



PUBLIC NOTICE
KERN VALLEY HEALTHCARE DISTRICT
AGENDA FOR BOARD OF DIRECTORS

April 9, 2026 – 2:00 p.m.

Location: Administrative Conference Room

www.kvhd.org

REMOTE PARTICIPATION: Microsoft Teams
Meeting ID: 287 590 044 025 268 Passcode: 9Ti2Le2o

A. CALL TO ORDER

B. APPROVAL OF AGENDA

(pages 1-4)

1. Flag Salute

2. Invocation

3. Mission Statement: We will provide high quality, efficient patient-care services that respond to community and provider needs. We will provide leadership in health promotion and education for our patients, residents, medical staff, employees and community throughout the district.

C. PUBLIC COMMENT: This portion of the meeting is reserved for persons to address the Board on any matter not on this agenda but under the jurisdiction of the Board. They may ask a question for clarification, make a referral to staff for factual information or request staff to report back to the Board at a later meeting. Also, the Board may take action to direct the staff to place a matter of business on a future agenda. The Board cannot take action on items not listed on the agenda for action. Speakers are limited to three minutes. Please state your name before making your comment.

D. CONSENT AGENDA: The following items are considered routine and non-controversial by Hospital Staff. Consent items are listed as **ACTION** items and may be approved by one motion if no member of the Board or audience wishes to comment or ask questions. If comment or discussion is desired, the item will be removed from the Consent Agenda and will be considered separately.

1. Board of Directors Meeting Minutes – March 12, 2026

(pages 5-10)

Recommendation – Approve minutes as presented

2. Board Governance Meeting Minutes – March 24, 2026

(pages 11-12)

Recommendation – Accept minutes pending committee approval

3. **Building & Planning Meeting Minutes – March 24, 2026** *(pages 13-15)*
Recommendation – Accept minutes pending committee approval
4. **Finance Committee Meeting Minutes – March 25, 2026** *(pages 16-17)*
Recommendation – Accept minutes pending committee approval
5. **Unaudited Financial Statement – February 2026** *(pages 18-28)*
Recommendation – Accept financial statement as presented
6. **Financial Report Narrative Summary – February 2026** *(page 29)*
Recommendation - Accept report as presented
7. **13-Month Statistics – February 2026** *(pages 30-31)*
Recommendation - Accept report as presented
8. **Contracts:** *(page 32)*
Recommendation – Continue with contracts
 - a. Alliant Insurance Service (Great American) – Surety Bond/SNF
 - b. Barton & Associates – Standby Emergency Locum Tenens
 - c. BETA Healthcare – Liability
 - d. BETA Healthcare – Auto
 - e. BETA Healthcare – Officers/Directors
 - f. BETA Healthcare – Workers Comp
 - g. C & R Pest Control – Pest Control
 - h. California Internet (GeoLinks) – Internet and VOIP Phones
 - i. Delta Dental – Employee Dental
 - j. Digital Pharmacist – Mobile RX Refill App
 - k. Dignity Telehealth Network (CommonSpirit) – Robot Telemedicine
 - l. ESP Personnel – Nurse Registry
 - m. Paul Giem, MD – RHC Peer Review (as needed)
 - n. HSS, Inc (Tarian) – Team Techniques for Aggression Management
 - o. JWT & Associates, LLP – CPA Annual Audit
 - p. J.M. Kent, DDS – Dental Work
 - q. New York Life – Life Insurance
 - r. PulseNet TV (Direct TV) – TV Service for Facility
 - s. Register.com (Domain) – Domain Hosting Registration (kvhd.org)
 - t. Sysmex America – Hematology x 2 Machines
 - u. Victig – Background Checks
 - v. VSP – Employee Vision Plan
9. **Board Personnel & Policy Meeting Minutes – March 12, 2026** *(pages 33-35)*
Recommendation – Accept minutes pending committee approval
10. **Human Resources Report – February 2026** *(pages 36-37)*
Recommendation – Accept report as presented
11. **Policies:**
Recommendation – Approve policies as presented
 - Health Information Management:
 - Access, Retrieval, Filing and Storage of Medical Records

Human Resources:

- CA Family Leave of Absence
- Employee Annual Evaluation
- Payroll Paydays and Paychecks
- Personnel Records (Employee)
- Rehire of Former Employee

Infection Control:

- ICP: Surveillance Program/Plan Acute Care Facility

Information Systems

- Telecommuting Policy

Mesa Clinical Pharmacy:

- Hours of Operation
- Return to Stock

Nutrition Services:

- Catering Services
- Communication
- Cutting Board System – Color-Coded
- Meal Count Record
- Tray Cards

Radiology:

- Referral of Radiologic Studies to Outside Facilities
- Reports Authenticated by Radiologists

Rehabilitation Services:

- Assessments: Evaluation and Competency

Rural Health Clinic:

- Child Abuse Reporting

Social Services/Discharge Planning:

- Organizational Plan

12. Manuals:

Recommendation – Approve manuals as presented

- Anesthesia
- Materials Management
- UR/Social Services

13. Medical Appointments and Reappointments: None**14. Chief of Medical Staff Report**

(page 38)

Recommendation – Review report

15. Chief Information Officer Report

(pages 39-40)

Recommendation - Review report

16. Marketing Report

(pages 41-42)

Recommendation – Review report

17. Capital Expenditure Request – Telemetry Boxes

(pages 43-46)

Recommendation – Approve request as presented

E. REPORTS:**1. Chief Nursing Officer**

Shannon Jimerson, Chief Nursing Officer
Recommendation – Hear report

Information

2. Chief Executive Officer

John Lovrich, Chief Executive Officer
Recommendation – Hear report

Information

F. OLD BUSINESS: None**G. NEW BUSINESS:****1. Pharmacy Dehumidification Project**

John Lovrich, Chief Executive Officer
Recommendation – Approve project as presented

Action
(page 47)

2. Emergency Nurse Residency Program Subscription Agreement Plus Triage Curriculum

Shannon Jimerson, Chief Nursing Officer
Recommendation – Approved agreement as presented

Action
(pgs 48-59)

3. Emergency Department Physician Agreement – Dr. Keeling

John Lovrich, Chief Executive Officer
Recommendation – Approve agreement as presented

Action
(pgs 60-73)

H. DIRECTORS COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA**I. CLOSED SESSION:**

- Existing Litigation – Benson/Lao v. KVHD
- Existing Litigation – Volkava v. KVHD
- Existing Litigation – Rostad v. KVHD
- Existing Litigation – Carrington v. KVHD
- Existing Litigation – Moudy v. KVHD

J. CLOSED SESSION REPORT

Scott Nave, Legal Counsel

K. ADJOURNMENT



**KERN VALLEY HEALTHCARE DISTRICT
MINUTES FOR BOARD OF DIRECTORS MEETING**

Location: Administrative Conference Room/Teams
Thursday, March 12, 2026 – 2:00pm

- PRESENT:** Katheryn Elconin, 1st Vice Chair
Fred Clark, 2nd Vice Chair
Ross Elliott, Secretary
Gene Parks, Treasurer
John Lovrich, Chief Executive Officer
Shannon Jimerson, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Amy Smith, Controller
Dena Griffith, Risk Manager
Scott Nave, Legal Counsel
Greg Davis, Director of Population Health
- ABSENT:** John Blythe, Board Chair

- A. CALL TO ORDER:** The meeting was called to order at 2:00pm by Director Elconin.
- B. APPROVAL OF THE AGENDA:** A motion was made by Director Parks to approve the agenda as presented. The motion was seconded by Director Elliott. The motion passed unanimously.
- 1. FLAG SALUTE:** Director Clark
 - 2. INVOCATION:** Director Elconin
 - 3. MISSION STATEMENT:** We will provide high quality, efficient patient-care services that respond to community and provider needs. We will provide leadership in health promotion and education for our patients, residents, medical staff, employees and community throughout the district.
- C. PUBLIC COMMENT:** None
- D. CONSENT AGENDA:**
1. Board of Directors Meeting Minutes – February 12, 2026
 2. Board Governance Committee Meeting Minutes – February 23, 2026
 3. Building & Planning Meeting Minutes – February 24, 2026
 4. Finance Committee Meeting Minutes – February 25, 2026
 5. Unaudited Financial Statement – January 2026
 6. Financial Report Narrative Summary – January 2026
 7. 13-Month Statistics – January 2026
 8. Contract Reviews:
 - a. AMN Healthcare – Registry

- b. C and S Operations (QWare) – Work Order Application
 - c. Datex Ohmeda – GE Aestiva 5 Anesthesia Machine
 - d. Dochterman Window Wash – Window Washing
 - e. JAMF Holdings – Management of SNF iPad (Telehealth)
 - f. Medifis – Nurse Registry
 - g. Netsmart Technologies (TheraOffice) – Clinical Documentation – *Pulled by Elliott*
 - h. Office 1 (General Office) – Copier Maintenance
 - i. Radiometer America – Lab PM's (Blood Gas)
 - j. Steris – Autoclave x 2 – *Pulled by Director Elliott*
 - k. Tesla – Operation/Maintenance
 - l. Thomas Refuse – Trash Service
 - m. UBS Financial Services – Investment Advisory Program
9. Board Personnel & Policy Meeting Minutes – February 23, 2026 – *Pulled by Elliott*
10. Human Resources Report – January 2026
11. Policies:
- Administration:
 - Patient Safety and Risk Management Reporting
 - Compliance:
 - HIPAA – Photo/Video/Audio Recordings
 - Health Information Management:
 - Analysis, Outpatient Rehabilitation Services Medical Record
 - Analysis, Qualitative and Quantitative ER Record
 - Thinning Medical Records/Skilled Nursing Center
 - Laboratory – Specimen Collection:
 - Collection of Blood by Venipuncture
 - Materials Management:
 - Damage Claims
 - Department Purchases
 - Returns
 - Medical Staff:
 - Blood Usage, Monitoring and Evaluation
 - Brain Death Determination
 - Supervision of Advanced Practice Providers
 - Tickler File Maintenance
 - Mesa Clinical Pharmacy:
 - Mesa Clinical Pharmacy Home Delivery Service
 - Quality Assurance Program: Medication Error Management
 - Nutrition Services:
 - Cans - Dented
 - Calibrating Thermometers
 - Pharmacy:
 - Protocol – Hypertonic Sodium Chloride 3% for IV Use
 - Radiology:
 - Physician Orders – Required – Radiology
 - Rehabilitation Services:
 - Linen Usage
 - Rural Health Clinic:
 - Animal Bites – Reporting

- Housekeeping – Clinic
- Informed Consent
- Medical Director/Supervising Physician
- Minor Rights and Sensitive Services
- Provider Response to Patients Who Do Not Keep Appointments
- Same Day/Urgent Care Visits
- Staff Development:
 - Special/Urgent New Hire Orientation Approval/Denial
- Surgical Services
 - Preparation/Transport of Soiled Instruments for Processing
- 12. Manuals:
 - Nutrition Services
 - Human Resources
 - Laboratory – Microbiology
 - Laboratory – Urinalysis
 - Laboratory – Serology
 - Laboratory – Coagulation
- 13. Medical Appointments: None
- 14. Medical Reappointments: None
- 15. Chief of Medical Staff Report
- 16. Chief Information Officer Report – *Pulled by Director Elliott*
- 17. Foundation/Auxiliary Report
- 18. Capital Expenditure Request – Pill Counter – *Pulled by Director Elliott*
- 19. Emergency Department Physician Services Agreement – Dr. Suarez
- 20. Public Health Institute Agreement (Cancer Registry) – *Pulled by Director Elliott*

Director Elliott requested the New Business #3, Audited Financial Statement, be discussed immediately following Public Comment. Director Parks pulled #9, Board Personnel & Policy Committee Minutes, for further discussion. Director Elliott pulled #8g, #8j, #16, #18, and #20 for further discussion. The consent agenda was approved as amended.

E. REPORTS:

- 1. Chief Nursing Officer:** The CNO Report was given by Shannon Jimerson. Mrs. Jimerson stated that she is happy to be here and reported that she is focusing on education and orientation of new nurses. Director Elconin welcomed Mrs. Jimerson in her new role and that has the support of the Board with whatever she needs in her new position.
- 2. Chief Executive Officer:** The CEO Report was given by John Lovrich. Mr. Lovrich attended the inaugural Kern County Healthcare Symposium last week. At the event, Mr. Lovrich had the opportunity to speak with Kern Health Systems CEO about the transportation grant and the COO of Ridgecrest about education/training. Dr. Newell will begin seeing patients in the clinic soon. The Medical Records department has moved to the new building. The new pharmacy is coming along. The pharmacy is evaluating a new vendor for generic drugs. We are still working on the CPSI clinic project. The District is looking to increase mental health visits and potentially get rid of one of the telehealth providers. Mr. Lovrich reported that we still have not received payment on the wound care claims. These unpaid wound care claims are the reason our accounts receivable and payable are up. The District is in the process of renewing the insurances, including group health, liability, workers' compensation, and property insurance. Director Parks stated we need to offer MediCare under

the group health plan. Mr. Lovrich stated the broker is looking into it but doesn't think Medicare is an option. As far as the CalOES grant is concerned, Mr. Easterday reported that we are still on the list but have not been approved yet. We should get official notice in April.

F. OLD BUSINESS: None.

G. NEW BUSINESS:

- 1. First Amendment to Physician Agreement – Peter Newell, MD:** This amendment to Dr. Newell's agreement allows for clinic service as reported under the CEO report. After brief discussion, a motion was made by Director Parks to approve the amendment as presented. The motion was seconded by Director Elliott. Motion passed with a vote of 4/0 (Blythe absent).
- 2. Resolution 26-03 – A Resolution of the Board of Directors of Kern Valley Healthcare District Declaring Certain Property Surplus to the Needs of the District and Authorizing Disposition of the Property:** This resolution is to surplus the old workout equipment from Physical Therapy and an old vital signs machine. Director Parks made the motion to adopt the resolution as presented. The motion was seconded by Director Elliott. Motion passed unanimously.
- 3. Audited Financial Statement – June 30, 2025 & 2024:** The June 30, 2025 and 2024 was presented by Jerrel Tucker of JWT & Associates. Mr. Tucker reported that the District received a clean opinion on both the financial and governmental audit. There were no material weaknesses or significant deficiencies. There were no audit adjustments, but there were three late audit entries (PTO reconciliation, bank reconciliation, and workers compensation audit/reconciliation). The District incurred no new debt, all payments have been made as scheduled and is meeting all debt covenants. Director Elliott pointed out a typo on page 6 related to deductions from revenue. Mr. Tucker stated there was no significant change from last year and it is around 68-69%. With the addition of this figure, a motion was made by Director Elliott to receive and file the audit. The motion was seconded by Director Parks. The Board asked Mr. Tucker if he had any advice for the District. Mr. Tucker stated, "if it's not broke, don't fix it", and to be careful adding/expanding services. Make sure there is a need and that you have done your due diligence and that the revenue will be there. With that, Director Elconin called for a vote. Motion passed with a vote of 4/0 (Blythe absent).
- 4. Review of Compensation Structure:** Director Clark expressed his concern with previous management with regard to compensation for some of the managers and staff. Director Clark also asked if the District had looked into outsourcing to potentially save money. Mr. Lovrich stated the District is looking at that, among other things. Director Clark also stated all managers need to be working managers. Mr. Lovrich stated that we are looking at the HASC salary survey data to try to establish the wage ranges. Once those ranges are established, they will be coming to the Board for approval.
- 5. Contract Review - NetSmart Technologies (TheraOffice) – Clinical Documentation:** This item was pulled from the consent agenda by Director Elliott for further discussion. Director Elliott asked if it would be cheaper if we used CPSI. Mr. Lovrich explained that CPSI does not have an adequate module for outpatient PT services. With that, a motion was made by Director Elliott to continue with NetSmart Technologies. The motion was seconded by Director Clark. Motion passed unanimously.

6. **Contract Review – Steris – Autoclave (x2):** This item was pulled from the consent agenda by Director Elliott for further discussion. Director Elliott inquired if this was necessary considering that we are not currently doing surgeries. Mr. Lovrich explained that instruments used in the clinic and emergency room still require sterilization. With that a motion was made by Director Elliott to continue with the Steris agreement. The motion was seconded by Director Clark. Motion passed unanimously.
7. **Board Personnel and Policy Committee Meeting Minutes – February 23, 2026:** This item was pulled from the consent agenda by Director Parks for further discussion. Director Parks asked what was being approved with regard to the MCP Home Delivery Service Policy. Staff explained that this is to prepare for home delivery service. A motion was made by Director Parks to accept the minutes as presented. The motion was seconded by Director Clark. Motion passed unanimously.
8. **Chief Information Officer Report:** This item was pulled from the consent agenda by Director Elliott for further discussion. Director Elliott asked about problems related to the CPSI implementation in the clinic. Mr. Zuber explained that we ran into an issue regarding migration of historical data but are working on a resolution that looks promising. Mr. Zuber also clarified that we have not signed an agreement yet and will not until these issues are resolved. With that, a motion was made by Director Elliott to receive and file the report. The motion was seconded by Director Clark. Motion passed unanimously.
9. **Capital Expenditure Request – Pill Counter:** This item was pulled from the consent agenda by Director Elliott for further discussion. Mr. Lovrich stated that no additional equipment of FTE’s will be added until the move to the new location is complete. This will be sent back to the manager and will require three bids moving forward. No action was taken.
10. **Public Health Institute Agreement (Cancer Registry):** This item was pulled from the consent agenda by Director Elliott for further discussion. Director Elliott requested additional information as to why this is necessary. Mr. Lovrich stated that this is mandated by the State. With that, a motion was made by Director Elliott to approve the agreement as presented. The motion was seconded by Director Clark. Motion passed unanimously.

H. DIRECTOR’S COMMENTS ON ITEMS NOT APPEARING ON THE AGENDA:

Director Parks: Director Parks apologized to Mr. Lovrich for his comments.

Director Clark: Director Clark thanked everyone for coming and thanked Amy Smith for all her hard work on the audit.

Director Elliott: Director Elliott commented on the IGT payments and the good news that they may not be going away. Director Elliott optimistic and hopeful, and hopes that cooler minds in Washington prevail and that they keep Critical Access Hospitals open.

Director Elconin: Director Elconin thanked everyone for coming.

I. CLOSED SESSION: The Board went into closed session at 3:23pm.

- Existing Litigation – Benson/Lao v. KVHD
- Existing Litigation – Volkava v. KVHD

- Existing Litigation – Rostad v. KVHD
- Existing Litigation – Carrington v. KVHD
- Existing Litigation – Moudy v. KVHD
- Report Involving Trade Secret (H&S Section 32106, 37606): Discussion will concern proposed new facility. Estimated date of public disclosure: May 2026

The Board came out of closed session at 3:43pm.

J. CLOSED SESSION REPORT: In closed session, there were no new legal updates. One trade secret was discussed. No action was taken. No other items were discussed.

K. ADJOURNMENT: The meeting was adjourned at 3:44pm by Director Elconin.

Approved by:

Ross Elliott, Secretary

Katheryn Elconin, 1st Vice Chair



**BOARD OF DIRECTORS
GOVERNANCE MEETING
MINUTES**

Tuesday, March 24, 2026 – 9:00a.m.

