adjustment by SVMHS.

**Exhibit B**  
SVMHS Locations

Location	Under Desk 23x21x15	Standard 35x15x21	Mini 26x20x19	65 Gal	96 Gal	Frequency
<b>MAIN HOSPITAL</b>		<b>450 E Romie Lane</b>				
Checked		5TH FLOOR				
5th floor		1	1			Weekly
5th tower	1	1				Weekly
CaseMgmt/SW			1			Weekly
Anna Linn	1					Weekly
Critical Care Coordinator	1					Weekly
RT/PF Lab			1			Weekly
TOTALS	3	2	3	0	0	
Checked		4TH FLOOR				
4th floor	2					Weekly
4th tower		1				Weekly
4th RT		1				Weekly
4th PT Rehab		1				Weekly
CaseMgmt	1					Weekly
4th ONS Office			1			Weekly
Hospitalist Office			1			Weekly
Carmen/Laura			1			Weekly
TOTALS	3	3	3	0	0	
Checked		3RD FLOOR				
3rd floor	1	1				Weekly
3rd tower		1				Weekly

3rd Pediatrics	1					Weekly
CaseMgmt	1					Weekly
Cathy Gomez Ofc			1			Weekly
3rd Monitor Room	1					Weekly
3rd Clean Utility Room			1			Weekly
3rd (Respiratory Ofc)			1			Weekly
Marian Fox office			1			Weekly
Agnes Office	1					Weekly
PEDS Physician Office		1				Weekly
TOTALS	5	3	4	0	0	
Checked	2ND FLOOR					
2nd floor	1	1				Weekly
Lactation Office			1			Weekly
2nd tower (SRMC)	1	1				Weekly
NICU	1		1			Weekly
2nd floor OB	1					Weekly
OB OR Room			1			Weekly
Doctors Lounge			1			Weekly
Manager Office L&D OBED	1					Weekly
2nd Floor Director	1					Weekly
Clinical Nurse Mgr M&B			1			Weekly
PDOC			1			Weekly
2nd Floor Dept. Coordinator			1			Weekly
PT Exp	1					Weekly
TOTALS	7	2	7	0	0	
Checked	1st floor					
ER Nurse Sta (Back)	1	1				Weekly
ER Nurse Sta (Doctors)	1		1			Weekly
ER Reg	1	1				Weekly

ER Tent			1		Weekly
OR		1	1		Weekly
OR Dr. Lounge	1				Weekly
Surgery		1			Weekly
Whitney Waiting			1		Weekly
ER Consult (Whitney Area)	1				Weekly
PACU			1		Weekly
CATHLAB		1	1		Weekly
Cath Lab Control		1			Weekly
DI		1	1		Weekly
Elvira Franco Office	1				Weekly
Angio			1		Weekly
Ultra Sound Reading Room					Weekly
Gina Ramirez's Office			1		Weekly
OPS			2		Weekly
CT	1				Weekly
NUCMED	1				Weekly
Lab Ext 1827	2	2	2		Weekly
ICU	1				Weekly
CCU	1				Weekly
CC Case Mgmt/SW		1	1		Weekly
Director Critical Care			1		Weekly
Isela's Office	1				Weekly
1 Main Critical Care Mgr	1				Weekly
1 MAIN	1	1			Weekly
1 Main Case Management			1		Weekly
Clinical Manager	1				Weekly
REGISTRATION			1		Weekly
Dolores Martinez		1			Weekly

Registration Rooms 1-2-3	3					Weekly
Registration Rooms 4		2				Weekly
HC	1		1			Weekly
Totals	20	14	17	1	0	
<b>AOB</b>						
Pete Delgado's office			2			Weekly
Augustine's office			1			Weekly
Adrienne's office		1				Weekly
Clement's office			1			Weekly
Tiffany Rose	1					Weekly
Clinton Hoffman			1			Weekly
Dr. Radner			1			Weekly
Michelle Endris' office			1			Weekly
Finance Office			1			Weekly
ER Director Office		1				Weekly
Magnet Program			1			Weekly
Command Center		1				Weekly
Magnet Program Director			1			Weekly
Totals	1	3	10	0	0	
<b>Basement</b>						
Pathology		2				Weekly
SSPD		1	1			Weekly
Surgery Support		1				Weekly
OR Scheduling		1				Weekly
Melissa Aylard	1					Weekly
Engineering	1					Weekly
Christianna Kearns						Weekly
Nutrition		1				Weekly
Arnold Failano	1					Weekly

Cardiology	1	1				Weekly
Pathologist office	2					Weekly
ENDO	1					Weekly
ENDO Reading Room						Weekly
Pharmacy	1	4				Weekly
NURSING ADMIN	1	1				Weekly
Nursing Super/Staffing	1					Weekly
Lori White		1				Weekly
Director of Pharmacy			1			Weekly
Asst. Director RT/Neuro DI	1					Weekly
Totals	11	13	2	0	0	
<b>DRC</b>						
SECURITY		1				Weekly
HIM STORAGE		1				Weekly
HIM	2	8	2			Weekly
MEDSTAFF	1					Weekly
NS/EVS		2				Weekly
TELECOM	1					Weekly
CLINICAL DEVELOPMENT	1	1	1			Weekly
PALLATIVE CARE	1					Weekly
BIOMED	1					Weekly
MAILROOM		1				Weekly
MM		2				Weekly
DR. Sleep Rooms	1					Weekly
Totals	8	16	3	0	0	
<b>SVMHS OUTPATIENT MRI SERVICES 444 E Romie Lane</b>						
FRONT DESK		1				Weekly
TECH AREA						Weekly
Totals	0	1	0	0	0	



<b>SVMH-FACILITIES OFFICE</b>		<b>535 E Romie Lane Suite 1</b>				
Eng Admin	1					Weekly
Totals	1	0	0	0	0	
<b>SVMHS OUTPATIENT INFUSION CENTER</b>		<b>515 E Romie Lane</b>				
NURSES STATION #2			1			Weekly
NURSE STATION #1		1	1			Weekly
PHY OFFICE	1					Weekly
FRONT DESK		1				Weekly
Totals	1	2	2	0	0	
<b>SVMHS CANCER RESOURCE CENTER</b>		<b>501 E Romie Lane</b>				
CANCER RESOURCE CENTER		1				Weekly
VOLUNTEER SERVICES		1				Weekly
PUBLIC RELATIONS		1				Weekly
Totals	0	3	0	0	0	
<b>SVMHS REGINAL WOUND HEALING CENTER</b>		<b>440 E Romie Lane</b>				
EMPLOYEE HEALTH	1					Weekly
WOUNDCARE	1					Weekly
CASE MANAGEMENT		2				Weekly
CONCENTRATED CARE		1				Weekly
Totals	2	3	0	0	0	
<b>SVMHS SLEEP CENTER</b>		<b>120 Wilgart Way</b>				
SLEEP CENTER	1	1	1			Weekly
CARDIAC REHAB	2		1			Weekly
IT SUPPORT		1				Weekly
DI Schedule		1				Weekly
Maggie Shanley		1				Weekly
Med Assist		1				Weekly
Totals	3	5	2	0	0	
<b>SVMHS MAMMOGRAPHY CENTER</b>		<b>240 San Jose St</b>				

MAMMO Lobby	1					Weekly
MAMMO File Process	1	1	1			Weekly
Bernadette's office	1					Weekly
MAMMO Ultra Sound RN			1			Weekly
Dr. Wulff (Mammo)	1					Weekly
MAMMO Tech			1			Weekly
SVMC (Dickey, Bajaj, Park, Rudo	1	3				Weekly
Cardiovascular		1	1			Weekly
Totals	5	5	4	0	0	
<b>PRE ADMISSION CLINIC 212 San Jose Street</b>						
Ellen Tapp		1				Weekly
Totals	0	1	0	0	0	
<b>QUALITY MANAGEMENT 254 San Jose St</b>						
QUALITY MANAGEMENT		1				Weekly
Totals	0	1	0	0	0	
<b>FOUNDATION 60 W Market St</b>						
FOUNDATION		1				Weekly
Totals	0	1	0	0	0	
<b>EDUCATION/HR BUILDING 611 Abbott St (on DRC Acct)</b>						
EDUCATION		1				Weekly
HUMAN RESOURCES	3					Weekly
Totals	3	1	0	0	0	
<b>HEALTH PROMOTION/MARKETING 232 Monterey St. Suite 230</b>						
MARKETING / HEALTHPROMO		1				Weekly
Totals	0	1	0	0	0	
<b>PFS 3 E Rossi Circle</b>						

PT FINANCIAL SVCS				4		Weekly
Totals	0	0	0	4	0	
<b>WORK STREET</b>		<b>590 Work Street</b>				
Warehouse					12	Weekly
Totals	0	0	0	0	12	
<b>ACCOUNTING</b>		<b>345 Abbott St</b>				
ACCOUNTING		2				Weekly
Totals	0	2	0	0	0	
<b>SVMHS RYAN RANCH</b>		<b>5 Lower Ragsdale Suite 103</b>				
RYAN RANCH/CVDC	2					Weekly
Warehouse Room				1		Weekly
Totals	1	0	0	1	0	
<b>SVMHS BLUE ZONE (SALINAS)</b>		<b>252 S. Main Street</b>				
Blue Zone, Salinas						Monthly
Totals	0	1	0	0	0	
<b>SVMHS BLUE ZONE (MTRY)</b>						
	1					Monthly
Totals	1	0	0	0	0	
<b>BLANCO CIRCLE BUILDING</b>		<b>928 E Blanco St.</b>				
AMBULATORY INFORMATICS/EPIC		1				Bi-Weekly
INFORMATION TECH		1				Bi-Weekly
Totals	0	2	0	0	0	
<b>NEW ADD - DRC RETAIL PHARMACY</b>		<b>Hospital</b>				
		1				
Totals	0	1	0	0	0	Weekly
Total Bins	75	85	85	6	12	


