

OFFICIAL NOTICE AND AMENDED AGENDA

Notice is hereby given that the **North Central Community Services Program Board** will hold a meeting at the following date, time, and location shown below.

Thursday, September 30, 2021 at 3:00 pm
Wausau Board Room, 1100 Lake View Drive, Wausau WI 54403

The meeting site identified above will be open to the public. However, due to the COVID-19 pandemic and associated public health directives, North Central Health Care encourages the public to attend this meeting remotely. To this end, instead of attendance in person, the public may attend this meeting by telephone conference. If Board members or members of the public cannot attend remotely, North Central Health Care requests that appropriate safety measures, including adequate social distancing, be utilized by all in-person attendees.

Persons wishing to attend the meeting by phone may call into the telephone conference beginning five (5) minutes prior to the start time indicated above using the following number:

Meeting number: 1-408-418-9388 Access Code: 2484 455 0688

Our Mission

Langlade, Lincoln, and Marathon Counties partnering together to provide compassionate and high-quality care for individuals and families with mental health, recovery, and long-term care needs.

AMENDED AGENDA

1. CALL TO ORDER
2. CHAIRMAN'S ANNOUNCEMENTS
3. PUBLIC COMMENT FOR MATTERS APPEARING ON THE AGENDA (Limited to 15 Minutes)
4. CONSENT AGENDA AND MONITORING REPORTS
 - A. Board Minutes and Committee Reports
 - i. ACTION: *Motion to Approve the August 26, 2021 NCCSP Board Minutes*
 - ii. FOR INFORMATION: Minutes of the August 19, 2021 and September 10, 2021 Executive Committee Meetings
 - B. Executive Operational Reports
 - C. ACTION: *Motion to Approve the Recommendations of the Medical Executive Committee to reappointment of Susan Tran MD, Dia Arpon MD, Susan Brust APNP, Richard Immler MD*
 - D. Policy Governance Monitoring Reports
 - i. Recent State, Federal, and Accreditation Reports
 1. Initial Certification – Youth Crisis Stabilization Facility – J. Peaslee
5. BOARD EDUCATION
 - A. Annual Report from the Medical Staff and Review of Proposed Changes to Medical Staff Bylaws (20 Minutes) – R. Gouthro
 - B. Draft Policy for Physician Compensation (10 Minutes) – R. Gouthro

- C. Overview of North Central Health Care's Financial Performance (15 Minutes) – J. Meschke
- D. Update on Master Facility Plan Progress (10 Minutes) – J. Nickel

6. BOARD DISCUSSION AND ACTION

- A. CEO Report and Board Work Plan (5 Minutes) – J. Meschke
- B. ACTION: *Motion to Accept Dashboards and Executive Summary* (5 Minutes) – J. Meschke
- C. ACTION: *Motion to Accept the August Financials* (5 Minutes) – J. Meschke
- D. ACTION: *Motion to Approve Capital Request for Laundry Services* (5 Minutes) – J. Meschke
- E. ACTION: *Discussion and Possible Action on Draft 2022 Budget* (30 Minutes) – J. Meschke
- F. POSSIBLE ACTION: *Decrease Licensed Beds for Mount View Care Center to 154 as a Result of CLA Study and Master Facility Plan* (5 Minutes) - J. Nickel
- G. POSSIBLE ACTION: *Decrease Licensed Beds for Pine Crest Nursing Home to 120 as a Result of CLA Study and Mater Facility Plan* (5 Minutes) – J. Nickel
- H. Conflict of Interest Disclosures (5 Minutes) – J. Meschke
- I. Discussion on the Direction of the NCH Foundation (5 Minutes) – J. Meschke
- J. ACTION: *Motion for Approval of Board Policy:*
 - i. Medical Staff Bylaws
 - ii. Employee Compensation Policy
 - iii. Compensation Administration Manual

7. MOTION TO MOVE INTO CLOSED SESSION

- A. Pursuant to Section 19.85(1) (c) and (f) Wis. Stats. for the purpose of considering employment and performance evaluation of any public employee over which the governmental body exercises responsibility, and preliminary consideration of specific personnel problems, which if discussed in public, would likely have a substantial adverse effect upon the reputation of any person referred to in such problems, including specific review of performance of employees and providers of service and review of procedures for providing services by Agency, to wit: *Report of Investigations related to Corporate Compliance Activities and Significant Events* – J. Peaslee

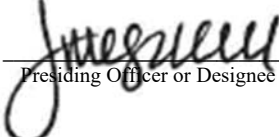
8. BOARD CALENDAR AND FUTURE AGENDA ITEMS

9. ADJOURN

Any person planning to attend this meeting who needs some type of special accommodation in order to participate should call the Administrative Office at 715-848-4405. For TDD telephone service call 715-845-4928.

NOTICE POSTED AT: North Central Health Care
COPY OF NOTICE DISTRIBUTED TO:
Wausau Daily Herald, Antigo Daily Journal, Tomahawk Leader,
Merrill Foto News, Langlade, Lincoln & Marathon County Clerks Offices

DATE: 09/29/2021 TIME: 11:00 AM BY: D. Osowski



Presiding Officer or Designee

NORTH CENTRAL COMMUNITY SERVICES PROGRAM BOARD MEETING MINUTES

August 26, 2021

3:00 p.m.

North Central Health Care

X_(WebEx) Eric Anderson
EXC John Breske
EXC Lance Leonhard
X Gabe Ticho
X Cate Wylie

EXC Randy Balk
X Kurt Gibbs
X_(WebEx) Dave Oberbeck
X_(WebEx) Pat Voermans

X_(WebEx) Chad Billeb
EXC Deb Hager
EXC Robin Stowe
X Bob Weaver

Staff Present: Jarret Nickel, Tom Boutain, Dr. Rob Gouthro, Jaime Bracken _(WebEx), Jennifer Peaslee, Marne Schroeder

Others Present: Dejan Adzic, Asst. Corp. Counsel, Scott Schultz, Gallagher

Call to Order

- Meeting was called to order at 3:00 p.m. by Chair Gibbs.

Chairman's Announcements

- Chair Gibbs thanked all for attending today's meeting.

Public Comment for Matters Appearing on the Agenda

- None

Consent Agenda and Monitoring Reports

- **Motion**/second, Weaver/Wylie, to accept the Consent Agenda.
- J. Nickel provided an overview of the Executive Operational Reports. Highlights included:
 - Cerner launched successfully about 60 days ago; T. Boutain meets regularly with the teams and Cerner to ensure all priority items are achieved.
 - Nursing Tower received substantial completion; preparations are in progress to move residents in October.
 - Continuation of the Psychiatry Residency Program is noted in Dr. Gouthro's report.
 - J. Peaslee provided a review of the recent Joint Commission Accreditation survey that occurred August 2-5, 2021. The Joint Commission conducts an in-depth survey every three years of all our behavioral health programs. Surveyors shared that the staff and leadership they interacted with were very knowledgeable and passionate about the services NCHC provides and that the services we provide are excellent. Our final report has been received which requires a plan of correction due in October with a return survey expected within 45 days of the original survey.
 - The areas needing correction primarily fall under Facilities Maintenance responsibility and we are working with them and the contractors on the required corrections.
 - There are items related to the new construction; we anticipate having some cost implications which would apply to Marathon County.
 - No further questions or comments on the Consent Agenda. Motion carried.

