



AGENDA

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306**

Regular Meeting
Wednesday, December 12, 2018

11:30 A.M.

BOARD TO RECONVENE

Board Members: Berjis, Bigler, Brar, Lawson, McLaughlin, Pelz, Sistrunk
Roll Call:

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" ARE CONSIDERED TO BE ROUTINE AND NON-CONTROVERSIAL BY KERN COUNTY HOSPITAL AUTHORITY STAFF. THE "CA" REPRESENTS THE CONSENT AGENDA. CONSENT ITEMS WILL BE CONSIDERED FIRST 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 BY ANYONE, THE ITEM WILL BE REMOVED FROM THE CONSENT AGENDA AND WILL BE CONSIDERED IN LISTED SEQUENCE WITH AN OPPORTUNITY FOR ANY MEMBER OF THE PUBLIC TO ADDRESS THE BOARD CONCERNING THE ITEM BEFORE ACTION IS TAKEN.

STAFF RECOMMENDATION SHOWN IN CAPS



PUBLIC PRESENTATIONS

- 1) 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. Board members may respond briefly to statements made or questions posed. 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. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

RECOGNITION

- 3) Presentation by the Chief Executive Officer recognizing Assistant County Administrative Officer Nancy Lawson for her service on the Kern County Hospital Authority Board of Governors –
MAKE PRESENTATION
- 4) Presentation by the Chief Executive Officer recognizing Kern Medical Center nursing graduates from other countries –
MAKE PRESENTATION

ITEMS FOR CONSIDERATION

CA

- 5) Minutes for Kern County Hospital Authority Board of Governors regular meeting on November 14, 2018 –
APPROVE

CA

- 6) Proposed Resolution establishing regular meeting dates of the Kern County Hospital Authority Board of Governors for calendar year 2019 –
APPROVE; ADOPT RESOLUTION

CA

- 7) Proposed retroactive Amendment No. 2 to Agreement 04416 with F. Rolin Inspection, an independent contractor, for OSHPD inspection services for the period of July 1, 2016 through June 30, 2019, extending the term for one year from July 1, 2019 through June 30, 2020, increasing the hourly rate from \$96 to \$98 per hour, and increasing the maximum payable by \$200,000, from \$249,000 to \$449,000, to cover the term, effective November 14, 2018 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 8) Proposed Amendment No. 1 to Agreement 07816 with Paul Dhanens Architect, Inc., an independent contractor, for engineering and architectural services for the period July 1, 2016 through June 30, 2019, extending the term for two years from July 1, 2019 through June 30, 2021, and increasing the maximum payable by \$200,000, from \$250,000 to \$450,000, to cover the term, effective December 12, 2018 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 9) Proposed acceptance of donation from Federal Emergency Management Agency Center for Domestic Preparedness for travel and related expenses to cover all costs for ten Kern Medical Center employees to attend the “Healthcare Leadership for Mass Casualty Incidents and Integrated Capstone Event” training in Anniston, Alabama, from January 13 through January 19, 2019 –
APPROVE; ADOPT RESOLUTION

CA

- 10) Proposed Agreement with Amir Berjis, M.D., a contract employee, for professional medical services in the Department of Surgery from January 4, 2019 through January 3, 2022, in an amount not to exceed \$1,905,000 –
APPROVE; AUTHORIZE CHAIRMAN TO SIGN

CA

- 11) Proposed Amendment No. 2 to Agreement 30917 with Fowrooz S. Joolhar, M.D., a contract employee, for professional medical services in the Department of Medicine for the period September 30, 2017 through September 29, 2020, amending the job description to include a provision of invasive cardiology services, increasing the annual salary from \$425,000 to \$520,000 per year, and increasing the maximum payable by \$239,025, from \$1,297,500 to \$1,536,525, to cover the term, effective December 13, 2018 –
APPROVE; AUTHORIZE CHIEF EXECUTIVE OFFICER TO SIGN

- 12) Kern County Hospital Authority Chief Financial Officer report –
RECEIVE AND FILE

- 13) Kern County Hospital Authority Chief Executive Officer report –
RECEIVE AND FILE

CA

- 14) Claims and Lawsuits Filed as of November 30, 2018 –
RECEIVE AND FILE

CA

- 15) Miscellaneous Correspondence
RECEIVE AND FILE

ADJOURN TO CLOSED SESSION

CLOSED SESSION

- 16) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –
- 17) Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) –
- 18) CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
(Government Code Section 54956.9(d)(2), (e)(2).) Number of cases: One (1)
Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances, including, but not limited to, an accident, disaster, incident, or transactional occurrence that might result in litigation against the Authority and that are known to a potential plaintiff or plaintiffs –
- 19) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –
- 20) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –
- 21) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) –

RECONVENE FROM CLOSED SESSION

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

ADJOURN TO WEDNESDAY JANUARY 16, 2019, AT 11:30 A.M.

SUPPORTING DOCUMENTATION FOR AGENDA ITEMS

All agenda item supporting documentation is available for public review at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, 93306 during regular business hours, 8:00 a.m. – 5:00 p.m., Monday through Friday, following the posting of the agenda. Any supporting documentation that relates to an agenda item for an open session of any regular meeting that is distributed after the agenda is posted and prior to the meeting will also be available for review at the same location.

AMERICANS WITH DISABILITIES ACT (Government Code Section 54953.2)

The Kern Medical Center Conference Room is accessible to persons with disabilities. Disabled individuals who need special assistance to attend or participate in a meeting of the Kern County Hospital Authority Board of Governors may request assistance at Kern Medical Center in the Administration Department, 1700 Mount Vernon Avenue, Bakersfield, California, or by calling (661) 326-2102. Every effort will be made to reasonably accommodate individuals with disabilities by making meeting material available in alternative formats. Requests for assistance should be made five (5) working days in advance of a meeting whenever possible.

14) CLAIMS AND LAWSUITS FILED AS OF NOVEMBER 30, 2018 –
RECEIVE AND FILE

A) Claim in the matter of Kevin A. Milstred

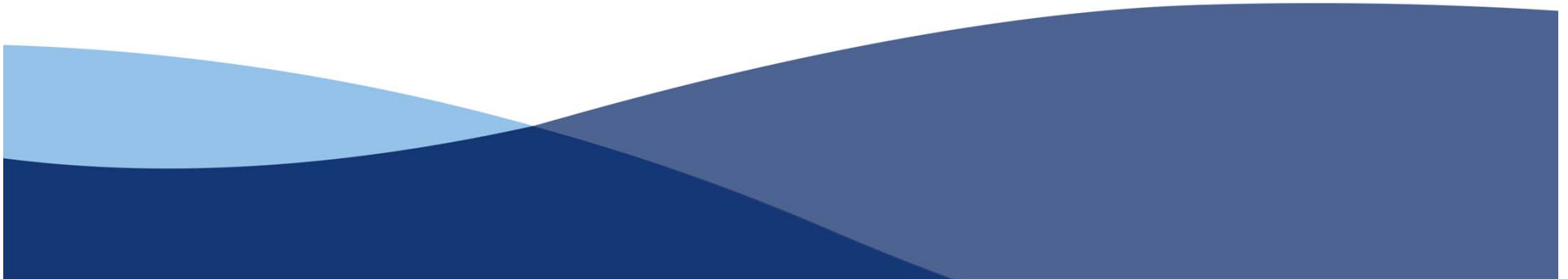
15) MISCELLANEOUS CORRESPONDENCE –
RECEIVE AND FILE

A) Email from Director Nancy Lawson regarding resignation as Secretary of the Kern County Hospital Authority Board of Governors, effective December 31, 2018



REGISTERED NURSING

RECRUITMENT – AROUND THE WORLD



RN RECRUITMENT Around the World

- INITIAL CONTRACT: 2007 – 2010
 - Approximately 20 hires
 - Worked 2 years - 11 years to retirement
 - 6 currently remain employed
 - From: UK, Philippines, Barbados, Romania, South Africa, Canada
 - Three currently on nursing management team
 - Comments: Patrick Sevegny

RN RECRUITMENT Around the World

- CURRENT CONTRACT: 2016 – Present
- Hires to Date: 40 – Additional 5 pending
- From: Philippines, Trinidad, India, Jamaica, South Africa, Scotland, St. Vincent
- Comments: Latoya Graham

RN RECRUITMENT Around the World

- THANK YOU

QUESTIONS ???





SUMMARY OF PROCEEDINGS

KERN COUNTY HOSPITAL AUTHORITY BOARD OF GOVERNORS

**Kern Medical Center
1700 Mount Vernon Avenue
Conference Room 1058
Bakersfield, California 93306**

Regular Meeting
Wednesday, November 14, 2018

11:30 A.M.

BOARD RECONVENED

Directors Present: Berjis, Bigler, Brar, Lawson, Pelz, Sistrunk
Directors Absent: McLaughlin

NOTE: The vote is displayed in bold below each item. For example, Lawson-McLaughlin denotes Director Lawson made the motion and Vice Chair McLaughlin seconded the motion.

CONSENT AGENDA/OPPORTUNITY FOR PUBLIC COMMENT: ALL ITEMS LISTED WITH A "CA" WERE CONSIDERED TO BE ROUTINE AND APPROVED BY ONE MOTION.

BOARD ACTION SHOWN IN CAPS

PUBLIC PRESENTATIONS

- 1) 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. Board members may respond briefly to statements made or questions posed. 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. **SPEAKERS ARE LIMITED TO TWO MINUTES. PLEASE STATE AND SPELL YOUR NAME BEFORE MAKING YOUR PRESENTATION. THANK YOU!**

NO ONE HEARD

BOARD MEMBER ANNOUNCEMENTS OR REPORTS

- 2) On their own initiative, Board members may make an announcement or a report on their own activities. They may ask a question for clarification, make a referral to staff or take action to have staff place a matter of business on a future agenda (Government Code section 54954.2(a)(2))

NO ONE HEARD

PUBLIC REQUEST

- 3) Request to accept restricted monetary donation from Kern Health Systems for use by the Kern Medical Valley Fever Institute –
RUSSELL V. JUDD, KERN MEDICAL CENTER, ROYCE H. JOHNSON, M.D., KERN MEDICAL CENTER, DOUGLAS A. HAYWARD, KERN HEALTH SYSTEMS, AND ASHLEY VILLEGAS, HEARD; MADE PRESENTATION OF RESTRICTED MONETARY DONATION IN THE AMOUNT OF \$100,000 TO THE KERN MEDICAL VALLEY FEVER INSTITUTE; APPROVED
Berjis-Brar: 6 Ayes; 1 Absent - McLaughlin

RECOGNITION

- 4) Presentation by the Chief Executive Officer recognizing Kalina Downs, RN, Clinical Nurse Leader, Inpatient Psychiatry Unit as recipient of a Gold and Silver Medal at the 2018 International Adult Figure Skating Competition in Burnaby, British Columbia –
MADE PRESENTATION

TEMS FOR CONSIDERATION

CA

- 5) Minutes for Kern County Hospital Authority Board of Governors regular meeting on October 17, 2018 –
APPROVED
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 6) Proposed Amendment No. 2 to Agreement 582-2015 with Michael G. Meyers, M.D. and Eric Trefelner, M.D., Inc. doing business as NightShift Radiology, an independent contractor, for after-hours teleradiology services for the period September 1, 2015 through November 30, 2018, extending the term for two years from December 1, 2018 through November 30, 2020, and increasing the maximum payable by \$60,000, from \$900,000 to \$960,000, to cover the extended term –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 075-2018
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 7) Proposed purchase of real property located at 3551 Q Street, Bakersfield, California, Kern County Assessor Parcel Number 120-181-54, from Mushtaq Ahmed and Rehmat Ahmed, for a purchase price of \$2.9 million and closing costs not to exceed \$30,000 – MADE FINDING PROJECT IS EXEMPT FROM FURTHER CEQA REVIEW PER SECTIONS 15301, 15302, 15303, 15304, 15305, 15306, AND 15061(b)(3) OF STATE CEQA GUIDELINES; APPROVED; ADOPTED RESOLUTION 2018-014; AUTHORIZED CHIEF EXECUTIVE OFFICER TO ACCEPT GRANT DEED ON BEHALF OF KERN COUNTY HOSPITAL AUTHORITY AND SIGN ALL ESCROW DOCUMENTS INCLUDING AGREEMENT 076-2018; DIRECTED STAFF TO ISSUE WARRANT PAYABLE TO CHICAGO TITLE COMPANY
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 8) Proposed Incumbency Certificate with Presidio Technology Capital, LLC, an independent contractor, designating the Chief Executive Officer to sign documents in connection with the financing of data storage equipment – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 077-2018; AUTHORIZED CHIEF EXECUTIVE OFFICER TO SIGN DOCUMENTS IN CONNECTION WITH FINANCING OF EQUIPMENT FROM PRESIDIO TECHNOLOGY CAPITAL, LLC
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 9) Proposed Agreement with Ray A Morgan Company, an independent contractor, containing nonstandard terms and conditions, for lease and maintenance of printers and facsimile machines from November 20, 2018 through November 19, 2023, in an amount not to exceed \$1,862,334 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 078-2018
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 10) Proposed Agreement with Eugene H. Roos, D.O., an independent contractor, for professional medical services in the Department of Radiology from December 17, 2018 through December 16, 2020, in an amount not to exceed \$730,000 – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 079-2018
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 11) Proposed Agreement with Voya Institutional Trust Company, an independent contractor, for services as custodian of assets held in trust for the benefit of participants in the Kern County Hospital Authority Defined Contribution Plan for Management, Mid-Management and Confidential Employees – APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 080-2018
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 12) Proposed Application for Group Annuity Contract with Voya Retirement Insurance and Annuity Company, and Agreement with Voya Retirement Insurance and Annuity Company and Voya Financial Partners, LLC, for administrative services related to the Kern County Hospital Authority Defined Contribution Plan for Management, Mid-Management and Confidential Employees –
APPROVED; AUTHORIZED CHAIRMAN TO SIGN AGREEMENTS 081A-2018 and 081B-2018
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 13) Proposed adoption of the Kern County Hospital Authority Defined Contribution Plan for Management, Mid-Management and Confidential Employees and approval of Adoption Agreement and Summary of Plan Provisions –
APPROVED AGREEMENTS 082A-2018, 082B-2018 AND 082C-2018; ADOPTED RESOLUTION 2018-015; AUTHORIZED CHAIRMAN TO SIGN AGREEMENT 082C-2018
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

CA

- 14) Proposed Resolution providing for changes in the terms and conditions of employment for unrepresented employees classified as management, mid-management and confidential –
APPROVED; ADOPTED RESOLUTION 2018-016; DIRECTED CHIEF EXECUTIVE OFFICER, CHIEF FINANCIAL OFFICER AND HUMAN RESOURCES TO IMPLEMENT CHANGES
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

- 15) Proposed regular meeting dates of the Kern County Hospital Authority Board of Governors for calendar year 2019 –
DISCUSSED; PROVIDED DIRECTION FOR REGULAR MEETING DATES IN APRIL AND MAY 2019