SVMC						
Location		Standard	Mini	65 Gal	96 Gal	Frequency
SVMC - Primecare- Monterey - 5 Lower Ragsdale Dr. Ste 100		5				Weekly
SVMC - Primecare- N. Salinas - 1328 Natividad Rd.		3				Bi-Weekly
SVMC - Primecare- Salinas - 355 Abbott St. Ste 100		16				Weekly
SVMC - Sleep/Wake & Rheumatology - 321 E. Romie Ln		2	2			Weekly
SVMC - Surgery - 236 San Jose St.		3	1			Weekly
Taylor Farms Family Health & Wellness Center - 850 5th St., Gonzales		5	2			Weekly
SVMC - Behavioral Health - 505 Romie Ln Ste G		1				Monthly
SVMC - Cancer Care - 505 E. Romie Ln. Ste A		4				Weekly
SVMC - Cardiothoracic & Vascular Surgery - 212 San Jose St. Ste 301		2				Bi-Weekly
SVMC - Care Coordination - 558 Abbott St.		4				Bi-Weekly
SVMC - Central Coast Cardiology - 212 San Jose St. Ste 301		2				Weekly
SVMC - Central Coast Cardiology - 5 Lower Ragsdale; Ste 102, Monterey		3				Weekly

SVMC - Central Coast Cardiology / Multispecialty - 230 San Jose St.		3	2			Weekly
SVMC - Diabetes & Endocrine - 355 Abbott St. Ste 200		3	1			Weekly
SVMC - Health Care for Women - 250 San Jose St.		4	3			Weekly
SVMC - Imaging - Abbott - 559 Abbott		1				Weekly
SVMC - Imaging- Abbott - 355 Abbott St. Ste 100		5				Weekly
SVMC - Imaging- 626 Brunken Ave.		1				Weekly
SVMC - Multispecialty - 1033 Los Palos Dr. Ste A		6	4			Weekly
SVMC - Ortho- Physical Therapy - 611 Abbott St. Ste 100		1				Weekly
SVMC - Orthopedics Podiatry and Sports Med - 611 Abbott St. Ste 101		4	1			Weekly
SVMC - Palliative - 505 E Romie, Ste F		2				Monthly
SVMC - Lifestyle and Metabolic Program 1260 S. Main St. Ste101		1				Weekly
SVMC - Urology - New 355 Abbott St. Ste 201		1				Weekly
<b>Total Bins</b>		0	82	16	0	0

Under Desk 23x21x15	Standard 35x15x21	Mini 26x20x19	65 Gal	96 Gal	Total
------------------------	----------------------	------------------	-----------	-----------	-------

**Total SVMH & SVMC**

**75      167      75      6      12      335**

**Exhibit C**  
Pricing

Ongoing Scheduled Services		External Dimensions			Bin Volume	Onsite Destruction	Offsite Destruction
	Size	L	W	H	Cu Ft.	Price Per Bin*	Price Per Bin*
	Mini Console	17	19	24	4.25	\$5.00	\$3.00
	Standard Console	17	19	35	6.19	\$10.00	\$7.50
	Large Console	33	28	46	24.59	\$20.00	\$15.00
Minimum Charge per stop						\$0	

Paper Purge Services		External Dimensions			Bin Volume	Onsite Destruction	Offsite Destruction
	Size	L	W	H	Cu Ft.	Price Each	Price Each
	Mini Console	17	19	24	4.25	\$5.00	\$3.00
	Standard Console	17	19	35	6.19	\$10.00	\$7.50
	Large Console	33	28	46	24.59	\$20.00	\$15.00
	Small Box	15	12	10	1.5	\$5.00	\$5.00
	Large Box	24	15	10	3.0	\$7.50	\$7.50
Non-paper Purge Services	Hard Drives	n/a (EACH)				\$10.00	\$7.00
	Small Box	15	12	10	1.5	\$40.00	\$40.00
	Large Box	24	15	10	3.0	\$80.00	\$80.00
	Large Tote	33	28	46	24.59	\$200.00	\$200.00

Misc. Fees	
Fuel Surcharge	\$0.00
Payment Processing Fee	\$0.00
Recycling Fee	\$0.00
Any other fee/surcharge of any kind	\$0.00

\*SVMHS shall only be charged for bins which are serviced. There shall be no charge for bins which are not emptied when a location is serviced.

Estimated volume should not be construed as a forecast or guarantee of volume that will be purchased. SVMHS reserves the right to make adjustments to service locations, frequency, and number of bins from time to time.

# BOARD Packet Submission Checklist

The original of this completed/fully signed checklist and all required supporting documents are to be hand-delivered to reviewer listed below:

- BOARD or CEO PAPER** – required for all submissions; see attached instructions/sample
- KEY CONTRACT TERMS** – required for all submissions – see table in Board/CEO Paper
- CONTRACT** – negotiated final contract with vendor signature
- PROCUREMENT PROCESS DOCUMENTATION** – required for all submissions requiring Board/CEO review/approval per Procurement Management Policy (see policy for details; indicate which sub-category is applicable):

- If for data processing/telecommunications goods/services of \$25,000 or more, check applicable option and include documentation: **CIO must review.**
  - RFP documentation *unless sole source or GPO applies.*
  - If Sole source – provide detailed justification
  - If GPO, submit qualifying verification from Materials Management

- If for professional/other services or medical/surgical equipment and supplies \$350,000 or more, check applicable option and include documentation:
  - RFP documentation *unless sole source or GPO applies.*
  - If Sole source – provide detailed justification
  - If GPO, submit qualifying verification from Materials Management

- If for non-medical materials/supplies/Public Works \$25,000 or more, check applicable option and include documentation:
  - RFP/Invitation for bids documentation
  - If Sole source – provide detailed justification
  - If GPO, submit qualifying verification from Materials Management

Legal counsel/Contract Administrator reviewed: No \_\_\_ or Yes  By Whom: Natalie James

## SUBMITTED BY DEPARTMENT DIRECTOR OR DEPARTMENT ADMINISTRATOR:

[Signature]  
Signature

Deputy Chief, HRM  
Title/Dept

10/10/22  
Date

## REVIEWED BY: (In the following order) – If Capital; Axiom approval in lieu of signature.

CIO: (if applicable) \_\_\_\_\_

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

Director of Audit/Compliance: lorrie oelkers [Signature]

Date: 01/16/23

*TRANSFORMATION, STRATEGIC PLANNING  
AND GOVERNANCE COMMITTEE*

*Minutes from the January 25, 2023 meeting  
of the Transformation, Strategic Planning,  
and Governance Committee will be  
distributed at the Board Meeting*

*(VICTOR REY, JR.)*



**Medical Executive Committee Summary – January 12, 2023**

**Items for Board Approval:**

**Credentials Committee**

**Initial Appointments:**

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Atchaneeyasakul, Kunakorn, MD	Neurology	Medicine	Tele-Neurology: Core

**Reappointments:**

APPLICANT	SPECIALTY	DEPT	PRIVILEGES
Gram, Kelly, MD	Internal Medicine/ Hospitalist	Medicine	Adult Hospitalist: Core
Gray, Kelsey, MD	Critical Care/ Pulmonary Medicine	Medicine	Critical Care/Pulmonary Medicine General Internal Medicine
Martinez, Cristina, MD	Emergency Medicine	Emergency Medicine	Emergency Medicine
Zhao, Hong, MD	Hematology & Oncology	Medicine	Hematology/ Oncology

**Staff Status Modifications:**

NAME	SPECIALTY	STATUS
Chen, Tracy, MD	Radiology	Leave of Absence effective December 16, 2022
Hosohama, B. Misa, MD	Radiology	Leave of Absence effective December 16, 2022
Litman, David, MD	Pathology	Emeritus Status effective January 1, 2023
Moser, Evan, MD	Radiology	Leave of Absence effective December 16, 2022
Numair, Osman, MD	Allergy & Immunology	Continuation of Provisional Status
Pereles, F. Scott, MD	Radiology	Emeritus Status effective December 15, 2022
Rupp, Richard, MD	Radiology	Leave of Absence effective December 16, 2022
Hosseini, Maryam, MD	Psychiatry	Resignation effective December 31, 2022
Saglio, Stephen, MD	Family Medicine	Resignation effective December 19, 2022
Sohal, Ravinder, MD	Tele-Radiology	Resignation effective December 5, 2022

**Privilege Modifications:**

NAME	SPECIALTY	STATUS
Kanter, Gregory, MD	Urogynecology	Robotic Surgery – Primary Surgeon
Klick, Anastasia, MD	Family Medicine	Taylor Farms Family Health & Wellness Center

**Temporary/Locum Tenens Privileges:**

NAME	SPECIALTY	DATES
Kanter, Gregory, MD	Urogynecology	January 9, 2023

**Interdisciplinary Practice Committee**

**Staff Status Change:**

NAME	SPECIALTY	STATUS
Markham, Morgan PA-C	Physician Assistant – Plastic Surgery	Resignation effective 10/13/2022.

**Privilege Modifications:**

<b>NAME</b>	<b>SPECIALTY</b>	<b>PRIVILEGE</b>
Ludema, Helia, PA-C	Physician Assistant – Plastic Surgery	Furnishing or ordering of Schedule II-V drugs under physician Supervision within collaborative practice agreement.
Zuniga, Elizabeth, PA-C	Physician Assistant – Ob/Gyn	Act as first or second assistant in robotic surgery under the supervision of an approved supervising physician.