Board Education

- Health Plan Performance and Projections for 2022 - Scott Schultz, Gallagher Benefits
 - The presentation included year over year self-funded medical plan performance, plan design updates, 2022 self-funded forecasts, pharmacy analysis, voluntary vision marketing results, Tria Health results / pharmacy management, benefit trends, and a mobile app promotion.
- Commitments and Linkage – R. Gouthro, M.D.
 - Two issues being addressed: Commitments and Care Transitions
 - Linkage and Coordination Services ('handoff service') i.e., connection of a client with other programs, coordination with other mental health providers, and coordination with law enforcement
 - Linkage Redesign is to provide follow-up support following acute care contacts until the client is established with an ongoing provider or declines service.
 - The addition of Targeted Case Management would designate 6 staff to manage 30-40 people each; serving primarily adults but available for youth; would expand the continuum of care provided by Community Treatment and anticipate positive impact on access to services.
 - Commitments will allow ability to provide true interventions, attempt to fit into existing programs, will narrow focus of responsibility, and work with law enforcement to further define gray zones.
 - The Board expressed knowing the total cost of the program, potential revenue, and impact on budget will be necessary as further changes are considered and, what is best for our clients, community, residents, and other agencies, is what's best for everyone.

Board Discussion and Action

- CEO Report and Board Work Plan – J. Nickel
 - Since the date of the report on 8/17, Covid 19 response has substantially increased with 20 total staff out, 2 being positive. Our situation is similar to what others are experiencing locally and nationally. With the recent FDA approval of the Pfizer vaccine, we have increased education about the vaccine and initiated a push for voluntary vaccination. Many staff have asked questions about the vaccination mandate that President Biden wants to implement. At this point we are waiting on CMS which will dictate the actual regulatory impact on nursing homes. The implications to us could affect reimbursement and census and depending on the severity of that impact will determine how we proceed. Staff vaccination rate is currently 63.2%.
 - Multiple projects are occurring with the campus renovation. Operationalizing the new tower and anticipating beginning our move-in on October 11-25. We hope to have a ribbon cutting ceremony prior to move in.
 - The Joint Commission was very positive and complimentary about the policies, procedures, and leadership of the organization regarding the clinical processes and reiterated almost daily. One of the challenges during the survey was with Cerner being only 30 days into implementation of the new electronic medical records system.
- Dashboards and Executive Summary – J. Nickel
 - The Organizational Dashboard is presented regardless of whether there is a variance or not. The Primary Dashboard includes explanations on variances by program i.e., if an item is not meeting target, there is an explanation on why the targets are not being met along with actions to achieve them.

- Highlights included the lowest vacancy rate in 4 years. The Patient Experience is a challenge for many organizations during the pandemic, but we have been able to reach our goal for 6 of 7 months. Notification recently received is that MVCC moved to a 4-Star Rating which meets our target. Opportunities for improvement that teams are actively addressing include Turnover and Nursing Home Readmissions.
- **Motion**/second, Anderson/Billeb, to accept the Dashboards and Executive Summary. Motion carried.
- July Financials – J. Nickel
 - July financials were significantly impacted due to the recent implementation of Cerner. We continue to work through our processes to verify accuracy and believe there are a number of outstanding charges that occurred on the initial rollout that we will be able to credit to our August financials.
 - We worked with the State and received approval to implement new procedures in Mount View and Pine Crest which allows us to admit to units that are not on enhanced precautions rather than closing the entire facility to admissions. This should help with our census challenges and also help alleviate census constraints at local hospitals.
 - An agreement to utilize the Youth Hospital has been drafted and sent to Portage County, as previously approved by the Board and prior to knowledge of the \$5 million grant from the State. The same agreement will be sent to the other surrounding counties with the understanding that member counties will have first preference. We believe it will help with census recovery.
 - We anticipate a recovery in August for Community Treatment and Outpatient Services by recapturing June payments and improved efficiencies in the new Cerner system.
 - Expenses were favorable, however, they don't outlast our revenue. Salaries and benefits continue to be favorable. Contracted services expense has reduced with the onboarding of several physicians recently and should continue to improve.
 - **Motion**/second, Ticho/Wylie, to accept the July financials. Motion carried.
- Employee Compensation Policy and Administration Manual and Review of Compensation Plan Effectiveness – J. Nickel
 - Significant changes are being proposed this year to the Employee Compensation Policy to stay competitive and utilize different strategies in an effort to attract and retain employees. All updates were reviewed and discussed.
 - Suggestion made to consider adding language that step reviews/increases are intended to be completed annually and there is no permission to 'double up'. Student employees should also be noted.
 - The Compensation Manual is our philosophy of how we compensate our employees and dictates many of our policies and procedures. Significant changes are noted this year with moving ahead with the step scale. This document will help guide many of our principles for our 2022 budget and use as a recruitment and retention tool for our organization. Updates were reviewed and discussed.
 - The Board also asked for a detailed financial impact on the proposed changes.
 - A separate policy specifically addressing physician compensation is under review and will be brought before the Board for final approval.
 - **Motion**/second, Wylie/Ticho, to postpone action on the Employee Compensation Plan and the Compensation Administration Manual until the September Board meeting due to the number of Board members absent today, to allow additional time to review the information, and for further discussion. Motion carried.

Create Separate Nursing Home Operating Committees for Lincoln and Marathon Counties – J. Nickel

- Prior to the implementation of the current management agreement between NCHC and Pine Crest, the NCHC Nursing Home Operations Committee (NHOC) provided oversight of Mount View Care Center and the Pine Crest Board of Trustees to Pine Crest Nursing Home. Upon execution of the management agreement, the NHOC and Board of Trustees combined as the current NHOC and meets approximately six times per year to oversee the operations of both nursing homes. NCHC's role of both facilities is identical being charged with the management of each facility in its operations i.e., staff, operating revenue, and losses, etc. Each facility is owned by each county for their respective nursing home. The NHOC focuses mainly on operations such as census, readmission rates, quality, financial indicators, etc.
- C. Wylie, B. Weaver, and P. Voermans relayed that Lincoln County Board has expressed the desire to create a separate nursing home operations committee specifically for Pine Crest indicating they feel the current committee weighs heavily on Mount View and that sufficient communication between NCHC and Lincoln County is lacking. Lincoln County does not wish to change the management agreement with Pine Crest in the operations of the nursing home but would like more involvement in the need for facility upgrades and building use. The Lincoln County community is very passionate about Pine Crest and does not feel they have sufficient involvement in addressing local issues and concerns.
- Following discussion, the Board suggested to review the current management agreement and bylaws, as a way to proceed with improving the communication and identifying a clear delineation of roles and responsibilities. No action was taken. Weaver stated they will take this back to the Lincoln County Board. The NCCSP Board will continue to look for ways to accommodate the concerns of Lincoln County.

Review Diversity, Equity, and Inclusion Plan – J. Nickel

- Request made to delay this item. NCHC recently met with our vendor, McLean and Company, and identified changes that need to be made yet. Board agreed.