Location: Administrative Conference Room

In Attendance: John Blythe, Committee Chair
Katheryn Elconin, Committee Member
John Lovrich, Chief Executive Officer
Shannon Jimerson, Chief Nursing Officer
Cary Zuber, Chief Information Officer

- A. CALL TO ORDER:** The meeting was called to order at 9:00am by Director Blythe.
- B. APPROVAL OF AGENDA:** The agenda was approved as distributed.
- C. APPROVAL OF MINUTES:** The minutes of the February 23, 2026 meeting were approved as distributed.
- D. PUBLIC COMMENT:** No public comment this morning.
- E. REPORTS:**
 - 1. Chairman’s Report:** Director Blythe stated there were no new updates for the Brown Act.
 - 2. CEO Report:** Mr. Lovrich stated nothing has changed since his report yesterday morning at Board Personnel and Policy Committee.
 - 3. CIO Marketing Report:** The marketing report was presented by Mr. Zuber. Mr. Zuber updated the committee on recent marketing activities that were described in the attached written report. Mr. Zuber reported that item 3, the Happy Hour, is cancelled. The District is in the process of a website redesign to improve the user interface and overall flow.
 - 4. Strategic Plan Update:** Mr. Lovrich stated we need to clean up this report – moving completed items to a separate listing. Mr. Lovich briefly touched on each initiative. Key items discussed were census in the SNF, controlling expenses, potential for additional grant funds from Kern Health Systems for the transportation service, town hall meetings, monthly meetings with EMS to foster better relationship, and resurrection of the Coffee with the CEO meetings. The Executive Team will begin cleaning up and reformatting the strategic plan so that is a little more descriptive and easier to read.

F. OLD BUSINESS: None

G. NEW BUSINESS: None

H. ADJOURNMENT: The meeting was adjourned at 9:55am.

Submitted By: _____

Approved By: _____



**BUILDING AND PLANNING COMMITTEE
AND SPECIAL MEETING OF THE BOARD OF DIRECTORS MINUTES
Tuesday, March 24, 2026 – 1:00pm
Administrative Conference Room**

In Attendance: John Blythe, Chairman
Katheryn Elconin, 1st Vice Chair
Fred Clark, 2nd Vice Chair
Ross Elliott, Secretary
Gene Parks, Treasurer
John Lovrich, Chief Executive Officer
Shannon Jimerson, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Greg Davis, MVHC Manager
Bob Easterday, Plant Operations Manager
Cassandra Coleman, Human Resources Manager (1:30pm)
Nicolas Caver, Public Relations Manager

- A. **Call to Order:** The meeting was called to order at 1:00pm by Director Blythe.
- B. **Approval of Agenda:** The agenda was approved as distributed. FC, RE – 5/0
- C. **Public Comment:** There was no public comment today.
- D. **Approval of Minutes from February 24, 2026 Meeting:** The minutes of the February 24, 2026 meeting were approved as presented. FC, RE – 5/0
- E. **Project Update:** The project update summary was given by Mr. Easterday.
 - 1. **Master Plan:** Mr. Easterday reported that we are still in the running for the grant but have no idea when we will hear for sure. We received an extension on the plans until April 2027.
 - 2. **New Administration Building:** Work is continuing on the pharmacy and is nearing completion. The alarm system has been installed. The safe is scheduled to arrive tomorrow. The cameras will be installed soon. We received notification from the Board of Pharmacy that our application was accepted and we need to notify them of the anticipated opening date. After lengthy discussion, staff agreed upon the weekend of April 25th and 26th.
 - 3. **Emergency Generator:** Mr. Easterday reported that the emergency generator project has been inspected and signed off by the fire marshal, with final closure documents in progress and efforts underway to secure reimbursement through the HCAI grant program.

4. **NPC Seismic Upgrade of Dietary, Surgery, and Central Plant Buildings:** The soils report from Earth Systems has been submitted to HCAI. They are requesting a full study be done on the Soils Report. The Architect is approaching HCAI to see if this can be an addendum to the last report.
 5. **Skilled Nursing Building Reclassification:** No status change to report. This project has essentially been put on hold for the time being. We will likely need to put in a few seismic joints at some point.
 6. **Skilled Nursing Unit Cosmetic Work:** Work on this project will continue once the pharmacy is completed.
 7. **Dietary Area Cosmetic Work:** This project has been put on hold due to the priority completion of the retail pharmacy.
 8. **Acute Care Restrooms:** This project has also been put on hold due to the retail pharmacy project.
- F. **Mesa Clinical Pharmacy Signage Proposal:** After reviewing the two proposals, Director Clark suggested going with proposal from CN Signs. A motion was made by Director Elliott to approve the CN Signs proposal for \$12,829. The motion was seconded by Director Clark. Motion passed unanimously.
- G. **Temporary Cooling Tower for the Cooling Tower Rebuild:** Mr. Easterday presented the need for a temporary cooling tower during the rebuild, outlined options for emergency board approval versus bidding, and detailed cost estimates and technical requirements. The temporary cooling tower requires engineering plans and HCAI approval, with the rebuild classified as maintenance repair, but the temporary installation needing proper permits and design. The company rebuilding the cooling tower also rents cooling towers, with costs totaling just under \$50,000 for rental, installation, and removal. The Board discussed the possibility of seeking additional bids from other rental companies. The board debated emergency approval versus bidding, ultimately agreeing to proceed with the emergency motion, ensuring the project can be completed regardless of seasonal constraints. A motion was made by Director Parks to approve the temporary cooling tower rental on an emergency basis. The motion was seconded by Director Elconin. Motion passed unanimously.
- H. **Inpatient Pharmacy Humidity Control:** Mr. Easterday presented the proposal to address the humidity issue in the inpatient pharmacy. At certain times during the year, the air conditioner creates a little too much humidity. We place a dehumidifier in the pharmacy to address this, but this was not acceptable to the pharmacy surveyor. This proposal would address the humidity issue in a manner that would be acceptable to the Board of Pharmacy. Director Elliott asked if we could push back on the Board of Pharmacy considering that we are still waiting on the outcome of the grant, which would have the pharmacy moving to a new area of the hospital. Mr. Easterday said we can certainly look into it. This item was tabled pending additional information.
- I. **Invoice Review/Approval:** A motion was made by Director Parks to approve the five invoices listed below. The motion was seconded by Director Clark. The motion passed with a vote of 5/0.
1. Greenbough Design – Inv. #1029 – NPC5 Evaluation - \$55,304.00
 2. Greenbough Design – Inv. #1030 – Seismic Retrofit - \$2,728.75

3. Greenbough Design – Inv. #1031 – X-Ray Equipment Replacement - \$1,680.00
4. Radian Group – Inv.# 225022-02 – RHC E-Generator - \$7,256.00
5. Earth Systems – Inv.# 859321 – NPC5 Water Plan - \$12,000.00

J. Adjournment: The meeting was adjourned at approximately 2:06pm by Director Blythe.

Submitted By: _____

Approved By: _____



**MINUTES FOR FINANCE COMMITTEE MEETING
ADMINISTRATIVE CONFERENCE ROOM
Wednesday, March 25, 2026 – 1:00pm**

A. CALLED TO ORDER: The meeting was called to order by Director Parks at 1:00p.m.

PRESENT: Gene Parks, Committee Chair
Fred Clark, Committee Member
John Lovrich, Chief Executive Officer
Shannon Jimerson, Chief Nursing Officer
Cary Zuber, Chief Information Officer
Amy Smith, Controller
Greg Davis, Director of Population Health
Sherry Jordan, Revenue Cycle Manager
Sally Emery, Compliance Officer

B. CHANGES TO AGENDA: The agenda was approved as distributed.

C. APPROVAL OF MINUTES: The minutes of February 25, 2026 were approved as distributed.

D. PUBLIC COMMENT: No public comment.

E. FINANCIAL STATEMENT – February 2026:

Unaudited Financial Statements: For the month of February, there was a surplus of \$105,378, leaving a YTD surplus of \$121,941. The committee expressed concern about the decrease in visits in the Rural Health Clinic. Mr. Davis reported that the District continues with recruitment efforts.

Narrative Summary:

Positive takeaways for the month:

- Long Term Care revenue was over budget.
- Inpatient revenue was over budget.
- Outpatient revenue was over budget.
- Retail pharmacy revenue was over budget.
- Net patient revenue was over budget.

Negative takeaways for the month:

- Operating expenses were over budget.
- Gross AR days increased by 5.
- Clinic revenue was under budget.
- No payments for wound care yet.

13-Month Statistics: Reviewed and discussed.

Local Vendor Aging Report: The Local Vendor Aging Report was presented by Ms. Smith. As of 3/16/26, the balance was \$36,546.49, with none over 30 days.

F. OLD BUSINESS: None

G. NEW BUSINESS:

1. Contract Review/Renewal Summary:

Sally Emery, Compliance Officer

- a. Alliant Insurance Service (Great American) – Surety Bond/SNF
- b. Barton & Associates – Standby Emergency Locum Tenens
- c. BETA Healthcare – Liability
- d. BETA Healthcare – Auto
- e. BETA Healthcare – Officers/Directors
- f. BETA Healthcare – Workers Compensation
- g. C & R Pest Control – Pest Control
- h. California Internet LP (GeoLinks) – Internet and VOIP Phone
- i. Delta Dental – Employee Dental
- j. Digital Pharmacist – Mobile RX Refill App
- k. Dignity Telehealth Network Program (CommonSpirit) – Robot Telemedicine
- l. ESP Personnel – Nurse Registry
- m. Paul Giem, MD – RHC Peer Review (as needed)
- n. Go Daddy (E-Rad) – Secure Certificates E-Rad
- o. HSS, Inc. (Tarian) – Team Techniques for Aggression Management
- p. JWT & Associates – CPA Annual Audit
- q. J.M. Kent, DDS – Dental Work
- r. New York Life – Insurance (Employee Benefit)
- s. PulseNetTV (Direct TV) – TV Service for Facility
- t. Register.com (Domain) – Domain Hosting Registration (kvhd.org)
- u. Sysmex America – Hematology x 2 Machines
- v. Victig – Background Checks
- w. VSP – Employee Vision Plan

The contracts were approved by this committee and will be placed on the Board consent agenda for full Board consideration.

- 2. Capital Expenditure Request – Telemetry Unit Boxes:** The capital expenditure request for three additional telemetry boxes was presented by Shannon Jimerson, Chief Nursing Officer. We currently only have seven boxes which limits our ability to admit patients. After brief discussion, the request was approved by this committee and will be placed on the Board of Director consent agenda for full Board consideration.

H. ADJOURNMENT: The meeting was adjourned at 1:27p.m.

Submitted by:

Heidi Sage, Executive Assistant

Approved By:

Gene Parks, Treasurer



Unaudited Financial Statements

for

Eight Months Ending February 28, 2026

Certification Statement:

To the best of my knowledge, I certify for the hospital that the attached financial statements do not contain any untrue statement of a material fact or omit to state a material fact that would make the financial statements misleading. I further certify that the financial statements present in all material respects the financial condition and results of operation of the hospital and all related organizations reported herein.

Certified by:

Amy Smith
Controller

Table of Contents

**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Eight Months Ending February 28, 2026**

PAGE 1

TABLE OF CONTENTS

KEY OPERATING STATISTICS	PAGE 2
EXECUTIVE SUMMARY	PAGE 3
BALANCE SHEET - ASSETS	PAGE 4
BALANCE SHEET - LIABILITIES AND NET ASSETS	PAGE 5
STATEMENT OF OPERATIONS - CURRENT MONTH	PAGE 6
STATEMENT OF OPERATIONS - YEAR-TO-DATE	PAGE 7
STATEMENT OF OPERATIONS - 13 MONTH TREND	PAGES 8,9
STATEMENT OF CASH FLOWS	PAGE 10

Patient Statistics

**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Eight Months Ending February 28, 2026**

	Current Month				STATISTICS	Year-To-Date			
	Actual 02/28/26	Budget 02/28/26	Positive/ (Negative) Variance	Prior Year 02/28/25		Actual 02/28/26	Budget 02/28/26	Positive/ (Negative) Variance	Prior Year 02/28/25
Discharges									
[1]	28	27	1	24	Acute	207	232	(25)	206
[2]	2	2	0	1	Swing Beds	19	17	2	18
[3]	0	0	0	0	Psychiatric/Rehab	0	0	0	0
[4]	0	0	0	0	Respite	0	0	0	0
[5]	30	29	1	25	Total Adult Discharges	226	250	(24)	224
[6]	0	0	0	0	Newborn	0	0	0	0
[7]	30	29	1	25	Total Discharges	226	250	(24)	224
Patient Days:									
[8]	94	95	(1)	85	Acute	763	775	(12)	693
[9]	24	44	(20)	20	Swing Beds	217	362	(145)	327
[10]	0	0	0	0	Psychiatric/Rehab	0	0	0	0
[11]	0	0	0	0	Respite	0	0	0	0
[12]	118	139	(21)	105	Total Adult Patient Days	980	1,137	(157)	1,020
[13]	0	0	0	0	Newborn	0	0	0	0
[14]	118	139	(21)	105	Total Patient Days	980	1,137	(157)	1,020
Average Length of Stay (ALOS)									
[15]	3.4	3.5	0.2	3.5	Acute	3.69	3.3	(0.4)	3.4
[16]	12.0	22.1	10.1	20.0	Swing Bed	11.4	20.9	9.5	18.2
[17]	0.0	0.0	0.0	0.0	Psychiatric/Rehab	0.0	0.0	0.0	0.0
[18]	3.9	4.8	0.9	4.2	Total Adult ALOS	4.3	4.6	0.2	4.6
[19]	0.0	0.0	0.0	0.0	Newborn ALOS	0.0	0.0	0.0	0.0
Average Daily Census (ADC)									
[20]	3.4	3.4	(0.0)	3.0	Acute	3.1	3.2	(0.0)	2.9
[21]	0.9	1.6	(0.7)	0.7	Swing Beds	0.9	1.5	(0.6)	1.3
[22]	0.0	0.0	0.0	0.0	All Other Adult	0.0	0.0	0.0	0.0
[23]	4.2	5.0	(0.8)	3.8	Total Adult ADC	4.0	4.7	(0.6)	4.2
[24]	0.0	0.0	0.0	0.0	Newborn	0.0	0.0	0.0	0.0
Long Term Care:									
[25]	1,548	1,478	70	1,393	SNF/ECF Resident Days	12,931	12,830	101	11,476
[26]	2	2	(0)	2	SNF/ECF Resident Discharges	14	20	(6)	19
[27]	0	0	0	0	CBRF/Assisted Living Days	0	0	0	0
[28]	55.3	52.8	2.5	49.8	Average Daily Census	53.2	52.8	0.4	47.2
Emergency Room Statistics									
[29]	23	24	(1)	22	ER Visits - Admitted	189	206	(17)	189
[30]	381	290	91	302	ER Visits - Discharged	2,798	2,320	478	2,827
[31]	272	321	(49)	254	ER - Urgent Care Visits	2,218	2,784	(566)	2,227
[32]	676	635	41	578	Total ER Visits	5,205	5,310	(105)	5,243
[33]	3.40%	3.74%		3.81%	% of ER Visits Admitted	3.63%	3.88%		3.60%
[34]	76.67%	88.71%		91.67%	ER Admissions as a % of Total	91.30%	88.71%		91.75%
Outpatient Statistics:									
[35]	901	901	0	846	Total Outpatients Visits	7,833	7,358	475	7,629
[36]	23	15	8	18	Observation Bed Days	150	131	19	146
[37]	725	1,219	(494)	1,138	Clinic Visits - Primary Care	7,442	9,957	(2,515)	9,880
[38]	202	260	(58)	228	Clinic Visits - Specialty Clinics	1,871	2,131	(260)	1,887
[39]	0	0	0	0	IP Surgeries	0	0	0	0
[40]	0	0	0	0	OP Surgeries	0	0	0	0
[41]	0	0	0	0	Outpatient Scopes	0	0	0	0
[42]	6,768	5,861	907	5,167	Retail Pharmacy Scripts	56,157	50,866	5,291	39,983
[43]	0	0	0	5	Clinic Visits-Mobile Van	0	0	0	29
Productivity Statistics:									
[44]	218.76	212.97	(5.79)	211.53	FTE's - Worked	220.47	212.97	(7.50)	212.09
[45]	245.15	242.06	(3.08)	238.07	FTE's - Paid	247.05	242.06	(4.99)	235.93
[46]	1.0715	1.0550	(0.02)	0.9065	Case Mix Index -Medicare	0.9651	1.0550	0.09	1.0021
[47]	1.0821	0.9968	(0.09)	0.9520	Case Mix Index - All payers	0.9599	0.9968	0.04	0.9856

KERN VALLEY HEALTHCARE DISTRICT

EXECUTIVE FINANCIAL SUMMARY

Eight Months Ending February 28, 2026

BALANCE SHEET		
	2/28/2026	6/30/2025
ASSETS		
Current Assets	19,917,944	14,350,967
Assets Whose Use is Limited	8,122,903	15,328,589
Property, Plant and Equipment (Net)	11,871,849	11,735,542
Other Assets	668,200	668,200
Total Unrestricted Assets	40,580,895	42,083,298
Restricted Assets	0	0
Total Assets	40,580,895	42,083,298
LIABILITIES AND NET ASSETS		
Current Liabilities	5,780,036	5,608,601
Long-Term Debt	8,717,417	9,790,571
Other Long-Term Liabilities	8,507,790	9,230,117
Total Liabilities	23,005,243	24,629,289
Net Assets	17,575,652	17,454,009
Total Liabilities and Net Assets	40,580,895	42,083,298
STATEMENT OF REVENUE AND EXPENSES - YTD		
	ACTUAL	BUDGET
Revenue:		
Gross Patient Revenues	93,319,048	90,990,249
Deductions From Revenue	(63,465,812)	(63,227,051)
Net Patient Revenues	29,853,237	27,763,197
Other Operating Revenue	287,359	230,688
Total Operating Revenues	30,140,596	27,993,885
Expenses:		
Salaries, Benefits & Contract Labor	17,303,427	16,039,601
Purchased Services & Physician Fees	4,295,656	4,260,911
Supply Expenses	6,093,621	5,132,951
Other Operating Expenses	2,314,391	2,426,769
Bad Debt Expense	0	0
Depreciation & Interest Expense	472,977	639,746
Total Expenses	30,480,072	28,499,978
NET OPERATING SURPLUS	(339,477)	(506,093)
Non-Operating Revenue/(Expenses)	461,417	803,884
TOTAL NET SURPLUS	121,941	297,792
KEY STATISTICS AND RATIOS - YTD		
	ACTUAL	BUDGET
Total Acute Patient Days	763	775
Average Acute Length of Stay	3.7	3.3
Total Emergency Room Visits	5,205	5,310
Outpatient Visits	7,833	7,358
Total Surgeries	0	0
Total Worked FTE's	220.47	212.97
Total Paid FTE's	247.05	242.06
Productivity Index	0.9798	1.0000
EBITDA - YTD	-0.12%	-0.12%
Current Ratio		
Days Expense in Accounts Payable	36.88	