**Temporary/Locum Tenens Privileges:**

<b>NAME</b>	<b>SPECIALTY</b>	<b>DATES</b>
Hammond, Isaac PA-C	Physician Assistant – Surgical Assisting Cardiac Surgery	12/08/2022 – 01/08/2023
Morong, Shane , PA-C	Physician Assistant – Surgical Assisting Cardiac Surgery	01/06/2023 – 03/06/2023
Puig, Joshua, PA-C	Physician Assistant – Surgical Assisting Cardiac Surgery	01/06/2023 – 03/06/2023
Washington, Jason PA-C	Physician Assistant – Surgical Assisting Cardiac Surgery	01/16/2023 – 03/16/2023
Zuniga, Elizabeth, PC	Physician Assistant – Ob/Gyn	01/09/2023 only

## **Informational Items:**

### **I. Committee Reports:**

- a. Medical Staff Excellence Committee (MSEC)
- b. Credentials Committee
- c. Interdisciplinary Practice Committee

### **II. MEC Member-At-Large Replacement:**

The members voted to approve Brendan Bottari, MD to carry out the remainder to Dr. Rupp's term through September 30, 2023.

### **III. Other Reports:**

- a. Financial Performance Review November 2022
- b. Summary of Executive Operations Committee Meetings
- c. Summary of Medical Staff Department/Committee Meetings – December 2022
- d. Medical Staff Treasury Report January 9, 2023
- e. Medical Staff Statistics
- f. HCAHPS Update January 4, 2023

### **IV. Order Sets and Treatment Plans:**

<b>NAME</b>	<b>TYPE</b>
Cardioversion PreProc InPt	Order Set
Comm Acquired Pneumonia	Order Set
EP/Ablation PreProc InPt	Order Set
EP/Ablation PreProc OutPt	Order Set
Laminectomy Pre Op	Order Set
Observation Short Set	Order Set
Pacemaker/ICD PreProc InPt	Order Set
Potassium Replacement <3.5	Order Set
Potassium Replacement <4.0	Order Set
Tube Feeding	Order Set
GI Bleed	Order Set
Head/Neck/Back Pain	Order Set
Quick Set - Adult	Order Set
Quick Set - Pediatric	Order Set
Sepsis (Prechecked ER)	Order Set
ER- Extremity (AOM)	Order Set
CSF Fluid	Order Set
CSF Lab Orderables	Order Set
Diabetes Labs	Order Set
DIC Lab Panel	Order Set
Hypercoagulability Orders	Order Set
Labs No Prenatal Care	Order Set
Microbiology Common Orders	Order Set
Pericardial Fluid	Order Set
Peritoneal Fluid	Order Set
Pharmacy Protocol - LABS	Order Set

PIH Lab Panel	Order Set
Pleural Fluid	Order Set
Stool Set	Order Set
Synovial Fluid	Order Set
IVR Pre Proc TODAY	Order Set
Joint Inj/Asp/Block/Pseudoaneu	Order Set
NM Renal Func w Lasix Washout	Order Set
Thoracentesis	Order Set
VCUG Voidinc Cystourethrogram	Order Set
Venography	Order Set
FOLFIRI- (5FU CI/Leuco/Irinotecan)+ Ramucirumab (APP25,COL61,GAS94)	Treatment Plan
*Inpt* ICE (Ifosfamide/CARBOplatin AUC 5/Etoposide), Q14D (DBL46,HDL8)	Treatment Plan
DOXOrubicin 60-75 mg/m2, Q21D (ANAP3, BRS23)	Treatment Plan
Anastrozole 1mg + Trastuzumab-anns (Bs), Q21D (BRS90)	Treatment Plan
PACLitaxel 45-50 mg/m2+CARBO AUC 2, Q7D with XRT, (ANAP7,NSC11)	Treatment Plan
PACLitaxel 60 mg/m2 +CARBOplatin AUC 2 Weekly, Q21D (OVA11)	Treatment Plan
Cemiplimab 350 mg, Q21D (BCC3, NSC109, SCC4)	Treatment Plan
PEMEtrexed 500 mg/m2, Q21D (MPEM4, NSC26)	Treatment Plan
Albumin-bound PACLitaxel 260mg/m2, Q21D	Treatment Plan
Albumin-bound PACLitaxel 100-125 mg/m2, Q28D (BRS36,CRV28,NSC48,UTE18)	Treatment Plan
CARBOplatin AUC 5 / Gemcitabine 1000mg/m2, Q21D (NSC82)	Treatment Plan
Nivolumab 1mg/kg+Ipilimumab 3mg/kg, Q21D; THEN Nivolumab 480mg, Q28D	Treatment Plan
Nivolumab 1mg/kg+Ipilimumab 3mg/kg, Q21D; THEN Nivolumab 240mg, Q14D	Treatment Plan
DOXOrubicin 60 mg/m2, Q21D (UTE6)	Treatment Plan
Fam-trastuzumab deruxtecan-nxki 5.4 mg/kg, Q21D (BRS172)	Treatment Plan
CapeOX(Cape/OXALI)+ Bevacizumab-AWWB(Bs), Q21D(APP6,COL11,REC20,SBA10)	Treatment Plan
Roswell Park (5-FU/LV)+ Bevacizumab-AWWB(Bs) Q14D; Q56D (COL40,SBA33)	Treatment Plan
FLOT:Fluourouracil CI/Leucovorin/OXALiPlatin/DOCEtaxel (ESO88, GAS88)	Treatment Plan
Iron Sucrose (Venofer) 200 mg x5 doses within 14-Days Period	Treatment Plan
Bortezomib 1.3 mg/m2 (IV) Maintenance, Q14D (MUM57)	Treatment Plan
Bortezomib 1.3 mg/m2 (SQ) Maintenance, Q14D (MUM57)	Treatment Plan
Bortezomib 1.6 mg/m2 (IV), Q35D (MUM57, SLCA1)	Treatment Plan
Bortezomib 1.6 mg/m2 (SQ), Q35D (MUM57, SLCA1)	Treatment Plan
Carfilzomib 20mg/m2 THEN 27mg/m2 + Lenalidomide/Dex40mg, Q28D (MUM60)	Treatment Plan
Regorafenib 80-160 mg + Nivolumab 3mg/kg, Q14D; Q28D (Journal Article)	Treatment Plan

**RESOLUTION NO. 2023-01  
OF THE BOARD OF DIRECTORS OF  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**PROCLAIMING A LOCAL EMERGENCY, RATIFYING THE PROCLAMATION OF A  
STATE OF EMERGENCY BY GOVERNOR'S STATE OF EMERGENCY DECLARATION  
ON MARCH 4, 2020, AND AUTHORIZING REMOTE TELECONFERENCE MEETINGS  
FOR THE PERIOD JANUARY 1, 2023 THROUGH JANUARY 30, 2023**

WHEREAS, Salinas Valley Memorial Healthcare System ("District") is a public entity and local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code;

WHEREAS, the District Board of Directors is committed to preserving and nurturing public access and participation in its meetings;

WHEREAS, all meetings of the District's governing body are open and public, as required by The Ralph M. Brown Act, so that members of the public may attend, participate, and observe the District's public meetings;

WHEREAS, The Brown Act, Government Code section 54953(e), makes provisions for remote teleconferencing participation in meetings by members of a legislative body, without compliance with the requirements of Government Code section 54953(b)(3), subject to the existence of certain conditions;

WHEREAS, a required condition is that a state of emergency is declared by the Governor pursuant to Government Code section 8625, proclaiming the existence of conditions of disaster or of extreme peril to the safety of persons and property within the state caused by conditions as described in Government Code section 8558;

WHEREAS, a proclamation is made when there is an actual incident, threat of disaster, or extreme peril to the safety of persons and property within the boundaries of the District, caused by natural, technological, or human-caused disasters;

WHEREAS, it is further required that state or local officials have imposed or recommended measures to promote social distancing, or, the legislative body meeting in person would present imminent risks to the health and safety of attendees;

WHEREAS, the District Board of Directors has reconsidered the state of emergency circumstances, and find that the state of emergency continues to impact the ability of the members to meet safely in person pursuant to Government Code Section 54953(e)(3) due to increasing COVID-19 case numbers and hospitalizations over the past several months;

WHEREAS, as a consequence of the local emergency, the District Board of Directors may conduct meetings without compliance with Government Code Section 54953(b)(3), as authorized by Section 54953(e), and that the District shall comply with the requirements to provide the public with access to the meetings pursuant to Section 54953(e)(2);

WHEREAS, meetings of the District Board of Directors will be available to the public via a link listed on the agenda;

NOW THEREFORE IT IS HEREBY ORDERED AND DIRECTED THAT:

1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.
2. Proclamation of Local Emergency. The District hereby proclaims that a local emergency continues to exist throughout Monterey County, and as of September 22, 2021, the Monterey County Health Department continues to recommend that physical and social distancing strategies be practiced in Monterey County, which includes remote meetings of legislative bodies, to the extent possible.
3. Ratification of Governor’s Proclamation of a State of Emergency. The District hereby ratifies the Governor of the State of California’s Proclamation of State of Emergency, effective as of its issuance date of March 4, 2020.
4. Remote Teleconference Meetings. The District Board of Directors is hereby authorized and directed to take all actions necessary to carry out the intent and purpose of this Resolution including conducting open and public meetings in accordance with Government Code section 54953(e) and other applicable provisions of The Brown Act.
5. Effective Date of Resolution. This Resolution shall take effect immediately upon its adoption and shall be effective until the earlier of (i) January 30, 2023, or (ii) such time the District adopts a subsequent resolution in accordance with Government Code section 54953(e)(3) to extend the time during which the District may continue to meet via teleconference meeting all the requirements of Section (3)(b).

This Resolution was adopted at a duly noticed Meeting of the Board of Directors of the District on January 26, 2023, by the following vote.

**AYES:**

**NOES:**

**ABSTENTIONS:**

**ABSENT:**

**SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

By: \_\_\_\_\_  
Victor Rey, Jr., Board President

# Board Paper

---

Agenda Item: Amended and Restated District Bylaws  
Executive Sponsor: Pete Delgado, President/CEO  
Date: January 25, 2023

## Executive Summary

Best practices in governance call for the regular review of organizational Bylaws. The Charter for the Transformation, Strategic Planning, and Governance Committee calls for this Committee to “Provide for a review of the Bylaws at least once every three years.”