Board Calendar and Future Agenda Items

- Contact Chair Gibbs to include future agenda items on the Board agenda.

Adjourn

- **Motion**/second, Ticho/Anderson, to adjourn the meeting at 5:20 p.m. Motion carried.

Minutes prepared by Debbie Osowski, Executive Assistant to CEO

NORTH CENTRAL COMMUNITY SERVICES PROGRAM EXECUTIVE COMMITTEE MEETING MINUTES

August 19, 2021

3:00 p.m.

Wausau Board Room

Present: X Kurt Gibbs X Deb Hager X Lance Leonhard
 EXC Robin Stowe X_(phone) Cate Wylie

Staff Present: Jill Meschke, Jarret Nickel, Jennifer Peaslee, Janelle Hintz, Scott Van Ermen, Kim Van Ermen, Dr. Rob Gouthro, Jessica Meadows, Marne Schroeder,
Present by Phone: Dejan Adzic, Asst. Corp. Counsel, Jaime Bracken, Tom Boutain

Call to Order

- Meeting was called to order at 3:04 p.m. by Chair Gibbs.

Public Comment

- None

Approval of the July 22, 2021 Executive Committee Meeting Minutes

- **Motion**/second, Leonhard/Wylie, to approve the July 22, 2021 Executive Committee Meeting Minutes. Motion carried.

Review of Draft NCCSP Board Agenda for August 26, 2021

- C. Wylie asked to add an agenda item to discuss having two operating committees for the two nursing homes.

Operational Functions Required by Statute, Ordinance, or Resolution

- Chair Gibbs asked that this agenda item be moved to later in the agenda to allow Attorney Andrew Phillips, von Briesen and Roper Law Firm, to join the meeting at approximately 3:45 p.m. No objections expressed.

CEO Report:

- Covid 19
 - As of today, there are three staff who have tested positive, all three unvaccinated. One staff works at Mount View, therefore the facility is on enhanced precautions with no admissions or visitation at this time. One staff in the Antigo ADS program tested positive and had exposed other staff closing the program for quarantine. With county positivity rates over 5% testing is occurring weekly in both nursing homes.
 - Announcements this week from the Biden administration wanting to mandate vaccinations for all nursing home staff has raised questions from staff.
 - We will resume discussions on stocking supplies, implementing zones, limiting in-person meetings, and making necessary preparations should the situation worsen.

- Vaccination status of staff at Pine Crest is approximately 42% and 72% at Mount View. Residents have a high vaccination rate. We have also noticed that vaccinated employees are testing positive.
- Campus Renovation
 - Progress continues as we begin to move supplies and furniture into the Tower. We have not yet received approval for occupancy which is slated for the end of August. Plans are to move residents one floor per week giving opportunity to work through processes prior to the next resident moves.
 - We hosted the local neighborhood monthly meeting this week in the assembly room of the Tower and toured some areas of the first floor. Will expand tours and hold an open house as well as a ribbon cutting as soon as we are able.
 - There are structural issues on the current F wing i.e., when built in 1980's the roof structure was built on 4" brick (according to code at that time) vs 8" block, and the roof is compromised. This is an emergency exit through F wing and are working with Miron and Facilities Maintenance to remedy. We do not anticipate this to affect the timeline.
- The Joint Commission conducted a 4-day survey which is completed every 3 years. Overall experience was positive. Surveyors had great things to say about staff, and residents were open to sharing experiences. They also commented about our knowledgeable leadership. Final report was received, and we are working on the plan of correction. A more detailed memo about their visit will be included in the Board packet.
- Organizational Dashboard has its continuing difficulties with retrieving accurate information from the new electronic medical record (EMR). Cerner will be on site next week to work with users and address reporting challenges. Vacancy rates continue in 'green' as we've had great success in new hires. There has been a slight increase in turnover as some new hires were not a good fit. Net promoter score has been consistent throughout several months. We have been experiencing a somewhat lower census than in prior months and are looking to understand why.
- July Financials show a loss for the month of just under \$1 million. In comparison to June, with significant one-time funding, this month was less productive financially. Gross revenues are of concern. Both nursing homes are doing very well, particularly Pine Crest. The current challenges in the nursing homes are bringing new employees up to speed and several staff out with Covid. Use of agency staff is declining. Low census in hospitals has affected gross revenue performance. With the new EMR we have given staff flexibility to work through issues and workflows. Bills are reviewed and pulled if corrections are needed before submission. Will pick up revenue when those bills are resubmitted. Additional discussion on the impact of low census to financials continued. There is some seasonality that can be attributed to low census, and we continually look at those in state institutes for feasibility to return to NCHC as appropriate. We are drafting a contract to use with other counties so they can utilize our services and facilities. We flex staff as much as possible to reduce expenses. Have recently changed provider schedules to 7 on 7 off which will have a positive impact on consistency and weekend coverage costs.

Board Work Plan

- The compensation administration manual will be brought to the Board for review and approval at its next meeting. The August 26 Board meeting is planned to be held in Antigo, with a virtual component as an option.
- 2022 Budget is being developed with a first draft due to J. Meschke within the next week. Do not expect any capital requests. Working a lot on payer mix, State Budget information on rates in the nursing home and residential areas to compile a good understanding for what will be occurring. NCHC staff and County Finance Directors will meet to review American Rescue Plan money so all are using same methodology regarding revenue losses.

Operational Functions Required by Statute, Ordinance, or Resolution

- Discussion and Possible Recommendations on CEO Recruitment
- Discussion on Potential amendments to the Tri-County Agreement
 - Atty. Phillips joined the meeting via phone about 3:50 p.m.
 - It is difficult for the CFO to also fulfill the role and responsibilities of CEO long term. The demands of both positions are high.
 - Are there opportunities within the Tri-County Agreement to make modifications to address challenges? Can we look to backfill in Finance to better support the role of Interim CEO and CFO?
 - Committee expressed need to be prudent, take time in identifying opportunities to move forward and address some challenges to create the right structure. Need to look at the organization, how it is doing business, and rather than monthly meetings, maybe block a day and manage like a project and take as much time as needed. Having outside perspective may be beneficial and help gather right information.
 - Recommendations from January 2021 about the 7 steps approved by the Board stemmed around being deliberate or intentional, not overnight, gather feedback from 3 counties, receive input from staff as staff delivers services to citizens in all 3 counties, identify what kind of oversight is appropriate, is Policy Governance an appropriate approach and oversight or should something else be in place?
 - We still want a 3-county entity and a structure for success long term so we're not back in 5 years dealing with issues of transparency and accountability.
 - Atty. Phillips is reviewing the Tri-County Agreement, taking time to pull apart statutes, understand duties and responsibilities, and who delivers on those responsibilities, how a governance model is built utilizing the statutes, etc. Atty. Phillips will deliver a fully annotated version of the 2020 agreement with decision points highlighted and suggested edits.
 - While the review, discussion, and potential decision-making occurs, the Committee and Board must discuss what additional resources are needed to support the Interim CEO/CFO.
 - A consultant might be of help.
 - Committee to identify next steps and present to the Executive Team and Board.
 - Would like someone knowledgeable of government structure and county government vs business.

