



BOARD OF DIRECTORS

*Katherine Burnworth, President | Laura Goodsell, Vice-President | James Garcia, Treasurer | Enola Berker, Secretary
| Rodolfo Valdez, Director | Felipe Irigoyen, Director*

AGENDA

**REGULAR MEETING OF THE FINANCE & BUDGET COMMITTEE
TUESDAY, MAY 26, 2026, 10:00 A.M.**

**Pioneers Memorial Hospital | PMH Auditorium
207 W. Legion Road, Brawley, CA92227**

[Join Microsoft Teams](#)

Meeting ID: 244 863 462 825 407

Passcode: wc3rc92K

1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Approval of Request for Remote Appearance by Board Member(s), if Applicable

5. Consider Approval of Agenda

In the case of an emergency, items may be added to the agenda by a majority vote of the Board of Directors. An emergency is defined as a work stoppage, a crippling disaster, or other activity that severely imperils public health, safety, or both. Items on the agenda may be taken out of sequential order as their priority is determined by the Board of Directors. The Board may take action on any item appearing on the agenda.

6. Public Comments

At this time the Board will hear comments on any agenda item. If any person wishes to be heard, they shall stand; address the president, identify themselves, and state the subject for comment. Time limit for each speaker is 3 minutes individually per item to address the Board. Individuals who wish to speak on multiple items will be allowed four (4) minutes in total. A total of 15 minutes shall be allocated for each item for all members of the public. The board may find it necessary to limit the total time allowable for all public comments on

items not appearing on the agenda at anyone one meeting to one hour.

7. Consent Calendar

Any member of the Board may request that items for the Consent Calendar be removed for discussion. Items so removed shall be acted upon separately immediately following approval of items remaining on the Consent Calendar.

- a. Approve minutes for meetings of March 23, 2026, and April 23, 2026.

8. Items for Discussion and/or Board Action

- a. Review of April 2026 Financials and Profit & Loss Statements (Staff reference: Carly Loper)
- b. Budget FY2027 (Staff reference: Carly Loper)
- c. Discussion and/or possible action to recommend to the Board of Directors approval of the Employee Leasing Agreement between Rady Children's Hospital San Diego (RCHSD) and IVHD for audiology staff to provide basic audiology testing locally in our clinics. (Staff reference: Carly Zamora)
- d. Discussion and/or possible action to recommend to the Board of Directors approval of Emergency Medical Care On-Call for Jason J. Chiu, MD. Inc. (Staff reference: Carly Zamora)
- e. Discussion and/or possible action to recommend to the Board of Directors approval of Authorization to approve Professional Service Agreement for Dr. Koorosh Kooros, M.D. (Staff reference Carly Zamora)
- f. Discussion and/or possible action to recommend to the Board of Directors approval of Authorization to approve Professional Service Agreement for Sayed Monis, M.D. (Staff reference Carly Zamora)
- g. Discussion and/or possible action to recommend to the Board of Directors approval of Authorization to approve Progressive Healthcare Consulting Agreement (Staff reference Carly Zamora)
- h. Discussion and/or possible action to recommend to the Board of Directors approval of Authorization to approve Appointment of Dr. Lisa Bean, M.D., as Medical Executive Committee Chair of OBGYN Services. (Staff reference Carly Zamora)
- i. Discussion and/or possible action to recommend to the Board of Directors approval of Review and authorize property insurance coverage provided through broker, Alliant Insurance Services, Inc.

("Alliant"). Property insurance includes coverage for Property, Boiler & Machinery, Commercial Cyber Liability and Pollution. (Staff reference Carly Loper)

- j. Discussion and/or possible action to recommend to the Board of Directors approval of Authorize the renewal of Healthcare Entity Comprehensive Liability (HCL) Coverage, Directors & Officers Liability Coverage and Automobile Coverage with BETA Risk Management Authority ("BETARMA"). (Staff reference Carly Loper)
- k. Discussion and/or possible action to recommend to the Board of Directors approval of Authorize the renewal of Workers' Compensation Coverage with BETA Risk Management Authority ("BETARMA") for coverage in the State of California. (Staff reference Carly Loper)
- l. Discussion and/or possible action to recommend to the Board of Directors approval of Co-Applicant Documents for the Imperial Valley Health Centers. (Staff reference Carly Zamora)
- m. Discussion and/or possible action to recommend to the Board of Directors approval of the eighth amendment to the Professional Service Agreement for Rady's Children's Specialist of San Diego. (Staff reference Carly Zamora)
- n. Discussion and/or possible action to recommend to the Board of Directors approval of the Medical Directorship agreement for Alidad Zadeh, D.O. at Imperial Valley Health Centers. (Staff reference Carly Zamora)

9. Items for Future Agenda

This item is placed on the agenda to enable the Board to identify and schedule future items for discussion at upcoming meetings and/or identify press release opportunities.

10. Adjournment

POSTING STATEMENT

A copy of the agenda was posted May 22, 2026, at 207 W. Legion Road, Brawley, CA 92227 at 9:30 p.m. and other locations throughout the IVHD pursuant to CA Government code 54957.5. Disclosable public records and writings related to an agenda item distributed to all or a majority of the Board, including such records and written distributed less than 24 hours prior to this meeting are available for public inspection at the District Administrative Office where the IVHD meeting will take place. The agenda package and material related to an agenda item submitted after the packets distribution to the Board is available for public review in the lobby of the office where the Board meeting will take place.

In compliance with the Americans with Disabilities Act, if any individuals request special accommodations to attend and/or participate in District Board meetings please contact the District at (760)970-6046. Notification of 48 hours prior to the meeting will enable the District to make reasonable accommodation to ensure accessibility to this meeting [28 CFR 35.102-35.104 ADA title II].



**MEETING MINUTES
MARCH 23, 2026
FINANCE COMMITTEE MEETING**

THE IMPERIAL VALLEY HEALTHCARE DISTRICT FINANCE COMMITTEE MET IN REGULAR SESSION ON THE 23rd OF MARCH AT 207 W. LEGION ROAD CITY OF BRAWLEY, CA. ON THE DATE, HOUR AND PLACE DULY ESTABLISHED OR THE HOLDING OF SAID MEETING.

1. TO CALL ORDER:

The regular meeting was called to order in open session at 10:07 a.m. by James Garcia.

2. ROLL CALL-DETERMINATION OF QUORUM:

President	James Garcia
Vice-President	Enola Berker

GUESTS:

Laura Goodsell-Trustee
Adriana Ochoa – Legal/Snell & Wilmer (Remote)
Christopher R. Bjornberg - Chief Executive Officer
Carly Loper – PMH Chief Financial Officer
David Momberg – ECRMC Chief Financial Officer

3. PLEDGE OF ALLEGIANCE WAS LED BY DIRECTOR GARCIA.

4. APPROVAL OF REQUEST FOR REMOTE APPEARANCE BY BOARD MEMBER(S)

Adriana informed the board that we do not have the AB2449 request from Director Goodsell because she does not meet any of the qualifying reasons and she will be appearing as a member of the public and does not count towards the quorum today.

5. CONSIDER APPROVAL OF AGENDA:

Motion was made by Director Berker and second by Director Garcia to approve the agenda for March 23, 2026. Motion passed by the following vote wit:

AYES: Garcia, Berker
NOES: None

6. PUBLIC COMMENT TIME:

None.

7. CONSENT CALENDAR:

Motion was made by Director Berker and second by Director Garcia to approve the consent calendar minutes for February 23, 2026. Motion passed by the following vote wit:

AYES: Garcia, Berker
NOES: None



8. ACTION ITEMS:

- a. Review of February 2026 Financials and Profit & Loss Statements

Motion was made by Director Berker and second by Director Garcia to approve receiving and recommending the Board of Directors approval of February 2026 Financials and Department Profit & Loss Statement. Motion passed by the following vote wit:

AYES: Garcia, Berker
NOES: None

- b. Discussion and/or possible action to recommend to the Board of Directors approval of Medical Directorship Agreement for Rami Jirjis Urology P.C. (Staff reference: Carly Zamora)

Motion was made by Director Berker and second by Director Garcia to approve recommending to the Board of Directors approval of the Medical Directorship Agreement for Rami Jirjis Urology P.C. Motion passed by the following vote wit:

AYES: Garcia, Berker
NOES: None

- c. Discussion and/or possible action to recommend to the Board of Directors approval of Premier – Acute Care Membership Application Urology P.C. (Staff reference: Carly Loper)

Motion was made by Director Berker and second by Director Garcia to approve recommending to the Board of Directors approval of the Premier – Acute Care Membership Application Urology P.C. Motion passed by the following vote wit:

AYES: Garcia, Berker
NOES: None

BOARD WENT INTO CLOSED SESSION AT 10:57 A.M.

9. CLOSED SESSION:

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Property: El Centro Regional Medical Center, 1415 Ross Avenue El Centro, CA 92243 and related healthcare facilities

Agency negotiators: Legal Counsel (Adriana Ochoa), IVHD CEO Christopher Bjornberg

Negotiating parties: Pablo Velez, ECRMC, City of El Centro

Under negotiation: Closing conditions related to Asset Transfer Agreement

BOARD RECONVENED INTO OPEN SESSION AT 12:45 P.M.

- a. **No reportable action taken in closed session.**

10. ITEMS FOR FUTURE AGENDA:



Financials

11. ADJOURNMENT:

With no future business to discuss, Motion was made unanimously to adjourn meeting at 12:46 p.m.



**MEETING MINUTES
APRIL 23, 2026
FINANCE COMMITTEE MEETING**

THE IMPERIAL VALLEY HEALTHCARE DISTRICT FINANCE COMMITTEE MET IN SPECIAL SESSION ON THE 23rd OF MARCH AT 207 W. LEGION ROAD CITY OF BRAWLEY, CA. ON THE DATE, HOUR AND PLACE DULY ESTABLISHED OR THE HOLDING OF SAID MEETING.

1. TO CALL ORDER:

The regular meeting was called to order in open session at 5:01 p.m. by James Garcia.

2. ROLL CALL-DETERMINATION OF QUORUM:

President	James Garcia
Vice-President	Enola Berker
Trustee	Laura Goodsell

GUESTS:

Adriana Ochoa – Legal/Snell & Wilmer
Carly Loper – PMH Chief Financial Officer
David Momberg – ECRMC Chief Financial Officer

3. PLEDGE OF ALLEGIANCE WAS LED BY DIRECTOR GARCIA.

4. APPROVAL OF REQUEST FOR REMOTE APPEARANCE BY BOARD MEMBER(S)

None

5. CONSIDER APPROVAL OF AGENDA:

Motion was made by Director Berker and second by Director Goodsell to approve the agenda for March 23, 2026. Motion passed by the following vote wit:

AYES: Garcia, Berker, Goodsell
NOES: None

6. PUBLIC COMMENT TIME:

Ron Rubin spoke about how he is against changing any documentation that the district has in the agreement with ECRMC.

7. ACTION ITEMS:

- a. Review of March 2026 Financials and Profit & Loss Statements

Motion was made by Director Berker and second by Director Goodsell to approve receiving and recommending the Board of Directors approval of March 2026 Financials and Department Profit & Loss Statement. Motion passed by the following vote wit:

AYES: Garcia, Berker, Goodsell



NOES: None

b. Review of Proposed Revised 2026 Committee Meeting Dates

Adriana explained the revised calendar. The Finance committees meetings were corrected to reflect starting in May for the finance meetings to be on the Monday before the 2nd board meeting of the month including a meeting in November and a meeting in December on the 4th Monday of the month even though we do not have board meetings that week because last year that is how we did it. We still met even though there was not a board meeting and we just went advanced.

Director Garcia requested to move the finance meeting from May 25th to May 26th because the 25th is Memorial Day.

Motion was made by Director Goodsell and second by Director Berker to approve the revised calendar with the change of moving the May finance meeting from the 25th to the 26th. Motion passed by the following vote wit:

AYES: Garcia, Berker, Goodsell

NOES: None

BOARD WENT INTO CLOSED SESSION AT 5:19 P.M.

8. CLOSED SESSION

- a. CONFERENCE WITH REAL PROPERTY NEGOTIATORS (Gov. Code § 54956.8)
Property: El Centro Regional Medical Center, 1415 Ross Avenue El Centro, CA 92243 and related healthcare facilities
Agency negotiators: IVHD Ad Hoc (Katherine Burnworth, James Garcia, Laura Goodsell), Legal Counsel (Adriana Ochoa, Victor Roehm), IVHD CEO Christopher Bjornberg
Negotiating parties: Pablo Velez, ECRMC, City of El Centro
Under negotiation: Closing conditions related to Asset Transfer Agreement

BOARD RECONVENED INTO OPEN SESSION AT 5:57 P.M.

- a. No reportable action taken in closed session.

9. ITEMS FOR FUTURE AGENDA:

Financials

10. ADJOURNMENT:

With no future business to discuss, Motion was made unanimously to adjourn meeting at 5:58 p.m.



To: Board of Directors

Katherine Burnworth, President

Laura Goodsell, Vice President

Enola Berker, Secretary

James Garcia, Treasurer

Arturo Proctor, Trustee

Rodolfo Valdez, Trustee

Felipe Irigoyen, Trustee

Additional Distribution:

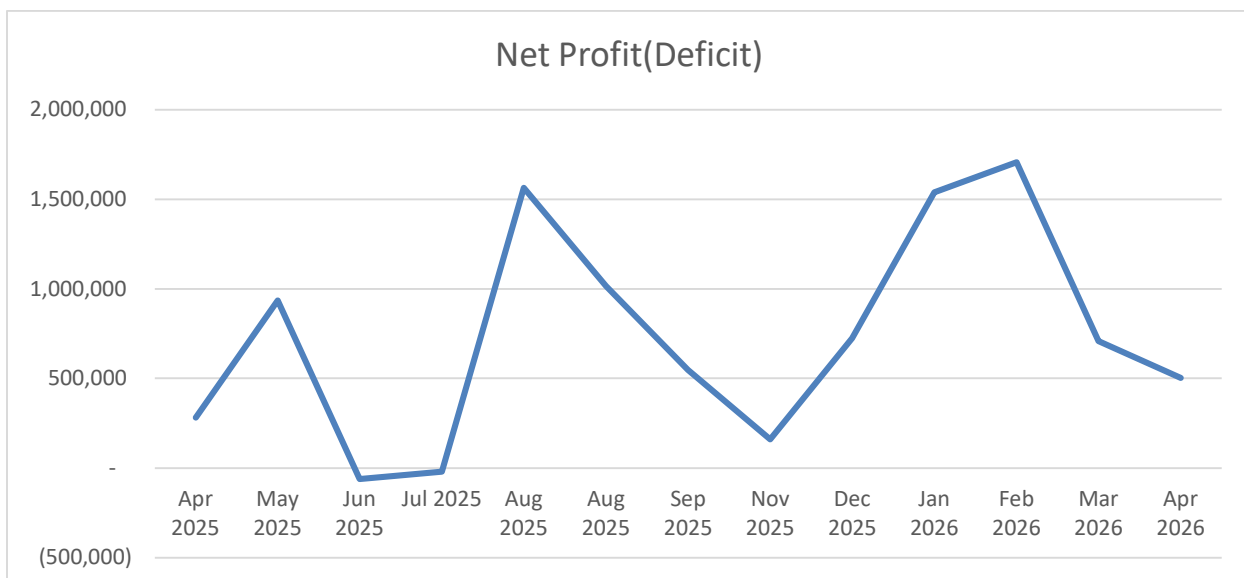
Christopher R. Bjornberg, Chief Executive Officer

From: Carly Loper, Chief Financial Officer

Financial Report – April 2026

Overview:

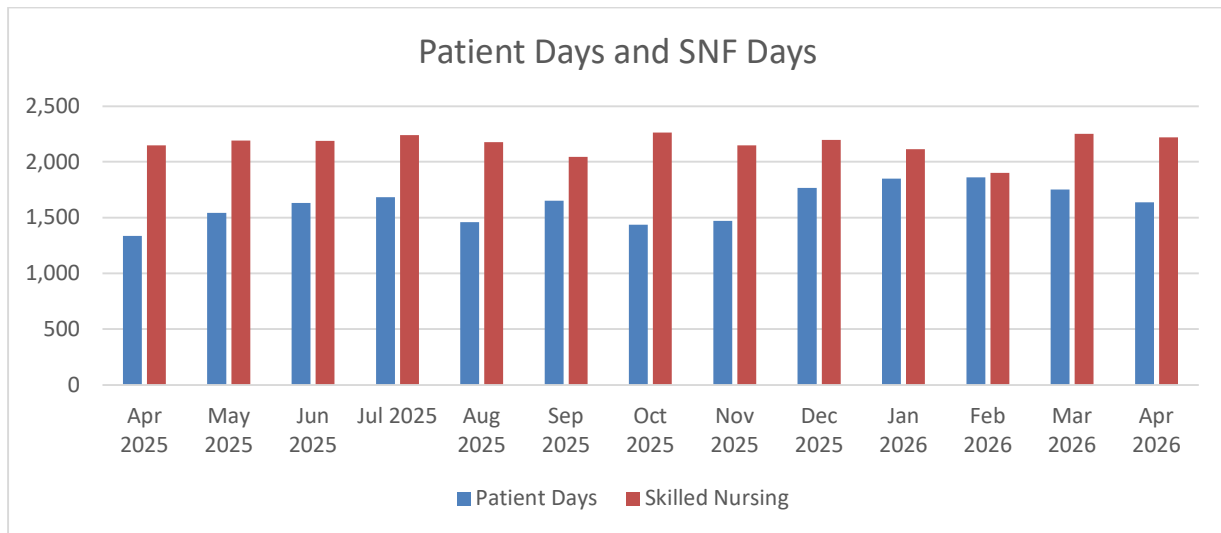
Financial operations for the month of April resulted in a profit of \$502,292 against a budgeted profit of \$74,894.



Patient Volumes:

In April, inpatient days fell below budget by (0.4%) and fell below the prior month volumes by (6.5%). For the year-to-date period, inpatient days were on budget at 0.7% and exceeded prior year volumes by 19.8%.

April inpatient days for Pioneers Memorial Skilled Nursing Center (PMSNC) were 2,218 compared to 2,252 inpatient days in March. PMSNC had an average daily census (ADC) of 73.9 for the month of April.

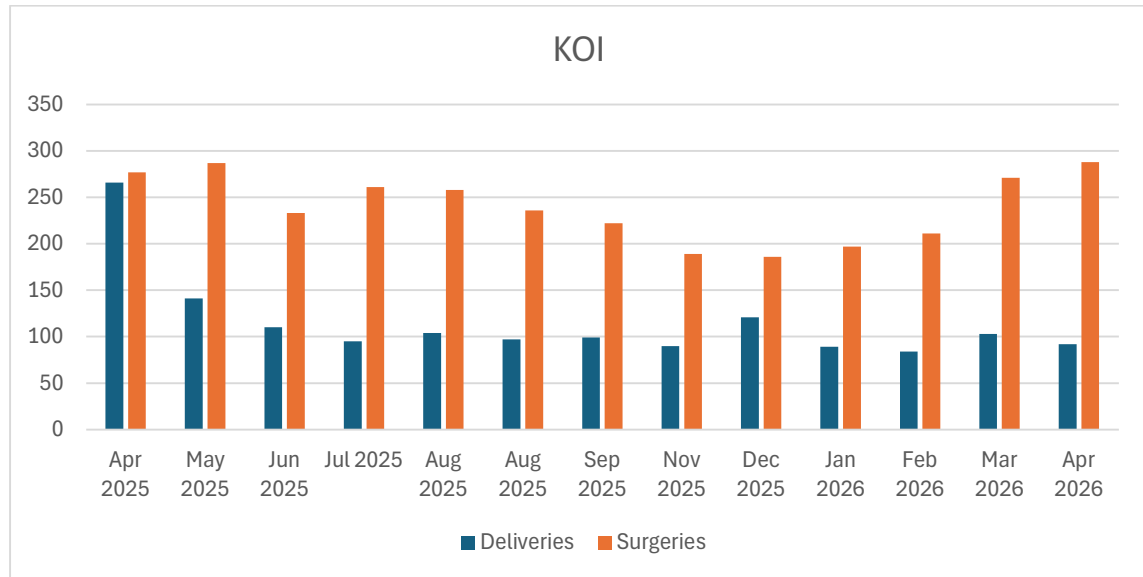
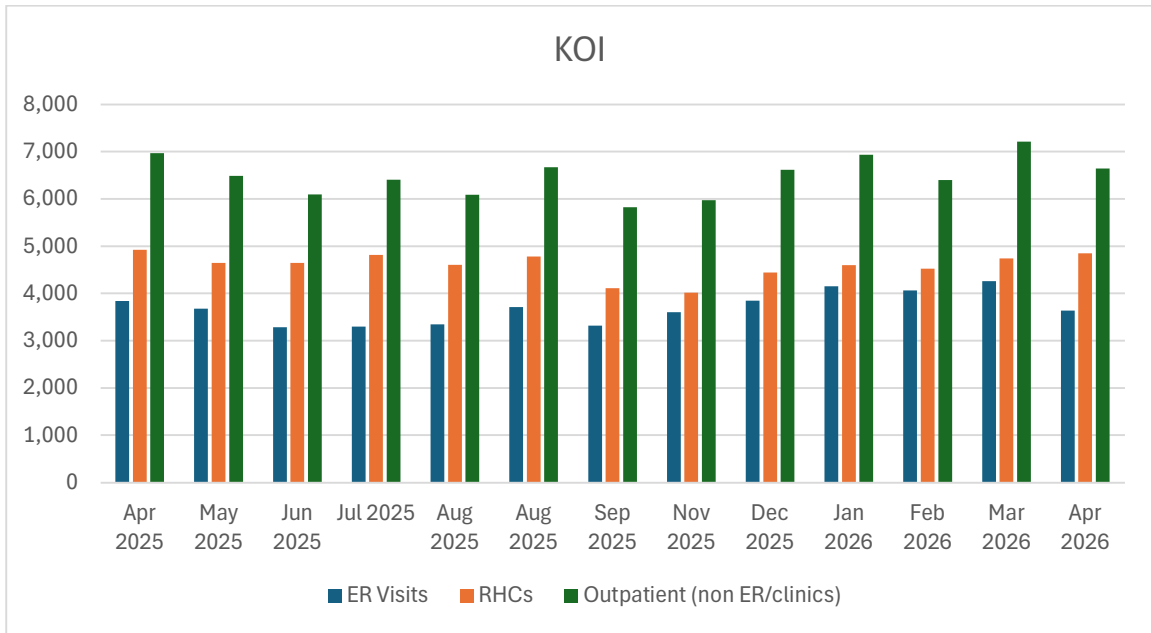


For the month of April, Deliveries fell below the prior month volumes by (10.7%) and fell below the monthly budget by (48.0%). Emergency Room visits fell below the prior month volumes by (14.6%) and fell below the monthly budget by (0.8%). Surgeries for the month of April exceeded the prior month volumes by 6.3% but fell below the monthly budget by (2.4%). Calexico Health Center, Pioneers Health Center and Pioneers Children’s Health Center visits/volumes for April exceeded the prior month visits while Outpatient (non-ER) visits/volumes fell below the prior month visits/volumes. All fiscal year-to-date volumes, except for the Calexico Health Center, are lower than prior year volumes. For actual compared to budget fiscal year-to-date, the visits/volumes for Pioneers Children Health Center and Outpatient (non-ER) fell below budget while Pioneers Health Center and Calexico Health Center visits exceeded budget.

See Exhibit A (Key Volume Stats – Trend Analysis) for additional detail.

	Current Period			Year To Date		
	Act.	Bud	Prior Yr.	Act.	Bud	Prior Yr.
Deliveries	92	177	266	974	1,769	1,760
E/R Visits	3,640	3,668	3,839	37,244	36,679	38,706
Surgeries	288	295	277	2,319	2,947	3,356
GI Scopes	16	61	16	290	902	290
Calexico RHC	1,033	873	1,174	9,873	8,734	9,599
Pioneer Health	2,707	2,461	2,655	25,234	24,609	26,852

	Current Period			Year To Date		
	Act.	Bud	Prior Yr.	Act.	Bud	Prior Yr.
Deliveries	92	177	266	974	1,769	1,760
E/R Visits	3,640	3,668	3,839	37,244	36,679	38,706
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Gross Patient Revenues:

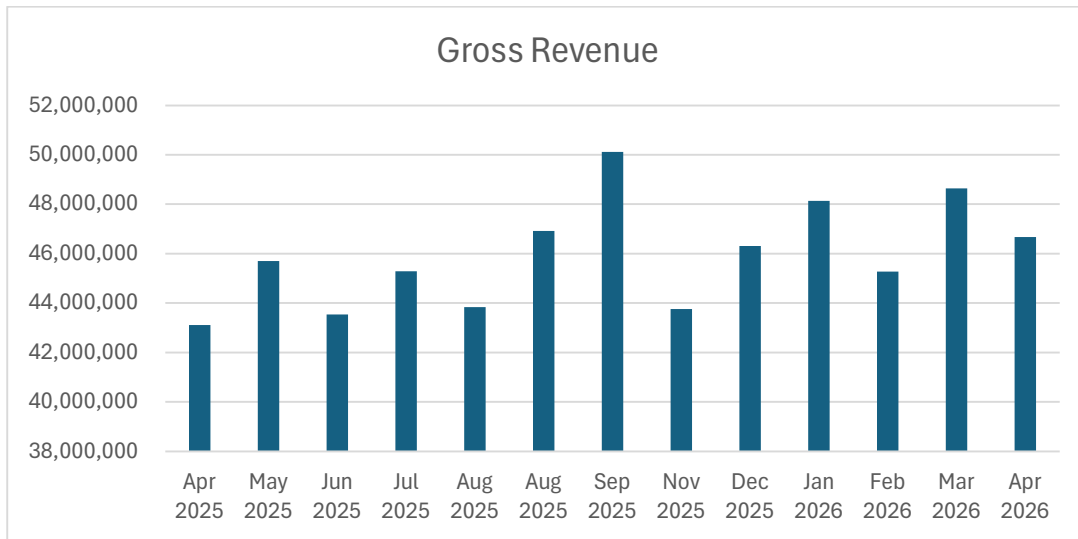
In April, gross revenues exceeded budget by \$1,545,180 or 3.4% but fell below the prior month's revenues by (\$1,974,414) or (4.1%).

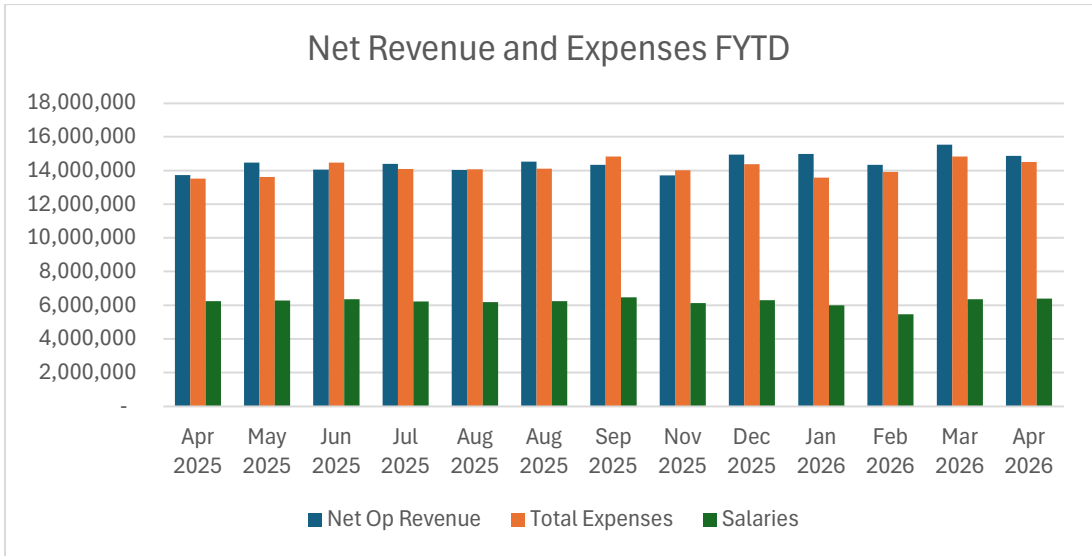
	Monthly Gross Revenue	Daily Gross Revenue
March	\$48,639,488	\$1,569,016
April	\$46,665,074	\$1,555,502

Operating Expenses:

In total, April operating expenses were on budget. April’s daily expenses were \$483,416 per day, which was higher than March’s monthly expenses at \$478,301 per day. Total staffing expenses for April were over budget by (2.3%) while Benefits expenses were over budget by (29.5%). Total expenses for April fell below the prior month expenses by \$324,842 or 2.2%.

	Monthly Expenses	Daily Expenses
March	\$14,827,320	\$478,301
April	\$14,502,476	\$483,416



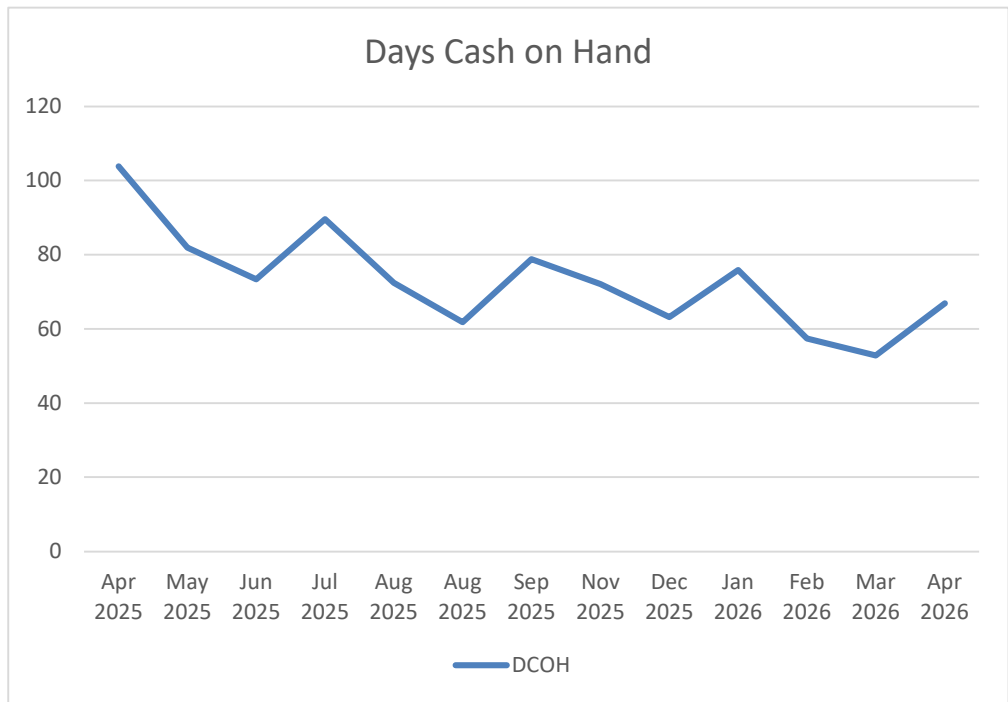


Bond Covenants:

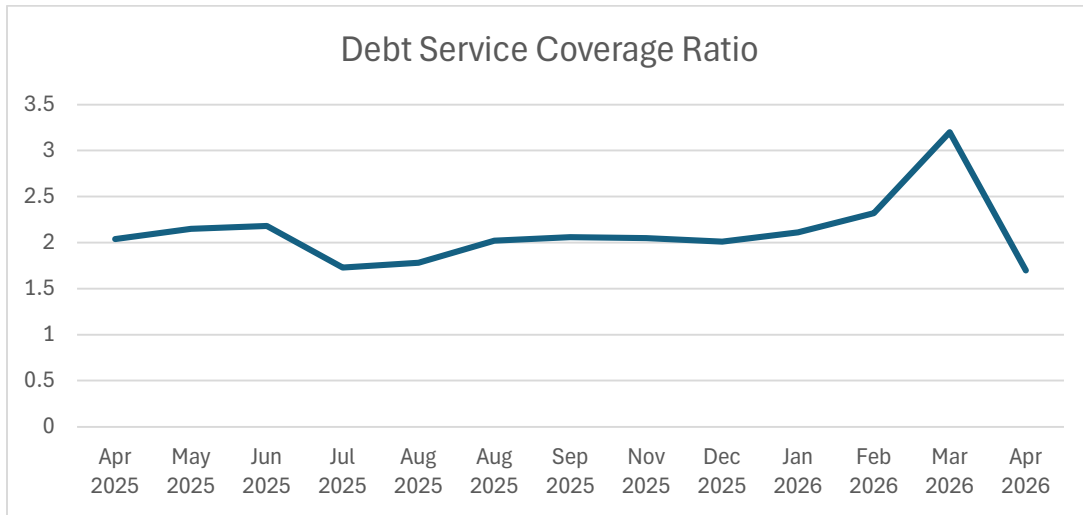
As part of the Series 2017 Bond issue, the District is required to maintain certain covenants or “promises” to maintain liquidity (days cash on hand of 50 days) and profitability (debt service coverage ratio of 1.20). A violation of either will allow the Bond Trustee (U.S. Bank) authorization to take certain steps to protect the interest of the individual Bond Holders.

The District’s days cash on hand increased from the prior month with the following results:

- end of March 2026: 52.9 days cash on hand
- end of April 2026: 66.9 days cash on hand

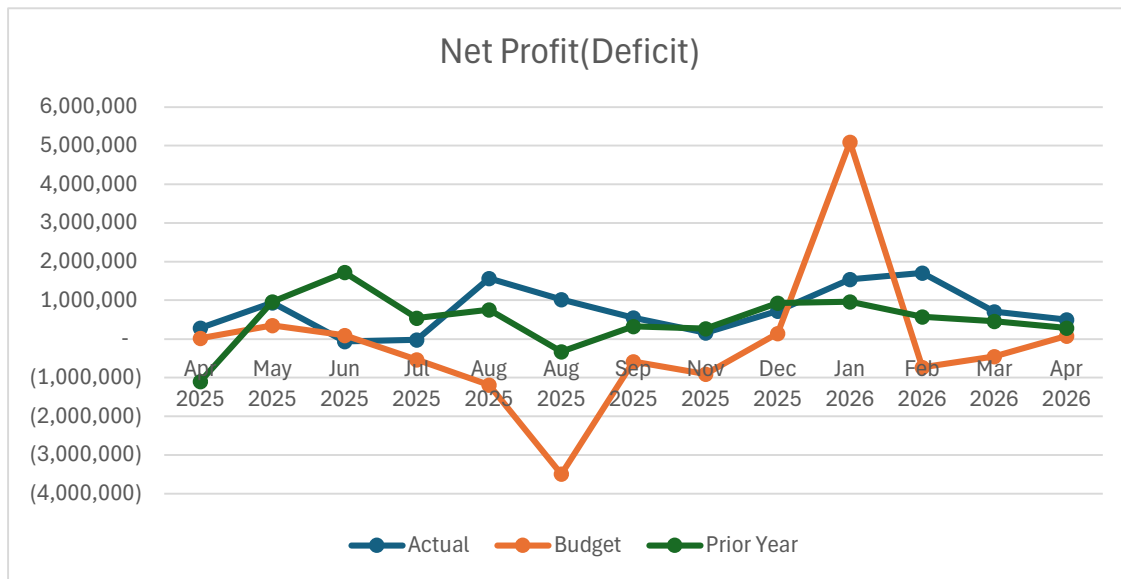


The District's debt service coverage ratio for April 2026 was 1.7 while the debt service coverage ratio for March 2026 was 3.2. The Distressed Hospital Loan program now has 12 months of current liability as payments started May 1, 2026.



Net Excess/(Deficit):

Fiscal year-to-date, District operations have resulted in a profit of \$8,447,999 against a budgeted profit of \$157,408, which is ahead of the prior year-to-date profit of \$4,767,457.



END OF REPORT

**IMPERIAL VALLEY HEALTHCARE DISTRICT
STATEMENT OF REVENUE AND EXPENSE**

LAST MONTH ACTUAL MARCH	LAST YEAR ACTUAL APRIL	THIS MONTH ACTUAL APRIL	THIS MONTH BUDGET APRIL	% VAR	FOR THE PERIOD ENDING APRIL 30, 2026					
					FYTD ACTUAL APRIL	FYTD BUDGET APRIL	% VAR	FYTD PRIOR YEAR APRIL	% VAR	
5,132	2,707	4,636	3,818	21.44%	ADJ PATIENT DAYS	45,241	38,169	18.53%	37,624	20.24%
1,752	1,110	1,638	1,645	-0.43%	INPATIENT DAYS	16,567	16,446	0.74%	16,136	2.67%
551	462	515	548	-6.02%	IP ADMISSIONS	5,314	5,480	-3.03%	5,085	4.50%
57	37	55	55	-0.43%	IP AVERAGE DAILY CENSUS	54	54	0.74%	53	2.67%
					GROSS PATIENT REVENUES					
16,606,443	17,673,178	16,486,563	19,440,985	-15.20%	INPATIENT REVENUE	170,043,834	194,409,849	-12.53%	192,642,041	-11.73%
2,133,453	4,502,920	2,049,350	4,252,010	-51.80%	DAILY HOSPITAL SERVICES	19,490,521	42,520,097	-54.16%	42,771,007	-54.43%
14,472,990	13,170,259	14,437,213	15,188,975	-4.95%	INPATIENT ANCILLARY	150,553,313	151,889,752	-0.88%	149,871,034	0.46%
32,033,045	25,433,294	30,178,511	25,678,909	17.52%	OUTPATIENT REVENUE	294,314,448	256,789,088	14.61%	256,543,474	14.72%
48,639,488	43,106,472	46,665,074	45,119,894	3.42%	TOTAL PATIENT REVENUES	464,358,282	451,198,937	2.92%	449,185,515	3.38%
					REVENUE DEDUCTIONS					
11,687,747	10,228,981	7,149,074	12,779,537	44.06%	MEDICARE CONTRACTUAL	114,902,686	127,795,371	10.09%	107,972,248	-6.42%
16,654,605	13,643,163	17,052,338	13,214,896	-29.04%	MEDICAL CONTRACTUAL	144,657,785	132,148,965	-9.47%	136,465,716	-6.00%
-1,836,204	-1,378,326	-1,558,849	-1,518,546	-2.65%	SUPPLEMENTAL PAYMENTS	-17,077,650	-15,185,465	-12.46%	-13,526,326	-26.25%
0	-467,741	0	0	100.00%	PRIOR YEAR RECOVERIES	-243,579	0	100.00%	-2,497,742	
5,856,425	6,797,466	9,739,746	5,408,650	-80.08%	OTHER DEDUCTIONS	70,551,938	54,086,501	-30.44%	72,953,858	3.29%
	8,600	0	0	0.00%	CHARITY WRITE OFFS	1,775,956	0	#DIV/0!	297,727	-496.51%
1,188,218	920,000	67,307	1,365,442	95.07%	BAD DEBT PROVISION	7,645,472	13,654,420	44.01%	9,218,743	17.07%
-4,167	0	-4,167	-4,167	0.00%	INDIGENT CARE WRITE OFFS	-37,503	-41,670	10.00%	-29,166	28.58%
33,546,625	29,752,144	32,445,449	31,245,812	-3.84%	TOTAL REVENUE DEDUCTIONS	322,175,106	312,458,122	-3.11%	310,855,059	-3.64%
15,092,863	13,354,328	14,219,625	13,874,082	2.49%	NET PATIENT REVENUES	142,183,176	138,740,815	2.48%	138,330,456	-2.79%
69.0%	69.0%	69.5%	69.3%			69.4%	69.3%		69.2%	
	0	0	4,167		OTHER OPERATING REVENUE					
438,451	372,539	652,244	461,008	41.48%	GRANT REVENUES	32,748	41,668		0	#DIV/0!
					OTHER	4,790,031	4,610,079	3.90%	4,521,609	5.94%
438,451	372,539	652,244	465,174	40.21%	TOTAL OTHER REVENUE	4,822,779	4,651,746	3.68%	4,521,609	6.66%
15,531,314	13,726,867	14,871,869	14,339,256	3.71%	TOTAL OPERATING REVENUE	147,005,955	143,392,562	2.52%	142,852,065	2.91%
					OPERATING EXPENSES					
6,355,786	6,237,213	6,387,757	6,644,201	3.86%	SALARIES AND WAGES	61,734,711	66,554,076	7.24%	63,384,210	2.60%
2,315,581	1,462,931	2,248,047	1,735,873	-29.51%	BENEFITS	16,924,558	17,358,733	2.50%	16,466,467	-2.78%
170,968	210,277	137,443	200,073	31.30%	REGISTRY & CONTRACT	1,760,829	2,078,730	15.29%	1,994,187	11.70%
8,842,335	7,910,421	8,773,246	8,580,148	-2.25%	TOTAL STAFFING EXPENSE	80,420,098	85,991,539	6.48%	81,844,864	1.74%
1,453,400	1,490,185	1,545,708	1,352,842	-14.26%	PROFESSIONAL FEES	15,915,281	13,528,421	-17.64%	13,431,489	-18.49%
1,702,698	1,405,314	1,597,725	1,703,891	6.23%	SUPPLIES	16,569,274	17,038,898	2.76%	16,323,082	-1.51%
557,492	459,333	572,716	651,618	12.11%	PURCHASED SERVICES	6,477,717	6,516,173	0.59%	6,178,727	-4.84%
520,643	662,344	628,824	649,520	3.19%	REPAIR & MAINTENANCE	6,173,709	6,496,895	4.97%	6,367,140	3.04%
371,466	331,604	371,466	276,880	-34.16%	DEPRECIATION & AMORT	3,343,208	2,916,914	-14.61%	3,027,938	-10.41%
217,145	224,447	227,251	246,806	7.92%	INSURANCE	2,527,892	2,468,057	-2.42%	2,302,966	-9.77%
262,387	244,297	228,320	202,342	-12.84%	HOSPITALIST PROGRAM	2,180,180	2,268,743	3.90%	2,065,379	-5.56%
899,754	784,905	557,220	894,578	37.71%	OTHER	8,660,170	8,952,120	3.26%	8,340,535	-3.83%
14,827,320	13,512,851	14,502,476	14,558,623	0.39%	TOTAL OPERATING EXPENSES	142,267,529	146,177,761	2.67%	139,882,120	-1.71%
703,994	214,016	369,393	-219,367	268.39%	TOTAL OPERATING MARGIN	4,738,426	-2,785,199	-270.13%	2,969,945	-59.55%
					NON OPER REVENUE(EXPENSE)					
-61,970	344	66,411	121,307	-45.25%	OTHER NON-OP REV (EXP)	-68,664	1,213,068	-105.66%	1,089,149	-106.30%
0	0	0	0	0.00%	FEMA FUNDS	2,078,448	0	100.00%	0	0.00%
117,632	117,632	117,632	225,987	-47.95%	DISTRICT TAX REVENUES	2,211,229	2,259,871	-2.15%	1,231,417	79.57%
-51,144	-51,196	-51,144	-53,033	3.56%	INTEREST EXPENSE	-511,440	-530,332	3.56%	-523,054	2.22%
4,518	66,780	132,899	294,260	-54.84%	TOTAL NON-OP REV (EXPENSE)	3,709,573	2,942,607	26.06%	1,797,512	106.37%
708,512	280,796	502,292	74,894	-570.67%	NET EXCESS / (DEFICIT)	8,447,999	157,408	-5266.93%	4,767,457	-77.20%
928.31	964.28	1,105.49	1,083.48	-2.03%	TOTAL PAID FTE'S (Inc Reg & Cont.)	1,141.56	1,320.45	13.55%	1,221.77	6.57%
839.30	837.21	763.04	770.14	0.92%	TOTAL WORKED FTE'S	987.62	1,027.96	3.92%	1,010.21	2.24%
16.49	21.15	15.28	20.93	27.01%	TOTAL CONTRACT FTE'S	17.94	21.46	16.41%	20.87	14.05%

IMPERIAL VALLEY HEALTHCARE DISTRICT
 BALANCE SHEET AS OF APRIL 30, 2026

	<u>MARCH 2026</u>	<u>APRIL 2026</u>	<u>APRIL 2025</u>
ASSETS			
CURRENT ASSETS			
CASH	\$24,333,089	\$30,879,657	\$43,076,772
CASH - PEER ACCT	\$0	\$0	\$0
CASH - NORIDIAN AAP FUNDS	\$0	\$0	\$0
CASH - 3RD PRTY REPAYMENTS	-\$435,703	-\$435,703	\$0
CDs - LAIF & CVB	\$66,244	\$66,244	\$66,244
ACCOUNTS RECEIVABLE - PATIENTS	\$112,138,447	\$118,727,081	\$92,954,857
LESS: ALLOWANCE FOR BAD DEBTS	\$2,467,494	\$2,357,050	-\$2,655,434
LESS: ALLOWANCE FOR CONTRACTUALS	-\$73,739,650	-\$75,980,253	-\$72,040,469
NET ACCTS RECEIVABLE	\$40,866,291	\$45,103,878	\$18,258,954
	36.44%	37.99%	19.64%
ACCOUNTS RECEIVABLE - OTHER	\$30,998,823	\$20,824,622	\$27,649,375
COST REPORT RECEIVABLES	\$59,499	\$59,499	\$59,499
INVENTORIES - SUPPLIES	\$3,609,117	\$3,641,408	\$3,170,967
PREPAID EXPENSES	\$2,272,682	\$2,097,665	\$2,558,343
TOTAL CURRENT ASSETS	\$101,770,042	\$102,237,270	\$94,840,154
OTHER ASSETS			
PROJECT FUND 2017 BONDS	\$1,190,424	\$1,271,740	\$616,332
BOND RESERVE FUND 2017 BONDS	\$968,373	\$968,373	\$968,353
LIMITED USE ASSETS	\$96,117	\$12,028	\$10,198
NORIDIAN AAP FUNDS	\$0	\$0	\$0
GASB87 LEASES	\$60,529,359	\$60,529,359	\$64,931,450
OTHER ASSETS PROPERTY TAX PROCEEDS	\$269,688	\$269,688	\$269,688
OTHER INVESTMENTS	\$420,000	\$420,000	\$420,000
UNAMORTIZED BOND ISSUE COSTS			
TOTAL OTHER ASSETS	\$63,473,960	\$63,471,188	\$67,216,021
PROPERTY, PLANT AND EQUIPMENT			
LAND	\$6,883,276	\$6,883,276	\$2,633,026
BUILDINGS & IMPROVEMENTS	\$63,870,530	\$63,870,530	\$63,118,597
EQUIPMENT	\$69,276,813	\$69,382,554	\$66,017,727
CONSTRUCTION IN PROGRESS	\$6,355,536	\$6,670,320	\$110,766
LESS: ACCUMULATED DEPRECIATION	-\$106,522,271	-\$106,893,737	-\$102,776,931
NET PROPERTY, PLANT, AND EQUIPMENT	\$39,863,883	\$39,912,943	\$29,103,185
TOTAL ASSETS	\$205,107,886	\$205,621,401	\$191,159,360