## Background/Situation/Rationale

In an initial review, a few opportunities exist for updating in District Bylaws, as reflected in the attached document.

- Name change to reflect the new Salinas Valley Health rebrand.
- Updated Vision statement.
- Opportunity to have our board chair serve as an alternate committee member in the event that the board member assigned to a committee is absent.

## Meeting our Mission, Vision, Goals

Strategic Plan Alignment:

Salinas Valley Memorial Healthcare System’s practice of excellence in governance allows us to meet our Mission, Vision and Goals.

## Pillar/Goal Alignment:

Service    People    Quality    Finance    Growth    Community

## Timeline

**January 25:** Transformation, Strategic Planning, and Governance Committee reviews proposed changes to District Bylaws.

**January 26:** Board of Directors considers approval of a Board resolution adopting the amended Bylaws, along with a vote to adopt the Bylaws.

AMENDED AND RESTATED  
BYLAWS OF  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
OPERATING AS SALINAS VALLEY HEALTH  
MONTEREY COUNTY, CALIFORNIA  
ADOPTED BY  
LOCAL HEALTH CARE DISTRICT BOARD OF DIRECTORS  
~~May 25, 2017~~ January 26, 2023



**DISTRICT BYLAWS TABLE OF CONTENTS**

**ARTICLE I. PURPOSE, AUTHORITY, OBLIGATIONS**

Section 1.1 Purpose

Section 1.2 Mission

Section 1.3 Vision

Section 1.4 Authority

Section 1.5 Obligations 2

**ARTICLE II. BOARD MEMBERS**

Section 2.1 Number, Qualifications, District Zones, Election and Term 2

Section 2.2 Duties 3

Section 2.3 Removal of Directors 4

Section 2.4 Filling Board Vacancies 4

Section 2.5 Compensation 4

Section 2.6 Conflict of Interest 4

**ARTICLE III. OFFICERS**

Section 3.1 List of Officers 4

Section 3.2 Qualifications, Selection and Term 4

Section 3.3 Duties of the President 4

Section 3.4 Duties of the Vice President 5

Section 3.5 Duties of the Secretary 5

Section 3.6 Duties of the Treasurer 5

Section 3.7 Duties of the Assistant Treasurer 5

Section 3.8 Removal of Officers and Vacancies 5

**ARTICLE IV. COMMITTEES**

Section 4.1 Appointment and Terms of Members of Board Committees 6

Section 4.2 Standing Committees 6

Section 4.3 Additional Committees 6

**ARTICLE V. MEETINGS**

Section 5.1 Regular Meetings and Annual Meeting 6  
Section 5.2 Agenda 6  
Section 5.3 Special Meetings 6  
Section 5.4 Quorum 7  
Section 5.5 Majority Vote 7  
Section 5.6 Minutes 7  
Section 5.7 Public Meetings 7

**ARTICLE VI. SVMHS PRESIDENT/CEO**

Section 6.1 Employment of SVMHS President/CEO 7  
Section 6.2 Duties of SVMHS President/CEO 7  
Section 6.3 Evaluation of SVMHS President/CEO 7  
Section 6.4 CDPH Notification 7

**ARTICLE VII. MEDICAL STAFF**

Section 7.1 Appointment and Duties 8  
Section 7.2 Termination and Due Process 8

**ARTICLE VIII. CHIEF MEDICAL OFFICER**

Section 8.1 Appointment and Duties 8  
Section 8.2 Removal 9  
Section 8.3 Responsiveness to the Medical Staff and Board 9

**ARTICLE IX. INDEMNIFICATION**

Section 9.1 Indemnification of Directors and Officers 9

**ARTICLE X. RULES AND PROCEDURES**

Section 10.1 Board Policies and Procedures 9

**ARTICLE XI. AMENDMENT, ADOPTION AND REVIEW**

Section 11.1 Amendment 9  
Section 11.2 Adoption 9

AMENDED AND RESTATED BYLAWS
of
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM

Operating as Salinas Valley Health

Monterey County, California

PREAMBLE

These Amended and Restated Bylaws are adopted by the Board of Directors (the "Board") of Salinas Valley Memorial Healthcare System, operating as Salinas Valley Health ("SVMHS" or the "District"), a public health care district organized June 20, 1947, under the terms of the Local Health Care District Law (Health and Safety Code of the State of California, Division 23, Sections 32000-32492), pursuant to Section 32104 of the California Health and Safety Code. These Bylaws are adopted by the SVMHS Salinas Valley Health Board for the purpose of establishing such rules and regulations, not inconsistent with governing laws and regulations, that in the opinion of the Board, are necessary for the exercise of the powers and duties of the Board imposed upon it by Local Health Care District Law and related statutes.

ARTICLE I. PURPOSE, AUTHORITY, OBLIGATIONS

1.1 Purpose. Salinas Valley Memorial Healthcare System, Salinas Valley Health, organized and operating pursuant to Division 23 of the California Health and Safety Code, is committed to serving the healthcare needs of its constituents. The purpose of SVMHS-Salinas Valley Health is to establish, maintain, operate and provide assistance in the operation of one or more health facilities or health services at any location inside or outside of the territorial limits of the District for the benefit of the District and the community served by SVMHS Salinas Valley Health; and to do or take any other actions necessary to carry out the provisions of these Bylaws and Local Health Care District Law. SVMHS-Salinas Valley Health is committed to quality care in a family centered atmosphere.

1.2 Mission. The Mission of SVMHS-Salinas Valley Health is to provide quality healthcare to our patients and to improve the health and well-being of our community.

1.3 Vision. The Vision of SVMHS-Salinas Valley Health is to be a center of excellence where an inspired team delivers compassionate and culturally sensitive care, outstanding quality, and an exceptional patient experience; a community where good health grows through every action, in every place, for every person.

1.4 Authority. The authority of the Board arises from Division 23 of the California Health and Safety Code, Sections 32000 and following. The Board is required to comply with all federal and state laws and regulations.

1.4.1 Title to Property. The title, direction and control of property owned by SVMHS-Salinas Valley Health shall be vested in the Board. Purchases or sales of property and investment, transfer or other expenditures of trust funds shall be only upon the signature of the President and Treasurer of the Board, or their designees. Any officer of the Board or the President/CEO of SVMHS is authorized to execute any documents accepting and consenting to any deeds or grants conveying real property to SVMHS Salinas Valley Health.

1.4.2 Professional and Other Health Care Staff. The Medical Staff and other health care professionals providing patient care services in or under the auspices of SVMHS-Salinas Valley Health are subject to the authority of the Board.

Formatted: Justified, Indent: Hanging: 0.48", Space Before: 0.5 pt

Formatted: List Paragraph, Justified, Indent: Left: 0.12", Hanging: 0.48", Right: 0.11", Line spacing: Multiple 1.04 li, Outline numbered + Level: 2 + Numbering Style: 1, 2, 3, ... + Start at: 1 + Alignment: Left + Aligned at: 0.12" + Indent at: 0.6", Tab stops: 0.61", Left

1.4.3 Disposition of Surplus Funds. In the event of a surplus of revenue over expenses, use of surplus funds shall be determined by the Board, within the limits of these Bylaws, Local Health Care District Law, and applicable California statutes and regulations.

1.5 Obligations. The business of ~~SVMHS-Salinas Valley Health~~ is conducted by the Board with due attention to relevant community interests and concerns. Obligations of the Board include, but are not necessarily limited to:

1.5.1 Ultimate accountability for the safety and quality of care, treatment, and services provided by ~~SVMHS-Salinas Valley Health~~.

1.5.2 Retain fiduciary responsibility and legal authority for all aspects of operations for ~~SVMHS-Salinas Valley Health, Salinas Valley Memorial Hospital ("Hospital") and Salinas Valley Medical Clinic ("Clinic"),~~ including approval of the ~~Hospital~~ Medical Center's and ~~Clinic's~~ budgets;

1.5.3 Select a President/CEO for ~~SVMHS-Salinas Valley Health~~;

1.5.4 Evaluate the performance of the President/CEO annually in accordance with preset criteria for that year, with a written evaluation conducted every other year;

1.5.5 Delegate certain specific responsibilities, subject to Board authority, to the ~~SVMHS-Salinas Valley Health~~ President/CEO;

1.5.6 Delegate certain specific responsibilities, subject to Board authority, to the ~~Hospital~~ Medical Center Medical Staff;

1.5.7 Take action on the Bylaws, Rules and Regulations of affiliated organizations whose Bylaws are subject to Board approval;

1.5.8 Appoint and/or remove Medical Staff members and grant and/or limit specific clinical privileges, acting upon recommendations from the Medical Executive Committee;

1.5.9 Meet situations not specifically covered in these Bylaws through adoption of resolutions, and/or procedural descriptions in the policies and procedures of the Board; and

1.5.10 Account for ~~SVMHS-Salinas Valley Health~~ funds.

## ARTICLE II. BOARD MEMBERS

### 2.1 Number, Qualifications, District Zones, Election and Term.

2.1.1 Number. The Board shall consist of five (5) elected board members.

2.1.2 Qualifications. Each member of the Board (i) shall be a registered voter; (ii) shall reside within the geographic boundaries of the District Zone where elected; and (iii) shall for the duration of the member's term continue to reside within the geographic boundaries of the District Zone where elected.