- Challenge is that NCHC is health care but need to clearly understand the county component i.e. transparency, accountability and oversight, and the Board needs to be deliberate about what that looks like.
- Do not want to impact the ability to deliver services in the three counties and regionally.
- Where to look for recruitment:
 - International City/County Management Association (ICMA)
 - Wisconsin City/County Manager Association (WCMA)
 - Wisconsin County Human Service Association (WCHSA)
- Atty Phillips suggested policy governance principles may not be appropriate for this organization but to develop a better way to describe how to operate with the three counties as a Director of Community Programs.
- Next Steps:
 - Leonhard to reach out to Vicki, WCHSA, ICMA
 - Leonhard to develop an outline; be point person to work with Atty Phillips
 - All committee members will work to identify what resources would be appropriate in interim
 - Schedule additional Executive Committee meetings (every 2 weeks)

Next Meeting Date & Time, Location, Future Agenda Items

- The next meeting is tentatively scheduled for Thurs, Sept. 9 at 7:30 a.m. Atty. Phillips will have deliverables out to the committee prior to this meeting for review and to make the meeting productive.
- Nothing to be presented to the Board at this time.

Announcements

- None

Adjourn

- **Motion**/second, Leonhard/Wylie, to adjourn the meeting at 4:18 p.m. Motion carried.

NORTH CENTRAL COMMUNITY SERVICES PROGRAM EXECUTIVE COMMITTEE MEETING MINUTES

September 10, 2021

3:00 p.m.

Wausau Board Room

Present:	X	Kurt Gibbs	EXC	Deb Hager	X	Lance Leonhard
	X	Robin Stowe	X	Cate Wylie		

Staff Present: Jarret Nickel, Dr. Rob Gouthro, Janelle Hintz, Marne Schroeder, Jennifer Peaslee, Jessica Meadows

Staff Present via Phone: Tom Boutain, Bobby Splinter, Zach Ziesemer

Others Present via Phone: Mike Heilmann, WSAW Channel 7

Call to Order

- Meeting was called to order at 3:05 p.m. by Chair Gibbs.

Public Comment

- None

Approval of the August 19, 2021 Executive Committee Meeting Minutes

- **Motion**/second, Leonhard/Wylie, to approve the August 19, 2021 Executive Committee Meeting Minutes. Motion carried.

Review of 2020 Tri-County Agreement

- Discussion of organizational options
 - a. One of the 7 items identified by the Board in closed session in January was to have options to address. Mr. Phillips edited the Joint County Agreement and provided it to the Executive Committee for review and discussion. (The edited agreement will need Corporation Counsel review.) The original Agreement spoke in terms of having a governing body, board of directors, and delegated authority to the Executive Committee. It also identified certain retained county powers.

Option 1:

 - The Executive Committee will exercise authority separate from the Board of Directors and be the superior body.
 - The Executive Committee is apprised of the 3 counties and the Board chair.
 - Statutes are not completely clear on what the governing body should do according to the law. The Executive Committee will have decision-making responsibility and the Board of Directors will have distinct 51.42 Board responsibilities.

Option 2:

- ♦ Continue with the NCCSP Board of Directors as the governing body and delegate responsibility to the Executive Committee.
- ♦ The issue is the accountability back to the counties with decisions that impact the counties.

Option 3:

- ♦ Needs clarification/approval from DHS regarding State Statutes 59.52(7) to create more of a multi-county department of community programs which would set up North Central Health Care (NCHC) like a single county administrative coordinator.

- b. Discussion included:
 - ♦ Continued statutory responsibility of the 51.42 Board composed of the three partner counties.
 - ♦ Option 1 makes the distinction between the Executive Committee as the governing body which is separate and distinct from the 51.42 Board.
 - ♦ Option 3, if approved by DHS, is a greater role at an administrative level in each of the three counties and the administrative positions would take the place of the governing body.
 - ♦ Marathon County indicated they do not want to run NCHC but to retain the three-county partnership.
 - ♦ Chair Gibbs, in discussions with Atty. Phillips, feels the three counties deserve an explanation of the last 6 months and in context can prepare recommendations to the respective county boards. They do not want this to happen again and to get back to business of NCHC.
 - ♦ To allow continued success of NCHC it will be important to identify clear delegation of authority and role clarity and remove the impossible task of answering to 4-5 governing authorities.
 - ♦ Options 1 or 3 are preferred; Option 3 cannot be considered until response is received from DHS.
- Provide direction to counsel on organizational options
 - a. Committee members concurred that Atty. Phillips will prepare an organizational chart and summary, to include why restructuring is being considered, by October 1 for review prior to presentations to County Boards.
 - b. Potential timing to present to County Boards:
 - ♦ Lincoln and Langlade Administrative Committees – October 6
 - ♦ Marathon County Health & Human Services Committee – October 6

Discussion and Possible Action on Hiring Process for Interim and/or Permanent Executive Officer

- Leonhard distributed a memo regarding possible options available relative to performance of Interim CEO duties during recruitment planning and execution.
- J. Meschke has expressed interest and willingness to continue in the additional capacity of Interim CEO. To help support the dual role, the addition of an Accounting and Grant Manager position is being requested. The new position would work with grant management and reporting, work with operational leaders to seek out new opportunities, and feels the position will pay for itself in seeking out new grants.

- External resources that could be explored in the search for an interim or permanent CEO are with the American College of Healthcare Executives (ACHE) that represent government health institutions, Wisconsin County Human Service Association (WCHSA) that also represents government health institutions, private consultant and staffing resources which would be more costly, and non-affiliated resources consisting of individuals who may be interested in providing consulting services.
- Committee members felt it important to have consistency moving forward. J. Meschke provides that consistency and stability to the organization. The committee expressed full confidence in her abilities and fully supports her in the Interim CEO role.
- Committee members expressed desire to resolve the Tri-County Agreement issue and shift to Executive Committee authority before moving forward on a hiring strategy. External recruiting assistance may help in understanding the needs of the organization during recruitment.
- The Committee agreed to recommend to the Board to continue to support J. Meschke in the Interim CEO role and the addition of the Accounting and Grant Manager position.

Discussion and Possible Action on Internal and External Communication Strategies

- Desire of the committee is to provide a clear message to the Executive Management Team, NCHC employees, and community that we want to support and maintain the same level of service we have seen from NCHC as we transition to the next CEO or director.
- The message needs to be factual so there is no disruption in services, the mission remains important, staff know they are valued, and the organization remains strong.
- Members reinforced their commitment to the organization, taking their responsibilities seriously, and to put in correct procedures and barriers.
- Committee agreed that the Board Chair and Interim CEO will together, send a communication to include the commitment and relationship of the three counties remains strong, the Board has confidence in J. Meschke, the Executive Management Team and staff. A bi-weekly message as progress proceeds was recommended.
- Committee discussed the Executive Committee meeting with each of the 3 County Boards to provide clarity that the Tri-County Agreement will be revised to strengthen the partnership and commitment. Committee agreed they would like to do this in October with the additional documents being prepared by Atty. Phillips.

Discussion on B. Bliven Resignation

- Marathon County is the appointing authority for the vacancy on the Board. Any contacts you believe would serve well should be directed to complete the online application.