IMPERIAL VALLEY HEALTHCARE DISTRICT
BALANCE SHEET AS OF APRIL 30, 2026

	<u>MARCH 2026</u>	<u>APRIL 2026</u>	<u>APRIL 2025</u>
LIABILITIES AND FUND BALANCES			
CURRENT LIABILITIES			
ACCOUNTS PAYABLE - CASH REQUIREMENTS	\$4,511,686	\$5,908,658	\$3,986,749
ACCOUNTS PAYABLE - ACCRUALS	\$3,844,451	\$3,980,383	\$9,109,714
PAYROLL & BENEFITS PAYABLE - ACCRUALS	\$7,102,168	\$5,100,814	\$7,092,710
COST REPORT PAYABLES & RESERVES	-\$435,703	-\$435,703	\$0
NORIDIAN AAP FUNDS	\$0	\$0	\$0
CURR PORTION- GO BONDS PAYABLE	\$0	\$0	\$0
CURR PORTION- 2017 REVENUE BONDS PAYABLE	\$335,000	\$335,000	\$0
INTEREST PAYABLE- GO BONDS	\$1,917	\$1,917	\$1,917
INTEREST PAYABLE- 2017 REVENUE BONDS	\$640,029	\$693,158	\$374,383
OTHER - TAX ADVANCE IMPERIAL COUNTY	\$0	\$0	\$0
DEFERRED HHS CARES RELIEF FUNDS	\$0	\$0	\$0
CURR PORTION- LEASE LIABILITIES(GASB 87)	\$4,071,774	\$4,071,774	\$3,756,205
SKILLED NURSING OVER COLLECTIONS	\$3,595,143	\$3,783,676	\$2,064,596
CURR PORTION- SKILLED NURSING CTR ADVANCE	\$0	\$0	\$0
CURRENT PORTION OF LONG-TERM DEBT	\$1,037,037	\$6,222,222	\$1,037,037
TOTAL CURRENT LIABILITIES	\$24,703,502	\$29,661,899	\$27,423,311
LONG TERM DEBT AND OTHER LIABILITIES			
PMH RETIREMENT FUND - ACCRUAL	\$118,199	\$358,199	\$991,305
NOTES PAYABLE - EQUIPMENT PURCHASES	\$0	\$0	\$0
LOANS PAYABLE - DISTRESSED HOSP. LOAN	\$26,962,963	\$21,777,778	\$26,962,963
LOANS PAYABLE - CHFFA NDPH	\$0	\$0	\$0
BONDS PAYABLE G.O BONDS	\$0	\$0	\$0
BONDS PAYABLE 2017 SERIES	\$14,111,165	\$14,109,180	\$14,468,003
LONG TERM LEASE LIABILITIES (GASB 87)	\$58,207,090	\$58,207,090	\$62,267,845
DEFERRED REVENUE -CHW	\$0	\$0	\$0
DEFERRED PROPERTY TAX REVENUE	\$275,438	\$275,438	\$275,438
TOTAL LONG TERM DEBT	\$99,674,856	\$94,727,685	\$104,965,554
FUND BALANCE AND DONATED CAPITAL	\$72,783,818	\$72,783,818	\$54,003,028
NET SURPLUS (DEFICIT) CURRENT YEAR	\$7,945,710	\$8,448,001	\$4,767,467
TOTAL FUND BALANCE	\$80,729,528	\$81,231,819	\$58,770,495
TOTAL LIABILITIES AND FUND BALANCE	\$205,107,886	\$205,621,403	\$191,159,360

IMPERIAL VALLEY HEALTHCARE DISTRICT

STATEMENT OF REVENUE AND EXPENSE - 12 Month Trend

	1	2	3	4	5	6	7	8	9	10	11	12	YTD
	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Apr-26	Apr-26
ADJ PATIENT DAYS	3,686	3,714	4,647	4,044	4,407	3,843	3,835	4,616	5,099	5,048	5,454	4,636	52,758
INPATIENT DAYS	1,542	1,632	1,684	1,458	1,651	1,435	1,472	1,766	1,849	1,862	1,862	1,638	19,851
IP ADMISSIONS	551	538	555	500	518	486	519	591	544	535	535	515	6,387
IP AVERAGE DAILY CENSUS	50	54	54	47	55	48	49	57	60	67	60	55	656
GROSS PATIENT REVENUES													
INPATIENT REVENUE	19,122,305	19,132,498	16,407,174	15,807,716	17,579,003	18,708,455	16,577,828	17,717,202	17,454,567	16,698,885	16,606,443	16,486,563	208,298,639
DAILY HOSPITAL SERVICES	4,627,358	4,467,121	1,774,557	1,896,971	1,848,468	1,986,576	1,928,149	2,046,747	2,014,155	1,812,095	2,133,453	2,049,350	28,585,001
INPATIENT ANCILLARY	14,494,947	14,665,377	14,632,616	13,910,745	15,730,535	16,721,879	14,649,679	15,670,455	15,440,412	14,886,790	14,472,990	14,437,213	179,713,639
OUTPATIENT ANCILLARY	26,581,622	24,402,953	28,872,822	28,033,507	29,339,945	31,397,710	26,610,818	28,589,731	30,681,714	28,576,645	32,033,045	30,178,511	345,299,024
TOTAL PATIENT REVENUES	45,703,927	43,535,451	45,279,996	43,841,223	46,918,948	50,106,165	43,188,646	46,306,933	48,136,281	45,275,530	48,639,488	46,665,074	553,597,663
REVENUE DEDUCTIONS													
MEDICARE CONTRACTUAL	10,173,409	7,188,611	10,914,920	9,513,796	13,253,122	12,400,237	12,107,072	10,865,907	11,459,208	12,701,740	11,687,747	7,149,074	129,414,843
MEDICAL CONTRACTUAL	13,219,010	9,340,656	13,887,933	12,434,283	13,701,424	15,868,842	14,854,153	13,155,413	14,173,721	12,526,206	16,654,605	17,052,338	166,868,585
SUPPLEMENTAL PAYMENTS	-1,453,003	-1,026,703	-1,322,496	8,526,807	-1,574,256	-1,573,242	-3,053,795	-1,558,849	-1,559,145	-1,558,849	-1,836,204	-1,558,849	-9,548,584
PRIOR YEAR RECOVERIES	0	0	0	994,668	0	-243,579	0	0	0	0	0	0	751,089
OTHER DEDUCTIONS	8,500,637	6,006,617	6,876,265	-4,235	5,605,549	7,821,997	4,893,665	9,044,769	8,483,492	6,762,298	5,856,425	9,739,746	79,587,225
CHARITY WRITE OFFS	188,266	133,030	2,926	159,173	1,375,831	390,992	0	0	0	0	0	0	2,250,219
BAD DEBT PROVISION	920,000	650,079	872,185	-1,396,479	38,784	1,106,077	1,006,077	500,000	939,836	833,587	1,188,218	67,307	6,725,671
INDIGENT CARE WRITE OFFS	0	0	0	0	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-4,167	-33,336
TOTAL REVENUE DEDUCTIONS	31,548,319	22,292,290	31,231,733	30,228,014	32,396,287	35,767,157	29,803,005	32,003,073	33,492,945	31,260,815	33,546,625	32,445,449	376,015,711
NET PATIENT REVENUES	14,155,608	21,243,161	14,048,263	13,613,209	14,522,661	14,339,008	13,385,641	14,303,860	14,643,336	14,014,715	15,092,863	14,219,625	177,581,952
	69.03%	51.20%	68.97%	68.95%	69.05%	71.38%	69.01%	69.11%	69.58%	69.05%	68.97%	69.53%	67.92%
OTHER OPERATING REVENUE													
GRANT REVENUES	0	0	0	0	0	0	0	0	0	0	0	0	0
OTHER	311,185	571,500	339,253	424,312	457,484	887,444	322,016	642,090	343,826	315,660	438,451	652,244	5,705,465
TOTAL OTHER REVENUE	311,185	571,500	339,253	424,312	457,484	887,444	322,016	642,090	343,826	315,660	438,451	652,244	5,705,465
TOTAL OPERATING REVENUE	14,466,793	21,814,661	14,387,516	14,037,521	14,980,145	15,226,452	13,707,657	14,945,950	14,987,162	14,330,375	15,531,314	14,871,869	183,287,417
OPERATING EXPENSES													
SALARIES AND WAGES	6,278,514	6,361,973	6,223,056	6,189,444	6,240,870	6,463,090	6,119,637	6,289,771	6,000,604	5,464,696	6,355,786	6,387,757	74,375,198
BENEFITS	844,172	1,692,653	1,346,466	1,436,464	1,241,463	1,598,931	1,838,087	1,727,228	1,494,165	1,678,127	2,315,581	2,248,047	19,461,383
REGISTRY & CONTRACT	233,655	149,099	191,671	114,483	157,463	183,055	183,990	184,189	205,392	232,175	170,968	137,443	2,143,583
TOTAL STAFFING EXPENSE	7,356,341	8,203,725	7,761,193	7,740,391	7,639,796	8,245,076	8,141,714	8,201,188	7,700,161	7,374,998	8,842,335	8,773,246	95,980,164
PROFESSIONAL FEES	1,435,269	3,832,524	1,562,084	1,733,156	1,691,793	1,474,067	1,353,338	1,713,260	1,665,655	1,722,820	1,453,400	1,545,708	21,183,074
SUPPLIES	1,678,334	1,854,283	1,711,274	1,555,753	1,562,601	1,893,608	1,529,212	1,620,743	1,452,740	1,942,921	1,702,698	1,597,725	20,101,892
PURCHASED SERVICES	667,131	719,599	601,430	680,238	693,069	730,849	728,043	675,807	644,794	593,279	557,492	572,716	7,864,447
REPAIR & MAINTENANCE	733,946	601,686	713,336	617,305	666,485	471,500	603,894	674,653	655,292	621,776	520,643	628,824	7,509,340
PHYSICIAN GUARANTEES	0	0	0	0	0	0	0	0	0	0	0	0	0
DEPRECIATION & AMORT	305,281	299,579	309,556	309,566	309,556	309,556	309,555	309,555	371,466	371,466	371,466	371,466	3,948,068
INSURANCE	222,120	58,380	246,647	286,130	292,266	273,371	326,217	223,636	207,264	227,964	217,145	227,251	2,808,391
HOSPITALIST PROGRAM	207,916	292,881	295,732	244,175	253,042	256,382	164,853	0	253,111	222,178	262,387	228,320	2,680,977
OTHER	1,008,868	1,741,873	879,760	908,378	989,919	1,170,707	849,319	948,025	616,764	840,324	899,754	557,220	11,410,911
TOTAL OPERATING EXPENSES	13,615,206	17,604,530	14,081,012	14,075,092	14,098,527	14,825,116	14,006,145	14,366,867	13,567,247	13,917,726	14,827,320	14,502,476	173,487,264
TOTAL OPERATING MARGIN	851,587	4,210,131	306,504	-37,571	881,618	401,336	-298,488	579,083	1,419,915	412,649	703,994	369,393	9,800,153
NON OPER REVENUE(EXPENSE)													
OTHER NON-OPS REVENUE	16,003	94,548	-1,109,043	171,783	68,041	79,378	391,419	77,861	53,158	194,298	-61,970	66,411	41,887
FEMA FUNDS	0	0	715,753	0	0	0	0	0	0	0	0	0	715,753
DISTRICT TAX REVENUES	117,632	350,067	117,632	117,632	117,632	117,632	117,632	117,632	117,632	1,152,541	117,632	117,632	2,678,928
INTEREST EXPENSE	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-51,144	-613,728
CARES HHS/ FEMA RELIEF FUNDING	0	0	0	1,362,695	0	0	0	0	0	0	0	0	1,362,695
TOTAL NON-OPS REVENUE(EXPENSE)	82,491	393,471	-326,802	1,600,966	134,529	145,866	457,907	144,349	119,646	1,295,695	4,518	132,899	4,185,535
NET EXCESS / (DEFICIT)	934,078	4,603,602	-20,298	1,563,395	1,016,147	547,202	159,419	723,432	1,539,561	1,708,344	708,512	502,292	13,985,688
TOTAL PAID FTE'S (Inc Reg & Cont.)	1,011.14	1,129.64	1,191.95	1,276.95	954.26	1,017.98	1,107.43	1,195.88	1,290.19	1,359.90	928.31	1,105.49	1,130.76
TOTAL WORKED FTE'S	915.77	991.52	1,049.86	1,137.05	853.38	922.31	987.18	1,017.82	1,098.47	1,218.48	839.30	763.04	982.85
TOTAL CONTRACT FTE'S	21.06	15.28	19.86	14.68	16.53	17.51	18.53	18.77	19.23	22.88	16.49	15.28	18.01
PAID FTE'S - HOSPITAL	860.70	1,024.79	1,089.84	1,124.91	850.19	913.90	999.88	1,085.17	1,139.27	1,252.57	827.59	957.71	1,010.54
WKD FTE'S - HOSPITAL	785.41	900.06	960.18	1,003.78	762.67	831.61	896.47	933.80	975.26	1,127.18	751.52	638.65	880.55

Imperial Valley Healthcare District - Financial Indicators Report
(Based on Prior 12 Months Activities)
For The 12 Months Ending: March 31, 2026
excludes: GO bonds tax revenue, int exp and debt.

1. Debt Service Coverage Ratio

This ratio compares the total funds available to service debt compared to the debt plus interest due in a given year.

$$\begin{aligned} \text{Formula:} & \quad \frac{\text{Cash Flow} + \text{Interest Expense}}{\text{Principal Payments Due} + \text{Interest}} \\ \text{DSCR} = & \quad \frac{\$18,547,471}{\$10,907,724} = \mathbf{1.70} \end{aligned}$$

Recommendation: To maintain a debt service coverage of at least 1.20% x aggregate debt service per the 2017 Revenue Bonds covenant.

2. Days Cash on Hand Ratio

This ratio measures the number of days of average cash expenses that the hospital maintains in cash and marketable investments. (Note: The proformas ratios include long-term investments in this calculation:)

$$\begin{aligned} \text{Formula:} & \quad \frac{\text{Cash} + \text{Marketable Securities}}{\frac{\text{Operating Expenses, Less Depreciation}}{365 \text{ Days}}} \\ \text{DCOHR} = & \quad \frac{\$30,510,198}{\frac{\$166,401,758}{365}} = \mathbf{66.9} \end{aligned}$$

Recommendation: To maintain a days cash on hand ratio of at least 50 days per the 2017 Revenue Bonds covenant.

3. Long-Term Debt to Capitalization Ratio

This ratio compares long-term debt to the Hospital's long-term debt plus fund balances.

$$\begin{aligned} \text{Formula:} & \quad \frac{\text{Long-term Debt}}{\text{Long-term Debt} + \text{Fund Balance (Total Capital)}} \\ \text{L.T.D.-C.R.} = & \quad \frac{\$104,388,044}{\$185,619,863} = \mathbf{56.2} \end{aligned}$$

Recommendation: To maintain a long-term debt to capitalization ratio not to exceed 60.0%.

10 Months 4/30/2026

	Current Month 4/30/2026	Year-To-Date 10 Month 4/30/2026
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss)	502,291	8,448,002
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:		
Depreciation	\$371,466	\$3,343,210
(Increase)/Decrease in Net Patient Accounts Receivable	(\$4,237,587)	(\$16,039,938)
(Increase)/Decrease in Other Receivables	\$10,174,201	\$9,024,932
(Increase)/Decrease in Inventories	(\$32,291)	(\$592,572)
(Increase)/Decrease in Pre-Paid Expenses	\$175,017	\$9,112
(Increase)/Decrease in Other Current Assets	\$0	\$3,233,154
Increase/(Decrease) in Accounts Payable	\$1,396,972	\$2,243,531
Increase/(Decrease) in Notes and Loans Payable	\$135,932	(\$5,939,258)
Increase/(Decrease) in Accrued Payroll and Benefits	(\$2,001,354)	(\$2,317,141)
Increase/(Decrease) in Accrued Expenses	\$0	\$0
Increase/(Decrease) in Patient Refunds Payable	\$0	\$0
Increase/(Decrease) in Third Party Advances/Liabilities	\$0	\$0
Increase/(Decrease) in Other Current Liabilities	\$5,238,314	\$5,280,773
Net Cash Provided by Operating Activities:	11,722,960	\$6,693,805
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(\$420,526)	(\$7,563,218)
(Increase)/Decrease in Limited Use Cash and Investments	\$84,089	(\$10,241)
(Increase)/Decrease in Other Limited Use Assets	(\$81,317)	(\$812,083)
(Increase)/Decrease in Other Assets	\$0	\$0
Net Cash Used by Investing Activities	(\$417,754)	(\$8,385,543)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase/(Decrease) in Bond/Mortgage Debt	(\$1,985)	(\$19,853)
Increase/(Decrease) in Capital Lease Debt	(\$5,185,185)	(\$5,185,185)
Increase/(Decrease) in Other Long Term Liabilities	\$428,532	\$992,985
Net Cash Used for Financing Activities	(\$4,758,639)	(\$4,212,053)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	\$0	\$0
Net Increase/(Decrease) in Cash	\$6,546,568	(\$5,903,790)
Cash, Beginning of Period	\$23,963,630	\$36,413,989
Cash, End of Period	\$30,510,198	\$30,510,198



Key Operating Indicators April 2026

	Month			YTD		
	ACTUAL	BUDGET	PRIOR YR	ACTUAL	BUDGET	PRIOR YR
Volumes						
Admits	515	548	462	5,314	5,480	5,085
ICU	67	115	106	962	1,148	1,139
Med/Surgical	1,155	976	797	11,007	9,764	9,585
Newborn ICU	66	113	72	943	1,126	1,085
Pediatrics	48	66	89	616	661	684
Obstetrics	302	375	271	3,039	3,747	3,643
Total Patient Days	1,638	1,645	1,335	16,567	16,446	16,136
Adjusted Patient Days	4,636	3,818	3,256	45,241	38,172	37,624
Average Daily Census	55	55	45	54	54	53
Average Length of Stay	2.62	3.00	2.45	2.05	2.99	2.81
Deliveries	92	177	266	974	1,769	1,760
E/R Visits	3,640	3,668	3,839	37,244	36,679	38,706
Surgeries	288	295	277	2,319	2,947	3,356
Wound Care	281	137	292	2,871	1,372	2,940
Pioneers Health Center	2,707	2,461	2,655	25,234	24,609	26,852
Calexico Visits	1,033	873	1,174	9,873	8,734	9,599
Pioneers Children	741	839	728	6,993	8,394	7,518
Outpatients (non-ER/Clinics)	6,643	7,104	6,966	64,902	71,036	68,201
Surgical Health	43	62	58	566	623	539
Urology	238	328	315	2,522	3,276	3,417
WHAP	369	394	367	3,389	3,943	4,086
C-WHAP	539	518	419	5,100	5,184	3,663
CDLD	241	62	137	1,737	617	785
Skilled Nursing	2,218	2,435	2,149	21,552	24,349	21,951
FTE's						
Worked	763.04	770.14	837.21	987.62	1,027.96	1,010.21
Paid	1,105.49	1,083.48	964.28	1,141.56	1,320.45	1,221.77
Contract FTE's	15.28	20.93	21.15	17.94	21.46	20.87
FTE's APD (Worked)	4.94	6.05	7.71	6.64	8.19	8.16
FTE's APD (Paid)	7.15	8.51	8.88	7.67	10.52	9.87
Net Income						
Operating Revenues	14,871,869	14,339,256	13,726,868	147,005,955	\$143,392,562	142,852,065
Operating Margin	369,393	(219,367)	214,018	4,738,426	-\$2,785,199	2,969,945
Operating Margin %	2.5%	-1.5%	1.6%	3.2%	-1.9%	2.1%
Total Margin	502,292	74,894	280,798	8,447,999	\$157,408	4,767,457
Total Margin %	3.4%	0.5%	2.0%	5.7%	0.1%	3.3%

Exhibit A - April 2026

Key Volume Stats -Trend Analysis

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Total	YTD
Deliveries														
Actual	95	104	97	99	90	121	89	84	103	92	0	0	974	974
Budget	162	181	195	171	187	200	162	156	178	177	177	177	2,123	1,769
Prior FY 2025	152	167	184	159	167	170	148	169	178	266	141	110	2,201	1,760
E/R Visits														
Actual	3,297	3,346	3,710	3,318	3,605	3,849	4,154	4,062	4,263	3,640	0	0	37,244	37,244
Budget	3,509	3,338	3,463	3,408	3,629	4,624	3,804	3,442	3,794	3,668	3,668	3,668	44,015	36,679
Prior FY 2025	3,728	3,498	3,597	3,590	3,817	4,803	4,125	3,654	4,055	3,839	3,678	3,285	43,064	38,706
Surgeries														
Total Actual	261	258	236	222	189	186	197	211	271	288	0	0	2,319	2,319
Total Budget	335	309	275	295	301	331	312	219	275	295	295	295	3,537	2,947
Prior FY 2025	312	403	369	452	323	304	366	251	299	277	287	233	3,510	3,356
Caalexico														
Actual	1,124	961	1,002	914	900	958	974	986	1,021	1,033	0	0	9,873	9,873
Budget	722	760	831	906	776	891	957	944	1,074	873	873	873	10,480	8,734
Prior FY 2025	621	675	829	915	1,119	1,232	1,012	948	1,074	1,174	923	1,034	11,556	9,599
Pioneers Health Center														
Actual	2,654	2,539	2,630	2,251	2,269	2,485	2,552	2,506	2,641	2,707	0	0	25,234	25,234
Budget	2,186	2,396	2,320	2,678	2,377	2,305	2,809	2,483	2,594	2,461	2,461	2,461	29,531	24,609
Prior FY 2025	1,937	2,115	2,308	2,688	3,473	3,496	2,856	2,580	2,744	2,655	2,599	2,584	32,035	26,852
Pioneers Children														
Actual	660	734	766	622	573	673	754	748	722	741	0	0	6,993	6,993
Budget	723	799	846	906	858	881	905	798	839	839	839	839	10,072	8,394
Prior FY 2025	358	376	765	841	1,009	984	878	734	845	728	749	659	8,926	7,518
Outpatients														
Actual	6,548	6,085	6,669	5,825	5,974	6,617	6,933	6,399	7,209	6,643	0	0	64,902	64,902
Budget	7,094	6,949	7,889	7,775	5,951	6,154	7,941	7,663	6,516	7,104	7,104	7,104	85,244	71,036
Prior FY 2025	6,314	6,270	6,378	6,780	6,531	7,619	7,471	6,911	6,961	6,966	6,484	6,092	80,777	68,201
Wound Care														
Actual	297	281	272	323	237	272	280	303	325	281	0	0	2,871	2,871
Budget	197	160	118	122	119	136	167	112	104	137	137	137	1,646	1,372
Prior FY 2025	270	327	332	326	251	258	293	304	287	292	242	270	3,452	2,940
WHAP														
Actual	378	373	383	324	276	327	321	281	357	369	0	0	3,389	3,389
Budget	378	513	392	415	391	379	425	320	336	394	394	394	4,731	3,943
Prior FY 2025	330	443	388	414	688	362	427	325	342	367	375	369	4,830	4,086
C-WHAP														
Actual	738	657	651	424	403	414	362	383	529	539	0	0	5,100	5,100
Budget	465	457	588	610	558	583	581	379	445	518	518	518	6,220	5,184
Prior FY 2025	131	95	365	403	552	400	425	441	432	419	599	588	4,850	3,663

IMPERIAL VALLEY HEALTHCARE DISTRICT
STATEMENT OF REVENUE AND EXPENSE
FOR THE PERIOD ENDING APRIL 30, 2026

ECRMC			IVHD			CONSOL.			ECRMC			IVHD			CONSOL.		
LAST YEAR	LAST YEAR	LAST YEAR	THIS MONTH	THIS MONTH	THIS MONTH	FYTD	FYTD	FYTD	FYTD	FYTD	FYTD	FYTD	FYTD	FYTD	FYTD	FYTD	
ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	ACTUAL	
APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	APRIL	
20,369,850	17,673,178	38,043,028	14,571,082	16,486,563	31,057,645	GROSS PATIENT REVENUES											
43,130,801	25,433,294	68,564,095	45,425,341	30,178,511	75,603,852	INPATIENT REVENUE											
						158,000,564	170,043,834	328,044,399	157,523,754	192,642,041	350,165,795	OUTPATIENT REVENUE					
						434,861,855	294,314,448	729,176,303	412,057,010	256,543,474	668,600,484	TOTAL PATIENT REVENUES					
63,500,651	43,106,472	106,607,123	59,996,423	46,665,074	106,661,497	592,862,420	464,358,282	1,057,220,702	569,580,764	449,185,515	1,018,766,279	REVENUE DEDUCTIONS					
16,833,421	10,228,981	27,062,403	17,351,570	7,149,074	24,500,644	MEDICARE CONTRACTUAL											
1,980,403	13,643,163	15,623,566	1,586,529	17,052,338	18,638,868	MEDICAL CONTRACTUAL											
-1,341,750	-1,378,326	-2,720,076	-1,720,067	-1,558,849	-3,278,916	SUPPLEMENTAL PAYMENTS											
0	-467,741	-467,741	0	0	0	PRIOR YEAR RECOVERIES											
30,696,239	6,797,466	37,493,705	30,157,200	9,739,746	39,896,946	OTHER DEDUCTIONS											
35,928	8,600	44,528	0	0	0	CHARITY WRITE OFFS											
753,936	920,000	1,673,936	33,644	67,307	100,951	BAD DEBT PROVISION											
0	0	0	228	-4,167	-3,939	INDIGENT CARE WRITE OFFS											
48,958,177	29,752,144	78,710,321	47,409,104	32,445,449	79,854,554	TOTAL REVENUE DEDUCTIONS											
14,542,474	13,354,328	27,896,802	12,587,319	14,219,625	26,806,944	NET PATIENT REVENUES											
77.1%	69.0%	79.0%	69.5%			124,738,018	142,183,176	266,921,195	115,901,415	138,330,456	254,231,871	OTHER OPERATING REVENUE					
0	0	0	0	0	0	GRANT REVENUES											
348,872	372,539	721,411	242,029	652,244	894,273	OTHER											
348,872	372,539	721,411	242,029	652,244	894,273	TOTAL OTHER REVENUE											
14,891,346	13,726,867	28,618,213	12,829,348	14,871,869	27,701,217	127,963,170	147,005,955	274,969,125	119,607,624	142,852,065	262,459,689	TOTAL OPERATING REVENUE					
5,496,190	6,237,213	11,733,403	5,414,517	6,387,757	11,802,274	OPERATING EXPENSES											
1,607,728	1,462,931	3,070,659	1,273,728	2,248,047	3,521,774	SALARIES AND WAGES											
61,174	210,277	271,451	3,117	137,443	140,560	BENEFITS											
7,165,092	7,910,421	15,075,513	6,691,362	8,773,246	15,464,608	REGISTRY & CONTRACT											
964,081	1,490,185	2,454,266	1,188,667	1,545,708	2,734,375	TOTAL STAFFING EXPENSE											
2,657,421	1,405,314	4,062,735	2,736,348	1,597,725	4,334,073	PROFESSIONAL FEES											
201,383	459,333	660,716	119,044	572,716	691,760	SUPPLIES											
576,203	662,344	1,238,547	582,180	628,824	1,211,005	PURCHASED SERVICES											
610,831	331,604	942,435	622,838	371,466	994,304	REPAIR & MAINTENANCE											
129,433	224,447	353,880	276,322	227,251	503,573	DEPRECIATION & AMORT											
292,210	244,297	536,507	304,343	228,320	532,663	INSURANCE											
1,057,923	784,905	1,842,828	925,653	557,220	1,482,873	HOSPITALIST PROGRAM											
13,654,577	13,512,851	27,167,428	13,446,757	14,502,476	27,949,233	OTHER											
1,236,769	214,016	1,450,785	-617,409	369,393	-248,016	TOTAL OPERATING EXPENSES											
1,064,925	344	1,065,269	0	66,411	66,411	TOTAL OPERATING MARGIN											
0	0	0	0	0	0	NON OPER REVENUE(EXPENSE)											
0	117,632	117,632	0	117,632	117,632	OTHER NON-OP REV (EXP)											
603,643	-51,196	552,447	558,537	-51,144	507,393	FEMA FUNDS											
461,282	66,780	528,062	558,537	132,899	691,436	DISTRICT TAX REVENUES											
1,698,051	280,796	1,978,847	-1,175,946	502,292	-673,654	INTEREST EXPENSE											
						TOTAL NON-OP REV (EXPENSE)											
						NET EXCESS / (DEFICIT)											
						-10,490,494	8,447,999	-2,042,495	-16,702,134	4,767,457	-11,934,677						

IMPERIAL VALLEY HEALTHCARE DISTRICT
BALANCE SHEET AS OF APRIL 30, 2026

	ECRMC	IVHD	CONSOL.	ECRMC	IVHD	CONSOL.	ECRMC	IVHD	CONSOL.
	MARCH 2026	MARCH 2026	MARCH 2026	APRIL 2026	APRIL 2026	APRIL 2026	APRIL 2025	APRIL 2025	APRIL 2025
ASSETS									
CURRENT ASSETS									
CASH	\$4,996,161	\$24,333,089	\$29,329,250	\$3,274,898	\$30,879,657	\$34,154,555	\$10,590,546	\$43,076,772	\$53,667,318
CASH - 3RD PRTY REPAYMENTS	\$0	-\$435,703	-\$435,703	\$0	-\$435,703	-\$435,703	\$0	\$0	\$0
CDs - LAIF & CVB	\$0	\$66,244	\$66,244	\$0	\$66,244	\$66,244	\$0	\$66,244	\$66,244
ACCOUNTS RECEIVABLE - PATIENTS	\$21,344,738	\$112,138,447	\$133,483,186	\$21,757,837	\$118,727,081	\$140,484,918	\$21,092,491	\$92,954,857	\$114,047,348
LESS: ALLOWANCE FOR BAD DEBTS	\$0	\$2,467,494	\$2,467,494	\$0	\$2,357,050	\$2,357,050	\$0	-\$2,655,434	-\$2,655,434
LESS: ALLOWANCE FOR CONTRACTUALS	\$0	-\$73,739,650	-\$73,739,650	\$0	-\$77,180,253	-\$77,180,253	\$0	-\$72,040,469	-\$72,040,469
NET ACCTS RECEIVABLE	\$21,344,738	\$40,866,291	\$62,211,030	\$21,757,837	\$45,103,878	\$66,861,715	\$21,092,491	\$18,258,954	\$39,351,445
ACCOUNTS RECEIVABLE - OTHER	\$22,530,764	\$30,998,823	\$53,529,587	\$18,312,005	\$20,824,622	\$39,136,627	\$5,762,215	\$27,649,375	\$33,411,590
COST REPORT RECEIVABLES	\$0	\$59,499	\$59,499	\$0	\$59,499	\$59,499	\$0	\$59,499	\$59,499
INVENTORIES - SUPPLIES	\$2,950,063	\$3,609,117	\$6,559,180	\$2,917,066	\$3,641,408	\$6,558,474	\$2,771,682	\$3,170,967	\$5,942,649
PREPAID EXPENSES	\$3,221,236	\$2,272,682	\$5,493,918	\$3,192,160	\$2,097,665	\$5,289,825	\$2,804,276	\$2,558,343	\$5,362,619
TOTAL CURRENT ASSETS	\$55,042,963	\$101,770,042	\$156,813,005	\$49,453,965	\$102,237,270	\$151,691,235	\$43,021,210	\$94,840,154	\$137,861,364
OTHER ASSETS									
PROJECT FUND 2017 BONDS	\$0	\$1,190,424	\$1,190,424	\$0	\$1,271,740	\$1,271,740	\$0	\$616,332	\$616,332
BOND RESERVE FUND 2017 BONDS	\$0	\$968,373	\$968,373	\$0	\$968,373	\$968,373	\$0	\$968,353	\$968,353
LIMITED USE ASSETS	\$12,364,611	\$96,117	\$12,460,728	\$13,037,123	\$12,028	\$13,049,151	\$12,780,451	\$10,198	\$12,790,649
GASB87 LEASES	\$0	\$60,529,359	\$60,529,359	\$0	\$60,529,359	\$60,529,359	\$0	\$64,931,450	\$64,931,450
OTHER ASSETS PROPERTY TAX PROCEEDS	\$0	\$269,688	\$269,688	\$0	\$269,688	\$269,688	\$0	\$269,688	\$269,688
OTHER INVESTMENTS	\$748,741	\$420,000	\$1,168,741	\$748,741	\$420,000	\$1,168,741	\$864,638	\$420,000	\$1,284,638
TOTAL OTHER ASSETS	\$13,113,352	\$63,473,960	\$76,587,313	\$13,785,864	\$63,471,188	\$77,257,052	\$13,645,089	\$67,216,021	\$80,861,110
PROPERTY, PLANT AND EQUIPMENT									
LAND	\$1,773,456	\$6,883,276	\$8,656,732	\$1,773,456	\$6,883,276	\$8,656,732	\$1,765,298	\$2,633,026	\$4,398,324
BUILDINGS & IMPROVEMENTS	\$189,964,485	\$63,870,530	\$253,835,016	\$213,550,295	\$63,870,530	\$277,420,825	\$188,974,595	\$63,118,597	\$252,093,192
EQUIPMENT	\$84,548,843	\$69,276,813	\$153,825,656	\$86,038,423	\$69,382,554	\$155,420,977	\$84,108,266	\$66,017,727	\$150,125,993
CONSTRUCTION IN PROGRESS	\$25,494,177	\$6,355,536	\$31,849,713	\$954,184	\$6,670,320	\$7,624,504	\$28,326,864	\$110,766	\$28,437,630
LESS: ACCUMULATED DEPRECIATION	-\$144,727,487	-\$106,522,271	-\$251,249,758	-\$145,359,239	-\$106,893,737	-\$252,252,976	-\$146,939,942	-\$102,776,931	-\$249,716,873
NET PROPERTY, PLANT, AND EQUIPMENT	\$157,053,475	\$39,863,883	\$196,917,359	\$156,957,120	\$39,912,943	\$196,870,063	\$156,235,082	\$29,103,185	\$185,338,267
TOTAL ASSETS	\$225,209,791	\$205,107,886	\$430,317,677	\$220,196,949	\$205,621,401	\$425,818,350	\$212,901,381	\$191,159,360	\$404,060,741
LIABILITIES AND FUND BALANCES									
CURRENT LIABILITIES									
ACCOUNTS PAYABLE - CASH REQUIREMENTS	\$0	\$4,511,686	\$4,511,686	\$0	\$5,908,658	\$5,908,658	\$0	\$3,986,749	\$3,986,749
ACCOUNTS PAYABLE - ACCRUALS	\$30,124,533	\$3,844,451	\$33,968,984	\$29,470,752	\$3,980,383	\$33,451,135	\$24,823,175	\$9,109,714	\$33,932,889
PAYROLL & BENEFITS PAYABLE - ACCRUALS	\$9,612,965	\$7,102,168	\$16,715,134	\$9,942,781	\$5,100,814	\$15,043,595	\$10,469,783	\$7,092,710	\$17,562,493
COST REPORT PAYABLES & RESERVES	\$0	-\$435,703	-\$435,703	\$0	-\$435,703	-\$435,703	\$0	\$0	\$0
CURR PORTION- 2017 REVENUE BONDS PAYABLE	\$0	\$335,000	\$335,000	\$0	\$335,000	\$335,000	\$0	\$0	\$0
INTEREST PAYABLE- GO BONDS	\$0	\$1,917	\$1,917	\$0	\$1,917	\$1,917	\$0	\$1,917	\$1,917
INTEREST PAYABLE- 2017 REVENUE BONDS	\$0	\$640,029	\$640,029	\$0	\$693,158	\$693,158	\$0	\$374,383	\$374,383
CURR PORTION- LEASE LIABILITIES(GASB 87)	\$0	\$4,071,774	\$4,071,774	\$0	\$4,071,774	\$4,071,774	\$0	\$3,756,205	\$3,756,205
SKILLED NURSING OVER COLLECTIONS	\$0	\$3,595,143	\$3,595,143	\$0	\$3,783,674	\$3,783,674	\$0	\$2,064,596	\$2,064,596
CURRENT PORTION OF LONG-TERM DEBT	\$0	\$1,037,037	\$1,037,037	\$0	\$6,222,222	\$6,222,222	\$1,395,000	\$1,037,037	\$2,432,037
TOTAL CURRENT LIABILITIES	\$39,737,498	\$24,703,502	\$64,441,000	\$39,413,533	\$29,661,897	\$69,075,430	\$36,687,958	\$27,423,311	\$64,111,269
LONG TERM DEBT AND OTHER LIABILITIES									
PMH RETIREMENT FUND - ACCRUAL	\$0	\$118,199	\$118,199	\$0	\$358,199	\$358,199	\$0	\$991,305	\$991,305
LOANS PAYABLE - DISTRESSED HOSP. LOAN	\$0	\$26,962,963	\$26,962,963	\$0	\$21,777,778	\$21,777,778	\$28,000,000	\$26,962,963	\$54,962,963
BONDS PAYABLE 2017 SERIES	\$112,319,598	\$14,111,165	\$126,430,764	\$112,223,331	\$14,109,180	\$126,332,511	\$111,913,540	\$14,468,003	\$126,381,543
LONG TERM LEASE LIABILITIES (GASB 87)	\$4,424,074	\$58,207,090	\$62,631,164	\$4,280,884	\$58,207,090	\$62,487,974	\$6,176,385	\$62,267,845	\$68,444,230
PENSION LIABILITY	\$60,448,753	\$0	\$60,448,753	\$57,168,353	\$0	\$57,168,353	\$51,992,279	\$0	\$51,992,279
DEFERRED PROPERTY TAX REVENUE	\$0	\$275,438	\$275,438	\$0	\$275,438	\$275,438	\$0	\$275,438	\$275,438
TOTAL LONG TERM DEBT	\$177,192,425	\$99,674,856	\$276,867,281	\$173,672,567	\$94,727,685	\$268,400,252	\$198,082,204	\$104,965,554	\$303,047,758
FUND BALANCE AND DONATED CAPITAL	\$17,601,599	\$72,783,818	\$90,385,417	\$17,601,599	\$72,783,818	\$90,385,417	\$38,570,915	\$54,003,028	\$92,573,943
NET SURPLUS (DEFICIT) CURRENT YEAR	-\$9,321,731	\$7,945,710	-\$1,376,021	-\$10,490,751	\$8,448,001	-\$2,042,750	-\$16,702,134	\$4,767,467	-\$11,934,667
TOTAL FUND BALANCE	\$8,279,868	\$80,729,528	\$89,009,396	\$7,110,848	\$81,231,819	\$88,342,667	\$21,868,781	\$58,770,495	\$80,639,276
TOTAL LIABILITIES AND FUND BALANCE	\$225,209,791	\$205,107,886	\$430,317,677	\$220,196,949	\$205,621,401	\$425,818,350	\$212,901,381	\$191,159,360	\$404,060,741

IMPERIAL VALLEY HEALTHCARE DISTRICT
10 Months 4/30/2026

	ECRMC Current Month 4/30/2026	IVHD Current Month 4/30/2026	CONSOL. Current Month 4/30/2026	ECRMC Year-To-Date 10 Month 4/30/2026	IVHD Year-To-Date 10 Month 4/30/2026	CONSOL. Year-To-Date 10 Months 4/30/2026
CASH FLOWS FROM OPERATING ACTIVITIES:						
Net Income (Loss)	(1,175,946)	502,291	(673,655)	(10,490,751)	8,448,002	(2,042,749)
Adjustments to Reconcile Net Income to Net Cash Provided by Operating Activities:						
Depreciation	\$631,751	\$371,466	\$1,003,218	\$5,078,636	\$3,343,210	\$8,421,846
(Increase)/Decrease in Net Patient Accounts Receivable	(\$406,173)	(\$4,237,587)	(\$4,643,760)	\$1,054,311	(\$16,039,938)	(\$14,985,627)
(Increase)/Decrease in Other Receivables	\$4,218,760	\$10,174,201	\$14,392,961	(\$3,134,817)	\$9,024,932	\$5,890,116
(Increase)/Decrease in Inventories	\$32,998	(\$32,291)	\$706	(\$168,079)	(\$592,572)	(\$760,650)
(Increase)/Decrease in Pre-Paid Expenses	\$29,076	\$175,017	\$204,093	(\$2,067,317)	\$9,112	(\$2,058,205)
(Increase)/Decrease in Other Current Assets	\$0	\$0	\$0	\$0	\$3,233,154	\$3,233,154
Increase/(Decrease) in Accounts Payable	\$0	\$1,396,972	\$1,396,972	\$0	\$2,243,531	\$2,243,531
Increase/(Decrease) in Notes and Loans Payable	(\$653,781)	\$135,932	(\$517,848)	\$5,260,060	(\$5,939,258)	(\$679,198)
Increase/(Decrease) in Accrued Payroll and Benefits	\$329,815	(\$2,001,354)	(\$1,671,539)	(\$730,568)	(\$2,317,141)	(\$3,047,709)
Increase/(Decrease) in Accrued Expenses	\$0	\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) in Patient Refunds Payable	\$0	\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) in Third Party Advances/Liabilities	\$0	\$0	\$0	\$0	\$0	\$0
Increase/(Decrease) in Other Current Liabilities	\$0	\$5,238,314	\$5,238,314	\$0	\$5,280,773	\$5,280,773
Net Cash Provided by Operating Activities:	3,006,501	11,722,960	14,729,461	(\$5,198,524)	\$6,693,805	1,495,281
CASH FLOWS FROM INVESTING ACTIVITIES:						
Purchase of property, plant and equipment	(\$535,396)	(\$420,526)	(\$955,922)	\$637,256	(\$7,563,218)	(\$6,925,962)
(Increase)/Decrease in Limited Use Cash and Investments	(\$672,512)	\$84,089	(\$588,423)	(\$1,084,349)	(\$10,241)	(\$1,094,590)
(Increase)/Decrease in Other Limited Use Assets	(\$143,190)	(\$81,317)	(\$224,507)	(\$1,978,915)	(\$812,083)	(\$2,790,998)
(Increase)/Decrease in Other Assets	\$0	\$0	\$0	\$0	\$0	\$0
Net Cash Used by Investing Activities	(\$1,351,098)	(\$417,754)	(\$1,768,852)	(\$2,426,008)	(\$8,385,543)	(\$10,811,551)
CASH FLOWS FROM FINANCING ACTIVITIES:						
Increase/(Decrease) in Bond/Mortgage Debt	(\$96,267)	(\$1,985)	(\$98,253)	(\$902,674)	(\$19,853)	(\$922,527)
Increase/(Decrease) in Capital Lease Debt	\$0	(\$5,185,185)	(\$5,185,185)	\$0	(\$5,185,185)	(\$5,185,185)
Increase/(Decrease) in Other Long Term Liabilities	(\$3,280,400)	\$428,532	(\$2,851,868)	\$3,736,873	\$992,985	\$4,729,857
Net Cash Used for Financing Activities	(\$3,376,667)	(\$4,758,639)	(\$8,135,306)	\$2,834,198	(\$4,212,053)	(\$1,377,854)
(INCREASE)/DECREASE IN RESTRICTED ASSETS	\$0	\$0	\$0	\$0	\$0	\$0
Net Increase/(Decrease) in Cash	(\$1,721,264)	\$6,546,568	\$4,825,304	(\$4,790,334)	(\$5,903,790)	(\$10,694,124)
Cash, Beginning of Period	\$4,996,161	\$23,963,630	\$28,959,792	\$8,065,232	\$36,413,988	\$44,479,220
Cash, End of Period	\$3,274,898	\$30,510,198	\$33,785,096	\$3,274,898	\$30,510,198	\$33,785,096