- 2.1.3 **District Zones.** The District shall consist of five (5) District Zones designated Zone 1, Zone 2, Zone 3, Zone 4 and Zone 5. Beginning with the General Election in November, 2012, and every four (4) years thereafter, the election of members to the Board shall take place in Zone 2 and Zone 3. Beginning with the General Election in November, 2014, and every four (4) years thereafter, the election of members to the Board shall take place in Zone 1, Zone 4 and Zone 5.
- 2.1.4 **Election.** Each member of the Board shall be elected by the eligible voters within the geographic boundaries of the District Zone represented by the Board member. Procedures of the election shall be governed by Local Health Care District Law and the Uniform District Election Law.
- 2.1.5 **Term.** Each Board member shall serve a term of four (4) years. Board members may succeed themselves indefinitely. In the event a member is appointed to a vacancy on the Board, such member will serve the balance of the unexpired term of office or will serve until the next consolidated election subsequent to the appointment, as provided in Section 1780 of the California Government Code.
- 2.1.6 **Public Meeting Regulations.** The District shall cause each Board member and any person elected to serve as a member of the Board who has not assumed the duties of office to receive a copy of California Government Code Sections 54950-54962 ("The Ralph M. Brown Act").
- 2.2 **Duties.** Duties of individual Board members include, but are not necessarily limited to:
  - 2.2.1 Attend Board meetings;
  - 2.2.2 Attend meetings of committees to which the member is assigned;
  - 2.2.3 Relate community input to the Board;
  - 2.2.4 Represent ~~SVMHS~~ Salinas Valley Health in a positive and effective manner in public forums;
  - 2.2.5 As appropriate, be politically active on behalf of ~~SVMHS~~ Salinas Valley Health and its interests and needs;
  - 2.2.6 Learn enough details about hospital management and patient care services that the Board member can effectively question reports of both institutional managers and the professional staff, and evaluate the answers;
  - 2.2.7 Accept and fulfill reasonable assignments from the President of the Board;
  - 2.2.8 Participate in the performance evaluation of the Board members pursuant to the evaluation process established by the Board;
  - 2.2.9 Participate in the orientation program for new Board members; and
  - 2.2.10 Become familiar with the provisions of The Ralph M. Brown Act and Local Health Care District Law.

2.3 **Removal of Director.** If a Board member is absent from three (3) consecutive regular meetings of the Board, or from three (3) of any five (5) consecutive meetings of the Board, [or if their absences jeopardize the Board's ability to continue to conduct Board Meetings via videoconference under the Brown Act](#), the Board may, by resolution, declare that a vacancy on the Board exists.

2.4 **Filling Board Vacancies.** Board vacancies created by removal, resignation, death, or moving out of the boundaries of the District or Zone, shall be filled by the methods provided by law.

~~2.5~~ **Compensation.** A member of the Board shall receive one hundred dollars (\$100.00) per meeting, not to exceed five (5) meetings per month. Each member of the Board shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of ~~SVMHS-Salinas Valley Health~~ as assigned by the Board. "Meeting," as that term is used in this Section, shall mean regular and annual meetings held pursuant to Section 5.1 of these Bylaws, special meetings held pursuant to Section 5.3, standing committee meetings held pursuant to Section 4.2, ad hoc committee meetings held pursuant to Section 4.3, and meetings of the Medical Staff of the ~~Hospital Medical Center.~~

Formatted: Justified, Space Before: 0.45 pt

~~2.6~~ **2.5 Conflict of Interest.** No Board member shall realize economic gain from an action of the Board in which that Board member participated. Board members shall be required to follow the Conflict of Interest Code adopted by the Board.

Formatted: Font: 11.5 pt

Formatted: List Paragraph, Indent: Left: 0.59", Right: 0.13", Line spacing: Multiple 1.05 li, Tab stops: 0.59", Left

**ARTICLE III. OFFICERS**

3.1 **List of Officers.** The Officers of the Board shall be:

- ▶ President
- ▶ Vice President
- ▶ Secretary
- ▶ Treasurer
- ▶ Assistant Treasurer

3.2 **Qualifications, Selection and Term**

3.2.1 Officers are elected by the Board at the annual meeting from among its own members. Election must be by no less than three (3) votes.

3.2.2 Officers are elected for a period of two (2) years and shall serve until a successor has been duly elected. No Board member shall serve more than six (6) consecutive years in the same office.

3.2.3 A Board member shall not simultaneously hold more than one (1) office.

3.3 **Duties of the President.** The President of the Board shall:

3.3.1 Preside at all meetings of the Board;

3.3.2 Execute contracts, correspondence, conveyances, and other written instruments as authorized by the Board; and

3.3.3 Appoint chairpersons and members of Board committees, [and serve as an alternate](#).



3.4 **Duties of the Vice President.** The Vice President shall:

- 3.4.1 In the absence of the President of the Board, assume the duties of the President of the Board; and
- 3.4.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.5 **~~D~~uties of the ~~Secreta~~ary.** The Secretary shall:

- 3.5.1 Be responsible for maintaining minutes of Board meetings;
- 3.5.2 Be responsible for maintaining other documentation as may from time to time be required by the Board's activities; and
- 3.5.3 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.6 **Duties of the Treasurer.** The Treasurer shall:

- 3.6.1 Be responsible for the safekeeping, accounting for and disbursement of SVMHS funds, at the direction of the Board; and
- 3.6.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.7 **Duties of the Assistant Treasurer.** The Assistant Treasurer shall:

- 3.7.1 In the absence of the Treasurer, assume the duties of the Treasurer; and
- 3.7.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.8 **Removal of Officers and ~~Vacell-Q-ies~~ Vacancies**

- 3.8.1 Removal. Officers may be removed by vote of three (3) Board members for failure to perform the duties of the office, or for malfeasance in office.
- 3.8.2 Vacancies. Vacancy in any office shall be filled by Board election, as soon as 1s reasonably possible.

**ARTICLE IV. COMMITTEES**

- 4.1 **Appointment and Terms of Members of Board Committees.** The President of the Board shall appoint voting members of the Board committees. Appointments are for two (2) years. In addition, the President of the Board shall serve as an alternate voting member of each of the Board committees.



- 4.2 **Standing Committees.** All meetings of the standing committees described in this Article, including without limitation regular, adjourned regular, and special meetings, shall be conducted in accordance with the provisions of The Ralph M. Brown Act. The Board of Directors shall adopt Committee Charters to include the purpose, authority, membership and scope of duties for the following standing committees of the Board:
- 4.2.1 Community Advocacy Committee
  - 4.2.2 Corporate Compliance and Audit Committee
  - 4.2.3 Finance Committee
  - 4.2.4 Personnel, Pension and Investment Committee
  - 4.2.5 Quality and Efficient Practices Committee
  - 4.2.6 Transformation, Strategic Planning and Governance Committee
- 4.3 **Additional Committees.** Additional committees, permanent or temporary, can be established at any time and from time to time by the Board.

#### ARTICLE V. MEETINGS

- 5.1 **Regular Meetings and Annual Meeting.** The Board shall meet each month, and the December meeting is designated the annual meeting. Regular meetings and the annual meeting shall commence at 4:00 p.m., and shall be held at the ~~Hospital- Medical Center~~ or another SVMHS facility located within the District boundaries. If all members of the Board are absent from a regular meeting or the annual meeting, the Secretary shall declare the meeting adjourned to a stated time and place. The Secretary shall cause a notice of adjournment to be posted within twenty-four (24) hours after the adjournment. The Secretary shall cause a written notice of adjournment to be mailed to each Board member at least twenty-four (24) hours before the time and date to which the meeting is adjourned.
- 5.2 **Agenda.** SVMHS shall post an agenda complying with Government Code Section 54954.2 at least seventy-two (72) hours before a regular meeting and before the annual meeting.
- 5.3 **Special Meetings.** Special meetings may be called at any time for a specific, announced purpose by the President of the Board, or on request of any three (3) Board members. SVMHS shall deliver written notice of a special meeting to all Board members at least twenty-four (24) hours before the time of the meeting as specified in the notice. SVMHS shall post the notice of the special meeting at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public.

This 24 hour notice requirement shall not apply in an "emergency situation" as defined in California Government Code Section 54956.5. If all members of the Board are absent from a special meeting, the Board secretary shall follow the same adjournment procedures set forth in Section 5.1 of these Bylaws.

- 5.4 **Quorum.** For regular and special meetings of the Board, a quorum shall be three (3) members. For committees, a quorum shall be a majority of the members of that committee, and shall include one (1) Board member.
- 5.5 **Majority Vote.** Actions of the Board shall be by a majority of three (3) members of the Board. No action shall be taken by the Board, however, by secret ballot, whether preliminary or final.
- 5.6 **Minutes.** A record of proceedings of all meetings of the Board and of all standing committees of the Board shall be kept on file.
- 5.7 **Public Meetings.** Except as otherwise provided in the California Government Code, all meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting, unless otherwise provided by law. Public testimony or comment on a particular issue shall be limited to a maximum of three (3) minutes for each individual speaker for each issue. The Board may, at its discretion, allow for more time if deemed appropriate or necessary.

**ARTICLE VI. SVMHS PRESIDENT/CEO**

- 6.1 **Employment of SVMHS President/Chief Executive Officer.** A qualified and competent President/CEO shall be employed by the Board and given responsibility for the day-to-day management of SVMHS, subject to Board policy. Such management shall include the selection and evaluation of key management staff.
- 6.2 **Duties of SVMHS President/CEO.** The duties of the President/CEO shall include but not be limited to the following:
  - 6.2.1 The President/CEO, or the President/CEO's designee, shall make periodic reports to the Board regarding the operations of ~~the Hospital.~~ [Salinas Valley Health.](#)
  - 6.2.2 The President/CEO shall be a member of all Board committees.
  - 6.2.3 The President/CEO has the authority to sign temporary privileges and Board approvals of Medical Staff membership and/or privileges for and on behalf of the Board.
- 6.3 **Evaluation of SVMHS President/CEO.** The President/CEO shall be evaluated annually in accordance with preset criteria for that year. A written evaluation of the President/CEO by the Board will be conducted every other year.
- 6.4 **CDPH Notification.** The California Department of Public Health shall be notified in writing if a new President/CEO is employed.