Balance Sheet - Assets

**KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Eight Months Ending February 28, 2026**

		ASSETS				
[1]	Net to Gross AR %	31.3%	31.4%		27.8%	
[2]	CASH -ALL SOURCES	14,084,856	15,638,443	-1,553,587	20,408,927	
		Current Month 2/28/2026	Prior Month 1/31/2026	Positive/ (Negative) Variance	Percentage Variance	Prior YR. AUDITED 6/30/2025
Current Assets						
[3]	Cash and Cash Equivalents	6,536,960	8,124,161	(1,587,201)	-19.54%	6,145,776
[4]	Gross Patient Accounts Receivable	29,729,116	27,295,167	2,433,949	8.92%	25,088,793
[5]	Less: Bad Debt and Allowance Reserves	(20,431,759)	(18,725,979)	(1,705,780)	-9.11%	(18,125,817)
[6]	Net Patient Accounts Receivable	9,297,357	8,569,188	728,169	8.50%	6,962,976
[7]	Interest Receivable	0	0	0	0.00%	0
[8]	Other Receivables	1,088,255	1,061,841	26,414	2.49%	400,127
[9]	Inventories	376,874	378,875	(2,001)	-0.53%	388,816
[10]	Prepaid Expenses	668,497	686,577	(18,079)	-2.63%	453,271
[11]	Due From Third Party Payers	1,950,000	1,950,000	0	0.00%	0
[12]	Due From Affiliates/Related Organizations	0	0	0	0.00%	0
[13]	Other Current Assets	0	0	0	0.00%	0
[14]	Total Current Assets	19,917,944	20,770,642	(852,699)	-4.11%	14,350,967
Assets Whose Use is Limited						
[15]	Auxillary Cash	355,335	341,732	13,603	3.98%	498,591
[16]	Investments -LAIF	296,104	296,104	0	0.00%	286,699
[17]	Debt Payment Fund	219,672	695,845	(476,173)	-68.43%	566,847
[18]	UBS Funds	3,986,208	3,961,208	25,000	0.63%	10,786,208
[19]	Cash Westamerica	52,612	52,611	1	0.00%	52,605
[20]	Project Fund	3,212,971	3,204,358	8,613	0.27%	3,137,639
[21]	Covid Stimulus Cash Assets	0	0	0	0.00%	0
[22]	Total Limited Use Assets	8,122,903	8,551,858	(428,955)	-5.02%	15,328,589
Property, Plant, and Equipment						
[23]	Land and Land Improvements	383,800	383,800	0	0.00%	383,800
[24]	Building and Building Improvements	14,947,912	14,947,912	0	0.00%	14,947,912
[25]	Equipment	23,860,752	23,791,074	69,679	0.29%	23,478,028
[26]	Construction In Progress	7,692,835	7,676,300	16,535	0.22%	7,466,276
[27]	Capitalized Interest	0	0	0	0.00%	0
[28]	Gross Property, Plant, and Equipment	46,885,299	46,799,086	86,214	0.18%	46,276,015
[29]	Less: Accumulated Depreciation	(35,013,451)	(34,953,934)	(59,516)	-0.17%	(34,540,473)
[30]	Net Property, Plant, and Equipment	11,871,849	11,845,151	26,697	0.23%	11,735,542
Other Assets						
	Unamortized Loan Costs	0	0	0	0.00%	0
[31]	Assets Held for Future Use	0	0	0	0.00%	0
	Investments in Subsidiary/Affiliated Org.	0	0	0	0.00%	0
	Other	668,200	668,200	0	0.00%	668,200
[32]	Total Other Assets	668,200	668,200	0	0.00%	668,200
[33]	TOTAL UNRESTRICTED ASSETS	40,580,895	41,835,852	(1,254,957)	-3.00%	42,083,298
Restricted Assets						
		0	0	0	0.00%	0
[34]	TOTAL ASSETS	40,580,895	41,835,852	(1,254,957)	-3.00%	42,083,298

Balance Sheet - Liabilities and Net Assets

KERN VALLEY HEALTHCARE DISTRICT

PAGE 5

LAKE ISABELLA, CALIFORNIA

Eight Months Ending February 28, 2026

	LIABILITIES AND FUND BALANCE				Prior Yr. AUDITED 6/30/2025
	Current Month 2/28/2026	Prior Month 1/31/2026	Positive/ (Negative) Variance	Percentage Variance	
Current Liabilities					
[1] Accounts Payable	2,438,562	2,408,670	(29,892)	-1.24%	1,688,097
[2] Notes and Loans Payable	0	0	0	0.00%	0
[3] Accrued Payroll	418,550	418,393	(157)	-0.04%	881,879
[4] Accrued Payroll Taxes	(101,849)	(111,446)	(9,598)	8.61%	(103,305)
[5] Accrued Benefits	1,127,377	1,112,309	(15,068)	-1.35%	1,096,921
[6] Accrued Pension Expense (Current Portion)	106,996	(243,719)	(350,715)	143.90%	(1,089)
[7] Other Accrued Expenses	161,228	309,684	148,456	47.94%	295,335
[8] Patient Refunds Payable	713,796	909,544	195,748	21.52%	840,764
[9] Property Tax Payable	0	0	0	0.00%	0
[10] Due to Third Party Payers	(80,010)	(62,380)	17,629	-28.26%	0
[11] Advances From Third Party Payers	0	0	0	0.00%	0
[12] Current Portion of LTD (Bonds/Mortgages)	936,000	458,000	(478,000)	-104.37%	910,000
[13] Current Portion of LTD (Leases)	59,385	59,385	0	0.00%	0
[14] Other Current Liabilities	0	0	0	0.00%	0
Total Current Liabilities	5,780,036	5,258,439	(521,596)	-9.92%	5,608,601
Long Term Debt					
[15] Bonds/Mortgages Payable	8,254,000	8,712,000	458,000	5.26%	9,164,000
[16] Leases/Notes Payable	1,458,802	1,458,802	0	0.00%	1,539,955
[17] Less: Current Portion Of Long Term Debt	995,385	517,385	(478,000)	-92.39%	913,384
Total Long Term Debt (Net of Current)	8,717,417	9,653,417	936,000	9.70%	9,790,571
Other Long Term Liabilities					
[18] Deferred Revenue	0	0	0	0.00%	0
[19] Accrued Pension Expense (Net of Current)	33,486	379,418	345,931	91.17%	148,849
[20] Long Term Settlements	8,474,304	9,074,304	600,000	6.61%	9,081,268
Total Other Long Term Liabilities	8,507,790	9,453,722	945,932	10.01%	9,230,117
[21] TOTAL LIABILITIES	23,005,243	24,365,578	1,360,335	5.58%	24,629,289
Net Assets:					
[22] Unrestricted Fund Balance	16,640,302	16,640,302	0	0.00%	16,640,302
[23] Inter-Departmental Transfer (DSH)	0	0	0	0.00%	0
[24] Restricted Fund Balance	0	0	0	0.00%	0
[25] Net Revenue/(Expenses)	935,351	829,973	105,378	12.70%	813,708
[26] TOTAL NET ASSETS	17,575,652	17,470,274	(105,378)	-0.60%	17,454,009
[27] TOTAL LIABILITIES AND NET ASSETS	40,580,895	41,835,852	1,254,957	3.00%	42,083,298

Statement of Revenue and Expense
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Eight Months Ending February 28, 2026

	CURRENT MONTH				
	Actual 02/28/26	Budget 02/28/26	Positive (Negative) Variance	Percentage Variance	Prior Year 02/28/25
Gross Patient Revenue					
[1] Inpatient Revenue	1,178,137	1,081,340	96,797	8.95%	1,211,376
[2] Clinic Revenue	1,008,996	1,382,244	(373,248)	-27.00%	1,337,711
[3] Outpatient Revenue	5,617,386	4,976,257	641,129	12.88%	4,787,593
[4] Long Term Care Revenue	2,772,263	2,532,201	240,063	9.48%	2,484,620
[5] Retail Pharmacy Revenue	530,199	512,432	17,767	3.47%	494,336
[6] Total Gross Patient Revenue	<u>11,106,980</u>	<u>10,484,473</u>	<u>622,507</u>	<u>5.94%</u>	<u>10,315,637</u>
Deductions From Revenue	69%	69%			68%
[7] Discounts and Allowances (incl IGTs)	(7,549,662)	(7,138,580)	(411,082)	-5.76%	(6,828,153)
[8] Bad Debt Expense (Governmental Providers Only)	(144,121)	(146,842)	2,721	1.85%	(141,973)
	0	0	0	0.00%	0
[9] Charity Care	0	0	0	0.00%	0
[10] Total Deductions From Revenue	<u>(7,693,782)</u>	<u>(7,285,422)</u>	<u>(408,361)</u>	<u>-5.61%</u>	<u>(6,970,126)</u>
[11] Net Patient Revenue	<u>3,413,198</u>	<u>3,199,052</u>	<u>214,146</u>	<u>6.69%</u>	<u>3,345,511</u>
[12] Other Operating Rev (Incl HHS Stimulus)	71,365	28,836	42,529	147.49%	13,026
[13] Total Operating Revenue	<u>3,484,562</u>	<u>3,227,888</u>	<u>256,675</u>	<u>7.95%</u>	<u>3,358,537</u>
Operating Expenses					
[14] Salaries and Wages	1,597,766	1,500,858	(96,908)	-6.46%	1,449,506
[15] Fringe Benefits	346,210	290,667	(55,543)	-19.11%	309,541
[16] Contract Labor	68,859	56,660	(12,199)	-21.53%	92,061
[17] Professional & Physician Fees	338,625	361,709	23,084	6.38%	345,689
[18] Purchased Services	160,967	129,260	(31,707)	-24.53%	144,838
[19] Supply Expense	601,447	591,451	(9,996)	-1.69%	657,134
[20] Utilities	55,195	70,794	15,599	22.03%	41,407
[21] Repairs and Maintenance	9,672	5,278	(4,394)	-83.25%	2,474
[22] Insurance Expense	67,428	79,086	11,657	14.74%	67,042
[23] All Other Operating Expenses	99,852	93,684	(6,168)	-6.58%	122,447
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[25] Leases and Rentals	33,257	30,786	(2,471)	-8.03%	48,534
[26] Depreciation and Amortization	59,516	73,716	14,199	19.26%	62,511
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[28] Total Operating Expenses	<u>3,438,795</u>	<u>3,283,948</u>	<u>(154,847)</u>	<u>-4.72%</u>	<u>3,343,185</u>
Net Operating Surplus/(Loss)	45,767	(56,061)	101,828	-181.64%	15,353
Non-Operating Revenue:					
[29] Contributions/Grants/PPP/ERC	0	12,652	(12,652)	-100.00%	0
[30] Investment Income	35,152	71,746	(36,595)	-51.01%	75,712
[31] Income Derived from Property Taxes	29,931	25,752	4,180	16.23%	27,974
[32] Interest Expense (Governmental Providers Only)	(19,076)	(19,332)	(256)	1.33%	(21,357)
[33] Other Non-Operating Revenue/(Expenses)	13,603	1,811	11,793	651.29%	10,214
[34] Total Non Operating Revenue/(Expense)	<u>59,611</u>	<u>92,629</u>	<u>(33,018)</u>	<u>-35.65%</u>	<u>92,543</u>
Total Net Surplus/(Loss)	105,378	36,568	68,810	188.17%	107,895
[35] Operating Margin	1.31%	-1.74%			0.46%
[36] Total Profit Margin	3.02%	1.13%			3.21%
[37] EBITDA	2.47%	-0.05%			1.68%
[38] Cash Flow Margin	5.28%	4.02%			5.71%

Statement of Revenue and Expense
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA
Eight Months Ending February 28, 2026

	YEAR-TO-DATE				
	Actual 02/28/26	Budget 02/28/26	Positive (Negative) Variance	Percentage Variance	Prior Year 02/28/25
Gross Patient Revenue					
[1] Inpatient Revenue	8,948,288	9,384,489	(436,200)	-4.65%	9,141,927
[2] Clinic Revenue	11,179,202	11,995,902	(816,700)	-6.81%	11,933,873
[3] Outpatient Revenue	45,121,264	43,186,798	1,934,466	4.48%	41,778,297
[4] Long Term Care Revenue	23,110,785	21,975,884	1,134,901	5.16%	20,545,007
[5] Retail Pharmacy Revenue	4,959,509	4,447,176	512,333	11.52%	3,599,170
[6] Total Gross Patient Revenue	<u>93,319,048</u>	<u>90,990,249</u>	<u>2,328,800</u>	<u>2.56%</u>	<u>86,998,275</u>
Deductions From Revenue	68%	69%			69%
[7] Discounts and Allowances (incl IGTs)	(62,330,590)	(61,952,675)	(377,914)	-0.61%	(58,971,158)
[8] Bad Debt Expense (Governmental Providers Only)	(1,135,222)	(1,274,376)	139,154	10.92%	(1,252,578)
[9] Charity Care	0	0	0	0.00%	0
[10] Total Deductions From Revenue	<u>(63,465,812)</u>	<u>(63,227,051)</u>	<u>(238,760)</u>	<u>-0.38%</u>	<u>(60,223,736)</u>
[11] Net Patient Revenue	<u>29,853,237</u>	<u>27,763,197</u>	<u>2,090,039</u>	<u>7.53%</u>	<u>26,774,539</u>
[12] Other Operating Rev (Incl HHS Stimulus)	<u>287,359</u>	<u>230,688</u>	<u>56,672</u>	<u>24.57%</u>	<u>227,753</u>
[13] Total Operating Revenue	<u>30,140,596</u>	<u>27,993,885</u>	<u>2,146,711</u>	<u>7.67%</u>	<u>27,002,292</u>
Operating Expenses					
[14] Salaries and Wages	13,782,303	13,025,302	(757,000)	-5.81%	12,128,509
[15] Fringe Benefits	2,889,415	2,522,574	(366,840)	-14.54%	2,439,048
[16] Contract Labor	631,710	491,724	(139,985)	-28.47%	829,752
[17] Professional & Physician Fees	3,017,486	3,139,120	121,634	3.87%	2,861,776
[18] Purchased Services	1,278,170	1,121,790	(156,380)	-13.94%	1,162,226
[19] Supply Expense	6,093,621	5,132,951	(960,670)	-18.72%	4,655,234
[20] Utilities	537,668	614,391	76,724	12.49%	597,845
[21] Repairs and Maintenance	81,623	45,805	(35,818)	-78.20%	48,605
[22] Insurance Expense	618,038	686,350	68,311	9.95%	654,563
[23] All Other Operating Expenses	793,948	813,046	19,098	2.35%	756,482
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[25] Leases and Rentals	283,114	267,177	(15,938)	-5.97%	261,291
[26] Depreciation and Amortization	472,977	639,746	166,768	26.07%	502,565
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0.00%	0
[28] Total Operating Expenses	<u>30,480,072</u>	<u>28,499,978</u>	<u>(1,980,094)</u>	<u>-6.95%</u>	<u>26,897,896</u>
Net Operating Surplus/(Loss)	<u>(339,477)</u>	<u>(506,093)</u>	<u>166,616</u>	<u>-32.92%</u>	<u>104,396</u>
Non-Operating Revenue:					
[29] Contributions/Grants/PPP/ERC	238,694	109,801	128,893	117.39%	140,835
[30] Investment Income	294,956	622,656	(327,701)	-52.63%	619,719
[31] Income Derived from Property Taxes	239,450	239,486	15,963	7.14%	223,793
[32] Interest Expense (Governmental Providers Only)	(168,426)	(167,773)	(654)	0.39%	(187,936)
[33] Other Non-Operating Revenue/(Expenses)	(143,256)	15,714	(158,969)	-1011.65%	15,735
[34] Total Non Operating Revenue/(Expense)	<u>461,417</u>	<u>803,884</u>	<u>(342,467)</u>	<u>-42.60%</u>	<u>812,147</u>
Total Net Surplus/(Loss)	<u>121,941</u>	<u>297,792</u>	<u>(175,851)</u>	<u>-59.05%</u>	<u>916,543</u>
	ACTUAL YTD	BUD YTD	ACT FYE 24	PROJ FYE 25	Prior YTD
[35] Operating Margin	-1.13%	-1.81%			0.39%
[36] Total Profit Margin	0.40%	1.06%			3.39%
[37] EBITDA	-0.12%	-0.12%			1.55%
[38] Cash Flow Margin	2.53%	3.95%			5.95%

Statement of Revenue and Expense - 13 Month Trend

KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA

	28	31	31	30	31	30	31	31	30
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
	02/28/26	01/31/26	12/31/25	11/30/25	10/31/25	09/30/25	08/31/25	07/31/25	06/30/25
Gross Patient Revenue									
[1] Inpatient Revenue	1,178,137	1,127,465	1,301,785	916,902	993,847	1,043,247	973,987	1,412,918	878,031
[2] Clinic Revenue	1,008,996	1,411,784	1,336,905	1,380,389	1,507,686	1,484,378	1,434,986	1,614,079	1,443,923
[3] Outpatient Revenue	5,617,386	5,588,050	5,598,512	5,687,840	5,284,368	5,901,662	5,484,908	5,958,538	5,822,291
[4] Long Term Care Revenue	2,772,263	3,068,793	2,984,831	2,841,120	2,907,090	2,716,734	2,857,113	2,962,842	2,813,800
[5] Retail Pharmacy Revenue	530,199	527,665	687,725	456,862	674,168	625,071	739,348	718,471	716,476
[6] Total Gross Patient Revenue	11,106,980	11,723,756	11,909,758	11,283,113	11,367,159	11,771,092	11,490,342	12,666,849	11,674,521
Deductions From Revenue									
[7] Discounts and Allowances (incl IGTs)	70% (7,609,662)	68% (7,900,876)	65% (7,664,622)	66% (7,263,153)	68% (7,626,640)	69% (7,923,166)	67% (7,555,625)	71% (8,846,846)	69% (7,964,781)
[8] Bad Debt Expense (Governmental Providers Only)	(144,121)	(121,526)	(122,829)	(163,337)	(131,266)	(146,919)	(153,678)	(151,546)	(95,513)
[7B] Medi-Cal Deductions due to IGTs	0	0	0	0	0	0	0	0	0
[9] Charity Care	0	0	0	0	0	0	0	0	0
[10] Total Deductions From Revenue	(7,753,782)	(8,022,401)	(7,787,451)	(7,426,491)	(7,757,906)	(8,070,085)	(7,709,303)	(8,998,392)	(8,060,294)
[11] Net Patient Revenue	3,353,198	3,701,355	4,122,307	3,856,622	3,609,253	3,701,007	3,781,038	3,668,456	3,614,226
[12] Other Operating Rev (Incl HHS Stimulus)	71,365	17,936	20,062	13,656	16,934	14,349	57,207	75,849	12,398
[13] Total Operating Revenue	3,424,562	3,719,291	4,142,369	3,870,278	3,626,188	3,715,357	3,838,245	3,744,306	3,626,624
Operating Expenses									
[14] Salaries and Wages	1,597,766	1,725,742	1,741,873	1,729,861	1,731,138	1,662,964	1,829,589	1,763,370	1,656,279
[15] Fringe Benefits	346,210	385,428	364,001	360,838	354,691	355,301	376,530	346,415	326,522
[16] Contract Labor	68,859	67,280	80,731	104,784	92,882	80,271	71,738	65,166	78,264
[17] Professional & Physician Fees	338,625	389,130	406,358	361,262	378,156	391,393	375,135	377,397	354,404
[18] Purchased Services	160,967	173,500	163,716	170,788	157,456	158,577	143,475	149,690	119,935
[19] Supply Expense	601,447	657,859	982,808	890,936	692,858	627,492	838,255	801,965	785,215
[20] Utilities	55,195	68,673	70,970	65,742	62,128	74,699	73,972	66,288	61,519
[21] Repairs and Maintenance	9,672	8,487	18,030	5,082	11,403	8,287	9,808	10,855	11,241
[22] Insurance Expense	67,428	67,428	105,425	67,428	70,271	105,200	67,428	67,428	106,726
[23] All Other Operating Expenses	99,852	111,156	103,443	85,330	76,037	105,490	98,026	114,613	93,575
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0	0	0	0	0	0
[25] Leases and Rentals	33,257	46,529	37,110	29,952	30,044	39,484	29,950	36,790	24,052
[26] Depreciation and Amortization	59,516	59,488	59,488	59,435	59,183	59,183	58,910	57,774	59,348
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0	0	0	0	0	0
[28] Total Operating Expenses	3,438,795	3,760,700	4,133,954	3,931,468	3,716,248	3,668,341	3,972,816	3,857,750	3,677,079
Net Operating Surplus/(Loss)	(14,233)	(41,409)	8,415	(61,190)	(90,060)	47,015	(134,570)	(113,445)	(50,455)
Non-Operating Revenue:									
[29] Contributions/Grants/PPP/ERC	0	0	0	0	171,089	54,552	13,053	0	11,335
[30] Investment Income	35,152	38,512	35,963	37,933	35,714	37,810	37,278	36,594	24,384
[31] Income Derived from Property Taxes	29,931	29,931	29,931	29,931	29,931	29,931	29,931	29,931	57,491
[32] Interest Expense (Governmental Providers Only)	(19,076)	(20,045)	(27,627)	(20,009)	(20,049)	(20,301)	(20,201)	(21,117)	(29,005)
[33] Other Non-Operating Revenue/(Expenses)	13,603	10,546	13,256	8,793	(155,179)	(48,902)	(352)	14,979	185
[34] Total Non Operating Revenue/(Expense)	59,611	58,944	51,522	56,648	61,505	53,091	59,708	60,387	64,390
Total Net Surplus/(Loss)	45,378	17,536	59,937	(4,542)	(28,555)	100,107	(74,862)	(53,058)	13,935
[35] Operating Margin	-0.42%	-1.11%	0.20%	-1.58%	-2.48%	-3.51%	-3.51%	-3.03%	-1.39%
[36] Total Profit Margin	1.33%	0.47%	1.45%	0.12%	0.79%	-1.95%	-1.95%	-1.42%	0.38%
[37] EBITDA	0.77%	-0.05%	0.97%	-0.56%	-1.40%	-2.50%	-2.50%	-2.05%	-0.55%
[38] Cash Flow Margin	3.62%	2.61%	3.55%	1.94%	1.40%	0.11%	0.11%	0.69%	2.82%