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	FYTD PRIOR YEAR	FYTD PRIOR YEAR	FYTD ACT-PRIOR		
	MAR 2026	MAR 2025	MAR 2025	VARIANCE		
ICU						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	5,956,556	6,593,207	6,593,207	(636,651)	-10%	
DEDUCTIONS FROM REVENUE	4,306,590	5,010,837	5,010,837			
NET PATIENT REVENUES	1,649,966	1,582,370	1,582,370	67,596	4%	
OPERATING EXPENSES						
SALARIES	1,699,445	1,958,169	1,958,169			
BENEFITS	450,647	514,103	514,103			
REGISTRY & CONTRACT	9,862					
TOTAL STAFFING EXPENSE	2,159,953	2,472,272	2,472,272	(312,319)	-13%	
CONTRACT LABOR						
PROFESSIONAL FEES	55,400					
SUPPLIES	182,381	226,600	226,600			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE	9,503	7,252	7,252			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	(24,097)	28,512	28,512			
ALL NON-LABOR	223,187	262,364	262,364	(39,177)	-15%	
TOTAL OPERATING EXPENSES	2,383,140	2,734,637	2,734,637	(351,496)	-13%	
NET OPERATING MARGIN	(733,174)	(1,152,267)	(1,152,267)	419,093	-36%	
Statistics	895	1,033	1,033			
Rev by Stat	6,655	6,383	6,383			
Exp by Stat	2,663	2,647	2,647			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
	MAR 2026	MAR 2025	MAR 2025	MAR 2025		
Emergency Room						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	77,769,646		75,770,865		1,998,781	3%
DEDUCTIONS FROM REVENUE	67,037,435		64,102,152			
NET PATIENT REVENUES	10,732,211		11,668,713		(936,502)	-8%
OPERATING EXPENSES						
SALARIES	4,638,462		4,754,862			
BENEFITS	1,229,995		1,248,355			
REGISTRY & CONTRACT	88,012		33,029			
TOTAL STAFFING EXPENSE	5,956,469		6,036,245		(79,776)	-1%
CONTRACT LABOR						
PROFESSIONAL FEES	135,500		132,500			
SUPPLIES	867,841		753,334			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE	17,773		45,361			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM	28,921		67,247			
OTHER EXPENSE	1,050,036		998,441		51,595	5%
ALL NON-LABOR						
TOTAL OPERATING EXPENSES	7,006,505		7,034,686		(28,181)	0%
NET OPERATING MARGIN	3,725,706		4,634,027		(908,321)	-20%
Statistics	33,604		34,867			
Rev by Stat	2,314		2,173			
Exp by Stat	209		202			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	PRIOR YEAR MAR 2025	FYTD	PRIOR YEAR MAR 2025		
	MAR 2026					
Med Surg						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	27,959,344	26,872,141	26,872,141	1,087,203	4%	
DEDUCTIONS FROM REVENUE	19,263,988	18,058,079				
NET PATIENT REVENUES	8,695,356	8,814,062	8,814,062	(118,706)	-1%	
OPERATING EXPENSES						
SALARIES	6,066,188	5,875,133	5,875,133			
BENEFITS	1,608,589	1,542,474	1,542,474			
REGISTRY & CONTRACT	51,757	89,473	89,473			
TOTAL STAFFING EXPENSE	7,726,534	7,507,081	7,507,081	219,453	3%	
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	473,479	438,520	438,520			
PURCHASED SERVICES	561,041	716,001	716,001			
REPAIRS AND MAINTENANCE	964	5,270	5,270			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	31,181	34,432	34,432			
ALL NON-LABOR	1,066,665	1,194,223	1,194,223	(127,559)	-11%	
TOTAL OPERATING EXPENSES	8,793,199	8,701,304	8,701,304	91,894	1%	
NET OPERATING MARGIN	(97,843)	112,758	112,758	(210,600)	-187%	
Statistics	9,852	8,788	8,788			
Rev by Stat	2,838	3,058	3,058			
Exp by Stat	893	990	990			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	PRIOR YEAR MAR 2025	FYTD	PRIOR YEAR MAR 2025		
	MAR 2026					
Pediatrics						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	1,427,725	1,487,317			(59,592)	-4%
DEDUCTIONS FROM REVENUE	977,992	953,370				
NET PATIENT REVENUES						
NET PATIENT REVENUES	449,733	533,947			(84,213)	-16%
OPERATING EXPENSES						
SALARIES	630,312	646,051				
BENEFITS	167,142	169,616				
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	797,453	815,667			(18,214)	-2%
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	40,040	36,053				
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	401	22				
ALL NON-LABOR	40,441	36,074			4,366	12%
TOTAL OPERATING EXPENSES	837,894	851,742			(13,848)	-2%
NET OPERATING MARGIN						
NET OPERATING MARGIN	(388,161)	(317,795)			(70,366)	22%
Statistics	568	595				
Rev by Stat	2,514	2,500				
Exp by Stat	1,475	1,431				

	FY2026		FY2025		FYTD ACT-RIOR VARIANCE \$'s	FYTD ACT-RIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Womens Services						
LDRP, GYN, without NICU						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	24,175,006		22,853,765		1,321,241	6%
DEDUCTIONS FROM REVENUE	16,366,479		15,700,537			
NET PATIENT REVENUES	7,808,527		7,153,228		655,298	9%
OPERATING EXPENSES						
SALARIES	5,036,256		5,477,522			
BENEFITS	1,335,479		1,438,084			
REGISTRY & CONTRACT	364,990		915,903			
TOTAL STAFFING EXPENSE	6,736,724		7,831,510		(1,094,785)	-14%
CONTRACT LABOR						
PROFESSIONAL FEES	1,138,488		630,875			
SUPPLIES	757,233		899,963			
PURCHASED SERVICES	294,478		241,950			
REPAIRS AND MAINTENANCE	46,309		42,673			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	67,181		6,637			
ALL NON-LABOR	2,303,688		1,822,099		481,589	26%
TOTAL OPERATING EXPENSES	9,040,412		9,653,608		(613,196)	-6%
NET OPERATING MARGIN	(1,231,885)		(2,500,380)		1,268,494	-51%
Statistics	882		1,494			
Rev by Stat	877		1,013			
Exp by Stat	27,566		22,560			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL MAR 2026		FYTD PRIOR YEAR MAR 2025			
NICU						
NEO NATAL INTERMEDIATE						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	2,241,885		2,601,444		(359,559)	-14%
DEDUCTIONS FROM REVENUE	1,567,078		1,873,040			
NET PATIENT REVENUES	674,807		728,404		(53,597)	-7%
OPERATING EXPENSES						
SALARIES	1,429,383		1,339,491			
BENEFITS	379,034		351,674			
REGISTRY & CONTRACT	135,747		83,275			
TOTAL STAFFING EXPENSE	1,944,164		1,774,440		169,724	10%
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	113,840		87,208			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE	6,539		11,406			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM	28,674		41,138			
OTHER EXPENSE	149,053		139,752		9,301	7%
ALL NON-LABOR						
TOTAL OPERATING EXPENSES	2,093,217		1,914,192		179,025	9%
NET OPERATING MARGIN	(1,418,410)		(1,185,788)		(232,621)	20%
Statistics	877		1,013			
Rev by Stat	2556.31		2568.06			
Exp by Stat	2386.79		1889.63			

	FY2026		FY2025		FYTD	FYTD
	FYTD	ACTUAL	FYTD	PRIOR YEAR	ACT-PRIOR	FYTD
Respiratory Services				MAR 2025	VARIANCE	ACT-PRIOR
EKG, ECHO, EEG, Cardio, Resp					\$'s	VARIANCE
						%
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	13,197,373		12,406,573		790,800	6%
DEDUCTIONS FROM REVENUE	9,229,627		8,349,372			
NET PATIENT REVENUES	3,967,747		4,057,201		(89,454)	-2%
OPERATING EXPENSES						
SALARIES	1,063,921		1,031,989			
BENEFITS	282,123		270,941			
REGISTRY & CONTRACT	16,646					
TOTAL STAFFING EXPENSE	1,362,691		1,302,930		59,761	5%
CONTRACT LABOR						
PROFESSIONAL FEES	294,173		303,192			
SUPPLIES	166,754		215,108			
PURCHASED SERVICES	37,321		42,940			
REPAIRS AND MAINTENANCE	41,891		54,314			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	5,636		19,819			
ALL NON-LABOR	545,776		635,372		(89,597)	-14%
TOTAL OPERATING EXPENSES	1,908,467		1,938,303		(29,836)	-2%
NET OPERATING MARGIN	2,059,280		2,118,898		(59,618)	-3%
Statistics	17,616		34,375			
Rev by Stat	749.17		360.92			
Exp by Stat	108.34		56.39			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	FYTD	PRIOR YEAR			
	ACTUAL MAR 2026		MAR 2025			
Surgery						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	16,299,301	21,255,387		(4,956,086)	-23%	
DEDUCTIONS FROM REVENUE	12,063,887	15,343,738				
NET PATIENT REVENUES	4,235,414	5,911,649		(1,676,235)	-28%	
OPERATING EXPENSES						
SALARIES	1,990,013	1,803,697				
BENEFITS	527,697	473,548				
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	2,517,710	2,277,244		240,466	11%	
CONTRACT LABOR						
PROFESSIONAL FEES	1,036,755	1,015,045				
SUPPLIES	2,406,972	2,301,856				
PURCHASED SERVICES	55	49,500				
REPAIRS AND MAINTENANCE	327,850	222,042				
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	494,707	294,822				
ALL NON-LABOR	4,266,339	3,883,266		383,074	10%	
TOTAL OPERATING EXPENSES	6,784,050	6,160,510		623,540	10%	
NET OPERATING MARGIN	(2,548,636)	(248,861)		(2,299,775)	924%	
Statistics	2,031	3,079				
Rev by Stat	8,025	6,903				
Exp by Stat	3,340	2,001				

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	FYTD PRIOR YEAR	FYTD PRIOR YEAR	FYTD ACT-PRIOR		
	MAR 2026	MAR 2025	MAR 2025	VARIANCE		
Recovery						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	5,136,582	7,207,137		(2,070,555)		-29%
DEDUCTIONS FROM REVENUE	3,830,198	5,273,428				
NET PATIENT REVENUES	1,306,384	1,933,709		(627,325)		-32%
OPERATING EXPENSES						
SALARIES	1,614,639	1,704,357				
BENEFITS	428,158	447,467				
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	2,042,797	2,151,824		(109,027)		-5%
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	30,698	32,996				
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM	256					
OTHER EXPENSE	30,954	32,996		(2,042)		-6%
ALL NON-LABOR						
TOTAL OPERATING EXPENSES	2,073,751	2,184,820		(111,069)		-5%
NET OPERATING MARGIN	(767,367)	(251,110)		(516,256)		206%

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL MAR 2026		FYTD PRIOR YEAR MAR 2025			
Anesthesia						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	5,307,188		5,603,344		(296,156)	-5%
DEDUCTIONS FROM REVENUE	3,860,803		4,035,641			
NET PATIENT REVENUES	1,446,385		1,567,702		(121,318)	-8%
OPERATING EXPENSES						
SALARIES	30,482		22,668			
BENEFITS	8,083		5,951			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	38,565		28,620		9,945	35%
CONTRACT LABOR						
PROFESSIONAL FEES	2,469,662		2,296,059			
SUPPLIES	117,095		120,798			
PURCHASED SERVICES			260			
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM	1,351		12,642			
OTHER EXPENSE	2,588,108		2,429,759		158,349	7%
ALL NON-LABOR						
TOTAL OPERATING EXPENSES	2,626,673		2,458,379		168,294	7%
NET OPERATING MARGIN	(1,180,288)		(890,677)		(289,612)	33%

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL MAR 2026		FYTD PRIOR YEAR MAR 2025			
Pain Management						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE			3,398		(3,398)	-100%
DEDUCTIONS FROM REVENUE	0		0			
NET PATIENT REVENUES			3,398		(3,398)	-100%
OPERATING EXPENSES						
SALARIES						
BENEFITS						
REGISTRY & CONTRACT						#DIV/0!
TOTAL STAFFING EXPENSE						
CONTRACT LABOR						
PROFESSIONAL FEES	100,369		117,583			
SUPPLIES						
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE						
ALL NON-LABOR	100,369		117,583		(17,213)	-15%
TOTAL OPERATING EXPENSES	100,369		117,583		(17,213)	-15%
NET OPERATING MARGIN	(100,369)		(114,185)		13,815	-12%

	FY2026		FY2025		FYTD	FYTD
	FYTD	ACTUAL	FYTD	PRIOR YEAR	ACT-PRIOR	FYTD
	MAR 2026	MAR 2026	MAR 2025	MAR 2025	VARIANCE	ACT-PRIOR
					VARIANCE	VARIANCE
					\$'s	%
Cardiac Cath						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	389,325		535,533		(146,208)	-27%
DEDUCTIONS FROM REVENUE	291,618		403,672			
NET PATIENT REVENUES	97,706		535,533		(437,826)	-82%
OPERATING EXPENSES						
SALARIES	19,495					
BENEFITS	5,170		0			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	24,665		0		24,665	#DIV/0!
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	27,353		3,297			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE	114,296		149,627			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	751		6			
ALL NON-LABOR	142,400		152,930		(10,530)	-7%
TOTAL OPERATING EXPENSES	167,065		152,930		14,135	9%
NET OPERATING MARGIN	(69,358)		382,603		(451,961)	-118%

Vascular Access Center	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
	MAR 2026	MAR 2025	MAR 2025	MAR 2025		
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	86,127		129,399		43,272	33%
DEDUCTIONS FROM REVENUE	0		0			
NET PATIENT REVENUES	86,127		129,399		43,272	33%
OPERATING EXPENSES						
SALARIES						
BENEFITS						
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE					-	
CONTRACT LABOR						
PROFESSIONAL FEES	220,565		352,590			
SUPPLIES	78					
PURCHASED SERVICES	5,200		16,600			
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	51,352		46,909			
ALL NON-LABOR	277,196		416,099		138,904	33%
TOTAL OPERATING EXPENSES	277,196		416,099		138,904	33%
NET OPERATING MARGIN	(191,069)		(286,701)		(95,632)	33%

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Interventional Radiology						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	9,215,149		8,070,116		1,145,033	14%
DEDUCTIONS FROM REVENUE						
	6,957,578		6,033,710			
NET PATIENT REVENUES	2,257,571		2,036,406		221,164	11%
OPERATING EXPENSES						
SALARIES	437,754		334,876			
BENEFITS	116,081		87,919			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	553,835		422,795		131,039	31%
CONTRACT LABOR						
PROFESSIONAL FEES	540,000		480,000			
SUPPLIES	331,258		235,175			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	4,438		4,511			
ALL NON-LABOR	875,696		719,687		156,009	22%
TOTAL OPERATING EXPENSES	1,429,530		1,142,482		287,048	25%
NET OPERATING MARGIN	828,041		893,924		(65,884)	-7%

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE	FYTD ACT-PRIOR VARIANCE
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Diagnostic Services						
CT, IR, MRI, Nuc Med, Radiology, US						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	101,394,124		92,032,238		9,361,886	10%
DEDUCTIONS FROM REVENUE	80,019,376		70,081,257			
NET PATIENT REVENUES	21,374,748		21,950,982		(576,234)	-3%
OPERATING EXPENSES						
SALARIES	2,881,685		2,701,178			
BENEFITS	764,145		709,175			
REGISTRY & CONTRACT	158,143		99,004			
TOTAL STAFFING EXPENSE	3,803,972		3,509,357		294,615	8%
CONTRACT LABOR						
PROFESSIONAL FEES	1,414,676		1,695,799			
SUPPLIES	905,385		682,919			
PURCHASED SERVICES	8,623		12,357			
REPAIRS AND MAINTENANCE	823,177		778,430			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	52,974		153,844			
ALL NON-LABOR	3,204,834		3,323,348		(118,514)	-4%
TOTAL OPERATING EXPENSES	7,008,807		6,832,705		176,101	3%
NET OPERATING MARGIN	14,365,941		15,118,276		(752,335)	-5%
Statistics	73,934		70,296			
Rev by Stat	1,371		1,309			
Exp by Stat	95		97			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE %
	FYTD	FYTD	FYTD	FYTD	
	ACTUAL MAR 2026	PRIOR YEAR MAR 2025	ACT-PRIOR VARIANCE \$'s	ACT-PRIOR VARIANCE %	
Laboratory Services					
GROSS PATIENT REVENUES					
GROSS PATIENT REVENUE	47,610,996	43,700,652	3,910,345	9%	
DEDUCTIONS FROM REVENUE	37,348,140	33,110,917			
NET PATIENT REVENUES	10,262,857	10,589,735	(326,878)	-3%	
OPERATING EXPENSES					
SALARIES	2,265,278	2,306,608			
BENEFITS	600,690	605,583			
REGISTRY & CONTRACT	203,193				
TOTAL STAFFING EXPENSE	3,069,161	2,912,191	156,969	5%	
CONTRACT LABOR					
PROFESSIONAL FEES	67,500	67,500			
SUPPLIES	2,594,806	2,412,444			
PURCHASED SERVICES	746,220	789,632			
REPAIRS AND MAINTENANCE	83,990	32,715			
DEPRECIATION AND AMORTIZATION					
INSURANCE					
HOSPITALIST PROGRAM	59,473	75,559			
OTHER EXPENSE	3,551,988	3,377,851	174,137	5%	
ALL NON-LABOR					
TOTAL OPERATING EXPENSES	6,621,148	6,290,042	331,106	5%	
NET OPERATING MARGIN	3,641,708	4,299,692	(657,984)	-15%	
Statistics	7,846	7,871			
Rev by Stat	6,068	5,552			
Exp by Stat	844	799			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Therapy Services						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	2,181,901		2,286,504		(104,603)	-5%
DEDUCTIONS FROM REVENUE	1,734,074		1,649,012			
NET PATIENT REVENUES	447,827		637,492		(189,665)	-30%
OPERATING EXPENSES						
SALARIES	586,439		658,401			
BENEFITS	155,508		172,859			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	741,947		831,260		(89,313)	-11%
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	6,401		3,674			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE						
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	73,255		73,930			
ALL NON-LABOR	79,656		77,605		2,052	3%
TOTAL OPERATING EXPENSES	821,603		908,864		(87,261)	-10%
NET OPERATING MARGIN	(373,776)		(271,372)		(102,404)	38%
Statistics	10,239		10,206			
Rev by Stat	213.10		224.04			
Exp by Stat	80.24		89.05			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Skilled Nursing Center PMSNC						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	18,336,370		19,279,337		(942,967)	-5%
DEDUCTIONS FROM REVENUE	6,364,472		6,851,306			
NET PATIENT REVENUES	11,971,898		12,428,031		(456,133)	-4%
OPERATING EXPENSES						
SALARIES	4,775,585		5,117,030			
BENEFITS	1,266,356		1,343,440			
REGISTRY & CONTRACT	25,883		84,581			
TOTAL STAFFING EXPENSE	6,067,823		6,545,051		(477,227)	-7%
CONTRACT LABOR						
PROFESSIONAL FEES	44,147		41,550			
SUPPLIES	614,824		578,454			
PURCHASED SERVICES	933,742		818,120			
REPAIRS AND MAINTENANCE	83,663		41,537			
DEPRECIATION AND AMORTIZATION						
INSURANCE	21,786		21,162			
HOSPITALIST PROGRAM						
OTHER EXPENSE	1,651,025		1,506,698			
ALL NON-LABOR	3,349,186		3,007,521		341,665	11%
TOTAL OPERATING EXPENSES	9,417,010		9,552,572		(135,562)	-1%
NET OPERATING MARGIN	2,554,888		2,875,459		(320,571)	-11%
Statistics	19,334		19,802			
Rev by Stat	948.40		973.61			
Exp by Stat	487.07		482.40			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Pioneers Childrens Health Center PCHC						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	1,551,094		1,379,375		(171,719)	-12%
DEDUCTIONS FROM REVENUE	535,127		0			
NET PATIENT REVENUES	1,015,967		1,379,375		363,408	26%
OPERATING EXPENSES						
SALARIES	414,252		488,682			
BENEFITS	109,848		128,300			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	524,101		616,982		92,881	15%
CONTRACT LABOR						
PROFESSIONAL FEES	399,288		383,391			
SUPPLIES	72,588		68,256			
PURCHASED SERVICES	6,668		2,996			
REPAIRS AND MAINTENANCE	100		4,620			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	155,436		154,260			
ALL NON-LABOR	634,080		613,523		(20,557)	-3%
TOTAL OPERATING EXPENSES	1,158,180		1,230,505		72,325	6%
NET OPERATING MARGIN	(142,214)		148,870		291,084	196%
Statistics	6,252		6,790			
Rev by Stat	248.10		203.15			
Exp by Stat	185.25		181.22			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	FYTD PRIOR YEAR	FYTD ACT-PRIOR	FYTD ACT-PRIOR	
	MAR 2026	MAR 2025	VARIANCE \$'s	VARIANCE \$'s	
Comprehensive Women's at Pioneers C-WHAP					
GROSS PATIENT REVENUES	3,817,694	2,738,723	(1,078,971)		-39%
GROSS PATIENT REVENUE					
DEDUCTIONS FROM REVENUE	2,546,402	1,870,548			
NET PATIENT REVENUES	1,271,292	868,175	(403,117)		-46%
OPERATING EXPENSES					
SALARIES	357,572	467,985			
BENEFITS	94,819	122,866			
REGISTRY & CONTRACT					
TOTAL STAFFING EXPENSE	452,391	590,851	138,460		23%
CONTRACT LABOR					
PROFESSIONAL FEES	657,000	692,490			
SUPPLIES	44,187	81,308			
PURCHASED SERVICES	4,470	4,061			
REPAIRS AND MAINTENANCE	7,024	2,887			
DEPRECIATION AND AMORTIZATION					
INSURANCE					
HOSPITALIST PROGRAM					
OTHER EXPENSE	139,731	138,097			
ALL NON-LABOR	852,412	918,843	66,431		7%
TOTAL OPERATING EXPENSES	1,304,803	1,509,694	204,891		14%
NET OPERATING MARGIN	(33,511)	(641,519)	(608,007)		95%
Statistics	4,561	3,244			
Rev by Stat	837.03	844.24			
Exp by Stat	286.08	465.38			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	PRIOR YEAR MAR 2025	FYTD	PRIOR YEAR MAR 2025		
	MAR 2026					
Callexico Health Center						
CHC						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	2,458,512	2,006,001			(452,511)	-23%
DEDUCTIONS FROM REVENUE	1,398,893	623,866				
NET PATIENT REVENUES	1,059,619	1,382,135			322,516	23%
OPERATING EXPENSES						
SALARIES	622,061	662,037				
BENEFITS	164,954	173,813				
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	787,015	835,851			48,836	6%
CONTRACT LABOR						
PROFESSIONAL FEES	93,600	61,585				
SUPPLIES	15,968	14,586				
PURCHASED SERVICES	23,603	32,152				
REPAIRS AND MAINTENANCE	14,993	17,830				
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	226,908	221,486				
ALL NON-LABOR	375,073	347,638			(27,435)	-8%
TOTAL OPERATING EXPENSES	1,162,087	1,183,488			21,401	2%
NET OPERATING MARGIN	(102,469)	198,646			301,115	152%
Statistics	8,840	8,425				
Rev by Stat	278.11	238.10				
Exp by Stat	131.46	140.47				

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Pioneers Health Center PHC						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	6,509,008		6,146,008		(363,000)	-6%
DEDUCTIONS FROM REVENUE	3,879,369		2,083,497			
NET PATIENT REVENUES	2,629,639		4,062,511		1,432,872	35%
OPERATING EXPENSES						
SALARIES	1,075,978		1,244,205			
BENEFITS	285,320		326,657			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	1,361,298		1,570,863		209,565	13%
CONTRACT LABOR						
PROFESSIONAL FEES	1,084,705		912,918			
SUPPLIES	105,697		60,098			
PURCHASED SERVICES	3,446		8,286			
REPAIRS AND MAINTENANCE	17,167		17,460			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	251,433		224,653			
ALL NON-LABOR	1,462,448		1,223,415		(239,033)	-20%
TOTAL OPERATING EXPENSES	2,823,746		2,794,278		(29,469)	-1%
NET OPERATING MARGIN	(194,107)		1,268,233		1,462,341	115%
Statistics	22,527		24,197			
Rev by Stat	288.94		254.00			
Exp by Stat	125.35		115.48			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL	PRIOR YEAR MAR 2025	FYTD	PRIOR YEAR MAR 2025		
	MAR 2026					
Women's Health at Pioneers WHAP						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	755,477	867,317	111,840			13%
DEDUCTIONS FROM REVENUE	410,224	133,567				
NET PATIENT REVENUES	345,253	733,750	388,497			53%
OPERATING EXPENSES						
SALARIES	439,452	435,219				
BENEFITS	116,531	114,264				
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	555,983	549,482	(6,501)			-1%
CONTRACT LABOR						
PROFESSIONAL FEES	19,787	70,397				
SUPPLIES	11,194	31,561				
PURCHASED SERVICES		1,467				
REPAIRS AND MAINTENANCE	299	6,205				
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	87,113	92,609				
ALL NON-LABOR	118,392	202,239	83,847			41%
TOTAL OPERATING EXPENSES	674,375	751,722	77,346			10%
NET OPERATING MARGIN	(329,123)	(17,972)	311,151			-1731%
Statistics	3,020	3,719				
Rev by Stat	250.16	233.21				
Exp by Stat	223.30	202.13				

Urology	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	1,819,162		1,989,482		170,319	9%
DEDUCTIONS FROM REVENUE	1,404,393		1,323,005			
NET PATIENT REVENUES	414,769		666,476		251,707	38%
OPERATING EXPENSES						
SALARIES	227,962		314,925			
BENEFITS	60,449		82,681			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	288,412		397,606		109,195	27%
CONTRACT LABOR						
PROFESSIONAL FEES	321,725		389,222			
SUPPLIES	62,538		68,427			
PURCHASED SERVICES			6,361			
REPAIRS AND MAINTENANCE	2,357		2,381			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	109,478		55,494			
ALL NON-LABOR	496,098		521,885		25,787	5%
TOTAL OPERATING EXPENSES	784,510		919,491		134,981	15%
NET OPERATING MARGIN	(369,741)		(253,015)		116,726	-46%
Statistics	2,284		3,102			
Rev by Stat	796.48		641.35			
Exp by Stat	343.48		296.42			

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR	
		MAR 2026		MAR 2025	
Surgical Health at Pioneers SHAP					
GROSS PATIENT REVENUES					
GROSS PATIENT REVENUE	275,629		310,894		11%
DEDUCTIONS FROM REVENUE	158,487		155,447		
NET PATIENT REVENUES	117,142		155,447	38,305	25%
OPERATING EXPENSES					
SALARIES	67,308		66,631		
BENEFITS	17,848		17,494		
REGISTRY & CONTRACT					
TOTAL STAFFING EXPENSE	85,156		84,125	(1,031)	-1%
CONTRACT LABOR					
PROFESSIONAL FEES	821,168		789,570		
SUPPLIES	4,822		3,730		
PURCHASED SERVICES	(1,250)		3,701		
REPAIRS AND MAINTENANCE					
DEPRECIATION AND AMORTIZATION					
INSURANCE					
HOSPITALIST PROGRAM	50,051		49,714		
OTHER EXPENSE	874,792		846,715	(28,077)	-3%
ALL NON-LABOR					
TOTAL OPERATING EXPENSES	959,948		930,840	(29,108)	-3%
NET OPERATING MARGIN	(842,806)		(775,393)	67,413	-9%
Statistics	523		481		
Rev by Stat	527.02		646.35		
Exp by Stat	1835.46		1935.22		

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Infusion Center						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	339,809		373,689		33,880	9%
DEDUCTIONS FROM REVENUE	263,691		291,477			
NET PATIENT REVENUES	76,117		82,212		6,094	7%
OPERATING EXPENSES						
SALARIES	114,306		264,235			
BENEFITS	30,311		69,373			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	144,617		333,609		188,991	57%
CONTRACT LABOR						
PROFESSIONAL FEES						
SUPPLIES	15,234		23,723			
PURCHASED SERVICES						
REPAIRS AND MAINTENANCE	7,230		(225)			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	425		1,805			
ALL NON-LABOR	22,889		25,303		2,413	10%
TOTAL OPERATING EXPENSES	167,507		358,911		191,405	53%
NET OPERATING MARGIN	(91,390)		(276,700)		(185,310)	67%

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD	ACTUAL	FYTD	PRIOR YEAR		
		MAR 2026		MAR 2025		
Center for Digestive and Liver Disease CDLD/GI/Gastro						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	825,826		152,510		(673,316)	-441%
DEDUCTIONS FROM REVENUE	396,397		27,299			
NET PATIENT REVENUES	429,430		125,210		(304,219)	-243%
OPERATING EXPENSES						
SALARIES	209,344		168,632			
BENEFITS	55,512		44,273			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	264,857		212,905		(51,952)	-24%
CONTRACT LABOR						
PROFESSIONAL FEES	473,793		399,589			
SUPPLIES	3,479		8,334			
PURCHASED SERVICES	(1,250)		3,374			
REPAIRS AND MAINTENANCE	189					
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	104,116		43,205			
ALL NON-LABOR	580,327		454,502		(125,826)	-28%
TOTAL OPERATING EXPENSES	845,184		667,406		(177,777)	-27%
NET OPERATING MARGIN	(415,754)		(542,196)		(126,442)	23%

	FY2026		FY2025		FYTD ACT-PRIOR VARIANCE \$'s	FYTD ACT-PRIOR VARIANCE %
	FYTD ACTUAL MAR 2026		PRIOR YEAR MAR 2025			
Wound Care						
GROSS PATIENT REVENUES						
GROSS PATIENT REVENUE	2,936,957		2,661,899		(275,058)	-10%
DEDUCTIONS FROM REVENUE	2,287,889		2,060,310			
NET PATIENT REVENUES	649,067		601,589		(47,478)	-8%
OPERATING EXPENSES						
SALARIES	194,271		199,959			
BENEFITS	51,515		52,498			
REGISTRY & CONTRACT						
TOTAL STAFFING EXPENSE	245,786		252,457		6,671	3%
CONTRACT LABOR						
PROFESSIONAL FEES	375,225		440,150			
SUPPLIES	64,352		44,138			
PURCHASED SERVICES			1,502			
REPAIRS AND MAINTENANCE	17,819		7,473			
DEPRECIATION AND AMORTIZATION						
INSURANCE						
HOSPITALIST PROGRAM						
OTHER EXPENSE	85,466		90,375			
ALL NON-LABOR	542,862		583,639		40,777	7%
TOTAL OPERATING EXPENSES	788,648		836,097		47,449	6%
NET OPERATING MARGIN	(139,580)		(234,507)		(94,927)	40%
Statistics	2,590		2,648			
Rev by Stat	1133.96		1005.25			
Exp by Stat	304.50		315.75			

Imperial Valley Healthcare District

Pioneers Memorial Hospital

2027 Budget Proposal



Imperial Valley Healthcare District

Pioneers Memorial Hospital

2027 Budget Proposal

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Budgeted Financial Statement Summary

- **Net Excess/(Deficit)** - The Budget for Fiscal Year 2027 is projected as a net gain of \$10.0 M against a Fiscal Year 2026 projected net gain of \$10.3 M.
- **Revenues** - Total gross revenues are projected to stay consistent with FY 2026. Other operating revenues such as QIP (PRIME II), grants, cafeteria sales, rebates and refunds and others are expected to remain the same. Directed Payments Public Hospital Program is predicted to increase in FY 2027.
- **Expenses** - Operating expenses are projected to increase 4.6% or \$7.8 M, from \$170.4 M for FY 2026 to \$178.2 M for FY 2027.

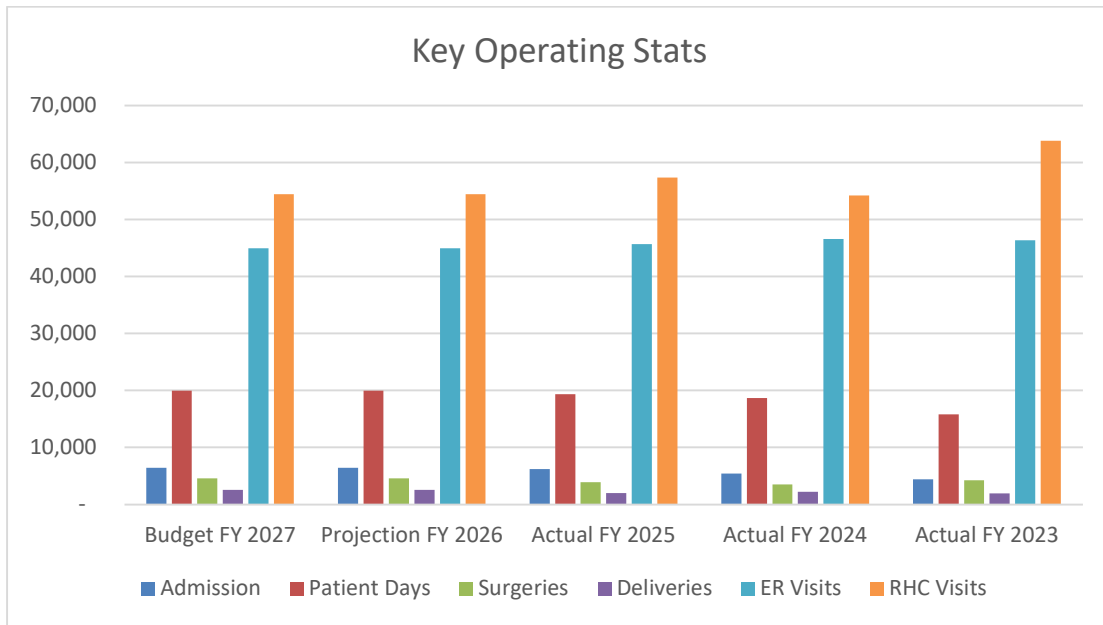
Budget Highlights

The following are key features of the proposed 2027 Budget:

- All volumes are expected to remain steady with FY 2026 volumes.
- Salaries are projected to increase by 5.5% or \$4.1 M mostly due to a 3% annual rate adjustment. Total staffing is estimated to increase 4.9% or \$4.7 M. Total staffing consists of salaries, benefits and contract labor.
- Supplies are projected to increase by 3.3% or \$654K due to inflation.
- Purchased Services and Repairs and Maintenance is estimated to increase due to inflation of about 3.8% or \$288k and \$297K, respectively.
- Capital Expenditures are estimated to be about \$6.2 M for the year.

Major Volume Indicators

	Budget FY 2027	Projection FY 2026	Actual FY 2025	Actual FY 2024	Actual FY 2023
Admission	6,441	6,441	6,174	5,398	4,393
Patient Days	19,945	19,945	19,310	18,681	15,816
Surgeries	4,559	4,559	3,876	3,510	4,257
Deliveries	2,525	2,525	2,011	2,201	1,904
ER Visits	44,916	44,916	45,669	46,553	46,323
RHC Visits	54,396	54,396	57,347	54,186	63,800



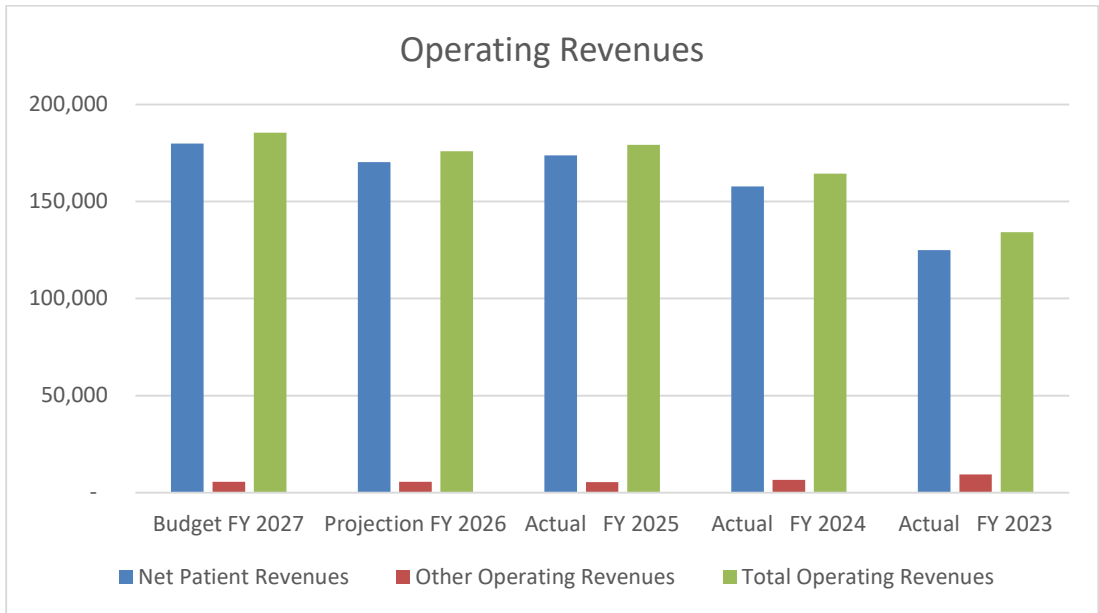
Payer Mix (patient days)

Medi-Cal Managed care is our single largest payer class followed by Medicare. These governmental payers are budgeted to comprise 77.5% of all inpatient volumes.

Total Operating Revenues (Net Patient Revenues & Other Revenues)

Total Operating Revenues, which are comprised of Net Patient Revenues (Gross Revenues less Deductions) and Other Operating Revenues (Grants, Prime, Cafeteria and Miscellaneous), are budgeted to stay consistent with current year.

	Budget FY 2027	Projection FY 2026	Actual FY 2025	Actual FY 2024	Actual FY 2023
Net Patient Revenues	179,859	170,293	173,729	157,856	124,839
Other Operating Revenues	5,565	5,561	5,404	6,556	9,311
Total Operating Revenues	185,425	175,854	179,134	164,412	134,150



Net patient services revenues are budgeted to increase by \$9.6 M due to Supplemental Payments. For the FY 2027 Budget timeframe, much higher Supplemental Payments will be recognized due to an increase in the District Hospital Directed Payment (DHDP) program netted against a decrease in the DSH payment and QAF removal from the federal government.

Salaries

Salary expenses are budgeted to increase by 5.5% or \$4.1 M for FY 2027. Most budgeted staffing levels were calculated on a *workload unit* adjusted basis. The calculation for this basis is done by assigning each department a productivity factor (worked hours allowed per statistic) and then it is applied to each department’s budgeted statistic. This methodology was used to determine the total number of Full Time Equivalent (FTEs) to budget for each department as well as develop a benchmark for the departments’ performance over the years.

Key assumptions used to calculate employee pay rates are shown below.

- A. Across-the-board pay rate adjustments (market adjustments) were included in the FY 2027 budget. These adjustments include an average of 3.0% merit that would increase salaries and employer taxes by \$4.1 M.

Registry and Contract Labor

Contract Labor is projected to decrease by 24.6% or (\$532K). Nursing Administration continues to recruit nursing staff so the future use of registry nurses is minimal. The District's Security crew will become employees of the District in FY 2027. During FY 2026 Security Services represented about 25.2% of the contract labor expense.

Employee Benefits

In total, Employee Benefits are expected to increase by 5.8% or \$1.1 M. Payroll taxes will increase consistently with the increases in budgeted salary expenses. Workers' Compensation premiums are quoted to increase approximately 10.0% due to higher salaries.

Professional Fees

Professional fees, which include legal and audit services, are projected to increase 2.6% or \$500K.

Supplies

The cost of supplies is expected to increase by 3.3% or \$654K due to inflation. Included in this increase is a 2.5% inflation rate for supplies and 7.0% for drugs.

Purchased Services and Repairs and Maintenance

The cost of Purchased Services is projected to increase by 3.7% or \$288K over FY 2026 costs.

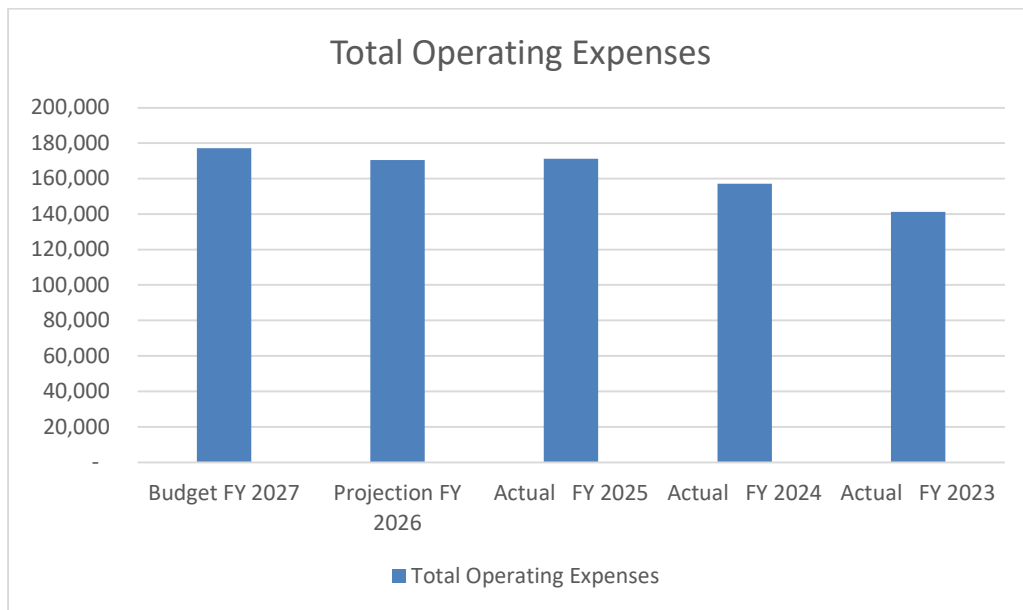
Repairs and maintenance costs are expected to increase 4.0% or \$297K. The increase is attributed to the continued essential maintenance support for software systems.

Other Expenses

Most other expenses are comprised of utilities, licenses, dues, outside training, travel, leases and other. Those expenses are expected to increase by 6.0% or \$651K due to inflation-driven increases for utilities and an increase in outside training.

Total Operating Expenses

	Budget FY 2027	Projection FY 2026	Actual FY 2025	Actual FY 2024	Actual FY 2023
Total Operating Expenses *in thousands	178,182	170,352	171,102	157,085	141,164



Capital Spending

The total capital spending is estimated to be about \$6.2 M with 22.5% of that amount from IT expenses, 14.1% from Engineering expenses and the rest from the Clinical departments.

Balance Sheet Key Indicators

The table below provides a comparison of the key operating ratios between FY 2027 and FY 2026. The Days Cash on Hand is projected to decrease due to the repayment of the Distressed Loan to start in May 2026.

	Budget FY 2027	Projection FY 2026	Actual FY 2025	Actual FY 2024	Actual FY 2023
Gross A/R Days	69.8	73.0	69.8	63.9	71.2
Net A/R Days	53.3	63.2	61.1	35.7	57.7
Days Cash on Hand	69	60	79.4	94.9	44.3
Debt Service Coverage	1.31	1.32	2.4	5.63	2.87
Current Ratio	3.30%	3.69%	3.90%	3.34%	2.54%
Net Income Margin	5.53%	6.03%	5.93%	5.92%	0.44%

Non-Operating Revenue/(Expense)

Pioneers Memorial Hospital District tax revenues are projected to be \$1.4 M while Heffernan District tax revenues are projected to be at least \$1.3 M. Interest expense for the Series 2017 Revenue bonds is \$602K.