**ARTICLE VII. MEDICAL STAFF**

- 7.1 **Appointment and Duties.** The Board shall:
  - 7.1.1 Appoint a Medical Staff (see Medical Staff Bylaws approved by the Board for descriptions of qualifications for Medical Staff membership and clinical privileges). In appointing practitioners to the Staff, and in granting clinical privileges, the Board acts upon recommendations from the Medical Executive Committee;

- 7.1.2 Approve Medical Staff Bylaws by which the Medical Staff shall govern its affairs, subject to Board policy and to relevant statutes and legal precedents;
  - 7.1.3 Consider appointment and specific clinical privileges of each practitioner at least every two (2) years. The Board acts upon Medical Executive Committee recommendations regarding renewal and/or upgrading and/or restriction of Medical Staff membership and/or clinical privileges for each practitioner subject to the Medical Staff Bylaws;
  - 7.1.4 Require that patient care services provided at the ~~Hospital~~ Medical Center, or under the auspices of the ~~Hospital~~ Medical Center be within the scope of privileges granted by the Board;
  - 7.1.5 Receive, question, and act upon regular reports of the clinical activities of Medical Staff members and of other practitioners actively engaged in providing clinical services in or under the auspices of the ~~Hospital~~ Medical Center;
  - 7.1.6 Provide adequate support personnel to assist the Medical Staff with organizational functions, including Medical Staff membership and clinical privileges (credentialing), physician performance evaluation (peer review), and collection and analysis of clinical data (quality assurance, utilization review, risk management); and
  - 7.1.7 Review, revise and update as appropriate the Performance Improvement Plan for Medical Staff and ~~Hospital~~ Medical Center activities.
- 7.2 **Termination and Due Process.** Membership on the Medical Staff and specific practice privileges are subject to denial, suspension, termination, or curtailment for cause by the Board. In such an event, due process shall be provided as described in the Medical Staff Bylaws.

**ARTICLE VIII. CHIEF MEDICAL OFFICER**

- 8.1 **Appointment and Duties.** The President/CEO, after consultation with the Board and with the Medical Executive Committee, may select a Chief Medical Officer who shall:
- 8.1.1 Be a non-voting member of the Medical Executive Committee;
  - 8.1.2 Be responsible to the President/CEO (reporting relationship) and for working with and assisting the Chief of the Medical Staff, the Medical Executive Committee, and clinical department chiefs (functional relationship);
  - 8.1.3 Be concerned, among other duties, with medico-administrative aspects of patient care provided in or under the auspices of the ~~Hospital~~ Medical Center, and with coordination of organizational functions of the Medical Staff, working with and through the Chief of Staff, Medical Executive Committee, and department chiefs; and
  - 8.1.4 Work with and through the Chief of Staff, Medical Executive Committee, and clinical department chiefs to invoke Article IX of Medical Staff Bylaws when and if necessary.
- 8.2 **Removal.** Removal of the Chief Medical Officer shall be by the President/CEO only after consultation with the Board and Medical Executive Committee.

- 8.3 **Responsiveness to the Medical Staff and Board.** The job description of the Chief Medical Officer and his evaluation by the President/CEO shall include reasonable responsiveness to the needs and concerns of Medical Staff officers and members, clinical department chiefs, and to the Board.

**ARTICLE IX. INDEMNIFICATION**

- 9.1 **Indemnification of Directors and Officers.** Members of the Board and officers shall be indemnified to the full extent permitted by law against all claims, liabilities and expenses incurred as a result of an action by the Board, except in the instance of willful misconduct in the performance of duties as a director or officer.

**ARTICLE X. RULES AND PROCEDURES**

- 10.1 **Board Policies and Procedures.** Agreed upon rules and procedures for implementation of these Bylaws may be contained in the policies and procedures of the Board.

**XI. AMENDMENT, ADOPTION AND REVIEW**

- 11.1 **Amendment.** These Bylaws may be amended at any properly noticed meeting of the Board by a majority of three (3) Board members.
- 11.2 **Adoption.** Adoption of Bylaws shall be by a majority of three (3) Board members, at any properly noticed meeting of the Board.
- 11.3 **Review.** These Bylaws will be reviewed at least every two (2) years for revision as necessary.

REVIEW

Reviewed by Board/No Revisions            July 1, 2019  
Reviewed by Board/Amended & Restated    May 25, 2017

**CERTIFICATE OF SECRETARY**

I, the undersigned, the duly elected Secretary of the Board of Directors of Salinas Valley Memorial Healthcare System, do hereby certify:

That the foregoing Amended and Restated Bylaws adopted as the Bylaws of Salinas Valley Memorial Healthcare System by Resolution 2017-05 of the Board of Directors of the Salinas Valley Memorial Healthcare System on May 25, 2017, were reviewed by the Board of Directors without revision, and that the same do now constitute the Bylaws of Salinas Valley Memorial Healthcare System.

Dated: ~~July 1, 2019~~ January 26, 2023



<sup>7</sup>  
~~Norm Nelson~~ Rolando Cabrera, MD, Board  
Secretary  
Salinas Valley ~~Memorial Healthcare System~~ Health

**RESOLUTION NO. 2023-02  
OF THE BOARD OF DIRECTORS  
OF SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
ADOPTING AMENDED AND RESTATED DISTRICT BYLAWS**

WHEREAS, Salinas Valley Memorial Healthcare System is a local health care district organized and operated pursuant to Division 23 of the California Health and Safety Code (“District”);

WHEREAS, the Board of Directors of the District have approved the rebranding of the Core Services and Facilities of the District to operate as Salinas Valley Health, although the legal name of the District shall remain Salinas Valley Memorial Healthcare System.

WHEREAS, the Board of Directors of the District from time to time reviews its Bylaws to ensure that the District Bylaws best reflect the organization, operation and strategic vision of the Board of Directors of the District;

WHEREAS, the Bylaws of the District require review of the Bylaws at least every two (2) years for revision as necessary;

WHEREAS, the Board of Directors of the District has reviewed the Amended and Restated Bylaws attached to this Resolution, and determined it is in the best interest of the District to adopt the attached Amended and Restated District Bylaws;

NOW THEREFORE, IT IS HEREBY ORDERED AND DIRECTED AS FOLLOWS:

1. The Board of Directors of the District does hereby approve and adopt the attached Amended and Restated Bylaws of Salinas Valley Memorial Healthcare System dated January 26, 2023.
2. A copy of this Resolution shall be kept together with the Amended and Restated Bylaws of Salinas Valley Memorial Healthcare System and made available for inspection during reasonable business hours.
3. The President and Secretary of the Board of Directors and the President/CEO of the Salinas Valley Memorial Healthcare System are hereby authorized and directed to execute any and all documents and take any actions necessary to carry out the intent of this Resolution for and on behalf of this Board of Directors.

This Resolution was adopted at a Regular Meeting of the Board of Directors of the District on January 26, 2023, by the following vote.

AYES:

NOES:

ABSTENTIONS:

ABSENT:

---

Dr. Rolando Cabrera, M.D., Secretary  
Salinas Valley Memorial Healthcare System

AMENDED AND RESTATED  
BYLAWS OF  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM  
OPERATING AS SALINAS VALLEY HEALTH  
MONTEREY COUNTY, CALIFORNIA  
ADOPTED BY  
LOCAL HEALTH CARE DISTRICT BOARD OF DIRECTORS

January 26, 2023

**DISTRICT BYLAWS TABLE OF CONTENTS**

**ARTICLE I. PURPOSE, AUTHORITY, OBLIGATIONS**

Section 1.1 Purpose

Section 1.2 Mission

Section 1.3 Vision

Section 1.4 Authority

Section 1.5 Obligations 2

**ARTICLE II. BOARD MEMBERS**

Section 2.1 Number, Qualifications, District Zones, Election and Term 2

Section 2.2 Duties 3

Section 2.3 Removal of Directors 4

Section 2.4 Filling Board Vacancies 4

Section 2.5 Compensation 4

Section 2.6 Conflict of Interest 4

**ARTICLE III. OFFICERS**

Section 3.1 List of Officers 4

Section 3.2 Qualifications, Selection and Term 4

Section 3.3 Duties of the President 4

Section 3.4 Duties of the Vice President 5

Section 3.5 Duties of the Secretary 5

Section 3.6 Duties of the Treasurer 5

Section 3.7 Duties of the Assistant Treasurer 5

Section 3.8 Removal of Officers and Vacancies 5

**ARTICLE IV. COMMITTEES**

Section 4.1 Appointment and Terms of Members of Board Committees 6

Section 4.2 Standing Committees 6

Section 4.3 Additional Committees 6



**ARTICLE V. MEETINGS**

Section 5.1 Regular Meetings and Annual Meeting 6

Section 5.2 Agenda 6

Section 5.3 Special Meetings 6

Section 5.4 Quorum 7

Section 5.5 Majority Vote 7

Section 5.6 Minutes 7

Section 5.7 Public Meetings 7

**ARTICLE VI. SVMHS PRESIDENT/CEO**

Section 6.1 Employment of SVMHS President/CEO 7

Section 6.2 Duties of SVMHS President/CEO 7

Section 6.3 Evaluation of SVMHS President/CEO 7

Section 6.4 CDPH Notification 7

**ARTICLE VII. MEDICAL STAFF**

Section 7.1 Appointment and Duties 8

Section 7.2 Termination and Due Process 8

**ARTICLE VIII. CHIEF MEDICAL OFFICER**

Section 8.1 Appointment and Duties 8

Section 8.2 Removal 9

Section 8.3 Responsiveness to the Medical Staff and Board 9

**ARTICLE IX. INDEMNIFICATION**

Section 9.1 Indemnification of Directors and Officers 9

**ARTICLE X. RULES AND PROCEDURES**

Section 10.1 Board Policies and Procedures 9

**ARTICLE XI. AMENDMENT, ADOPTION AND REVIEW**

Section 11.1 Amendment 9

Section 11.2 Adoption 9

**AMENDED AND RESTATED BYLAWS  
of  
SALINAS VALLEY MEMORIAL HEALTHCARE SYSTEM**

**Operating as Salinas Valley Health**

Monterey County, California

PREAMBLE

These Amended and Restated Bylaws are adopted by the Board of Directors (the "Board") of Salinas Valley Memorial Healthcare System, operating as Salinas Valley Health (the "District"), a public health care district organized June 20, 1947, under the terms of the Local Health Care District Law (Health and Safety Code of the State of California, Division 23, Sections 32000-32492), pursuant to Section 32104 of the California Health and Safety Code. These Bylaws are adopted by the Salinas Valley Health Board for the purpose of establishing such rules and regulations, not inconsistent with governing laws and regulations, that in the opinion of the Board, are necessary for the exercise of the powers and duties of the Board imposed upon it by Local Health Care District Law and related statutes.