- 16) Kern County Hospital Authority Chief Financial Officer report –
RECEIVED AND FILED
Pelz-Berjis: 6 Ayes; 1 Absent - McLaughlin

- 17) Kern County Hospital Authority Chief Executive Officer report –
RECEIVED AND FILED
Sistrunk-Berjis: 6 Ayes; 1 Absent - McLaughlin

CA

- 18) Claims and Lawsuits Filed as of October 31, 2018 –
RECEIVED AND FILED
Lawson-Pelz: 6 Ayes; 1 Absent - McLaughlin

ADJOURNED TO CLOSED SESSION

Berjis-Pelz

CLOSED SESSION

- 19) Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – SEE RESULTS BELOW
- 20) CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Fatima Leon Tinoco, et al. v. County of Kern, et al., Kern County Superior Court Case No. BCV-17-100657 TSC – SEE RESULTS BELOW
- 21) PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – SEE RESULTS BELOW
- 22) Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – SEE RESULTS BELOW
- 23) CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) – SEE RESULTS BELOW

RECONVENED FROM CLOSED SESSION

Berjis-Sistrunk

REPORT ON ACTIONS TAKEN IN CLOSED SESSION

Item No. 19 concerning Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) – HEARD; BY A UNANIMOUS VOTE OF THOSE DIRECTORS PRESENT (MOTION BY DIRECTOR PELZ, SECOND BY DIRECTOR SISTRUNK; 1 ABSTENTION - DIRECTOR BERJIS; 1 ABSENT - DIRECTOR MCLAUGHLIN), THE BOARD APPROVED ALL PROVIDERS RECOMMENDED FOR INITIAL APPOINTMENT, REAPPOINTMENT, RELEASE OF PROCTORING, VOLUNTARY RESIGNATION OF PRIVILEGES, AND AUTOMATIC TERMINATION OF PRIVILEGES; NO OTHER REPORTABLE ACTION TAKEN

Item No. 20 concerning CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION (Government Code Section 54956.9(d)(1)) Name of case: Fatima Leon Tinoco, et al. v. County of Kern, et al., Kern County Superior Court Case No. BCV-17-100657 TSC – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 21 concerning PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 22 concerning Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) – HEARD; NO REPORTABLE ACTION TAKEN

Item No. 23 concerning CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6) – HEARD; NO REPORTABLE ACTION TAKEN

ADJOURNED TO WEDNESDAY, DECEMBER 12, 2018, AT 11:30 A.M.

Berjis

/s/ Mona A. Allen
Authority Board Coordinator

/s/ Russell E. Bigler
Chairman, Board of Governors
Kern County Hospital Authority



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

SUBJECT: Establish Regular Meeting Dates of the Kern County Hospital Authority Board of Governors for Calendar Year 2019

Recommended Action: Approve; Adopt Resolution

Summary:

The conduct of your Board is subject to the provisions of the Brown Act (Gov. Code, § 54950 et seq.). The Brown Act requires that your Board shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings.

Therefore, it is recommended that your Board establish its schedule of regular meetings for calendar year 2019 in compliance with the Brown Act by adopting the attached Resolution.

2019



Kern County Hospital Authority
Board of Governors'
Meeting Calendar
11:30am – 1:30pm

JANUARY

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NOVEMBER

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DECEMBER

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KERN MEDICAL

1700 Mt. Vernon Ave., Bakersfield, CA 93306 | KernMedical.com

**BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY**

In the matter of:

Resolution No. _____

**ESTABLISHING THE REGULAR
MEETING DATES OF THE KERN
COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS FOR
CALENDAR YEAR 2019**

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 12th day of December, 2018, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The Brown Act (Gov. Code, § 54954, subd. (a)) requires that the legislative body of a local agency shall provide, by ordinance, resolution, bylaws, or by whatever other rule is required for the conduct of business by that body, the time and place for holding regular meetings; and

(b) Section 2.170.060 of the Ordinance Code of the County of Kern (“Ordinance”) provides for a governing body, which shall be known as the Kern County Hospital Authority Board of Governors (“Board of Governors”); and

(c) Section 2.170.030 of the Ordinance provides that the Brown Act shall apply to the Kern County Hospital Authority; and

(d) The Board of Governors desires to establish its schedule of regular meetings for calendar year 2019 in compliance with the Brown Act.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. Except as provided in paragraph 4 of this Resolution, the calendar year 2019 regular meetings of the Board of Governors shall be held as follows:

Wednesday, January 16, 2019	Regular Meeting
Wednesday, February 20, 2019	Regular Meeting
Wednesday, March 20, 2019	Regular Meeting
Wednesday, April 10, 2019	Regular Meeting
Wednesday, May 15, 2019	Regular Meeting
Wednesday, June 19, 2019	Regular Meeting
Wednesday, July 17, 2019	Regular Meeting
Wednesday, August 21, 2019	Regular Meeting
Wednesday, September 18, 2019	Regular Meeting
Wednesday, October 16, 2019	Regular Meeting
Wednesday, November 13, 2019	Regular Meeting
Wednesday, December 11, 2019	Regular Meeting

3. All meetings shall be held at Kern Medical Center, which is located at 1700 Mount Vernon Avenue, Bakersfield, California 93306. All meetings shall commence at the hour of 11:30 a.m., unless a different time is posted by the Authority Board Coordinator. Meetings so commenced may be continued from time to time until the disposition of all business before the Board of Governors.

4. Regular meetings shall be canceled or rescheduled whenever the Board of Governors unanimously finds good cause otherwise exists for cancellation, rescheduling, or scheduling of a regular meeting.

5. Resolution No. 2018-013, adopted by the Board of Governors on October 17, 2018, is hereby repealed and superseded by this Resolution.

6. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Members, Board of Governors
Kern Medical Center
Legal Services Department
County Administrative Office
Clerk of the Board of Supervisors



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Proposed retroactive Amendment No. 2 to Agreement for Professional Services with F. Rolin Inspection

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board retroactively approve Amendment No. 2 to the Engineering Services Agreement with F. Rolin Inspection, the licensed Office of Statewide Health Planning and Development (OSHPD) Inspector of Record. This Amendment No. 2 will extend the termination date by an additional year, increase the hourly fee from \$96 to \$98, and increase the contract amount by \$200,000.

All OSHPD approved construction projects require a licensed OSHPD Inspector to be on site to conduct progress inspections and to complete OSHPD reporting until the project is closed in the OSHPD system.

Current Construction and budgeted projects that will require OSHPD Inspection for this Fiscal Year include, but are not limited to:

- Pharmacy UPS 800 Upgrades – Final OSHPD close out
- G Wing Decommission – Final fire alarm separation
- G Wing Door Replacement – Construction
- Grossing Station – OSHPD final
- Operating Room Washer – Construction

Payment for Services	Cost
7/1/2016 – Original Agreement	\$60,000
12/14/2016 - Amendment No. 1	\$189,000
Total Agreement with Amendment 1	\$249,000
Proposed Amendment No. 2	\$200,000
Total Agreement with Amendments	\$449,000

Therefore, Kern Medical recommends that your Board retroactively approve the Amendment No. 2 for Engineering Services with F. Rolin Inspections, for OSHPD Inspection services in the Department of Construction through June 30, 2020, in an amount not to exceed \$200,000 (total not to exceed of \$449,000), and authorize the Chairman to sign.

**AMENDMENT NO. 2
TO
ENGINEERING SERVICES AGREEMENT
(Kern County Hospital Authority – F. Rolin Inspection)**

This Amendment No. 2 to the Agreement for Engineering Services is entered into this 14th day of November, 2018, (“Effective Date”), by and between, the Kern County Hospital Authority, a local unit of government, which owns and operates Kern Medical Center, (“KCHA”) with its principal location at 1700 Mount Vernon Avenue, Bakersfield, CA 93306, and F. Rolin Inspection (“Consultant”), with its principal place of business located at 101 Castlebar Drive, Bakersfield, CA 93312.

RECITALS

- A. KCHA and Consultant have entered into an Agreement for OSHPD Inspections Services (KCHA Agt.# 04416PA, dated July 1, 2016) (“Agreement”), to provide OSHPD Inspection services for various projects; and
- B. KCHA and Consultant executed Amendment No. 1 (KCHA Agt.# 27116PA), dated December 14, 2106) (“Amendment”) to provide for an increase in the not-to- exceed amount from \$60,000 to \$249,000; and
- C. The Parties agree to increase the not-to-exceed amount from \$249,000 to \$449,000; and
- D. The Parties agree to increase the hourly rate from \$96 per hour to \$98 per hour; and
- D. The Parties agree to extend the expiration date from June 30, 2019 to June 30, 2020; and
- E. The Agreement is amended effective November 14, 2018.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the Parties hereto agree to amend the Agreement as follows: (check those applicable):

- Term** The Agreement shall be extended from June 30, 2019 until June 30, 2020, unless sooner terminated as provided for in the Agreement.
- Fees** payable by KCHA under the Agreement shall increase from \$249,000 to \$449,000.
- Travel Expenses** payable by KCHA under the Agreement shall increase from \$_____ to \$_____.
- Services**. See Exhibit A-1, which is attached hereto and incorporated herein, for additional Services.
- Other** The hourly rate shall be increased from \$96 per hour to \$98 per hour.

Except as otherwise defined herein, all capitalized terms used in this Amendment No. 2 have the meaning set forth in the Agreement.

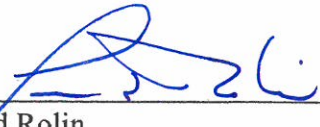
Except as expressly amended herein, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment No. 2 to the Agreement has been executed as of the Effective Date indicated above.

KERN COUNTY HOSPITAL AUTHORITY

F. ROLIN INSPECTION

By _____
Russell Bigler
Chairman, Board of Governors
"KCHA"

By  _____
Fred Rolin
Owner
"Consultant"

Date: _____.

Date: 11-06-18.

APPROVED AS TO CONTENT:
Kern Medical Center

By  _____
Jared Leavitt
Chief Operating Officer

Date: 11/26/18.

APPROVED AS TO FORM:
Legal Services Department

By  _____
Hospital Counsel, Kern County Hospital Authority

Date: 11/27/18.



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Proposed Amendment No. 1 to Agreement for Architectural Services with Paul Dhanens Architect, Inc.

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve Amendment No. 1 to the Engineering Services Agreement with Paul Dhanens Architect, Inc., the licensed Architect of Record for various construction and renovation projects at Kern Medical. This Amendment No. 1 will extend the expiration date from June 30, 2019 to June 30, 2021 and increase the not to exceed amount by \$200,000, from \$250,000 to \$450,000.

Current construction and budgeted projects that require architectural and engineering design for this Fiscal Year include, but are not limited to:

- Valley Fever Institute – Design & Construction Administration
- 2C Patient Room TV Mounting – Design & Construction Administration
- NICU Formula Prep Sink – Finalization
- Radiology Room at Sagebrush
- Fluoroscopy

Payment for Services	Agreement – Not to Exceed	Proposed Amendment No. 1 NTE	Variance
Architect of Record – Design Services	\$250,000	\$450,000	\$200,000

Therefore, Kern Medical recommends that your Board approve the proposed Amendment No. 1 for Engineering Services with Paul Dhanens Architect, Inc., for design services with the Construction Division of Engineering through June 30, 2021, in an amount not to exceed \$200,000 (total not to exceed of \$450,000) and authorize the Chairman to sign.

**AMENDMENT NO. 1
TO
ENGINEERING SERVICES AGREEMENT
(Kern County Hospital Authority – Paul Dhanens Architect, Inc.)**

This Amendment No. 1 to the Agreement for Engineering Services is entered into this 12th day of December, 2018 (“Effective Date”), by and between, the Kern County Hospital Authority, a local unit of government, which owns and operates Kern Medical Center, (“KCHA”) with its principal location at 1700 Mount Vernon Avenue, Bakersfield, CA 93306, and Paul Dhanens Architect, Inc., (“Consultant”), with its principal place of business located at 5100 California Avenue, Suite 107, Bakersfield, CA 93309.

RECITALS

A. KCHA and Consultant have entered into an Agreement for Architectural Services (KCHA Agt.# 07816PA, dated July 1, 2016) (“Agreement”), to provide Architectural and Engineering Services for various projects; and

B. KCHA would like to use Consultant for additional approved projects other than previously contemplated and Consultant is willing and qualified to complete these additional projects; and

C. The Parties agree to increase the not-to-exceed amount from \$250,000 to \$450,000 to cover the cost of the additional projects; and

D. The parties agree to extend the expiration date from June 30, 2019 to June 30, 2021; and

D. The Agreement is amended effective December 12, 2018.

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the Parties hereto agree to amend the Agreement as follows: (check those applicable):

 X **Term.** The Agreement expiration date shall be extended from June 30, 2019 to June 30, 2023, unless sooner terminated as provided for in the Agreement.

 X **Fees** payable by KCHA under the Agreement shall increase by \$200,000 from \$250,000 to \$450,000

 Travel Expenses payable by KCHA under the Agreement shall increase from \$ to \$.

 Services. See Exhibit A-1, which is attached hereto and incorporated herein, for additional Services.

 Other. _____.

Except as otherwise defined herein, all capitalized terms used in this Amendment No. 1 have the meaning set forth in the Agreement.

Except as expressly amended herein, all provisions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, this Amendment No. 1 to the Agreement has been executed as of the Effective Date indicated above.

KERN COUNTY HOSPITAL AUTHORITY

PAUL DHANENS ARCHITECT, INC.

By _____
Russell Bigler
Chairman, Board of Governors

By _____
Printed Name: _____
Title/Position: _____

APPROVED AS TO CONTENT:
KERN MEDICAL CENTER

By _____
Jared Leavitt
Chief Operating Officer

APPROVED AS TO FORM:
Legal Services Department

By _____
Hospital Counsel



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Proposed acceptance of donation of training, travel, and related expenses from the Federal Emergency Management Agency, Center for Domestic Preparedness

Recommended Action: Approve; Adopt Resolution

Summary:

The Authority's conflict of interest policy prohibits employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment.

The Federal Emergency Management Agency, Center for Domestic Preparedness (FEMA/CDP) provides advanced, all-hazards training to state, local, and territorial governments. This FEMA/CDP training is fully funded by the Department of Homeland Security, including all travel and related expenses. Kern Medical seeks approval for 10 employees to attend the Healthcare Leadership for Mass Casualty Incidents training in Anniston, Alabama, from January 13-19, 2019. The 10 hospital employees will be trained in mass casualty management and include members of the hospital's emergency management committee and frontline staff members.

Kern Medical recommends your Board adopt the attached proposed resolution to accept the training and travel donation from FEMA/CDP for registration, travel, and related expenses and authorize the Chief Executive Officer to designate 10 employees to attend this important training.