Announcements

- John Breske, appointed to the NCCSP Board as a Langlade County Board member, is moving out of district and will no longer be on the County Board. Therefore, Langlade County will be appointing another representative to serve on the NCCSP Board.
- Next meeting of the Executive Committee is scheduled for Sept. 23, 2021 at 3:00 p.m.

Adjourn

- **Motion**/second, Leonhard/Stowe, to adjourn the Executive Committee meeting at 4:23 p.m. Motion carried.

MEMORANDUM

DATE: September 27th, 2021
TO: North Central Community Services Program Board
FROM: Jarret Nickel, Operations Executive
RE: Monthly Operations Report

The following items are general updates and communications to support the Board on key activities and/or updates of NCHC Operations since our last meeting:

1. Campus Renovations & Improvements

We are eagerly awaiting our occupancy certificate from the City of Wausau which will allow us to begin moving operations into Mount View Care Center "Tower". D&F Wing continue to progress well with all original dates still on target. D&F Wing will bring the number of behavioral health hospital beds to 16 with an additional 5 detox beds with our current number at 10. We will also add up to 39 MMT beds and expand our crisis services and access for law enforcement. \$5 million budgeted in the biannual state budget is actively being requested with formal meetings to occur in October to secure the funding.

2. NCHC Risk Update

North Central Health Care signed into a release of claims at the recommendation of our insurance carrier related to a MVCC resident claim. The release of claim will prevent any future liability for NCHC allowing the close of this legal case and resources dedicated to this.

3. Community Living

August was a strong month for Community Living with occupancy remaining strong and return to programming at a two year high. This trend is positive considering the environment surrounding our operations with Covid-19 peaking once again. We remain cautiously optimistic about September and entering Q4 for 2021. Recent increases to staff wages have proven favorable to recruitment and retention however we still face shortages preventing our ability to serve all available clients, strategies and action plans are being developed to address this issue.

4. Workforce Status Update

August was highlighted by our lowest turnover to date with only 13 employees leaving the organization. We believe this is in large part due to recent wage adjustments and employee engagement efforts being made by leadership. NCHC does continue to face workforce shortages in key positions and action plans have been developed to attempt to further reduce our vacancy rates.

MEMORANDUM

DATE: September 2021
TO: North Central Community Services Program Board
FROM: Dr. Robert Gouthro, Chief Medical Officer
RE: CMO Report

The following items are general updates and communications to support the Board on key activities and/or updates since our last meeting:

1) **Residency & Education:**

- ERAS Applications are released Sept 29th this year. We again expect to have 600-800 applications from all around the world to fill our three MCW-CW Psychiatry Program slots. Recruitment will run through February with the Match occurring in March of 2022.
- We have our first psychiatry observership occurring this month. Observerships allow graduated medical students looking for residency placement to gain experience on our unit while allowing us the opportunity to evaluate their skillset prior to the residency match. This is a practice we hope to continue moving forward.
- CW Psychiatry Residents have now begun assisting with weekend call. This activity will greatly enhance residency education and experience while also increasing the ability to maintain a high level of care with a consistent treatment team on the weekends.

2) **Patient Care and Provider Quality (Behavioral Health):**

- With the opening of our new Youth Crisis Stabilization Facility (YCSF), the week of September 13th we have increased the treatment options for children and adolescents in the region to prevent unneeded hospitalization when they are on the verge of mental health crisis. The YCSF allows for kids dealing with intense emotional or mental health distress to begin the healing process in a safe, supportive environment. Programming focuses on skill building, treatment, and collaboration with families, schools, and treatment providers, to reduce the likelihood of future mental health crisis situations.
- Dr. Anne Marie Wannamaker has accepted a position and signed an offer letter to join our medical staff in August of 2023. Dr. Wannamaker is in her third year of psychiatry residency training in the Medical College of Wisconsin - Northeastern Wisconsin Psychiatry Program and will be joining us as an outpatient provider with an AODA focus shortly after her graduation.
- An MMT (Medically Monitored Treatment of Addiction issues) workgroup is now meeting regularly to develop our new strategy for residential addiction treatment. Heidi Kleinschmidt, currently assigned to the SOR grant, has been in communication with similar programs throughout the state to determine how we may complement services offered elsewhere, while providing a level of care in the tri-county area that will equate services in other regions. We will be moving from our prior 21 day program model to a 28 day model.
- Langlade County Social Services Staff Development Day is occurring in October and NCHC CT/OP staff will participate to provide guidance and education on our current services and how to access them.
- NCHC recently provided outreach and education to students and parents of the DC Everest and Mosinee Districts. Services and assistance offerings through our school based mental health initiatives were shared in order to increase awareness and participation.

MEMORANDUM

DATE: September 23, 2021
TO: North Central Community Services Program Board
FROM: Jaime Bracken, Chief Nursing Officer
RE: Monthly Nursing Services Report

The following items are general updates and communications to support the Board on key activities and/or updates of Nursing Services since our last meeting:

1. Nursing Education / Learning and Development

To better align staff and our resources, it was decided to make some reporting structure changes. We have combined the Nursing Education team with Learning and Development (formally Organizational Development). The team already works very closely together, and it was felt that the collaboration would strengthen our resources and would allow us to cast a wider net across the organization. Our employee health nurse will also report up through Nursing Services to align her skill set and allow for better collaboration. These positions reported up through Operations but will now report up through Nursing Services.

2. Infection Control and Lab Services

As we wait for a final directive regarding the potential of a vaccine mandate, the team continues to remain attentive to all the ever-changing COVID requirements and remains in the planning phase to be able to react if nursing home staff are required to become vaccinated.

Staff are working with pharmacy and employee health to plan our upcoming influenza vaccine clinics. We plan to have all staff vaccinated by mid-November.

3. Behavioral Health Services (BHS)

Joint Commission work continues, and the BHS team has been diligently working on the required plan of corrections. We anticipate all will be accepted and the changes needed have already been implemented.

4. Long- Term Care

We anticipate that by the end of next week we will be able to start the Mount View moving process into the new tower. Our administrative staff will start moving next week. Residents will begin moving to the 4th floor the week of October 11th and will continue to move in 1 floor each week anticipating all moves complete by the week of October 25th. A great deal of work is needed to make this happen, but staff and residents are excited about the upcoming changes.

Pine Crest just received their 5-Star report which reflects star rating adjustments that will be going into effect to the Care Compare website in late October. Our overall star rating improved to a four star from three. Great news for the team! They are also in their annual survey window and anticipate a positive outcome from that survey as well.

5. Clinical Excellence and Quality

Although we are still working through this process, we have seen great gains within the nursing homes. Both Mount View and Pine Crest had months with resident falls in the low teens which is a drastic decrease. We are currently precepting a Doctorate student and she plans to focus her efforts with the falls program as we continue to make necessary changes.

MEMORANDUM

DATE: September 22, 2021
TO: North Central Community Services Program Board
FROM: Thomas Boutain, Information Services Executive
RE: Monthly IS Report

The following items are general updates and communications to support the Board on key activities and/or updates of Information Services since our last meeting:

Ashley Downing, the Director of Health & Clinical Informatics and Privacy Officer resigned effective 9/18/2021. Jennifer Peaslee will assume the Privacy Officer responsibilities alongside her current responsibility as NCHC's Compliance Officer. We will replace Ashley's role with a Manager of Health Information and are preparing to post the role.