(END OF PROPOSAL)

**IMPERIAL VALLEY HEALTHCARE DISTRICT
PIONEERS MEMORIAL HOSPITAL
STATEMENT OF REVENUE AND EXPENSE
FOR THE BUDGET YEAR ENDING JUNE 30, 2027**

	BUDGET FY 2027	PROJECTED FY 2026	VARIANCE \$	VARIANCE %	ACTUAL FY 2025	ACTUAL FY 2024	ACTUAL FY 2023
GROSS PATIENT REVENUES	556,909,868	556,924,278	(14,410)	0.0%	538,424,892	508,908,402	450,470,549
TOTAL REVENUE DEDUCTIONS	377,050,426	386,630,979	(9,580,553)	2.5%	364,695,668	351,052,811	325,631,697
NET PATIENT REVENUES	179,859,442	170,293,299	9,566,143	5.6%	173,729,224	157,855,591	124,838,852
OTHER OPERATING REVENUE							
GRANT REVENUES	50,000	62,331	(12,331)	0.0%	-	550,000	-
OTHER	5,515,166	5,498,382	16,784	0.3%	5,404,293	6,006,283	9,311,005
TOTAL OTHER REVENUE	5,565,166	5,560,713	4,453	0.1%	5,404,293	6,556,283	9,311,005
TOTAL OPERATING REVENUE	185,424,608	175,854,012	9,570,596	5.4%	179,133,517	164,411,874	134,149,857
OPERATING EXPENSES							
SALARIES AND WAGES	77,884,421	73,795,794	4,088,627	5.5%	76,024,698	67,925,285	54,821,236
BENEFITS	20,707,761	19,568,683	1,139,078	5.8%	19,003,292	18,172,512	16,613,611
REGISTRY & CONTRACT	1,632,357	2,164,514	(532,157)	-24.6%	2,376,940	3,378,617	5,881,464
TOTAL STAFFING EXPENSE	100,224,539	95,528,991	4,695,548	4.9%	97,404,930	89,476,414	77,316,311
PROFESSIONAL FEES	19,658,949	19,159,431	499,518	2.6%	18,699,281	14,004,128	15,498,022
SUPPLIES	20,614,686	19,960,974	653,712	3.3%	19,855,700	19,139,614	17,846,976
PURCHASED SERVICES	8,161,177	7,873,335	287,842	3.7%	7,565,457	8,857,315	7,849,584
REPAIR & MAINTENANCE	7,690,344	7,393,179	297,165	4.0%	7,702,772	6,831,255	6,017,487
DEPRECIATION & AMORT	4,336,162	3,962,325	373,837	9.4%	3,632,798	3,355,375	3,572,979
INSURANCE	3,374,272	3,067,521	306,751	10.0%	2,583,465	2,746,154	2,215,447
HOSPITALIST PROGRAM	2,667,542	2,602,480	65,062	2.5%	2,566,176	2,629,754	2,661,055
OTHER	11,454,291	10,803,709	650,582	6.0%	11,091,277	10,044,685	8,186,109
TOTAL OPERATING EXPENSES	178,181,962	170,351,945	7,830,017	4.6%	171,101,856	157,084,695	141,163,970
TOTAL OPERATING MARGIN	7,242,646	5,502,067	1,740,579	31.6%	8,031,661	7,327,179	(7,014,113)
NON OPER REVENUE(EXPENSE)							
OTHER NON-OP REV (EXP)	602,137	2,591,162	(1,989,025)	-76.8%	1,199,699	1,432,178	870,825
DISTRICT TAX REVENUES	2,711,846	2,791,463	(79,617)	-2.9%	1,699,115	1,645,836	1,461,057
DISTRICT TAX G.O. Bonds							1,874,736
INTEREST EXPENSE	(602,165)	(613,727)	11,562	-1.9%	(625,341)	(666,822)	(698,622)
CARES HHS/ FEMA RELIEF FUNDING	-	-	-	0.0%	-	-	4,098,989
TOTAL NON-OP REV (EXPENSE)	2,711,818	4,768,898	(2,057,080)	-43.1%	2,273,473	2,411,192	7,606,985
NET EXCESS / (DEFICIT)	9,954,464	10,270,965	(316,501)	-3.1%	10,305,134	9,738,371	592,872

**IMPERIAL VALLEY HEALTHCARE DISTRICT
PIONEERS MEMORIAL HOSPITAL
PRODUCTIVITY AND RATIO ANALYSIS
BUDGET YEAR ENDING JUNE 30, 2027**

	Budget FY 2027	% Change	Projection FY 2026	% Change	Actual FY 2025	% Change	Actual FY 2024	% Change	Actual FY 2023
Gross A/R Days	69.8	-4.4%	73.0	4.6%	69.8	9.2%	63.9	-10.3%	71.2
Net A/R Days	53.3	-15.8%	63.2	3.6%	61.1	71.2%	35.7	-38.2%	57.7
Days Cash On Hand	69.0	15.2%	60.0	-24.5%	79.4	-16.4%	94.9	114.2%	44.3
Current Ratio	3.30%	-10.5%	3.69%	-5.4%	3.90%	16.6%	3.34%	31.7%	2.54%
Debt Service Coverage	1.31	-0.7%	1.32	-45.1%	2.40	-57.4%	5.63	95.8%	2.87
Debt to Capital	49.8%	-10.6%	55.7%	-4.9%	58.5%	-12.3%	66.7%	5.6%	63.2%
Accounts Payable Days	52.2	23.7%	42.2	-22.2%	54.2	-19.9%	67.7	22.0%	55.5
Average Age of Plant	25.4	-5.9%	27.0	-5.2%	28.5	-4.1%	29.7	10.0%	27.0
Deductible Ratio	67.70%	-2.5%	69.42%	2.5%	67.73%	-1.8%	68.98%	-4.6%	72.29%
Net Income Margin	5.53%	-8.2%	6.03%	1.7%	5.93%	0.1%	5.92%	1240.3%	0.44%

IMPEIRAL VALLEY HEALTHCARE DISTRICT
PIONEERS MEMORIAL HOSPITAL
BALANCE SHEET
Budget FY 2027

	Budget FY 2027	Projection FY 2026	Actual FY 2025	Actual FY 2024	Actual FY 2023
ASSETS					
CURRENT ASSETS					
CASH	32,886,801	27,255,353	36,347,744	39,965,486	16,685,983
CDs - LAIF & CVB	68,111	67,273	66,244	65,505	63,099
ACCOUNTS RECEIVABLE - PATIENTS	106,474,571	111,096,985	102,976,362	89,112,026	87,933,623
LESS: ALLOWANCE FOR BAD DEBTS	(4,918,655)	(4,918,665)	(4,050,598)	(5,728,207)	(4,977,190)
LESS: ALLOWANCE FOR CONTRACTUALS	(75,312,472)	(76,750,076)	(69,861,825)	(67,960,450)	(63,207,554)
NET ACCOUNTS RECEIVABLE	26,243,444	29,428,244	29,063,939	15,423,369	19,748,878
	24.65%	26.49%	28.22%	17.31%	22.46%
ACCOUNTS RECEIVABLE - OTHER	37,626,109	37,755,669	29,849,554	30,801,714	17,257,248
COST REPORT RECEIVABLES	0	1,444,854	3,292,653	2,521,422	368,285
INVENTORIES - SUPPLIES	4,169,678	3,632,827	3,048,836	2,835,246	3,316,624
PREPAID EXPENSES	3,147,536	3,085,446	2,106,777	1,953,532	2,077,178
TOTAL CURRENT ASSETS	104,141,679	102,669,666	103,775,747	93,566,273	59,517,296
OTHER ASSETS					
PROJECT FUND 2017 BONDS	778,112	778,126	459,657	505,516	496,742
BOND RESERVE FUND 2017 BONDS	968,337	968,353	968,373	968,324	968,300
LIMITED USE ASSETS	0	2,198	1,787	40,959	37,063
GASB87 LEASES	62,851,716	62,477,394	60,529,359	64,931,450	49,415,107
OTHER ASSETS PROPERTY TAX PROCEEDS	269,688	269,688	269,688	505,438	594,002
OTHER INVESTMENTS	420,000	420,000	420,000	0	0
TOTAL OTHER ASSETS	65,287,853	64,915,759	62,648,864	66,951,687	51,511,214
PROPERTY, PLANT AND EQUIPMENT					
LAND	6,883,026	6,883,026	3,275,776	2,623,526	2,623,526
BUILDINGS & IMPROVEMENTS	64,066,933	63,118,597	63,695,030	62,919,140	63,472,230
EQUIPMENT	75,042,461	72,192,498	66,370,826	63,203,579	59,457,987
CONSTRUCTION IN PROGRESS	5,631,185	5,626,227	5,901,830	766,043	338,266
LESS: ACCUMULATED DEPRECIATION	(110,343,933)	(107,099,144)	(103,550,527)	(99,748,993)	(96,575,063)
NET PROPERTY, PLANT, AND EQUIPMENT	41,279,672	40,721,204	35,692,935	29,763,294	29,316,946
TOTAL ASSETS	210,709,204	208,306,630	202,117,546	190,281,255	140,345,456

**IMPEIRAL VALLEY HEALTHCARE DISTRICT
PIONEERS MEMORIAL HOSPITAL
BALANCE SHEET
Budget FY 2027**

	Budget FY 2027	Projection FY 2026	Actual FY 2025	Actual FY 2024	Actual FY 2023
LIABILITIES AND FUND BALANCES					
CURRENT LIABILITIES					
ACCOUNTS PAYABLE - CASH REQUIREMENTS	3,767,317	2,425,740	3,665,127	5,460,085	4,037,112
ACCOUNTS PAYABLE - ACCRUALS	9,954,329	8,248,261	9,919,641	10,450,085	8,645,023
PAYROLL & BENEFITS PAYABLE - ACCRUALS	7,033,485	6,498,303	7,417,955	6,362,197	5,358,973
CURRENT PORTION - GO BONDS PAYABLE	0	0	0	230,000	220,000
CURRENT PORTION - 2017 REVENUE BONDS	355,000	349,000	335,000	320,000	305,000
INTEREST PAYABLE - GO BONDS	0	0	1,917	2,875	5,625
INTEREST PAYABLE - 2017 REVENUE BONDS	0	0	161,867	165,867	168,408
CURRENT PORTION - LEASE LIAB (GASB87)	4,197,207	4,074,958	4,071,774	3,756,205	1,722,161
CURRENT PORTION - LONG-TERM DEBT (CHFF)	6,228,972	6,228,972	1,037,037	1,228,761	469,091
TOTAL CURRENT LIABILITIES	31,536,310	27,825,234	26,610,318	27,976,076	20,931,394
LONG TERM DEBT AND OTHER LIABILITIES					
PMH RETIREMENT FUND - ACCURAL	754,272	730,204	658,000	305,518	416,228
LOANS PAYABLE - DISTRESSED HOSP. LOAN	14,503,894	20,732,866	26,962,963	26,962,963	191,724
LOANS PAYABLE - CHFFA NDPH	0	0	0	3,766,770	6,715,689
BONDS PAYABLE 2017 SERIES	13,411,388	13,770,210	14,129,033	14,487,856	14,831,679
LONG-TERM LEASE LIABILITIES (GASB 87)	60,211,203	59,953,303	58,207,090	62,267,845	48,170,072
DEFERRED PROPERTY TAX REVENUE	354,021	275,438	275,438	511,188	594,002
SKILLED NURSING OVER COLLECTIONS	0	5,035,723	2,490,887	0	0
TOTAL LONG-TERM DEBT	89,234,778	100,497,744	102,723,411	108,302,140	75,149,394
FUND BALANCE AND DONATED CAPITAL	79,983,652	69,712,687	62,478,683	44,264,668	44,264,668
NET SURPLUS (DEFICIT) CURRENT YEAR	9,954,464	10,270,965	10,305,134	9,738,371	0
TOTAL FUND BALANCE	89,938,116	79,983,652	72,783,817	54,003,039	44,264,668
TOTAL LIABILITIES AND FUND BALANCE	210,709,204	208,306,630	202,117,546	190,281,255	140,345,456

IVHD - PMH Capital Budget

Fiscal Years
2027, 2028, 2029

Dept	Dept #	Project Name	Justification Code	Cost of equipment	Quantity	Comments	FY 2027	FY 2028	FY 2029
Hospital Wide	Various	Defibrillators	OB	\$30,000	20	Defibrillators are lifesaving equipment used during emergency codes throughout the hospital; all crash carts have them.	\$600,000		
ICU	6010	Prismax control unit (CRRT dialysis machine	PS	\$119,472	2	When a patient is not able to tolerate regular dialysis CRRT is needed to be able to treat patient		\$238,943	
ICU	6010	Glydescope	PS	\$16,131	1	We currently don't have a scope to intubate patients, Dr Krutzik has requested the purchase of this equipment for safety measures.	\$16,131		
LDRP	6400	Bed Extension	PS	\$5,977	1	Need an bed extension for morbidly obese patients.	\$5,977		
LDRP	6400	Bassinets	RG	\$6,264	6	The current equipment, constructed of wood material, is worn, porous, and difficult to effectively clean and disinfect. This increases the risk of contamination and may lead to non-compliance with infection prevention standards. Replacing it with hospital-grade equipment would support proper cleaning and disinfection practices, enhance patient safety, and ensure alignment with regulatory and infection control requirements.	\$37,584		
LDRP	6400	Fetal Monitors	RG	\$8,867	5	The current equipment, constructed of wood material, is worn, porous, and difficult to effectively clean and disinfect. This increases the risk of contamination and may lead to non-compliance with infection prevention standards. Replacing it with hospital-grade equipment would support proper cleaning and disinfection practices, enhance patient safety, and ensure alignment with regulatory and infection control requirements.	\$44,335		
LDRP	6400	Vaginal Delivery Tables	RG	\$2,668	10	Current delivery tables shows signs of wear and tear, discoloration, and breakage in some areas making it difficult to clean.	\$26,680		
LDRP	6400	OB Simulator	PS/RG	\$87,077	1	An OB simulator is essential to ensure staff are prepared to safely and effectively manage obstetric emergencies such as hemorrhage, shoulder dystocia, and eclampsia. It provides a safe environment to practice critical skills, improve team communication, and identify system gaps, ultimately enhancing patient safety and supporting regulatory readiness.		\$87,077	
LDRP	6400	Hospital Control Keypad	OB	\$43,408	1		\$43,408		
LDRP	6400	Affinity 4 Birthing Beds	PS	\$22,014	2	The current beds are frequently breaking down, which is impacting patient care and workflow. Additionally, there are no rental units available to serve as replacements while the beds are out for repair, creating ongoing operational challenges and potential safety concerns	\$44,028		
LDRP	6400	Sleeper Chairs	PS	\$1,775	5	The current daddy chairs/beds are broken or showing significant wear and tear	\$8,875		
Peds	6290	Phototherapy System	OB	\$6,000	1	To replace old phototherapy system that is retired and no longer supported (needed ASAP)	\$6,000		
NICU	6070	Transport Isolette	RG/PS	\$16,235	1	Required for inter-departmental transport of newborns (i.e. transport from ER to NICU)	\$16,235		
NICU	6070	GE cardiac monitors	RG	\$17,693	4	Will add 4 NICU beds to accommodate trending increase in acuity & census		\$70,771	
Med/Surg	6170	Bedside cabinets	OB	\$673	10	The current bedside cabinets need to be replaced, they are old and in bad shape	\$6,726		
Med/Surg	6170	Centrella smart bed	PS	\$15,297	5	We have Med/Surge beds that are old and in bad shape	\$45,892	\$30,594	

IVHD - PMH Capital Budget

Fiscal Years
2027, 2028, 2029

Dept	Dept #	Project Name	Justification Code	Cost of equipment	Quantity	Comments	FY 2027	FY 2028	FY 2029
Med/Surg	6170	Bedside tables	OB	\$397	20	We need to replace old bedside tables, also with high census, we do not have enough	\$7,938		
ER	7010	Stryker ER Gurneys	PS, OB	\$9,000	3	High use equipment in the ED with varying life stages and aging equipment, requiring repairs and replacement throughout the year.	\$27,000		
ER	7010	Bladder Scanner	PS, OB	\$12,000	1	The ED currently does not have a dedicated bladder scanner. We frequently borrow a scanner from the ICU and Medical-Surgical departments; however, a permanent bladder scanner is needed in the ER to support patient care and workflow efficiency.		\$12,000	
ER	7010	Work Station on Wheels	OB, PS	\$7,000	5	Aging, end of life equipment, requiring frequent repairs and downtime.	\$35,000		
ER	7010	Stryker Transport Wheelchairs	PS	\$5,000	3	\$15,000 grand total for 3 wheelchairs		\$15,000	
LAB	7500	Biosafety Cabinet BSL Class II	RG, PS,OB	\$30,000	1	Current BSL Cabinet is defective; Lab staff needs protection when processing microbiology samples	\$30,000		
LAB	7500	Freezers (Lab and Blood Bank Grade)	PS,RG,OB	\$30,000	2	The 2 freezers in use are showing signs of wear and tear. Multiple costly repairs and parts replacement done.	\$60,000		
LAB	7500	Mobile handheld scanners and printers	PS,OB	\$10,000	10	Mobile handheld scanners and printers, help with workflow	\$50,000	\$50,000	
LAB	7500	Vitek MS Prime Clinical	PS,OB,NSR	\$224,471	1	Financial impact: estimated savings of 200K for 5 years due to cost of reagents compared to the current analyzer	\$224,471		
LAB	7500	Maestria (Software)	RG,OB	\$15,000	3	\$4,995 annual maintenance fees of software, no hardware needed; budgeted 3 years	\$45,000		
LAB	7500	Microscope	PY, PS, RG	\$11,036	1	To perform microscopic examination in the Urinalysis area; currently sharing with Hematology	\$11,036		
PATHOLOGY	7520	Tissue Processor	PY,OB	\$80,000	1	Current processor in use is showing signs of 'end of life'	\$80,000		
Ultrasound	7670	Canon i700 Ultrasound Machine	PY,OB,PS	\$104,000	1	Current ultrasound equipment requires an upgrade to keep pace with advancing technology. Investing in newer, higher-performance systems will significantly improve ultrasound throughput, enhance operational efficiency, and support the delivery of high-quality patient care. The current ultrasound unit is end-of-life and is 14 years old.		\$104,000	
Ultrasound	7670	Canon i700 Ultrasound Machine	PY,OB,PS	\$108,199	1	Current ultrasound equipment requires an upgrade to keep pace with advancing technology. Investing in newer, higher-performance systems will significantly improve ultrasound throughput, enhance operational efficiency, and support the delivery of high-quality patient care. The current ultrasound unit is at end-of-life and is 11 years old.	\$108,199		

IVHD - PMH Capital Budget

Fiscal Years
2027, 2028, 2029

Dept	Dept #	Project Name	Justification Code	Cost of equipment	Quantity	Comments	FY 2027	FY 2028	FY 2029
Ultrasound	7660	MRI Software Upgrade	PS	\$89,020	1	Our current software is outdated. Upgrading to the latest software will improve image quality, enhance workflow efficiency, and reduce exam turnaround times. This upgrade will also enable our technologists to perform exams that we are currently unable to support due to system limitations. Expanding our exam capabilities will increase scan volume and support continued growth of the department.	\$89,020		
Ultrasound	7660	US SR Mapping	PS	\$30,000	1	US SR Mapping integration is needed to transfer ultrasound measurements from the Canon ultrasound system into Carestream PACS/Vue Reporting. This will reduce manual entry by the radiologists, improve reporting accuracy, decrease the risk of transcription errors, and create a more efficient ultrasound workflow.	\$30,000		
Ultrasound	7630	GE OEC Elite Mobile C-Arm	PS,OB	\$252,375	1	The current equipment has reached end-of-life status, resulting in increased maintenance needs and potential reliability concerns. Replacing it with updated technology will enhance image quality, improve diagnostic accuracy, and support more efficient patient care. Investing in new equipment ensures continued compliance with current standards while maintaining high-quality imaging services.		\$252,375	
Ultrasound	7630	GE OEC Elite Mobile C-Arm	PS,OB	\$252,375	1	The current equipment has reached end-of-life status, resulting in increased maintenance needs and potential reliability concerns. Replacing it with updated technology will enhance image quality, improve diagnostic accuracy, and support more efficient patient care. Investing in new equipment ensures continued compliance with current standards while maintaining high-quality imaging services.		\$252,375	
Ultrasound	7630	Phillips Zenition 70 Mobile C-arm	PS,OB	\$226,359	1	The current equipment has reached end-of-life status, resulting in increased maintenance needs and potential reliability concerns. Replacing it with updated technology will enhance image quality, improve diagnostic accuracy, and support more efficient patient care. Investing in new equipment ensures continued compliance with current standards while maintaining high-quality imaging services.	\$226,359		
Ultrasound	7630	Power Scribe	PS	\$347,130	1	This up to date program will assist our Radiologist in their day-to-day workflow. The program offers features that will keep our Radiologist up to speed with the latest technological advancements.	\$347,130		
Ultrasound	7630	Shimadzu Radiographic/Fluoroscopic Equip	PS,OB,PY	\$504,337	1	The fluoroscopy equipment has reached end of life. A high volume of procedures are performed in the fluoroscopy suite, and the current system is producing suboptimal image quality.		\$504,337	
Ultrasound	7630	Virtual Desktop Integration	PS	\$62,826	1	This will Allow us to link Carestream to Cerner. When the Radiologist pulls up a patient in Carestream, that patient will automatically pull up in Cerner.	\$62,826		
CT	7680	Construction for CT Machine	RG	\$800,000	1	Construction needed for HCAI CT permit	\$800,000		

IVHD - PMH Capital Budget

Fiscal Years
2027, 2028, 2029

Dept	Dept #	Project Name	Justification Code	Cost of equipment	Quantity	Comments	FY 2027	FY 2028	FY 2029
Cardiopulmonary	7720	Ventilators Hamilton C1: NIV (BIPAP/CPAP)	OB	\$22,237	10	Replacement for End of Life Phillips Respironics V60s (CRITICAL DATE 1/2028 OBSOLTE): Request 10 Hamilton C1 ventilators to replace our end of life Phillips V60 NIV machines (BIPAP/CPAP/HFT). The Hamilton C1s, for use on pediatrics to adults patients, with several modes including High Flow Therapy (HFT), NIV (BIPAP/CPAP), and also used as transport ventilator for intubated patients. They have an internal battery, for safely moving patients between departments.	\$111,185	\$111,185	
Cardiopulmonary	7720	Comprehensive Ventilators Hamilton C6	OB	\$50,464	4	Replacement for End of Life PB 840s : Request five Hamilton C1 ventilators to replace our old PB 840 models (end of life 12/2025). The Hamilton C6s are advanced, for all patients, from newborns to adults. They have an internal battery, for safely moving patients between departments.		\$201,856	
Cardiopulmonary	7720	Fisher & Paykel 850 Full Setup Ventilator Heaters	PS	\$1,280	14	Patient Safety: All patients placed on C1 and C6 ventilators require heated humidification. The F&P 850 Heater is clinically proven to deliver optimal humidity and guarantees consistent, effective humidification for every ventilated patient (both invasive and non-invasive), meeting best practice standards and reducing the risk of adverse events.	\$6,400	\$11,520	
Pharmacy	8390	Pyxis Cameras	PY, RG	\$3,000	20	Noted by the DEA during past and present on-site visits including all DEA provided controlled substance webinars etc. This is standard of practice and does meet due diligence requirements. These security cameras were recommended by Diversion Specialist Kimberly Knew in 2015 and the current DEA audit. Was approved FY22 but spending was frozen.	\$60,000		
Pharmacy	8390	Badge Reader for Med Rooms	RG	\$5,008	15	Med Room badge readers for security and control. Constant issues with personnel gaining access through shared codes.	\$75,120		
Pharmacy	8390	Pharmacy Relocation Remodel & Cleanrooms	PS, RG, OB	\$2,000,000	1	Pharmacy is 50-years plus past its shelf life, being untouched all this time. Space is a safety issue and doesn't meet the districts current and future needs. Pharmacy has insufficient space to store critical medication and lacks appropriate space for receiving and even preparation of medication for patients having only one table space which during pandemic was a struggle to make the 2,000 covid vaccines all while meeting direct patient care needs etc. State, and Federal laws and regulations require changes to compounding cleanrooms in order to be able to support current and future service lines, if unchanged the district will need to reevaluate future service lines and discontinue some service lines such as Cath lab as the pharmacy department wouldn't be able to support the compounded medication needs, other service lines may need to be degraded in acuity due to inability of pharmacy to compound medications in a manner required due to current facilities in place.		\$200,000	\$1,800,000
Pharmacy	8390	Flooring in Pharmacy		\$12,500	1	Ballpark cost for tear up preparation and installation, \$12,500 dollars. That's not including the anti-room with hood. We would also have patching and painting to do when we remove the old cove base. Time frame would be around 4-5 weeks. Let me know if you need anything else."	\$12,500		
C-WHAP	7188	Canon Aplio I700 Ultrasound System	OB	\$94,760	1	Replacement of in office US equipment that is end of life, no parts available	\$94,760		
Urology	7197	BK Flex Focus Ultrasound Sytem	OB	\$55,000	1	Replacement of in office US equipment that is end of life in August	\$55,000		

IVHD - PMH Capital Budget

Fiscal Years
2027, 2028, 2029

Dept	Dept #	Project Name	Justification Code	Cost of equipment	Quantity	Comments	FY 2027	FY 2028	FY 2029
Sterile Processing	8380	Bookwalter Surgical Tray Kit	PS	\$17,297	1	The Bookwalter retractor system is essential for providing stable, self-retaining exposure during open surgical procedures, supporting patient safety and surgical efficiency. Currently, only one set is available. When multiple cases require this system, an additional set is necessary to avoid reliance on immediate-use steam sterilization (flash), supporting best practices and regulatory compliance. This investment will improve workflow, reduce delays, and ensure consistent, high-quality patient care.	\$17,297		
Sterile Processing	8380	V-Pro Sterilizer	OB, PS, PY	\$144,331	1	The existing unit has reached the end of its service life. Need for SPD/OR	\$144,331		
Surgery	7420	Anesthesia Machine	OB, PS	\$93,174	1	Our anesthesia machines is now obsolete, leaving the Operating Room department short on functional machines.	\$93,174		
Surgery	7420	Mammotome Neoprobe Console & Svc Agreement		\$73,914	1	The current Neoprobe Mammotome system is obsolete and has reached end-of-life, resulting in limited service support, increased risk of equipment failure, and potential delays in surgical procedures.Replacement is clinically necessary to ensure accurate localization and biopsy capabilities for breast procedures, maintain patient safety, and support uninterrupted surgical workflow.		\$73,914	
Surgery	7420	Computer On Wheels		\$6,509	3	The current computers on wheels are obsolete and unable to reliably support clinical applications needed for patient care. Replacement COWs are required to enable real-time bedside charting, improve workflow efficiency, and enhance patient safety.	\$19,528		
Surgery	7420	OR sinksd	RG, PS	\$18,000	2	The current OR sinks have developed rust and are no longer functioning properly, which poses a significant infection control risk and impacts daily operations. Rusted and malfunctioning sinks cannot be adequately cleaned or maintained, creating potential contamination concerns in the perioperative environment. Replacement of all four OR sinks is necessary to ensure compliance with infection prevention standards, maintain a safe and sterile environment, and support efficient surgical workflow. Upgraded sinks will reduce downtime, improve reliability, and align with regulatory expectations for a properly maintained operating room environment.	\$36,000		
Surgery	7420	Drying Cabinet	OB, PS	\$47,000	1	Drying cabinet is obsolete.	\$47,000		
Interventional Radiology	7649	Computer on Wheels	OB	\$6,509	1	The current computers on wheels are obsolete and unable to reliably support clinical applications needed for patient care. Replacement COWs are required to enable real-time bedside charting, improve workflow efficiency, and enhance patient safety.	\$6,509		
Employee Health	8660	Tenor Bariatric Lift	PS, RG, OB	\$7,443	1	Used as lift equipment for patients with a weight capacity of up to 704 pounds. One lift to be used wherever needed throughout acute care.	\$7,443		
Purchasing	8400	Warehouse remodel	OB, PY	\$222,147	1	NEED TO UPDATE LAYOUT OF WAREHOUSE FOR OPTIMIZATION OF SPACE		\$222,147	
DPNF	6580	Parking Lighting	PS	\$10,000	1	SNF possible lighting in parking lot	\$10,000		

IVHD - PMH Capital Budget

Fiscal Years
2027, 2028, 2029

Dept	Dept #	Project Name	Justification Code	Cost of equipment	Quantity	Comments	FY 2027	FY 2028	FY 2029
						Hospital Sub-Total	\$3,932,097	\$2,438,096	\$1,800,000
Comm	8470	Nurse Call System	PS,PY, OB	\$288,190	1	Equipment needed for test Ultrasound image depth	\$288,190	\$288,190	\$288,190
Plant Maint	8460	HVAC Unit replacement on former cancer center	OB	\$60,000	1	Units are beyond lifecycle and have been limped along for years	\$60,000		
Plant Maint	8460	Floor replacement ER	PS, RG	\$67,000	1	Floor has been patched for years and is no longer repairable. Infection control issue	\$67,000		
Plant Maint	8460	HR Flooring replacement	PY	\$18,000	1	Flooring is old and can no longer be properly maintained. Safety and health issue	\$18,000		
Plant Maint	8460	Finance flooring repalcement.	PY	\$22,000	1	Flooring is old and can no longer be properly maintained. Safety and health issue	\$22,000		
Plant Maint	8460	Pickup Truck	OB	\$37,872	1	The hospital service trucks are very old and becoming more unreliable, they require frequent and costly repairs. The oldest truck is a 2002.	\$37,872		
Plant Maint	CIP 1140	Sewer Consolidation Project	RG	\$801,000	Ongoing Project	Ongoing project with the City of Brawley. Still working with Dexter Wilson as a requirement to maintain city permit.	\$200,000	\$601,000	\$200,000
Plant Maint	8460	Compressors for Chillers	OB	\$125,000	2	Need to replace compressors for Chillers	\$125,000	\$125,000	
DayCare	8880	A/C	OB	\$18,000	2		\$18,000		
Medical Records	8700	Replace Flooring in Medical Records office	PS	\$10,164	1	Recently removed rolling file shelves and would like to have the flooring in medical records replaced as it is very dilapidated and has some cracked areas, which may become tripping hazards. Floor also looks like a patchwork quilt	\$10,164		
						Eng Totals	\$846,226	\$1,014,190	\$488,190
IS	8480	Wireless network upgrades	OB	\$240,000	1	Wireless network EOL	\$240,000		
IS	8480	WOW Upgrades of CareAware Devices	OB	\$9,000	20	EOL carts or implementation of CareAware Nursing Mobility	\$180,000		
IS	8480	Monitors (24")	OB	\$200	25	Stock	\$5,000		
IS	8480	UPS Upgrades	OB	\$2,500	12	UPS Upgrades EOL	\$30,000		
IS	8480	Network Switch	OB	\$10,000	8	Replace EOL equipment, only accounting for 50% of need	\$80,000		
District Wide	IT	Additional Cerner Implementation Fees		\$653,000	1	CERNER Implentation for various modules. Adapt, Anesthesia, CareAware, Health Data, HIL, Patient Portal and UCC Campaigns	\$653,000		
District Wide	Various	Additional Equipment (unforseen emergencies)	PS/RG	\$200,000	1	Placement for items that come up throughout the year but not budgeted	\$200,000		
						IS Totals	\$1,388,000	\$0	\$0
						Total Hospital Capital Purchases	\$6,166,323	\$3,452,285	\$2,288,190

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May 2026

SUBJECT: Authorization to approve the Employee Leasing Agreement between Rady Children's Hospital San Diego (RCHSD) and IVHD for audiology staff to provide basic audiology testing locally in our clinics.

BACKGROUND: Currently children of the Imperial Valley who need audiology testing are required to travel to San Diego or other further locations to obtain these services. This testing can be as simple as a fifteen-minute test for two hours or more travelling.

KEY ISSUES: RCHSD secured funding through a grant to support the purchase of audiology equipment to place in the Imperial Valley. The funding supported the purchase of the equipment and there are funds allocated for training.

- Equipment will be the property of RCHSD but housed at one of our clinics
- IVHD staff will be trained by RCHSD staff on how to properly operate the audiology equipment to perform testing at the clinic.
- Testing results will be interpreted by RCHSD audiologists virtually

CONTRACT VALUE: Approximately \$10,000.00

Compensation is based on an hourly rate of no more than \$59.00/hour for the time audiologists spend interpreting results of tests performed at our location. Contract value will depend on volume.

CONTRACT TERM: 1 year

BUDGETED: Yes

BUDGET CLASSIFICATION: Professional Fees

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Christoper R. Bjornberg

DATE SUBMITTED TO LEGAL: 04/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve employee leasing agreement between RCHSD and IVHD

Comp-01, Compliance Officer 8/2018

**EMPLOYEE LEASING AGREEMENT BETWEEN
RADY CHILDREN’S HOSPITAL SAN DIEGO AND
IMPERIAL VALLEY HEALTHCARE DISTRICT**

This Employee Leasing Agreement (the “Agreement”) is made and entered into as of **May 1, 2026** (the “Effective Date”) by and between Rady Children’s Hospital San Diego, a California not-for-profit public benefit corporation (“RCHSD”) and Imperial Valley Healthcare District (“District”) (individually referred to as a “Party” and collectively referred to as the “Parties”).

RECITALS

WHEREAS, District owns and operates a general acute care hospital and outpatient clinics located in Imperial County and surrounding areas and has a need for certain audiology services at its hospital and clinics;

WHEREAS, RCHSD is a pediatric specialty provider system including audiology to lease to the District; and

WHEREAS, District desires to lease qualified practitioners employed by RCHSD to assist in meeting the District’s needs with respect to District providing virtual diagnostic audiology services

AGREEMENT

NOW THEREFORE, in consideration of the above promises and the mutual covenants contained herein, the Parties agree as follows:

1. Leasing of Personnel

1.1. Leased Personnel. RCHSD shall lease to the District the number and category of personnel set forth in Exhibit A attached hereto, as amended from time to time pursuant to Section 7.12, in accordance with the terms and conditions set forth in this Agreement (the “Leased Personnel”). Any Leased Personnel furnished by RCHSD shall be appropriately licensed by the State of California and other governmental authorities to the extent required by law. Such Leased Personnel shall have the levels of competency, experience and skill meeting applicable community standards of similarly situated providers. The number of Leased Personnel may be modified by either party upon sixty (60) days written notice. If the District decreases the number of Leased Personnel, which in turn triggers RCHSD’s obligations under applicable Worker Adjustment and Retraining Notification (“WARN”) laws, the District shall cooperate with RCHSD to ensure that notice and other obligations under WARN are met as to the affected Leased Personnel.

1.1.1. RCHSD shall have the sole right and authority to make all hiring and termination decisions; establish and pay all wages, salaries, benefits and compensation; and establish staffing levels, individual work hours, personnel policies, and employee

benefit programs for all Leased Personnel. Under no circumstances shall District compensate Leased Personnel provided by RCHSD to District, including, but not limited to the provision of bonuses or any other form of remuneration inconsistent with RCHSD's policies.

1.1.2. RCHSD shall be solely responsible for the satisfaction of any and all obligations with respect to the employment of Leased Personnel including, without limitation, (i) payment of all federal and state withholding taxes applicable to employees, (ii) compliance with federal and state wage-hour (including overtime), benefits and unemployment obligations, (iii) provision and maintenance of workers' compensation coverage, (iv) payment of other applicable taxes and contributions to government-mandated employment-related insurance and similar programs, and (v) providing all training, notices, reporting, leaves and accommodations and maintaining all employment records mandated by applicable law.

1.1.3. RCHSD shall not be liable in any manner whatsoever for its failure or inability to provide Leased Personnel in the categories or quantities specified by District by reason of any shortage of qualified Leased Personnel due to labor disputes or otherwise. Furthermore, RCHSD shall be obligated only to use its reasonable efforts to provide said Leased Personnel.

1.1.4. To the extent that an individual occupying one of the positions outlined in Exhibit A is terminated from such position, it is the intent of the Parties that the replacement for such position become an employee of the RCHSD, unless otherwise agreed to by the Parties.

1.2. Rejection of Leased Personnel. District shall have the right to reject as unsuitable any Leased Personnel provided to District hereunder, provided that such rejection is after a reasonable time period of at least two (2) days of Leased Personnel providing Services to District. Such rejection shall be based upon either a reasonable showing that said Leased Personnel are technically unsatisfactory for the job category provided by RCHSD by reason of lack of experience, ability or technical skill, or by reason of personal incompatibility with District's members or patients. Further, District shall have the right to reject said Leased Personnel who are assigned to them for willful neglect of duty and job responsibilities directly related to services performed for District hereunder, serious infraction of rules and regulations related to professional quality control operations of District, or health or safety of other personnel or patients utilizing the medical facility or general technical incompetence or inefficiency.

1.3. Independent Contractors. The Parties are and shall be at all times acting hereunder as independent contractors. Nothing contained herein shall be construed as creating a partnership, joint venture, or employment relationship between the Parties, or any relationship other than that of independent parties contracting with each other solely for the purpose of carrying out the provisions of this Agreement. Except as expressly provided in this Agreement, neither Party shall have the authority to bind the other except with the other Party's express written consent and then only insofar as such authority is conferred by that express written consent. It is further mutually agreed that RCHSD shall

at all times be acting as an independent contractor in (i) the selection and hiring of Leased Personnel, including the ascertainment that the requisite licensing and proficiency requirements be satisfied, (ii) the supervision of Leased Personnel in order to maintain a high level of proficiency and performance, and (iii) the discharge of unsatisfactory Leased Personnel. Other than as set forth in Section 1.2, District shall neither have nor exercise any control or direction over the methods by which RCHSD selects, supervises, discharges, or allocates such Leased Personnel.

1.4. Timekeeping, Reports, and Records. RCHSD shall, and shall cause, all Leased Personnel providing services hereunder to, complete and submit to RCHSD timely, accurate and complete time records detailing the hours of service provided by such Leased Personnel during the immediately preceding calendar month. Such records shall specify the date(s) of service and record the number of hours spent providing Services on each date. RCHSD shall provide District with a monthly report summarizing the time of each Leased Personnel during the prior month. District shall have the right to inspect any and all underlying time records upon reasonable request.

1.5. Supervision. During the period in which they are leased to District, the Leased Personnel who provide medical or clinical services shall, as applicable, be supervised by appropriately licensed or certified personnel who are employed by or under contract with District.

1.6. Performance Appraisals. RCHSD shall solicit input from District for performance appraisals for Leased Personnel as appropriate.

2. Leased Personnel Services. RCHSD will provide licensed and credentialed audiology professionals to deliver virtual audiology services—including pure-tone audiometry, speech testing, otoscopy, tympanometry, and otoacoustic emissions—working in coordination with IVHD onsite clinical staff (the “Services”).

3. Compensation. Unless the Parties agree to a different invoicing system, RCHSD shall, on a monthly basis on or before the tenth (10th) day of each calendar month, submit a written invoice detailing the services provided by the Leased Personnel during the immediately preceding calendar month. In consideration for the provision of the Leased Personnel and satisfaction of other commitments hereunder, District shall compensate RCHSD in accordance with the Fee Schedule attached hereto as Exhibit B (the “Leasing Fee”). The Leasing Fee shall be payable in arrears, on a monthly basis, on or before the twentieth (20th) day after the last day of the applicable month during the term hereof.

4. Insurance

4.1. District Insurance. District shall maintain, throughout the term of this Agreement and any extensions or renewals thereof, (i) comprehensive general liability insurance, including professional liability insurance and contractual liability insurance, in the amount of at least one million dollars (\$1,000,000) per incident, three million dollars (\$3,000,000) in the aggregate and (ii) directors’ and officers’ liability insurance, which must include employment practice liability, in the amount of at least one million dollars (\$1,000,000)

per incident, three million dollars (\$3,000,000) in the aggregate for acts and omissions by any administrative, clinical, technical or other personnel, whether employees of District or agents of District designated to function in duties as assigned by District, or who are engaged in the performance of District's responsibilities pursuant to this Agreement.

On request, District shall provide RCHSD with a certificate or certificates of insurance evidencing the above-described coverage. District shall provide, not less than thirty (30) days' prior written notice to RCHSD of any termination, expiration, non-renewal, cancellation, reduction, or other change (collectively referred to as "Changes") in the amount or scope of any coverage(s) required under this Section 4.1 if such Changes would cause the Party to fail to comply with this Section.

- 4.2. RCHSD Insurance. RCHSD shall procure and maintain, throughout the term of this Agreement and any extensions or renewals thereof, (i) comprehensive general liability insurance, including professional liability insurance and contractual liability insurance, in the amount of at least one million dollars (\$1,000,000) per incident, three million dollars (\$3,000,000) in the aggregate, by any administrative, clinical, technical or other personnel, whether employees of RCHSD or agents of RCHSD designated to function in duties as assigned by RCHSD, or who are engaged in the performance of RCHSD's responsibilities pursuant to this Agreement, and (ii) workers' compensation coverage, as required by statute, endorsed with a waiver of subrogation in favor of the District, and (iii) Employment Practices Liability Insurance ("EPLI") covering Leased Personnel in the amount of at least two million dollars (\$2,000,000).
- 4.3. On request, RCHSD shall provide District with a certificate or certificates of insurance evidencing the above-described coverage. RCHSD shall provide not less than thirty (30) days' prior written notice to District of any Changes in the amount or scope of any coverage(s) required under this Section 4.3 if such Changes would cause the Party to fail to comply with this Section.

5. Representations and Warranties

- 5.1. Representations and Warranties of District. District represents and warrants to RCHSD that as of the Effective Date and at all times during the term hereof:
- (i) it is duly organized and qualified to do business in the State of California; and
 - (ii) it has and will maintain, and will cause all District personnel supervising Leased Personnel to maintain, all government licenses, approvals, certifications, and permits required under federal and state law in order to perform District's duties under this Agreement.

District shall notify RCHSD immediately in writing in the event of any failure to satisfy the terms and conditions of any of the foregoing representations and warranties.

- 5.2. Representations and Warranties of RCHSD. RCHSD represents and warrants to District that as of the Effective Date and at all times during the term hereof:

- (i) it is duly organized and qualified to do business in the State of California;
- (ii) Leased Personnel shall provide services to District in a commercially reasonable manner and in pursuit of goals mutually agreeable to and periodically reviewed by the Parties hereto.

RCHSD shall notify District immediately in writing in the event of any failure to satisfy the terms and conditions of any of the foregoing representations and warranties.

6. Legal Compliance and Cooperation on Regulatory Matters

- 6.1. Compliance with Laws. In the performance of their respective responsibilities and obligations hereunder, the Parties shall comply with the requirements of laws and with all ordinances, statutes, regulations, directives, orders, or other lawful enactments or pronouncements of any federal, state, municipal, local, or other lawful authority applicable to their respective organizations and activities.
- 6.2. Cooperation on Regulatory Matters. The Parties agree to cooperate with one another in the fulfillment of their respective obligations under this Agreement and to comply with the requirements of law and with all ordinances, statutes, regulations, directives, orders, or other lawful enactments or pronouncements of any federal, state, municipal, local, or other lawful authority applicable to their respective organizations and activities and of any insurance company insuring their respective organizations and activities or insuring the Parties themselves against liability for accident or injury in connection with their respective organizations and activities.

7. Term, Renewal and Termination

- 7.1. Term. The initial term of this Agreement shall commence on the Effective Date and shall end on **June 30, 2027**, unless sooner terminated in accordance with this Section 6 (the "Initial Term"). At the end of the Initial Term and any renewal term thereafter, this Agreement will automatically be renewed for an additional one (1) year terms unless either Party provides written notice to the other of its intention not to renew at least ninety (90) days prior to the then upcoming termination date.
- 7.2. Termination for Cause. Either Party may terminate this Agreement in the event of a material breach or default by the other Party of any duty, obligation, or covenant contained in this Agreement, if such material breach or default is not cured within thirty (30) days after the provision of written notice of such breach or default by the non-breaching Party.

Notwithstanding the foregoing, either Party may terminate this Agreement immediately in the event that the other Party hereto shall (i) apply for or consent to the appointment of a receiver, trustee, liquidator, or similar official for all or a substantial part of its assets; (ii) admit in writing its inability to pay its debts as they come due; (iii) make a general assignment for the benefit of creditors; or (iv) file a petition to answer seeking an order for relief, a reorganization, or an arrangement with creditors or to take advantage of any insolvency law.

- 7.3. Termination without Cause. Either Party may terminate this Agreement without cause upon sixty (60) days written notice to the other Party.
- 7.4. Termination for Changes in Law. If any legislation, regulation, rule or court decision has a material adverse effect on the operation of this Agreement or jeopardizes the licenses, certifications, or other status of either Party or denies expected reimbursement because of any of the provisions of this Agreement, then the Parties shall use good faith efforts to amend this Agreement so as to avoid such adverse consequence. If the Parties, acting in good faith, are unable to make the required amendments within thirty (30) days from the date of notice by either Party to the other of such potential adverse consequence, this Agreement may be terminated upon written notice by either Party.
- 7.5. Survival of Certain Provisions. The rights and obligations of the Parties under Sections 6.2 (Cooperation on Regulatory Matters), 8.2 (Confidentiality), as well as this Section 7.5 shall survive any termination of this Agreement.
- 7.6. Force Majeure. Neither Party shall be deemed to be in default of this Agreement if prevented from performing any obligation under it for any reason beyond its control, including, but not limited to, an act of God; war; civil commotion; fire, flood, or casualty; national, state or local states of emergency or declared disasters; labor difficulties, shortages, or inability to obtain labor, materials, or equipment; or unusually severe weather. In any such case, the Parties agree to negotiate in good faith with the goal of preserving this Agreement and the respective rights and obligations of the Parties to it to the extent reasonably practicable. The Parties agree that financial inability shall not be a matter beyond a Party's reasonable control.
- 7.7. Indemnification. RCHSD shall indemnify, defend and hold harmless District from and against any and all liabilities, losses, claims and expenses of any kind or character (including, without limitation, claims by third parties and claims for reasonable attorneys' fees) arising from RCHSD's negligent, reckless or willful acts or omissions or breach of this Agreement. District shall indemnify, defend and hold harmless RCHSD from and against any and all liabilities, losses, claims and expenses of any kind or character (including, without limitation, claims by third parties and claims for reasonable attorneys' fees) arising from District's negligent, reckless or willful acts or omissions or breach of this Agreement

8. Miscellaneous Provisions

- 8.1. No Third Party Beneficiaries. It is intended and agreed that this Agreement shall not be construed as creating, or be deemed to create, any right or remedy in any third party.
- 8.2. Confidentiality. The terms and conditions of this Agreement generally, and in particular the provisions regarding compensation, are confidential and shall not be disclosed except as necessary to the performance of this Agreement or as required by law.
- 8.3. Entire Agreement. This Agreement, and the Exhibits attached hereto, constitutes the entire agreement between the Parties with respect to the subject matter hereof and

supersedes any and all prior agreements and understandings or representations, whether written or oral, by the Parties with respect to that subject matter.

- 8.4. Waiver. No waiver of the terms, provisions, conditions, and covenants of this Agreement shall be binding and effective unless the same shall be in writing signed by the Parties. A waiver of any breach of the terms, provisions, conditions, and covenants of this Agreement shall be for that one time only and shall not apply to any subsequent breach.
- 8.5. Governing Law. This Agreement will be governed by and construed in accordance with the internal, substantive laws of the State of California. No provision of this Agreement will be applied or construed in a manner inconsistent with applicable federal and state laws and regulations.
- 8.6. Severability. The invalidity or unenforceability of any term or provision hereof shall in no way affect the validity or enforceability of any other term or provision, unless the effect of such invalidity or unenforceability is to defeat the Parties' mutual intent as expressed in this Agreement or to materially alter the obligations or benefits of any Party hereunder.
- 8.7. Captions and Headings. The captions and headings throughout this Agreement are for convenience and reference only, and shall in no way be held or deemed to define, limit, describe, explain, modify, amplify, or add to the interpretation, construction or meaning of any provision or to the scope or intent of this Agreement or in any other way affect the Agreement.
- 8.8. Notices. Any notice given pursuant to this agreement shall be in writing and shall either be personally delivered or sent by certified mail, return receipt requested, postage prepaid, or by means of another regularly scheduled delivery service customarily utilized for business correspondence that provides equivalent proof of delivery and receipt, fees prepaid, addressed to the appropriate Party as set forth beneath the Parties' respective names and signatures below, or to such other address as a Party shall designate by notice to the other, given in accordance with this Section. Notice shall be deemed to have been given (i) when received if personally delivered, or (ii) on the delivery date indicated on the return receipt.