**BEFORE THE BOARD OF GOVERNORS
OF THE KERN COUNTY HOSPITAL AUTHORITY**

In the matter of:

Resolution No. _____

**ACCEPTANCE OF DONATION OF
TRAVEL AND RELATED EXPENSES
FROM FEDERAL EMERGENCY
MANAGEMENT AGENCY CENTER
FOR DOMESTIC PREPAREDNESS**

I, MONA A. ALLEN, Authority Board Coordinator for the Kern County Hospital Authority, hereby certify that the following Resolution, on motion of Director _____, seconded by Director _____, was duly and regularly adopted by the Board of Governors of the Kern County Hospital Authority at an official meeting thereof on the 12th day of December, 2018, by the following vote, and that a copy of the Resolution has been delivered to the Chairman of the Board of Governors.

AYES:

NOES:

ABSENT:

MONA A. ALLEN
Authority Board Coordinator
Kern County Hospital Authority

Mona A. Allen

RESOLUTION

Section 1. WHEREAS:

(a) The conflict of interest policy for the Kern County Hospital Authority (“Authority”) prohibits Authority employees from receiving or accepting money or any other consideration from anyone other than the Authority for the performance of an act which the employee would be required or expected to render in the regular course of his or her employment; and

(b) The Federal Emergency Management Agency Center for Domestic Preparedness (FEMA/CDP) has offered to donate to the Authority all travel and related expenses for 10 Authority employees to attend the “Healthcare Leadership for Mass Casualty Incidents and Integrated Capstone Event” training in Anniston, Alabama, from January 13 through January 19, 2019; and

(d) The training session is necessary in connection with official Authority business; and

(e) The Authority desires to obtain the donation of travel and related expenses to the Authority and will retain full control over the use of the donation; and

(f) FEMA/CDP has not made any restrictions as to how the donation may be used.

Section 2. NOW, THEREFORE, IT IS HEREBY RESOLVED by the Board of Governors of the Kern County Hospital Authority, as follows:

1. This Board finds the facts recited herein are true, and further finds that this Board has jurisdiction to consider, approve, and adopt the subject of this Resolution.

2. This Board hereby accepts from FEMA/CDP the donation of travel and related expenses to cover all costs for 10 Authority employees to travel to Anniston, Alabama, to attend the “Healthcare Leadership for Mass Casualty Incidents and Integrated Capstone Event” training from November 4, 2018 through November 7, 2018.

3. This Board authorizes the Chief Executive Officer to designate 10 Authority employees to attend the “Healthcare Leadership for Mass Casualty Incidents and Integrated Capstone Event” training in Anniston, Alabama, from November 4, 2018 through November 7, 2018.

4. The Authority Board Coordinator shall provide copies of this Resolution to the following:

Chief Financial Officer
Legal Services Department
Human Resources Department



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Proposed Agreement for Professional Services with Amir Berjis, M.D., a contract employee

Recommended Action: Approve; Authorize Chairman to sign

Summary:

Kern Medical requests your Board approve an Agreement with Amir Berjis, M.D., for professional medical services in the Department of Surgery. Dr. Berjis is the Director of Thoracic Surgery at Kern Medical and serves as the Designated Institutional Official for graduate medical education.

The proposed Agreement is for an initial term of three-years from January 4, 2019 through January 3, 2022, with an annual salary of \$635,000, an increase of \$20,000 over the prior agreement. The annual salary is comprised of a base salary of \$100,000 for teaching and administrative duties and \$535,000 as payment for care of Kern Medical patients. The maximum payable will not to exceed \$1,905,000 over the three-year initial term of the Agreement.

Dr. Berjis’s annual salary is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey for specialty and represents the reasonable fair market value compensation for the services provided by Dr. Berjis.

Payment for Services	Previous Agreement	Proposed Agreement	Variance
Thoracic Surgeon	\$615,000 - annually	\$535,000 - annually	(\$80,000)
Designated Institutional Official		\$100,000 - annually	\$100,000

In addition to the usual complement of benefits, Kern Medical has agreed to reimburse Dr. Berjis for tuition only up to a total of \$35,000 not to exceed five years for completion of the Master of Academic Medicine degree program through the Keck School of Medicine at the University of Southern California. Dr. Berjis will start the program in May 2019.

Therefore, it is recommended that your Board approve the Agreement for Professional Services with Amir Berjis, M.D., for professional services in the Department of Surgery from January 4, 2019 through January 3, 2022, in an amount not to exceed \$1,905,000, and authorize the Chairman to sign.

**AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Amir Berjis, M.D.)**

This Agreement is made and entered into this ____ day of _____, 2018, between the Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Amir Berjis, M.D. (“Physician”).

**I.
RECITALS**

(a) Authority is authorized, pursuant to section 101852 of Part 4 of Division 101 of the Health and Safety Code, to contract for special services with individuals specially trained, experienced, expert, and competent to perform those services; and

(b) Authority requires the assistance of Physician to provide professional medical services in the Department of Surgery at KMC (the “Department”), as such services are unavailable from Authority resources, and Physician desires to accept employment on the terms and conditions set forth in this Agreement; and

(c) Physician has special training, knowledge and experience to provide such services; and

(d) Authority currently contracts with Physician as a contract employee for the provision of professional medical services in the Department and teaching services to resident physicians employed by Authority (Kern County Agt. #907-2015, dated December 15, 2015, as amended and assigned), for the period January 4, 2016 through January 3, 2019; and

(e) Each party expressly understands and agrees that Kern County Agt. #907-2015 is superseded by this Agreement as of the Commencement Date;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree as follows:

**II.
TERMS AND CONDITIONS**

1. **Term.** The initial term of this Agreement (“Initial Term”) shall be for a period of three (3) years, commencing as of January 4, 2019 (the “Commencement Date”). At the end of the Initial Term and each Renewal Term (as hereinafter defined), if any, this Agreement may be renewed for two (2) additional terms of two (2) years each (“Renewal Term”), but only upon mutual written agreement of the parties. As used herein, the “Term” of this Agreement shall mean the Initial Term and all Renewal Terms. As used herein, an “Employment Year” shall mean the annual period beginning on the Commencement Date and each annual period thereafter.

2. **Employment.** Authority hereby employs Physician for the practice of medicine in the care and treatment of patients at KMC, or at such other clinic sites as KMC may designate (collectively referred to as the “Practice Sites”). It is expressly understood and agreed that KMC shall have reasonable discretion to consolidate and relocate clinics operated by Authority and to re-designate Practice Sites served by Physician from time to time. Physician shall be subject to Authority’s employment policies, directives, rules and regulations as promulgated by Authority from time to time, including, but not limited to, those pertaining to employees.

3. **Representations and Warranties.** Physician represents and warrants to Authority and KMC, upon execution and throughout the Term of this Agreement, as follows: (i) Physician is not bound by any agreement or arrangement which would preclude Physician from entering into, or from fully performing the services required under this Agreement; (ii) Physician’s license to practice medicine in the state of California or in any other jurisdiction has never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to the terms of probation or other restriction; (iii) Physician’s medical staff privileges at any health care facility have never been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction; (iv) Physician holds a valid Controlled Substance Registration Certificate issued by the Drug Enforcement Administration that has never been revoked, suspended, terminated, relinquished, placed on terms of probation, or restricted in any way; (v) Physician is not currently and has never been an Ineligible Person¹; (vi) Physician is not currently the subject of a disciplinary or other proceeding or action before any governmental, professional, medical staff or peer review body; and (vii) Physician has, and shall maintain throughout the term of this Agreement, an unrestricted license to practice medicine in the state of California and staff membership and privileges at KMC.

4. **Obligations of Physician.**

4.1 **Services.** Physician shall engage in the practice of medicine on a full-time basis exclusively as an exempt employee of Authority. Physician shall render those services set forth in Exhibit “A,” attached hereto and incorporated herein by this reference.

4.2 **Use of Premises.** Physician shall use the Practice Sites as designated by Authority or KMC exclusively for the practice of medicine in the care and treatment of patients and shall comply with all applicable federal, state, and local laws, rules and regulations related thereto.

4.3 **Qualifications.**

4.3.1 **Licensure.** Physician shall maintain a current valid license to practice medicine in the state of California at all times during the Term of this Agreement.

¹ An “Ineligible Person” is an individual or entity who: (i) is currently excluded, debarred, suspended, or otherwise ineligible to participate in the federal health care programs or in federal procurement or non-procurement programs; or (ii) has been convicted of a criminal offense that falls within the range of activities described in 42 U.S.C. § 1320a-7(a), but has not yet been excluded, debarred, suspended, or otherwise declared ineligible.

4.3.2 Board Certification. Physician shall be board certified by the American Board of Surgery in surgery-general and the American Board of Thoracic Surgery in thoracic and cardiac surgery-general, and maintain such certifications at all times during the Term of this Agreement.

4.3.3 Medical Staff Status. Physician shall at all times during the Term of this Agreement be a member in good standing of the KMC medical staff with “active” staff status and hold all clinical privileges on the active medical staff appropriate to the discharge of his obligations under this Agreement.

4.3.4 TJC and ACGME Compliance. Physician shall observe and comply with all applicable standards and recommendations of The Joint Commission and Accreditation Council for Graduate Medical Education.

4.4 Loss or Limitation. Physician shall notify KMC in writing as soon as possible (but in any event within three (3) business days) after any of the following events occur: (i) Physician’s license to practice medicine in the state of California lapses or is denied, suspended, revoked, terminated, relinquished or made subject to terms of probation or other restriction; (ii) Physician’s medical staff privileges at KMC or any other health care facility are denied, suspended, revoked, terminated, relinquished under threat of disciplinary action or made subject to terms of probation or other restriction; (iii) Physician’s Controlled Substance Registration Certificate issued by the Drug Enforcement Administration is revoked, suspended, terminated, relinquished, placed on terms of probation, or restricted in any way; (iv) Physician becomes debarred, excluded, or suspended, or if any other event occurs that makes Physician an Ineligible Person; (v) Physician becomes the subject of a disciplinary or other proceeding or action before any governmental, professional, medical staff or peer review body; or (vi) an event occurs that substantially interrupts all or a portion of Physician’s professional practice or that materially adversely affects Physician’s ability to perform Physician’s obligations hereunder.

4.5 Standards of Medical Practice. The standards of medical practice and professional duties of Physician at designated Practice Sites shall be in accordance with the KMC medical staff bylaws, rules, regulations, and policies, the standards for physicians established by the state Department of Public Health and all other state and federal laws and regulations relating to the licensure and practice of physicians, and The Joint Commission.

4.6 Managed Care Contracting. Physician shall cooperate in all reasonable respects necessary to facilitate KMC’s entry into or maintenance of any third-party payer arrangements for the provision of services under any other public or private health and/or hospital care programs, including but not limited to insurance programs, self-funded employer health programs, health care service plans and preferred provider organizations. To enable KMC to participate in any third-party payer arrangements, Physician shall, upon request: (i) enroll as a provider (if required by the third-party payer), separate from KMC, with any third-party payer or intermediate organization (including any independent practice association) (each, a “Managed Care Organization”) designated by KMC for the provision of professional services to patients covered by such Managed Care Organization; (ii) enter into a written agreement with such

Managed Care Organization as may be necessary or appropriate for the provision of professional services to patients covered by such Managed Care Organization; and/or (iii) enter into a written agreement with KMC regarding global billing, capitation or other payment arrangements as may be necessary or appropriate for the provision of professional services to patients covered by such Managed Care Organization.

4.7 Authorization to Release Information. Physician hereby authorizes Managed Care Organizations, government programs, hospitals and other third parties to release to KMC and its agents any information requested by KMC or its agents from time to time relating to Physician's professional qualifications or competency. Physician agrees to execute the Authorization to Release Information in the form set forth in Exhibit "B," attached hereto and incorporated herein by this reference, and to execute all other documents required by KMC from time to time and to otherwise fully cooperate with KMC to enable KMC and its agents to obtain such information from third parties.

4.8 Medical Records. Physician shall cause a complete medical record to be timely prepared and maintained for each patient seen by Physician. This record shall be prepared in compliance with all state and federal regulations, standards of The Joint Commission, and the KMC medical staff bylaws, rules, regulations, and policies. Documentation by Physician shall conform to the requirements for evaluation and management (E/M) services billed by teaching physicians set forth in the Medicare Carriers Manual, Part 3, sections 15016-15018, inclusive. All patient medical records of Practice Sites, including without limitation, patient medical records generated during the Term of this Agreement, shall be the property of KMC subject to the rights of the respective patients. Upon the expiration or termination of this Agreement by either party for any reason, KMC shall retain custody and control of such patient medical records.

4.9 Physician Private Practice. Physician understands and agrees that he shall not enter into any other physician employment contract or otherwise engage in the private practice of medicine or provide similar services to other organizations, directly or indirectly, during the Term of this Agreement or any extensions thereof.

4.10 Proprietary Information. Physician acknowledges that during the Term of this Agreement Physician will have contacts with and develop and service KMC patients and referring sources of business of KMC. In all of Physician's activities, Physician, through the nature of his work, will have access to and will acquire confidential information related to the business and operations of KMC, including, without limiting the generality of the foregoing, patient lists and confidential information relating to processes, plans, methods of doing business and special needs of referring doctors and patients. Physician acknowledges that all such information is solely the property of KMC and constitutes proprietary and confidential information of KMC; and the disclosure thereof would cause substantial loss to the goodwill of KMC; and that disclosure to Physician is being made only because of the position of trust and confidence that Physician will occupy. Physician covenants that, except as required by law, Physician will not, at any time during the Term or any time thereafter, disclose to any person, hospital, firm, partnership, entity or organization (except when authorized in writing by KMC) any information whatsoever pertaining to the business or operations of KMC, any affiliate

thereof or of any other physician employed by KMC, including without limitation, any of the kinds of information described in this paragraph.

4.11 Physician Covenants. Physician covenants that from the Commencement Date and continuing throughout the Term of this Agreement, Physician, unless otherwise permitted by the written consent of Authority shall not, on Physician's own account or as an employee, landlord, lender, trustee, associate, consultant, partner, agent, principal, contractor, owner, officer, director, investor, member or stockholder of any other person, or in any other capacity, directly or indirectly, in whole or in part: (i) engage in any activities that are in competition with KMC, including the operation of any medical practice or offering of any medical services that are similar to services offered at the Practice Sites; (ii) solicit or encourage the resignation of any employee of Authority or KMC with whom Physician had a working relationship during Physician's employment with Authority; (iii) solicit or divert patients with whom Physician had personal contact during such employment; or (iv) influence or attempt to influence any payer, provider or other person or entity to cease, reduce or alter any business relationship with Authority or KMC relating to the Practice Sites.

5. Compensation Package.

5.1 Annual Compensation. Physician shall work full time, which is a minimum of 80 hours per biweekly pay period, and will be compensated with cash and other value as described below in this paragraph 5.1 ("Annual Salary").