Todd Shnowske accepted the role of Director of Information Management effective 9/19/2021. Todd's leadership over the last few years as NCHC's project manager, managing large IT project implementation like Matrix Care, UKG and most recently the Cerner HER, has demonstrated his leadership capabilities and the attention to detail needed to support NCHC into the future.

The project team has made progress with the monthly reporting requirements within Cerner. Some items are still being worked on by the staff at Cerner but should be complete for next month reports.

1. **Cerner Millennium Behavioral Health Electronic Medical Record (EMR) Implementation Update:**

Through its foundational EMR, Cerner's work with NCHC will help facilitate integrated care across its mental and behavioral health services including psychiatric, emergency, rehabilitation, community treatment, and more.

Post Launch Health Checks

At 30-, 60-, and 90-days post Go Live, Cerner and the NCHC team will evaluate/document End User and organizational satisfaction, gather opportunities for improvement based on feedback/usage metrics, and as needed, establish short and long-term action plans.

- **September 9th marks our 90-day Cerner Millennium post Go Live milestone.**
 - ***Scheduling a 90-day Post Go Live Assessment ("Health Check") is anticipated***
 - ***NCHC continues to operate under Cerner's go live support model, until it is appropriate for an official handoff with their support organization to occur.***

Post Go Live

Cerner and IMS teams remain actively engaged in implementation.

- ***Directors/Leaders participated in an onsite Cerner Post Go Live assessment (“Health Check”) event on Wednesday, August 25th and Thursday, August 26th.***
 - ***The Cerner Team presented information on various available “standard” reporting tools (e.g., Business Objects, Discern Analytics, LightsOn, and Sentinel).***
 - ***Event dialog has driven Cerner to identify reports, which may be customized, to pull NCHC-specific data elements and report them in a meaningful way moving forward.***
- ***IMS Team is scheduled to participate in sessions focused on learning how to leverage Cerner’s reporting tools to populate NCHC Dashboards***
- ***Directors/Leaders are scheduled to attend virtual training sessions for Cerner’s Analytics Dashboards on Wednesday, September 22nd:***
 - ***Introduction to Analytics Dashboards***
 - ***Financial Analysis and Service Utilization Analytics Dashboards***
 - ***OnePlan and Caseload Analytics Dashboards***
- ***IMS Team continues to work Cerner-related break/fix tickets assigned by CCITC HelpDesk, while also learning to navigate the TrackIt ticketing system.***
- ***Cerner Consultants remain engaged with IMS Team in troubleshooting activities and resolving items on Issue Tracking list (e.g., Clinical, Billing, Registration/Scheduling, Pharmacy, and HIM)***
- ***As time and resources permit, the IMS team investigates workflow questions/enhancement requests both internally and with the Cerner Team to determine what steps can be taken to address them.***
- ***IMS Team continues to receive requests from Program Directors/Leaders to assist with delivering and/or to deliver Super User/End User refresher training for various programs and workflows.***
- ***IMS continues to create and communicate several easy access resources as part of their implementation/communication plan to support Super User and End Users:***
 - ***Tip Sheets – Step-by-steps for individual tasks***
 - ***Standard Work – User manuals for each major function***
 - ***News Flashes – Important quick informational messages containing late-breaking information that may not yet be incorporated into standard work***
- ***IMS Team Members continue to work with Cerner Consultants to better understand and uphold NCHC’s role in User Maintenance, as new employees are onboarded post-Go Live and the ownership has transitioned to NCHC.***
- ***Until a long-term decision is made, IMS is scheduled to deliver Cerner Essentials training sessions for new hires, that occur on a bi-weekly basis, starting July 8th. Session topics include:***
 - ***A general overview of key concepts, terminology, and basic navigation.***
 - ***Set up applications preference in preparation for utilizing the system as they enter their program/department.***
- ***Discussions are underway to determine the best approach for delivering Cerner Essentials training to Student Nurses who are rotating through the Behavioral Health Inpatient department.***

2. Information Management System (IMS) Update:

We recently onboarded a new Informatics Analyst and will be filling another open Informatics Analyst position as part of our next onboarding in October. We continue to recruit for our final Informatics Analyst open position. The team's priority has been working on the Cerner project.

3. Health Information Management (HIM) Update:

We recently onboarded a new Health Information Specialist and our final open Health Information Specialist position will be filled as part of our next onboarding in October. We will be adding two contracted staff that will be dedicated to record destruction as we prepare to downsize our space requirements for the upcoming renovation.



North Central Health Care
Person centered. Outcome focused.

PRIVILEGE AND APPOINTMENT RECOMMENDATION

Appointee Dia L. Arpon, M.D. Appoint/Reappoint 11-01-2021 to 10-31-2023
Time Period

Requested Privileges ☐ Medical ☐ Mid-Level Practitioner
☒ Psychiatry ☐ Medical Director

Medical Staff Category ☐ Courtesy ☒ Active
☐ Provisional ☐ Consulting

Staff Type ☒ Employee
☐ Locum Locum Agency: _____
☐ Contract Contract Name: _____

CMO PRIVILEGE RECOMMENDATION

The Credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented.

Comments: _____

[Signature] 9/16/21
(Chief Medical Officer or Designee Signature) (Signature Date)

MEC ACTION

MEC recommends that:

- ☒ He/she be appointed/reappointed to the Medical Staff as requested
☐ Action be deferred on the application
☐ The application be denied

[Signature] 9/28/21
(MEC Committee or Designee Signature) (Signature Date)

GOVERNING BOARD ACTION

Reviewed by Governing Board: _____
(Date)

Response: ☐ Concur
☐ Recommend further reconsideration

(Governing Board Signature) (Signature Date)

(Chief Executive Officer Signature) (Signature Date)

PRIVILEGE AND APPOINTMENT RECOMMENDATION

Appointee Richard E. Immler, M.D. Appoint/Reappoint 12-01-2021 to 11-30-2023
Time Period

Requested Privileges ☐ Medical ☐ Mid-Level Practitioner
 ☒ Psychiatry ☐ Medical Director

Medical Staff Category ☒ Courtesy ☐ Active
 ☐ Provisional ☐ Consulting

Staff Type ☐ Employee Locum Agency: _____
 ☐ Locum Contract Name: Thul-Immler Consultants
 ☒ Contract

CMO PRIVILEGE RECOMMENDATION

The Credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented.

Comments: _____

(Chief Medical Officer or Designee Signature) 9/16/21
(Signature Date)

MEC ACTION

MEC recommends that:

- ☒ He/she be appointed/reappointed to the Medical Staff as requested
☐ Action be deferred on the application
☐ The application be denied

(MEC Committee or Designee Signature) 9/28/21
(Signature Date)

GOVERNING BOARD ACTION

Reviewed by Governing Board: _____
(Date)

Response: ☐ Concur
 ☐ Recommend further reconsideration

(Governing Board Signature) (Signature Date)

(Chief Executive Officer Signature) (Signature Date)



North Central Health Care
Person centered. Outcome focused.