Statement of Revenue and Expense - 13 Month
KERN VALLEY HEALTHCARE DISTRICT
LAKE ISABELLA, CALIFORNIA

PAGE 9

	31	30	31	28
	Actual	Actual	Actual	Actual
	05/31/25	04/30/25	03/31/25	02/28/25
Gross Patient Revenue				
[1] Inpatient Revenue	919,766	1,178,765	1,284,233	1,211,376
[2] Clinic Revenue	1,506,100	1,454,900	1,455,217	1,337,711
[3] Outpatient Revenue	5,131,157	4,937,503	5,087,083	4,787,593
[4] Long Term Care Revenue	2,794,698	2,657,872	2,731,394	2,484,620
[5] Retail Pharmacy Revenue	594,645	528,898	488,497	494,336
[6] Total Gross Patient Revenue	<u>10,946,365</u>	<u>10,757,938</u>	<u>11,046,425</u>	<u>10,315,637</u>
Deductions From Revenue				
[7] Discounts and Allowances (incl IGTs)	68% (7,294,455)	68% (7,225,317)	68% (7,333,013)	68% (6,828,153)
[8] Bad Debt Expense (Governmental Providers Only)	(108,897)	(140,024)	(133,860)	(141,973)
[7B] Medi-Cal Deductions due to IGTs	0	0	0	0
[9] Charity Care	0	0	0	0
[10] Total Deductions From Revenue	<u>(7,403,352)</u>	<u>(7,365,340)</u>	<u>(7,466,872)</u>	<u>(6,970,126)</u>
[11] Net Patient Revenue	<u>3,543,013</u>	<u>3,392,597</u>	<u>3,579,553</u>	<u>3,345,511</u>
[12] Other Operating Rev (Incl HHS Stimulus)	13,869	15,316	14,822	13,026
[13] Total Operating Revenue	<u>3,556,882</u>	<u>3,407,913</u>	<u>3,594,375</u>	<u>3,358,537</u>
Operating Expenses				
[14] Salaries and Wages	1,648,035	1,654,167	1,702,621	1,449,506
[15] Fringe Benefits	326,902	332,810	338,337	309,541
[16] Contract Labor	79,951	95,657	92,401	92,061
[17] Professional & Physician Fees	384,120	377,024	381,284	345,689
[18] Purchased Services	169,025	150,363	136,423	144,838
[19] Supply Expense	677,345	583,304	610,130	657,134
[20] Utilities	92,322	67,955	71,311	87,258
[21] Repairs and Maintenance	(1,411)	20,186	13,905	2,474
[22] Insurance Expense	67,043	39,371	102,241	67,042
[23] All Other Operating Expenses	125,211	89,736	126,676	122,447
[24] Bad Debt Expense (Non-Governmental Providers)	0	0	0	0
[25] Leases and Rentals	21,687	33,523	19,438	48,534
[26] Depreciation and Amortization	60,983	61,216	62,599	62,511
[27] Interest Expense (Non-Governmental Providers)	0	0	0	0
[28] Total Operating Expenses	<u>3,651,213</u>	<u>3,505,312</u>	<u>3,657,368</u>	<u>3,389,037</u>
Net Operating Surplus/(Loss)	<u>(94,331)</u>	<u>(97,399)</u>	<u>(62,992)</u>	<u>(30,499)</u>
Non-Operating Revenue:				
[29] Contributions/Grants/PPP/ERC	50,000	35,372	0	0
[30] Investment Income	73,241	71,937	71,922	75,712
[31] Income Derived from Property Taxes	27,974	27,974	27,974	27,974
[32] Interest Expense (Governmental Providers Only)	(23,657)	(21,252)	(21,219)	(21,357)
[33] Other Non-Operating Revenue/(Expenses)	(26,297)	10,157	12,755	10,214
[34] Total Non Operating Revenue/(Expense)	<u>101,261</u>	<u>124,187</u>	<u>91,431</u>	<u>92,543</u>
Total Net Surplus/(Loss)	<u>6,930</u>	<u>26,789</u>	<u>28,439</u>	<u>62,043</u>
[35] Operating Margin	-2.65%	-2.86%	-1.75%	-0.91%
[36] Total Profit Margin	0.19%	0.79%	0.79%	1.85%
[37] EBITDA	-1.60%	-1.69%	-0.60%	0.32%
[38] Cash Flow Margin	2.57%	3.21%	3.12%	4.34%

Statement of Cash Flows

KERN VALLEY HEALTHCARE DISTRICT LAKE ISABELLA, CALIFORNIA Eight Months Ending February 28, 2026

PAGE 10

	CASH FLOW	
	Current Month 2/28/2026	Current Year-To-Date 2/28/2026
CASH FLOWS FROM OPERATING ACTIVITIES:		
[1] Net Income (Loss)	105,378	121,941
[2] Adjustments to Reconcile Net Income to Net Cash		
[3] Provided by Operating Activities:		
[4] Depreciation	59,516	472,977
[5] (Increase)/Decrease in Net Patient Accounts Receivable	(728,169)	(2,334,381)
[6] (Increase)/Decrease in Other Receivables	(26,414)	(688,128)
[7] (Increase)/Decrease in Inventories	2,001	11,942
[8] (Increase)/Decrease in Pre-Paid Expenses	18,079	(215,226)
[9] (Increase)/Decrease in Other Current Assets	0	0
[10] Increase/(Decrease) in Accounts Payable	29,892	750,167
[11] Increase/(Decrease) in Notes and Loans Payable	0	0
[12] Increase/(Decrease) in Accrued Payroll and Benefits	375,538	(323,330)
[13] Increase/(Decrease) in Accrued Expenses	(148,456)	(134,107)
[14] Increase/(Decrease) in Patient Refunds Payable	(195,748)	(126,968)
[15] Increase/(Decrease) in Third Party Advances/Liabilities	(17,629)	(2,026,626)
[16] Increase/(Decrease) in Other Current Liabilities	0	0
[17] Net Cash Provided by Operating Activities:	(526,011)	(4,491,738)
CASH FLOWS FROM INVESTING ACTIVITIES:		
[18] Purchase of Property, Plant and Equipment	(86,214)	(609,284)
[19] (Increase)/Decrease in Limited Use Cash and Investments	(13,603)	133,850
[20] (Increase)/Decrease in Other Limited Use Assets	442,559	7,071,836
[21] (Increase)/Decrease in Other Assets	0	0
[22] Net Cash Used by Investing Activities	342,742	6,596,402
CASH FLOWS FROM FINANCING ACTIVITIES:		
[23] Increase/(Decrease) in Bond/Mortgage Debt	(458,000)	(910,000)
[24] Increase/(Decrease) in Capital Lease Debt	0	(81,153)
[25] Increase/(Decrease) in Other Long Term Liabilities	(945,932)	(722,327)
[26] Net Cash Used for Financing Activities	(1,403,932)	(1,713,480)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	0	0
[27] Net Increase/(Decrease) in Cash	(1,587,201)	391,184
[28] Cash, Beginning of Period	8,124,161	6,145,776
[29] Cash, End of Period	6,536,960	6,536,960

Kern Valley Healthcare District

Financial Report

For the month of February 2026 (8th month in FY 26)

Profit/Loss Summary

Net Income in February was \$ 105,378, a 3.02% total profit margin, and \$ 68,810 above budget.

Net Patient Revenue- MTD positive-YTD positive

Month-The Net Patient Revenue in February was \$3,413,198 (6.69 % above budget). The volume was lower in the acute areas where patient days were down by 23 from January and under budget (21 days below budget), Gross Inpatient Revenues were above budget (\$96,455). Skilled Nursing revenues decreased in February (\$296,530 below prior month (3 less days)) (days were down 180, but still over budget by 70 days, and census was down by .4 days and revenues were over budget by \$240,063. Outpatient revenues were \$641,129 above budget (12.88%) Outpatient visits were even with budget and ER Visits were over budget by 41. Retail Pharmacy revenue was 3.47% over budget for the month (prescriptions were 907 over budget, and 28 below prior month).

YTD-Net Patient Revenue is over budget by \$2,090,039 (7.53%). Volumes are under budget in the acute (157 days) and ER (105 visits). Volumes are over budget in the Outpatient (475 visits), skilled Nursing (101 days) and the retail pharmacy (5,291 prescriptions). Inpatient (\$436,200) and Clinic revenue (\$816,700) are under budget. Outpatient revenue (\$1,934,466), Skilled nursing revenue (\$1,134,901) and Retail pharmacy (\$512,333) are over budget.

Operating Expenses- MTD Negative YTD Negative

Month-Operating Expenses in February were \$154,847 (4.72%) above budget (unfavorable). Labor expenses were over budget with February salaries and wages and fringe benefits above budget by \$152,451 and contract labor was \$12,199 over budget. Supply expense was over budget by \$9,996 primarily due to wound care supplies of \$29,833 being unbudgeted.

YTD- Operating Expenses are \$1,980,094 (6.95%) above budget (unfavorable). Labor expenses are over budget with salaries and wages and fringe benefits above budget by \$1,123,840 and contract labor is \$139,985 above budget. Supply expense is over budget by \$960,670 primarily due to the retail pharmacy drug expenses being over budget by \$543,247, due to prescriptions filled being over budget by 4,384, and wound care supplies being over budget by \$625,682.

Balance Sheet/Cash Flow

Patient cash collections in January were down from \$2,657,503 in January to \$1,856,082 in February. The Gross AR Days increased to 77 days in February from 72 in January. Gross AR increased by \$2,433,949 primarily due to Wound Care program billings. We are still reviewing all of the accounts to get the AR days down. Cash Balances (all sources) decreased to \$14,084,856 compared to \$15,638,443 in January.

The Accounts Payable balances increased by \$29,892 in February, primarily due to unpaid Wound Care invoices.

Concluding Summary

Positive takeaways for the month:

- 1) Long Term Care revenue was over budget.
- 2) Inpatient revenue was over budget.
- 3) Outpatient revenue was over budget.
- 4) Retail pharmacy revenue was over budget
- 5) Net patient revenue was over budget
- 6) Operating expenses decreased.

Negative takeaways for the month:

- 1) Operating expenses were over budget.
- 2) Gross AR days increased by 5.
- 3) Clinic revenue was under budget.
- 4) No payments for Wound Care, yet.

Prepared by John Lovrich, CEO
March 21, 2026

KVHD
Patient Statistics
Thirteen Months Ended February 28, 2026

STATISTICS	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Actual 7/31/2025	Actual 8/31/2025	Actual 9/30/2025	Actual 10/31/2025	Actual 11/30/2025	Actual 12/31/2025	Actual 1/31/2026	Actual 2/28/2026
Discharges													
[1] Acute	27	28	29	24	22	27	21	23	27	20	32	29	28
[2] Swing Beds	2	1	1	0	0	4	1	3	2	2	2	3	2
[3] Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0
[4] Respite	0	0	0	0	0	0	0	0	0	0	0	0	0
[5] Total Adult Discharges	29	29	30	24	22	31	22	26	29	22	34	32	30
[6] Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0
[7] Total Discharges	29	29	30	24	22	31	22	26	29	22	34	32	30
Patient Days:													
[8] Acute	84	103	93	73	79	109	76	91	88	86	122	97	94
[9] Swing Beds	20	34	13	0	0	39	17	14	39	5	35	44	24
[10] Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0
[11] Respite	0	0	0	0	0	0	0	0	0	0	0	0	0
[12] Total Adult Patient Days	104	137	106	73	79	148	93	105	127	91	157	141	118
[13] Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0
[14] Total Patient Days	104	137	106	73	79	148	93	105	127	91	157	141	118
Average Length of Stay (ALOS)													
[15] Acute	3.1	3.7	3.2	3.0	3.6	4.0	3.6	4.0	3.3	4.3	3.8	3.3	3.4
[16] Swing Bed	10.0	34.0	13.0	0.0	0.0	9.8	17.0	4.7	19.5	2.5	17.5	14.7	12.0
[17] Psychiatric/Rehab	0	0	0	0	0	0	0	0	0	0	0	0	0
[18] Total Adult ALOS	3.6	4.7	3.5	3.0	3.6	4.8	4.2	4.0	4.4	4.1	4.6	4.4	3.9
[19] Newborn ALOS	0	0	0	0	0	0	0	0	0	0	0	0	0
[1]													
Average Daily Census (ADC)													
[20] Acute	3.0	3.3	3.1	2.4	2.6	3.5	2.5	3.0	2.8	2.9	3.9	3.1	3.4
[21] Swing Beds	0.7	1.1	0.4	0.0	0.0	1.3	0.5	0.5	1.3	0.2	1.1	1.4	0.9
[22] All Other Adult	0	0	0	0	0	0	0	0	0	0	0	0	0
[23] Total Adult ADC	3.7	4.4	3.5	2.4	2.6	4.8	3.0	3.5	4.1	3.0	5.1	4.5	4.2
[24] Newborn	0	0	0	0	0	0	0	0	0	0	0	0	0
Long Term Care:													
[25] SNF/ECF Resident Days	1393	1531	1487	1571	1573	1662	1593	1521	1628	1584	1667	1728	1548
[26] SNF/ECF Resident Discharges	1	1	1	2	1	0	2	2	2	1	3	1	2
[27] CBRF/Assisted Living Days	0	0	0	0	0	0	0	0	0	0	0	0	0
[28] Average Daily Census	49.8	49.4	49.6	50.7	52.4	53.6	51.4	50.7	52.5	51.1	53.8	55.7	55.3
Emergency Room Statistics													
[29] ER Visits - Admitted	22	28	25	23	22	27	23	23	24	19	30	23	23
[30] ER Visits - Discharged	302	343	311	324	344	381	328	364	360	307	323	354	381
[31] ER - Urgent Care Visits	288	310	322	310	312	316	304	270	241	274	261	302	273
[32] Total ER Visits	612	681	658	657	678	724	655	657	625	600	614	679	676
[33] % of ER Visits Admitted	3.59%	4.11%	3.80%	3.50%	3.24%	3.73%	3.51%	3.50%	3.84%	3.17%	4.89%	3.39%	3.40%
[34] ER Admissions as a % of Total	75.86%	87.50%	86.21%	79.31%	75.86%	96.43%	95.83%	85.19%	88.89%	86.36%	88.24%	71.88%	76.67%

KVHD
Patient Statistics
Thirteen Months Ended February 28, 2026

STATISTICS	Actual 2/28/2025	Actual 3/31/2025	Actual 4/30/2025	Actual 5/31/2025	Actual 6/30/2025	Actual 7/31/2025	Actual 8/31/2025	Actual 9/30/2025	Actual 10/31/2025	Actual 11/30/2025	Actual 12/31/2025	Actual 1/31/2026	Actual 2/28/2026
Outpatient Statistics:													
[35] Total Outpatients Visits	846	868	1047	1025	1055	1135	955	1082	1090	840	929	901	901
[36] Observation Bed Days	18	11	27	19	25	17	21	17	15	18	19	20	23
[37] Clinic Visits - Primary Care	1138	1253	1054	1145	976	1168	975	922	1039	906	864	843	725
[38] Clinic Visits - Specialty Clinics	228	248	264	222	261	264	224	235	263	190	207	286	202
[39] IP Surgeries	0	0	0	0	0	0	0	0	0	0	0	0	0
[40] OP Surgeries	0	0	0	0	0	0	0	0	0	0	0	0	0
[41] Outpatient Scopes	0	0	0	0	0	0	0	0	0	0	0	0	0
[42] Retail Pharmacy Scripts	5167	5101	5541	5858	6654	7799	7499	6858	7121	6220	7096	6796	6768
[43] Clinic Visits-Mobile Van	0	0	0	0	0	0	0	0	0	0	0	0	0
[44] FTE's - Worked	217.79	222.25	223.42	220.81	216.58	220.73	227.94	222.87	224.62	223.66	214.91	210.62	218.76
[45] FTE's - Paid	239.27	241.63	247.25	246.07	242.25	248.21	248.35	247.12	248.82	246.99	247.08	244.68	245.15
[46] Case Mix Index -Medicare	0.9070	1.0770	1.1230	1.3689	1.0734	0.9978	0.9270	1.0765	0.9313	0.8826	0.9107	0.9234	1.0715
[47] Case Mix Index - All payers	0.9520	1.0170	0.9990	1.1085	0.9517	1.0036	0.9840	0.9601	0.9654	0.9045	0.8898	0.9443	1.0821