5.1.1 Annual Salary. Authority shall pay Physician an Annual Salary of \$24,423.07 biweekly not to exceed \$635,000 annually. The Annual Salary shall be comprised of (i) a base salary for teaching and administrative services in the amount of \$100,000 per year and (ii) payment for care of KMC patients in the amount of \$535,000 per year. Physician understands and agrees that (i) the Annual Salary set forth in this paragraph 5.1 is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey ("MGMA Survey") for specialty and (ii) Physician will maintain a median level of worked relative value units ("Worked RVU") based on the current MGMA Survey and fulfill all the duties set forth in Exhibit "A" during the Term of this Agreement.

5.1.2 Biweekly Payment. Physician shall be paid biweekly on the same schedule as regular Authority employees. The exact date of said biweekly payments shall be at the sole discretion of Authority. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.

5.1.3 Fair Market Value Compensation. The compensation provided under section 5.1 represents the parties' good faith determination of the reasonable fair market value compensation for the services to be provided by Physician under this Agreement.

5.2 Professional Fee Billing.

5.2.1 Assignment. KMC shall have the exclusive right and authority to set, bill, collect and retain all fees, including professional fees, for all direct patient care services provided by Physician during the Term of this Agreement. All professional fees generated by Physician during the Term of this Agreement, including without limitation, both cash collections and accounts receivable, capitated risk pool fees, professional retainer fees, honoraria, professional consulting and teaching fees, and fees for expert testimony (but excluding Physician's private investment and nonprofessional income), will be the sole and exclusive property of KMC, whether received by KMC or by Physician and whether received during the Term of this Agreement or anytime thereafter. Physician hereby assigns all rights to said fees and accounts to KMC and shall execute all documents required from time to time by KMC and otherwise fully cooperate with KMC to enable KMC to collect fees and accounts from patients and third-party payers.

5.2.2 Remittance of Professional Fee Charges. Physician shall remit all professional fee charges to KMC within 45 days of the date direct patient care services are provided by Physician. Any professional fee charges not remitted by Physician to KMC within 45 days of the date of such service, or any charges for which relevant documentation has not been provided, will not be credited to Physician as Worked RVU.

5.3 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$1,905,000 over the three-year Initial Term of this Agreement.

6. Benefits Package.

6.1 Retirement. Physician shall continue to participate in the Kern County Hospital Authority Defined Contribution Plan for Physician Employees (f/k/a Kern County Pension Plan for Physician Employees) (the "Plan"), a qualified defined contribution pension plan, pursuant to the terms of the instrument under which the Plan has been established, as from time to time amended. Physician is not eligible to participate in any other retirement plan established by Authority for its employees, including but not limited to the Kern County Employees' Retirement Association, and this Agreement does not confer upon Physician any right to claim entitlement to benefits under any such retirement plan(s).

6.2 Health Care Coverage. Physician shall continue to receive the same health benefits (medical, dental, prescription and vision coverage) as all eligible Authority employees. The employee share of cost is 20% of the current biweekly premium. Physician's initial hire date is the initial opportunity to enroll in the health plan. Physician must work at least 40 hours per biweekly pay period to be eligible for coverage.

6.3 Holidays. Physician shall be entitled to all paid holidays authorized as official holidays for Authority employees. A holiday occurring on a Sunday shall be observed on the following Monday and a holiday occurring on a Saturday shall be observed on the preceding Friday. In the event Physician is scheduled for and works on a holiday, he shall be entitled to an equivalent period of time off at a later date. Physician will not be paid for banked holidays upon termination of employment.

6.4 Vacation. Physician shall retain his vacation leave credit balance, if any, as of the Commencement Date. Effective with the Commencement Date, Physician shall be credited with vacation leave of 6.15 hours for each pay period of service, for a maximum accrual of 160 hours per year. Vacation leave will accrue from the Commencement Date and may be taken at any time thereafter. Total unused vacation leave accumulated will not exceed a maximum of 320 hours. No further vacation leave will accrue as long as Physician has the maximum number of hours credited. The Department chair must approve all vacation leave in advance. Physician shall be paid for accrued and unused vacation leave, if any, upon termination or expiration of this Agreement calculated at Physician's current hourly rate (i.e., current Annual Salary divided by 2080 hours = hourly rate). All payments made by Authority to Physician under this paragraph will be subject to all applicable federal and state taxes and withholding requirements.

6.5 Sick Leave. Physician shall retain his sick leave credit balance, if any, as of the Commencement Date. Effective with the Commencement Date, Physician shall accrue sick leave in accordance with Authority policy, as amended from time to time. Physician will not be paid for accrued and unused sick leave upon termination of employment.

6.6 Education Leave. Physician shall receive 80 hours paid education leave annually. The first 80 hours will accrue on the Commencement Date. On each successive Employment Year, if any, an additional 80 hours paid education leave will accrue. Education leave must be used within the year that it is accrued. Physician will not be paid for unused education leave upon termination of employment. The Department chair must approve education leave in advance of use. Physician's participation in educational programs, services or other approved activities set forth herein shall be subordinate to Physician's obligations and duties under this Agreement.

6.7 CME Expense Reimbursement. Authority shall reimburse Physician for all approved reasonable and necessary expenditures related to continuing medical education in an amount not to exceed \$2,500 per Employment Year, payable in arrears, in accordance with Authority policy, as amended from time to time. This amount may not be accumulated or accrued and does not continue to the following Employment Year.

6.8 Kern\$Flex. Physician shall be eligible to participate in flexible spending plans to pay for dependent care, non-reimbursed medical expenses, and certain insurance premiums on a pre-tax basis through payroll deduction. This is a voluntary benefit that is paid by Physician if he elects to participate in the plan.

6.9 Attendance at Meetings. Physician shall be permitted to be absent from KMC during normal working days to attend professional meetings and to attend to such outside professional duties in the healthcare field as may be mutually agreed upon between Physician and the Department chair. Attendance at such approved meetings and accomplishment of approved professional duties shall be fully compensated service time and will not be considered vacation or education leave.

6.10 Unpaid Leave of Absence. Physician may take an unpaid leave of absence in accordance with Authority policies in effect at the time the leave is taken.

6.11 Social Security. Physician is exempt from payment of Social Security taxes as the Kern County Hospital Authority Defined Contribution Plan for Physician Employees is a qualified alternative to the insurance system established by the federal Social Security Act.

6.12 Deferred Compensation. Physician shall be eligible to participate in the Kern County Deferred Compensation Plan (“457 Plan”) on a pre-tax basis. Physician shall make all contributions if he elects to participate in the 457 Plan.

6.13 Disability Insurance. Physician shall be eligible to purchase Long Term Disability or Short Term Disability insurance coverage through payroll deduction on a post-tax basis. This is a voluntary benefit that is paid by Physician if he elects to participate in the plan.

6.14 Employee Assistance/Wellness Programs. Physician shall be eligible to participate in any Authority-sponsored employee assistance and employee wellness programs.

6.15 Employer-provided Tuition Assistance. Physician has voluntarily applied to and been accepted into the Master of Academic Medicine degree program through the Keck School of Medicine at the University of Southern California (the “Program”). Authority has agreed to assist Physician financially in paying tuition for the Program as described below in this paragraph 6.15.

6.15.1 Tuition Expense; Reimbursement. Authority agrees to reimburse Physician for tuition only up to a total of \$35,000, payable in arrears, in accordance with Authority policy, at the end of each calendar year for a period not to exceed five (5) years.

6.15.2 Physician Obligation. Physician agrees to participate in and pursue the Program to the best of his ability and to use reasonable efforts to complete the Program within five (5) years. If Physician does not complete the Program, fails the Program, withdraws or is expelled from the Program the obligation of Authority to reimburse Physician shall immediately cease, and Physician agrees to reimburse Authority in full for the amount of tuition reimbursement paid by Authority to Physician within 30 days of prior written notice to Physician.

6.15.3 Repayment.

1) Within 12 Months of Receipt of Reimbursement. In the event that Physician voluntarily terminates employment with Authority for any reason whatsoever or is terminated by Authority due to an Event of Default, as defined in paragraph 28.2, within 12 months of receipt of tuition reimbursement from Authority, Physician agrees to reimburse Authority in full for the amount of tuition reimbursement paid by Authority to Physician. Physician shall make such repayment in full within 30 days of the effective date of his termination of employment with Authority.

2) Between 12 and 24 Months of Receipt of Reimbursement. In the event that Physician voluntarily terminates employment with Authority for any reason whatsoever or is terminated by Authority due to an Event of Default, as defined in paragraph 28.2, between 12 and 24 months of receipt of tuition reimbursement from Authority, Physician agrees to reimburse Authority two-thirds ($\frac{2}{3}$) of tuition reimbursement paid by Authority to Physician. Physician shall make such repayment in full within 30 days of the effective date of his termination of employment with Authority.

3) Between 24 and 36 Months of Receipt of Reimbursement. In the event that Physician voluntarily terminates employment with Authority for any reason whatsoever or is terminated by Authority due to an Event of Default, as defined in paragraph 28.2, between 24 and 36 months of receipt of tuition reimbursement from Authority, Physician agrees to reimburse Authority one-third ($\frac{1}{3}$) of tuition reimbursement paid by Authority to Physician. Physician shall make such repayment in full within 30 days of the effective date of his termination of employment with Authority.

6.15.4 Offset. Physician hereby authorizes Authority to offset against and reduce any amounts otherwise due to Physician for any amounts in respect of the obligation to repay the tuition reimbursement. In the event that the entire amount of Physician's final paycheck or disbursement does not satisfy the balance due, Authority hereby reserves the right to pursue all legal and equitable means at its disposal to collect such balance due.

6.15.5 No Guarantee of Employment. Nothing in this paragraph 6.15 constitutes a commitment or guarantee on the part of Authority or KMC to provide employment to Physician for any specific period of time or duration.

6.15.6 Indemnity. Physician hereby indemnifies and saves harmless Authority and KMC from and against any and all suits, claims, actions, damages and other losses which Authority or KMC suffers or incurs as a result of any governmental taxing authority assessing the reimbursement of the tuition payments hereunder as a benefit to Physician.

6.16 Limitation on Benefits. Except as expressly stated herein, Physician shall receive no other benefits from Authority.

7. Assignment. Physician shall not assign or transfer this Agreement or his obligations hereunder or any part thereof. Physician shall not assign any money due or which becomes due to Physician under this Agreement without the prior written approval of Authority.

8. Assistance in Litigation. Upon request, Physician shall support and assist Authority as a consultant or expert witness in litigation to which Authority is a party.

9. Authority to Incur Financial Obligation. It is understood that Physician, in his performance of any and all duties under this Agreement, has no right, power or authority to bind Authority to any agreements or undertakings.

10. **Captions and Interpretation.** Paragraph headings in this Agreement are used solely for convenience, and shall be wholly disregarded in the construction of this Agreement. No provision of this Agreement shall be interpreted for or against a party because that party or its legal representative drafted such provision, and this Agreement shall be construed as if jointly prepared by the parties.
11. **Choice of Law/Venue.** This Agreement shall be construed and enforced under and in accordance with the laws of the state of California, with venue of any action relating to this Agreement in the County of Kern, state of California.
12. **Compliance with Law.** Physician shall observe and comply with all applicable Authority, local, state and federal laws, ordinances, rules and regulations now in effect or hereafter enacted, each of which is hereby made a part hereof and incorporated herein by reference.
13. **Confidentiality.** Physician shall maintain confidentiality with respect to information that he receives in the course of his employment and not use or permit the use of or disclose any such information in connection with any activity or business to any person, firm or corporation whatsoever, unless such disclosure is required in response to a validly issued subpoena or other process of law or as required by Government Code section 6250 et seq. Upon completion of the Agreement, the provisions of this paragraph shall continue to survive.
14. **Conflict of Interest.** Physician covenants that he has no interest and that he will not acquire any interest, direct or indirect, that represents a financial conflict of interest under state law (Gov. Code, § 81000 et seq.) or that would otherwise conflict in any manner or degree with the performance of his services hereunder. It is understood and agreed that if such a financial interest does exist at the inception of this Agreement, Authority may immediately terminate this Agreement by giving written notice thereof.
15. **Counterparts.** This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.
16. **Dispute Resolution.** In the event of any dispute involving the enforcement or interpretation of this Agreement or any of the rights or obligations arising hereunder, the parties shall first attempt to resolve their differences by mediation before a mediator of their mutual selection. If the parties are, after mutual good faith efforts, unable to resolve their differences by mediation, the dispute shall be submitted for trial before a privately compensated temporary judge appointed by the Kern County Superior Court pursuant to Article VI, section 21 of the California Constitution and Rules 3.810 through 3.830 of the California Rules of Court. All costs of any dispute resolution procedure shall be borne equally by the parties.
17. **Enforcement of Remedies.** No right or remedy herein conferred on or reserved to Authority is exclusive of any other right or remedy herein or by law or equity provided or permitted, but each shall be cumulative of every other right or remedy given hereunder or now or hereafter existing by law or in equity or by statute or otherwise, and may be enforced concurrently or from time to time.

18. **Indemnification.** Authority shall assume liability for and indemnify and hold Physician harmless from any and all claims, losses, expenses, costs, actions, settlements, attorneys' fees and judgments incurred by Physician or for which Physician becomes liable, arising out of or related to services rendered or which a third party alleges should have been rendered by Physician pursuant to this Agreement. Authority's obligation under this paragraph shall extend from Physician's first date of service to Authority and shall survive termination or expiration of this Agreement to include all claims that allegedly arise out of services Physician rendered on behalf of Authority; provided, however, that the provisions of this paragraph shall not apply to any services rendered at any location other than Practice Sites without approval by the Kern County Hospital Authority Board of Governors and, provided further, that Authority shall have no duty or obligation to defend, indemnify, or hold Physician harmless for any conduct or misconduct found to be intentional, willful, grossly negligent, or criminal.

19. **Invalidity of a Portion.** Should a portion, section, paragraph, or term of this Agreement be construed as invalid by a court of competent jurisdiction, or a competent state or federal agency, the balance of the Agreement shall remain in full force and effect. Further, to the extent any term or portion of this Agreement is found invalid, void or inoperative, the parties agree that a court may construe the Agreement in such a manner as will carry into force and effect the intent appearing herein.

20. **Modifications of Agreement.** This Agreement may be modified in writing only, signed by the parties in interest at the time of the modification.

21. **Non-appropriation.** Authority reserves the right to terminate this Agreement in the event insufficient funds are appropriated or budgeted for this Agreement in any fiscal year. Upon such termination, Authority will be released from any further financial obligation to Physician, except for services performed prior to the date of termination or any liability due to any default existing at the time this clause is exercised. Physician shall be given 30 days' prior written notice in the event that Authority requires such an action.

22. **Nondiscrimination.** No party to this Agreement shall discriminate on the basis of race, color, religion, sex, national origin, age, marital status or sexual orientation, ancestry, physical or mental disability, medical conditions, political affiliation, veteran's status, citizenship or marital or domestic partnership status or on the basis of a perception that an individual is associated with a person who has, or is perceived to have, any of these characteristics.