To RCHSD:

Rady Children's Hospital San Diego
3020 Children's Way, MC 5010
San Diego, California 92123-4282
Attention: Julie K. Purdy

With a copy to:

Rady Children's Health
3020 Children's Way, MC 5020

San Diego, California 92123
Attention: Chief Legal Officer

To Imperial Valley Healthcare District:

[Redacted]

[Redacted]

[Redacted]

[Redacted]

- 8.9. Remedies. The various rights and remedies provided for herein shall be cumulative and in addition to any other rights and remedies the Parties may be entitled to pursue under the law. The exercise of one or more of such rights or remedies will not impair the rights of either Party to exercise any other right or remedy at law or in equity.
- 8.10. Assignment. This Agreement will be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns, provided, however, that this Agreement will not be assignable by either Party without the written consent of the other Party; except to a parent or a wholly-owned subsidiary corporation.
- 8.11. Amendments. This Agreement shall not be modified or amended except by a written document executed by both Parties, and any and all such written amendment(s) shall be attached to this Agreement.
- 8.12. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original but which, together, shall constitute one and the same instrument.
- 8.13. Further Actions. Each of the Parties agrees that it shall hereafter execute and deliver such further instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and as are not inconsistent with the terms of this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Employee Leasing Agreement as of the date indicated below.

RADY CHILDREN'S HOSPITAL SAN DIEGO

By: _____ Date: _____

Charles B. Davis, MD

Its: Regional President San Diego County

IMPERIAL VALLEY HEALTHCARE DISTRICT

By: _____ Date: _____

Name:

Its:

EXHIBIT A

List of Leased Personnel

Up to 0.10 FTE RCHSD Audiologists (virtually)

Leased personnel shall virtually connect with District clinical staff to provide the following services: puretone audiometry, speech, otoscopy, tympanometry, and otoacoustic emissions

Each party shall maintain on file at their respective offices the list of leased employees, including names and positions.

EXHIBIT B

Compensation for Leased Personnel

The District shall pay the salary, benefit costs, and other costs of the Leased Personnel for and in direction proportion to their hours worked for the District as follows:

1. Actual salary costs, including but not limited any overtime costs incurred by the RCHSD
2. Benefit costs at a rate of 33% of actual base salary costs.
 - a. Such benefits include employer contributions of the following:
 - 1) FICA
 - 2) Group Health (includes dental, vision, and behavioral health)
 - 3) Group Life
 - 4) Unemployment
 - 5) Pension Plan contributions (including all defined benefit/defined contribution plan contributions)
 - 6) Disability
 - 7) Worker's compensation
3. Administrative overhead of 3.32% of salary and benefit costs for the following services:
 - a. Risk Management (employment – related)
 - b. Occupational safety services
 - c. Human resource services
 - d. Payroll services
 - e. Employee benefit services
4. The actual costs incurred for workforce replacement due to a strike, labor action, or other work stoppage, and any termination expenses associated with reductions in force, which amounts must be disclosed in advance to District.
5. Such payments shall be reconciled on a monthly basis with the actual hours worked by such Leased Personnel.

6. For the Initial Term, District shall pay no more than \$59.00 per hour for Leased Personnel for Services rendered to District.

Imperial Valley HEALTHCARE DISTRICT

BOARD MEETING DATE: May, 2026

SUBJECT: Authorization to approve Emergency Medical Care On-Call for Jason J. Chiu, MD. Inc.

BACKGROUND: This agreement is for On-Call Emergency Medical Care for Orthopedic services for the Imperial Valley Health Care District

KEY ISSUES: Physician will be compensated at a base compensation of (\$3,500) for each twenty-four hour on-call period covered during each month. Physician shall be compensated a pro-rated amount for coverage provided that is less than twenty-four hours. Incentive Bonus each quarter per twenty-four-hour call provided at (\$200.00).

CONTRACT VALUE: approximately \$300,000 value varies depending on Call Coverage and needs.

CONTRACT TERM: 2 years.

BUDGETED: yes

BUDGET CLASSIFICATION: On-Call

RESPONSIBLE ADMINISTRATOR: Christopher R. Bjornberg/Carly Zamora

DATE SUBMITTED TO LEGAL: 4/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve Emergency Medical Care On-Call for Jason J. Chiu, MD. Inc.

**EMERGENCY MEDICAL CARE
ON-CALL COVERAGE AGREEMENT
(ORTHOPEDIC SURGERY)**

This Agreement (“**Agreement**”) shall be effective as of _____ (“**Effective Date**”) and is entered into by and between Imperial Valley Healthcare District dba. Pioneers Memorial Hospital, a local health care district formed under California Health & Safety Code §§ 32000 *et. seq.*, (“**Hospital**”) and **JASON J. CHIU, M.D, INC.** (“**Physician**”). Hospital and Physician are sometimes referred to individually as a “**Party**” and collectively as “**Parties**”.

RECITALS

A. Hospital is owner and operator of Pioneers Memorial Hospital, an acute care hospital located at 207 West Legion Road, Brawley, California and by the start date, may also own and operate a second general acute hospital located in El Centro, California.

B. Hospital operates an emergency department (“**Department**”) on its premises to serve the members of the community and other persons who may require immediate medical or hospital services.

C. In order to maintain “on-premises” emergency services the Hospital recognizes that it must comply with relevant statutory and administrative requirements including those set forth as follows. Pursuant to California Administrative Code Title 22 section 70455, the Department must provide experienced physicians in specialty categories to be available twenty-four hours a day, which specialties include orthopedic surgery. In addition, since the Hospital has an emergency department, the Hospital must comply with the Emergency Medical Treatment and Active Labor Act (“EMTALA”; 42 USC section 1395dd) and the regulations thereunder. Under EMTALA, the Department must provide for appropriate medical screening examination within the capability of the Department including ancillary services routinely available therein including the services of an orthopedic surgeon.

D. Physician, having the requisite skills and background to provide the services sought herein, desires to enter into this Agreement with Hospital.

NOW THEREFORE, in consideration of the mutual promises made, the receipt and sufficiency of which are acknowledged, Hospital and Physician hereby agree as follows:

AGREEMENT

1 Duties and Obligations of Physician.

1.1 Adequate Coverage. Hospital hereby contracts with Physician to provide on-call emergency medical coverage in the Hospital as required by EMTALA and as set forth in the attached Exhibit “A” (“**Coverage Services**”). Physician shall provide a monthly schedule of his availability for on-call emergency coverage in the Hospital to the Emergency Room Director and the Hospital’s Medical Staff Director at least 30 days prior to the commencement of the month

for which the schedule applies.

1.2 Patient Billing. Hospital shall bear exclusive responsibility for billing and collection for Physician's professional services rendered, and Physician shall not be entitled to any billing and collection activities for services rendered under this Agreement. The physician shall promptly complete and finalize for Hospital all of the medical record and report documentation required to accurately record services rendered in the Hospital's electronic medical record (EMR) system or on the forms provided by the Hospital. Physician shall provide Hospital with all information reasonably requested by Hospital to enable Hospital to (i) properly bill for the Professional Services provided by Physician to patients. It is understood and agreed that the Hospital shall handle at its expense all the administrative work of this billing.

1.3 Accounting for Services Performed. Physician shall provide a time log ("**Time Log**") in the format set forth in the attached Exhibit "B", to the Hospital's Medical Staff Office each month. This log must be legible, identify the time and date services were performed, and specify the nature of the Physician's activity. Because either Physician or Hospital may be called upon to provide a detailed summary of services performed for either state or federal government authorities, Physician acknowledges and understands that if Physician does not provide a time log in the manner specified herein, the Hospital will withhold any compensation due Physician from Hospital pursuant to this Agreement until such information is provided.

1.4 Malpractice Insurance. For the term of this agreement, hospital shall provide and maintain medical malpractice insurance on behalf of the Physician in a minimum amount of one million (1,000,000.00) per occurrence and three million (3,000,000.00) aggregate.

1.5 Reporting Requirements. Physician shall provide to the Emergency Room Director and Hospital Administration the current numbers for his office, residence and cellular telephones and to his mobile pager. Physician further agrees that he will respond to the Emergency Room no later than thirty (30) minutes after he has been contacted and asked to respond.

1.6 Transferring Physician. At any time when the Physician is providing emergency coverage pursuant to the terms of this agreement and assumes responsibility for the care or treatment of a patient in the emergency room of an admitted patient and such patient requires transfer to another facility, Physician agrees that he will act as the transferring physician assuring that all matters required for the transfer of such patient are completed expeditiously. If Physician is unable to effect a transfer, then Physician shall contact the Hospital's Chief of Staff to assist in facilitating with such a transfer.

2 Duties of Hospital.

2.1 Compensation. Hospital shall pay Physician three thousand, five hundred dollars (\$3,500.00) for each twenty-four (24) hour on-call period covered during each month. Physician shall be compensated a pro-rated amount for coverage provided that is less than 24-hours.

2.2 Incentive Bonus. Hospital shall pay Physician an incentive bonus each quarter equal to two hundred dollars (\$200.00) per twenty-four (24) hour call period provided. Such

payment shall be made within thirty (30) days after the end of each quarter.

2.3 Mileage. Hospital shall reimburse mileage to Physician for at standard IRS rate for qualified business-related purposes. Physician must submit a mileage reimbursement request that includes the following information for each trip: (1) Date of Trip; (2) Purpose of trip; (3) Origin; (4) Destination; and (5) Miles travelled.

2.4 Housing. Hospital shall provide local housing or other accommodation to Physician for any weekend that Physician provides call coverage.

2.5 Medical Staff Application Fees. Hospital shall waive the initial application fees, reappointment to be paid by the physician.

2.6 Payment. Compensation will be paid within thirty (30) days of receipt of a legible, complete and properly submitted Time Log.

3 Term and Termination.

3.1 Term of Agreement. The term of this Agreement is twenty-four (24) months, and shall commence on the Effective Date.

3.2 Termination.

3.2.1 Termination for Cause. Either Party may, for cause ("cause" being defined herein as a material breach of an obligation contained or set forth in this Agreement) terminate this Agreement, provided, however, that the breaching Party has been provided written notice of the breach and has failed to cure said breach within thirty (30) days of the mailing by the non-breaching Party of such notice.

3.2.2 Immediate Termination. In the event that Physician's medical license is revoked or medical staff privileges at Hospital suspended, such action will be considered an incurable breach and this Agreement shall immediately terminate without further notice or cure period.

3.2.3 Jeopardy Event. Should the performance of either Party of any term, covenant, condition, or provision of this Agreement jeopardize the Hospital's license, Hospital's participation in Medicare, MediCal, other reimbursement or payment program (for example Blue Cross), Hospital's full accreditation by DNV Healthcare or any other state or nationally recognized accreditation organization, or the tax-exempt status of the District's bonds or any other District tax-exempt financing, or it is deemed illegal or unethical by any recognized body, agency or association the medical or hospital fields and the jeopardy or violation has not been or cannot be cured in within thirty (30) days from the date of notice of such jeopardy or violation has been communicated to the Parties, the Agreement shall immediately terminate.

3.2.4 No Cause Termination. It is also understood and agreed that either Party may terminate this agreement upon thirty (30) days' written notice to the other without cause, however, the Parties understand and agree if this agreement is terminated without cause prior

to the expiration of its term, the Parties may not enter into an agreement for the same or similar services until after the term of this Agreement has expired.

4 General Terms and Conditions.

4.1 Independent Contractor. Physician is engaged as an independent contractor with Hospital in performing all work, duties and obligations hereunder. The Parties expressly agree that no work, act, commission or omission of Physician pursuant to the terms and conditions of this Agreement shall be construed to make or render Physician the agent or servant of Hospital. Physician shall not be entitled to receive vacation pay, sick leave, retirement benefits, social security, workers' compensation, disability, or unemployment insurance or any other employee or pension benefit of any kind, under this agreement.

4.2 Treatment of MediCal and Medicare Patients. Physician shall not refuse treatment to MediCal or Medicare patients and shall participate in managed-care contracts in which Hospital does or will participate.

4.3 No Waiver. Failure by either Party to enforce any provision of this Agreement shall not constitute a waiver of such provision.

4.4 Severability. In the event that any of the terms and provisions of this Agreement is determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable under the laws, regulations, ordinances, or other guidelines of the federal government or of any state or local government to which this Agreement is subject, such terms or provisions shall remain severed from this Agreement and the remaining terms and provisions shall continue and remain unaffected. If the term of this Agreement cannot be severed without materially affecting the operation of this Agreement, then this Agreement shall automatically terminate as of the date in which the term is held unenforceable.

4.5 Access to Books and Records. To the extent required by Section 1395(x)(V)(1) of Title 42 of the United States Code, until the expiration of ten (10) years after the termination of this Agreement, Physician shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States Department of Health and Human Services, or any of their duly authorized representatives, a copy of this Agreement and such books and documents and records as are necessary to certify the nature and extent of the costs of the services provided by Physician under this Agreement. Physician further agrees that in the event Physician carries out any of her duties under this Agreement through a subcontractor, with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such contract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States General Accounting Office, or any of their duly authorized representatives, a copy of such subcontract and such books, documents and records of such organization as are necessary to verify the nature and extent of such costs.

4.6 Compliance with Non-Discrimination Laws.

4.6.1 Non-Discrimination. During the performance of this Agreement, Physician and his subcontractors shall not unlawfully discriminate harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Physician and his subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Physician and his subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.), the provisions of Article 9.5, Chapter 1, Part 1, Division 3, Title 2 of the Government Code (Cal. Govt. Code Sections 11135 through 11139.5) and the regulations or standards (if any) adopted by the California Department of Corrections to implement such article. The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Chapter 5, Division 4 are incorporated into this contract by reference as if duly set forth herein. Physician and his subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Physician shall include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

4.6.2 Access to Determine Compliance. Physician shall permit access by representatives of the Department of Fair Employment and Housing and the Department of Corrections upon reasonable notice at any time during normal business hours, but in no case less than twenty-four (24) hours notice, to such of its books, records, accounts, other sources of information and its facilities as such agencies shall require to ascertain compliance with this clause.

4.7 Notices. Notices and demands required or permitted to be given hereunder shall be in writing and shall be effective when delivered whether by hand delivery, by courier, or by U.S. Mail, certified, return receipt requested, to the following addresses:

Physician:

Jason J. Chiu M.D., Inc.

Hospital:

Chief Executive Office
Imperial Valley HealthCare District
207 West Legion Road
Brawley, CA. 92227

4.8 Entire Agreement. This Agreement embodies the entire agreement between the Parties with respect to this subject matter. This agreement supersedes all other previous agreements and understandings, written or oral, between the Parties with respect to this subject matter. No other agreements between the Parties as to this subject matter other than those set forth in this Agreement shall be considered valid.

4.9 Choice of Law and Venue. This Agreement shall be governed by and construed, interpreted and enforced in accordance with the laws of the State of California. The venue for any legal proceeding relating to, or arising out of, this Agreement shall be in the County of Imperial, State of California. In cases of Federal Jurisdiction, Parties agree that the United States District Courts for the Southern District of California in San Diego shall have sole jurisdiction and venue.

4.10 Confidentiality of Records. Physician and Hospital agree to keep confidential and take all reasonable precautions to prevent the disclosure of records required to be prepared and/or maintained pursuant to this Agreement, unless such disclosure is authorized by patient or by law; provided, however, that to the extent required by section 13095x(v)(1)(I) of Title II of the United States Code and any amendment thereto, revision or subsequent legislative enactment pertaining to the subject matter of said section, the Parties agree to retain such records, and make them available for the appropriate governmental agencies, for a period of seven (7) years after the expiration of the termination of this agreement. Physician will comply with all confidentiality laws and requirements, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and California Civil Code Section 56.10 et. seq. as applicable.

4.11 No Assignment Without Consent. Physician shall not assign, sell or transfer any rights conferred by this Agreement, without prior written consent of Hospital.

4.12 Headings. Headings have been included solely as a convenience to the reader and are not intended nor shall they be construed in the interpretation of this Agreement.

4.13 Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

4.14 Payment of Taxes. Physician acknowledges and agrees that he will pay all applicable federal, state and local taxes in connection with the services provided pursuant to this Agreement. Physician agrees to defend and indemnify and hold the District harmless from any and all liability, claims, damages or losses (including, without limitation, attorneys' fees, costs penalties and fines) which arise against the District as a result of Physician's failure to perform his obligations under this Section.

4.15 Offset. In the event Physician is indebted or financially obligated to Hospital for any reason and has failed to repay as required any such debt or obligation for 60 days or more, then Hospital in its sole discretion may offset the amount of such unpaid debt or obligation owed by Physician from any compensation due and payable under this agreement to Physician. Hospital shall provide Physician a written notice of the exercise of its offset rights under this paragraph at any time before, or at the time of exercise of the offset. Any offset(s) exercised by the Hospital shall not affect or change any other conditions or provisions of contracts or agreements between Hospital and Physician. Further, Hospital exercise of any offset shall not be considered a waiver of any interest or penalty amount due and payable to Hospital from Physician.

4.16 No Payments after Termination. After termination of this contract, Physician understands that there will be no further payments made for services which are the subject of this agreement until Physician has executed a new agreement.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written.

HOSPITAL

By _____
Christopher R. Bjornberg
Chief Executive Officer
Imperial Valley Healthcare District

Date _____

PHYSICIAN

By _____
Jason J. Chiu, M.D., Inc.

Date _____

EXHIBIT A COVERED SERVICES

Pursuant to Section 1.1, the following is a non-exclusive list of Covered Services that Physician shall provide under this Agreement, including but not limited to:

- Provide on-call professional medical and surgical services in the specialty of orthopedic surgery to the Hospital's Emergency Department.
- Accept the EMTALA transfer of patients to the Hospital.
- Provide inpatient consultants for Hospital patients at the request of Hospital or a physician on Hospital's medical staff.
- Be available to Hospital's Emergency Department in accordance with the on-call schedule prepared by Hospital.
- Comply with the bylaws, rules, regulations, procedures, and policies of Hospital, and its medical staff, including those related to timely completion of medical records.
- Manage patients up to the time of transfer.
- Only transfer patients only upon the acceptance by receiving hospital and treating physician.
- Be accessible to Hospital by telephone and respond by phone or in-person to the Emergency Department within 30 minutes of receiving an initial contact.
- Physician shall respond promptly on-site and in-person in the event of a request by the emergency department physician to provide assistance in EMTALA medical screening, diagnosis, and treatment of patients. The Hospital Emergency Department physician and Physician shall determine the reasonable period appropriate for the severity of injury and care needed, but generally no later than 3 hours after initial contact.
- Physician shall not be on-call simultaneously at other hospitals when providing Coverage Services under this Agreement.

EXHIBIT B

Imperial Valley Healthcare District

BOARD MEETING DATE: May, 2026

SUBJECT: Authorization to approve Professional Service Agreement for Dr. Koorosh Kooros, M.D.

BACKGROUND: This agreement is for Pediatric Gastroenterology Services for Imperial Valley Healthcare District.

KEY ISSUES: Physician shall provide a minimum of (8 hours) per day, one day per month of Pediatric Gastroenterology services in the clinics. Physician shall be compensated as follows:

- Compensation (\$1,800) for each full day of coverage or (\$900) for each half-day of coverage.

CONTRACT VALUE: approximately \$25,000 annual value varies depending on demand.

CONTRACT TERM: 3 years.

BUDGETED: No

BUDGET CLASSIFICATION: PSA

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Christopher Bjornberg

DATE SUBMITTED TO LEGAL: 4/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve Professional Service Agreement for Dr. Koorosh Kooros, M.D.



**PROFESSIONAL SERVICES AGREEMENT
(Pediatric Gastroenterology)**

THIS PROFESSIONAL SERVICES AGREEMENT (“**Agreement**”) is entered into and executed as of _____ (“**Effective Date**”), by and between Imperial Valley Healthcare District dba. Pioneers Memorial Hospital, a Local Healthcare District, organized and existing in the State of California pursuant to the California Health and Safety Code, §§32000 *et seq.* (“**Hospital**”), and Koorosh Kooros, M.D., a physician licensed to provide medical services in the State of California (“**Practitioner**”). Practitioner and Hospital are sometimes individually referred to hereafter as a “Party,” and collectively as “Parties.”

This Professional Services Agreement is entered into with respect to the following facts:

RECITALS

A. Hospital owns and operates a general acute care hospital located in Brawley, California and rural health clinics (“**Clinics**”), in Calexico, California and Brawley, California, and by the effective date, may also own and operate a second general acute hospital located in El Centro, California;

B. Practitioner is duly licensed and qualified to practice medicine under the laws of the State of California and is experienced and qualified to provide Pediatric Gastroenterology services to Hospital’s patients (“**Specialty**”);

C. Hospital has determined that entering into an agreement with the Practitioner is an appropriate way to assure the availability of such Specialty services for its patients and to maintain a high quality of patient care. The Parties furthermore acknowledge that many of the patients of the Hospital and Clinics will be referred there by outside physicians who are not affiliated with Hospital or Practitioner

D. The Parties desire to enter into this Agreement to set forth their respective responsibilities in connection with Hospital’s and Practitioner’s provision of Services for treating patients during the term of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. DUTIES OF PRACTITIONER

a. Professional Medical Services. Practitioner shall provide all professional

medical services ("**Professional Services**") as set forth in *Exhibit A*, as reasonably required for coverage and patient care. Practitioner shall provide the Professional Services during regular hours of operation, as mutually agreed upon by the parties, and as more specifically set forth in *Exhibit B* ("**Practitioner Coverage**").

b. Qualifications of Practitioner. Practitioner shall be: (a) duly licensed by the State of California; (b) have levels of competence, experience and skill comparable to those prevailing in the community; (c) not be excluded from any governmental healthcare program; (d) is a member in good standing of the Medical Staff of Hospital and (e), within one (1) year following commencement of provision of services in the Agreement, become board certified in the Specialty if Practitioner is not already board-certified.

c. Applicable Standards. Practitioner shall perform all Specialty services under this Agreement in compliance with all applicable standards set forth by law or ordinance or established by the rules and regulations of any federal, state or local agency, department, commission, association or other pertinent governing, accrediting or advisory body, including compliance with the requirements of Det Norske Veritas ("**DNV**"), having authority to set standards for health care facilities, and in accordance with all Hospital and Medical Staff bylaws, rules, regulations, policies and procedures.

d. Records and Documentation. For each patient receiving Services, Practitioner shall promptly complete and finalize for Hospital all of the medical record and report documentation required to accurately record the visit in the Hospital's electronic medical record ("**EMR**") system or on the forms provided by the Hospital. Subject to applicable restrictions on disclosure, Practitioner shall have reasonable access, including the right to make copies, during business hours of all such medical records and reports as they may need from time to time for patient care or responding to any legal, judicial or third party administrative/investigative inquiries.

e. Use of Premises. Practitioner shall not use or knowingly permit any other person who is under Practitioner's direction to use, any part of the Hospital's premises for (i) the private practice of medicine; or (ii) any purpose other than the performance of the services required hereunder.

f. Non-Discrimination. During the performance of this Agreement, Practitioner (including employees and subcontractors) shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, or family care leave. Practitioner shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Practitioner shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 *et seq.*) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Chapter 5, Division 4 are incorporated into this contract by reference as if duly set forth herein. Practitioner shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Practitioner

shall include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

2. REPRESENTATIONS AND WARRANTIES OF PRACTITIONER.

Practitioner hereby warrants and represents as follows:

a. Review of Compliance Requirements. Practitioner acknowledges that Hospital has a commitment to full compliance with all laws, regulations and guidance relating to its participation in the federal and state healthcare programs, and as a result has implemented a compliance program including, without limitation, mandatory requirements related to ongoing compliance training and education programs for its workforce, medical staff and persons/entities that conduct healthcare business with the Hospital. As a condition to this Agreement, Practitioner shall provide written acknowledgement that Practitioner and Practitioner's employees, subcontractors and/or agents have received (or been provided with electronic or other access to), read and understood and will comply with Hospital's compliance program materials and Code of Conduct of Medical Staff and further agrees to comply with all pertinent provisions.

b. Practitioner Is Not Restricted. Practitioner is not bound by any agreement or arrangement which would preclude Practitioner from entering, or from fully performing the services required under, this Agreement.

c. Practitioner is Qualified. Practitioner's license to practice medicine in the State of California, or in any other jurisdiction has not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way. Additionally, Practitioner's medical staff privileges at any health care facility have not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction.

d. Prohibition from Program Participation. Practitioner, including any of Practitioner's employees, has not been (a) excluded, suspended or debarred from, or otherwise ineligible for, participation in any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid), nor (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid).

e. Notification of Threatened Exclusion From Program Participation. Practitioner shall notify Hospital immediately in writing if Practitioner becomes the subject of (a) any threatened, proposed or actual exclusion, suspension or debarment, (b) any conviction of a criminal offense related to conduct that would or could trigger an exclusion, of it or any of its agents or employees from any federal or state health care program, (c) any investigatory, disciplinary, or other proceeding by any governmental, professional, licensing board, medical staff, or peer review body, or (d) any event that substantially interrupts all or a portion of Practitioner's professional practice or that materially adversely affects Practitioner's ability to perform Practitioner's obligations hereunder.

f. Non-Solicitation of Hospital Employees. During the term of this Agreement, Practitioner shall not solicit the services of, or employ or procure on behalf of another

the employment of, any individual currently employed by Hospital or under a service contract with Hospital; nor shall Practitioner engage in any other activity which would be in conflict with Practitioner's obligations hereunder.

g. Third-party Payment, Managed Care Programs, and Charity Care. Physician shall participate in all third-party payment or managed care programs in which Hospital participates, render services to patients covered by such programs, and accept the payment amounts for services rendered by Physician under these programs as payment in full for services of the Physician to Clinic patients. Hospital will provide to Physician timely notification of new contract negotiations. Hospital will also pay, or provide, for the Physician's credentialing with third-party payment or managed care programs. Physician shall participate in Hospital's Financial Assistance Program including Full Charity Care and Discount Partial Charity Care. Hospital will provide Physician with a copy of its Financial Assistance Program and any amendments thereto.

3. COMPENSATION FOR PRACTITIONER

a. Compensation. Hospital shall pay Practitioner according to the compensation schedule set forth in *Exhibit C* ("**Compensation**"). Hospital shall pay the compensation owed on or before the fifteenth (15th) day of each calendar month, for services provided by Practitioner during the immediately preceding calendar month; provided that Practitioner has delivered a visit record to Hospital in the form attached hereto as *Exhibit D* ("**Time Log**") on or before the fifth (5th) day of each calendar month for the immediately preceding calendar month.

b. Taxation of Income. The Parties understand that the Hospital will bill, collect and retain the proceeds from all charges for medical services, and may use the Practitioner's Billing Provider number for such purposes. The parties anticipate that in some cases those who pay for the medical services rendered by Practitioner performing in a directorship capacity will issue to Practitioner an IRC Form 1099 annually for the monies paid for such services. After the end of each calendar year, the Hospital will issue to Practitioner an IRC Form W-2 or similar form to report the appropriate income earned by him. Accordingly, it is anticipated, and Practitioner agrees, that Practitioner will deduct from Practitioner's income tax return all contract payments reported to him that are received by the Hospital and report on Practitioner's income tax return all compensation earned by Practitioner hereunder.

c. Compliance with Health & Safety Code. Any compensation received by Practitioner pursuant to this agreement shall be in compliance with the provisions of California Health and Safety Code Section 32129. Hospital has the obligation and right to adjust compensation to be in compliance with any and all laws and regulations.

4. DUTIES AND OBLIGATIONS OF THE HOSPITAL

a. Duties. Hospital agrees to furnish, at its own cost and expense, for adequate provision of professional services pursuant to this Agreement, the following:

i. Space. Space as reasonably necessary to provide service to patients.

ii. Equipment. Equipment as may be reasonably required as mutually agreed by the Hospital and Practitioner, subject to any applicable Hospital budget limitations. Practitioner acknowledges that existing equipment is adequate for Practitioner's purposes.

iii. Services and Supplies. Maintenance, repair and replacement of equipment as reasonably required; all utilities, including telephone, power, light, gas and water; all supplies (including, without limitation, film, laundry services and linen); transcription services, and any necessary housekeeping and in-house messenger service that may be reasonably required to provide services.

iv. Non-Physician Personnel. Hospital personnel with appropriate education, training and experience which are required to adequately assist Practitioner in performance of the services contemplated herein, as determined according to Hospital's discretion. Hospital shall have the sole right and responsibility for the hiring, discipline and termination of such Hospital employees.

b. Eligibility. At all times during the term of this Agreement, Hospital shall remain eligible to participate in the Medicare, Medi-Cal, and TriCare/CHAMPUS programs.

5. BILLING FOR MEDICAL SERVICES

a. Billing Records Availability. Each Party, shall, on a monthly basis, make available to the other Party, records and data accurately reflecting (a) total billed services in connection with the Services; (b) payments received from all sources for medical services provided by the Practitioner, and (c) all expenses paid by Hospital or Practitioner in connection with the operation of the Services or the services rendered therein.

b. Accurate Medical Records and Charts. Practitioner shall promptly prepare and submit complete and accurate medical records, medical chart notes, and related back-up documentation, and respond and provide such assistance and information as Hospital may reasonably request to facilitate billing and collection of charges for patient services, including, but not limited to, assigning appropriate procedure and diagnosis codes for billing purposes, and dictating or completing appropriate descriptions and notations to be made on the patient chart to support the appropriate billing code, in accordance with the requirements of the Centers for Medicare and Medicaid Services. Practitioner shall be responsible (and Hospital shall not be responsible except with respect to joint and several liability required by law) for errors or liabilities, if any, which may arise from Practitioner's fraudulent designation of inappropriate billing, procedure or diagnosis codes or for the negligent failure of Practitioner to prepare medical chart notes or dictation which corresponds to the services rendered.

c. Charges for Medical Services. Hospital shall be responsible for, and solely entitled to, (to, (a) billing, collection and retention of all charges for all medical services (ancillary and professional); and (b) Practitioner hereby reassigns Practitioner's respective rights to bill such Professional Services to Hospital.

d. Schedule of Charges. On an annual basis, Hospital may provide to

Practitioner the schedule of charges for the professional component of the medical services provided for Practitioner's review and input. Practitioner may request changes to the schedule of charges as circumstances may warrant. Hospital, in its sole and absolute discretion, shall decide upon changes to the schedule of charges.

e. **Forwarding Billing to Hospital.** Practitioner shall provide Hospital, on a daily basis, with all information reasonably requested by Hospital to enable Hospital to properly bill for the Professional Services provided by Practitioner to patients. It is understood and agreed that Hospital shall handle at its expense all the administrative work of this billing. All Professional Services shall be billed in Practitioner's or Medical Group's name with all payments forwarded by payors (including, without limitation, Medicare and Medi-Cal) to a "lockbox" account in Practitioner's or Medical Group's name ("**Account**") established at Wells Fargo bank in Brawley, California ("**Bank**"). Upon establishment of the Account, Practitioner shall direct the Bank, in writing, that during the term of this Agreement, on the last day of each calendar month the Bank shall transfer all funds in the Account on each such day to an account in Hospital's name as designated by Hospital in writing to the Bank.

f. **Billing Third-Party Payors.** Practitioner shall not bill, nor cause to be billed, Medicare patients or Medicare (Part B) carriers in violation of 42 C.F.R. §405.550(d)(3), nor any other patients or payors, for administrative, supervisory, medical director or similar services.

g. **Rates for Service.** In the event that Practitioner is responsible for establishing rates charged to patients for any Professional Services rendered pursuant to this Agreement, Practitioner must ensure that such rates are reasonable and customary. In the event that Hospital determines Practitioner's rates are unreasonable, Hospital reserves the right to approve modify rates charged by Practitioner for Services.

6. TERM AND TERMINATION

a. **Term.** The term of this Agreement shall be three (3) years commencing on the Effective Date, unless terminated earlier as provided herein.

b. **Termination Without Cause.** Either party shall have the right to terminate this Agreement after the first twelve (12) months of this Agreement. After the first twelve (12) months, either Party may terminate this Agreement without penalty or cause by providing ninety (90) days written notice to the other party.

c. **Termination for Cause.** Either Party may terminate this Agreement upon breach by the other Party of any material provision of this Agreement, provided such breach continues for fifteen (15) days after receipt by the breaching Party of written notice of such breach from the non-breaching Party, except where such breach requires immediate termination as enumerated below.

d. **Immediate Termination.** This Agreement may be terminated immediately and without notice for serious and incurable events, including, but not limited to:

i. Breach. Hospital or Practitioner is in breach of any material term or condition of this Agreement and such breach has not been cured within thirty (30) days following notice of such breach;

ii. Sale or Transfer. Hospital or Practitioner has sold or otherwise transferred all or substantially all of its assets, has merged with another entity or has dissolved;

iii. Insolvency or Bankruptcy. Hospital or Practitioner becomes insolvent or declares bankruptcy;

iv. Adverse Action against Practitioner's License . Denial, suspension, revocation, termination, restriction, lapse, or voluntary relinquishment under threat of disciplinary action, of Practitioner's medical staff membership or privileges at Hospital or any other healthcare facility, or of Practitioner's license to practice medicine in the State of California or any other jurisdiction;

v. (a) exclusion, suspension, debarment from, or ineligibility for, participation in any federal or state health care program, or (b) conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, by Practitioner;

vi. Cancellation of Insurance. Either Party fails to carry or reinstate the insurance required in Section 7 hereof or such coverage is cancelled or revoked within ten (10) days following notice thereof from its insurance carrier;

vii. Conduct Jeopardizing Licensure or Other Reimbursements. The performance by either Party of this Agreement which jeopardizes the licensure of Hospital, Hospital's participation in Medicare, Medi-Cal or other reimbursement or payment program, or Hospital's full accreditation by The Joint Commission or any other state or nationally recognized accreditation organization, or the tax-exempt status of Hospital's bonds, or if for any other reason such performance violates any statute, ordinance, or is otherwise deemed illegal, or is deemed unethical by any recognized body, agency, or association in the medical or hospital fields, and the jeopardy or violation has not been or cannot be cured within sixty (60) days from the date notice of such jeopardy or violation has been received by the parties.

viii. Misrepresentations. Any Party's representation or warranty that is false or was false at the time it was originally made, or any Party becomes the subject of any threatened, proposed or actual exclusion, suspension or debarment from, or is otherwise ineligible for participation in, any federal or state health care program including without limitation, Medicare or Medi-Cal, or is the subject of any threatened, proposed or actual criminal prosecution for, or is convicted of, any criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program.

e. **One Year Prohibition on New Agreement.** If this Agreement is terminated prior to expiration of the initial year of the term hereof, the Parties shall not enter into any new agreement or arrangement during the remainder of such year.

7. INDEPENDENT CONTRACTOR. Practitioner is engaged in an independent contractor relationship with the Hospital in performing all work, duties and obligations hereunder. Hospital shall not have nor exercise any control or direction over the methods by which Practitioner performs work and functions, except that Practitioner shall perform at all times in strict accordance with then currently approved methods and practices of the professional Specialty services. Hospital's sole interest is to ensure that Practitioner performs and renders services in a competent, efficient and satisfactory manner in accordance with high medical standards. The Parties expressly agree that no work, act, commission or omission of Practitioner in connection with the terms and conditions of this Agreement shall be construed to make or render Practitioner, the agent, employee or servant of Hospital. Practitioner shall not be entitled to receive from Hospital vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits or any other employee benefit of any kind. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

8. PROFESSIONAL LIABILITY INSURANCE COVERAGE. Practitioner shall secure and maintain at all times during the term, at Practitioner's sole expense, professional liability insurance covering Practitioner, with an admitted carrier (licensed to do business in the State of California) having at least an "A" BEST rating, with limits of one million (\$1,000,000) per claim/and three million (\$3,000,000) for annual aggregate claims. Such insurance shall not be cancelable except upon thirty (30) days' prior written notice to Hospital and shall be primary and non-contributory. Annually, Practitioner shall provide Hospital with a certificate of insurance evidencing such coverages and coverage extensions upon request by the Hospital. If the coverage is on a claims-made basis, Practitioner hereby agrees that not less than thirty (30) days prior to the effective date of termination of Practitioner's current insurance coverage or termination of this Agreement, Practitioner shall either purchase unlimited tail coverage or provide proof of continuous coverage in the above stated amounts for all claims arising out of incidents occurring prior to termination of Practitioner's current coverage or prior to termination of this Agreement, as applicable, and provide Hospital a certificate of insurance evidencing such coverage. Practitioner shall provide to Hospital a certificate of insurance upon Hospital's reasonable request.

9. OWNERSHIP OF FILMS AND RECORDS. Unless agreed upon in writing, all records of patients seen at any Hospital facilities shall be maintained by Hospital and shall be the property of the Hospital. Practitioner shall have the right to access such films and records during normal business hours.

10. NOTICES. Any notice to be given to any party hereunder shall be deposited in the United States Mail, duly registered or certified, with return receipt requested, with postage thereon paid, and addressed to the party for which intended, at the following addresses, or to such other address or addresses as the parties may hereafter designate in writing to each other.

Hospital:

Chief Executive Officer
Imperial Valley Healthcare District
West 207 Legion Road
Brawley, CA 92227

Practitioner:

Koorosh Kooros, M.D.

11. CONFIDENTIALITY

a. **Confidential Information Belongs to its Respective Owner.** Each Party recognizes and acknowledges that, by virtue of entering into this Agreement and providing services to the other hereunder, Practitioner and Hospital may have access to certain information of the other Party that is confidential and constitutes valuable, special and unique property. Each Party agrees that it will not at any time, either during or subsequent to the term of this Agreement, disclose to others, use, copy or permit to be copied, without the other Party's express prior written consent, except pursuant to Practitioner's duties hereunder, any confidential or proprietary information of either Party, including, but not limited to, information which concerns Hospital's patients, costs, or treatment methods developed by Hospital for the Hospital, and which is not otherwise available to the public.

b. **This Agreement is Confidential.** Except for disclosure to Practitioner's legal counsel, accountant or financial advisors (none of whom shall be associated or affiliated in any way with Hospital or any of its affiliates), Practitioner shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Hospital. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Except for disclosure to Hospital's legal counsel, accountant or financial advisors, its Board of Directors and/or any committee concerned with this Agreement, Hospital and its officers, directors, employees, and agents shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Practitioner. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Upon the termination or expiration of this Agreement, Hospital all records of the patients seen or treated by Practitioner shall be the property of Hospital. However, upon Hospital's receipt of appropriately executed written request of any such patient therefor, Hospital will provide copies of the requesting patient's records to Practitioner, in paper or electronic form and the delivery of such records shall be in compliance with federal and state law.

c. **Medical Records Are Confidential.** Neither Party shall disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the other Party in writing, any patient or medical record information regarding Hospital patients, and the Parties shall comply with all federal and state laws and regulations, and all bylaws, rules, regulations, and policies of Hospital, and Hospital's Medical Staff, regarding the confidentiality of such information. Practitioner acknowledges that in receiving or otherwise dealing with any records or information from Hospital about Hospital's patients receiving treatment for alcohol or drug abuse, Practitioner is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records (42 C.F.R. Part 2, as amended from time to time).

d. **HIPAA Compliance is Required.** Each Party agrees to comply with the applicable provisions of the Administrative Simplification provisions of the Health Insurance

Portability and Accountability Act of 1996 (“HIPAA”), and the requirements of any regulations promulgated thereunder including without limitation the federal privacy regulations (the “Federal Privacy Regulations”) and the federal security standards (the “Federal Security Regulations”).

12. AGREEMENT INTERPRETATION AND DISPUTE RESOLUTION

a. **Entire Agreement; Amendment.** This Agreement, its exhibits, and all documents referred to herein constitute the entire agreement between the parties pertaining to the subject matter contained herein. This Agreement supersedes all prior and contemporaneous agreements, representations and understandings of the parties which relate to the subject matter of this Agreement. No supplement, amendment or modification of this Agreement shall be binding unless executed in writing by all of the Parties.

b. **Subject Headings.** The subject headings of the Articles and Sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions of this Agreement.

c. **Parties.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the Parties to it and their respective successors and assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement; nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

d. **No Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the Parties to it and their respective legal representatives, successors and permitted assigns. No Party may assign this Agreement or any rights hereunder, nor may they delegate any of the duties to be performed hereunder without the prior written consent of the other party.

e. **Governing Law and Venue.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California. All actions relating to, or arising out of, this Agreement shall be brought in the State Court of California in the County of Imperial. Otherwise, for actions relating to, or arising out of, this Agreement which are subject to federal jurisdiction, such action shall be brought in the Federal District Courts for the Southern District of California in the County of San Diego.

f. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

g. **Attorneys' Fees.** In the event of any legal action between the Parties to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorneys' fees, from the unsuccessful Party.

h. **Arbitration.** Any dispute or controversy arising under, out of or in connection with, or in relation to this Agreement, or any amendment hereof, or the breach hereof

shall be determined and settled by arbitration before a single arbitrator in Imperial County, California, in accordance with the American Health Lawyers Association Alternative Dispute Resolution Service Rules of Procedure for Arbitration and applying the laws of the State of California. Any award rendered by the arbitrator shall be final and binding upon each of the Parties, and judgment thereon may be entered in any court having jurisdiction thereof. The costs shall be borne equally by both Parties. The prevailing Party in any such arbitration shall be entitled to recover its reasonable attorneys' fees. During the pendency of any such arbitration and until final judgment thereon has been entered, this Agreement shall remain in full force and effect unless otherwise terminated as provided hereunder. The provisions of this Section shall survive expiration or other termination of this Agreement.

i. **Exhibits.** The attached exhibits, inclusive, constitute a material part of this Agreement and are to be construed as incorporated into this Agreement in full and are made a part hereof.

j. **No Waiver.** No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

k. **Enforceability.** In the event that any of the terms and provisions of this Agreement are determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable under the laws, regulations, ordinances, or other guidelines of the federal government or of any state or local government to which this Agreement is subject, such terms or provisions shall remain severed from this Agreement and the remaining terms and provisions shall remain unaffected thereby. If the term of this Agreement cannot be severed without materially affecting the operation of this Agreement, then this Agreement shall automatically terminate as of the date in which the term is held unenforceable.

13. GENERAL PROVISIONS

a. **Effect of Exclusion.** Notwithstanding any other provision of this Agreement to the contrary if Practitioner or any of Practitioner's agents or employees is (a) excluded, suspended, debarred from, or otherwise becomes ineligible for, participation in any federal or state health care program, or (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, at any time during the term of this Agreement, or if at any time after the Effective Date hereof, any Party determines that the other Party has made a false representation or is in violation or breach of this Section, this Agreement shall terminate as of the effective date of such exclusion, suspension, debarment from, or ineligibility for, any federal or state health care program or of such conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, or as of the date of the breach of such Section.

b. **Section 952 of Omnibus Budget Reconciliation Act of 1980.** In accordance with Section 952 of the Omnibus Budget Reconciliation Act of 1980 (PL 96-499), Practitioner agrees that the books and records of Practitioner will be available to the Secretary of Health and Human Services and the Comptroller General of the United States, or their duly authorized

representatives, for four (4) years after termination of this Agreement. In the event that any of the services to be performed under this Agreement are performed by any subcontractor of Practitioner at a value or cost of \$10,000 or more over a twelve (12) month period, Practitioner shall comply and assure that the such subcontractor complies with the provisions of Section 952 of the Omnibus Reconciliation Act of 1980. If regulations are issued at a later time which would determine that Section 952 of PL 96-499 is not applicable to this Agreement, this paragraph shall automatically be repealed.

c. **Access to Books and Records.** To the extent required by Section 1395(x)(V)(1) of Title 42 of the United States Code, until the expiration of ten (10) years after the termination of this Agreement, Practitioner shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States Department of Health and Human Services, or any of their duly authorized representatives, a copy of this Agreement and such books and documents and records as are necessary to certify the nature and extent of the costs of the services provided by Practitioner under this Agreement. Practitioner further agrees that in the event Practitioner carries out any of Practitioner's duties under this Agreement through a subcontractor, with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such contract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States General Accounting Office, or any of their duly authorized representatives, a copy of such subcontract and such books, documents and records of such organization as are necessary to verify the nature and extent of such costs. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

d. **Mutual Indemnity.** Practitioner and Hospital shall indemnify and hold harmless each other, including officers, directors, shareholders, members, employees, agents and representatives from any and all liabilities, loses, damages, claims and expenses of any kind, including costs and attorneys' fees, which result from or relate to the indemnifying party's performance or failure to perform under this Agreement. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

e. **Jeopardy.** Notwithstanding anything to the contrary hereinabove contained, in the event that the performance by either Party hereto of any term, covenant, condition or provision of this Agreement should jeopardize the licensure of either Party, its participation in Medicare, Medi-Cal, Blue Cross or other major reimbursement or payment programs, or its full accreditation by DNV, or any other state or nationally recognized physician accreditation organization, or the tax-exempt status of interest earned on any of its bonds or other financial obligations, or if for any other reason such performance should be in violation of any statute, ordinance, or be otherwise deemed illegal, or be deemed unethical by any recognized body, agency, or association in the medical or hospital fields (collectively, the "Adverse Action"), then the Parties shall in good faith negotiate amendments to this Agreement necessary or appropriate to resolve the Adverse Action. If after a reasonable period of time, not to exceed sixty (60) calendar days, the Parties are unable to agree on an amendment necessary or appropriate to resolve the

Adverse Action, then either Party may terminate this Agreement on ninety (90) days' prior written notice to the other Party.

f. **No Financial Obligation.** Practitioner shall not incur any financial obligation on behalf of Hospital without the prior written approval of Hospital.

g. **Assistance in Litigation.** Each Party shall provide information and testimony and otherwise assist the other in defending against litigation brought against the other, its directors, officers or employees based upon a claim of negligence, malpractice or any other cause of action, arising under this Agreement, except where such Party is a named adverse Party.

h. **Retention of Professional and Administrative Responsibility.** Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

i. **Other Agreements Between Practitioner and Hospital.** Hospital and Practitioner may enter, or may have entered, into other agreements for services such as Emergency Room On-Call, Directorship, or Supervisory Services agreements. Such agreements are maintained in an online contracts management system, MediTract, and will be made available to any State or Federal entity that require access to such contracts.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first set forth above.