**KERN VALLEY
HEALTHCARE DISTRICT**

Mar-26

CONTRACT	VEN #	CONTRACT TYPE	DESCRIPTION	COST	BEGIN	RENEW	NEXT FINANCE REVIEW	TERMS	DEPT	MANAGER
ALLIANT INS SERVICE (GREAT AMERICAN)	04286	INSURANCE	SURETY BOND/SNF	\$ 625.00	ANN	07/01/20	ANNUALLY	03/01/26	ADMIN/FINANCE	LOVRICH
BARTON & ASSOCIATES	52580	PHYSICIAN	STANDBY EMERGENCY LOCUM TENENS	VARIOUS		06/13/16	06/12/21	03/01/26	ADMINISTRATION	LOVRICH
BETA HEALTHCARE	03119	INSURANCE	LIABILITY	\$ 43,078.38	MO	07/01/20	ANNUALLY	03/01/26	ADMIN/FINANCE	LOVRICH
BETA HEALTHCARE	03119	INSURANCE	AUTO	\$ 28,024.00	ANN	07/01/20	ANNUALLY	03/01/26	ADMIN/FINANCE	LOVRICH
BETA HEALTHCARE	03119	INSURANCE	OFFICERS / DIRECTORS	\$ 37,771.80	QTRLY	07/01/20	ANNUALLY	03/01/26	ADMIN/FINANCE	LOVRICH
BETA/ ACHD/ ALPHA FUND	01174	INSURANCE	WORKERS COMP	\$ 46,887.92	MO	07/01/20	ANNUALLY	03/01/26	ADMIN/FINANCE	LOVRICH
C & R PEST CONTROL	52172	SERVICE	PEST CONTROL	\$ 740.00	MO	06/01/24	05/31/26	03/01/26	PLANT OPERATIONS	EASTERDAY
CALIFORNIA INTERNET LP - GEOLINKS	53001	SERVICE	INTERNET AND VOIP PHONE	\$ 5,267.07	MO	06/01/25	05/31/26	03/01/26	IS	ZUBER
DELTA DENTAL	01830 & 03836	SERVICE	EMPLOYEE DENTAL	\$ 29.23	EA	07/01/20	ANNUALLY	03/01/26	ADMINISTRATION	LOVRICH
DIGITAL PHARMACIST	53446	SERVICE	MOBILE RX REFILL APP	\$ 163.91	MO	05/31/25	05/31/26	03/01/26	RETAIL PHARMACY	RAI
DIGNITY TELEHEALTH NETWORK PROGRAM (COMMONSPIRIT)		PHYSICIAN	ROBOT TELEMEDICINE	\$ -		07/01/25	06/30/26	03/01/26	ADMINISTRATION	LOVRICH
ESP PERSONNEL	52804	REGISTRY	NURSE REGISTRY	VARIOUS		06/25/20	OPEN	03/01/26	NURSING	JIMERSON
GIEM, PAUL M.D.	04119	PHYSICIAN	AS NEEDED RHC PEER REVIEW	\$ 125.00	HOUR	07/01/19	OPEN	03/01/26	ADMINISTRATION	LOVRICH
GO DADDY- ERAD	51827	SERVICE	SECURE CERTIFICATES ERAD	\$ 199.98	2 YRS	06/01/25	05/31/27	03/01/26	IS	ZUBER
HSS INC (TARIAN)	52888	SOFTWARE LICENSE	TEAM TECHNIQUES FOR EFFECTIVE AGGRESSION MANAGEMENT	\$ 11,125.00	ANN	06/08/23	06/07/26	03/01/26	EDUCATION	DONOHO
JWT & ASSOC, LLP	52438	SERVICE	CPA ANNUAL AUDIT	\$ 42,000.00	ANN	06/12/24	06/30/25	03/01/26	ADMINISTRATION	LOVRICH
KENT, J. M. D.D.S.	01452	PHYSICIAN	DENTAL WORK			06/30/92	OPEN	03/01/26	ADMINISTRATION	LOVRICH
NEW YORK LIFE	03194	LIFE INSURANCE	INSURANCE: EMP BENEFIT	VARIOUS	MO	07/01/25	6/31/26	03/01/26	ADMIN/FINANCE	LOVRICH
PULSENETT (DIRECTV)	53696	SERVICE	TV SERVICE FOR FACILITY	\$ 423.00	MO	06/27/25	06/26/30	03/01/26	IS	ZUBER
REGISTER.COM (DOMAIN)	52365	SERVICE	DOMAIN HOSTING REGISTRATION KVHD.ORG	\$ 65.98	ANN	06/17/25	06/17/26	03/01/26	IS	ZUBER
SYSMEX AMERICA	52976	SERVICE	HEMATOLOGY X 2 MACHINES	\$ 12,483.00	ANN	06/29/25	06/28/26	03/01/26	LABORATORY	TALAMPAS
VICTIG		SERVICE	BACKGROUND CHECKS	Fee Per Each Request	MO	06/02/23	OPEN	03/01/26	HUMAN RESOURCES	COLEMAN
VSP		SERVICE	EMPLOYEE VISION PLAN	\$ 9.92	EA	07/01/20	ANNUALLY	03/01/26	ADMINISTRATION	LOVRICH



**MINUTES FOR
BOARD PERSONNEL AND POLICY COMMITTEE
Monday, March 23, 2026 – 9:00 A.M.**

1. **CALL TO ORDER:** The meeting was called to order by John Blythe at 9:00am in the Administrative Conference Room.

 PRESENT: John Blythe, Board Chair (for Fred Clark)
 Katheryn Elconin, 1st Vice Chair (for Ross Elliott)
 John Lovrich, Chief Executive Officer
 Shannon Jimerson, Chief Nursing Officer
 Cary Zuber, Chief Information Officer
 Cassandra Coleman, Human Resources Manager
 Greg Davis, Director of Population Health
 Heidi Sage, Executive Assistant

2. **APPROVAL OF AGENDA:** The agenda was approved as distributed.

3. **APPROVAL OF MINUTES:** The minutes of the February 23, 2026 meeting were approved as distributed.

4. **REPORTS:**
 - A. **Human Resources Report:** The HR report for February 2026 was presented by Cassandra Coleman. Ms. Coleman updated the committee on hires and terminations for the month. There were two new Workers Comp claims during the month, but no lost time.

 - B. **FTE Report:** The FTE reports for the pay periods ending 2/21/26 and 3/07/26 were reviewed and discussed. For PPE 2/21/26, the District was 20.03 FTEs under target based on actual volume. For PPE 3/07/26, the District was 15.85 FTEs under target based on actual volume. This positive variance is related to higher than budgeted volumes. Mr. Lovrich continues to monitor overtime as well.

 - C. **Chief Nursing Officer Report:** Mrs. Jimerson reported that is has been a busy couple of weeks. Mrs. Jimerson's primary focus now is education and policies. Mrs. Jimerson, along with another staff member, will be attending training to become ACLS and PALS instructors so we can offer those classes internally to our nursing staff, which will save money over time. Mrs. Jimerson is also working on an RN Residency Program through the Emergency Nursing Association. This residency program is vital, especially for new RN's. Mrs. Jimerson met with Kern Medical Center to bridge our relationship and discuss education opportunities and transfer issues. The District will be implementing the Daisy Award program which will be a morale booster for licensed nursing staff.

 - D. **Chief Executive Officer Report:** Mr. Lovrich reported that the audit is complete. The PPS reconciliation is also complete. Mr. Lovrich is beginning to work on the budget. While we are not expecting any cuts this year, we need to focus on expense reductions. Supervisor Phillip Peters was on-stie last week and has committed to helping us with our transfer issues. Mr. Lovrich and Mrs. Jimerson are meeting with a representative from Liberty Ambulance every month to work on that relationship and transfer issues. Mr. Lovrich continues to interview CFO candidates. Cary

Zuber and Ben Torres will be attending the CPSI annual conference in early April. We are continuing to evaluate the CPSI EMR for the clinic, but there are still some concerns that are being addressed. Current SNF census is 56. We are looking for additional staff to be able to accommodate more admissions.

5. POLICY/PROCEDURES FOR REVIEW:

Manuals:

Anesthesia – The Anesthesia manual was reviewed and approved by this committee. The manual will be placed on the Board of Directors consent agenda for full Board consideration.

Materials Management – The Materials Management manual was reviewed and approved by this committee. The manual will be placed on the Board of Directors consent agenda for full Board consideration.

UR/Social Services – The UR/Social Services manual was reviewed and approved by this committee. The manual will be placed on the Board of Directors consent agenda for full Board consideration.

Policies:

Health Information Management:

- Access, Retrieval, Filing and Storage of Medical Records Approved – Will place on consent agenda

Human Resources:

- CA Family Leave of Absence Approved – Will place on consent agenda
- Employee Annual Evaluation Approved with changes – To consent
- Guaranteed Weekend Shifts Retire policy – no longer used
- Human Resources Policies and Procedures Manual Return to manager to evaluate need
- Itemized Wage Statement Return to manager for changes (#5)
- Paid Time Off (PTO) Policy Return to manager for changes/formatting
- Payroll Paydays and Paychecks Approved with changes – To consent
- Personnel Records (Employee) Approved – Will place on consent agenda
- Rehire of Former Employees Approved with changes – To consent
- Resignation of Employee Return to manager for changes
- Return to Work Return to manager for changes

Infection Control:

- ICP: Surveillance Program/Plan Acute Care Facility Approved – Will place on consent agenda

Information Systems:

- Telecommuting Policy Approved – Will place on consent agenda

Laboratory – Specimen Collection:

- Collection of Venous Blood Gas Table to next meeting – clarify tubes

Mesa Clinical Pharmacy:

- Hours of Operation Approved with changes
- Return to Stock Approved with changes

Nutrition Services:

- Catering Services Approved – Will place on consent agenda
- Communication Approved – Will place on consent agenda
- Cutting Board System – Color-Coded Approved – Will place on consent agenda
- Meal Count Record Approved – Will place on consent agenda
- Tray Cards Approved – Will place on consent agenda

Radiology:

- Referral of Radiologic Studies to Outside Facility Approved – Will place on consent agenda
- Reports Authenticated by Radiologists Approved – Will place on consent agenda

Rehabilitation Services:

- Assessments: Evaluation and Competency Approved – Will place on consent agenda

Rural Health Clinic:

- Child Abuse Reporting Approved – Will place on consent agenda

Social Services/Discharge Planning:

- Organizational Plan Approved – Will place on consent agenda

Policy Tracking Form: The tracking forms for both clinical and non-clinical policies were briefly reviewed.

6. OLD BUSINESS:

A. Review of Evaluation Tracking Form: The evaluation tracking form was reviewed and discussed.

7. NEW BUSINESS:

A. Termination Trending Detail: This item was discussed under the HR Report.

B. Nectar Usage Report: The Nectar Usage reports were briefly reviewed and discussed. Seeing better participation from manager who had not previously utilized the system.

C. Draft Scholarship Policy: Tabled to next meeting.

8. ADJOURNMENT: The meeting was adjourned at 10:41am.

Submitted by: _____
Heidi Sage, Executive Assistant

Approved by: _____
Fred Clark, Committee Chair

**KERN VALLEY HEALTHCARE DISTRICT
HUMAN RESOURCES REPORT
FEBRUARY 2026 – FY 26**

	FEB '26	JAN '26	DEC '25	FEB '25		
FULL TIME:	221	218	217	277		
PART TIME:	28	26	23	39		
PART TIME W/O BENEFITS:	8	7	9	28		
PER DIEM:	45	44	42	95		
TEMPORARY:	12	12	8	19		
TOTAL EE'S + OP:	314	307	299	--		
UNOCCUPIED:	21	17	12	--		
GRAND TOTAL:	293	290	287			
TURNOVER RATE:	1.37%	1.71%	2.4%	1.13%		
EE's on LOA	16	14	--	--		
ACTIVE EE's	277	276	273	266		
OPEN POSITIONS:	25	OPEN	DEPARTMENT	POSITION	STATUS	
	3		SKILLED NURSING	CNA	FT	
	2		SKILLED NURSING	LVN	FT	
	2		RN CHARGE	RN	FT	
	1		ACUTE	LVN	FT	
	1		ACUTE	RN	FT	
	2		ER	RN	FT	
	1		ER	RN	PD	
	1		MVHC	CLINICAL PHYSICIAN	PT	
	1		MVHC	MID-LEVEL PRACT	FT	
	1		RADIOLOGY	RAD TECH-CT& GEN. RADIOLOGY	PD	
	1		RETAIL	PHARMACIST	FT	
	1		RETAIL	PHARM TECH	PT	
	1		REHAB	SPEECH THERAPIST	PD	
	2		RESPIRATORY	RCP	FT	
	1		FINANCE	CFO	FT	
	1		NUTRITION	DT/COOK	TEMP	
	1		SECURITY	SECURITY OFFICER	PD	
	2		HIM	HIM TECH	FT	
NEW HIRES:	5	NEW				
	1		PATIENT SERVICES	PSR	PT	
	1		REHAB	PT ASSISTANT	PT	
	1		NUTRITION	DIETARY TECH	PW	
	1		SKILLED NURSING	LVN	PD	
	1		LAB	LAB TECH II	FT	
SEPARATION FROM EMPLOYMENT:	4	VOL	INVOL	DEPARTMENT	POSITION	
	1			PATIENT SERVICES	PSR	
	1			ULTRASOUND	ULTRASOUND TECH	
	1			SKILLED NURSING	RESIDENT MONITOR	
	1			SKILLED NURSING	RN	
WORKERS' COMPENSATION NEW CLAIMS:				DEPARTMENT	LOST TIME?	RTW?
	1			SKILLED NURSING	NO	YES
	1			MAINTNENANCE	NO	YES

**KERN VALLEY HEALTHCARE DISTRICT
HUMAN RESOURCES REPORT
FEBRUARY 2026 – FY 26**

WC OPEN/CLOSED:	OPEN FY 25-30 22	CLOSED FY 25-30 8	TOTAL CLAIMS FY 25-30 30	TOTAL OPEN CLAIMS 22	
(FY24) 7/1/24 – 6/30/25	10	7	17	10	
(FY25) 7/1/25 – 6/30/26	12	1	13	12	



Chief of Staff Report – April 9, 2026 Board of Directors Meeting

Pharmacy & Therapeutics (P&T) Committee– March 11, 2026

- Committee received reports and discussed issues specific to winter respiratory illnesses.
- Committee reviewed ED stats for February 2026.
- Committee reviewed 20 and approved 19 policies. (Rapid SARS Antigen, High Alert Medications and Independent Double Checks, Single and Multiple Dose Medication Containers, Pharmaceutical Waste Management, Hazardous Drugs – Storage, Preparation, Administration and Disposal, Clostridioides Difficile – Infection Control Practices Acute, Clostridioides Difficile – Isolation Control Practices SNF, Emergency Events in the Radiology Department, Technologist Fluoroscopy License, Technologist Licensure – Radiology, Calorie Count Monitoring, Dining Room Oversight, Test Tray Monitoring and Kitchen Inspection Audits, Diets, Communication of Diet Orders, Dishmachine Operation, Damaged Dishware and Equipment Control, Personal Cup Use, Emergency Response, Pharmacy Clerk Role & Duties, and Triage.) The policy High Alert Medications and Independent Double Checks will remain on the agenda. The retirement of policy Pharmacy Hazardous Drugs/Chemicals Program was also reviewed and approved.
- Committee reviewed a proposed standardized procedure for sepsis/septic shock diagnosis and management.
- Committee reviewed regular reports. (Blood Usage, Blood Culture Analysis, CAHPS, Temperature Alert Incidents, Medication Shortages, and MERP).

Medical Executive Committee (MEC) – March 24, 2026

- Committee reviewed and approved 18 policies. (Rapid SARS Antigen, Pharmaceutical Waste Management, Hazardous Drugs – Storage, Preparation, Administration and Disposal, Clostridioides Difficile – Infection Control Practices Acute, Clostridioides Difficile – Isolation Control Practices SNF, Emergency Events in the Radiology Department, Technologist Fluoroscopy License, Technologist Licensure – Radiology, Calorie Count Monitoring, Dining Room Oversight, Test Tray Monitoring and Kitchen Inspection Audits, Diets, Communication of Diet Orders, Dishmachine Operation, Damaged Dishware and Equipment Control, Personal Cup Use, Emergency Response, Pharmacy Clerk Role & Duties, and Triage). The retirement of policy Pharmacy Hazardous Drugs/Chemicals Program was also reviewed and approved.
- Committee reviewed a proposed standardized procedure for sepsis/septic shock diagnosis and management.
- Committee reviewed regular reports (Promoting Interoperability e/CQM, ED Monthly Statistics, Physician QI/Risk, Action Reports California Medical Board, and Medication Shortages)

Emergency Department (ED) Committee – March 25, 2026

- Committee discussed the progress of barcode scanning in the ER, EMS issues, physician and nurse staffing, and radiology turnaround times.
- Committee reviewed regular reports including Monthly Statistical Reports, Blood Culture Analysis, Medication Shortages, and MERP.

CIO Monthly Board Report: April 2026

I. Current Projects & Operations

- **MVHC EHR Transition (Status: Strategic Review & Planning)**
 - **Strategic Objectives:** This transition is a critical component of our long-term roadmap to consolidate clinical operations onto the TruBridge platform across as many service areas as possible.
 - **Key District Benefits:** * Financial Impact: Realization of significant cost savings by eliminating redundant legacy software licensing and maintenance fees.
 - **Operational Synergy:** Creating streamlined, cross-departmental workflows to ensure data consistency as patients move throughout the district.
 - **Enhanced Patient Experience:** Implementing a more efficient registration process and leveraging TruBridge's improved customer support infrastructure for faster issue resolution.
 - **Operational Impact Assessment:** We are currently weighing these strategic advantages against the immediate administrative burden of "chart prep" requirements.
 - **Timeline Evaluation:** A strategic determination is being made on whether to proceed as planned or defer the migration to a more ideal operational window to ensure minimal disruption to patient care.
 - **Emergency Department EVolvED Migration (Status: Go-Live Prep)**
 - **Go-Live Date:** The migration is officially scheduled for April 13th.
 - **Training & Readiness:** Provider and end-user training sessions have been successfully completed. All systems and interface training are finalized.
 - **Technical Validation:** Final testing is currently underway for the vitals interface to ensure seamless data flow between patient monitoring systems and the EVolvED platform prior to launch.
-

II. Future Projects & Strategic Roadmap

- **Revenue Cycle Automation:** Project remains in the technical configuration phase for the T-System Charge Interface.
 - **Intranet Modernization (Sharepoint Migration):** Project remains on track as we inventory assets for the transition to the Microsoft ecosystem.
 - **Cloud-Based Policy & Procedure Management:** Initiating the transition to a modern, cloud-hosted platform for district-wide policy management.
 - **Project Necessity:** Our legacy on-premise solution is no longer supported by the vendor, necessitating a move to ensure continued functionality and compliance.
 - **Strategic Advantages:** Initial demos indicate a significant improvement in accessibility for staff. The cloud architecture allows for more efficient document retrieval and streamlined updates across all departments.
 - **Windows Server Infrastructure Transition (Priority Upgrade):**
 - **Domain Controller Migration:** We are actively retiring legacy Domain Controllers and migrating to Windows Server 2025.
 - **Role & Function:** Domain Controllers serve as the primary gatekeepers for the District's network security, managing user authentication and enforcing HIPAA-compliant security policies.
 - **Milestones Achieved:** All environment prerequisites have been met, and the new server images have been successfully installed.
-

III. Artificial Intelligence (AI) Strategy & Evaluation

- **Microsoft 365 Copilot Pilot Program:** Evaluation continues among key administrative leaders to measure productivity gains in high-volume documentation tasks.
- **Clinical AI & EHR Integration:** Strategic coordination for DAX Copilot remains aligned with the broader TruBridge conversion planning to ensure day-one documentation efficiency for providers.
- **Productivity Benchmarking & Impact:**
 - **Milestone:** Initial benchmark tests for AI integration have been completed.
 - **Administrative ROI:** We are currently analyzing the positive impact AI has demonstrated in capturing and communicating meeting minutes for recent board sessions. This data will help quantify the specific time savings and accuracy improvements provided by the tool.

Marketing Performance Report: March 2026

1. Recruitment & Workforce Marketing

A primary focus this month was the launch of a multi-channel marketing campaign specifically designed to address staffing needs.

- **Target Roles:** Nurses, Certified Nursing Assistants (CNAs), and Licensed Vocational Nurses (LVNs).
- **Strategy:** Developed targeted messaging highlighting the benefits of joining our team to drive high-quality applications.

2. Community Relations & Networking

As the new PR Manager, establishing a local presence is a priority. March marked a significant step in regional relationship building.

- **Ridgecrest Collaborative Meeting:** Attended to network and introduce myself to key regional stakeholders.
- **Strategic Partners:** Initiated introductory dialogues with **Cerro Coso College** and **Ridgecrest Medical** to establish working relationships and to explore future collaborative opportunities.

3. Brand Identity & Product Design

We are modernizing our physical presence through updated collateral and professional signage.

- **Marketing "Swag":** Successfully finalized all product designs for new promotional items. These assets are ready for production to support upcoming outreach efforts.
- **Pharmacy Signage:** Collaboration with Monica is underway for the new pharmacy signage; the project is in the final stages and completion is expected shortly.

4. Community Events & Branding Outreach

We are leveraging high-traffic local events to increase brand sentiment and awareness.

- **Ridgecrest 100:** Currently preparing for attendance this coming Saturday. We have identified this as the peak day for foot traffic, providing an ideal window for aggressive branding and community engagement.