23. **Non-waiver.** No covenant or condition of this Agreement can be waived except by the written consent of Authority. Forbearance or indulgence by Authority in any regard whatsoever shall not constitute a waiver of the covenant or condition to be performed by Physician. Authority shall be entitled to invoke any remedy available to Authority under this Agreement or by law or in equity despite said forbearance or indulgence.

24. **Notices.** Notices to be given by one party to the other under this Agreement shall be given in writing by personal delivery, by certified mail, return receipt requested, or express delivery service at the addresses specified below. Notices delivered personally shall be deemed received upon receipt; mailed or expressed notices shall be deemed received four (4) days after

deposit. A party may change the address to which notice is to be given by giving notice as provided above.

Notice to Physician:

Amir Berjis, M.D.
12201 Longmeadow Way
Bakersfield, California 93312

Notice to Authority:

Kern Medical Center
1700 Mount Vernon Avenue
Bakersfield, California 93306
Attn.: Chief Executive Officer

25. **Relationship.** Authority and Physician recognize that Physician is rendering specialized, professional services. The parties recognize that each is possessed of legal knowledge and skill, and that this Agreement is fully understood by the parties, and is the result of bargaining between the parties. Each party acknowledges their opportunity to fully and independently review and consider this Agreement and affirm complete understanding of the effect and operation of its terms prior to entering into the same.

26. **Severability.** Should any part, term, portion or provision of this Agreement be decided finally to be in conflict with any law of the United States or the state of California, or otherwise be unenforceable or ineffectual, the validity of the remaining parts, terms, portions, or provisions shall be deemed severable and shall not be affected thereby, provided such remaining portions or provisions can be construed in substance to constitute the agreement which the parties intended to enter into in the first instance.

27. **Sole Agreement.** This Agreement contains the entire agreement between the parties relating to the services, rights, obligations, and covenants contained herein and assumed by the parties respectively. No inducements, representations, or promises have been made, other than those recited in this Agreement. No oral promise, modification, change, or inducement shall be effective or given any force or effect.

28. **Termination.**

28.1 **Termination without Cause.** Either party shall have the right to terminate this Agreement, without penalty or cause, by giving not less than 90 days' prior written notice to the other party.

28.2 **Immediate Termination.** Notwithstanding the foregoing, Authority may terminate this Agreement immediately by written notice to Physician upon the occurrence of any of the following events ("Event of Default"): (i) Authority determines that Physician does not have the proper credentials, experience, or skill to perform the required services under this Agreement; (ii) Authority determines the conduct of Physician in the providing of services may result in civil, criminal, or monetary penalties against Authority or KMC; (iii) Physician violates any federal or state law or regulatory rule or regulation or condition of accreditation or certification to which Authority or Practice Sites is subject; (iv) Physician engages in the commission of a material act involving moral turpitude, fraud, dishonesty, embezzlement, misappropriation or financial dishonesty against Authority or KMC; (v) the actions of Physician result in the loss or threatened loss of KMC's ability to participate in any federal or state health care program,

including Medicare or Medi-Cal; (vi) Physician's license to practice medicine in the state of California lapses or is denied, suspended, revoked, terminated, relinquished or made subject to terms of probation or other restriction; (vii) Physician's medical staff privileges are denied, suspended, revoked, terminated, relinquished under threat of disciplinary action or made subject to terms of probation or other restriction; (viii) Physician's Controlled Substance Registration Certificate issued by the Drug Enforcement Administration is revoked, suspended, terminated, relinquished, placed on terms of probation, or restricted in any way; (ix) Physician becomes debarred, excluded, or suspended, or if any other event occurs that makes Physician an Ineligible Person; (x) Physician fails to make a timely disclosure pursuant to paragraph 4.4; (xi) Physician engages in conduct that, in the sole discretion of Authority, is detrimental to patient care or to the reputation or operations of Authority and/or KMC; (xii) Physician breaches the confidentiality provisions of this Agreement; (xiii) Physician dies; (xiv) Physician fails to follow Authority's policies and procedures and other rules of conduct applicable to all employees of Authority, including without limitation, policies prohibiting sexual harassment; (xv) insubordination, flagrant tardiness, or interpersonal problems in the workplace with colleagues, patients or associates; or (xvi) Physician breaches any covenant set forth in paragraph 4.11.

29. **Effect of Termination.**

29.1 **Payment Obligations.** In the event of termination of this Agreement for any reason, Authority shall have no further obligation to pay for any services rendered or expenses incurred by Physician after the effective date of the termination, and Physician shall be entitled to receive compensation for services satisfactorily rendered, calculated on a prorated basis up to the effective date of termination.

29.2 **Vacate Premises.** Upon expiration or earlier termination of this Agreement, Physician shall immediately vacate KMC, removing at such time any and all personal property of Physician. KMC may remove and store, at the expense of Physician, any personal property that Physician has not so removed.

29.3 **No Interference.** Following the expiration or earlier termination of this Agreement, Physician shall not do anything or cause any person to do anything that might interfere with any efforts by Authority or KMC to contract with any other individual or entity for the provision of services or to interfere in any way with any relationship between KMC and any person who may replace Physician.

29.4 **No Hearing Rights.** Termination of this Agreement by Authority or KMC for any reason shall not provide Physician the right to a fair hearing or the other rights more particularly set forth in the KMC medical staff bylaws.

30. **Liability of Authority.** The liabilities or obligations of Authority with respect to its activities pursuant to this Agreement shall be the liabilities or obligations solely of Authority and shall not be or become the liabilities or obligations of the County of Kern or any other entity, including the state of California.

[Signatures follow on next page]

IN WITNESS TO THE FOREGOING, the parties have executed this Agreement as of the day and year first written above.

PHYSICIAN

By: _____
Amir Berjis, M.D.

KERN COUNTY HOSPITAL AUTHORITY

By: _____
Chairman
Board of Governors

APPROVED AS TO CONTENT:
KERN MEDICAL CENTER

By: _____
Russell V. Judd
Chief Executive Officer

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By: _____
VP & General Counsel
Kern County Hospital Authority

Agreement.Berjis.112818

**EXHIBIT “A”
Job Description
Amir Berjis, M.D.**

Position Summary: Reports to the Chair, Department of Surgery and the Chief Medical Officer; serves as (i) Director of Thoracic Surgery, (ii) Designated Institutional Official, and (iii) Director of Medical Education; leads and supports clinical, educational, and research duties as assigned by the Chief Executive Officer, Chief Medical Officer and/or the Department chair, to meet the mission, vision, strategies, and goals of the Department and KMC.

Clinical Responsibilities.

1. Provides appropriate clinical services as assigned and in accordance with generally accepted professional standards.
2. Provides coverage in the thoracic surgery clinics located at KMC, other designated KMC sites, and preoperative conferences.
3. Provides mutually agreed upon call coverage for acute thoracic emergencies and general thoracic surgery; a call schedule shall be submitted on a monthly basis.
4. Provides faculty call coverage, as assigned.
5. Supervises resident physicians and medical students during all assigned clinical activity.
6. Provides other clinical activities, as assigned by the Chief Medical Officer and Department chair.
7. Completes medical records and other appropriate documentation within timeframes established by the Medical Staff and applicable law.

Administrative Responsibilities.

A. Director of Thoracic Surgery:

1. Supports the Department Chair in developing monitoring tools to measure quality, access, financial, and satisfaction outcomes for the Department and academic training programs.
2. Follows Department rules as specified in the Department policies and procedures.
3. Gathers data through best practices and collaborates with other members of the Department to recommend services that will increase productivity, minimize duplication of services, increase workflow efficiency, and provide the highest quality of care to KMC patients.
4. Attends and actively participates in assigned departmental, medical staff, and hospital committees.
5. Participates in Department and hospital quality improvement programs as required by KMC medical staff bylaws, rules, regulations, and policies.
6. Attends Department staff meetings, the annual medical staff meeting, and committee meetings, as assigned by the Chief Medical Officer, President of the Medical Staff, and Department chair.
7. Provides other administrative activities, as assigned by the Department Chair.

B. Designated Institutional Official:

1. Reports to the Chief Executive Officer.

2. Assumes authority and responsibility for all ACGME accredited Graduate Medical Education programs.
3. Chairs the GMEC, which oversees and administers each ACGME-accredited program.
4. Ensures compliance with the ACGME Institutional, Common, and Specialty/Subspecialty specific Program Requirements.
5. Ensures that KMC remains in compliance with the ACGME Institutional Requirements for a Sponsoring Institution.
6. Directs and assists with scheduled ACGME reviews of the KMC accredited programs, including Resident Review Committee site surveys and the biannual CLER visit.
7. Supports and promotes Core Faculty Development and works directly with Program Directors to advance the clinical skillset of the teaching staff.
8. Ensures an environment of academic excellence that leads to resident and fellow milestone achievement, promotes scholarly activity, and facilitates professionalism.

C. Director of Medical Education:

1. Reports to the Chief Medical Officer.
2. Provides oversight for the development, direction, and coordination of all continuing medical education activities of KMC.
3. Achieves an integrated education program for the general and specialty needs of physicians, residents, fellows, and medical students at KMC.
4. Administers the continuing medical education program in accordance with the overall mission and objectives of KMC, in collaboration with the CME Committee and Coordinator.
5. Participates actively with various related staff committees to recommend policies and to provide leadership in all phases of the development of continuing medical education.
6. Oversees the medical student curriculum, clerkships, and electives at KMC.
7. Serves as a liaison between KMC and its affiliated medical school programs.
8. Provides scheduled reports to the Chief Medical Officer regarding continuing medical education activities at KMC.
9. Assumes responsibility and accountability for facilitation, coordination, and enhancing education and scholarly activities.
10. Assumes responsibility and accountability for developing and enhancing resident and student education.
11. Attends all regular and special GMEC meetings.
12. Reports to the GMEC on the status of resident and student education programs.
13. Develops and maintains medical education programs that include education, evaluation, and mentoring of medical students and resident physicians.
14. Administers and maintains an environment conducive to educating residents and students, which includes responsibility to:
 - a. Oversee and ensure the quality of didactic and clinical education;
 - b. Direct medical student didactic teaching, conference, and surgical curriculum;
 - c. Evaluate program faculty in conjunction with the Department chair;
 - d. Monitor resident and student supervision;
 - e. Develop and implement policies and procedures consistent with KMC and program requirements for resident and student duty hours and the working environment, including moonlighting;

- f. Comply with KMC written policies and procedures, including those specified in the Institutional Requirements for selection, evaluation and promotion of residents and students, disciplinary action, and supervision of residents and students; and
- g. Be familiar with and comply with ACGME and Resident Review Committee policies and procedures as outlined in the ACGME Manual of Policies and Procedures.

Teaching Responsibilities.

1. Assists in preparing didactic curriculum and teaching conferences for residents, fellows, and medical students.
2. Provides didactic lectures as mutually agreed upon by the Chief Medical Officer and Department chair or program director.
3. Supports the residency and medical student program directors by interviewing residency applicants.
4. Interviews categorical and transitional residency applicants.
5. Prepares resident physicians for written and oral boards and reviews case logs.
6. Assists the residency program directors through individual monitoring, counseling, and evaluation of resident physicians and medical students, as appropriate.
7. Assists with scholarly activity for the residency program.
8. Pursues scholarly pursuits for improvements in patient care and academic productivity for scientific presentations and publications.

Employment Standards:

Completion of an accredited residency program in general surgery; completion of an accredited fellowship program in thoracic surgery; one (1) year of post-residency experience in thoracic surgery desirable

AND

Possession of a current valid Physician's and Surgeon's Certificate issued by the state of California

AND

Certification by the by the American Board of Surgery in surgery- general and the American Board of Thoracic Surgery in thoracic and cardiac surgery-general.

Knowledge of: The principles and practices of modern medicine; current techniques, procedures, and equipment applicable to thoracic surgery; principles of effective supervision and program development.

[Intentionally left blank]

EXHIBIT "B"
AUTHORIZATION TO RELEASE INFORMATION

[Attached]

AUTHORIZATION TO RELEASE INFORMATION

I, the undersigned physician, hereby authorize Kern Medical Center (“KMC”) and its duly authorized representatives to obtain information from time to time about my professional education, training, licensure, credentials competence, ethics and character from any source having such information. This information may include, without limitation, peer review information, DRG and RVU analyses, ancillary usage information and other utilization and quality related data.

I hereby release the Kern County Hospital Authority and KMC, its authorized representatives and any third parties from any liability for actions, recommendations, statements, reports, records or disclosures, including privileged and confidential information, involving me that are made, requested, taken or received by KMC or its authorized representatives to, from or by any third parties in good faith and relating to or arising from my professional conduct, character and capabilities.

I agree that this authorization to release information shall remain effective until termination of my employment by the Kern County Hospital Authority and KMC. A duplicate of this authorization may be relied upon to the same degree as the original by any third party providing information pursuant to this request.

Physician

Date



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Proposed Amendment No. 2 to Agreement 30917 with Fowrooz S. Joolhar, M.D., a contract employee

Recommended Action: Approve; Authorize Chief Executive Officer to sign

Summary:

Kern Medical requests your Board approve proposed Amendment No. 2 to Agreement 30917 with Fowrooz S. Joolhar, M.D., a contract employee, for professional medical services in the Department of Medicine. Kern Medical first contracted with Dr. Joolhar on September 30, 2017, for an initial term of three-years. Dr. Joolhar is board certified by the American Board of Internal Medicine in cardiovascular disease.

The proposed Amendment increases Dr. Joolhar’s annual salary by \$95,000, from \$425,000 to \$520,000, and amends her job description to include invasive cardiology services, in addition to the non-invasive cardiology services she has provided since joining Kern Medical as an employed physician.

Dr. Joolhar’s annual salary is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey for specialty and represents the reasonable fair market value compensation for the services provided by Dr. Joolhar. The proposed Amendment increases the maximum payable by \$239,025 over the remaining term of the Agreement.

Payment for Services	Previous Year Agreement	Proposed Agreement	Variance
Annual Base Salary	\$425,000	\$520,000	\$95,000
Maximum Payable	Initial Agt. - \$1,297,500 Amend. No. 1 - \$1,360,525	\$1,536,525	\$239,025

Therefore, it is recommended that your Board approve Amendment No. 2 to the Agreement for Professional Services with Fowrooz S. Joolhar, M.D., for professional services in the Department of Medicine, effective December 13, 2018, and authorize the Chief Executive Officer to sign.

**AMENDMENT NO. 2
TO
AGREEMENT FOR PROFESSIONAL SERVICES
CONTRACT EMPLOYEE
(Kern County Hospital Authority – Fowrooz S. Joolhar, M.D.)**

This Amendment No. 2 to the Agreement for Professional Services is made and entered into this ____ day of _____, 2018, between the Kern County Hospital Authority, a local unit of government (“Authority”), which owns and operates Kern Medical Center (“KMC”), and Fowrooz S. Joolhar, M.D. (“Physician”).