PRIVILEGE AND APPOINTMENT RECOMMENDATION

Appointee Susan Tran, M.D. Appoint/Reappoint 11-01-2021 to 10-31-2023
Time Period

Requested Privileges ☐ Medical ☐ Mid-Level Practitioner
☒ Psychiatry ☐ Medical Director

Medical Staff Category ☐ Courtesy ☒ Active
☐ Provisional ☐ Consulting

Staff Type ☐ Employee
☐ Locum Locum Agency: _____
☒ Contract Contract Name: Susan Tran, M.D.

CMO PRIVILEGE RECOMMENDATION

The Credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented.

Comments: _____

(Chief Medical Officer or Designee Signature)

9/16/21

(Signature Date)

MEC ACTION

MEC recommends that:

- ☒ He/she be appointed/reappointed to the Medical Staff as requested
☐ Action be deferred on the application
☐ The application be denied

(MEC Committee or Designee Signature)

9/28/21

(Signature Date)

GOVERNING BOARD ACTION

Reviewed by Governing Board: _____
(Date)

Response: ☐ Concur
☐ Recommend further reconsideration

(Governing Board Signature)

(Signature Date)

(Chief Executive Officer Signature)

(Signature Date)

PRIVILEGE AND APPOINTMENT RECOMMENDATION

Appointee Susan R. Brust, APRN Appoint/Reappoint 12-01-2021 to 11-30-2023
Time Period

Requested Privileges ☐ Medical ☒ Mid-Level Practitioner
 ☐ Psychiatry ☐ Medical Director

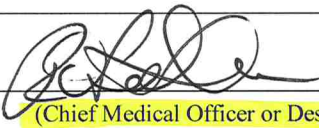
Medical Staff Category ☐ Courtesy ☒ Active
 ☐ Provisional ☐ Consulting

Staff Type ☒ Employee Locum Agency: _____
 ☐ Locum Contract Name: _____
 ☐ Contract

CMO PRIVILEGE RECOMMENDATION

The Credentials file of this staff member contains data and information demonstrating current competence in the clinical privileges requested. After review of this information, I recommend that the clinical privileges be granted as indicated with any exceptions or conditions documented.

Comments: _____

 9/16/21
(Chief Medical Officer or Designee Signature) (Signature Date)

MEC ACTION

MEC recommends that:

- ☒ He/she be appointed/reappointed to the Medical Staff as requested
☐ Action be deferred on the application
☐ The application be denied

 9/28/21
(MEC Committee or Designee Signature) (Signature Date)

GOVERNING BOARD ACTION

Reviewed by Governing Board: _____
(Date)

Response: ☐ Concur
 ☐ Recommend further reconsideration

(Governing Board Signature) (Signature Date)

(Chief Executive Officer Signature) (Signature Date)



MEMORANDUM

DATE: 9/23/21
TO: North Central Community Services Program Board
FROM: Jennifer Peaslee, Compliance Officer
RE: Youth Crisis Stabilization Facility Certification

The Department of Health Services (DHS) conducted an onsite visit on August 24th as part of the department's regular certification process for the Youth Crisis Stabilization Facility (YCSF) under Wisconsin Administrative Code Chapter 50. A Youth Crisis Stabilization Facility is a treatment service with a maximum of eight beds that admits a minor to prevent or de-escalate the minor's mental health crisis and avoid admission of the minor to a more restrictive setting.

As this was one of the very first facilities in the state undergoing certification, surveyors had recommendations for additional unforeseen items which required NCHC to submit one variance and one waiver addressing non-direct, non-caregiver staff who may be present in the YCSF for specific, short-term purposes. As defined by the statute, a waiver is an exemption from a requirement of the chapter. A variance is when an organization asks for approval for an alternate means of meeting a requirement in the chapter. The approved waiver was for Marathon County Facility staff to forgo additional training required of NCHC YCSF direct/caregiver staff. The approved variance permits NCHC housekeeping staff an additional six months for required training.

Additional certification survey activities included in person tours of the building including patient care areas, policy review, staff interviews and review of 10 personnel files. Survey activities demonstrated that we are following the required standards outlined in the code and we did not have any deficiencies as a result. Certification was issued as of 9/9/21 allowing us to begin admitting our first youth shortly after.

ARTICLE XVII: HISTORIES & PHYSICALS

A ~~complete~~ hHistory and ~~P~~physical examination (H&P) is required for all inpatient admissions and must be documented in the patient record within twenty-four (24) hours of patient admission. ~~— This can be accomplished by dictation and/or an H&P documented directly in the chart.~~

An H&P that was completed within thirty (30) days prior to the current admission may be used to meet this criteria provided it is available in the record and an update documenting any changes, or lack of changes, in the patient's condition is completed within twenty-four (24) hours of inpatient admission.


The H&P will include: A cChief cComplaint, hHistory of pPresent illness, a relevant Review of sSystems, relevant physical findingsPhysical Exam, relevant diagnostic studies, relevant past medical history (including allergies and current medications), clinical diagnosis, and an and aAssessment & pPlan. A nNeurological eExamination will be completed and may be focused or expanded based onbased on need and presentation. Neurological eExamination documentation will identify the s will include method of assessment for each of the cranial nerves evaluated documented within the Electronic Medical Record.

~~The H&P may be accomplished within twenty four (24) hours after inpatient admission.~~

~~For an H&P that was completed within thirty (30) days prior to inpatient admission, an update documenting any changes in the patient's condition is completed within twenty four (24) hours of inpatient admission.~~

All Practitioners with clinical privileges may perform H&Ps; however, Physician Assistants must have their documentations co-signed by a Medical Staff member within 30 days of patient discharge.

Any patient refusal of an H&P, or one of its components, will be documented in the chart and will include an abbreviated H&P populated with available information obtained from collateral, medical history and observation. All components of the H&P listed above shall be addressed with available information or an explanation as to why a component was not able to be completed (e.g., the patient refused neuro examination at the time of encounter). There will be an attempt to complete the refused portions the H&P each day thereafter, with documented evidence, until the H&P is complete, or the patient is discharged, whichever comes first.

Policy Title: Physician Compensation	 North Central Health Care <small>Person centered. Outcome focused.</small>
Policy #: 105-0025	Program: 105 Administration
Revision Date: 09/30/2021	Policy Contact: CEO

Related Forms:

1. Purpose

This policy is applicable to all physicians working at NCHC, including contract, locums and employed staff. This policy's goal is to avoid regulatory violations, ensure that every arrangement meets Fair Market Value (FMV) standards, reasonably control costs, monitor risky arrangements and includes regular auditing to ensure adherence to guidelines. In addition, this policy seeks to establish a mechanism to ensure sufficient compensation at fair market value levels for the retention and retainment of the highly qualified physicians necessary to maintain high quality service to patients, support clinical needs, meet operational priorities, and remain competitive within the local market.

2. Definitions

Benefits: Physician benefits normally funded by NCHC include health, dental, disability and life insurance plans and the employer's portion of a retirement contribution under the WRS retirement plan, as amended from time-to-time. Additional benefits which may be provided to physicians in addition to gross salary and normally funded employee benefits listed include professional liability insurance, which also provides tail coverage, a contractually specified allowance for professional licensure, professional society dues, and continuing education.