Imperial Valley Healthcare District

Practitioner

Christopher R. Bjornberg
Chief Executive Officer

Koorosh Kooros, M.D.

Date _____

Date _____

EXHIBIT A

Professional Services

Practitioner shall provide Pediatric Gastroenterology consultation services in accordance with the privileges that are granted by Imperial Valey Healthcare District Medical Staff and Board of Directors to Practitioner to fulfill the terms of this Agreement (the “**Professional Services**”). The Professional Services shall include, but are not limited to, the following:

A. Diagnostic and Consultative Services

1. Evaluate, diagnose, and manage gastrointestinal, hepatic, pancreatic, and nutritional disorders in infants, children, and adolescents.
2. Conduct inpatient and outpatient consultations for referring physicians and other healthcare providers.
3. Interpret diagnostic studies, including motility studies, pH/impedance monitoring, hydrogen breath tests, and capsule endoscopy.
4. Perform nutritional assessments and management of failure to thrive, malnutrition, and feeding disorders.

B. Endoscopic and Procedural Services in accordance with the privileges granted.

C. Disease-Specific Management

1. Inflammatory bowel disease (Crohn’s disease and ulcerative colitis), including biologic therapy management.
2. Celiac disease screening, diagnosis, and dietary management.
3. Gastroesophageal reflux disease (GERD).
4. Eosinophilic esophagitis and other eosinophilic gastrointestinal disorders.
5. Acute and chronic liver disease, including autoimmune hepatitis, viral hepatitis, and metabolic liver disease.
6. Acute and chronic pancreatitis.
7. Functional gastrointestinal disorders (e.g., irritable bowel syndrome, functional abdominal pain, functional constipation).
8. Short bowel syndrome and intestinal rehabilitation.
9. Gastrointestinal manifestations of systemic diseases.

D. Ancillary and Administrative Services

1. Provide consultations as needed.
2. Participate in multidisciplinary care teams.
3. Supervise and teach residents, fellows, and advanced practice providers (if applicable).
4. Participate in quality improvement and peer review committees, in addition to other committees as needed.
5. Maintain of medical records, documentation, and coding in compliance with applicable standards, including utilizing Hospital’s Electronic Medical Record system in accordance with applicable Hospital policy.
6. Comply with credentialing, privileging, and continuing medical education requirements.

7. Utilize medications provided exclusively by Hospital.

EXHIBIT B

Practitioner Coverage

Practitioner shall provide a minimum of one (1) day per month of clinic coverage and Practitioner shall not provide more than eight (8) hours per month of clinic coverage pursuant to this Agreement. Any amount in excess of the eight (8) hours must be approved by the Hospital and may be subject to approval by the Hospital Board of Directors. Practitioner's clinic coverage shall be scheduled by the Director of Clinics or his or her assignee as part of a rotation with other physicians.

Schedule must be mutually agreed upon thirty (30) days in advance. Any changes to the agreed-upon schedule or cancellations must be submitted in writing by the Practitioner at least two (2) weeks in advance and are not considered effective until agreed upon and confirmed in writing by the Hospital. Repeated cancellations or changes in schedule by Practitioner may, in its sole discretion, be determined by Hospital to be a breach of this Agreement under Section 6(d)(i) "Immediate Termination."

EXHIBIT C Compensation

Hospital shall compensate Practitioner at the following rates:

1. One Thousand, eight hundred dollars (\$1,800) for each full day coverage or nine hundred dollars (\$900.00) for each half-day coverage with Practitioner for Professional Services. “Full day coverage” shall constitute eight (8) consecutive hours of Professional Services that Practitioner provides at Hospital or in clinic within a twenty-four (24) hour period. “Half-day coverage” shall constitute four (4) consecutive hours of Professional Services that Practitioner provides at Hospital or in clinic within a twenty-four (24) hour period.

Practitioner shall not bill patients or cause patients to be billed for Professional Services provided in connection with this Agreement.

Compensation as outlined above may be withheld in full or in part until all patient charts are completed and locked.

Notwithstanding section 4(a)(iv) of this Agreement, Practitioner may hire private personnel who shall be under the exclusive control of Practitioner and who shall be paid by Practitioner. Practitioner and Hospital agree and understand that Practitioner is solely responsible for any such private personnel and shall not represent to such personnel that he or she is an employee of Hospital or entitled to any Hospital employee benefits. Such private personnel shall nevertheless be responsible for adhering to all applicable Hospital policies and procedures. Hospital shall also retain the right to exclude such private personnel from Hospital premises at any time in its sole discretion.

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May, 2026

SUBJECT: Authorization to approve Professional Service Agreement for Sayed Monis, M.D.

BACKGROUND: This agreement is for medical services for the hospital clinics.

KEY ISSUES: Dr. Monis will be compensated based on volumes as follows:

- Seventy-Three dollars (\$73.00) per patient visit with any of Practitioner's licensed physicians
- Fifty dollars (\$50.00) per patient visit with any Nurse Practitioner/

CONTRACT VALUE: Approximately \$50,000 annually, value varies based on volumes and clinic coverage

CONTRACT TERM: 3 years

BUDGETED: Yes

BUDGET CLASSIFICATION: Professional Fees

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Christopher R. Bjornberg

DATE SUBMITTED TO LEGAL: 12/2025 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve Professional Service Agreement for Sayed Monis, M.D.



PROFESSIONAL SERVICES AGREEMENT (Neurology)

THIS PROFESSIONAL SERVICES AGREEMENT (“**Agreement**”) is entered into and executed as of _____ (“**Effective Date**”), by and between Imperial Valley Healthcare District dba. Pioneers Memorial Hospital, a Local Healthcare District, organized and existing in the State of California pursuant to the California Health and Safety Code, §§32000 *et seq.* (“**Hospital**”), and Sayed Monis, M.D., a physician licensed to provide medical services in the State of California (“**Practitioner**”). Practitioner and Hospital are sometimes individually referred to hereafter as a “Party,” and collectively as “Parties.”

This Professional Services Agreement is entered into with respect to the following facts:

RECITALS

A. Hospital owns and operates a general acute care hospital located in Brawley, California and rural health clinics (“**Clinics**”), in Calexico, California and Brawley, California, and by the effective date, may also own and operate a second general acute hospital located in El Centro, California.

B. Practitioner is duly licensed and qualified to practice medicine under the laws of the State of California and is experienced and qualified to provide Neurological services (“**Specialty**”).

C. Hospital has determined that entering into an agreement with the Practitioner is an appropriate way to assure the availability of such Specialty services for its patients and to maintain a high quality of patient care. The Parties furthermore acknowledge that many of the patients of the Hospital and Clinics will be referred there by outside physicians.

D. The Parties desire to enter into this Agreement to set forth their respective responsibilities in connection with Hospital’s and Practitioner’s provision of Services for treating patients during the term of this Agreement.

NOW, THEREFORE, the Parties agree as follows:

AGREEMENT

1. DUTIES OF PRACTITIONER

a. Professional Medical Services. Practitioner shall provide all professional medical services ("**Professional Services**") as set forth in *Exhibit A*, as reasonably required for coverage and patient care. Practitioner shall provide the Professional Services during regular hours of operation, as mutually agreed upon by the parties, and as more specifically set forth in *Exhibit B* ("**Practitioner Coverage**").

b. Qualifications of Practitioner. Practitioner shall be: (a) duly licensed by the State of California (b) have levels of competence, experience and skill comparable to those prevailing in the community; (c) are not excluded from any governmental healthcare program, (d) is a member in good standing of the Medical Staff of Hospital, and, within one (1) year following commencement of provision of services in the Agreement, become board certified in Specialty.

c. Applicable Standards. Practitioner shall perform all Specialty services under this Agreement in compliance with all applicable standards set forth by law or ordinance or established by the rules and regulations of any federal, state or local agency, department, commission, association or other pertinent governing, accrediting or advisory body, including compliance with the requirements of Det Norske Veritas (DNV), having authority to set standards for health care facilities, and in accordance with all Hospital and Medical Staff bylaws, rules, regulations, policies and procedures.

d. Records and Documentation; For each patient receiving Services, Practitioner shall promptly complete and finalize for Hospital all of the medical record and report documentation required to accurately record the visit in the Hospital's electronic medical record (EMR) system or on the forms provided by the Hospital. Subject to applicable restrictions on disclosure, Practitioner shall have reasonable access, including the right to make copies, during business hours of all such medical records and reports as they may need from time to time for patient care or responding to any legal, judicial or third party administrative/investigative inquiries.

e. Use of Premises. Practitioner shall not use or knowingly permit any other person who is under Practitioner's direction to use, any part of the Hospital's premises for (i) the private practice of medicine, or (ii) any purpose other than the performance of the services required hereunder.

f. Non-Discrimination. During the performance of this Agreement, Practitioner (including employees and subcontractors) shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, or family care leave. Practitioner shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Practitioner shall comply with the provisions of the Fair Employment and Housing Act (Government Code, Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Chapter 5, Division 4 are incorporated into this contract by reference as if duly set forth herein. Practitioner shall give written notice of their obligations under this clause to

labor organizations with which they have a collective bargaining or other agreement. Practitioner shall include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

2. REPRESENTATIONS AND WARRANTIES OF PRACTITIONER. Practitioner hereby warrants and represents as follows:

a. Review of Compliance Requirements. Practitioner acknowledges that Hospital has a commitment to full compliance with all laws, regulations and guidance relating to its participation in the federal and state healthcare programs, and as a result has implemented a compliance program including, without limitation, mandatory requirements related to ongoing compliance training and education programs for its workforce, medical staff and persons/entities that conduct healthcare business with the Hospital. As a condition to this Agreement, Practitioner shall provide written acknowledgement that Practitioner and Practitioner's employees, subcontractors and/or agents have received (or been provided with electronic or other access to), read and understood and will comply with Hospital's compliance program materials and Code of Conduct of Medical Staff and further agrees to comply with all pertinent provisions.

b. Practitioner Is Not Restricted. Practitioner is not bound by any agreement or arrangement which would preclude Practitioner from entering into, or from fully performing the services required under, this Agreement.

c. Practitioner is Qualified. Practitioner's license to practice medicine in the State of California, or in any other jurisdiction has not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or restricted in any way. Additionally, Practitioner's medical staff privileges at any health care facility have not ever been denied, suspended, revoked, terminated, voluntarily relinquished under threat of disciplinary action, or made subject to terms of probation or any other restriction.

d. Prohibition from Program Participation. Practitioner, including employees, has not been (a) excluded, suspended or debarred from, or otherwise ineligible for, participation in any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid), nor (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program including, without limitation, Medicare or Medi-Cal (Medicaid);

e. Notification of Threatened Exclusion From Program Participation. Practitioner shall notify Hospital immediately in writing if Practitioner becomes the subject of (a) any threatened, proposed or actual exclusion, suspension or debarment, (b) any conviction of a criminal offense related to conduct that would or could trigger an exclusion, of it or any of its agents or employees from any federal or state health care program, (c) any investigatory, disciplinary, or other proceeding by any governmental, professional, licensing board, medical staff, or peer review body, or (d) any event that substantially interrupts all or a portion of Practitioner's professional practice or that materially adversely affects Practitioner's ability to perform Practitioner's obligations hereunder.

f. No Competing Obligations. During the term of the Agreement or until termination by either party, Practitioner shall not provide professional services for or at any other organization/facility in Imperial County without the written consent of the Hospital. Additionally, Practitioner shall not enter into any agreement with any other entity to provide Services without prior written approval of Hospital.

g. Non-Solicitation of Hospital Employees. During the term of this Agreement, Practitioner shall not solicit the services of, or employ or procure on behalf of another the employment of, any individual currently employed by Hospital or under a service contract with Hospital; nor shall Practitioner engage in any other activity which would be in conflict with Practitioner's obligations hereunder.

h. Third-party Payment, Managed Care Programs, and Charity Care. Physician shall participate in all third-party payment or managed care programs in which Hospital participates, render services to patients covered by such programs, and accept the payment amounts for services rendered by Physician under these programs as payment in full for services of the Physician to Clinic patients. Hospital will provide to Physician timely notification of new contract negotiations. Hospital will also pay, or provide, for the Physician's credentialing with third-party payment or managed care programs. Physician shall participate in Hospital's Financial Assistance Program including Full Charity Care and Discount Partial Charity Care. Hospital will provide Physician with a copy of its Financial Assistance Program and any amendments thereto.

3. COMPENSATION FOR PRACTITIONER

a. Compensation. Hospital shall pay Practitioner according to the compensation schedule set forth in *Exhibit C* ("**Compensation**"). Hospital shall pay the compensation owed on or before the fifteenth (15th) day of each calendar month, for services provided by Practitioner during the immediately preceding calendar month; provided that Practitioner has delivered a visit record to Hospital in the form attached hereto as *Exhibit D* ("**Time Log**") on or before the fifth (5th) day of each calendar month for the immediately preceding calendar month.

b. Taxation of Income. The Parties understand that the Hospital will bill, collect and retain the proceeds from all charges for medical services, and may use the Practitioner's Billing Provider number for such purposes. The parties anticipate that in some cases those who pay for the medical services rendered by Practitioner performing in a directorship capacity will issue to Practitioner an IRC Form 1099 annually for the monies paid for such services. After the end of each calendar year, the Hospital will issue to Practitioner an IRC Form W-2 or similar form to report the appropriate income earned by him. Accordingly, it is anticipated, and Practitioner agrees, that Practitioner will deduct from Practitioner's income tax return all contract payments reported to him that are received by the Hospital and report on Practitioner's income tax return all compensation earned by Practitioner hereunder.

c. Compliance with Health & Safety Code. Any compensation received by Practitioner pursuant to this agreement shall be in compliance with the provisions of California Health and Safety Code Section 32129. Hospital has the obligation and right to adjust compensation to be in compliance with any and all laws and regulations.

4. DUTIES AND OBLIGATIONS OF THE HOSPITAL

a. **Duties.** Hospital agrees to furnish, at its own cost and expense, for adequate provision of professional services pursuant to this Agreement, the following:

i. **Space.** Space as reasonably necessary to provide service to patients.

ii. **Equipment.** Equipment as may be reasonably required as mutually agreed by the Hospital and Practitioner, subject to any applicable Hospital budget limitations. Practitioner acknowledges that existing equipment is adequate for Practitioner's purposes.

iii. **Services and Supplies.** Maintenance, repair and replacement of equipment as reasonably required; all utilities, including telephone, power, light, gas and water; all supplies (including, without limitation, film, laundry services and linen); transcription services, and any necessary housekeeping and in-house messenger service that may be reasonably required to provide services.

iv. **Non-Physician Personnel.** Hospital personnel with appropriate education, training and experience which are required to adequately assist Practitioner in performance of the services contemplated herein, as determined according to Hospital's discretion. Hospital shall have the sole right and responsibility for the hiring, discipline and termination of such Hospital employees.

b. **Eligibility.** At all times during the term of this Agreement, Hospital shall remain eligible to participate in the Medicare, Medi-Cal, and TriCare/CHAMPUS programs.

5. BILLING FOR MEDICAL SERVICES

a. **Billing Records Availability.** Each Party, shall, on a monthly basis, make available to the other Party, records and data accurately reflecting a) total billed services in connection with the Services; b) payments received from all sources for medical services provided by the Practitioner, and c) all expenses paid by Hospital or Practitioner in connection with the operation of the Services or the services rendered therein.

b. **Accurate Medical Records and Charts.** Practitioner shall promptly prepare and submit complete and accurate medical records, medical chart notes, and related back-up documentation, and respond and provide such assistance and information as Hospital may reasonably request to facilitate billing and collection of charges for patient services, including, but not limited to, assigning appropriate procedure and diagnosis codes for billing purposes, and dictating or completing appropriate descriptions and notations to be made on the patient chart to support the appropriate billing code, in accordance with the requirements of the Centers for Medicare and Medicaid Services. Practitioner shall be responsible (and Hospital shall not be responsible except with respect to joint and several liability required by law) for errors or liabilities, if any, which may arise from Practitioner's fraudulent designation of inappropriate billing,

procedure or diagnosis codes or for the negligent failure of Practitioner to prepare medical chart notes or dictation which corresponds to the services rendered.

c. Charges for Medical Services. Hospital shall be responsible for, and solely entitled to, billing, collection and retention of all charges for all medical services (ancillary and professional); (ii) Practitioner hereby reassigns Practitioner's respective rights to bill such Professional Services to Hospital.

d. Schedule of Charges. On an annual basis, Hospital may provide to Practitioner the schedule of charges for the professional component of the medical services provided for Practitioner's review and input. Practitioner may request changes to the schedule of charges as circumstances may warrant. Hospital, in its sole and absolute discretion, shall decide upon changes to the schedule of charges.

e. Forwarding Billing to Hospital. Practitioner shall provide Hospital, on a daily basis, with all information reasonably requested by Hospital to enable Hospital to (i) properly bill for the Professional Services provided by Practitioner to patients. It is understood and agreed that Hospital shall handle at its expense all the administrative work of this billing. All Professional Services shall be billed in Practitioner's or Medical Group's name with all payments forwarded by payors (including, without limitation, Medicare and Medi-Cal) to a "lockbox" account in Practitioner's or Medical Group's name ("Account") established at Wells Fargo bank in Brawley, California. ("Bank"). Upon establishment of the Account, Practitioner shall direct the Bank, in writing, that during the term of this Agreement, on the last day of each calendar month the Bank shall transfer all funds in the Account on each such day to an account in Hospital's name as designated by Hospital in writing to the Bank.

f. Billing Third-Party Payors. Practitioner shall not bill, nor cause to be billed, Medicare patients or Medicare (Part B) carriers in violation of 42 C.F.R. §405.550(d)(3), nor any other patients or payors, for administrative, supervisory, medical director or similar services.

g. Rates for Service. In the event that Practitioner is responsible for establishing rates charged to patients for any Professional Services rendered pursuant to this Agreement, Practitioner must ensure that such rates are reasonable and customary. In the event that Hospital determines Practitioner's rates are unreasonable, Hospital reserves the right to approve modify rates charged by Practitioner for Services.

6. TERM AND TERMINATION

a. Term. The term of this Agreement shall be three (3) years commencing on the Effective Date, unless terminated earlier as provided herein.

b. Termination Without Cause. Either party shall have the right to terminate this Agreement after the first twelve (12) months of this Agreement. After the first twelve (12) months, either Party may terminate this Agreement without penalty or cause by providing ninety (90) days written notice to the other party.

c. **Termination for Cause.** Either Party may terminate this Agreement upon breach by the other Party of any material provision of this Agreement, provided such breach continues for fifteen (15) days after receipt by the breaching Party of written notice of such breach from the non-breaching Party, except where such breach requires immediate termination as enumerated below.

d. **Immediate Termination.** This Agreement may be terminated immediately and without notice for serious and incurable events, including but not limited to:

i. **Breach.** Hospital or Practitioner is in breach of any material term or condition of this Agreement and such breach has not been cured within thirty (30) days following notice of such breach;

ii. **Sale or Transfer.** Hospital or Practitioner has sold or otherwise transferred all or substantially all of its assets, has merged with another entity or has dissolved;

iii. **Insolvency or Bankruptcy.** Hospital or Practitioner becomes insolvent or declares bankruptcy;

iv. **Adverse Action against Practitioner's License .** Denial, suspension, revocation, termination, restriction, lapse, or voluntary relinquishment under threat of disciplinary action, of Practitioner's medical staff membership or privileges at Hospital or any other healthcare facility, or of Practitioner's license to practice medicine in the State of California or any other jurisdiction;

v. (a) exclusion, suspension, debarment from, or ineligibility for, participation in any federal or state health care program, or (b) conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, by Practitioner;

vi. **Cancellation of Insurance.** Either Party fails to carry or reinstate the insurance required in Section 7 hereof or such coverage is cancelled or revoked within ten (10) days following notice thereof from its insurance carrier;

vii. **Conduct Jeopardizing Licensure or Other Reimbursements.** The performance by either Party of this Agreement which jeopardizes the licensure of Hospital, Hospital's participation in Medicare, Medi-Cal or other reimbursement or payment program, or Hospital's full accreditation by The Joint Commission or any other state or nationally recognized accreditation organization, or the tax-exempt status of Hospital's bonds, or if for any other reason such performance violates any statute, ordinance, or is otherwise deemed illegal, or is deemed unethical by any recognized body, agency, or association in the medical or hospital fields, and the jeopardy or violation has not been or cannot be cured within sixty (60) days from the date notice of such jeopardy or violation has been received by the parties.

viii. **Misrepresentations.** Any Party's representation or warranty that is false or was false at the time it was originally made, or any Party becomes the subject of any threatened, proposed or actual exclusion, suspension or debarment from, or is otherwise ineligible for

participation in, any federal or state health care program including without limitation, Medicare or Medi-Cal, or is the subject of any threatened, proposed or actual criminal prosecution for, or is convicted of, any criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program.

e. **One Year Prohibition on New Agreement.** If this Agreement is terminated prior to expiration of the initial year of the term hereof, the Parties shall not enter into any new agreement or arrangement during the remainder of such year.

7. INDEPENDENT CONTRACTOR. Practitioner is engaged in an independent contractor relationship with the Hospital in performing all work, duties and obligations hereunder. Hospital shall not have nor exercise any control or direction over the methods by which Practitioner performs work and functions, except that Practitioner shall perform at all times in strict accordance with then currently approved methods and practices of the professional Specialty services. Hospital's sole interest is to ensure that Practitioner performs and renders services in a competent, efficient and satisfactory manner in accordance with high medical standards. The Parties expressly agree that no work, act, commission or omission of Practitioner in connection with the terms and conditions of this Agreement shall be construed to make or render Practitioner, the agent, employee or servant of Hospital. Practitioner shall not be entitled to receive from Hospital vacation pay, sick leave, retirement benefits, Social Security, workers' compensation, disability or unemployment insurance benefits or any other employee benefit of any kind. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

8. PROFESSIONAL LIABILITY INSURANCE COVERAGE. Practitioner shall secure and maintain at all times during the term, at Practitioner's sole expense, professional liability insurance covering Practitioner, with an admitted carrier (licensed to do business in the State of California) having at least an "A" BEST rating, with limits of one million (\$1,000,000) per claim/and three million (\$3,000,000) for annual aggregate claims. Such insurance shall not be cancelable except upon thirty (30) days' prior written notice to Hospital and shall be primary and non-contributory. Annually, Practitioner shall provide Hospital with a certificate of insurance evidencing such coverages and coverage extensions upon request by the Hospital. If the coverage is on a claims-made basis, Practitioner hereby agrees that not less than thirty (30) days prior to the effective date of termination of Practitioner's current insurance coverage or termination of this Agreement, Practitioner shall either purchase unlimited tail coverage or provide proof of continuous coverage in the above stated amounts for all claims arising out of incidents occurring prior to termination of Practitioner's current coverage or prior to termination of this Agreement, as applicable, and provide Hospital a certificate of insurance evidencing such coverage.

9. OWNERSHIP OF FILMS AND RECORDS. Unless agreed upon in writing, all records of patients seen at any Hospital facilities shall be maintained by Hospital and shall be the property of the Hospital. Practitioner shall have the right to access such films and records during normal business hours.

10. NOTICES. Any notice to be given to any party hereunder shall be deposited in the United States Mail, duly registered or certified, with return receipt requested, with postage thereon paid,

and addressed to the party for which intended, at the following addresses, or to such other address or addresses as the parties may hereafter designate in writing to each other.

Hospital:

Chief Executive Officer
Imperial Valley Healthcare District
West 207 Legion Road
Brawley, CA 92227

Practitioner:

Sayed Monis M.D.

11. CONFIDENTIALITY

a. Confidential Information Belongs to its Respective Owner. Each Party recognizes and acknowledges that, by virtue of entering into this Agreement and providing services to the other hereunder, Practitioner and Hospital may have access to certain information of the other Party that is confidential and constitutes valuable, special and unique property. Each Party agrees that it will not at any time, either during or subsequent to the term of this Agreement, disclose to others, use, copy or permit to be copied, without the other Party's express prior written consent, except pursuant to Practitioner's duties hereunder, any confidential or proprietary information of either Party, including, but not limited to, information which concerns Hospital's patients, costs, or treatment methods developed by Hospital for the Hospital, and which is not otherwise available to the public.

b. This Agreement is Confidential. Except for disclosure to Practitioner's legal counsel, accountant or financial advisors (none of whom shall be associated or affiliated in any way with Hospital or any of its affiliates), Practitioner shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Hospital. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Except for disclosure to Hospital's legal counsel, accountant or financial advisors, its Board of Directors and/or any committee concerned with this Agreement, Hospital and its officers, directors, employees, and agents shall not disclose the terms of this Agreement to any person who is not a party or signatory to this Agreement, unless disclosure thereof is required by law or otherwise authorized by this Agreement or consented to by Practitioner. Unauthorized disclosure of the terms of this Agreement shall be a material breach of this Agreement. Upon the termination or expiration of this Agreement, Hospital all records of the patients seen or treated by Practitioner shall be the property of Hospital. However, upon Hospital's receipt of appropriately executed written request of any such patient therefor, Hospital will provide copies of the requesting patient's records to Practitioner, in paper or electronic form and the delivery of such records shall be in compliance with federal and state law.

c. Medical Records Are Confidential. Neither Party shall disclose to any third party, except where permitted or required by law or where such disclosure is expressly approved by the other Party in writing, any patient or medical record information regarding Hospital patients, and the Parties shall comply with all federal and state laws and regulations, and all bylaws, rules,

regulations, and policies of Hospital, and Hospital's Medical Staff, regarding the confidentiality of such information. Practitioner acknowledges that in receiving or otherwise dealing with any records or information from Hospital about Hospital's patients receiving treatment for alcohol or drug abuse, Practitioner is fully bound by the provisions of the federal regulations governing Confidentiality of Alcohol and Drug Abuse Patient Records (42 C.F.R. Part 2, as amended from time to time).

d. **HIPAA Compliance is Required.** Each Party agrees to comply with the applicable provisions of the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and the requirements of any regulations promulgated thereunder including without limitation the federal privacy regulations (the "Federal Privacy Regulations") and the federal security standards (the "Federal Security Regulations").

e. .

12. AGREEMENT INTERPRETATION AND DISPUTE RESOLUTION

a. **Entire Agreement; Amendment.** This Agreement, its exhibits, and all documents referred to herein constitute the entire agreement between the parties pertaining to the subject matter contained herein. This Agreement supersedes all prior and contemporaneous agreements, representations and understandings of the parties which relate to the subject matter of this Agreement. No supplement, amendment or modification of this Agreement shall be binding unless executed in writing by all of the Parties.

b. **Subject Headings.** The subject headings of the Articles and Sections of this Agreement are included for purposes of convenience only and shall not affect the construction or interpretation of any of the provisions of this Agreement.

c. **Parties.** Nothing in this Agreement, whether express or implied, is intended to confer any rights or remedies on any person other than the Parties to it and their respective successors and assigns; nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to any Party to this Agreement; nor shall any provision give any third person any right of subrogation or action over or against any party to this Agreement.

d. **No Assignment.** This Agreement shall be binding upon and shall inure to the benefit of the Parties to it and their respective legal representatives, successors and permitted assigns. No Party may assign this Agreement or any rights hereunder, nor may they delegate any of the duties to be performed hereunder without the prior written consent of the other party.

e. **Governing Law and Venue.** This Agreement shall be governed by, construed and enforced in accordance with the laws of the State of California. All actions relating to, or arising out of, this Agreement shall be brought in the State Court of California in the County of Imperial. Otherwise, for actions relating to, or arising out of, this Agreement which are subject to federal jurisdiction, such action shall be brought in the Federal District Courts for the Southern District of California in the County of San Diego.

f. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

g. Attorneys' Fees. In the event of any legal action between the Parties to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to recover its costs of suit, including reasonable attorneys' fees, from the unsuccessful Party.

h. Arbitration. Any dispute or controversy arising under, out of or in connection with, or in relation to this Agreement, or any amendment hereof, or the breach hereof shall be determined and settled by arbitration before a single arbitrator in Imperial County, California, in accordance with the American Health Lawyers Association Alternative Dispute Resolution Service Rules of Procedure for Arbitration and applying the laws of the State of California. Any award rendered by the arbitrator shall be final and binding upon each of the Parties, and judgment thereon may be entered in any court having jurisdiction thereof. The costs shall be borne equally by both Parties. The prevailing Party in any such arbitration shall be entitled to recover its reasonable attorneys' fees. During the pendency of any such arbitration and until final judgment thereon has been entered, this Agreement shall remain in full force and effect unless otherwise terminated as provided hereunder. The provisions of this Section shall survive expiration or other termination of this Agreement.

i. Exhibits. The attached exhibits, inclusive, constitute a material part of this Agreement and are to be construed as incorporated into this Agreement in full and are made a part hereof.

j. No Waiver. No waiver of any of the provisions of this Agreement shall be deemed, or shall constitute, a waiver of any other provision, whether or not similar, nor shall any waiver constitute a continuing waiver. No waiver shall be binding unless executed in writing by the Party making the waiver.

k. Enforceability. In the event that any of the terms and provisions of this Agreement are determined by a court of competent jurisdiction to be illegal, invalid, or unenforceable under the laws, regulations, ordinances, or other guidelines of the federal government or of any state or local government to which this Agreement is subject, such terms or provisions shall remain severed from this Agreement and the remaining terms and provisions shall remain unaffected thereby. If the term of this Agreement cannot be severed without materially affecting the operation of this Agreement, then this Agreement shall automatically terminate as of the date in which the term is held unenforceable.

13. GENERAL PROVISIONS

a. Effect of Exclusion. Notwithstanding any other provision of this Agreement to the contrary if Practitioner or any of Practitioner's agents or employees is (a) excluded, suspended, debarred from, or otherwise becomes ineligible for, participation in any federal or state health care program, or (b) convicted of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, at any time during the term of this

Agreement, or if at any time after the Effective Date hereof, any Party determines that the other Party has made a false representation or is in violation or breach of this Section, this Agreement shall terminate as of the effective date of such exclusion, suspension, debarment from, or ineligibility for, any federal or state health care program or of such conviction of a criminal offense related to conduct that would or could trigger an exclusion from any federal or state health care program, or as of the date of the breach of such Section.

b. Section 952 of Omnibus Budget Reconciliation Act of 1980. In accordance with Section 952 of the Omnibus Reconciliation Act of 1980 (PL 96-499), Practitioner agrees that the books and records of Practitioner will be available to the Secretary of Health and Human Services and the Comptroller General of the United States, or their duly authorized representatives, for four (4) years after termination of this Agreement. In the event that any of the services to be performed under this Agreement are performed by any subcontractor of Practitioner at a value or cost of \$10,000 or more over a twelve (12) month period, Practitioner shall comply and assure that the such subcontractor complies with the provisions of Section 952 of the Omnibus Reconciliation Act of 1980. If regulations are issued at a later time which would determine that Section 952 of PL 96-499 is not applicable to this Agreement, this paragraph shall automatically be repealed.

c. Access to Books and Records. To the extent required by Section 1395(x)(V)(1) of Title 42 of the United States Code, until the expiration of ten (10) years after the termination of this Agreement, Practitioner shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States Department of Health and Human Services, or any of their duly authorized representatives, a copy of this Agreement and such books and documents and records as are necessary to certify the nature and extent of the costs of the services provided by Practitioner under this Agreement. Practitioner further agrees that in the event Practitioner carries out any of Practitioner's duties under this Agreement through a subcontractor, with a value or cost of ten thousand dollars (\$10,000.00) or more over a twelve (12) month period, with a related organization, such contract shall contain a clause to the effect that until the expiration of ten (10) years after the furnishing of such services pursuant to such subcontract, the related organization shall make available, upon written request to the Secretary of the United States Department of Health and Human Services, or upon request to the Comptroller General of the United States General Accounting Office, or any of their duly authorized representatives, a copy of such subcontract and such books, documents and records of such organization as are necessary to verify the nature and extent of such costs. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

d. Mutual Indemnity. Practitioner and Hospital shall indemnify and hold harmless each other, including officers, directors, shareholders, members, employees, agents and representatives from any and all liabilities, loses, damages, claims and expenses of any kind, including costs and attorneys' fees, which result from or relate to the indemnifying party's performance or failure to perform under this Agreement. The provisions of this Section shall survive expiration or other termination of this Agreement, regardless of the cause of such termination.

e. Jeopardy. Notwithstanding anything to the contrary hereinabove contained, in the

event that the performance by either Party hereto of any term, covenant, condition or provision of this Agreement should jeopardize the licensure of either Party, its participation in Medicare, Medi-Cal, Blue Cross or other major reimbursement or payment programs, or its full accreditation by DNV, or any other state or nationally recognized physician accreditation organization, or the tax-exempt status of interest earned on any of its bonds or other financial obligations, or if for any other reason such performance should be in violation of any statute, ordinance, or be otherwise deemed illegal, or be deemed unethical by any recognized body, agency, or association in the medical or hospital fields (collectively, the “Adverse Action”), then the Parties shall in good faith negotiate amendments to this Agreement necessary or appropriate to resolve the Adverse Action. If after a reasonable period of time, not to exceed sixty (60) calendar days, the Parties are unable to agree on an amendment necessary or appropriate to resolve the Adverse Action, then either Party may terminate this Agreement on ninety (90) days’ prior written notice to the other Party.

f. No Financial Obligation. Practitioner shall not incur any financial obligation on behalf of Hospital without the prior written approval of Hospital.

g. Assistance in Litigation. Each Party shall provide information and testimony and otherwise assist the other in defending against litigation brought against the other, its directors, officers or employees based upon a claim of negligence, malpractice or any other cause of action, arising under this Agreement, except where such Party is a named adverse Party.

h. Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

i. Other Agreements Between Practitioner and Hospital. Hospital and Practitioner may enter, or may have entered, into other agreements for services such as Emergency Room On-Call, Directorship, or Supervisory Services agreements. Such agreements are maintained in an online contracts management system, MediTract, and will be made available to any State or Federal entity that require access to such contracts.

[Signature Page Follows.]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date first set forth above.

Imperial Valley Healthcare District

Practitioner

Christopher R. Bjornberg
Chief Executive Officer

Sayed Monis, M.D.

Date _____

Date _____

EXHIBIT A
Professional Services

Neurology consultation services in accordance with privileges as requested by Practitioner and Practitioner's employed Nurse Practitioner granted by Imperial Valey Healthcare District Medical Staff and Board of Directors.

Additionally, Practitioner shall specifically:

1. Utilize Hospital's electronic Medical Record (EMR) system in accordance with applicable Hospital or clinic policy.
2. Utilize medications provided exclusively by the Hospital

EXHIBIT B
Practitioner Coverage

Practitioner and/or Practitioner's Nurse Practitioner (who shall have Hospital medical staff privileges) shall provide a minimum of two (2) days per month of clinic coverage and Practitioner shall not provide more than sixteen (16) hours per month of clinic coverage pursuant to this Agreement. Any amount in excess of the sixteen (16) hours must be approved by the Hospital and may be subject to approval by the Hospital Board of Directors. Practitioner's clinic coverage shall be scheduled by the Director of clinics or his or her assignee as part of a rotation with other physicians. Schedule must be mutually agreed upon 30 days in advance. Any changes to the agreed-upon schedule or cancellations must be submitted in writing by the Practitioner at least 2 weeks in advance and are not considered effective until agreed upon and confirmed in writing by the Hospital. Repeated cancellations or changes in schedule by Practitioner may, in its sole discretion, be determined by Hospital to be a breach of this Agreement under Section 6 (d) (i) "Immediate Termination."

EXHIBIT C Compensation

Hospital shall compensate Practitioner at the following rates:

1. Seventy-Three dollars (\$73.00) per patient visit with Practitioner for Neurology consults and evaluation
2. Fifty dollars (\$50.00) per patient visit with Nurse Practitioner for Neurology consults and evaluation

Practitioner shall not bill patients or cause patients to be billed for services provided in connection with this Agreement.

Compensation as outlined above may be withheld in full or in part until all patient charts are completed and locked.

Notwithstanding section 4(a)(iv) of this Agreement, Practitioner may hire private personnel who shall be under the exclusive control of Practitioner and who shall be paid by Practitioner. Practitioner and Hospital agree and understand that Practitioner is solely responsible for any such private personnel and shall not represent to such personnel that he or she is an employee of Hospital or entitled to any Hospital employee benefits. Such private personnel shall nevertheless be responsible for adhering to all applicable Hospital policies and procedures. Hospital shall also retain the right to exclude such private personnel from Hospital premises at any time in its sole discretion.

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May,2026

SUBJECT: Authorization to approve Progressive Healthcare Consulting Agreement

BACKGROUND: This agreement is for consulting services to provide Physician Consulting and Service Line Development services for Imperial Valley Healthcare District.

KEY ISSUES: Consulting group will be paid professional fees

CONTRACT VALUE: Not to exceed \$120,000 for professional services in a year unless written approval to exceed due to special projects.

CONTRACT TERM: 1 year

BUDGETED: Yes

BUDGET CLASSIFICATION: Consulting Services

RESPONSIBLE ADMINISTRATOR: Chris Bjornberg/Carly Zamora

DATE SUBMITTED TO LEGAL: _____ **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve Progressive Healthcare Consulting Agreement



May 19, 2026

Christopher Bjornberg CEO
Imperial Valley Healthcare District
207 West Legion Road
Brawley, CA 92227

**Proposal for Consulting Services
Physician Consulting and Service Line Development**

Dear Mr. Bjornberg:

We are pleased to have the opportunity to present this proposal to assist Imperial Valley Healthcare District (“IVHD”) with the continued development of service lines and physician recruitment and retention assistance. We are providing this letter to outline the services to be provided by Progressive Healthcare Inc. (“Progressive”) and to confirm our understanding of the proposed scope of our engagement and our fees.

Our Understanding of the Situation

Pioneers Memorial Hospital is a 107-bed acute care facility located in Imperial Valley in the southeastern part of California. Pioneers wants to be pro-active in the development of new and existing service lines. They would like Progressive to provide assistance, on an as needed basis, to facilitate the success of both the contracted physicians and physicians that have been recruited under an income guarantee. This Agreement will have a one-year term.

Some of the areas that Progressive will provide assistance may include:

- Developing financial proformas and contracting methodology.
- Submit bi-weekly 340B ESP reports and assist with 340B analysis as requested
- Assist Pioneers with the analysis and negotiating Professional Service Arrangement Contracts with desired physicians.
- Work with Pioneers to ensure that the equipment, facility, other capital and/or new operating expenditures are necessary for the successful operation of the service line.
- Continued assistance with supply contract negotiations.
- Work with the revenue cycle departments to ensure that Pioneers is appropriately billing and collecting for new service lines on both the technical and professional sides.

- Ongoing support/review/assistance with the following programs: RHC's, FQHC's, interventional radiology, gastroenterology, and anesthesia
- GI service line expansion and alignment
- Cardiology Service Line Extension
- Oncology

Timing and Fees

We will be able to be on-site as requested having a signed engagement letter. The professional fees for this engagement will be billed at our standard hourly rates. The fees for this project will not exceed a maximum of \$120,000 for professional services in a year without prior written approval. The exact amount will depend on the services requested, which includes the services described in the Scope of Work section of this proposal or as additional requests are made by Management. If we expect the fee to exceed the approved amount, we will seek prior approval in writing from Management.

In addition to the professional fees described above, we will bill for related travel and out-of-pocket expenses.

Other Matters

This letter does not include services for projects other than what is listed in the scope of work section of this proposal. Procedures performed in addition to those described herein will be discussed and agreed upon in advance with you. Fees for additional services will be negotiated and billed based upon the time and expense required to perform such services.

If any portion of this letter is held to be void, invalid, or otherwise unenforceable, in whole or part, the remaining portions of this letter shall remain in effect.

If these arrangements are acceptable, please sign and date the enclosed copy of this letter and return it to us.

We appreciate the opportunity to assist you with your practice needs. If you have any questions regarding our services or fees, please do not hesitate to contact me at (615) 371-9989 ext. 2200.

Very truly yours,

Richard S. Buchsbaum
President

Imperial Valley Healthcare District

Christopher Bjornberg

Page 3
May 19, 2026

Accepted by: _____

Date: _____

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May, 2026

SUBJECT: Appointment of Dr. Lisa Bean, M.D., as Medical Executive Committee Chair of OBGYN Services.

BACKGROUND: . Chairpersons of the MEC have been paid a stipend for the work they do as chairs of the Chair of Department of Medicine. Dr. Bean will be starting term as Chair of the committee.

KEY ISSUES: There is no increase from 2025 or previous Chair agreement

- \$694.50 per quarter

CONTRACT VALUE: approx. \$3,000 annually

CONTRACT TERM: 1 year

BUDGETED: Yes

BUDGET CLASSIFICATION: Professional Fees

RESPONSIBLE ADMINISTRATOR: Christopher R. Bjornberg/Carly Zamora

DATE SUBMITTED TO LEGAL: 4/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Appointment of Dr. Lisa Bean, M.D., as Medical Executive Committee Chair of OBGYN Services

**MEDICAL EXECUTIVE COMMITTEE
PROFESSIONAL SERVICES AGREEMENT**

This Medical Executive Committee Professional Services Agreement ("Agreement") is entered into and executed effective as of January 1st, 2026 ("Effective Date"), by and between Lisa Bean M.D., ("Physician"), and Imperial Valley Healthcare District, an acute care clinical facility and a local healthcare district, organized and existing pursuant to the California Health and Safety Code, Sections 32000 *et seq.* ("Hospital"). Physician and Hospital are sometimes referred to below individually as "Party" and collectively as "Parties."

RECITALS

WHEREAS, Hospital owns and operates a general acute care hospital located in Brawley, California, licensed by the State of California that has a Medical Staff governed by Medical Staff Bylaws;

WHEREAS, Physician is an Active Member of the Hospital's Medical Staff and has been elected to the Medical Executive Committee for an 12-month term;

WHEREAS, Hospital desires to enter into this Agreement to remain compliant with applicable state and federal laws;

WHEREAS, Physician desires to enter into this Agreement to provide services as the Chairperson of the Clinical Service of Medical Committee on the Medical Executive Committee thereby assisting Hospital in remaining compliant with applicable state and federal laws; and

WHEREAS, This Agreement is intended to retroactively apply to all professional services rendered by Physician beginning January 1, 2026, to present.

NOW, THEREFORE, in consideration of the promises and covenants contained in this Agreement, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

I. PROFESSIONAL DUTIES OF MEDICAL EXECUTIVE COMMITTEE MEMBER

Physician shall serve as a member of the Medical Executive Committee to assist in the operation of Hospital. As a member of the Medical Executive Committee, Physician shall provide the following services as a member of, and in conjunction with, the Medical Executive Committee (the "Services"):

1. Represent and act on behalf of the Medical Staff during the periods between Medical Staff meetings, subject to such limitations as may be imposed by the Medical Staff Bylaws;
2. Coordinate and implement the professional and organizational activities and policies of the Medical Staff;

3. Receive and act upon reports and recommendations from Medical Staff clinical services committees and assigned activity groups;
4. Recommend actions to the Hospital Board of Directors on matters of a medical-administrative nature;
5. Adopt policies regarding the structure of the Medical Staff, the mechanisms to review credentials and delineate individual clinical privileges, the criteria for privileges, the granting of individual staff memberships and privileges, the organization of quality assessment and improvement activities and mechanisms of the Medical Staff, termination of Medical Staff membership and fair hearing procedures, needed changes to Medical Staff bylaws, and other matters relevant to the operation of an organized Medical Staff;
6. Evaluate the medical care rendered to patients in the Hospital;
7. Participate in the development of all Medical Staff and hospital policy, practice, and planning;
8. Review the qualifications, credentials, performance and professional competence, and character of applicants and staff members, and make recommendations to the board of directors at least quarterly regarding staff appointments and reappointments, assignments to clinical services, clinical privileges, and corrective action;
9. Take reasonable steps to promote ethical conduct and competent clinical performance on the part of all members including the initiation of and participation in Medical Staff corrective or review measures when warranted;
10. Take reasonable steps to develop continuing education activities and programs for the Medical Staff;
11. Designate such committees as may be appropriate or necessary to assist in carrying out the duties and responsibilities of the Medical Staff and approve or reject appointments to those committees by the chief of staff;
12. Report to the Medical Staff at each regular staff meeting;
13. Assist in the obtaining and maintenance of accreditation;
14. Develop and maintain methods for the protection and care of patients and others in the event of internal or external disaster;
15. Appoint such special or ad hoc committees as may seem necessary or appropriate to assist the medical executive committee in carrying out its functions and those of the Medical Staff;
16. Review the quality and appropriateness of services provided by contract physicians;

17. Review and approve the designation of the hospital's authorized representative for National Practitioner Data Bank purposes;
18. Establish a mechanism for dispute resolution between Medical Staff members (including limited license practitioners) involving the care of a patient;
19. Implement, enforce and safeguard the self-governance rights of the Medical Staff pursuant to California Business & Professions Codes Section 2282.5;
20. Take such steps as appropriate to meet and confer in good faith to resolve any dispute with the board of directors, or any other person or entity, regarding any self-governance rights of the Medical Staff; and
21. Appoint a sub-committee to perform the functions relating to the identification and management of matters of member health.

II. COMPENSATION

1. Beginning on the thirteenth (13th) month of this Agreement, Hospital will pay Physician a flat rate of six hundred and ninety four dollars and fifty cents (\$694.50) per quarter as compensation for performance of those duties rendered as a member of the Medical Executive Committee outlined in Section I of this Agreement , such time is not expected to exceed five (5) hours per quarter Physician will submit a time log to Hospital at the end of each quarter prior to receiving compensation for performance of the Services, as set forth in **Exhibit A**.
2. Hospital will pay Physician within thirty (30) days after the completion of each quarter in which the consultative services described in Section I of this Agreement were performed.