5. Content & Promotional Marketing

Developed high-impact copy for specialized departments and community events:

- **Fishing Derby:** Created promotional materials to drive community participation.
- **QIP Department:** Developed a dedicated awareness campaign for **Colorectal Cancer Awareness Month**.

6. Internal Recognition & Awards

We are proud to highlight the excellence of our internal team members who represent the best of our organization.

- **Top Performance Award:** Officially acknowledged **Lisa and Yvonne** for being selected as two of the six winners representing Kern Valley Hospital District (KVHD) for the Top Performance Award.

3. Comparable Services Analysis

(Provide a breakdown of costs from comparable vendors Please attach quotes

Vendor	Recommended Vendor (Y/N)	Amount \$

4. Authorization

Involves Facilities: Yes* No Involves Nursing: Yes* No Involves Technology: Yes* No
 * Yes to either of the above requires Plant Operations Manager, CNO, and/or CIO approval.

Signatures:

<i>Legal Counsel</i>	<i>Date</i>
<i>Plant Operations Manager (if required)</i>	<i>Date</i>
<i>CIO (if required)</i>	<i>Date</i>
<i>CFO</i>	<i>Date</i>
<i>CNO (If required)</i>	<i>Date</i>
<i>CEO</i>	<i>Date</i>
<i>Department Manager</i>	<i>Date</i>

5. Administration Use Only

Finance Committee Approval Date: _____

Board of Directors Approval Date: _____

Notes:

For: KERN VALLEY HEALTHCARE DISTRICT
 MT MESA DIST
 6412 LAUREL AVE
 PO BOX 1628

Quote: Kern Valley 48349
Date: 3/17/2026
Valid: FOR 90 DAYS

Attn: Christine Pulido, Materials Manager
Contact phone:(760) 379-6688
Contact email:pulidoch@kvhd.org

Terms: NET 60 DAYS (OAC)

Sales Rep: Anthony Travers - (206) 379-6007

Delivery: 90 Days A.R.O

FOB: Destination

Prepared By: Chinatsu Nishida

Freight: Prepaid / Added to Invoice

Telemetry Transmitters - 7xxx Series

Qty	Item	Description	Price	Disc	Extended Price
3	LX-7230N	Transmitter - 608~614 MHz WMTS - ECG/RESP/SPO2 Multi-lead ECG, Nellcor Pulse Oximetry and Respiration monitoring; Includes - Standard 4-Lead Patient Cable NOTE: Requires an Nellcor SpO2 probe. Please order separately.	\$3,300.00	38%	\$6,138.00
Device Subtotal:					\$6,138.00
Net Total - Less Discount:					\$6,138.00

For: KERN VALLEY HEALTHCARE DISTRICT
 MT MESA DIST
 6412 LAUREL AVE
 PO BOX 1628

Quote: Kern Valley 48349
Date: 3/17/2026
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Prepared By: Chinatsu Nishida

Freight: Prepaid / Added to Invoice

Pricing Review and Summary Information

Capital Equipment Summary

<i>Capital Equipment Subtotal:</i>	\$9,900.00
<i>VIZIENT Contract - Capital Equipment Discount:</i>	(\$3,762.00)
Capital Equipment Net Total:	\$6,138.00

Net Total of Equipment and Accessories: \$6,138.00

Features and Benefits Summary (Fukuda / Mediana Vital Signs Monitors Excluded)

Standard 5 Year Parts and Labor Warranty	Included
* Unless otherwise noted in device description. *	
Nurse Inservice Training for the Life of the System	Included
Biomedical Engineering Training	Included
Software Upgrades for the Life of the System	Included
Hardwire / WMTS Antenna System Installation	To Be Determined

Grand Total: \$6,138.00

ISSUE PURCHASE ORDERS TO:

FUKUDA DENSHI USA, INC.
17725-C NE 65th St, Redmond WA 98052

Email Purchase Orders to: CustomerService@FukudaAmerica.com or FAX to: (425) 869-2018

NOTES:

Warranty excludes all supply accessories, mounts, non-Fukuda items.
 Any additional installation coverage is subject to additional costs. Pricing does not include freight charges.
 Pricing does not include state and/or local sales tax which are the responsibility of the facility to remunerate.

Please confirm your purchase order includes:

- | | | |
|--------------------------------|---------------------------|-------------------------------|
| * Billing and Shipping Address | * Requested Delivery Date | * Price and Terms |
| * Purchase Order Number | * Shipping Method | (per Fukuda Denshi quotation) |
| * Authorized Signature | | * Copy of Quote |



Proposal

Date: March 19, 2026

To: Robert Easterday
Company: Kern Valley Health Care District
 Plant Operations Manager
Phone: (760) 379-6667
Email: easterdayro@kvhd.org
Project: Kern Valley Healthcare District
Subject: Pharmacy Dehumidification Project

From: Daniel Lugo
Company: American Inc.
Phone: (559) 651-1776
E-mail: dlugo@aminc.com
Proposal # KVHCD-03192026-DL

American Inc. offers to provide, install, and program the following Carrier iVu Controls Parts and Strip Heater for an existing Carrier Rooftop Package Unit with Model # 50FCQA04A2A5AOAOAO, Serial # 1321C72367. The new controls will be set up to keep the space this unit serves at the proper humidity levels. The Unit will be programmed to operate 24/7 Space Temperature and Humidity requirements.

- (1) Carrier iVu OPN-APP Controller
- (1) Mixed Air Temperature/Humidity Sensor
- (1) Discharge Air Temperature/Humidity Sensor
- (1) Carrier ZSPRO Temperature/Humidity Room Sensor
- (1) Carrier 6.5kW Heatstrip
- Provide new Unit Power Wiring to accommodate new power requirements
- Provide new Fuses in existing Disconnect to accommodate new power requirements

Total (Including Prevailing Wages): \$11,980.00

Exclusions

- Sales Tax
- Installation or assembly of AHU onsite
- Installation Equipment Touch Interface onsite
- Start-up Assistance onsite
- Electrical, Duct or Piping for AHU in Field
- Mobilization, Crane, Hoisting or Off Loading at Site

WARRANTY

- Workmanship and parts provided and installed American Inc. 12 months date of installation.

AMAIRCO AIRFLOW SOLUTIONS

by: *Daniel Lugo*

Daniel Lugo

1345 N American Street - Visalia, CA 93291
 (559) 651-1776 (v) - (559) 651-0205 (f)



Kern Valley Healthcare District Emergency Nurse Residency Program Subscription Agreement May 1, 2026 – April 30, 2029

This Emergency Nurse Residency Program Subscription Agreement (“Subscription Agreement”) is entered into and effective as of the date of the Customer’s signature below, between Emergency Nurses Association, an Illinois not-for-profit corporation, with its principal place of business at 930 E. Woodfield Road, Schaumburg, IL 60173 (“**ENA**”, “**our**” or “**we**”) and Kern Valley Healthcare District, a California Corporation, with its principal place of business at 6412 Laurel Avenue, Mountain Mesa, CA 93240 (“**Customer**”).

This Subscription Agreement is subject to and governed by the ENA Residency Program Terms & Conditions attached hereto as Appendix 1 and incorporated herein by reference, as may be amended by ENA from time to time (the “**TC**”). Capitalized terms used in this Subscription Agreement shall have the meaning assigned to them in the TC, unless otherwise defined herein. In the event of any conflict or discrepancy between the TC and this Subscription Agreement, this Subscription Agreement shall control.

Customer Information.

Billing Address: 6412 Laurel Avenue, Mountain Mesa, CA 93240

Invoice Contact: Shannon Jimerson, CNO, shannonjimerson@kvhd.org, 760-379-2681

Customer Relationship Contact: Shannon Jimerson, CNO, shannonjimerson@kvhd.org, 760-379-2681

The Customer’s Relationship Contact will manage the relationship with ENA and oversee or administer the use of the ENRP by Customer’s Authorized Users.

ENA Contact (Billing, Contract and ENA Education Product Purchases)

Andy Karsen
Andy.Karsen@ena.org
847-460-1214

ENA’s Emergency Nurse Residency Program™ (“ENRP™”)

ENA’s ENRP is an evidence-based emergency nursing specific program including content, comprehensive curriculum, and access to the ENA residency clinical support team as set forth in this Subscription Agreement. The ENRP is designed for both the “New and Transition-to-Practice” emergency department (“ED”) nurse. Standardizing the residency training and approach will inure to the benefit of Customer’s participating emergency departments. The ENRP also encompasses practice-based experiences, supplemental activities which promote ED nurse professional development, well-being and will include aspects of Customer’s organizational orientation.

Customer hereby purchases a subscription to the ENA Emergency Nurse Residency Program™ (“ENRP™”) for use by Authorized Users employed by Customer to work at the following locations (collectively, the “Participating Locations”) during the Subscription Term on the terms set forth in this Subscription Agreement:

Total 1 location(s) Annual ED visits = 7,000

- Kern Valley Hospital

* The Subscription includes unlimited access to ENA’s proprietary Emergency Nurse Residency Program and ENRP Content for an unlimited number of Authorized Users (as defined in the TC) employed at the Participating Locations during the Subscription Term. Customer understands and agrees that access is limited to Authorized Users employed at the Participating Locations. Access may not be shared. Any individual found sharing account passwords or otherwise sharing

access to any ENRP Content will be denied further access and such individual's access will be revoked without refund or replacement.

ENRP Content. Attached hereto as Appendix 2 and incorporated herein by reference is a detailed description of the ENRP Content. All ENRP content is accessed through ENA's online learning management system ("LMS").

Subscription Term. Customer hereby subscribes to the ENRP for a three-year term commencing May 1, 2026 through April 30, 2029 unless terminated earlier in accordance with Section 5.2 below ("Subscription Term"). The Subscription will automatically renew for additional three-year terms unless customer provides written notice of non-renewal to ENA no less than 90-days prior to the expiration of the then-current Subscription Term. All references to "Subscription Term" shall include any renewal terms. The Subscription Fee for all renewal terms will be determined by ENA and approved by Customer no less than 120 days prior to the expiration of the then current Subscription Term.

Payment Information. The initial annual subscription fee for a three-year subscription to the ENRP is \$10,000 ("Subscription Fee"). The Subscription Fee is based on Customer's estimated number of emergency department visits for all Participating Locations during the Subscription Term (as represented by Customer). ENA will invoice Customer 30 days from signed agreement date.

The Subscription Fee will be paid in accordance with the following schedule:

PAYMENT SCHEDULE	TOTAL PER PAYMENT
May 1, 2026	\$10,000
May 1, 2027	\$10,000
May 1, 2028	\$10,000

Customer estimates in good faith that the aggregate number of emergency department visits for all of its Participating Locations during the initial Subscription Term is 7,000. Customer will provide an updated estimate of emergency department visits for each renewal term upon receipt of ENA's request and understands and agrees that the Subscription Fee for all renewal terms is subject to increase or decrease and will be determined based on such estimate.

ENA will consult with the Customer's ENRP Team prior to onboarding sessions to determine (i) Customer's residency program leads at each Participating Location; (ii) implementation timeline; and (iii) preceptor recommendations. ENA is responsible for ENA ENRP staff travel costs related to onsite onboarding.

- **Support.** ENA's ENRP support team is available to support Customer's ENRP Team via email at residency@ena.org or ENRP's dedicated phone line 847-460-4009 and will respond within (1) one business day. ENA's ENRP support team is available Monday – Friday from 8:00 am – 4:00 pm Central Time (excluding holidays).
- **Administrative Rights:** The Customer's ENRP Program Director(s) will be granted administrative rights to access the LMS for the purpose of determining, controlling, and issuing licenses to Authorized Users. There is no limit on the number of times Authorized Users may access the ENRP Content during the Subscription Term.
- **Customer's ENRP Team.** ENRP is a research-informed program and relies on Customer's active support and participation. To ensure the success of the ENRP, Customer agrees to designate appropriate employees at each Participating Location to serve as the Customer's ENRP Team at each such Participating Location. The Customer's ENRP Team must include a program director, instructors, preceptors, and coaches. The ENRP includes preceptor training that addresses issues of trauma management and bullying, with the goal of reducing secondary traumatic stress and turnover. ENRP helps to transition new nurses and transition practice nurses to competent ED nurses. Set forth below is a description of the content and deliverables provided for each role:



Program Director(s)

- Didactic Education with instructor notes
- Simulations
- Facilitating Adult Learning Course
- Lasater Clinical Judgement Rubric Training Course
- Coaching for ENA Emergency Nurse Residency Program
- Introduction to ED Precepting
- Simulation Training in the Emergency Care Setting

Instructors

- Didactic Education with instructor notes
- Simulations
- Facilitating Adult Learning Course

Residents

- Self-Directed Case Studies
- Online Learning Modules
- Preceptors for ED Residents
- Knowledge Assessments
- Certificate of Completion
- 1-year ENA membership upon program completion

Preceptors

- Lasater Clinical Judgement Rubric Training Course
- Introduction to ED Precepting
- Coaching for ENA Emergency Nurse Residency Program

Additional Customer Information.

Is the Customer tax exempt? _____

If the Customer is tax exempt, we require a valid tax exemption certificate from your state. Please email a copy of your certificate to your ENA representative. We will not be able to process your order until this certificate has been received.

If Customer requires a Purchase Order (PO) number on invoices issued by Company, please provide the PO number below. Failure to provide such information acknowledges that no PO number is required, and all invoices will be paid in accordance with this Subscription Agreement and the TC. PO Number: _____

Signature - Signed by each party's authorized representative:

EMERGENCY NURSES ASSOCIATION

KERN VALLEY HEALTHCARE DISTRICT

Signature: _____

Signature: _____

Name: Suzanne Montella _____

Name: _____

Title: __Chief Program Officer_____

Title: _____

Date: _____

Date: _____

APPENDIX 1

ENA Residency Program Terms & Condition (“TC”)

These TC may be updated from time to time as explained herein. Refer to these TC regularly to ensure compliance. **Acceptance.** Please read these TC carefully before using, accessing, or granting access to ENA’s Emergency Nurse Residency Program (“ENRP”) and ENRP Content pursuant to the terms of the Subscription Agreement (collectively, the “**Services**”). These TC take effect when you sign the Subscription Agreement presented with these TC.

1. DEFINITIONS

Unless otherwise defined in the Subscription Agreement or these TC, capitalized terms used in these TC and the Subscription Agreement are defined in the Glossary below.

2. USAGE RIGHTS AND RESTRICTIONS

2.1 Grant of Rights.

ENA grants to Customer a non-exclusive, non-transferable, and non-assignable right to access the purchased Services solely for Customer’s internal use pursuant to the terms of the Agreement. Customer may not sell, give away, transfer, sublicense, assign, transfer, lease, rent, or share access to the Services or any of the rights granted under the Agreement or any information contained in the ENRP Content, other than as expressly set forth in the Agreement.

2.2 Authorized Users.

Customer may only permit Authorized Users to access the Services. Usage is limited to the number of Authorized Users set forth in the Subscription Agreement. Passwords may not be used by more than one individual and access may not be transferred from one individual to another if the original user is no longer permitted to access the ENRP for whatever reason. Authorized Users must abide by the Agreement. Customer is responsible for breaches of the Agreement by, or caused by, Authorized Users.

2.3 Acceptable Use Policy.

With respect to the Services, ENRP and ENRP Content, Customer (including its Authorized Users) will not: copy, share, rent, sublicense, transfer, lease, publish, duplicate, or disseminate, disassemble, decompile, reverse-engineer, copy, translate or make derivative works, transmit any content or data that is unlawful or infringes any intellectual property rights, or circumvent or endanger its operation or security.

2.4 Intentionally Omitted.

2.5 Suspension of Services.

ENA may suspend or limit use of the Services by any Authorized User and revoke access if continued use may result in material harm to the Services or its users or an Authorized User has violated the terms of the Agreement. ENA will promptly notify Customer of the suspension or limitation.

3. ENA RESPONSIBILITIES

3.1 Provisioning.

ENA provides access to the Service as described in the Agreement.

3.2 Security.

ENA will implement and maintain appropriate technical and organizational measures to protect the personal data processed or maintained by ENA in accordance with its [Privacy Policy](#) (“Privacy Policy”) (a copy of which is available on ENA’s website at www.ena.org) and in compliance with applicable data protection law.

3.3 Modifications.

ENA Policies may be modified, updated, or revised by ENA. ENA will provide Customer with 30 days prior notice of modifications by email, the Services portal, or other means.

3.4 Personal Data.

ENA will maintain all personal data contained in the Customer Data or provided by Authorized Users in compliance with applicable data privacy and protection laws and its Privacy Policy.

3.5 Analyses.

ENA (or its agents, subcontractors, or affiliates) may create analyses utilizing, in part, Customer Data and information derived from Customer’s use of the Services, as set forth below (“**Analyses**”). Analyses will anonymize and aggregate information and will be treated as Materials.

Unless otherwise agreed, personal data contained in Customer Data is only used to provide Services. Analyses may be used for the following purposes:

- a) product improvement (in particular, product features and functionality, workflows, and user interfaces) and development of new ENA products and services,
- b) improving resource allocation and support,
- c) internal demand planning,
- d) training and developing machine learning algorithms,
- e) improving product performance,
- f) verification of security and data integrity,
- g) identification of industry trends and developments, creation of indices and anonymous benchmarking

3.6 HIPAA COMPLIANCE.

“HIPAA” means the Health Insurance Portability and Accountability Act of 1996 (Public Law 104-191), Title XIII of the American Recovery and Reinvestment Act of 2009 (Public Law 111-005) and the rules, guidance and regulations promulgated thereunder, as amended from time to time, including 45 Code of Federal Regulations, Parts 160 and 164. The Parties acknowledge and agree that ENA shall neither have nor require access to or use of any of Customer’s or its patients protected health information (“PHI”) and will not collect such information, as such term is defined under HIPAA, for purposes of ENA meeting its obligations hereunder. Accordingly, the parties agree that neither ENA nor its employees shall have access to or use of any PHI.

4. CUSTOMER AND PERSONAL DATA

4.1 Customer Data.

Customer is responsible for the Customer Data and entering it into the Services. Customer grants to ENA (including ENA’s agents, affiliates, and subcontractors) a nonexclusive right to process Customer Data solely to provide and support the Services or as otherwise agreed to by Customer or an Authorized User.

4.2 Security.

Customer will maintain reasonable security standards for its Authorized Users’ use of the Services. Customer will not conduct or authorize penetration tests of the Services without advance approval from ENA. At the end of the Agreement, ENA will delete the Customer Data remaining on servers hosting the Services unless applicable law requires retention. Retained data is subject to the confidentiality provisions of the Agreement. In the event of third-party legal proceedings relating to the Customer Data, ENA will cooperate with Customer and comply with applicable law (both at Customer’s expense) with respect to handling of the Customer Data.

5. FEES AND TAXES

5.1 Fees and Payment.

Customer will pay Subscription Fees as stated in the Subscription Agreement. Failure to submit payment in a timely manner when due will result in immediate termination or suspension of access to the Services and termination or suspension of the Licenses. Access to the Services will not be provided until Customer’s signed Subscription Agreement is received by ENA. Customer cannot withhold, reduce or set-off fees owed nor reduce Licenses during the Subscription Term.

6. TERM AND TERMINATION

6.1 Subscription Term.

The Subscription Term is as stated in the Subscription Agreement. Except as otherwise explicitly set forth in the Agreement, no refunds or prorations will be issued if the Subscription Agreement is terminated prior to the end of the Subscription Term.

6.2 Termination.

A party may terminate the Agreement:

- (a) upon thirty days (30) written notice of the other party’s material breach unless the breach is cured during that thirty-day period,
- (b) as permitted under Sections 7.3(b) or 8.1(c) (with termination effective thirty days after receipt of notice in each of these cases), or
- (c) immediately if the other party files for bankruptcy, becomes insolvent, or makes an assignment for the benefit of creditors, or otherwise materially breaches Section 11.