RECITALS

(a) Authority and Physician have heretofore entered into an Agreement for Professional Services (Agt. #30917, dated September 14, 2017) and Amendment No. 1 (Agt. #19518, dated July 19, 2018) (the “Agreement”), for the period September 30, 2017 through September 29, 2020, for professional medical services in the Department of Medicine at KMC; and

(b) It is the intent of the parties to have the terms of the Agreement provide for the payment of all reasonably projected costs and expenses related to the services provided by Physician; and

(c) The parties agree to amend certain terms and conditions of the Agreement as hereinafter set forth; and

(d) The Agreement is amended effective December 13, 2018;

NOW, THEREFORE, in consideration of the mutual covenants and conditions hereinafter set forth and incorporating by this reference the foregoing recitals, the parties hereto agree to amend the Agreement as follows:

1. Section 5, Compensation Package, paragraph 5.1, Annual Salary, shall be deleted in its entirety and replaced with the following:

“5.1.1 Annual Salary. Authority shall pay Physician an Annual Salary comprised of (i) a base salary for teaching and administrative duties and (ii) payment for care of KMC patients in the amount of \$520,000 per year, to be paid as follows: Physician shall be paid \$20,000 biweekly not to exceed \$520,000 annually. Physician understands and agrees that (i) the annual salary set forth in this paragraph 5.1 is calculated based on the current Medical Group Management Association Physician Compensation and Production Survey (“MGMA Survey”) for specialty and (ii) Physician will maintain a 50th percentile level of worked relative value units (“Worked RVU”) based on the current MGMA Survey and fulfill all the duties set forth in Exhibit “A” during the term of this Agreement.

5.1.2 Biweekly Payment. Physician shall be paid biweekly on the same schedule as regular Authority employees. The exact date of said biweekly payments shall be at the sole discretion of Authority. All payments made by Authority to Physician shall be subject to all applicable federal and state taxes and withholding requirements.

5.1.3 Fair Market Value Compensation. The compensation provided under section 5.1 represents the parties' good faith determination of the reasonable fair market value compensation for the services to be provided by Physician under this Agreement."

2. Section 5, Compensation Package, paragraph 5.4, Maximum Payable, shall be deleted in its entirety and replaced with the following:

"5.4 Maximum Payable. The maximum compensation payable under this Agreement shall not exceed \$1,536,525 over the three-year Initial Term of this Agreement."

3. Exhibit "A," Job Description, shall be deleted in its entirety and replaced with Amendment No. 1 to Exhibit "A," Job Description, attached hereto and incorporated herein by this reference.

4. All capitalized terms used in this Amendment and not otherwise defined, shall have the meaning ascribed thereto in the Agreement.

5. This Amendment shall be governed by and construed in accordance with the laws of the state of California.


6. This Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

7. Except as provided herein, all other terms, conditions, and covenants of the Agreement and any and all amendments thereto shall remain in full force and effect.

[Signatures follow on next page]

IN WITNESS TO THE FOREGOING, the parties have executed this Amendment No. 2 as of the day and year first written above.

PHYSICIAN

By 
Fowrooz S. Joolhar, M.D.


Date: 11/16/18

KERN COUNTY HOSPITAL AUTHORITY

By _____
Russell V. Judd
Chief Executive Officer

Date: _____

APPROVED AS TO FORM:
LEGAL SERVICES DEPARTMENT

By 
VP & General Counsel
Kern County Hospital Authority

Date: _____

Amend2.Joolhar.111318

**AMENDMENT NO. 1
TO
EXHIBIT "A"
Job Description
Fowrooz S. Joolhar, M.D.**

Position Description: Reports to Chair, Department of Medicine and Chief, Division of Cardiology; serves as a full-time faculty member in the Department providing no fewer than 80 hours per pay period; works collaboratively with clinic and surgery staff as well as hospital administration to ensure efficient workflow, adequacy of support equipment, and superior patient experience.

Essential Functions:

1. Clinical Responsibilities and Assignments:
 - Supervise residents and medical students assigned to the cardiology service while on service
 - Provide weekday professional staffing on medical/surgical and ICU patients
 - Provide mutually agreed upon weeknight and weekend/holiday after hours call coverage
 - Supervise procedures performed by residents and mid-levels while on service
 - Perform therapeutic and diagnostic procedures within the scope of practice for an invasive cardiologist
 - Provide coverage for outpatient clinic services a minimum of three (3) half days per week
 - Provide interpretation of diagnostic examinations (echocardiogram, stress test, Holter monitor, etc.)

2. Administrative Responsibilities:
 - Attend Departmental staff meetings and the annual medical staff meeting
 - Participate in medical staff committees as assigned by the President of the Medical Staff
 - Participate in clinical and administrative integration efforts across that hospital as appropriate for cardiology, ensuring proper program planning, resource allocation, analysis, communication, and assessment
 - Gather data through best practices and collaborate with other members of the Department and Division to recommend services that will increase productivity, minimize duplication of services, increase workflow efficiency, and provide the highest quality patient care
 - Participate in the preparation, monitoring, review, and performance of Division clinical activity
 - Support the Department Chair and Division Chief in developing monitoring tools to measure financial, access, quality, and satisfaction outcomes
 - Complete medical records in a timely fashion and work to improve the quality, accuracy, and completeness of documentation
 - Work collaboratively with other clinical departments to develop a cohesive and collaborative environment across departments with a focus of enhancing access to patient care for inpatient and outpatient services

- Follow and comply with the Medical Staff Bylaws, rules, regulations, and policies as well as Authority and Kern Medical Center policies and procedures

3. Teaching Responsibilities:

- Establish and maintain appointment at the David Geffen School of Medicine at University of California, Los Angeles, or one or more California-based medical schools
- Provide medical education including didactic lectures, education and mentoring of resident physicians and medical students during rounds and in the clinic setting
- Prepare residents for oral boards and reviews case logs
- Provide didactic lectures based on standard curriculum, as assigned by the Department chair and/or Program Director
- Participate in EKG conferences
- Provide cardiology board review sessions, as assigned by the Department Program Director
- Attend monthly morbidity and mortality conference and journal club, as assigned by the Department chair, or designee, when cardiology cases are discussed

Employment Standards:

Completion of an accredited residency program in internal medicine; completion of a fellowship in cardiology; one (1) year of post-residency experience in non-invasive cardiology desirable

AND

Possession of a current valid Physician's and Surgeon's Certificate issued by the state of California

AND

Certification by the American Board of Internal Medicine in cardiovascular disease-subspecialty

Knowledge of: The principles and practices of modern medicine; current techniques, procedures, and equipment applicable to the field of cardiology; principles of effective supervision and program development.

[Intentionally left blank]



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Comments Regarding Budget Variances for Operating Expenses – October 2018

Recommended Action: Receive and File

Summary:

The following items have budget variances for the month of October 2018:

Indigent Funding:

Indigent funding revenue has a favorable budget variance for the month due in large part to a decision to reserve less revenue from the indigent programs in FY 2019 than was planned when the budget was prepared. Additional information received about these programs after the budget was prepared supports a high likelihood that these funds will be received. This decision was also made in an effort to properly match revenue with the period that it is earned.

Capitation Premium Revenue:

Capitation premium revenue has a \$3.1M favorable budget variance due to the receipt of funds from Kern Health Systems for monies owed to Kern Medical for FY 2015 and FY 2016 risk sharing capitation arrangements.

Other Revenue:

Other revenue has an unfavorable variance for the month due to timing of the receipt of Kern Health Systems grant funding. The grant funds received from Kern Health Systems after the accounting cycle was closed for October. These funds will be recognized in the November 2018 financial statements to true-up this line item and bring total other revenue back in line with plan on a year-to-date basis.

Registry Nurses:

Registry nurses expense has an unfavorable budget variance for the month of October. Kern Medical continues to rely on contracted nurse staffing to supplement the nursing departments while aggressively trying to recruit full time employed nurses.

Medical Fees:

Medical fees have a favorable budget variance for the month of October because of reimbursement received from the Kern County Behavioral Health Department for Locum Tenens contracted physician fees. In prior months, Kern Medical has contracted with Locum Tenens on behalf of the Kern County Behavioral Health Department to provide Behavioral Health services.

Other Professional Fees:

Other professional fees have an unfavorable budget variance for October due to expense accruals for the consulting firm Kaufman Hall and the law firm of Squire, Patton, and Boggs. Kaufman Hall and Squire have been engaged to assist with the preparation of a request for proposal regarding banking and credit line options for Kern Medical.

Owned and Operated by the Kern County Hospital Authority
A Designated Public Hospital

1700 Mount Vernon Avenue | Bakersfield, CA 93306 | (661) 326-2000 | KernMedical.com

Supplies Expense:

Supplies expense has an unfavorable budget variance of \$623k for the month of October mainly due to above average expenses for pharmaceutical and surgical supplies.

Purchased Services:

Purchased services have a favorable budget variance for the month due in part to decrease in McKesson expenses. The Kern Medical IS Department has recently reviewed all McKesson software, systems, and service contracts and have eliminated items that are no longer being used. Ambulance fees were also less than average for the month.

Other Expenses:

Other expenses are over budget for the month of October due to a \$500k accrual for legal settlement expenses.

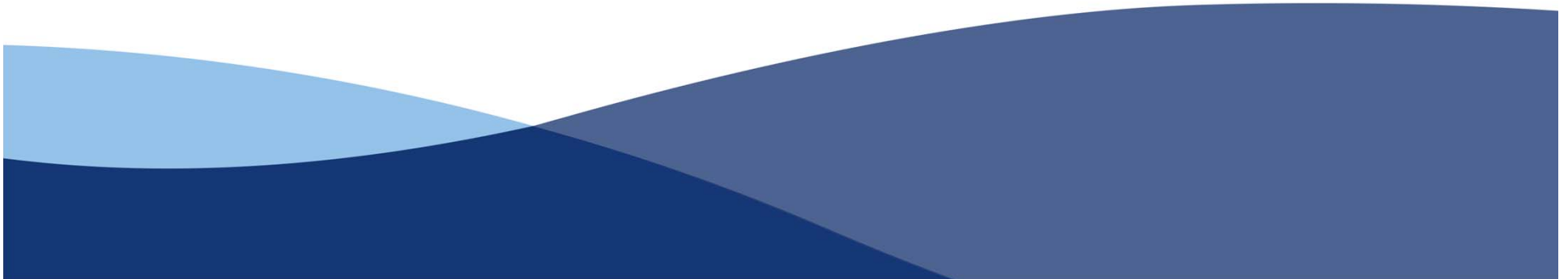
Interest Expense:

Interest expense has a \$1.6M unfavorable budget variance for the month. Interest expense was budgeted low for FY 2019 based on amortization schedules for the pension obligation bonds that do not accurately report the expense actually charged to Kern Medical. To avoid the need for a large true-up adjustment for interest expense at year-end, a decision was made to accrue a \$1.5M lump sum of additional interest expense in the month of October.



**BOARD OF GOVERNORS' FINANCIAL REPORT
KERN MEDICAL – OCTOBER 2018**

DECEMBER 2018



3-Month Trend Analysis: Revenue & Expense

October 31, 2018

	AUGUST	SEPTEMBER	OCTOBER	BUDGET OCTOBER	VARIANCE POS (NEG)	PY OCTOBER
Gross Patient Revenue	\$ 77,239,940	\$ 69,200,464	\$ 72,789,112	\$ 75,632,224	(4%)	\$ 76,925,948
Contractual Deductions	(60,303,946)	(52,162,665)	(55,643,261)	(56,617,574)	(1.7%)	(59,625,036)
Net Revenue	16,935,994	17,037,798	17,145,851	19,014,651	(10%)	17,300,912
Indigent Funding	13,346,154	13,602,078	12,709,470	9,577,936	33%	10,002,778
Correctional Medicine	2,419,175	2,817,855	2,552,068	2,419,175	5%	1,976,127
County Contribution	285,211	285,211	285,211	285,602	(0.1%)	285,211
Incentive Funding	250,000	250,000	3,314,060	250,000	1,226%	0
Net Patient Revenue	33,236,534	33,992,942	36,006,661	31,547,364	14%	29,565,028
Other Operating Revenue	1,253,287	1,341,681	824,957	1,113,512	(26%)	893,153
Other Non-Operating Revenue	84,926	37,790	146,760	44,503	230%	(4,567)
Total Operating Revenue	34,574,746	35,372,414	36,978,378	32,705,379	13%	30,453,614
Expenses						
Salaries	12,711,484	13,429,226	13,503,590	13,635,036	(1%)	12,233,362
Employee Benefits	5,636,929	5,813,406	6,220,842	5,936,740	5%	5,286,266
Contract Labor	1,683,710	1,492,747	1,527,270	1,115,320	37%	1,033,385
Medical Fees	2,242,962	2,406,056	1,096,315	1,612,049	(32%)	1,410,266
Other Professional Fees	1,703,163	1,721,910	1,923,942	1,682,474	14%	347,000
Supplies	5,638,675	4,661,001	5,240,560	4,617,232	14%	4,013,802
Purchased Services	2,368,161	1,806,031	1,765,979	1,924,555	(8%)	1,649,368
Other Expenses	1,629,376	1,420,482	2,004,905	1,394,442	44%	1,311,191
Operating Expenses	33,614,460	32,750,859	33,283,404	31,917,848	4%	27,284,640
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	960,287	2,621,555	3,694,974	787,531	369%	3,168,973
EBIDA Margin	3%	7%	10%	2%	315%	10%
Interest	199,649	170,846	1,669,381	50,504	3,205%	21,924
Depreciation	496,011	527,189	523,585	566,993	(8%)	570,051
Amortization	61,251	49,984	59,792	41,352	45%	22,810
Total Expenses	34,371,371	33,498,878	35,536,161	32,576,697	9%	27,899,425
Operating Gain (Loss)	203,376	1,873,536	1,442,217	128,682	1,021%	2,554,188
Operating Margin	0.6%	5.3%	3.9%	0.39%	891%	8.4%