**ARTICLE I. PURPOSE, AUTHORITY, OBLIGATIONS**

- 1.1 **Purpose.** Salinas Valley Health, organized and operating pursuant to Division 23 of the California Health and Safety Code, is committed to serving the healthcare needs of its constituents. The purpose of Salinas Valley Health is to establish, maintain, operate and provide assistance in the operation of one or more health facilities or health services at any location inside or outside of the territorial limits of the District for the benefit of the District and the community served by Salinas Valley Health; and to do or take any other actions necessary to carry out the provisions of these Bylaws and Local Health Care District Law. Salinas Valley Health is committed to quality care in a family centered atmosphere.
- 1.2 **Mission.** The Mission of Salinas Valley Health is to provide quality healthcare to our patients and to improve the health and well-being of our community.
- 1.3 **Vision.** The Vision of Salinas Valley Health is a community where good health grows through every action, in every place, for every person.
- 1.4 **Authority.** The authority of the Board arises from Division 23 of the California Health and Safety Code, Sections 32000 and following. The Board is required to comply with all federal and state laws and regulations.
  - 1.4.1 **Title to Property.** The title, direction and control of property owned by Salinas Valley Health shall be vested in the Board. Purchases or sales of property and investment, transfer or other expenditures of trust funds shall be only upon the signature of the President and Treasurer of the Board, or their designees. Any officer of the Board or the President/CEO of SVMHS is authorized to execute any documents accepting and consenting to any deeds or grants conveying real property to Salinas Valley Health.
  - 1.4.2 **Professional and Other Health Care Staff.** The Medical Staff and other health care professionals providing patient care services in or under the auspices of Salinas Valley Health are subject to the authority of the Board.

1.4.3 Disposition of Surplus Funds. In the event of a surplus of revenue over expenses, use of surplus funds shall be determined by the Board, within the limits of these Bylaws, Local Health Care District Law, and applicable California statutes and regulations.

1.5 **Obligations.** The business of Salinas Valley Health is conducted by the Board with due attention to relevant community interests and concerns. Obligations of the Board include, but are not necessarily limited to:

- 1.5.1 Ultimate accountability for the safety and quality of care, treatment, and services provided by Salinas Valley Health.
- 1.5.2 Retain fiduciary responsibility and legal authority for all aspects of operations for Salinas Valley Health, including approval of the Medical Center and Clinic budgets;
- 1.5.3 Select a President/CEO for Salinas Valley Health;
- 1.5.4 Evaluate the performance of the President/CEO annually in accordance with preset criteria for that year, with a written evaluation conducted every other year;
- 1.5.5 Delegate certain specific responsibilities, subject to Board authority, to the Salinas Valley Health President/CEO;
- 1.5.6 Delegate certain specific responsibilities, subject to Board authority, to the Medical Center Medical Staff;
- 1.5.7 Take action on the Bylaws, Rules and Regulations of affiliated organizations whose Bylaws are subject to Board approval;
- 1.5.8 Appoint and/or remove Medical Staff members and grant and/or limit specific clinical privileges, acting upon recommendations from the Medical Executive Committee;
- 1.5.9 Meet situations not specifically covered in these Bylaws through adoption of resolutions, and/or procedural descriptions in the policies and procedures of the Board; and
- 1.5.10 Account for Salinas Valley Health funds.

## **ARTICLE II. BOARD MEMBERS**

**2.1 Number, Qualifications, District Zones, Election and Term.**

2.1.1 **Number.** The Board shall consist of five (5) elected board members.

2.1.2 **Qualifications.** Each member of the Board (i) shall be a registered voter; (ii) shall reside within the geographic boundaries of the District Zone where elected; and (iii) shall for the duration of the member's term continue to reside within the geographic boundaries of the District Zone where elected.

- 2.1.3 **District Zones.** The District shall consist of five (5) District Zones designated Zone 1, Zone 2, Zone 3, Zone 4 and Zone 5. Beginning with the General Election in November, 2012, and every four (4) years thereafter, the election of members to the Board shall take place in Zone 2 and Zone 3. Beginning with the General Election in November, 2014, and every four (4) years thereafter, the election of members to the Board shall take place in Zone 1, Zone 4 and Zone 5.
  - 2.1.4 **Election.** Each member of the Board shall be elected by the eligible voters within the geographic boundaries of the District Zone represented by the Board member. Procedures of the election shall be governed by Local Health Care District Law and the Uniform District Election Law.
  - 2.1.5 **Term.** Each Board member shall serve a term of four (4) years. Board members may succeed themselves indefinitely. In the event a member is appointed to a vacancy on the Board, such member will serve the balance of the unexpired term of office or will serve until the next consolidated election subsequent to the appointment, as provided in Section 1780 of the California Government Code.
  - 2.1.6 **Public Meeting Regulations.** The District shall cause each Board member and any person elected to serve as a member of the Board who has not assumed the duties of office to receive a copy of California Government Code Sections 54950-54962 ("The Ralph M. Brown Act").
- 2.2 **Duties.** Duties of individual Board members include, but are not necessarily limited to:
- 2.2.1 Attend Board meetings;
  - 2.2.2 Attend meetings of committees to which the member is assigned;
  - 2.2.3 Relate community input to the Board;
  - 2.2.4 Represent Salinas Valley Health in a positive and effective manner in public forums;
  - 2.2.5 As appropriate, be politically active on behalf of Salinas Valley Health and its interests and needs;
  - 2.2.6 Learn enough details about hospital management and patient care services that the Board member can effectively question reports of both institutional managers and the professional staff, and evaluate the answers;
  - 2.2.7 Accept and fulfill reasonable assignments from the President of the Board;
  - 2.2.8 Participate in the performance evaluation of the Board members pursuant to the evaluation process established by the Board;
  - 2.2.9 Participate in the orientation program for new Board members; and
  - 2.2.10 Become familiar with the provisions of The Ralph M. Brown Act and Local Health Care District Law.

2.3 **Removal of Director.** If a Board member is absent from three (3) consecutive regular meetings of the Board, or from three (3) of any five (5) consecutive meetings of the Board, or if their absences jeopardize the Board’s ability to continue to conduct Board Meetings via videoconference under the Brown Act, the Board may, by resolution, declare that a vacancy on the Board exists.

2.4 **Filling Board Vacancies.** Board vacancies created by removal, resignation, death, or moving out of the boundaries of the District or Zone, shall be filled by the methods provided by law.

**Compensation.** A member of the Board shall receive one hundred dollars (\$100.00) per meeting, not to exceed five (5) meetings per month. Each member of the Board shall be allowed his or her actual necessary traveling and incidental expenses incurred in the performance of official business of Salinas Valley Health as assigned by the Board. "Meeting," as that term is used in this Section, shall mean regular and annual meetings held pursuant to Section 5.1 of these Bylaws, special meetings held pursuant to Section 5.3, standing committee meetings held pursuant to Section 4.2, ad hoc committee meetings held pursuant to Section 4.3, and meetings of the Medical Staff of the Medical Center.

2.5 **Conflict of Interest.** No Board member shall realize economic gain from an action of the Board in which that Board member participated. Board members shall be required to follow the Conflict of Interest Code adopted by the Board.

**ARTICLE III. OFFICERS**

3.1 **List of Officers.** The Officers of the Board shall be:

- ▶ President
- ▶ Vice President
- ▶ Secretary
- ▶ Treasurer
- ▶ Assistant Treasurer

3.2 **Qualifications, Selection and Term**

3.2.1 Officers are elected by the Board at the annual meeting from among its own members. Election must be by no less than three (3) votes.

3.2.2 Officers are elected for a period of two (2) years and shall serve until a successor has been duly elected. No Board member shall serve more than six (6) consecutive years in the same office.

3.2.3 A Board member shall not simultaneously hold more than one (1) office.

3.3 **Duties of the President.** The President of the Board shall:

3.3.1 Preside at all meetings of the Board;

3.3.2 Execute contracts, correspondence, conveyances, and other written instruments as authorized by the Board; and

3.3.3 Appoint chairpersons and members of Board committees, and serve as an alternate Committee Member on all Board committees.

3.4 **Duties of the Vice President.** The Vice President shall:

3.4.1 In the absence of the President of the Board, assume the duties of the President of the Board; and

3.4.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.5 **Duties of the Secretary.** The Secretary shall:

3.5.1 Be responsible for maintaining minutes of Board meetings;

3.5.2 Be responsible for maintaining other documentation as may from time to time be required by the Board's activities; and

3.5.3 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.6 **Duties of the Treasurer.** The Treasurer shall:

3.6.1 Be responsible for the safekeeping, accounting for and disbursement of SVMHS funds, at the direction of the Board; and

3.6.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.7 **Duties of the Assistant Treasurer.** The Assistant Treasurer shall:

3.7.1 In the absence of the Treasurer, assume the duties of the Treasurer; and

3.7.2 Perform such reasonable duties as may be required by the Board or by the President of the Board.

3.8 **Removal of Officers and Vacancies**

3.8.1 Removal. Officers may be removed by vote of three (3) Board members for failure to perform the duties of the office, or for malfeasance in office.