6.3 Refund and Payments. No refunds (pro rata or otherwise) will be issued during Subscription Term for any reason except as provided in 7.3(b) below.

6.4 Effect of Expiration or Termination.

Upon the effective date of expiration or termination of the Agreement:

- (a) Customer's right to use the Services and all ENA Confidential Information will end,
- (b) Confidential Information of the disclosing party will be returned or destroyed as required by the Agreement, and
- (c) termination or expiration of the Agreement does not affect other agreements between the parties.

6.5 Survival. Sections 1, 3.5, 9, 10, 11 and 12.10 will survive the expiration or termination of the Agreement.**7. WARRANTIES****7.1 Compliance with Law.**

Each party warrants its current and continuing compliance with all laws and regulations applicable to it in connection with:

- (a) in the case of ENA, the operation of ENA's business as it relates to the Services, and
- (b) in the case of Customer, the Customer Data and Customer's use of the Services.

7.2 Good Industry Practices.

ENA warrants that it will provide the Services in substantial conformance with the description of the ENRP Content.

7.3 Remedy.

Customer's sole and exclusive remedies and ENA's entire liability for breach of the warranty under Section 7.2 will be:

- (a) the re-performance of the deficient Services, and
- (b) if ENA fails to re-perform, Customer may terminate its subscription for the affected Services. Any termination must occur within three months of ENA's failure to re-perform. Customer shall receive a pro-rata refund for any remaining months of the Subscription Term.

7.4 System Availability.

- (a) ENA warrants to maintain an average monthly system availability of the LMS (through which the ENRP Content is accessed) in accordance with the service level agreement set forth in Section 13 below ("SLA").
- (b) Customer's sole and exclusive remedy for ENA's breach of the SLA is the issuance of a credit in an amount determined by ENA based on the length of the unavailability. When the validity of a request for a service credit is confirmed by ENA in writing (email permitted), Customer may apply the credit to a future invoice for Services or request a refund for the amount of the credit if no future invoice is due.
- (c) In the event ENA fails to meet the SLA (i) for four consecutive months, or (ii) for five or more months during any twelve months period, or (iii) at a system availability level of at least 95% for one calendar month, Customer may terminate its subscriptions for the affected Services by providing ENA with written notice within thirty days after the failure.

7.5 Warranty Exclusions.

The warranties in Sections 7.1(a), 7.2 and 7.4 will not apply if:

- (a) the Services are not used in accordance with the Agreement,
- (b) any non-conformity is caused by Customer (or an Authorized User), or by any product or service not provided by ENA, or
- (c) the Services were provided for no fee.

7.6 Disclaimer.

Except as expressly provided in the Agreement, neither ENA nor its subcontractors make any representation or warranties, express or implied, statutory or otherwise, regarding any matter, including the merchantability, suitability, originality, or fitness for a particular use or purpose, non-infringement or results to be derived from the use of or integration with any courses, products or services provided under the Agreement, or that the operation of any products or services will be secure, uninterrupted or error free. Customer understands and agrees that all disclaimers and releases included or posted in or on the ENRP Content are acceptable and binding.

8. THIRD PARTY CLAIMS**8.1 Claims Brought Against Customer.**

- (a) ENA will defend Customer against claims brought against Customer by any third party alleging that Customer's use of the Services infringes or misappropriates a patent claim, copyright, or trade secret right. ENA will indemnify Customer against all damages finally awarded against Customer (or the amount of any settlement ENA enters into) with respect to these claims.
- (b) ENA's obligations under Section 8.1 will not apply if the claim results from (i) Customer's breach of Section 2, (ii) use of the Services in conjunction with any product or service not provided by ENA, or (iii) use of the Services provided for no fee.
- (c) In the event a claim is made or likely to be made, ENA may (i) procure for Customer the right to continue using the Services under the terms of the Agreement, or (ii) replace or modify the Services to be non-infringing without a material decrease in functionality. If these options are not reasonably available, ENA or Customer may terminate

Customer's subscription to the affected Services upon written notice to the other.

8.2 Claims Brought Against ENA.

Customer will defend ENA against claims brought against ENA and its Affiliates and subcontractors by any third party related to Customer Data. Customer will indemnify ENA against all damages finally awarded against ENA and its Affiliates and subcontractors (or the amount of any settlement Customer enters into) with respect to these claims.

8.3 Third Party Claim Procedure.

- (a) The party against whom a third-party claim is brought will timely notify the other party in writing of any claim, reasonably cooperate in the defense, and may appear (at its own expense) through counsel reasonably acceptable to the party providing the defense.
- (b) The party that is obligated to defend a claim will have the right to fully control the defense.
- (c) Any settlement of a claim will not include a financial or specific performance obligation on, or admission of liability by, the party against whom the claim is brought.

8.4 Exclusive Remedy.

The provisions of Section 8 state the sole, exclusive, and entire liability of the parties, their Affiliates, Business Partners, and subcontractors to the other party, and is the other party's sole remedy, with respect to covered third party claims and to the infringement or misappropriation of third-party intellectual property rights.

9. LIMITATION OF LIABILITY

9.1 Unlimited Liability.

Neither party will exclude or limit its liability for damages resulting from:

- (a) the parties' obligations under Section 8.1(a) and 8.2,
- (b) unauthorized use or disclosure of Confidential Information,
- (c) either party's breach of its data protection and security obligations that result in an unauthorized use or disclosure of personal data,
- (d) death or bodily injury arising from either party's gross negligence or willful misconduct, or
- (e) any failure by Customer to pay the Subscription Fee or any other fees due under the Agreement.

9.2 Liability Cap.

Subject to Sections 9.1 and 9.3, the maximum aggregate liability of either party (or its respective affiliates or ENA's subcontractors) to the other or any other person or entity for all events (or series of connected events) arising in any twelve-month period will not exceed the fees paid for the applicable Services directly causing the damage for that twelve-month period. Any "twelve-month period" commences on the Subscription Term start date or any of its yearly anniversaries.

9.3 Exclusion of Damages.

Subject to Section 9.1:

- (a) neither party (nor its respective Affiliates or ENA's subcontractors) will be liable to the other party for any special, incidental, consequential, or indirect damages, loss of good will or business profits, work stoppage or for exemplary or punitive damages, and
- (b) ENA will not be liable for any damages caused by any Services provided for no fee.

9.4 Risk Allocation.

The Agreement allocates the risks between ENA and Customer. The Subscription Fee and any other fees for the Services reflect this allocation of risk and limitations of liability.

10. INTELLECTUAL PROPERTY RIGHTS

10.1 ENA Ownership.

ENA owns all intellectual property rights in and related to the Services, ENRP, ENRP Content, Materials, Documentation, related knowledge or processes, and any derivative works of them. All rights not expressly granted to Customer are reserved to ENA.

10.2 Customer Ownership.

Customer retains all rights in and related to the Customer Data. ENA may use Customer-provided trademarks solely to provide and support the Services and in accordance with Section 3.5.

10.3 Non-Assertion of Rights.

Customer covenants, on behalf of itself and its successors and assigns, not to assert against ENA and or its affiliates or licensors,

any rights, or any claims of any rights, in any of the Services, ENRP, ENRP Content, Materials, or Documentation.

10.4 Limited License.

Customer grants ENA a non-transferrable, non-assignable, royalty-free, non-exclusive, limited license to use Customer's name and logo ("Customer Marks") to provide the Services and in connection with the promotion of the ENRP including, without limitation, the right to include the Customer Marks in ENA's list of ENRP subscribers on ENA's website, and in its promotional and marketing materials. Except for the limited license granted above, ENA is granted no right, title or license to any Customer Marks and ENA acknowledges Customer's sole and exclusive rights in and to the Customer Marks. ENA grants Customer a non-transferrable, non-assignable, royalty-free, non-exclusive, limited license to use ENA's name and logo ("ENA Marks") solely to promote or announce its participation in the ENRP. All use of the ENA Marks and all materials bearing the ENA Marks is subject to ENA's prior written approval. Except for the limited license granted above, Customer is granted no right, title or license to any ENA Marks and Customer acknowledges ENA's sole and exclusive rights in and to the ENA Marks.

11. CONFIDENTIALITY

11.1 Use of Confidential Information.

- (a) The receiving party will protect all Confidential Information of the disclosing party as strictly confidential to the same extent it protects its own Confidential Information, and not less than a reasonable standard of care. Receiving party will not disclose any Confidential Information of the disclosing party to any person other than its personnel, representatives, or Authorized Users whose access is necessary to enable it to exercise its rights or perform its obligations under the Agreement and who are under obligations of confidentiality substantially similar to those in Section 11. Customer will not disclose the Agreement or the pricing to any third party.
- (b) Confidential Information of either party disclosed prior to execution of the Agreement will be subject to Section 11.
- (c) In the event of legal proceedings relating to the Confidential Information, the receiving party will cooperate with the disclosing party and comply with applicable law (all at disclosing party's expense) with respect to handling of the Confidential Information.

11.2 Exceptions.

The restrictions on use or disclosure of Confidential Information will not apply to any Confidential Information that:

- (a) is independently developed by the receiving party without reference to the disclosing party's Confidential Information,
- (b) is generally available to the public without breach of the Agreement by the receiving party,
- (c) at the time of disclosure, was known to the receiving party free of confidentiality restrictions, or
- (d) the disclosing party agrees in writing is free of confidentiality restrictions.

11.3 Publicity.

Neither party will use the name or mark of the other party in publicity activities without the prior written consent of the other.

12. MISCELLANEOUS

12.1 Severability.

If any provision of the Agreement is held to be invalid or unenforceable, the invalidity or unenforceability will not affect the other provisions of the Agreement.

12.2 No Waiver.

A waiver of any breach of the Agreement is not deemed a waiver of any other breach.

12.3 Electronic Signature.

Electronic signatures that comply with applicable law are deemed original signatures.

12.4 Intentionally Omitted.

12.5 Notices.

All notices will be in writing and given when delivered to the address set forth in the Subscription Agreement with copy to the legal department. Notices by ENA relating to the operation or support of the Services and those under Sections 3.3 may be in the form of an electronic notice to Customer's authorized representative or administrator identified in the Subscription Agreement.

12.6 Assignment.

Without ENA's prior written consent, Customer may not assign or transfer the Agreement (or any of its rights or obligations) to any party. ENA may assign the Agreement with prior notice to Customer.

12.7 Subcontracting.

ENA may subcontract parts of the Services to third parties. ENA is responsible for breaches of the Agreement caused by its subcontractors.

12.8 Relationship of the Parties.

The parties are independent contractors, and no partnership, franchise, joint venture, agency, fiduciary, or employment relationship between the parties is created by the Agreement.

12.9 Force Majeure.

Any delay in performance (other than for the payment of amounts due) caused by conditions beyond the reasonable control of the performing party is not a breach of the Agreement. The time for performance will be extended for a period equal to the duration of the conditions preventing performance.

12.10 Governing Law.

The Agreement and any claims relating to its subject matter will be governed by and construed under the laws of the State of Illinois, without reference to its conflicts of law principles. All disputes will be subject to the exclusive jurisdiction of the courts located in Chicago, Illinois. The United Nations Convention on Contracts for the International Sale of Goods and the Uniform Computer Information Transactions Act (where enacted) will not apply to the Agreement. Either party must initiate a cause of action for any claim(s) relating to the Agreement and its subject matter within one year from the date when the party knew, or should have known after reasonable investigation, of the facts giving rise to the claim(s).

13. SERVICE LEVELS

13.1 Availability.

ENA will use commercially reasonable efforts to ensure that the Services will be available at all times, excluding when the Services are unavailable due to (a) required system maintenance as determined by ENA (“**Scheduled Maintenance**”); and (b) causes outside of the reasonable control of ENA that could not have been avoided by its exercise of due care, including any outages caused by: (i) the Internet in general; (ii) a Customer-caused event; or (iii) any Force Majeure Event (“**Availability**”).

13.2 Scheduled Maintenance.

A minimum of two days’ advance notice will be provided by email to Customer for all Scheduled Maintenance exceeding two hours. For Scheduled Maintenance lasting less than two hours, notice will be displayed on the login page.

13.3 Downtime.

“**Downtime**” is defined as the Services having no Availability, expressed in minutes.

14. Entire Agreement. The Agreement constitutes the complete and exclusive statement of the agreement between ENA and Customer in connection with the parties’ business relationship related to the subject matter of the Agreement. All previous representations, discussions, and writings are merged in and superseded by the Agreement and the parties disclaim any reliance on them. The Agreement may be modified solely in writing signed by both parties, except as permitted under Section 3.4. An Agreement will prevail over terms and conditions of any Customer-issued purchase order, which will have no force and effect, even if ENA accepts or does not otherwise reject the purchase order.

Glossary

1.1 “Agreement” means the Subscription Agreement between ENA and Customer, and the documents attached to and incorporated into the Subscription Agreement, including these TC.

1.2 “Authorized User” means any of Customer’s full or part-time employees that are employed at a Participating Location and to whom one of Customer’s designated Program Directors grants access and authorization to use the Services.

1.3 “ENRP Content” means the ENRP Content defined in the Subscription Agreement including all materials related thereto or included therein including, without limitation, handouts, downloads, manuals, exams, quizzes, questions, videos, photographs, illustrations, and drawings.

1.4 “Materials” mean the ENRP Content, and any materials provided or developed by ENA (independently or with Customer’s cooperation) in the course of performance under the Agreement, including, without limitation, in the delivery of any support to Customer. Materials do not include the Customer Data or Customer Confidential Information.

1.5 “Confidential Information” means

- (a) with respect to Customer: (i) the Customer Data, (ii) Customer marketing and business requirements, (iii) Customer implementation plans, and/or (iv) Customer financial information, and
- (b) with respect to ENA: (i) the Services, Documentation, ENRP, ENRP Content, Materials, and analyses under Section 3.5, and (ii) information regarding ENA research and development, product offerings, pricing, and availability.
- (c) Confidential Information of either ENA or Customer also includes information which the disclosing party protects against unrestricted disclosure to others that (i) the disclosing party or its representatives designates as confidential at the time of disclosure, or (ii) should reasonably be understood to be confidential given the nature of the information and the circumstances surrounding its disclosure.

- 1.6 “Customer Data”** means any content, materials, data, and information that Authorized Users enter into the production system of the Services. Customer Data and its derivatives will not include ENA’s Confidential Information.
- 1.7 “Documentation”** means ENA’s then-current technical and functional documentation as well as any roles and responsibilities descriptions, if applicable, for the Services which is made available to Customer with the Services.
- 1.8 “Subscription Agreement”** means the subscription agreement for Services signed by Customer that references the TC.
- 1.9 “ENA Policies”** means the operational guidelines and policies applied by ENA to provide and support the Services as incorporated in the Subscription Agreement.
- 1.10 “Subscription Term”** means the term of the subscription to the ENRP as identified in the applicable Subscription Agreement, including all renewals.

APPENDIX 2 ENRP CONTENT

ENRP Content includes: (subject to change by ENA)

- ENA ENRP program implementation manual
- Daily Agenda
- ENA Didactic Daily Education – Customer’s Course Directors/Educators will teach the didactic per ENA course outlines
 - Daily folder includes didactic objectives per day
 - Simulations
 - Learning objectives by Day and Week
 - Daily Instructors tips
 - Slide Decks and daily education content
 - Recommended equipment and training list
 - Recommended policy, procedure, and protocol review
 - Schedule, topics, worksheets, and instructor notes
 - Self-directed case studies – to be assigned to Resident
 - Reflective session guide
- Lasater clinical Judgement Rubric Training Course
- Training and coaching by ENA of Customer’s Program Directors
- ENA facilitation of Adult Learning course
- ENA Introduction to ED Precepting course
- Issuance of Certificate of completion to each Resident upon completion of the ENRP

Didactic Education materials topic areas:

- Critical Thinking (HIRAID)
- Cardiology
- Shock
- Sepsis
- Respiratory
- Neurological
- Metabolic
- Behavioral Health
- Trauma 1
- Trauma 2
- Gastrointestinal
- Genitourinary
- Obstetrical
- Pediatric
- Older Adults



INVOICE

Emergency Nurses Association
 930 E Woodfield Road
 Schaumburg, IL 60173 United States

Phone: 847-460-4000 Option 3
<https://www.ena.org/>

Invoice Number	0265856
Invoice Date	3/26/2026
Invoice Term	30
Due Date	4/25/2026

If you have placed an order for an ENPC or TNCC product, please disregard the shipping and billing address on your receipt. An accurate receipt can be obtained in the Recent Orders section of the Course Management Portal.

Customer ID# 0013h00000AK9rHAAT
 Kern Valley Healthcare District
 Shannon Jimerson
 6412 Laurel Avenue
 Lake Isabella, CA 93240 United States

Merchandise
 Merchandise for

Item	Quantity	Price	Total
Triage Curriculum 2.0	30	\$110.00	\$3,300.00

Total:	\$3,300.00
Tax Total:	\$0.00
Shipping Total:	\$0.00
Discount Amount:	\$0.00
Grand Total:	\$3,300.00
Payment:	\$0.00
Balance:	\$3,300.00

Thank you for your business!

Please detach the portion below and return it with your payment.

PHYSICIAN SERVICES AGREEMENT

This Physician Services Agreement ("Agreement") is entered into as of April 15, 2026 ("Effective Date"), by Kern Valley Healthcare District, a California local health care district ("District"), and Travis Keeling, MD, Inc, a California licensed physician ("Physician"). District and Physician are sometimes referred to individually as a "Party" and collectively as the "Parties."

RECITALS

Whereas District operates Mountain View Health Center ("Clinic") and Kern Valley Hospital ("Hospital") located at Mountain Mesa, Kern County, California; and

Whereas District desires to retain Physician to provide medical services on an independent contractor basis; and

Whereas Physician is a duly licensed physician in the State of California and desires to provide such services to District on the terms and conditions set forth herein.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows.

ARTICLE 1. SERVICES

1.1. Scope of Services. Physician shall provide professional medical services ("Services") to patients of District as mutually agreed upon in writing by both Parties. The specific Services to be provided shall be documented in writing and attached as Exhibit A to this Agreement.

1.2. Professional Standards. Physician shall perform all Services in accordance with:

- a. Applicable standards of care and professional conduct expected of physicians practicing in the same or similar specialty;
- b. All applicable federal, state, and local laws, regulations, and ordinances;
- c. District policies, procedures, bylaws, and rules and regulations; and
- d. All applicable accreditation standards.

1.3. Medical Staff Membership and Clinical Privileges. Physician shall obtain and maintain membership in District's Medical Staff and clinical privileges appropriate to the Services to be performed within thirty (30) days of the Effective Date, or such other period as agreed to in writing by District. This Agreement does not guarantee or create any right to Medical Staff membership or clinical privileges. Physician's Medical Staff membership and clinical privileges shall be subject to the District's Medical Staff Bylaws, policies, and procedures, and all applicable credentialing and peer review processes. Physician acknowledges that failure to obtain or maintain such membership and privileges shall constitute grounds for immediate termination of this Agreement without liability to District, including without obligation to pay compensation for any period during which Physician lacks the necessary privileges to perform Services.

1.4. Scheduling. Physician acknowledges and agrees that assignment to the emergency department clinical schedule is determined by the Medical Staff in accordance with Medical Staff Bylaws, rules, and policies, and in the Medical Staff's sole and exclusive discretion. Physician has no guaranteed minimum number of shifts. Removal or adjustment of Physician's scheduled shifts, including immediate removal from the schedule, shall not constitute termination of this Agreement or corrective or disciplinary action, and shall not give rise to any right to notice, hearing, or appeal unless and until formal Medical Staff corrective action is initiated pursuant to the Medical Staff Bylaws.