Year-to-Date: Revenue & Expense

October 31, 2018

	ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
	FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Gross Patient Revenue	\$ 291,959,061	298,113,449	-2%	\$ 296,987,371	(1.7%)
Contractual Deductions	(222,950,706)	(222,770,942)	0.1%	(223,712,968)	(0.3%)
Net Revenue	69,008,356	75,342,508	-8%	73,274,404	
Indigent Funding	52,010,440	38,311,746	36%	36,615,835	42%
Correctional Medicine	10,208,272	9,676,699	5%	7,904,508	29%
County Contribution	1,140,844	1,142,409	-0.1%	1,140,844	0%
Incentive Funding	4,064,060	1,000,000	306%	0	0%
Net Patient Revenue	136,431,971	125,473,361	9%	118,935,591	15%
Other Operating Revenue	4,208,657	4,418,129	-5%	4,102,286	3%
Other Non-Operating Revenue	205,571	176,576	16%	89,397	130%
Total Operating Revenue	140,846,200	130,068,066	8%	123,127,274	14%
Expenses					
Salaries	53,087,691	54,103,888	-2%	49,558,300	7%
Employee Benefits	24,022,407	24,293,496	-1%	20,850,164	15%
Contract Labor	6,069,921	4,385,731	38%	4,473,348	36%
Medical Fees	7,596,326	6,359,198	19%	5,056,721	50%
Other Professional Fees	6,950,286	6,532,909	6%	5,086,989	37%
Supplies	20,372,979	18,183,052	12%	16,549,462	23%
Purchased Services	7,925,478	7,636,138	4%	7,463,396	6%
Other Expenses	6,638,860	5,551,523	20%	6,158,500	8%
Operating Expenses	132,663,947	127,045,935	4%	115,196,881	15%
Earnings Before Interest, Depreciation, and Amortization (EBIDA)	8,182,253	3,022,131	171%	7,930,394	3%
EBIDA Margin	6%	2%	150%	6%	-10%
Interest	2,199,333	202,016	989%	88,309	2,390%
Depreciation	2,061,767	2,208,508	-7%	2,211,567	(7%)
Amortization	221,538	165,408	34%	103,397	114%
Total Expenses	137,146,585	129,621,867	6%	117,600,154	17%
Operating Gain (Loss)	3,699,615	446,199	729%	5,527,120	(33%)
Operating Margin	3%	0.3%	666%	4%	(41%)

3-Month Trend Analysis: Cash Indicators

October 31, 2018

		AUGUST	SEPTEMBER	OCTOBER	GOALS OCTOBER	PY OCTOBER
Cash						
	Total Cash	50,944,441	37,473,020	63,772,426	64,055,574	43,900,559
	Days Cash On Hand	45	34	57	60	50
	Days In A/R - Gross	71.78	75.21	74.64	70.00	84.77
	Patient Cash Collections	\$ 18,081,243	\$ 15,949,460	\$ 18,420,777	\$ 17,530,535	\$ 18,188,575
Indigent Funding Liabilites Due to the State						
	FY 2007 Waiver Payable (County Responsibility)	\$ (745,824)	\$ (745,824)	\$ (745,824)	N/A	\$ (745,824)
	FY 2008 Waiver Payable (County Responsibility)	\$ (6,169,000)	\$ (6,169,000)	\$ (6,169,000)	N/A	\$ (6,169,000)
	FY 2009 Waiver Payable (County Responsibility)	\$ (2,384,000)	\$ (2,384,000)	\$ (2,384,000)	N/A	\$ (2,384,000)
	FY 2011 Waiver Payable (County Responsibility)	\$ (10,493,878)	\$ (10,493,878)	\$ (10,493,878)	N/A	\$ (10,493,878)
	Total County Responsibility	\$ (19,792,702)	\$ (19,792,702)	\$ (19,792,702)		\$ (19,792,702)
	FY 2015 Waiver Payable (Kern Medical Responsibility)	\$ (11,223,792)	\$ (11,223,792)	\$ (11,223,792)	N/A	\$ (11,223,792)
	FY 2016 Waiver Payable (Kern Medical Responsibility)	\$ (2,819,361)	\$ (2,819,361)	\$ (2,819,361)	N/A	\$ (2,819,361)
	Managed Care SPD IGT (Kern Medical Responsibility)	\$ (1,907,399)	\$ (1,907,399)	\$ (1,907,399)	N/A	\$ (1,907,399)
	FY 2014 DSH Payable (Kern Medical Responsibility)	\$ (26,851,210)	\$ (26,851,210)	\$ (26,851,210)	N/A	\$ (24,746,355)
	Total Kern Medical Responsibility	\$ (42,801,762)	\$ (42,801,762)	\$ (42,801,762)		\$ (40,696,907)
	Total Indigent Funding Liabilites Due to the State	\$ (62,594,464)	\$ (62,594,464)	\$ (62,594,464)	N/A	\$ (60,489,609)

3-Month Trend Analysis: Operating Metrics

October 31, 2018

		AUGUST	SEPTEMBER	OCTOBER	BUDGET OCTOBER	VARIANCE POS (NEG)	PY OCTOBER
Operating Metrics							
	Total Expense per Adjusted Admission	19,624	22,134	22,793	20,295	12%	16,495
	Total Expense per Adjusted Patient Day	4,300	4,331	4,358	4,038	8%	3,484
	Supply Expense per Adjusted Admission	3,219	3,080	3,361	2,876	17%	2,373
	Supply Expense per Surgery	2,464	1,991	1,659	1,356	22%	1,033
	Supplies as % of Net Patient Revenue	17%	14%	15%	15%	(1%)	14%
	Pharmaceutical Cost per Adjusted Admission	1,318	1,325	1,511	1,282	18%	1,024
	Net Revenue Per Adjusted Admission	\$ 9,670	\$ 11,257	\$ 10,998	\$ 11,846	(7%)	\$ 10,229

Year-to-Date: Operating Metrics

October 31, 2018

		ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
		FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Operating Metrics						
	Total Expense per Adjusted Admission	21,306	20,566	4%	18,759	14%
	Total Expense per Adjusted Patient Day	4,274	4,092	4%	3,765	14%
	Supply Expense per Adjusted Admission	3,165	2,885	10%	2,640	20%
	Supply Expense per Surgery	1,996	1,442	38%	1,337	49%
	Supplies as % of Net Patient Revenue	15%	14%	3%	14%	7.3%
	Pharmaceutical Cost per Adjusted Admission	1,375	1,282.93	7%	1,111	24%
	Net Revenue Per Adjusted Admission	\$ 10,720	11,954	-10%	\$ 11,689	(8%)

INDIGENT PATIENT CARE FUNDING - MTD & YTD

FOR THE MONTH OCTOBER 31, 2018

MTD ACTUAL	MTD BUDGET	VAR \$ FAV/(UNFAV)	VAR %	DESCRIPTION	YTD ACTUAL	YTD BUDGET	VAR \$ FAV/(UNFAV)	VAR %
657,566	316,667	340,899	108%	MEDI-CAL HOSPITAL QUALITY ASSURANCE FEE	2,227,397	1,266,667	960,730	76%
2,375,592	1,250,311	1,125,280	90%	MEDI-CAL RATE-RANGE REVENUE	9,828,452	5,001,246	4,827,206	97%
150,417	158,333	(7,917)	-5%	PHYSICIAN SPA REVENUE	601,667	633,333	(31,667)	-5%
278,271	292,917	(14,646)	-5%	AB 915 OUTPATIENT SUPPLEMENTAL PROGRAM	2,362,424	1,171,667	1,190,757	102%
2,259,417	2,259,417	0	0.0%	PRIME - NEW WAIVER	9,037,667	9,037,667	0	0.0%
2,369,458	2,369,458	0	0.0%	GPP - NEW WAIVER	9,477,833	9,477,833	0	0.0%
1,242,917	1,242,917	0	0.0%	WHOLE PERSON CARE	4,971,667	4,971,667	0	0.0%
2,129,167	1,064,583	1,064,583	100%	EPP REVENUE	8,516,667	4,258,333	4,258,333	100%
1,246,667	623,333	623,333	100%	QIP REVENUE	4,986,667	2,493,333	2,493,333	100%
12,709,470	9,577,936	3,131,533	33%	SUB-TOTAL - GOVERNMENTAL REVENUE	52,010,440	38,311,746	13,698,694	36%
2,552,068	2,419,175	132,894	5.5%	CORRECTIONAL MEDICINE	10,208,272	9,676,699	531,574	5.5%
285,211	285,602	(391)	-0.1%	COUNTY CONTRIBUTION	1,140,844	1,142,409	(1,565)	-0.1%
15,546,749	12,282,713	3,264,036	27%	TOTAL INDIGENT CARE & COUNTY FUNDING	63,359,556	49,130,853	14,228,702	29%

OTHER REVENUE

FOR THE MONTH OCTOBER 31, 2018

OTHER OPERATING REVENUE

	MTD ACTUAL	MTD BUDGET	VARIANCE	YTD ACTUAL	YTD BUDGET	VARIANCE
MEDICAL POSTGRAD EDUCATION TUITION	275,507	282,810	(7,303)	1,094,827	1,122,118	(27,291)
STAFF DEVELOPMENT EDUCATION FEES	0	1,191	(1,191)	1,115	4,725	(3,610)
TRAUMA EDUCATION REG FEES	0	45	(45)	0	177	(177)
CAFETERIA REVENUE	91,034	81,321	9,713	336,414	322,660	13,754
FINANCE CHARGES-PATIENT AR	16,664	19,907	(3,243)	47,905	78,988	(31,083)
REBATES AND REFUNDS	(105,533)	83,853	(189,386)	423,034	332,706	90,328
DRUG CO. CASH BACK	3,564	1,388	2,176	4,687	5,508	(821)
PHOTOCOPY FEES	2,285	1,944	341	7,790	7,714	76
JURY WITNESS FEES	0	58	(58)	0	230	(230)
MEDICAL RECORDS FEES	1,095	4,543	(3,448)	9,315	18,027	(8,712)
PHYSICIAN PROFESSIONAL FEES-ER LOCKBOX	3,601	2,658	944	26,642	10,545	16,096
OTHER REVENUE	8,029	38,316	(30,286)	10,581	152,026	(141,446)
LASER CENTER REVENUE	14,148	50,959	(36,811)	63,590	202,192	(138,602)
CANCELLED OUTLAWED WARRANTS	0	5,508	(5,508)	(15,112)	21,853	(36,966)
GRANTS - KHS	44,631	219,493	(174,861)	256,341	870,890	(614,549)
MADDY FUNDS-EMERG MEDICAL SVCS	0	34,472	(34,472)	108,977	136,774	(27,797)
PRIMARY CARE & OTHER INCENTIVE	0	2,055	(2,055)	24,160	8,153	16,007
VETERANS ADMIN REVENUE	2,875	3,061	(187)	10,914	12,147	(1,233)
BEHAVIORAL HEALTH MOU	262,832	223,904	38,929	1,146,554	888,392	258,161
PATERNITY DECLARATION REVENUE	2,210	1,082	1,128	6,050	4,292	1,758
PEDIATRIC FORENSIC EXAMS	13,800	8,281	5,519	13,800	32,856	(19,056)
FOUNDATION CONTRIBUTIONS	501	3,535	(3,034)	11,053	14,024	(2,972)
DONATED EQUIPMENT	168,019	9,095	158,923	168,019	36,089	131,930
PAY FOR PERFORMANCE	0	10,859	(10,859)	99,991	43,086	56,905
PROPOSITION 56 DIRECTED PAYMENTS	0	0	0	273,235	0	273,235
WORKERS' COMPENSATION REFUNDS	0	14	(14)	0	56	(56)
TOTAL OTHER OPERATING REVENUE	824,957	1,113,512	(288,555)	4,208,657	4,418,129	(209,471)
OTHER NON-OPERATING REVENUE						
OTHER MISCELLANEOUS REVENUE	(32,679)	228	(32,907)	(30,315)	903	(31,218)
INTEREST ON FUND BALANCE	179,439	44,275	135,164	235,886	175,673	60,214
TOTAL OTHER NON-OPER REVENUE	146,760	44,503	102,257	205,571	176,576	28,995

KERN MEDICAL BALANCE SHEET		
	October 2018	October 2017
CURRENT ASSETS:		
CASH	\$63,772,426	\$43,900,559
CURRENT ACCOUNTS RECEIVABLE (incl. CLINIC CHARGES RECEIVABLE)	177,871,824	206,271,223
ALLOWANCE FOR UNCOLLECTIBLE RECEIVABLES - CURRENT	(137,694,276)	(168,295,268)
-NET OF CONT ALLOWANCES	40,177,548	37,975,955
CORRECTIONAL MEDICINE RECEIVABLE	1,903,084	0
MD SPA	5,794,339	4,043,978
HOSPITAL FEE RECEIVABLE	(1,078,511)	1,124,073
CPE - O/P DSH RECEIVABLE	2,808,388	5,587,990
BEHAVIORAL HEALTH MOU	2,514,784	850,164
MANAGED CARE IGT (RATE RANGE)	14,332,591	10,947,681
RECEIVABLE FROM LIHP	(6,547,536)	(6,547,536)
OTHER RECEIVABLES	2,648,286	2,841,297
PRIME RECEIVABLE	18,092,695	40,262,254
AB85/75% DEFAULT PCP RECEIVABLE	(9,146,436)	2,995,003
GPP (Global Payment Program)	(8,023,721)	1,085,569
WPC (Whole Person Care)	5,480,168	5,302,387
EPP (Enhanced Payment Program)	8,516,667	0
QIP (Quality Incentive Program)	4,986,667	0
INTEREST ON FUND BALANCE RECEIVABLE	195,984	23,818
MANAGED CARE IGT (SPD)	(1,907,399)	(5,141,595)
OTHER NON PATIENT RECEIVABLE	0	0
WAIVER RECEIVABLE FY07	(745,824)	(745,824)
WAIVER RECEIVABLE FY08	(6,169,000)	(6,169,000)
WAIVER RECEIVABLE FY09	(2,384,000)	(2,384,000)
WAIVER RECEIVABLE FY10	579,696	579,696
WAIVER RECEIVABLE FY11	(10,493,878)	(10,493,878)
WAIVER RECEIVABLE FY12	679,308	679,308
WAIVER RECEIVABLE FY15	(11,223,792)	(11,223,792)
WAIVER RECEIVABLE FY16	(2,819,361)	(2,819,361)
PREPAID EXPENSES	3,684,196	3,811,390
PREPAID MORRISON DEPOSIT	813,320	799,706
INVENTORY AT COST	5,373,934	4,245,917
TOTAL CURRENT ASSETS	121,814,625	121,531,760
PROPERTY, PLANT & EQUIPMENT:		
LAND	542,961	170,395
EQUIPMENT	51,372,161	47,725,687
BUILDINGS	86,654,618	82,462,922
CONSTRUCTION IN PROGRESS	16,937,325	7,261,493
LESS: ACCUMULATED DEPRECIATION	(91,376,502)	(85,823,506)
NET PROPERTY, PLANT & EQUIPMENT	64,130,563	51,796,991
NET INTANGIBLE ASSETS		
INTANGIBLE ASSETS	14,687,166	12,331,179
ACCUMULATED AMORTIZATION INTANGIBLES	(11,228,774)	(10,653,766)
NET INTANGIBLE ASSETS	3,458,392	1,677,413
LONG-TERM ASSETS:		
LONG-TERM PATIENT ACCOUNTS RECEIVABLE		
DEFERRED OUTFLOWS - PENSIONS	71,752,645	71,752,645
INVESTMENT IN SURGERY CENTER	2,643,659	0
CASH HELD BY COP IV TRUSTEE	922,330	912,973
TOTAL LONG-TERM ASSETS	75,318,634	72,665,618
TOTAL ASSETS	\$264,722,215	\$247,671,782