III. TERM & TERMINATION

The term (as hereinafter defined) of this Agreement shall be Twelve (12 months) commencing on the Effective Date and ending on December 31, 2026 (the "Term"), provided that the Term (and any Term Extension) may be extended for additional two-year periods ("Term Extension") upon the mutual written agreement of the Parties. The word "Term" as used hereinafter shall mean the period of time beginning with commencement of the Term or any Term Extension and ending on the expiration date of the last Term Extension. This Agreement will terminate either (i) at the end of the Term if no Term Extension is agreed to between the Parties, or (ii) on the effective date on which Physician is removed, or resigns, from the Medical Executive Committee before expiration of the Term.

IV. GENERAL PROVISIONS

1. Independent Contractor. Physician is engaged as an independent contractor with Hospital in performing all consultative services and assistance under this Agreement. The Parties expressly agree that no work, act, commission, or omission of Physician pursuant to the terms and

conditions of this Agreement shall be construed to make or render Physician the agent or servant of Hospital. Physician shall not be entitled to receive vacation pay, sick leave, retirement benefits, social security, workers' compensation, disability, or unemployment insurance or any other employee or pension benefit of any kind.

2. Anti-Kickback Law. Each Party represents that the terms of this Agreement are consistent with fair market value in arms-length transactions and are not determined in a manner that takes into account the volume or value of any referrals or business otherwise generated between the Parties for which payment may be made in whole or in part under Medicare, Medicaid or Federal health care programs. Each Party also represents that the aggregate consultative services contracted for under this Agreement do not exceed those which are reasonably necessary to accomplish the commercially reasonable business purpose of the provision of consultative services as a member of the Medical Executive Committee.

C.E.O. _____ (Initial) _____ (Physician Initial)

3. No Direct Contact with Patients. Each Party represents that none of the duties outlined in Section I of this Agreement involve direct clinical intervention with Hospital patients.

4. Entire Agreement. This Agreement and all agreements and documents therein executed contemporaneously herewith, embody the entire agreement between the Parties hereto and supersede all other previous agreement and understandings, written or oral, between the Parties hereto with respect to the subject matter of this Agreement.

5. Mandatory Non-Binding Mediation. Both Parties agree to attempt to settle any disputes stemming from this Agreement through non-binding mediation by the American Arbitration Association ("AAA") under its Commercial Mediation Rules prior to resorting to litigation. Mediation may be initiated by either Party by filing with the AAA a Demand for Mediation together with the appropriate filing fee. The Demand for Mediation must be made within a reasonable time from the date the claim, dispute or controversy arose but in no event, later than the date legal proceedings would be barred by the applicable statute of limitations. The Parties agree to utilize a single mediator appointed by the AAA pursuant to its Commercial Mediation Rules. Upon the initiation of mediation with AAA, both Parties agree to equally share the filing fee, mediator's expense and any additional administrative fees charged by the AAA. Each Party shall be responsible for their own attorneys' fees and costs incurred with respect to said mediation. The mediator shall fix the date and time of the mediation session. The mediation process and conference shall remain confidential and privileged and will be governed by the Commercial AAA's Mediation Rules.

6. Choice of Law and Venue. This Agreement shall be governed by and construed, interpreted and enforced in according with the laws of the State of California. The venue for any legal proceeding relating to or arising out of this Agreement shall be the County of Imperial, State of California.

7. Waiver of Jury Trial. If the Parties are unable to resolve the dispute(s) through the mediation

process set forth in Section 2 above, then either Party shall be entitled to initiate litigation against the other Party or any potential non-party to the mediation process. HOWEVER, HOSPITAL AND PHYSICIAN HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY LAW, ALL RIGHTS TO TRIAL BY JURY IN ANY ACTION, PROCEEDING, OR COUNTERCLAIM RELATING TO THIS AGREEMENT OR THE SERVICES.

8. Section Headings. The headings contained in the Agreement are for reference purposes only and shall not affect, in any way, the meaning or interpretation of the Agreement.

9. Confidentiality. Unless required by law, the Parties agree to maintain confidential the terms and conditions of this Agreement and not to disclose any of its terms and conditions to any third party without the prior written consent of the other Party. Further, Physician will comply with all confidentiality laws and requirements, including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") and California Civil Code Section 56.10 *et. seq.* as applicable.

10. Notice. Any and all notices, including change of the following addresses, required to be given pursuant to the terms of this Agreement may be given personally or by registered or certified mail, return receipt requested, addressed to Hospital or Physician at the following addresses:

TO HOSPITAL:
Imperial Valley Healthcare District
207 West Legion Road
Brawley, California 92227
Attention: Hospital C.E.O.

TO PHYSICIAN:

Lisa Bean, MD

11. No Payment After Termination. After termination of this agreement. Physician understands that there will be no further payment made for the services which are the subject of this Agreement until Physician has executed a new agreement.

12. Written Amendments/Waivers. No revision or amendment to this Agreement shall be valid unless such revision or amendment is in writing and executed by all Parties.

13. Non-Waiver of Rights. The failure by any Party to enforce at any time any of the provisions of this Agreement, or any rights with respect thereto, or to exercise any election herein provided,

shall in no way affect the validity of this Agreement. The exercise by any Party of any rights or elections under the terms or conditions of this Agreement shall not preclude or prejudice any Party from exercising the same or any other it may have under this Agreement, regardless of any previous action or proceeding taken by the Parties.

14. Severability. If any provision of this Agreement shall be deemed invalid, illegal, or unenforceable by a court of appropriate jurisdiction, then such invalid, illegal, or unenforceable provision shall be deemed deleted from this Agreement. All remaining provisions of the Agreement shall be deemed to be in full force and effect.

15. Construction. The Parties acknowledge that they and their respective legal counsel have had the opportunity to carefully review this Agreement and participate equally in the drafting of this Agreement. In the event of a dispute, no Party shall be treated, for any purpose, as the author of this Agreement nor have any ambiguity resolved against it on account thereof.

16. Assignment of Contract. Neither Party to this Agreement may assign, subcontract, or transfer any of its rights or obligations under this Agreement to a third party without the prior written consent of the other Party.

17. Counterpart Signature. This Agreement may be executed in one or more counterparts (facsimile transmission, email or otherwise), each of which counterparts shall be deemed an original Agreement and all of which shall constitute but one Agreement.

18. Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

19. Other Agreements Between Physician and Hospital. Hospital and Physician may enter, or may have entered, into other agreements for services such as Emergency Room On-Call, Directorship, or Supervisory Services agreements. Such agreements are maintained in an online contracts management system, MediTract, and will be made available to any State or Federal entity that require access to such contracts.

IN WITNESS WHEREOF, Hospital and Physician have caused this Agreement to be fully executed and effective as of the date first set forth above.

HOSPITAL:
IMPERIAL VALLEY HEALTHCARE DISTRICT

By: _____ Date _____
Christopher R. Bjornberg

Chief Executive Officer

PHYSICIAN:

By: _____ Date _____
Dr. Lisa Bean

EXHIBIT A

INVOICE FORM

The following Services were provided by [_____], M.D (“Physician”) during the quarter of _____, 202__ to _____, 202__. Physician acknowledges and certifies that he is providing these Services pursuant to that certain MEC Professional Services Agreement by and between Imperial Valley Healthcare District, and Physician executed as of _____, 202__.

(Use as many sheets as necessary)

Physician acknowledges that he/she is not to exceed five (5) hours per quarter for Services.

<u>Date</u>	<u>Description of Professional Services Provided</u>	<u>Number of Hours</u>
Total Hours (maximum of 5 per quarter)		
= Total Compensation (\$694.50 per quarter)		\$694.50

I hereby certify the above statement to the best of my knowledge and belief; it is a true and complete statement.

Print Name

Signature

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May 28, 2026

SUBJECT:

Review and authorize property insurance coverage provided through broker, Alliant Insurance Services, Inc. (“Alliant”). Property insurance includes coverage for Property, Boiler & Machinery, Commercial Cyber Liability and Pollution.

BACKGROUND:

Pioneers Memorial Healthcare District, *now doing business as Imperial Valley Healthcare District (IVHD)*, has purchased coverage for Property, Boiler & Machinery, Commercial Cyber Liability and Pollution through the services of Alliant for many years. Alliant does extensive research and review of the Market to provide the most competitive and strongest policies. Like last coverage year, Alliant provided the bundle pricing to include Earthquake coverage through the same policy. (“Not to Exceed” premiums have been provided for 2026-27 coverage year.)

KEY ISSUES:

	<u>2026-27</u>	<u>2025-26</u>
Total Insured Values (Property):	\$310,510,151	\$295,104,604

CONTRACT VALUE: **Not to exceed \$985,368.90**
(Earthquake coverage premium consists of 41% or \$404,001.25 of premium)

CONTRACT TERM: One Year Agreement (July 1, 2026 – June 30, 2027)

BUDGETED: Yes

BUDGET CLASSIFICATION: Insurance

RESPONSIBLE ADMINISTRATOR: Carly Loper, CFO

DATE SUBMITTED TO LEGAL: 5-21-2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ATION:

That the Board reviews and authorizes property insurance coverage provided through broker, Alliant Insurance Services, Inc. (“Alliant”), as outlined.

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May 28, 2026

SUBJECT:

Authorize the renewal of Healthcare Entity Comprehensive Liability (HCL) Coverage, Directors & Officers Liability Coverage and Automobile Coverage with BETA Risk Management Authority (“BETARMA”).

BACKGROUND:

Pioneers Memorial Healthcare District, *now doing business as Imperial Valley Healthcare District (IVHD)*, has purchased its general liability, malpractice, excess liability, directors & officer’s liability, and auto liability coverage through BETARMA since the inception of the Program. For the 2026/2027 contract year, BETA provided **preliminary** rates for the annual contributions as shown below.

KEY ISSUES:

	<u>2026/2027 rate</u>	<u>2025/2026 rate</u>
Auto	\$26,353	\$24,026
D&O	\$537,293	\$429,834
HCL	\$1,613,513	\$1,486,886

*HCL (combined for hospital, ER group and hospitalists group)

CONTRACT VALUE: estimated \$2,177,159 annual contribution

CONTRACT TERM: One Year Term (July 1, 2026 – June 30, 2027)

BUDGETED: Yes

BUDGET CLASSIFICATION: Liability Insurance

RESPONSIBLE ADMINISTRATOR: Carly Loper, CFO

DATE SUBMITTED TO LEGAL: 5-21-2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION:

That the Board authorizes the renewal of Healthcare Entity Comprehensive Liability (HCL) Coverage, Directors & Officers Liability Coverage and Automobile Coverage with BETA Risk Management Authority (“BETARMA”), as outlined.

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May 28, 2026

SUBJECT:

Authorize the renewal of Workers' Compensation Coverage with BETA Risk Management Authority ("BETARMA") for coverage in the State of California.

BACKGROUND:

Pioneers Memorial Healthcare District, *now doing business as Imperial Valley Healthcare District (IVHD)*, has purchased its Workers' Compensation coverage through BETARMA since the inception of the Program. The Workers' Compensation proposal for the 2026/2027 coverage year also includes the skilled nursing facility, Pioneers Memorial Skilled Nursing Center.

KEY ISSUES:

Employers Liability:

Bodily Injury by Accident	\$2,000,000	Each Accident
Bodily Injury by Disease	\$2,000,000	Policy Limit
Bodily Injury by Disease	\$2,000,000	Each Employee

CONTRACT VALUE: \$2,051,049 annual contribution (to be paid in monthly installments)

CONTRACT TERM: One Year Term (July 1, 2026 – June 30, 2027)

BUDGETED: Yes

BUDGET CLASSIFICATION: Workers' Compensation Insurance

RESPONSIBLE ADMINISTRATOR: Carly Loper, CFO

DATE SUBMITTED TO LEGAL: 5-21-2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION:

That the Board authorizes the renewal of Workers' Compensation Coverage with BETA Risk Management Authority ("BETARMA") for coverage in the State of California, as outlined.



RENEWAL QUOTE FOR

Imperial Valley Healthcare District

Date May 20, 2026

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BETA Healthcare Group

Our Expertise, Your Peace of Mind

BETA Healthcare Group has a long established and growing commitment to healthcare — it's all we do. As the largest professional liability insurer of hospitals on the West Coast providing liability and workers' compensation coverages, we offer solutions that combine distinctive product features, sophisticated underwriting, competitive pricing, and responsive claims and risk management services to meet an organization's needs as they grow and change.

Why BETA?

- Comprehensive suite of coverages designed for healthcare
- Innovative, sustainable patient and employee safety programs
- Expert, empathic, and responsive claims management
- Member designed and governed organization

Workers' Compensation And Employer's Liability Renewal Quote

May 21, 2026
Named Member: Imperial Valley Healthcare District

COVERAGE INFORMATION AND RENEWAL QUOTE TERMS

<i>Issuing Company</i>	BETA Risk Management Authority (BETA _{ARMA}); A.M. Best Company rating: A (Excellent); FSC VIII
<i>Coverage Type</i>	Workers' Compensation
<i>Transaction Type</i>	Renewal
<i>Estimated Annual Payroll</i>	\$71,417,567
<i>Estimated Annual Contribution</i>	\$2,051,049
<i>Contract Period</i>	July 01, 2026 at 12:01 a.m. to July 01, 2027 at 12:01 a.m.
<i>Payment Plan</i>	Monthly Installments

COVERAGE INFORMATION

Workers' Compensation California

EMPLOYERS LIABILITY

<i>Bodily Injury by Accident</i>	\$2,000,000 Each Accident
<i>Bodily Injury by Disease</i>	\$2,000,000 Policy Limit
<i>Bodily Injury by Disease</i>	\$2,000,000 Each Employee

DEDUCTIBLE/SELF INSURED RETENTION

<i>Deductible</i>	Nil
<i>Self Insured Retention</i>	Nil

REQUIRED INFORMATION TO BIND COVERAGE

- Written order to bind received by BETA_{ARMA} before July 1, 2026

DEPOSIT REQUIREMENT *(see Deposit Invoice)*

Deposit	\$0
Monthly Installment	\$170,920.75
Total	\$170,920.75

Please mail payments to:
BETA Healthcare Group
P.O. Box 500030
San Diego, CA 92150-0030

Please send ACH payments to:
Bank: **Zions Bancorporation, DBA California Bank & Trust**
Account name: **BETA Healthcare Group** Routing Number: **122232109**
Account number: **5801246801** Account type: **Checking**

Thank you for the opportunity to provide you this quote. This quote is based on the rating and underwriting information provided to date and can be subject to additional underwriting, pricing or rating considerations. Please note that contributions, fees and class code eligibility are subject to change based on a complete underwriting process. If coverage is bound, the policy will be subject to audit.

This quote may also be subject to a safety survey and compliance with its recommendations.

Quote is valid only through effective date noted above.

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Workers' Compensation And Employer's Liability Renewal Quote

ANNUALIZED RATE DEVELOPMENT

State	Class Code	Description	Annual Estimated Payroll	Base Rate	Estimated Standard Contribution	Net Rate	Estimated Annual Contribution
CA	8834	Physicians Practices and Outpatient Clinics-all employees-including Clerical Office Employees and Clerical Telecommuter Employees	\$3,420,901	\$1.38	\$47,208	\$1.58	\$54,156
CA	9043	Hospitals-all employees-including Clerical Office Employees, Clerical Telecommuter Employees and Outside Salespersons	\$67,996,666	\$2.56	\$1,740,715	\$0.08	\$1,996,893
TOTAL			\$71,417,567		\$1,787,923		\$2,051,049

CA CONTRIBUTION DEVELOPMENT Rating Period 07/01/2026 - 07/01/2027

Description	Contribution
Standard Contribution	\$1,787,923
Experience Modification	2.14
	\$2,038,232
Modified Contribution	\$3,826,155
Contribution Adjustment *	(0.464)
Timely Reporting 2% Discount - Earned	Yes
	(\$1,775,106)
Subject Contribution	\$2,051,049
California Insurance Guarantee Association	Not Applicable
Workers' Compensation Administrative Revolving Fund	1.4958
	\$30,680
Uninsured Employers Benefits Trust Fund	0.0956
	\$1,961
Subsequent Injuries Trust Fund	2.0428
	\$41,899
Occupational Safety and Health Fund	0.5678
	\$11,645
Labor Enforcement and Compliance Fund	0.5301
	\$10,873
Workers' Compensation Fraud Account	0.4590
	\$9,415
Reverse Surcharges	
	(\$106,473)
ESTIMATED ANNUAL CONTRIBUTION TOTAL	\$2,051,049

WC Dividends

Annual WC Dividend \$0

Dividend and Installment Information located on next page

Net WC Program Cost \$2,051,049

CARE Fund \$9,600

**Net Rate and Contribution Adjustment factors may be rounded*

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Workers' Compensation And Employer's Liability Renewal Quote

Annual WC Dividend: **N/A**

The July 1, 2026 renewal marks another year that BETA_{RMA} has returned dividends to its membership. The above referenced dividend amount is based on each Workers' Compensation (WC) member's contribution to the financial performance of BETA_{RMA}'s WC line of coverage dating back to when the member first joined the program. Years of membership and claims results relative to paid contributions determine the percentage allocation that each member receives from the annual dividend pool. If a member does not receive a dividend as noted by \$0 above, that means the member's loss ratio (incurred claims costs/contributions) is too high to qualify for this year's dividend or the member is new to BETA_{RMA} and is not eligible to receive a dividend this year.

Dividend Installments: The 2026 dividends listed above will be paid in two installments on October 1, 2026 and on April 1, 2027. For the Annual Dividend, each installment is contingent upon the named member renewing the Workers' Compensation (WC) coverage with BETA_{RMA} on July 1, 2026 and maintaining the coverage contract at the time a dividend payment is made.

CARE Program 2026/2027 estimate: **\$9,600**

BETA Risk Management Authority (BETA_{RMA}) will continue its CARE Program; Commitment - Accountability - Responsibility - Engagement during the 2026 Contract Year. The CARE program is designed to help our members improve their overall employee safety exposures, controls and performance through a reimbursement process aimed specifically at the most frequent causes of employee injuries within their organization. On an annual basis, your Risk Management and Employee Safety Consultant will partner with you to create a customized Service Plan that will help to maximize the benefit of your CARE Fund use.

Timely Reporting: To be eligible to receive the Timely Reporting credit, the median lag time for reporting claims to BETA during the previous calendar year is three (3) days or fewer.

BETA's Employee Safety and Wellness Initiative focuses on eight key loss prevention areas, or domains: Ergonomics, Fleet Safety and Mobile Ergonomics, Manual Material Handling, Stay at Work/Return to Work, Safe Patient Handling and Mobility, Slip, Trip and Fall Prevention, Worker Health and Well-Being, and Workplace Violence Prevention. Best practice strategies, outlined in the Employee Safety and Wellness Initiative Guideline, serve as the basis of BETA's incentive program designed to keep the workforce safe. In addition to promoting safe and responsible behavior, the initiative offers a significant return on investment which may favorably impact your experience modification (Ex-Mod) factor.

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Workers' Compensation And Employer's Liability Renewal Quote

CONTRIBUTION AND BILLING

Policy Minimum Contribution 40% of bound Estimated Annual Contribution
Due at Binding Deposit: \$0 (see deposit invoice)
First Installment: \$170,920.75
Total amount due: \$170,920.75

<i>Proposed Billing Schedule</i>	<i>Due Date:</i>	<i>Amount:</i>
	07/01/2026	\$170,920.75
	08/01/2026	\$170,920.75
	09/01/2026	\$170,920.75
	10/01/2026	\$170,920.75
	11/01/2026	\$170,920.75
	12/01/2026	\$170,920.75
	01/01/2027	\$170,920.75
	02/01/2027	\$170,920.75
	03/01/2027	\$170,920.75
	04/01/2027	\$170,920.75
	05/01/2027	\$170,920.75
	06/01/2027	\$170,920.75

Note Monthly Contributions are due on the 1st of the month

General Conditions Acceptance of coverage is demonstrated through a written order to bind coverage and BETA_{ARMA}'S receipt of the first installment by July 15, 2026. If the 1st installment and any applicable deposit are not received by the due date, it will be assumed that our offer of coverage was not accepted and any coverage in place may be cancelled by us.

Coverage does not include volunteers. If you would like a quote through our Volunteer Insurance Program, please contact us directly.

Coverage does not include employees who reside outside of the State of California. If you have employees permanently residing outside of the State of California and would like a quote for coverage, please contact us directly.

Blanket Waivers of Subrogation are included at no additional cost. If you require a Specific Waiver of Subrogation, please contact us directly. Specific Waivers of Subrogation will be provided at no additional cost.

By accepting the terms of this quote, you also agree to the following:

- Comply with BETA_{ARMA} Employee Safety to develop a Service Plan and execute as agreed.
- Provide all relevant data related to the underwriting and claims administration on an as needed basis.
- Provide quarterly IRS 941 Forms and quarterly Productive Hours Form within 45 days post quarter close.

BETA_{ARMA} reserves the right to re-rate based on a material change in projected exposure.

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IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May 2026

SUBJECT: Co-Applicant Documents for the Imperial Valley Health Centers

BACKGROUND: IVHD administration collectively with ECRMC administration began working on a project to establish a FQHC Look-alike (LAL) clinic. An FQHC LAL clinic requires the clinic to be compliant with all HRSA FQHC requirements for a minimum of six month prior to applying for HRSA FQHC LAL status.

KEY ISSUES: Documents for review

- Imperial Valley Health Centers Co-Applicant Board Bylaws
- Co-Applicant Agreement

CONTRACT VALUE: Not applicable

CONTRACT TERM: Not Applicable

BUDGETED: Not Applicable

BUDGET CLASSIFICATION: Clinics

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Christoper R. Bjornberg

DATE SUBMITTED TO LEGAL: 05/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Information Only

CO-APPLICANT AGREEMENT

This Co-Applicant Agreement (“Agreement”) is entered into by and between Imperial Valley Healthcare District (“IVHD”), a California healthcare district and Imperial Valley Health Centers Co-Applicant Board (“Health Center Board”), (hereinafter collectively referred to as “the Parties”), to codify the mutual understandings and agreements regarding the Parties’ collaborative operation and governance of a federally qualified health center (“FQHC”).

WHEREAS, IVHD is a California healthcare district that operates a health care system that includes, among other things, an ambulatory health center (the “Clinic”) that provides comprehensive primary and preventive health care and related services to medically underserved communities of Imperial County.

WHEREAS, IVHD is a public entity seeking designation of the Clinic as a federally qualified health center (“FQHC”) and federal grant funding pursuant to Section 330 of the Public Health Service Act, 42 U.S.C. §254b (“Section 330”), a program administered by the Health Resources and Services Administration (“HRSA”) within the United States Department of Health and Human Services (“DHHS”); and

WHEREAS, Health Center Board meets the board composition requirements of Section 330 and which will provide the required community-based governance for the Health Center, as defined below; and

WHEREAS, to promote the provision of comprehensive preventive and primary health services (including essential ancillary and enabling services) to medically underserved residents of Imperial County, regardless of the individual or families’ ability to pay, the Parties have agreed that the IVHD will apply to HRSA for Section 330 funding as a public entity and Health Center Board will operate as the “Co-Applicant” governing board, consistent with the requirements of Section 330, the law’s implementing regulations and the Program Expectations and policies of HRSA; and

WHEREAS, consistent with applicable Federal policies regarding public health centers, the Section 330-supported FQHC project to be operated by the IVHD in conjunction with the Health Center Board will collectively comprise the “Health Center”; and

WHEREAS, the Parties wish to set forth in this Agreement their respective responsibilities with respect to the governance and operation of the Health Center in accordance with applicable federal statutes, regulations and policies.

NOW THEREFORE, IVHD and Health Center Board agree as follows with respect to their responsibilities for the Health Center, provided that the effectiveness of this Agreement is contingent upon the award by HRSA of a Section 330 grant pursuant to the co-application submitted by the Parties:

1. Health Center Board's Role

1.1 Composition of Health Center Board. As set forth in Board's Bylaws, the composition of Health Center Board shall comply with the governing board composition and selection requirements of Section 330 and implementing regulations.

1.2 Governance Authorities and Responsibilities. Health Center Board shall exercise the following authorities and responsibilities of a Co-Applicant as set forth in Section 330, implementing regulations and policies. These authorities and responsibilities include:

(a) Establishing, adopting, and periodically updating the Health Center's health care policies, selection of services, including the scope and availability of services, location and hours of operation, and quality-of-care audit procedures;

(b) Final approval of the Health Center's annual operating and capital budgets, with the overall plan and budget prepared by IVHD with the Board's involvement, subject to the concurrence of IVHD as described in Section 2.1(a) of this Agreement;

(c) Selecting, annually evaluating, and dismissing of the Health Center's Executive Director, as more specifically addressed in Section 1.3 of this Agreement;

(d) Evaluating the Health Center's activities, including service utilization patterns, productivity, patient satisfaction, achievement of program objectives, and development of a process for hearing and resolving patient complaints;

(e) Approving the annual Section 330 grant application and related grant applications for the Health Center;

(f) In conjunction with IVHD as described in Section 2.1(e), assuring that the Health Center is operated in compliance with applicable Federal, State and local laws and regulations. Health Center Board shall provide IVHD with periodic reports regarding the Health Center's legal and regulatory compliance program. On at least an annual basis, the Board shall evaluate the Health Center's compliance activities and recommend, as necessary, the revision, restructuring, or updating of the Health Center's compliance program;

(g) Evaluating the Health Center's achievements at least annually and utilizing the knowledge gained thereby to revise the Health Center's goals, objectives, plan and budget as necessary and appropriate, including providing recommendations regarding the revision of the Health Center's goals, objectives and strategic plan;

(h) Evaluating itself periodically for efficiency, effectiveness, and compliance with all requirements imposed upon community health centers, as set forth in Section 330 of the Public Health Service Act, 42 U.S.C. §254b; and

(i) All other authorities and responsibilities except those specified in Section 2.1 of this Agreement, which are required by Section 330 and implementing regulations and policies to be vested in a Section 330-compliant governing board.

1.3 Selection, Evaluation, Dismissal and Duties of the Executive Director.

(a) Selection. IVHD and the Health Center Board shall be responsible for developing a position description for the Health Center Executive Director position. Except for the initial Executive Director appointed by IVHD and the Health Center Board, any subsequent or replacement Executive Director shall be selected by a nomination/search process which shall specifically include the formation by the Board of a search committee composed of representatives of the Health Center Board and IVHD, which will (i) review the qualifications and references of potential candidates, (ii) conduct initial interviews, and (iii) ultimately present a slate of no more than three mutually agreeable candidates to the Health Center Board for consideration. Either the Health Center Board or IVHD may propose candidates for the Executive Director position. The Health Center Board will interview each of the final candidates and select its choice for Executive Director. This selection shall be reported to the appropriate contact at IVHD who will then undertake such actions as necessary to hire the selected Executive Director as an employee of IVHD.

(b) Evaluation. The Executive Committee of the Health Center Board will meet annually to review the Executive Director performance. The report of the annual review shall be submitted to the full board of Director's for approval and to IVHD.

(c) Dismissal. The Health Center Board and IVHD will form a committee to develop and establish objective criteria for guiding a determination to dismiss the Executive Director from the position at the Health Center. These criteria will be submitted to the full Board for final approval and adoption. Any recommendation to dismiss, whether emanating from the Board or IVHD will require a documented determination by the Executive Committee of the Board that dismissal is warranted, based on the dismissal criteria adopted by the Board pursuant to this Section 1.3 of this Agreement. The Executive Committee shall submit its dismissal determination to the full Board for final approval. If the Board agrees, it will notify the appropriate contact at IVHD of such dismissal determination, and IVHD will take such actions as appropriate to effectuate such dismissal of the Executive Director from the Health Center position. IVHD will make any final decision as to whether to terminate its employment relationship with the dismissed Executive Director or reassign such individual to another position within IVHD.

(d) Duties. The Executive Director will be the chief executive of the Health Center and shall have responsibility for the general care, management, supervision, and direction of the Health Center's affairs in furtherance of applicable policies, procedures and programs established by the Health Center Board and IVHD. The Executive Director shall have the authority to employ, supervise, and discharge all Health Center staff personnel in accordance with applicable law, personnel policies and collective bargaining agreements. The Executive Director shall also have the authority to negotiate, execute and administer all contracts for goods and services as required for the operation of the Health Center, subject to the laws and

policies applicable to IVHD's procurement and purchasing, the budget approved for the Health Center, and the laws and policies applicable to IVHD administration of contracts.

1.4. Strategic Planning. On an annual basis in conjunction with, and subject to the concurrence of IVHD, as described in Section 2.2(g) of this Agreement, the Board shall conduct a strategic planning process based on (i) an assessment of the health care needs of the community served by the Health Center, (ii) the scope and capacity of other health care providers in the community, (iii) the resources available to the Health Center; and (iv) any policy changes that may be required to comply with such strategic plan.

2. IVHD's Role

2.1 Governance Authorities and Responsibilities. IVHD shall exercise certain responsibilities and authorities with respect to the Health Center. These authorities and responsibilities include:

(a) Approving, prior to submission to the Health Center Board for final approval pursuant to Section 1.2(a) of this Agreement, the Health Center's annual operating and capital budgets;

(b) Developing, adopting, and periodically updating policies for financial management practices, including a system to assure accountability for Health Center resources, provision of an annual audit, and long-range financial planning, in consultation with the Health Center Board;

(c) Subject to Section 1.3 of this Agreement regarding the Executive Director, developing, adopting, and periodically updating personnel policies and procedures which shall be applicable to all of the IVHD employees who are assigned to the Health Center, which policies and procedures shall set forth selection and dismissal procedures, salary and benefit scales and employee grievance procedures, and which shall meet all federal employment requirements including, but not limited to, equal employment opportunity, drug free workplace, and non-discrimination;

(d) Consistent with the provisions of Section 1.2(d) of this Agreement, developing and approving policies for billing and collection activities (including a policy for waiving or reducing fees), including a policy regarding determinations of eligibility for services, a schedule of charges, and a schedule of discounts off charges for services provided to uninsured and underinsured patients with annual incomes at or below 200% of the federal poverty level, and nominal fee policy for uninsured and underinsured patients with incomes less than or equal to 100% of the federal poverty level;

(e) In conjunction with the Health Center Board as described in Section 1.2(f) of this Agreement, assuring that the Health Center is operated in compliance with applicable Federal, State and local laws and regulations; and

2.2 Operational Responsibilities. IVHD shall have responsibility for the following operational responsibilities. Such operational responsibilities shall include but not be limited to:

(a) Applying for and maintaining all licenses, permits, certifications, and approvals necessary and appropriate for the operation of the Health Center;

(b) Receiving, managing and disbursing Section 330 grant funds and other Health Center revenues (including all funds received for services provided and all income otherwise generated by the Health Center, including fees, premiums, third-party reimbursements and other State and local operational funding (“Program Income”) consistent with the Health Center’s budget approved in accordance with this Agreement and only used for the Health Center program. IVHD shall not be required to disburse funds for any expenditure not authorized by a budget approved in accordance with this Agreement. IVHD shall seek and obtain Health Center Board prior written approval before implementing any material change in the Health Center’s approved budget. Health Center funds will be accounted for in an individual fund separate from general IVHD funds.

(c) Through, and under the direction of, the Health Center’s Executive Director, managing the day-to-day business affairs of the Health Center, includes, but not limited to:

(i) Directly employing or contracting for all necessary health care, managerial and administrative personnel as necessary to assure the provision of high-quality health care services to Health Center patients and otherwise ensure the effective and efficient operation of the Health Center; Clinicians hired by IVHD shall meet the credentialing and privileging requirements established for the Health Center; and

(ii) Managing and evaluating all Health Center staff and addressing all related employment matters, including providing for the removal and replacement of any and all Health Center staff, in accordance with applicable personnel policies.

(d) Developing and establishing management and internal control systems for the Health Center as are necessary to comply with Section 330 requirements and that are in accordance with sound financial management procedures, including:

(i) Maintaining a separate cost center for the Health Center within IVHD so that Health Center costs may be properly allocated and Health Center revenues may be properly disbursed;

(ii) Providing for an annual audit of the Health Center to determine, at a minimum, the fiscal integrity of financial transactions and reports and compliance with the terms of Section 330. The audit report will be submitted to the Health Center Board for its review. The audit report will provide an opinion on the scope of the audit, the fairness of the Health Center’s financial statements, and an evaluation of internal auditing controls;

(iii) Establishing billing and collection systems pursuant to which IVHD shall make every reasonable effort to bill and collect payment from patients in accordance with the fee schedule and schedule of discounts established in accordance with 42 C.F.R. § 51c.303 and other billing and collection policies developed in conjunction with the Board, as well as which make reasonable efforts to bill and collect payments from public and private third-party payors;

(iv) Implementing accounting procedures and controls in accordance with generally accepted accounting principles utilized in operating the Health Center, as well as the systems for the development, preparation, and safekeeping of records and books of account relating to the business and financial affairs of the Health Center; and

(v) Preparing and submitting cost reports, supporting data, and other materials required in connection with reimbursement under Medicare, Medicaid, and other third-party payment contracts and programs, in which the Health Center may from time to time participate.

(e) Preparing monthly Health Center financial reports for the Health Center Board, and maintaining and providing any other reports reasonably requested by the Board in order to enable the Health Center Board, as Co-Applicant, to fulfill its responsibilities for the Health Center.

(f) Billing and collection of payments for services rendered to individuals who are: (1) eligible for Federal, State or local public assistance; (2) eligible for payment by private third-party payors and (3) underinsured or uninsured and whose earnings fit the low-income criteria; and

(g) In conjunction with the Health Center Board, as described in Section 1.4 of this Agreement, developing and adopting an annual strategic plan.

(h) Unless otherwise stated in this Agreement, establishment of the Health Center's operational, management, and patient care policies including but not limited to policies related to:

(i) enforcement of standards mandated by State law, regulation or administrative guidance;

(ii) appointment and evaluation of medical and the assignment of staff privileges;

(iii) the maintenance of all equipment in safe and working order;

(iv) the maintenance and security of the Health Center;

(v) maintenance and security of medical records;

- (vi) incident reporting; and
- (vii) approval of written contracts and agreements.

3. Mutual Obligations

3.1. Liaisons. The Health Center's Executive Director (on behalf of Health Center Board) and IVHD's CEO or his or her designee (on behalf of IVHD) shall coordinate the Parties' efforts to meet their respective obligations under this Agreement and shall cooperate to communicate and to facilitate resolution of any issues between the Parties. Each shall be reasonably accessible and available for consultations regarding day-to-day operations of the Health Center; when requested, for meetings of the Parties' respective governing boards; and otherwise as is reasonably necessary.

3.2. FQHC Look-Alike Benefits and Cost Reimbursement. The Parties agree that the Section 330 grant funds and Health Center-related Program Income that may be generated by the Health Center shall be utilized to cover the costs and expenses that are incurred by the Health Center Program Project and be distributed to the Health Center Program project. Examples include but not limited to: FQHC Look Alike ("LAL") payments, 340B drug pricing.

3.3. Quality Assurance. The Health Center Board shall evaluate all quality assurance programs, clinical protocols, and medical standards developed and recommended by the Health Center's staff. Quality assurance reports shall be shared periodically between the Board and IVHD. The Executive Director shall, as appropriate, report to the Health Center Board on matters concerning the quality of the medical services provided through the Health Center.

3.4. Third Party Affiliations. Neither Party shall execute a merger, consolidation, or major structural or contractual affiliation with a third party affecting the Health Center without the prior written consent of the other Party. Provided, however, that to the extent the Health Center is required to establish appropriate collaboration arrangements with other local providers, neither Party shall unreasonably withhold its consent.

3.5. Public Health Emergencies. The Parties agree to collaborate regarding developing policies and protocols for the use of the Health Center's personnel and/or other resources in responding to public health emergencies or crises. As an element of this collaboration, IVHD will keep the Health Center Board informed regarding the county's emergency preparedness planning and related counties' budgetary processes for addressing such emergencies.

3.6 Record Keeping and Reporting

(a) Each Party shall maintain records, reports, supporting documents and all other relevant books, papers and other documents so as to enable the Parties to meet all Health Center-related reporting requirements, including the preparation of the financial status report ("FSR"), as well as other reports pertaining to the operation of the Health Center. Records shall be maintained for a period of four (4) years from the date this Agreement expires or is terminated. If an audit, litigation, or other action involving the records is started before the

end of the four (4) year period, the Parties agree to maintain the records until the end of the four (4) year period or until the audit, litigation, or other action is completed, whichever is later. The Parties shall make available to each other, DHHS and the Comptroller General of the United States, or any of their duly authorized representatives, upon appropriate notice, such financial systems, records, reports, books, documents, and papers as may be necessary for audit, examination, excerpt, transcription, and copy purposes, for as long as such systems, records, reports, books, documents, and papers are retained;

(b) Confidentiality. Subject to IVHD's obligations, if any, to make public its records in accordance with applicable State law, the Parties agree that all information, records, data, and data elements collected and maintained for the administration of this Agreement (in any form, including, but not limited to, written, oral, or contained on video tapes, audio tapes or computer diskettes or flash drives) shall be treated as confidential and proprietary information. Accordingly, each Party shall take all reasonable precautions to protect such information from unauthorized disclosure; however, nothing contained herein shall be construed to prohibit any Federal or other appropriate official from obtaining, reviewing, and auditing any information, record, data, and data element to which (s)he is lawfully entitled. The Parties (and their directors, officers, employees, agents, and contractors) shall maintain the privacy and confidentiality of all protected health information ("PHI") of the patients receiving care provided by the Health Center, in accordance with all applicable State and Federal laws and regulations, including the Health Insurance Portability and Accountability Act ("HIPAA");

(c) Medical Records. The Parties agree that IVHD, as the licensed operator of the Health Center, shall retain ownership of all medical records established and maintained relating to diagnosis and treatment of patients served through the Health Center.

3.7 Insurance. Subject to any applicable sovereign immunity exemption which may be invoked by IVHD under Section 3.7(g), IVHD shall procure and maintain (including the Health Center) such insurance policies, as may be applicable, for general liability, fidelity bonding and other insurance as may be customarily maintained, in the judgment of each Party, to insure such Party and its directors, officers, trustees, agents and employees against any liability or claims for damages arising by reason of any loss resulting from the negligence, fraud, or dishonesty of such Party and its directors, officers, trustees, agents and employees in connection with the performance of that Party's responsibilities under this Agreement. At a minimum, such insurance shall include:

(a) Professional Liability Insurance. Subject to any applicable sovereign immunity exemption which may be invoked by IVHD, IVHD shall ensure that the Health Center's health care practitioners secure and maintain, or cause to be secured and maintained, in full force and effect during the term of this Agreement, policies of professional liability (malpractice, errors, and omissions) insurance providing coverage in amounts consistent with prevailing standards or as agreed upon by the Parties against professional liabilities which may occur as a result of services provided by the Health Center under this Agreement. To the extent permitted by Federal law, in lieu of the professional liability insurance coverage specified, the Parties agree to apply for and secure, when applicable on behalf of the Health

Center, Health Center Board and all personnel employed (and, in certain circumstances, contracted) to provide services on behalf of the Health Center, Federal Tort Claims Act (FTCA) coverage for professional liability actions, claims, or proceedings arising out of any and all negligent acts or omissions committed in the course of providing health services through the Health Center to Health Center patients.

(b) Workers' Compensation Insurance. Subject to any applicable sovereign immunity exemption which may be invoked by IVHD, IVHD shall maintain, throughout the term of this Agreement, worker's compensation insurance or self-insurance for its Health Center employees and such other persons as required by law, as the same may be from time to time amended. IVHD shall require its subcontractors to provide Worker's Compensation Insurance for its employees in accordance with applicable law.

(c) General Liability and Property Damage Insurance. Subject to any applicable sovereign immunity exemption which may be invoked by IVHD, IVHD shall maintain general liability insurance or self-insurance (including but not limited to automobile and broad form contractual coverage) against bodily injury or death of any person, as well as insurance or self-insurance against liability for property damages, related to the Health Center and its facility.

(d) Directors and Officers Insurance. Subject to any applicable sovereign immunity exemption which may be invoked by the IVHD, each Party shall maintain, throughout the term of this Agreement and in amounts consistent with prevailing standards, directors and officers' insurance or self-insurance against liabilities and damages arising from the actions or omissions of the Health Center Board and/or IVHD.

(e) Policy Type. If any policy required by this section is written in a "claims made", as opposed to an "occurrence" form, the policyholder agrees to purchase, self-insure or otherwise make arrangements for a "tail" or extended disclosure period policy for all activities so insured during the course of this Agreement.

(f) Proof of Insurance. Each Party agrees to provide the other Party with a minimum of thirty (30) days' prior written notice in the event any of the insurance policies or self-insurance funds required are modified, revised, or canceled in whole or in part. Each Party shall, from time to time, upon reasonable request of the other Party, furnish such Party with written evidence that the policies of insurance required hereunder are in full force and effect and valid and existing in accordance with the provisions of this Agreement.

(g) Immunity. Nothing in this Agreement shall limit, or shall be deemed to limit, IVHD's right to the protections and limitations provided by statutes designed to protect and limit the exposure and liability of IVHD as a political subdivision or healthcare district of the State of California, including statutory immunity and statutory limitations on damages.

(h) Survival of Section 3.7. This Section 3.7 shall survive the termination of this Agreement without regard to the cause for termination.

3.8 Ownership of Property Acquired with Grant Funds. The provisions of 2 C.F.R Part 200 & 300 apply to tangible property acquired under this Agreement. The Parties agree that IVHD shall be the title holder of all property purchased with grant funds. Each Party shall further assure that all contracts executed for the Health Center are consistent with procurement standards contained in 2 C.F.R 200 and 300, as applicable.

3.9 Copyrightable Material. If any copyrightable material is developed under this Agreement, IVHD shall hold all right, title and interest to such material, provided that IVHD and each Party shall have a royalty-free, nonexclusive and irrevocable right to reproduce, publish, authorize others or otherwise use such material. Health Center Board will obtain IVHD's prior written approval to copyright any such material or to permit any third party to do so and must appropriately acknowledge in the materials DHHS' support.

4. Governing Law

4.1 Applicable Laws, Regulations and Policies. This Agreement shall be governed and construed in accordance with applicable Federal laws, regulations, and policies, including but not limited to: Section 330, its implementing regulations at 42 C.F.R. Part 51c, applicable HRSA policies (including, but not limited to, HRSA/HRSA Program Expectations), the DHHS Grants Policy Statement in effect as of the date the Agreement is executed, DHHS administrative regulations set forth in 2 C.F.R 200 & 300, and relevant Office of Management and Budget Circulars. In addition, each Party covenants to comply with all applicable laws, ordinances and codes of the State of California and local governments in the performance of the Agreement, including all licensing standards and applicable accreditation standards.

4.2 New HRSA Directives. The Health Center's Executive Director shall submit promptly to each Party any directives or policies that are received from the HRSA after execution of this Agreement and are pertinent to the Section 330 grant, and the Parties shall comply with such additional directives/policies, as applicable.

4.3 Non-Discrimination. Each Party agrees that it and its subcontractors, if any, will not discriminate against any employee or applicant for employment to be employed in the performance of this Agreement with respect to his hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of his race, religion, color, sex, disability, national origin or ancestry.

5. Term

This Agreement shall remain in effect during the project period of any Section 330 grant award or federal designation that IVHD receives with Health Center Board as its Co-Applicant, unless terminated at an earlier date in accordance with the terms of Section 6 of this Agreement. Subject to any Federal and/or State regulatory approval which might be required to terminate the operation of the Health Center, nothing in this Agreement is intended to require, nor should be construed to require, that the Health Center remain in operation, or that Health Center Board apply for any grant funding, including continued Section 330 funding, for the Health Center.

6. Termination

6.1 Termination for Mutual Convenience or Without Cause. This Agreement may be terminated upon the mutual approval of the Parties, subject to Section 6.3. In addition, either party may terminate this Agreement without cause upon giving one hundred eighty (180) days written notice.

6.2 For Cause or Upon Change in Circumstances. This Agreement may be terminated upon not less than thirty (30) days' prior written notice to the other Party, in the following circumstances:

(a) By either Party if the Health Center's FQHC status (or its Section 330 grant) or FQHC LAL deeming designation is suspended, revoked or otherwise terminated, or upon the loss of any license, permit or other material authorization required by law or regulation for the operation of the Health Center;

(b) By either Party upon any substantive adverse change in the Federal laws or regulations governing FQHCs, including, without limitation, the method or amount of reimbursement;

(c) By either Party in the event of a material breach of the other Party and failure to cure within thirty (30) days after receiving written notice specifying the nature of the breach; or

(d) By IVHD if the Health Center's participation in Medicare, Medicaid or any other Federal, state or private insurance plan which materially impacts the Health Center's budget is barred, suspended, terminated or revoked.

6.3 Termination Contingent Upon HRSA Approval. With the exception of a termination for cause arising from the voluntary or involuntary loss of the Health Center's Section 330 grant or FQHC LAL designation, termination shall not become effective unless and until HRSA issues its written approval of such termination.

7. Dispute Resolution

The Parties shall first attempt to resolve any dispute arising under this Agreement by informal discussions between the Health Center Executive Director and the IVHD's CEO. In the event the Parties are unable to resolve the dispute through informal negotiations within a reasonable period of time of the commencement of such discussions (not to exceed thirty (30) days), the Parties shall attempt formal mediation, if they mutually agree to do so. If, after any such mediation, the Parties are still unable to resolve the dispute, or, if the Parties do not agree to attempt mediation, either Party may thereafter pursue any remedy available at law.