ARTICLE 2. TERM AND TERMINATION

2.1. Initial Term. This Agreement shall commence on the Effective Date and continue for a period of one (1) year ("Initial Term"), unless earlier terminated as provided herein.

2.2. Renewal. Upon expiration of the Initial Term, this Agreement shall renew upon mutual agreement for three (3) successive one-year periods unless either Party terminates this Agreement as provided herein.

2.3. Termination Without Cause. Either Party may terminate this Agreement without cause upon ninety (90) days prior written notice to the other Party.

2.4. Termination for Cause. Either Party may terminate this Agreement immediately upon written notice for cause, including but not limited to:

a. Material breach of this Agreement that remains uncured for thirty (30) days after written notice, provided that if the breach cannot reasonably be cured within thirty (30) days, the breaching party shall have such additional time as is reasonably necessary to cure the breach, so long as the breaching party commences cure within the thirty (30) day period and diligently pursues cure to completion;

b. Loss, suspension, or restriction of Physician's medical license or DEA registration;

c. Exclusion, debarment, or suspension from participation in Medicare, Medicaid, or other federal or state health care programs;

d. Loss, suspension, denial, or restriction of Medical Staff membership or clinical privileges;

e. Conviction of a felony or any crime involving moral turpitude;

f. Violation of federal or state fraud and abuse laws, including the Stark Law, Anti-Kickback Statute, or False Claims Act; or

g. Conduct that threatens patient safety or quality of care.

2.5. Effect of Termination. Upon termination or expiration of this Agreement:

a. Physician shall cooperate in the orderly transition of patient care;

b. Physician shall complete all medical records and other documentation;

c. District shall pay Physician for all Services properly performed through the termination date; and

d. Insurance coverage provided by District shall cease upon loss of privileges and/or termination of this Agreement, unless otherwise provided by law or the BETA RMA policy.

ARTICLE 3. COMPENSATION

3.1. Payment Structure. In consideration for Services rendered under this Agreement, District shall pay Physician as follows, which compensation is fixed and set in advance for the Term of this Agreement, and shall not be modified based on the volume or value of any referrals or other business generated between the Parties. District agrees to pay the following fees to Physician:

a. Patient Visits. District will bill patients and their payors for services provided by PHYSICIAN to those patients. Such charges shall be consistent with prevailing community charges.

b. Emergency Department Patient Visit Fees. District will pay PHYSICIAN \$75.00 per visit for all patients treated with their charts completed by the end of that ER physician's shift and \$70.00 per visit for charts not completed by the end of the shift but that are completed within 24 hours of completion of the shift.

c. Stand By Hours. In addition to the compensation in 6.1.2, District will compensate PHYSICIAN at \$70.00 per hour for all hours worked on site covering the Emergency Department.

d. Minimum Payment. The total amount of monthly fees compensation for the combined patient visits and stand-by hours by PHYSICIAN will be compared to the total hours worked by PHYSICIAN times two hundred eighty-five dollars (\$285.00) per hour and the physician will be paid the greater of these two methodologies.

e. Holiday Minimum. The minimum payment for the following holidays will be at time and one-half per hour of the minimum hourly rate: New Year's Day, Easter Sunday, Memorial Day, 4th of July, Labor Day, Thanksgiving Day, and Christmas Day.

3.2. Fair Market Value Certification. The Parties acknowledge and agree that the compensation set forth in this Agreement:

a. Has been determined to constitute fair market value for the Services to be provided;

b. Is commercially reasonable;

c. Does not take into account the volume or value of any referrals or other business generated between the Parties;

d. Is consistent with compensation paid for similar services in similar geographic areas; and

e. Is not determined in a manner that takes into account the volume or value of any referrals or other business generated between the Parties or any other entity with which either Party has a financial relationship.

3.3. Payment. Hospital will pay Physician monthly by the 15th day of the next month following that month in which the services are rendered. Hospital is responsible for the payments due to Physician. Therefore, physician should only look to the Hospital for amounts due and not to Medical Director.

3.4. Expenses. Physician is responsible for his own expenses incurred in providing the Services, except as otherwise agreed to in writing by District.

3.5. Withholding and Taxes. As an independent contractor, Physician is solely responsible for all federal, state, and local taxes on compensation received under this Agreement. District shall not withhold income taxes, social security, or other payroll taxes, and Physician shall indemnify and hold District harmless from any claims, liabilities, or penalties related to such taxes.

3.6. Billing and Collection. District shall be responsible for billing and collecting payment for all Services rendered by the Physician under this Agreement. Physician shall provide District with accurate and complete documentation necessary for billing purposes in a timely manner, but no later than 2 days of the date of service. District shall retain all funds collected for Services performed by the Physician, and the Physician shall have no claim or entitlement to any portion of such funds.

ARTICLE 4. INDEPENDENT CONTRACTOR RELATIONSHIP

4.1. Independent Contractor Status. Physician is an independent contractor and not an employee, partner, or agent of District. Nothing in this Agreement shall be construed to create an employment relationship, partnership, joint venture, or agency relationship between the Parties.

4.2. Control and Supervision. Physician retains sole control over the manner and means of performing the Services, and District shall not interfere with or control Physician's independent medical judgment. Physician will be subject to:

- a. Applicable standards of medical care and professional conduct;
- b. District policies and procedures necessary to ensure patient safety, quality of care, administrative, and regulatory compliance;
- c. Medical Staff bylaws, rules, and regulations; and
- d. Applicable federal and state laws and regulations.

4.3. No Employee Benefits. Physician acknowledges that, as an independent contractor, Physician is not entitled to any employee benefits, including but not limited to health insurance, retirement benefits, paid time off, workers' compensation, or unemployment insurance.

4.4. Right to Engage in Other Activities. Physician retains the right to provide medical services to other persons or entities and to engage in other professional activities, provided such activities do not interfere with Physician's obligations under this Agreement or create a conflict of interest with District.

ARTICLE 5. REGULATORY COMPLIANCE

5.1. Stark Law Compliance. The Parties acknowledge that this Agreement may be subject to the federal physician self-referral law, 42 U.S.C. § 1395nn (the "Stark Law"). The Parties represent and warrant that:

a. This Agreement is intended to comply with an exception to the Stark Law, including the personal service arrangements exception at 42 C.F.R. § 411.357(d);

b. The compensation paid to Physician is set in advance, does not exceed fair market value, and is not determined in a manner that takes into account the volume or value of any referrals or other business generated by Physician for District;

c. The Services to be provided are reasonable and necessary for the legitimate business purposes of District;

d. This Agreement does not violate any federal or state law or regulation governing billing or claims submission; and

e. The Parties shall comply with all requirements of the applicable Stark Law exception throughout the term of this Agreement.

5.2. Anti-Kickback Statute Compliance. The Parties acknowledge that this Agreement may be subject to the federal Anti-Kickback Statute, 42 U.S.C. § 1320a-7b(b) (the "AKS"). The Parties represent and warrant that:

a. This Agreement is intended to satisfy a safe harbor under the AKS, specifically the personal services and management contracts safe harbor at 42 C.F.R. § 1001.952(d);

b. The compensation methodology is set in advance and consistent with fair market value in an arm's-length transaction;

c. The compensation is not determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the Parties for which payment may be made under Medicare, Medicaid, or other federal health care programs;

d. The Services are commercially reasonable and do not involve counseling or promotion of illegal activities;

e. No payment is made, directly or indirectly, to induce Physician to refer patients to District or to induce District to refer patients to Physician; and

f. The Parties shall comply with all requirements of the applicable AKS safe harbor throughout the term of this Agreement.

5.3. California PORA Compliance. The Parties acknowledge that this Agreement may be subject to California's Physician Ownership and Referral Act ("PORA"), Business and Professions Code §§ 650 et seq. The Parties represent and warrant that:

a. Neither Party shall make or receive any payment or other consideration for the referral of patients, except as expressly permitted under PORA;

b. The compensation paid under this Agreement is consistent with fair market value for the actual services rendered and is not conditioned upon or related to referrals;

c. This Agreement is intended to comply with PORA's exception for contracts for the provision of professional medical services at fair market value;

d. Physician maintains professional liability insurance as required by California law; and

e. The Parties shall comply with all applicable requirements of PORA throughout the term of this Agreement.

5.4. Medicare and Medicaid Participation. Physician represents and warrants that:

a. Physician is currently eligible to participate in Medicare, Medicaid, and other federal and state health care programs;

b. Physician has not been excluded, debarred, or suspended from participation in any federal or state health care program;

c. Physician is not subject to any ongoing investigations by any governmental agency related to fraud, waste, or abuse;

d. Physician shall immediately notify District in writing if Physician becomes excluded, debarred, suspended, or otherwise ineligible to participate in any federal or state health care program; and

e. Physician shall comply with all applicable Medicare and Medicaid regulations, conditions of participation, and coverage requirements.

5.5. False Claims Act and Fraud Prevention. Physician agrees to:

a. Comply with all applicable federal and state laws regarding false claims, including the federal False Claims Act (31 U.S.C. §§ 3729-3733);

b. Not submit or cause to be submitted any false or fraudulent claims for payment;

c. Accurately document all Services provided and ensure appropriate coding and billing;

d. Report to District any suspected fraud, waste, or abuse; and

e. Cooperate fully with any governmental investigation or audit.

5.6. General Regulatory Compliance. Physician shall comply with all applicable federal, state, and local laws, regulations, and requirements, including but not limited to:

- a. HIPAA Privacy and Security Rules (45 C.F.R. Parts 160 and 164);
- b. EMTALA requirements (42 U.S.C. § 1395dd);
- c. California Confidentiality of Medical Information Act (Civil Code §§ 56 et seq.);
- d. Controlled Substances Act and California Uniform Controlled Substances Act;
- e. Clinical Laboratory Improvement Amendments (CLIA), if applicable;
- f. OSHA and Cal/OSHA safety requirements; and
- g. All applicable professional practice acts and regulations.

ARTICLE 6. CREDENTIALS AND QUALIFICATIONS

6.1. Licensure and Certification. Physician represents and warrants that Physician currently holds and shall maintain throughout the term of this Agreement:

- a. A current, valid, unrestricted license to practice medicine in the State of California;
- b. Current DEA registration, if applicable to Services;
- c. Current BLS and/or ACLS certification, as applicable to Services; and
- d. Any other licenses, certifications, or permits required to perform the Services.

6.2. Notification of Changes. Physician shall immediately notify District in writing of any:

- a. Suspension, restriction, revocation, investigation, or adverse action regarding Physician's medical license, DEA registration, or any other professional certification or registration required to perform Services, including any pending investigations or inquiries;

- b. Loss of hospital privileges or Medical Staff membership at any facility;
- c. Malpractice claims, lawsuits, settlements, or judgments filed or threatened against Physician;
- d. Criminal charges, convictions, or plea agreements (including no contest pleas);
- e. Exclusion or debarment from any federal or state health care program; or
- f. Any other circumstance that could materially affect Physician's ability to perform Services.

ARTICLE 7. INSURANCE AND INDEMNIFICATION

7.1. Professional Liability Insurance. District shall provide professional liability insurance coverage for Physician for Services performed under this Agreement exclusively through BETA RMA and subject to BETA RMA terms and exclusions. Coverage applies only to services performed within the scope of the Agreement while Physician is credentialed and privileged, and does not include tail coverage, except as provided by the BETA RMA policy. To the extent tail coverage is not provided by BETA RMA, District shall obtain such coverage to include Physician.

7.2. Indemnification by Physician. To the extent permitted by law, Physician shall indemnify, defend, and hold harmless District, its officers, directors, employees, agents, and affiliates from and against any and all claims, liabilities, losses, damages, and expenses (including reasonable attorneys' fees and costs of investigation and defense) arising out of or resulting from:

- a. Physician's negligence or willful misconduct in performing Services not covered by District's insurance through BETA RMA;
- b. Physician's breach of any representation, warranty, or obligation under this Agreement;
- c. Physician's violation of any law, regulation, or professional standard;
- d. Claims by any third party or governmental authority that Physician is an employee of District entitled to employment benefits, including but not limited to claims for workers' compensation, unemployment insurance, or employee benefits; or
- e. Any tax liability arising from compensation paid to Physician under this Agreement.

7.3. Indemnification by District. District shall indemnify, defend, and hold harmless Physician from and against any and all claims, liabilities, losses, damages, and expenses (including reasonable attorneys' fees) arising out of District's negligence or willful misconduct, except to the extent caused by Physician's negligence or willful misconduct.

ARTICLE 8. CONFIDENTIALITY AND MEDICAL RECORDS

8.1. HIPAA Compliance. Physician acknowledges that Physician is a "business associate" of District as defined under HIPAA and shall comply with all applicable requirements of HIPAA, the HITECH Act, and the California Confidentiality of Medical Information Act (CMIA). The Parties shall execute a separate Business Associate Agreement in the form required by HIPAA within ten (10) days of the Effective Date, which shall be incorporated into this Agreement by reference. Physician shall immediately notify District of any breach or suspected breach of protected health information.

8.2. Patient Confidentiality. Physician shall maintain the confidentiality of all patient information in accordance with:

- a. HIPAA Privacy and Security Rules;
- b. California Confidentiality of Medical Information Act;
- c. District policies and procedures; and
- d. Applicable professional and ethical standards.

8.3. Medical Records. Physician shall:

- a. Prepare and maintain accurate, complete, legible, and timely medical records for all patients in accordance with applicable federal and state laws, professional standards, and District policies;
- b. Complete all required documentation within the time limits specified by District Medical Staff bylaws and policies;
- c. Ensure all entries are legible, dated, timed, and authenticated as required;
- d. Use District's electronic health record system in accordance with District policies and training; and
- e. Acknowledge that all medical records are the property of District.

8.4. Proprietary Information. Physician acknowledges that Physician may have access to District's proprietary and confidential information, including business practices, financial information, and strategic plans. Physician agrees to maintain such information in strict confidence and not to disclose or use such information except as necessary to perform Services under this Agreement.

8.5. Survival. The obligations of confidentiality set forth in this Article shall survive the termination or expiration of this Agreement.

ARTICLE 9. GENERAL PROVISIONS

9.1. Entire Agreement. This Agreement constitutes the entire agreement between the Parties concerning the subject matter hereof and supersedes all prior agreements, understandings, negotiations, and discussions, whether oral or written.

9.2. Amendments. This Agreement may not be amended, modified, or supplemented except by a written instrument signed by both Parties.

9.3. Assignment. Neither Party may assign this Agreement or any rights or obligations hereunder without the prior written consent of the other Party, except that District may assign this Agreement to a successor entity in connection with a merger, consolidation, or sale of substantially all of its assets.

9.4. Governing Law and Venue. This Agreement shall be governed by and construed in accordance with the laws of the State of California, without regard to its conflicts of law principles. Any action or proceeding arising out of or relating to this Agreement shall be brought exclusively in the state or federal courts located in Kern County, California, and the Parties hereby consent to the personal jurisdiction of such courts. In any legal action or proceeding arising from this Agreement, the prevailing party shall be entitled to recover its costs, expenses, and fees, including reasonable attorney fees.

9.5. Severability. If any provision of this Agreement is held to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not be affected or impaired thereby, and the Parties shall negotiate in good faith to replace such provision with a valid, legal, and enforceable provision that achieves, to the greatest extent possible, the original intent of the Parties.

9.6. Waiver. No waiver of any provision of this Agreement shall be effective unless in writing and signed by the Party against whom such waiver is sought to be enforced. No failure or delay by either Party in exercising any right, power, or remedy shall operate as a waiver thereof, nor shall any single or partial exercise

preclude any other or further exercise or the exercise of any other right, power, or remedy.

9.7. Notices. All notices, requests, consents, and other communications required or permitted under this Agreement shall be in writing and shall be deemed given when delivered personally, when transmitted by confirmed facsimile or email (followed by hard copy sent by certified mail), or three (3) business days after being sent by certified mail, return receipt requested, postage prepaid, to the addresses set forth below (or to such other address as a Party may designate by notice):

If to District:

Attn: Administration
P.O. Box 1628
Lake Isabella, CA 93240
Administration@kvhd.org

If to Physician:

Travis Keeling, MD

[REDACTED]
[REDACTED]
[REDACTED]

9.8. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original and all of which together shall constitute the same instrument. Electronic signatures shall have the same force and effect as original signatures.

9.9. Survival. The following provisions of this Agreement shall survive termination: Articles 4 (Independent Contractor Relationship), 5 (Regulatory Compliance), 7 (Insurance and Indemnification), 8 (Confidentiality and Medical Records), and 9 (General Provisions), along with any other provisions that by their nature should survive termination, for a period of seven (7) years or as required by applicable law, whichever is longer.

9.10. Third-Party Beneficiaries. This Agreement is for the sole benefit of the Parties and their permitted successors and assigns, and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit, or remedy of any nature whatsoever.

9.11. Relationship of the Parties. Physician is an independent contractor and not an employee, partner, or agent of the District. Nothing in this Agreement shall be construed to create a partnership, joint venture, employment, or agency relationship between the Parties.

a. Neither Party shall have any authority to bind or commit the other Party in any manner whatsoever.

b. Physician shall be solely responsible for all taxes, withholdings, workers' compensation insurance, and other statutory obligations of an independent contractor.

c. Physician acknowledges that they will not be entitled to any employee benefits provided by the District, including but not limited to health insurance, retirement benefits, paid time off, or unemployment insurance.

9.12. Force Majeure. Neither Party shall be liable for any failure or delay in performance under this Agreement due to causes beyond its reasonable control, including but not limited to acts of God, war, terrorism, labor disputes, governmental actions, pandemic, epidemic, or natural disasters.

In witness whereof, the Parties have executed this Agreement as of the date first written above.

Date: Kern Valley Healthcare District

By: _____
John Lovrich, CEO

Date: Physician

By _____
Travis Keeling, MD

EXHIBIT A

PHYSICIAN SERVICES

Physician shall provide the following services under this Agreement:

PHYSICIAN shall devote sufficient time and his or her best abilities to the responsibility of treating patients in the normal and customary hours of operation of the ED.

Patient Transfers. Except in circumstances of immediate jeopardy for the life of the patient, PHYSICIAN shall consult with the hospitalist of the Hospital prior to the permanent transfer of patients from the ED to other hospitals or health care providers.

Medical Care Plan System. PHYSICIAN shall participate in the development and review of a system for providing a medical care plan for ED patient covering medications, nursing care, ancillary services, admission, discharge or transfer planning, and other relevant services.

Medical Records. PHYSICIAN shall be responsible for the development and maintenance of an adequate medical record in the ED. This shall include assuring that the appropriate medical record entries are made by PHYSICIAN concerning all medical procedures and other services performed in the ED on the electronic medical record system of HOSPITAL within 2 days of the date of service.

Service and Equipment Adequacy. PHYSICIAN shall advise the Medical Director concerning the adequacy of the patient care services and medical equipment.

Responses to Administrative Questions. PHYSICIAN shall be available to respond to administrative questions regarding patients, facility bed availability, intra-facility transfer problems, and patient status.

Responses to Nursing Questions. PHYSICIAN shall be available to assist with nursing questions at the ED, including questions regarding patient transfers and patient clinical status.

Responses to Patient Problems. PHYSICIAN, when on duty, shall be available to respond to patient problems in the ED by means of chart review and patient visits, as appropriate, and respond to all in-house patient emergencies when required.

Medical Staff Commitments. Physician shall serve on such committees of Medical Staff of the District as may be appropriate after consultation with the ED Medical Director and Hospital CEO.

Utilization Review Services. Physician shall, as requested by the District, assist in the ED utilization review program of the District.