KERN MEDICAL BALANCE SHEET		
	October 2018	October 2017
CURRENT LIABILITIES:		
ACCOUNTS PAYABLE	\$18,174,966	\$17,679,151
ACCRUED SALARIES & EMPLOYEE BENEFITS	27,244,415	33,583,231
INTEREST PAYABLE	5,258,452	456,342
OTHER ACCRUALS	3,324,757	2,456,788
ACCRUED CWCAP LIABILITY	0	105,599
CURRENT PORTION - CAPITALIZED LEASES	2,375,118	337,560
CURR LIAB - COP 2011 PAYABLE	1,131,693	1,085,718
CURR LIAB - P.O.B.	1,925,651	1,783,221
MEDICARE COST REPORT LIAB PAYABLE	3,094,510	3,794,129
MEDI-CAL COST REPORT LIABILITY	1,070,179	1,430,435
INDIGENT FUNDING PAYABLE	15,272,923	14,373,568
DSH PAYABLE FY14	26,851,210	24,746,355
CREDIT BALANCES PAYABLES	3,207,212	4,011,403
DEFERRED REVENUE - COUNTY CONTRIBUTION	7,204,804	6,042,599
TOTAL CURRENT LIABILITIES	116,135,890	111,886,100
LONG-TERM LIABILITIES:		
LONG-TERM LIABILITY-COP 2011	0	1,131,693
NET UNAMORTIZED DISCOUNT COP	39,985	59,978
LONG-TERM LIABILITY - CAPITAL LEASES	6,267,636	1,387,154
NET OPEB (OTHER POST EMPLOYMENT BENEFITS)	4,201,203	4,201,203
NET PENSION LIABILITY	329,935,445	329,935,445
L.T. LIAB. - P.O.B. INTEREST PAYABLE 08	14,842,004	14,722,232
L.T. LIAB. - P.O.B. INTEREST PAYABLE 03	4,329,041	3,917,722
L.T. P.O.B. PAYABLE 95	11,590,866	16,695,541
L.T. P.O.B. PAYABLE 08	5,392,893	5,392,893
ACCRUED PROFESSIONAL LIABILITY	5,077,041	5,890,983
ACCRUED WORKERS' COMPENSATION PAYABLE	6,773,000	0
DEFERRED INFLOWS - PENSIONS	22,238,926	22,238,926
PENSION OBLIGATION BOND PAYABLE	2,643,205	3,678,145
ACCRUED COMPENSATED ABSENCES	3,830,085	0
TOTAL LONG-TERM LIABILITIES	417,161,331	409,251,915
NET POSITION		
RETAINED EARNINGS - CURRENT YEAR	39,814,215	39,814,215
RETAINED EARNINGS - PRIOR YEAR	(308,389,221)	(313,280,448)
TOTAL NET POSITION	(268,575,006)	(273,466,233)
TOTAL LIABILITIES & NET POSITION	\$264,722,215	\$247,671,782



**BOARD OF GOVERNORS
KERN COUNTY HOSPITAL AUTHORITY REGULAR MEETING**

December 12, 2018

Subject: Kern County Hospital Authority, Chief Executive Officer Report

Recommended Action: Receive and File

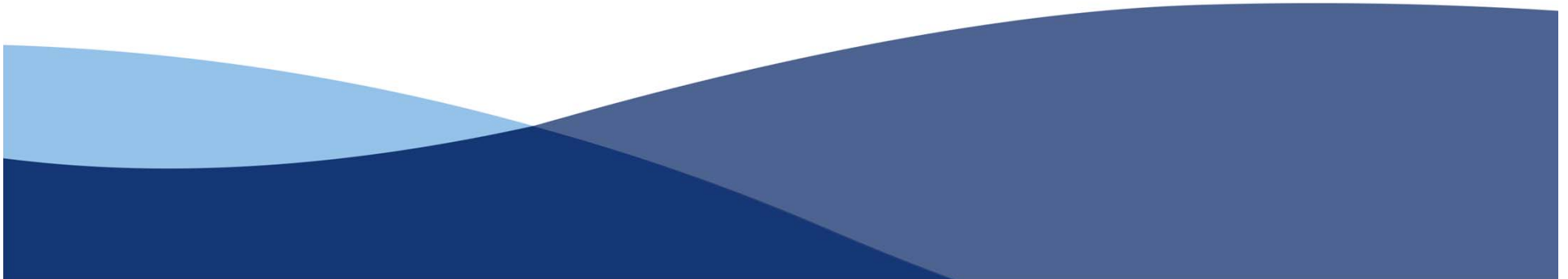
Summary:

The Chief Executive Officer has provided the attached 3-month trend Analysis: Volume and Strategic Indicators for Kern Medical



**BOARD OF GOVERNORS' VOLUMES REPORT
KERN MEDICAL – OCTOBER 2018**

DECEMBER 2018



3-Month Trend Analysis: Volume and Strategic Indicators

October 31, 2018

	AUGUST	SEPTEMBER	OCTOBER	BUDGET OCTOBER	VARIANCE POS (NEG)	PY OCTOBER
VOLUME						
Adjusted Admissions (AA)	1,751	1,513	1,559	1,605	(3%)	1,691
Adjusted Patient Days	7,993	7,736	8,154	8,067	1%	8,007
Admissions	898	783	770	883	(13%)	929
Average Daily Census	132	133	130	143	(9%)	142
Patient Days	4,098	4,002	4,027	4,437	(9%)	4,398
Available Occupancy %	61.8%	62.3%	60.7%	66.9%	(9%)	66.3%
Average LOS	4.6	5.1	5.2	5.0	4%	4.7
Surgeries						
Inpatient Surgeries (Main Campus)	238	196	219	258	(15%)	258
Outpatient Surgeries (Main Campus)	251	232	286	281	2%	281
Total Surgeries	489	428	505	539	(6%)	539
Births	260	236	225	214	5%	259
ER Visits						
Admissions	446	406	384	423	(9%)	465
Treated & Released	3,898	3,854	3,756	4,028	(7%)	3,636
Total ER Visits	4,344	4,260	4,140	4,451	(7%)	4,101
Trauma Activations	233	226	230	234	-2%	260
Outpatient Clinic Visits						
Total Clinic Visits	13,773	11,518	14,571	12,340	18%	12,846
Total Unique Patient Clinic Visits	10,080	8,763	10,650	9,383	14%	9,768
New Unique Patient Clinic Visits	2,051	1,695	2,173	1,970	10%	2,051

Year-to-Date: Volume and Strategic Indicators

October 31, 2018

		ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
		FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
VOLUME						
	Adjusted Admissions (AA)	6,437	6,303	2%	6,269	3%
	Adjusted Patient Days	32,090	31,676	1%	31,236	3%
	Admissions	3,249	3,454	(6%)	3,394	(4%)
	Average Daily Census	132	141	(7%)	139	(5%)
	Patient Days	16,197	17,361	(7%)	17,114	(5%)
	Available Occupancy %	61.5%	66%	(7%)	65.0%	(5%)
	Average LOS	5.0	5.0	(1%)	5.0	(1%)
	Surgeries					
	Inpatient Surgeries (Main Campus)	889	983	(10%)	976	(9%)
	Outpatient Surgeries (Main Campus)	1,007	1,010	(0%)	1,003	0.4%
	Total Surgeries	1,896	1,993	(5%)	1,979	(4%)
	Births	953	890	7%	896	6%
	ER Visits					
	Admissions	1,631	1,675	(2.6%)	1,766	(8%)
	Treated & Released	15,256	15,957	(4%)	14,748	3%
	Total ER Visits	16,887	17,632	(4%)	16,514	2%
	Trauma Activations	947	928	2%	1,072	(12%)
	Outpatient Clinic Visits					
	Total Clinic Visits	51,869	48,882	6%	46,503	12%
	Total Unique Patient Clinic Visits	38,574	37,838	2%	35,968	7%
	New Unique Patient Clinic Visits	7,683	8,225	(7%)	7,817	(2%)

3-Month Trend Analysis: Payor Mix

October 31, 2018

	AUGUST	SEPTEMBER	OCTOBER	BUDGET OCTOBER	VARIANCE POS (NEG)	PY OCTOBER
PAYOR MIX - Charges						
Commercial FFS/HMO/PPO	9.0%	8.7%	7.4%	10.5%	(30%)	14.3%
Medi-Cal	30.4%	29.2%	31.2%	29.9%	4%	28.8%
Medi-Cal HMO - Kern Health Systems	31.2%	30.0%	32.0%	30.8%	4%	29.9%
Medi-Cal HMO - Health Net	9.2%	8.8%	9.4%	9.0%	4%	8.7%
Medi-Cal HMO - Other	1.1%	1.0%	1.1%	0.4%	170%	1.0%
Medicare	9.0%	9.7%	9.5%	10.5%	(9%)	10.3%
Medicare - HMO	2.3%	3.5%	2.7%	2.1%	28%	2.7%
County Programs	0.3%	0.3%	0.3%	0.3%	33%	0.2%
Workers' Compensation	0.28%	0.31%	0.48%	0.5%	3%	0.4%
Self Pay	7.3%	8.4%	5.8%	6.0%	(3%)	3.7%
Total	100.0%	100.0%	100.0%	100.0%		100.0%

Year-to-Date: Payor Mix

October 31, 2018

		ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
		FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
PAYOR MIX - Charges						
	Commercial FFS/HMO/PPO	8.5%	10.5%	(19%)	12.0%	(29%)
	Medi-Cal	30.1%	30%	0.6%	28.9%	4%
	Medi-Cal HMO - Kern Health Systems	30.9%	31%	0.6%	29.7%	3.9%
	Medi-Cal HMO - Health Net	9.1%	9%	0.6%	8.7%	4%
	Medi-Cal HMO - Other	1.1%	0%	160%	1.0%	4%
	Medicare	9.5%	10%	(9%)	9.7%	(2%)
	Medicare - HMO	2.7%	2%	30%	2.1%	26%
	County Programs	0.3%	0.3%	20%	0.6%	(49%)
	Workers' Compensation	0.4%	0.5%	(23%)	1.4%	(73%)
	Self Pay	7.5%	6%	20%	5.8%	30%
	Total	100.0%	100%		100.0%	

3-Month Trend Analysis: Labor and Productivity Metrics

October 31, 2018

		AUGUST	SEPTEMBER	OCTOBER	BUDGET OCTOBER	VARIANCE POS (NEG)	PY OCTOBER
Labor Metrics							
	Productive FTEs	1,445.85	1,429.00	1,459.93	1,483.80	(2%)	1,412.91
	Non-Productive FTEs	215.26	222.17	191.80	215.06	(11%)	174.13
	Contract Labor FTEs	102.34	97.03	94.17	77.62	21%	97.46
	Total FTEs	1,661.11	1,651.17	1,651.73	1,698.86	(3%)	1,587.04
	FTE's Per AOB Paid	6.07	6.40	6.28	6.53	(4%)	6.14
	FTE's Per AOB Worked	5.28	5.54	5.55	5.70	(3%)	5.47
	Labor Cost/FTE (Annualized)	130,314.95	135,786.42	139,036.33	131,354.98	6%	125,568.19
	Benefits Expense as a % of Benefitted Labor Expense	58%	61%	64%	58%	10%	58%
	Salaries & Benefits as % of Net Patient Revenue	60%	61%	59%	66%	(10%)	63%

Year-to-Date: Labor and Productivity Metrics

October 31, 2018

		ACTUAL	BUDGET	VARIANCE	PY	PY VARIANCE
		FYTD	FYTD	POS (NEG)	FYTD	POS (NEG)
Labor Metrics						
	Productive FTEs	1,436.62	1,472	(2%)	1,373.05	5%
	Non-Productive FTEs	216.23	214	1%	194.63	11%
	Contract Labor FTEs	97.91	77	27%	88.67	10%
	Total FTEs	1,652.85	1,686	(2%)	1,567.68	5%
	FTE's Per AOB Paid	6.24	7	(5%)	6.10	2%
	FTE's Per AOB Worked	5.42	6	(5%)	5.34	1%
	Labor Cost/FTE (Annualized)	135,944.68	132,428	3%	128,175.46	6%
	Benefits Expense as a % of Benefitted Labor Expense	62%	60%	3%	57%	8%
	Salaries & Benefits as % of Net Patient Revenue	61%	66%	(8%)	63%	(3%)

From: Nancy Lawson <lawsonn@kerncounty.com>
Date: Tuesday, December 4, 2018 at 5:12 PM
To: Russell Judd <Russell.Judd@kernmedical.com>
Cc: Karen Barnes <Karen.Barnes@kernmedical.com>
Subject: Resignation as Board of Governors Secretary

CAUTION: This message originated from outside the Kern Medical email system. **DO NOT** click links or open attachments unless you recognize the sender and know the content is safe.

Mr. Judd:

I would like to formally resign my position of Secretary for the Board of Governors of the Hospital Authority effective December 31, 2018 as my term ends. It has been a honor and pleasure to serve on this Board and be a part of the tremendous progress made at the hospital. Best of wishes to you and your team:)

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Health and Safety Code Section 101855(j)(2)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on December 12, 2018, to discharge its responsibility to evaluate and improve the quality of care rendered by health facilities and health practitioners. The closed session involves:

 X Request for Closed Session regarding peer review of health practitioners (Health and Safety Code Section 101855(j)(2)) –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Health and Safety Code Section 101855(j)(2)

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 X Request for Closed Session regarding peer review of health facilities (Health and Safety Code Section 101855(j)(2)) –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Government Code Section 54956.9

Based on the advice of Counsel, the Board of Governors is holding a closed session on December 12, 2018, to confer with, or receive advice from Counsel regarding pending litigation, because discussion in open session concerning this matter would prejudice the position of the authority in the litigation. The closed session involves:

- X CONFERENCE WITH LEGAL COUNSEL - ANTICIPATED LITIGATION
(Government Code Section 54956.9(d)(2), (e)(2).) Number of cases: One (1)
Significant exposure to litigation in the opinion of the Board of Governors on the advice of legal counsel, based on: Facts and circumstances, including, but not limited to, an accident, disaster, incident, or transactional occurrence that might result in litigation against the Authority and that are known to a potential plaintiff or plaintiffs –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

Health and Safety Code Section 101855(e)(1)

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on December 12, 2018, the premature disclosure of which would create a substantial probability of depriving the authority of a substantial economic benefit or opportunity. The closed session involves:

 X Request for Closed Session for the purpose of discussion or taking action on authority trade secrets (Health and Safety Code Section 101855(e)(1)) –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on December 12, 2018, to consider:

 X PUBLIC EMPLOYEE PERFORMANCE EVALUATION - Title: Chief Executive Officer (Government Code Section 54957) –

**KERN COUNTY HOSPITAL AUTHORITY
BOARD OF GOVERNORS
PUBLIC STATEMENT REGARDING CLOSED SESSION**

On the recommendation of the Chief Executive Officer, the Board of Governors will hold a closed session on December 12, 2018, to consider:

- X CONFERENCE WITH LABOR NEGOTIATORS - Agency designated representatives: Vice President & General Counsel Karen S. Barnes and designated staff – Unrepresented Employee: Chief Executive Officer (Government Code Section 54957.6)