8. Notices

All notices permitted or required by this Agreement shall be deemed given when in writing and delivered personally or deposited in the United States Mail, first class postage prepaid, Certified and Return Receipt Requested, addressed to the other Party at the address set forth below, or such other address as the Party may designate in writing:

For: IMPERIAL VALLEY HEALTH CENTERS
Attn: Executive Director
1271 Ross Avenue
Suite E
El Centro, CA 92243

For: IMPERIAL VALLEY HEALTHCARE DISTRICT:
Attn: Chief Executive Officer
207 W. Legion Road
Brawley, CA 92227

9. Assignment

This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective transferees, successors and assigns; provided that neither Party shall have the right to assign, delegate or transfer this Agreement, or its rights and obligations hereunder, without the express prior written consent of the other Party.

10. Non-Severability

The provisions of this Agreement are not severable. In the event that any one or more provisions of this Agreement are deemed null, void, illegal or unenforceable, or should any part of this Agreement, as determined by DHHS or any other governmental authority, cause Health Center Board and IVHD (as Co-Applicants) not to comply with Section 330, the Parties agree to attempt to amend this Agreement as shall reasonably be necessary to achieve compliance. In the event that the Parties reach such an agreement, this Agreement shall be construed in all respects as if such invalid or unenforceable provisions have been omitted. In the event that no such amendments or agreements for amendments can reasonably be made, this Agreement shall immediately terminate.

11. Amendments

Any amendment to this Agreement shall be in writing and signed by both Parties. Except for the specific provision of this Agreement which thereby may be amended, this Agreement shall remain in full force and effect after such amendment.

12. Waiver

No provision of this Agreement shall be waived by any act, omission or knowledge of a Party or its agents or employees except by an instrument in writing expressly waiving such provision and signed by a duly authorized officer of the waiving Party.

13. Agency

Neither Party is, nor shall be deemed to be, an employee, agent, co-venturer or legal representative of the other Party for any purpose. Neither Party shall be entitled to enter into any contracts in the name of, or on behalf of the other Party, nor shall either Party be entitled to pledge the credit of the other Party in any way or hold itself out as having the authority to do so.

14. Third-Party Beneficiaries

None of the provisions of this Agreement shall be for the benefit of or enforceable by any third-party, including, without limitation, any creditor of either Party. No third-party shall obtain any right under any provision of this Agreement or shall by reason of any provisions make any claim relating to any debt, liability, obligation or otherwise against any Party to this Agreement.

15. Force Majeure

In the event either Party is unable to timely perform its obligations hereunder due to causes that are beyond its control, including, without limitation, strikes, riots, earthquakes, epidemics, war, fire, or any other general catastrophe or act of God, neither Party shall be liable to the other for any loss or damage resulting therefrom.

16. Entire Agreement

This Agreement constitutes the entire agreement between the parties and supersedes all previous agreements, whether oral or written. No statements, promises or inducements made by a Party or by agents of either Party which are not contained in this Agreement shall be valid or binding.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives.

IMPERIAL VALLEY HEALTHCARE DISTRICT

By: _____

Print: _____

Title: Chief Executive Officer_____

Date: _____

IMPERIAL VALLEY HEALTH CENTERS

By: Julie Crothers

Print: Julie Crothers

Title: Board Chair

Date: 5/21/26

By: Laura Green

Print: Laura Green

Title: Executive Director

Date: 5/21/26

**IMPERIAL VALLEY HEALTH CENTERS
CO-APPLICANT BOARD**

**BOARD
BYLAWS**

Effective Date: April 20, 2026

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Introduction

This body shall be known as the Imperial Valley Health Centers Co-Applicant Board and shall be hereafter referred to as the "Board" or "Governing board" as designated by the federal Health Resources & Services Administration ("HRSA"). The Board has been established in conjunction with a Co-Applicant Agreement with the Imperial Valley Healthcare District, a California healthcare district established pursuant to AB 918 (Health & Safety Code §23499.5, *et. seq.*) for the purpose of creating a body that meets the HRSA program board composition and authority requirements for a Federally Qualified Health Center ("FQHC"), and which provides the required community-based governance for a public FQHC, set forth in Section 330 of the Public Health Services Act. (42 U.S.C. 254(b)) ("Section 330"), its implementing regulations, and HRSA guidance, including Chapter 20 of the HRSA Health Center Program Compliance Manual (the "Compliance Manual") (collectively, the "Governance requirements"). The Board serves as the local co-applicant governing board required for public FQHC funding pursuant to the Public Health Services Act and its implementing regulations. Imperial Valley Healthcare District ("IVHD"), a public entity and California healthcare district, shall act as co-applicant with the Board.

Article I: Purpose

The Board provides the community-based governing board mandated by HRSA's Bureau of Primary Health Care ("BPHC") to establish an FQHC, named "Imperial Valley Health Centers" ("Health Center") by meeting the FQHC composition requirements and by exercising certain authorities and responsibilities respecting the Health Center, as particularly codified in the Co-Applicant Agreement entered into between IVHD and the Board.

The Board shall work cooperatively with IVHD, acting in its role as co- applicant public entity that operates the Health Center, to support and guide the Health Center in its mission:

Vision:

To be an exceptional health care center valued by the communities we serve and our patients, regardless of their ability to pay.

Mission:

To provide high quality, patient-focused, equitable healthcare to persons in Imperial County, including the medically underserved and uninsured.

Values:

Integrity • Excellence • Compassion • Respect

Article II: Responsibilities

The Board has specific responsibilities to meet the governance requirements and expectations of HRSA for a co-applicant board, while day-to-day operational and management and certain governance authorities for the Health Center reside with Imperial Valley Health Centers staff.

Consistent with the terms of the Co-Applicant Agreement, the Board shall have the following responsibilities and authorities related to the Health Center:

- A. Holding monthly meetings and maintaining a record of all official actions.
- B. Approving the annual Health Center's annual operating and capital budget; including any mid-year material changes to such budgets and monitoring the financial status of the Health Center.
- C. Periodically reviewing and approving the Health Center's health care policies concerning: (i) hours of operation; (ii) health services provided; (iii) quality-of-care audit and quality improvement procedures; (iv), the locations of the Health Center's sites; and (v) the process for hearing and resolving patient complaints
- D. Evaluating and approving the quality management policies and programs, including the Health Center's Annual Quality Improvement Plan developed and recommended by the staff of the Health Center.
- E. In conjunction with IVHD, periodically evaluating the Health Center's activities and achievements (including service utilization patterns, productivity, patient satisfaction, achievement of program objectives) and recommending revision of the Health Center's goals, objectives and strategic plan.
- F. In conjunction with the IVHD, ensuring compliance with federal, state, and local laws and regulations by evaluating the Health Center's compliance activities and recommending the revision, restructuring, or updating of the Health Center's compliance program.
- G. Adopting Bylaws and annually evaluating itself for compliance with the FQHC composition requirements, as well as its effectiveness in collaborating with IVHD in effectuating the terms of the Co-Applicant Agreement and exercising its authorities and responsibilities for the Health Center set forth in the Co-Applicant Agreement and these Bylaws.
- H. Approving the selection, annual performance evaluation, and dismissal of the Health Center's Project Director, consistent with the processes set forth in the Co-Applicant Agreement.
- I. In conjunction with IVHD, engaging in the long-term strategic planning activities for the Health Center, including regular review and updating of the Health Center's mission, goals, and plans, as appropriate.
- J. Approving HRSA applications related to the Health Center, including Section 330 grants and changes to the Health Center's HRSA scope of project.

- K. Approving the decision to subaward or subcontract for a substantial portion of the services provided by the Health Center
- L. Ensuring new board members are oriented and trained regarding the duties and responsibilities of being Board member, the relationship between the Board, IVHD and the Health Center, and related FQHC requirements, and satisfying the educational and training needs of existing members; and
- M. Reviewing the annual Health Center audit report and management letter performed by an independent auditor in accordance with federal audit requirements.
- N. No individual Board member shall act or speak for the Board except as may be specifically authorized by the Board. Board members (other than the Health Center's Executive Director) shall refrain from giving personal advice or directives to any staff of the Health Center.

Article III: Principal Office

The principal office for the Health Center shall be 1271 Ross Avenue, Suite E, El Centro, CA 92243.

Article IV: Fiscal Year

The Fiscal Year for the Health Center shall end on June 30 of each year.

Article V: Limitations of Authority

As codified in the Co-Applicant Agreement, the Board of IVHD shall maintain the authority to set general policy on fiscal and personnel matters pertaining to the Health Center, excluding the Board's approval of budgeting matters and selection, evaluation and dismissal of the Executive Director, as set forth herein.

Other than as specified in the Co-Applicant Agreement, IVHD shall retain all other governance and operational responsibility for the management of the financial and other affairs of the Health Center.

Article VI: BOARD Composition

Section 1: Membership

There shall be between nine (9) and thirteen (13) at large voting members of the Board and one *ex-officio* non-voting member.

A. Membership categories:

1. Board Members - Consumers:

- a. A majority of members of the Board (no less than 51%) shall be individuals who are served by the Health Center. This means an

individual who is a currently a registered patient who has accessed Health Center services in the past 24 months and received at least one service that generated a visit where both the service and the site where the service was received are within Health Center's HRSA-approved scope of project.

- b. As a group, the Consumer Board members shall reasonably represent individuals who are served by the Health Center in terms of demographic factors such as race, ethnicity gender, socioeconomic status, and age.
 - c. A legal guardian of a Consumer who is a dependent child or adult, or a legal sponsor of a Consumer who is an immigrant, may also be considered a Consumer for purposes of board representation.
2. Board Members - Community Members: The remaining non-Consumer members shall be representative of the general community in which the Health Center operates and shall be selected for their skills, expertise and perspectives in community affairs, finance, legal affairs, business or other commercial concerns.
 3. Board Representation of Health Center Populations. The Board shall include a Consumer or Community representative for any special population served by the Health Center for which the Health Center receives Section 330 special population funding (e.g., the homeless), which may include an advocate who has personally experienced being a member of or represent, or has expertise in or works closely with the special population (e.g., individuals experiencing homelessness).
 4. Ex Officio. The Health Center's Executive Director, or designee, shall serve as an *ex officio* non-voting member of the Board.

Section 2: Additional Membership Qualifications

- A. No more than half of the Community members may receive more than ten percent (10%) of his or her annual income from the health care industry (health care industry is understood to mean working in any community clinic or hospital providing health services to low-income residents of Imperial County).
- B. All members must work, reside in, or be associated with, Imperial County.
- C. No voting member of the Board shall be an employee or an immediate family member (i.e., spouse, child, parent, or sibling, [related by blood, adoption, or marriage]) to such an employee of IVHD or any IVHD Board officer.
- D. No voting member of the Board shall be an employee or an immediate family member (i.e., spouse, child, parent, or sibling, [related by blood, adoption, or marriage]) to such an employee of any other recipient of Public Health Services Act Section 330 funds (e.g., FQHC).
- E. No member shall have a financial, personal, or professional interest that would

constitute a conflict of interest with Board membership.

Section 3: Member Recruitment, Selection, and Ratification

A. Establishment of Board

The initial voting members of the Board were selected from among interested and qualified community members.

B. Continuation of Board

1. Member Recruitment

The Board (or a committee appointed for this purpose) develops a Recruitment Plan each year, to identify and recruit potential members that help fill existing and forecasted gaps in Board membership including regarding

- a. Member classifications (i.e., Consumer or Community),
- b. Populations represented on the Board,
- c. Member skills, experience and perspectives; and
- d. Segments of the community about which members have expertise.

The Recruitment Plan includes strategies designed to effectively reach targeted groups or classes of individuals.

Expiring Terms

- a. Terms end in April. Recruitment for soon to be expiring terms will begin by January so that candidate members can be considered and a new Board member approved prior to the end of the term.

Vacancies during Terms

- a. The Recruitment Plan may designate a period during which membership applications will be accepted and reviewed

2. Application Review

The application for Board membership and instructions for completing and submitting it—as well as information about the Health Center, the Board, and its role, as well as open seats and deadlines for application—are made widely available to possible members, including on the Health Center website.

- a. Nominations for membership of the Board may be submitted by anyone so long as the nominee meets the membership requirements of these Bylaws.
- b. Nominated individuals or other interested individuals must submit an application to provide the required information and to verify their interest and ability to serve as Board members.

- c. Applications are submitted to the Health Center's Executive Director (or designee) to verify that applicants meet individual Board membership requirements and assess how the applicant meets a need identified in the then-current Recruitment Plan. All applications are sent to the Executive Committee, with a document indicating whether the applications demonstrate that the candidate meets the membership requirements and the Recruitment Plan, and whether any provided references have been checked.
- d. The Executive Committee of the Board reviews the membership applications and may interview possible candidates. The Executive Committee will ultimately determine whether to recommend an individual for membership to the full Board and will notify the Executive Director of such a decision.

3. Approval of Board members

The Board may meet or interview an applicant recommended by the Executive Committee prior to voting on whether to approve the recommended candidate at a duly called meeting of the Board.

- B. Verification of Eligibility of Existing Board members. By December 31st of each calendar year, Health Center staff will verify existing Board members continuing eligibility for membership.

Section 4: Responsibilities and Rights of Members

A. All members must:

- 1. Attend all Board meetings, unless excused by the Chair.
- 2. Be subject to the conflict-of-interest rules applicable under the laws of the State of California relating to public entities.

- B. Members shall be entitled to receive agendas, minutes, and all other materials related to the Board, may vote at meetings of the Board, and may hold office and may chair Board committees.

Article VII: Term of Office

The term of office for Board members shall be for four (4) years. A member shall be limited to no more than four (4) consecutive terms of membership. The effective date of membership corresponds to the date of appointment.

Any elected member who has served four (4) consecutive, four (4) year terms shall not be eligible for re-election until one (1) year after the end of his or her fourth term. Election to fill a vacancy for less than three (3) years shall not be counted as service of a four (4) year term for this purpose. Unless terminated earlier in accordance with the Bylaws, members shall serve their designated term until their successors are elected and qualified.

Article VIII: Removal and Resignation

Any member may be removed whenever the best interests of the Health Center or the Board will be served. The member whose removal is placed in issue shall be given prior notice of their proposed removal, and a reasonable opportunity to appear and be heard at a meeting of the Board. A member may be removed pursuant to this section by a vote of two-thirds (2/3) of the total number of members then serving on the Board.

Continuous and frequent absences from the Board meetings, without reasonable excuse, shall be among the causes for removal. In the event that any member is absent without acceptable excuse from three (3) consecutive Board meetings or from four (4) meetings within a period of six (6) months, the Board shall automatically consider the removal of such person from the Board in accordance with the procedures outlined in this Article.

The Board will accept a written or emailed resignation of a Board member, or a verbal resignation if given during a full Board meeting. The Board Chair or designee will send an email or letter to the Board member confirming the resignation. Seven (7) days after receipt of the letter or email by the Board or seven (7) days after the meeting at which a verbal resignation was tendered, the resignation is deemed accepted.

Article IX: Conflict of Interest

A conflict of interest is a transaction with the Health Center in which a voting Board member has a direct or indirect actual or perceived interest in an action, which results or has the appearance of resulting in personal, organizational, or professional gain. Conflict of interest or the appearance of conflict of interest by voting Board members, employees, consultants and those who furnish goods or services to the Health Center must be declared. Board members are required to declare any potential conflicts of interest by completing a Conflict of Interest: Disclosure and Attestation Statement.

In situations when a conflict of interest may exist for a member, the member shall declare and explain the conflict of interest. No member of the Board shall engage in discussion about or vote on a topic where a conflict of interest exists for that member. In addition to the requirements imposed by these Bylaws, Board members shall also be subject to all applicable state and federal conflict of interest laws.

Article X: Compensation

Members of the Board shall serve without compensation from the Health Center. Travel and meal expenses by voting Board members when traveling out of Imperial County for Board business shall be reimbursable if approved in advance by the Board and the Executive Director.

Article XI: Meetings

Section 1: Regular Meetings

The Board shall meet monthly and maintain records/minutes that verify and document the actions and key deliberations of the Board. Where geography or other circumstances make in-person participation in board meetings burdensome, monthly meetings may be conducted by telephone or other means of electronic communication where all parties can both listen and speak to all other parties, subject to all meeting requirements of the Ralph M. Brown Act. ("Brown Act")

Section 2: Conduct of Meeting

The meeting shall be conducted in accordance with the most recent edition of Robert's Rules of Order, unless otherwise specified by these Bylaws.

Section 3: Open and Public

All meetings will be conducted in accordance with the provisions of the Brown Act, open public meeting law, as amended.

Section 4: Notice, Agenda and Supportive Materials

- A. Written notice of each regular meeting of the Board, specifying the time, place and agenda items, shall be sent to each member not less than seventy-two (72) hours prior to the meeting except as permitted by the Ralph M. Brown Act. Preparation of the agenda shall be the responsibility of the Chair in conjunction with the Executive Director, or his or her designee.
- B. The agenda of each regular meeting shall be posted at the Health Center and on the Health Center's website.
- C. Supportive materials for policy decisions to be voted upon shall be distributed to all members along with the agenda. If, on a rare occasion, such prior submission is precluded by time pressures, and if the urgency of a Board vote is established by the Chair of the Board, an item may be placed on the agenda although supporting materials are not available in time to be distributed. However, such material shall be available at the meeting.
- D. Items which qualify as an emergency can be added to the agenda pursuant to the Ralph M. Brown Act.

Section 5: Special Meetings; Annual Meeting.

- A. To hold a special meeting, advance notice of such a meeting shall be given.
- B. The Board shall hold an annual meeting during April, at such time and place as is established by the Board upon proper notice, for election of new members and officers, and for the transaction of such other businesses as may properly come before the Board. The annual meeting shall serve as the regular meeting for that

month. Notice of the annual meeting shall be given in writing (including email correspondence) by the Executive Director or his or her designee to each member not less than thirty (30) nor more than sixty (60) days prior to the date of such meeting.

Section 6: Quorum and Voting Requirements

- A. A quorum is necessary to conduct business, make recommendations, or approve items. A quorum shall be constituted by the presence of a majority of the appointed members of the Board.
- B. A majority vote of those Board members present and voting is required to take any action, except to adjourn for lack of a quorum.
- C. Each Board member shall be entitled to one (1) vote. Voting must be in person or telephonically; no proxy votes will be accepted.
- D. Board member attendance at all meetings shall be recorded. Members are responsible for signing the attendance sheet or requesting permission from the Board's Point of Contact to participate by telephone, teleconference software, or other means allowed under the Brown Act. The names of members attending shall be recorded in the official minutes. Where geography or other circumstances make monthly, in-person participation in board meetings burdensome, monthly meetings may be conducted by telephone or other means of electronic communication where all parties can both listen and speak to all other parties, as long as these are in compliance with the Brown Act. Attendance will be recorded by the Executive Director or his or her designee with a roll call and participation recorded in the official minutes.
- E. The Executive Director shall have direct administrative responsibility for the operation of the Health Center and shall attend, or assign a delegate in their absence to all meetings of the Board, but shall not be entitled to vote.

Article XII: Officers

Section 1: Eligibility

The Chair and Vice Chair shall be chosen from among the voting members of the Board. Members of the Board shall not be eligible for an officer position until they have served for at least six (6) months with the Board as an active, voting member. An active member is defined as a member who has attended all meetings, with the exception of up to two (2) excused absences, in the past six months.

Two additional members may be added to the Executive Committee, consistent with the above voting and attendance requirements.

Section 2: Nomination and Election

Initial selection of officers upon creation of the Board transpired at the same Board meeting following the adoption of the original Bylaws and shall not be subject to the six

(6) month requirement.

Henceforth, nominations for officers shall be made at the regular March meeting. A nominee may decline nomination.

Officers shall be elected annually by a majority vote of those members present and voting, as the first order of business at the April meeting of the Board.

Section 3: Appointment of Chair and Vice-Chair

Only members who have been an active, voting member of the Board for at least six (6) months are eligible to be appointed and serve as officers.

Officers shall be elected for a term of one (1) year, or any portion of an unexpired term thereof. A person shall be limited to no more than four (4) consecutive terms of office. Any elected officer who has served four (4) consecutive, one (1) year terms of office shall not be eligible for re-election until one (1) year after the end of his or her fourth term of office. This limitation of consecutive terms may be waived by a majority vote of the Board (with the officer in question recusing him or herself from the vote) if no other Board member is willing to serve in that office. A term of office for an officer shall start April 1, and shall terminate March 31, of the following year; however, an officer may serve after his or her term ends until a successor is elected.

Section 4: Vacancies

Vacancies created during the term of an officer shall be filled for the remaining portion of the term by special election by the Board, at a regular or special meeting in accordance with this Article.

Section 5: Responsibilities

The officers shall have such powers and shall perform such duties as from time to time shall be specified in these Bylaws or other directives of the Board.

A. Chair

The Chair shall preside over meetings of the Board, shall serve as Chair of the Executive Committee, and shall perform the other specific duties prescribed by these Bylaws or that may from time to time be prescribed by the Board.

B. Vice-Chair

The Vice Chair shall perform the duties of the Chair in the latter's absence and shall provide additional duties that may from time to time be prescribed by the Board.

Article XIII: Committees

The Board will appoint Ad Hoc Committees as needed. Except as otherwise decided by the Board, members shall be appointed by the Chair. Any member may be removed by the person or persons authorized to appoint

such members whenever in their judgment the best interest of the BOARD shall be served by their removal.

Article XIV: Amendments and Dissolution

A. Amendments

The Bylaws may be repealed or amended, or new Bylaws may be adopted at any meeting of the Board at which a quorum is present, by two-thirds (2/3) of those present and voting. At least fourteen (14) days written notice must be given to each member of the intention as to alter, amend, repeal, or to adopt new Bylaws at such meetings, as well as the written alteration, amendment or substitution proposed. Any revisions and amendments must be approved by the Board, except any revision that modifies or conflicts with the Co-Applicant Agreement which must be approved by the Board of IVHD.

B. Dissolution

Dissolution of the Board shall only be by affirmative vote of the Board and the Board of IVHD at duly scheduled meetings

Certification

These Bylaws were approved at a meeting of the board by a two-thirds (2/3) majority vote on April 20, 2026.

Signed copies available upon request,



Co-Applicant Board Chair

April 20, 2026
Date

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May, 2026

SUBJECT: Authorization to approve eighth amendment to the Professional Service Agreement for Rady’s Children’s Specialist of San Diego

BACKGROUND: This amendment is to the Professional service agreement to continue the service line in the hospital clinics.

KEY ISSUES: Rady will be compensated on an as-needed basis. Practitioners shall be compensated for per 3-hour session (Half Day) as listed in schedule 4.1. Change to fee schedule of 6% increase, Fourth change to fee schedule since initial agreement in 2020. Changes for the following:

- Otolaryngology from \$973.65 to \$1,032.07

CONTRACT VALUE: Compensation is based on coverage and depends on volumes, approximately \$25,000 annually.

CONTRACT TERM: 1 year

BUDGETED: Yes

BUDGET CLASSIFICATION: Professional Fees

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Christopher R. Bjornberg

DATE SUBMITTED TO LEGAL: 5/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve an amendment to the Professional Service Agreement for Rady’s Children’s Specialist of San Diego

Comp-01, Compliance Officer 8/2018

EIGHTH AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT

This Eighth AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT (this “**Amendment**”) is made and entered into as of July 1, 2026 (“**Amendment Date**”) by and between Imperial Valley Healthcare District, a California local health care district d/b/a Pioneers Memorial Hospital (“**District**”) and Rady Children's Hospital San Diego, a nonprofit public benefit corporation d/b/a Rady Children's Specialists of San Diego, A Medical Foundation, (“**RCSSD**”), each a “**Party**” and collectively as the “**Parties**.”

RECITALS

- A. District and RCSSD are parties to that certain Professional Services Agreement effective April 17, 2020, as amended by First Amendment, Second Amendment, Third Amendment, Fourth Amendment, Fifth Amendment, Sixth Amendment, and Seventh Amendment (collectively, the “**Agreement**”).
- B. Under the terms of the Existing Agreement, District engaged RCSSD to provide, and RCSSD provides, professional medical services (the “**Medical Services**”) at the District clinic location(s) designated by District in advance (as applicable, the “**Clinic**”).
- C. WHEREAS, pursuant to AB 918, Imperial Valley Healthcare District dissolved Pioneers Memorial Healthcare District effective January 21, 2025 and by law all contract obligations were transferred to Imperial Valley Healthcare District as the successor agency.
- D. District and RCSSD wish to update existing fee schedules to reflect negotiated changes in rates.
- E. District and RCSSD wish to extend the agreement for an additional year.
- F. Capitalized terms used but not otherwise defined herein have the meanings ascribed to them in the Existing Agreement.

NOW, THEREFORE, in consideration of the recitals above, and the mutual covenants, conditions and promises between the Parties, the Parties agree as follows:

- 1. Schedule 4.1 is hereby deleted in its entirety and is replaced by the Schedule 4.1 attached hereto.
- 2. Term of the Agreement. Pursuant to section 5.1 of the Agreement, the term of the Agreement shall be renewed for an additional period of one (1) year beginning on the Amendment date specified above.
- 3. Effects of Amendment. Except as expressly set forth in this Amendment, the Agreement remains unchanged and in full force and effect. If any provision of the Agreement is inconsistent with the terms of this Amendment, the language of this Amendment shall control.
- 4. Counterparts. This Amendment may be executed in two or more counterparts, including by fax, email, or other customary electronic methods, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. The Parties expressly agree that signatures of the Parties delivered by electronic

facsimile, email .pdf and other customary electronic methods of delivery are acceptable for purpose of execution of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Amendment as of the date set forth herein.

Imperial Valley Healthcare District, a
California local health care district d/b/a
Pioneers Memorial Hospital

By: _____
Print Name:
Its: Chief Executive Officer

Rady Children's Hospital San Diego d/b/a
Rady Children's Specialists of San Diego, A
Medical Foundation

By: _____
Print Name: Charles B. Davis, M.D.
Its: Regional President Rady Children's
Hospital San Diego

Schedule 4.1

Fee Schedule

Pediatric Specialty	Fee per 3 hour session**
Pediatric Otolaryngology	\$1,032.07

**Such fees are based on an hourly rate multiplied by three for a 3 hour session. If in the future, the parties mutually agree that there is a need to increase sessions to 4 hour sessions, such fees shall be increased accordingly to the same hourly rate multiplied by four for a 4 hour session. The currently designated 3 hour blocks are 9:00 AM-12:00 PM, and 1:00 PM-4:00 PM, and any changes to those time blocks are subject to approval of the parties.

Commercial Payors: Notwithstanding the above, it is the intent of the parties that the Medical Services provided by RCSSD pursuant to this Agreement and compensated under the above Fee Schedule are for government payor patients only (not Commercial Payors). For Commercial Payor patients, RCSSD will submit the bill and collect for all Medical Services performed by RCSSD Physicians pursuant to this Agreement, which bill shall be submitted by RCSSD no later than five (5) days following the date on which District Provides the applicable billing information to RCSSD (or such earlier date as is required by the applicable Commercial Payor contract). All monies collected by RCSSD for such commercial bills will be paid to District no later than fifteen (15) business days following the beginning of each calendar month for business in the month prior and shall include an accounting and back-up documentation supporting such payment. As consideration for RCSSD's billing and collection activities, RCSSD shall retain from the Commercial Payor payment a fee of \$1,500 for each year ending June 30 (the "Commercial Payor Service Fee") (i.e. all Medical Services provided to the applicable patient on the day of service by RCSSD pursuant to this Agreement). The parties agree to evaluate this fee on an ongoing basis.

IMPERIAL VALLEY HEALTHCARE DISTRICT

BOARD MEETING DATE: May 2026

SUBJECT: Authorization to approve Medical Directorship agreement for Alidad Zadeh, D.O. at Imperial Valley Health Centers.

BACKGROUND: This agreement is for Medical Directorship for the Imperial Valley Health Centers per regulations.

KEY ISSUES: Physician will be compensated at a base compensation of (\$2000.00) per month.

CONTRACT VALUE: not to exceed \$24,000 annually.

CONTRACT TERM: 3 years

BUDGETED: NO- New Service Line

BUDGET CLASSIFICATION: Directorship/Professional Fees

RESPONSIBLE ADMINISTRATOR: Carly Zamora/Carly Loper

DATE SUBMITTED TO LEGAL: 5/2026 **REVIEWED BY LEGAL:** Yes No

FIRST OR SECOND SUBMITTAL: 1st 2nd

RECOMMENDED ACTION: Authorization to approve Intern Medical Directorship agreement for Alidad Zadeh, D.O. at the Imperial Valley Health Centers.



MEDICAL DIRECTOR AGREEMENT

THIS MEDICAL DIRECTOR AGREEMENT (the “**Agreement**”) is entered into and executed as of _____ (the “**Effective Date**”), by and between **Imperial Valley Healthcare District, dba Pioneers Memorial Hospital, a Local Healthcare District**, organized and existing in the State of California pursuant to the California Health and Safety Code, § 32000 *et seq.* (“**Hospital**”), ”), and ANZ Clinics, INC. (“**Corporation**”) a California Professional Corporation, which provides the services of Alidad Zadeh, D.O., an individual licensed to practice medicine in the State of California (“**Director**”). Director and Hospital are sometimes individually referred to hereafter as a “**Party**,” and collectively as “**Parties**.” Services are expected to begin on June 1st, 2026 (the “**Service Start Date**”).

RECITALS

- A. Hospital owns and operates a general acute care hospital located in Brawley, California and owns and operates various rural health clinics (“**RHCs**”), in Calexico, California and Brawley, California. By the Service Start Date, Hospital may also own and operate a second general acute hospital located in El Centro, California
- B. The **Health Centers** currently provide primary and specialty healthcare services through California-licensed Nurse Practitioners (“**NPs**”), Physician Assistants (“**PAs**”), and Physicians, who are independent contracts of Hospital.
- C. The NPs and PAs serving in the Health Centers require the oversight and assistance of a medical doctor licensed to practice medicine in the State of California, who can direct and oversee the medical operations of the Health Centers.
- D. Director is a California Licensed Physician (“**Physician**”), duly licensed to practice medicine in the State of California and is experienced and qualified to provide professional medical services at the Health Centers.
- E. Hospital desires to engage the Director to provide medical directors services for Primary Care components of the Health Centers.
- F. Director, having the requisite skills and background to provide the services sought herein, desires to enter into this Agreement with Hospital.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein, and for such other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged it is mutually agreed as follows:

1. Medical Director Services. Medical Director shall act as medical director of the Primary Care components of the Health Centers and shall provide other professional services in accordance with the terms of this Agreement, and the Health Centers bylaws, policies, and procedures. Directorship services provided herein shall include the following:

a. Supervision and Oversight. Director will supervise and oversee the health services provided at the Health Centers as outlined in *Exhibit A* (“**Medical Director Duties**”) of this agreement. To facilitate the proper administration of this section and to assure the parties compliance with applicable state and federal law, Director shall complete and submit to Hospitals administrator on a monthly basis for the term of this Agreement, a time sheet (a copy of which is affixed to this Agreement as *Exhibit B* (“**Time and Activity Log**”) and is incorporated herein by this reference) by the 10th day of the month after services describing the services performed and the amount of time expended in the prior month.

b. Development of New Services. Director will assist Hospital in developing and implementing new services for the Health Centers as appropriate for the changing needs of the community it serves.

c. Accreditation. Director shall meet with Health Centers personnel to assure that the Health Centers’ practices meet or exceed current accreditation guidelines as related to the operation of the program at the Health Centers. Director shall further assist Health Centers personnel in preparing for surveys.

2. Director Availability and Reporting. Health Center hereby contracts with Director to act as its medical director of the Health Centers, in connection with the services furnished by Director hereunder. Should Director be unavailable due to vacation plans, continuing medical education, or for any other reason for a period of two (2) or more weeks during the term of this Agreement, Director shall assist the Hospital in finding an appropriate physician to assume the Director’s responsibilities set forth by this Agreement. This alternate physician shall be approved in writing, in advance, by the Hospital Administrator. To facilitate the proper administration of this section and to assure the parties compliance with applicable state and federal law, Director shall complete and submit to Hospitals administrator on a monthly basis for the term of this Agreement, a time sheet (a copy of which is affixed to this Agreement as *Exhibit A* (“**Time and Activity Log**”) and is incorporated herein by this reference) by the 10th day of the month after services describing the services performed and the amount of time expended in the prior month.

3. No Personal Use of Health Centers. Unless otherwise expressly agreed to in writing by Hospital, no part of the Health Centers premises shall be used at any time by Director as an office for personal use or for the private practice of medicine.

4. No Unauthorized Disclosure of Records. Director and Hospital agree to keep confidential and take all reasonable precautions to prevent the disclosure of records required to be prepared and/or maintained pursuant to this Agreement, unless such disclosure is authorized by patient or by law; provided, however, that to the extent required by 42 U.S.C.A. section 1395x(v)(1)(I) of Title II and any amendment thereto, revision or subsequent legislative enactment pertaining to the subject matter of said section, the parties agree to retain such records, and make them available for the appropriate governmental agencies, for a period of ten (10) years after the expiration of the termination of this agreement.

5. Establishment of Fees. The Hospital is solely responsible for establishing the fees for medical services.

6. Medical Director Compensation. Hospital shall pay Director according to the compensation schedule set forth in *Exhibit C* ("**Hours & Compensation**"). Hospital shall pay the compensation owed on or before the fifteenth (15th) day of each calendar month, for services provided by Practitioner during the immediately preceding calendar month; provided that Practitioner has delivered a visit record to Hospital in the form attached hereto as *Exhibit B* ("**Time Log**") on or before the fifth (5th) day of each calendar month for the immediately preceding calendar month.

7. Independent Contractor. Director is engaged as an independent contractor with Hospital in performing all work, duties, and obligations hereunder. Hospital shall not exercise any control or direction over the methods by which Director performs his work and functions, except that Director shall perform at all times in strict accordance with then currently approved methods and practices in Directors specialty. The Hospital's sole interest is to ensure that Director performs and renders services in a competent manner in accordance with medical and administrative standards. The parties expressly agree that no work, act, commission or omission of Director pursuant to the terms and conditions of this Agreement shall be construed to make or render Director an agent or servant of Hospital. Director shall not be entitled to receive vacation pay, sick leave, retirement benefits, Social Security, workers compensation, disability or unemployment insurance, or any other employee or pension benefit of any kind.

8. Insurance. Director shall provide and maintain current for the term of this Agreement, medical malpractice insurance as required by the Hospital Bylaws governing Hospital medical staff physicians in a minimum amount of one million dollars (\$1,000,000) per occurrence and three million dollars (\$3,000,000) annual aggregate. If the insurance coverage is "claims-made" rather than "occurrence-based", such coverage must be continued in the same amounts. However, if such coverage is terminated, Director shall at his expense provide Hospital with an extended reporting endorsement ("tail insurance") upon termination of this Agreement.

9. Term and Termination. The term of this Agreement shall be for three (3) years commencing on the Effective Date, unless terminated earlier as provided herein. This Agreement will automatically expire at the end of its current term unless extended in writing by mutual agreement of the parties neither party has any obligation to extend this Agreement beyond its current term.

a. Termination for Cause. Either Party may, for cause ("cause" being defined herein as a material breach of an obligation contained or set forth in this Agreement) terminate this Agreement, provided, however, that the breaching party has been provided with notice of the breach and has failed to cure said breach within fourteen (14) days of such notice.

b. Immediate Termination. The Hospital may terminate this Agreement immediately for the following reasons:

1. The revocation, restriction, suspension or termination of Director's license to practice medicine in the State of California.

2. Medical Director's malpractice insurance is cancelled, decreased or not renewed for any reason.

3. The attempted assignment or other unauthorized delegation of any of Director's duties or obligations hereunder.

4. The election of Director to file bankruptcy.

5. The revocation or suspension of Medical Staff privileges.

6. The failure of Director to provide the Directorship services.

7. The failure of Director to document his services in a form substantially similar to that in Exhibit B.

8. Medical Director's conviction of a felony crime or exclusion from participation in any state or federal health care program, including but not limited to Medicare or Medicaid.

9. Any material breach of this Agreement.

c. Early Termination Without Cause. Notwithstanding any other provisions of this Agreement, either party may terminate this Agreement for any reason with thirty (30) days advance written notice to the other party.

10. No Assignment by Director. Director shall not assign, sell, or transfer any rights conferred by this Agreement, without the prior written consent of Hospital.

11. Attorneys' Fees. The prevailing party in any legal action to enforce this Agreement shall be entitled to recover its costs and reasonable attorneys' fees in addition to any other relief granted.

12. No Waiver. Failure by either party to enforce any provision of this Agreement shall not constitute a waiver of such provision.

13. Severability. If any provision of this Agreement or the application thereof to any person or circumstance shall, at any time or to any extent, be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby, and each such provision shall be valid and enforceable to the fullest extent permitted by law. However, if either party in good faith determines that the finding of illegality or unenforceability adversely affects the material consideration for its performance under this Agreement, such party at its sole option may, by giving written notice to the other party, terminate this Agreement.

14. Entire Agreement. This Agreement embodies the entire agreement between the parties hereto and supersedes all other previous agreements and understandings, written or oral, between the parties hereto. There are no other Agreements between the parties hereto as to the subject matter hereof other than those set forth in this Agreement.

15. Applicable Law and Venue. This Agreement shall be governed by and construed interpreted and enforced in accordance with the laws of the State of California. The venue for any legal proceeding relating to, or arising out of, this Agreement shall be in the County of Imperial, State of California.

16. Access to Records. Hospital agrees that during normal business hours in accordance with state and federal law, and only to the extent required by state and federal law, Director shall have access to and the right to examine records which relate to any services provided under this Agreement for a period of not less than two (2) years following the termination or expiration of this agreement. Upon written request of Director, such access shall be extended with respect to any records which Director identifies as the actual or potential matter of investigation or litigation.

17. Headings. Headings have been included solely as a convenience to the reader and are not intended nor shall they be construed in the interpretation of this Agreement.

18. Compliance with Non-Discrimination Laws.

a. Non-Discrimination. During the performance of this Agreement, Director and his subcontractors shall not unlawfully discriminate, harass or allow harassment, against any employee or applicant for employment because of sex, race, color, ancestry, religious creed, national origin, physical disability (including HIV and AIDS), mental disability, medical condition (cancer), age (over 40), marital status, and denial of family care leave. Director and his subcontractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Director and his subcontractors shall comply with the provisions of the Fair Employment and Housing Act (Government Code,

Section 12900 et seq.) and the applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Division 4, Subchapter 1, Section 7285 et seq.). The applicable regulations of the Fair Employment and Housing Commission implementing Government Code, Section 12990(a-f), set forth in California Code of Regulations, Title 2, Division 4, Chapter 5, are incorporated into this contract by reference as if duly set forth herein. Director and his subcontractors shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement. Director shall include the nondiscrimination and compliance provisions of this Agreement in all subcontracts to perform work under this Agreement.

b. Access to Determine Compliance. Director shall permit access by the representatives of the Department of Fair Employment and Housing and the Department of Corrections, upon reasonable notice at any time during normal business hours, but in no case less than twenty-four (24) hours notice, to such of its books, records, accounts, other sources of information and its facilities as such agencies shall require to ascertain compliance with this clause.

19. Access to Books and Records. Until the expiration of ten (10) years after the furnishing of any services pursuant to this Agreement, Director shall make available upon written request of the Secretary of the United States Department of Health and Human Departments or of the United States Comptroller General, or of any of their duly authorized representatives, this Agreement and such books, documents, and records of the Department as are necessary to certify the nature and the reasonable cost of services of the Hospital. If Director enters into an agreement with any related organization to provide services pursuant to this Agreement with a value or cost of ten thousand dollars (\$10,000) or more over a twelve (12) month period, such agreement shall contain a clause to the effect that until expiration of ten (10) years after the furnishing of services pursuant to such agreement, the related organization shall make available, upon written request, of the Secretary or to the Comptroller General, or of any of their duly authorized representatives, the agreement and any books, documents, and records of such organization that are necessary to verify the nature and extent of such costs. This Section shall be of no force and effect if it is not required by law. Ownership of all records, books, and documents remains with the Hospital.

20. Notices.

Any notice to be given to any party hereunder shall be deposited in the United States Mail, duly registered or certified, with return receipt requested, with postage thereon paid, and addressed to the party for which intended, at the following addresses, or to such other address or addresses as the parties may hereafter designate in writing to each other.

Hospital: Chief Executive Office
Pioneers Memorial Hospital
207 Legion Road
Brawley, CA 92227

Director: Alidad Zadeh, D.O.


21. Confidentiality; HIPAA.

- a. All records, files, proceedings and related information of Medical Director, Facility, and their providers pertaining to the evaluation and improvements of the quality of patient care at Facility shall be kept strictly confidential by Medical Director. Medical Director shall not voluntarily disclose such confidential information, either orally or in writing, except as expressly required by law or pursuant to written authorization by Facility. This provision shall survive the expiration and termination of this Agreement.
- b. Except as otherwise provided herein, any and all records relating to the Administrative Services and produced as a result of either party's performance under this Agreement shall be and remain the property of Facility.
- c. HIPAA. Director will comply with all confidentiality laws and requirements including, but not limited to, the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and California Civil Code Section 56.10 *et. seq.* as applicable.

22. Offset. In the event Director is indebted or financially obligated to Hospital for any reason and has failed to repay as required any such debt or obligation for 60 days or more, then Hospital in its sole discretion may offset the amount of such unpaid debt or obligation owed by Director from any compensation due and payable under this agreement to Director. Hospital shall provide Director written notice of the exercise of its offset rights under this paragraph at any time before, or at the time of exercise of the offset. Any offset(s) exercised by the Hospital shall not affect or change any other conditions or provisions of contracts or agreements between Hospital and Director. Further, Hospital's exercise of any offset shall not be considered a waiver of any interest or penalty amount due and payable to the Hospital from Director.

23. General Interpretation. The terms of this Agreement have been negotiated by the parties hereto and the language used in this Agreement shall be the language chosen by the parties hereto to express their mutual intent. This Agreement shall be construed without regard to any proscription or rule requiring construction against the party causing such instrument or any portion thereof to be drafted. No rule of strict construction will be applied against any person.

24. Retention of Professional and Administrative Responsibility. Hospital shall retain professional and administrative responsibility for the services rendered as outlined in this Agreement.

25. Compliance with Disclosure Requirements of Hospital's Conflict of Interest Code. In accordance with the California Political Reform Act, the Hospital has promulgated its Conflict of Interest Code ("Code"). By executing this Agreement, Director is a contract physician for purposes of the Code and is required by law to make certain disclosures each year of the term of this Agreement on Form 700 Statement of Economic Interests ("Form"). Hospital will provide Director with this Form annually. Director agrees to complete and return this Form timely each

year as required by law. (Additional information can be obtained from the California Fair Political Practices Commission at (866) 275-3772 and www.fppc.ca.gov.)

26. Other Agreements between Director and Hospital. Hospital and Director may enter, or may have entered, into other agreements for services such as On-Call or Coverage Services Agreements. Such agreements are maintained in a contracts management system, and will be made available to any State or Federal entities that require access.

27. Compliance with Laws. Director shall comply with the policies and procedures of Hospital and the RHCs as may be in effect from time to time in his/her performance of the Medical Director Services. Director shall comply with all applicable laws, rules and regulations of all governmental authorities and accrediting agencies having jurisdiction over Facility, physicians, and/or this Agreement including all professional licensure and reimbursement laws, regulations and policies in his performance of the Medical Director Services.

28. Anti-Referral Laws. Nothing in this Agreement, or any other written or oral agreement, or any consideration in connection with this Agreement contemplates or requires the admission or referral of any patient to the RHCs. This Agreement is not intended to influence Director's judgment in choosing the proper care and treatment of patients.

IN WITNESS WHEREOF, the parties have fully executed this Agreement effective on the date first written above.

PIONEERS MEMORIAL HEALTHCARE DISTRICT:

By _____
Christopher R. Bjornberg

Date _____

DIRECTOR:

Alidad Zadeh, D.O.

Date _____

CORPORATION:

ANZ Clinics, INC.
Owner

Date _____

EXHIBIT A

MEDICAL DIRECTOR SERVICES

Director shall provide the following services, which include, but are not limited to, the following:

- 1) Supervision and oversight of health services provided by the health care staff
- 2) Provide medical direction and oversight of the mid-level providers by being present or available via phone to the Health Centers at minimum every week for a minimum of 3 hours.
- 3) Ensures the annual review of practice guidelines/protocols designed to promote quality, safe and appropriate Urology patient care.
- 4) Leads the process to ensure provider quality via review of medical records, peer review, evaluation of operations and co-signing of medical records, if required, in accordance with California State regulations.
- 5) Is actively involved with department leadership in resolving patient grievances and complaints within the scope of the Health Centers Services.
- 6) Assists in the development of patient care policies and guidelines.
- 7) Attends monthly Board meetings.
- 8) Is actively involved in the continuous development of the program's EHR (electronic health record) system and the functionality available to improve patient outcomes.
- 9) Supports department leadership in ensuring proper use of the EHR by providers including the provider's compliance with documentation and billing standards/timelines.
- 10) Assists department leadership as needed with medical staff scheduling for the program
- 11) Oversees, recommends, and approves ongoing education for program providers.
- 12) Director shall be available to department providers and department leadership for consultation, assistance with urgent issues and other instances where program operation warrants the Director's intervention/participation.
- 13) Participate in meetings with department leadership to review operational considerations such as productivity, strategic initiatives, financial performance and staff development/concerns.
- 14) Be available (in person or by telephone) to prepare necessary medical orders and give emergency advice and assistance when needed.

EXHIBIT C
Hours & Compensation

Hospital shall pay the Director an annual salary of eighteen thousand dollars (\$24,000), which shall be paid in monthly installments of \$2,000 per month.

Hospital anticipates that Director shall work, on average, ten (14) hours per month providing directorship duties pursuant to this agreement.