3.8.2 Vacancies. Vacancy in any office shall be filled by Board election, as soon as 1s reasonably possible.

**ARTICLE IV. COMMITTEES**

4.1 **Appointment and Terms of Members of Board Committees.** The President of the Board shall appoint voting members of the Board committees. Appointments are for two (2) years. In addition, the President of the Board shall serve as an alternate voting member of each of the Board committees.

- 4.2 **Standing Committees.** All meetings of the standing committees described in this Article, including without limitation regular, adjourned regular, and special meetings, shall be conducted in accordance with the provisions of The Ralph M. Brown Act. The Board of Directors shall adopt Committee Charters to include the purpose, authority, membership and scope of duties for the following standing committees of the Board:
  - 4.2.1 Community Advocacy Committee
  - 4.2.2 Corporate Compliance and Audit Committee
  - 4.2.3 Finance Committee
  - 4.2.4 Personnel, Pension and Investment Committee
  - 4.2.5 Quality and Efficient Practices Committee
  - 4.2.6 Transformation, Strategic Planning and Governance Committee
- 4.3 **Additional Committees.** Additional committees, permanent or temporary, can be established at any time and from time to time by the Board.

**ARTICLE V. MEETINGS**

- 5.1 **Regular Meetings and Annual Meeting.** The Board shall meet each month, and the December meeting is designated the annual meeting. Regular meetings and the annual meeting shall commence at 4:00 p.m., and shall be held at the Medical Center or another SVMHS facility located within the District boundaries. If all members of the Board are absent from a regular meeting or the annual meeting, the Secretary shall declare the meeting adjourned to a stated time and place. The Secretary shall cause a notice of adjournment to be posted within twenty-four (24) hours after the adjournment. The Secretary shall cause a written notice of adjournment to be mailed to each Board member at least twenty-four (24) hours before the time and date to which the meeting is adjourned.
- 5.2 **Agenda.** SVMHS shall post an agenda complying with Government Code Section 54954.2 at least seventy-two (72) hours before a regular meeting and before the annual meeting.
- 5.3 **Special Meetings.** Special meetings may be called at any time for a specific, announced purpose by the President of the Board, or on request of any three (3) Board members. SVMHS shall deliver written notice of a special meeting to all Board members at least twenty-four (24) hours before the time of the meeting as specified in the notice. SVMHS shall post the notice of the special meeting at least twenty-four (24) hours prior to the special meeting in a location that is freely accessible to members of the public.

This 24 hour notice requirement shall not apply in an "emergency situation" as defined in California Government Code Section 54956.5. If all members of the Board are absent from a special meeting, the Board secretary shall follow the same adjournment procedures set forth in Section 5.1 of these Bylaws.

- 5.4 **Quorum.** For regular and special meetings of the Board, a quorum shall be three (3) members. For committees, a quorum shall be a majority of the members of that committee, and shall include one (1) Board member.
- 5.5 **Majority Vote.** Actions of the Board shall be by a majority of three (3) members of the Board. No action shall be taken by the Board, however, by secret ballot, whether preliminary or final.
- 5.6 **Minutes.** A record of proceedings of all meetings of the Board and of all standing committees of the Board shall be kept on file.
- 5.7 **Public Meetings.** Except as otherwise provided in the California Government Code, all meetings of the Board shall be open and public, and all persons shall be permitted to attend any meeting, unless otherwise provided by law. Public testimony or comment on a particular issue shall be limited to a maximum of three (3) minutes for each individual speaker for each issue. The Board may, at its discretion, allow for more time if deemed appropriate or necessary.

**ARTICLE VI. SVMHS PRESIDENT/CEO**

- 6.1 **Employment of SVMHS President/Chief Executive Officer.** A qualified and competent President/CEO shall be employed by the Board and given responsibility for the day-to-day management of SVMHS, subject to Board policy. Such management shall include the selection and evaluation of key management staff.
- 6.2 **Duties of SVMHS President/CEO.** The duties of the President/CEO shall include but not be limited to the following:
  - 6.2.1 The President/CEO, or the President/CEO's designee, shall make periodic reports to the Board regarding the operations of Salinas Valley Health.
  - 6.2.2 The President/CEO shall be a member of all Board committees.
  - 6.2.3 The President/CEO has the authority to sign temporary privileges and Board approvals of Medical Staff membership and/or privileges for and on behalf of the Board.
- 6.3 **Evaluation of SVMHS President/CEO.** The President/CEO shall be evaluated annually in accordance with preset criteria for that year. A written evaluation of the President/CEO by the Board will be conducted every other year.
- 6.4 **CDPH Notification.** The California Department of Public Health shall be notified in writing if a new President/CEO is employed.

**ARTICLE VII. MEDICAL STAFF**

- 7.1 **Appointment and Duties.** The Board shall:
  - 7.1.1 Appoint a Medical Staff (see Medical Staff Bylaws approved by the Board for descriptions of qualifications for Medical Staff membership and clinical privileges). In appointing practitioners to the Staff, and in granting clinical privileges, the Board acts upon recommendations from the Medical Executive Committee;



- 7.1.2 Approve Medical Staff Bylaws by which the Medical Staff shall govern its affairs, subject to Board policy and to relevant statutes and legal precedents;
  - 7.1.3 Consider appointment and specific clinical privileges of each practitioner at least every two (2) years. The Board acts upon Medical Executive Committee recommendations regarding renewal and/or upgrading and/or restriction of Medical Staff membership and/or clinical privileges for each practitioner subject to the Medical Staff Bylaws;
  - 7.1.4 Require that patient care services provided at the Medical Center, or under the auspices of the Medical Center be within the scope of privileges granted by the Board;
  - 7.1.5 Receive, question, and act upon regular reports of the clinical activities of Medical Staff members and of other practitioners actively engaged in providing clinical services in or under the auspices of the Medical Center;
  - 7.1.6 Provide adequate support personnel to assist the Medical Staff with organizational functions, including Medical Staff membership and clinical privileges (credentialing), physician performance evaluation (peer review), and collection and analysis of clinical data (quality assurance, utilization review, risk management); and
  - 7.1.7 Review, revise and update as appropriate the Performance Improvement Plan for Medical Staff and Medical Center activities.
- 7.2 **Termination and Due Process.** Membership on the Medical Staff and specific practice privileges are subject to denial, suspension, termination, or curtailment for cause by the Board. In such an event, due process shall be provided as described in the Medical Staff Bylaws.

**ARTICLE VIII. CHIEF MEDICAL OFFICER**

- 8.1 **Appointment and Duties.** The President/CEO, after consultation with the Board and with the Medical Executive Committee, may select a Chief Medical Officer who shall:
- 8.1.1 Be a non-voting member of the Medical Executive Committee;
  - 8.1.2 Be responsible to the President/CEO (reporting relationship) and for working with and assisting the Chief of the Medical Staff, the Medical Executive Committee, and clinical department chiefs (functional relationship);
  - 8.1.3 Be concerned, among other duties, with medico-administrative aspects of patient care provided in or under the auspices of the Medical Center, and with coordination of organizational functions of the Medical Staff, working with and through the Chief of Staff, Medical Executive Committee, and department chiefs; and
  - 8.1.4 Work with and through the Chief of Staff, Medical Executive Committee, and clinical department chiefs to invoke Article IX of Medical Staff Bylaws when and if necessary.
- 8.2 **Removal.** Removal of the Chief Medical Officer shall be by the President/CEO only after consultation with the Board and Medical Executive Committee.

- 8.3 **Responsiveness to the Medical Staff and Board.** The job description of the Chief Medical Officer and his evaluation by the President/CEO shall include reasonable responsiveness to the needs and concerns of Medical Staff officers and members, clinical department chiefs, and to the Board.

**ARTICLE IX. INDEMNIFICATION**

- 9.1 **Indemnification of Directors and Officers.** Members of the Board and officers shall be indemnified to the full extent permitted by law against all claims, liabilities and expenses incurred as a result of an action by the Board, except in the instance of willful misconduct in the performance of duties as a director or officer.

**ARTICLE X. RULES AND PROCEDURES**

- 10.1 **Board Policies and Procedures.** Agreed upon rules and procedures for implementation of these Bylaws may be contained in the policies and procedures of the Board.

**XI. AMENDMENT, ADOPTION AND REVIEW**

- 11.1 **Amendment.** These Bylaws may be amended at any properly noticed meeting of the Board by a majority of three (3) Board members.
- 11.2 **Adoption.** Adoption of Bylaws shall be by a majority of three (3) Board members, at any properly noticed meeting of the Board.
- 11.3 **Review.** These Bylaws will be reviewed at least every two (2) years for revision as necessary.

REVIEW

Reviewed by Board/No Revisions	July 1, 2019
Reviewed by Board/Amended & Restated	May 25, 2017

**CERTIFICATE OF SECRETARY**

I, the undersigned, the duly elected Secretary of the Board of Directors of Salinas Valley Memorial Healthcare System, do hereby certify:

That the foregoing Amended and Restated Bylaws adopted as the Bylaws of Salinas Valley Memorial Healthcare System by Resolution 2017-05 of the Board of Directors of the Salinas Valley Memorial Healthcare System on May 25, 2017, were reviewed by the Board of Directors without revision, and that the same do now constitute the Bylaws of Salinas Valley Memorial Healthcare System.

Dated: January 26, 2023

\_\_\_\_\_  
Rolando Cabrera, MD, Board Secretary  
Salinas Valley Health

*EXTENDED CLOSED SESSION*  
*(if necessary)*

*(VICTOR REY, JR.)*

# *ADJOURNMENT*

*The next Regular Meeting of the  
Board of Directors is scheduled for  
Thursday, February 23, 2023, at 4:00 p.m.*