Commercial Reasonableness (CR): Arrangement must be reasonable and necessary for legitimate business purposes. Even when arrangements have a legitimate business purpose, they may not meet CR. Arrangement must be a sensible, prudent business arrangement for both parties even in the absence of any potential referrals. An arrangement may be commercially reasonable even if it does not result in profit for one or more of the parties.

Fair Market Value (FMV): "The value in arms-length transaction, consistent with the general market value (GMV) of the transaction." GMV means "with respect to compensation for services, the compensation that would be paid at the time the parties enter into the service arrangement as the result of bona fide bargaining between well-informed parties that are not otherwise in a position to generate business for each other."

- Salary surveys by themselves do not constitute FMV
- Compensation set at or below a stated percentile is not always FMV

Total Compensation: shall consider the salary, bonuses, benefits, pension, deferred compensation, insurance, recruitment incentives, and other benefits offered to the Physician. NCHC shall ensure that the total compensation offered to the Physician correlates to services performed and that the compensation is consistent and competitive with compensation structures offered by NCHC's regional partners and competitors.

Volume or Value Standard: “Remuneration under the employment cannot be determined in a manner that takes into account (directly or indirectly) the volume or value of referrals by the referring physician.” Two-part test to determine volume or value of referrals.

3. Policy

- 3.1. Written Agreements:** All physician agreements must be in writing and must comply with this policy.
- 3.2. Compliance with State & Federal Fraud & Abuse Laws:** North Central Health Care intends to follow all applicable laws including but without limitation, Stark Law, and the Anti-Kickback statute with respect to all physician employment agreements.
- 3.3. Compliance with Fair Market Value (FMV) & Commercial Reasonableness:** Amounts paid to physicians under a written agreement shall not be greater than FMV for the services provided, shall not be based upon value or volume of referrals or any referral relationship between parties and shall be commercially reasonable even if no referrals were made to the employer by the physician. Determination of FMV is outlined below in the general procedure.
- 3.4. Benefits & Expenses:** Except as otherwise noted in the written agreement, employed physicians will be entitled to the same benefits as other NCHC employees. The employer shall pay all expenses of the employee generated while performing their duties as outlined in the employment agreement in accordance with policies and procedures.
- 3.5. Compensation Philosophy:** Physician agreements that include additional benefits not otherwise standard to employees will outline how & under what parameters the following (including but not limited to) will be paid in the contract: incentive pay, conversion factors, compensation caps, relocation bonuses, signing bonuses, educational loan repayment, medical directorships, CMEs, licensure, dues, vacation time, on-call pay, advanced practitioner oversight. All are subject to the terms of this policy.
- 3.6. Approval Process:** Physician agreements shall be considered approved if in accordance with this policy. Additional review and approval may be required for any physician contract/arrangement that deviates from the standard set forth in this policy and should be reviewed by legal and the Compensation Committee prior to execution.
- 3.7. Monitoring:** A routine schedule shall be identified for reviewing all agreements and shall be included as part of the annual Compensation Committee work plan objectives to ensure compliance with this policy and to make sure they are compliant with the latest laws, regulations, best practices, and organizational needs.

4. General Procedure:

- 4.1. Fair Market Value Determination:** To establish that total compensation paid under the agreement is consistent with fair market value, NCHC will require an independent, third-party evaluation of FMV. This evaluation must include comparisons to one or more recognized independent standards.
- This evaluation will occur every three years or less with a regular review of the market indices as a guide to any notable fluctuation.
 - Given NCHC's rural locations, unique market region, and knowledge that third party FMV figures generally includes data sources with distinctly different market forces, we will combine the following to determine our compensation pay parameters:
 - the independent evaluation of fair market value with a minimum sample of three local and similar like organizations and like positions including non-

- profit and for-profit posted salary ranges
- Locums and Contracted Physician Contracts will be reviewed individually and in accordance with this policy.

4.2 Compensation Committee Determination

- Most arrangements will fall within these parameters and set criteria for such. If we are outside the pre-determined range as outlined above the arrangement must be reviewed and approved through the Compensation Committee and clear documentation as to why the arrangement is outside the parameters must be included. This documentation must include, at minimum, empirical evidence, and documentation of FMV determination and sampling of local market. The following reasons may influence whether an arrangement is outside the pre-defined parameters such as:
 - No success in hiring process at a stated compensation range. Position advertised by no responses or rejections of offers based on the limited compensation provided.
 - Evidence that the competition is paying more, or offering additional benefits, outside the parameters as set forth in the policy.
 - Physician has a unique specialty or experience that set them apart from other candidates.
 - Compensation incentives based on productivity.
 - Local and regional shortage of the position.

5. References

5.1.CMS: N/A

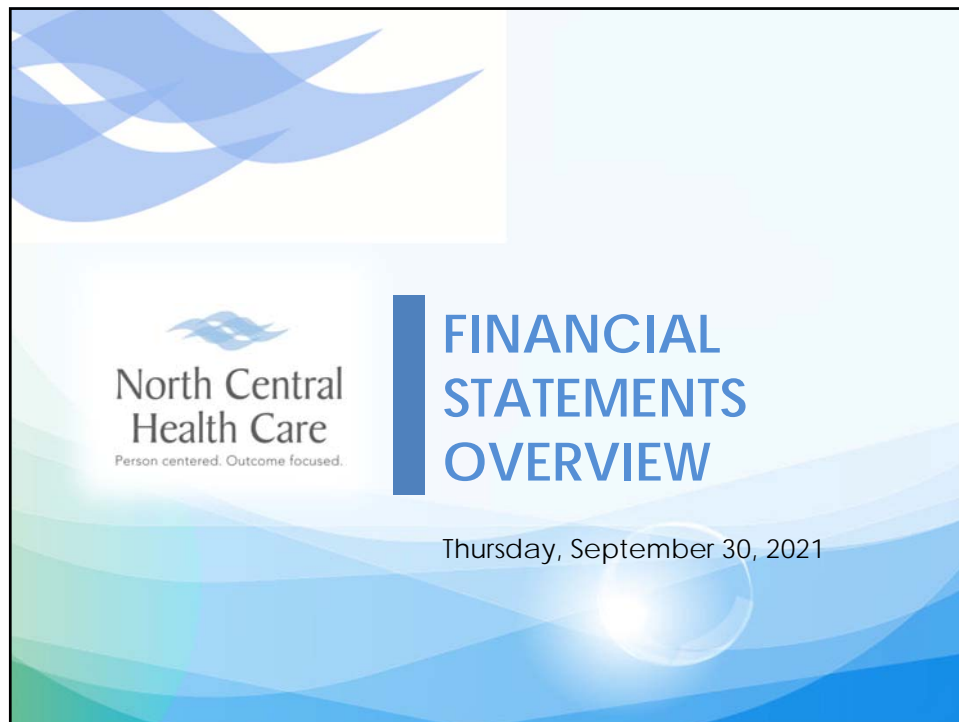
5.2. Joint Commission: N/A

5.3. Other: Stark Law (41 U.S.C 1395nn), Anti-Kickback Statute (42 U.S.C. 1320a-7b(b)), The False Claims Act (31 U.S.C. 3729-3733, IRS Regulations, Guidance (42 Code of Federal Regulations § 411.351), Guidance (42 Code of Federal Regulations § 411.354)

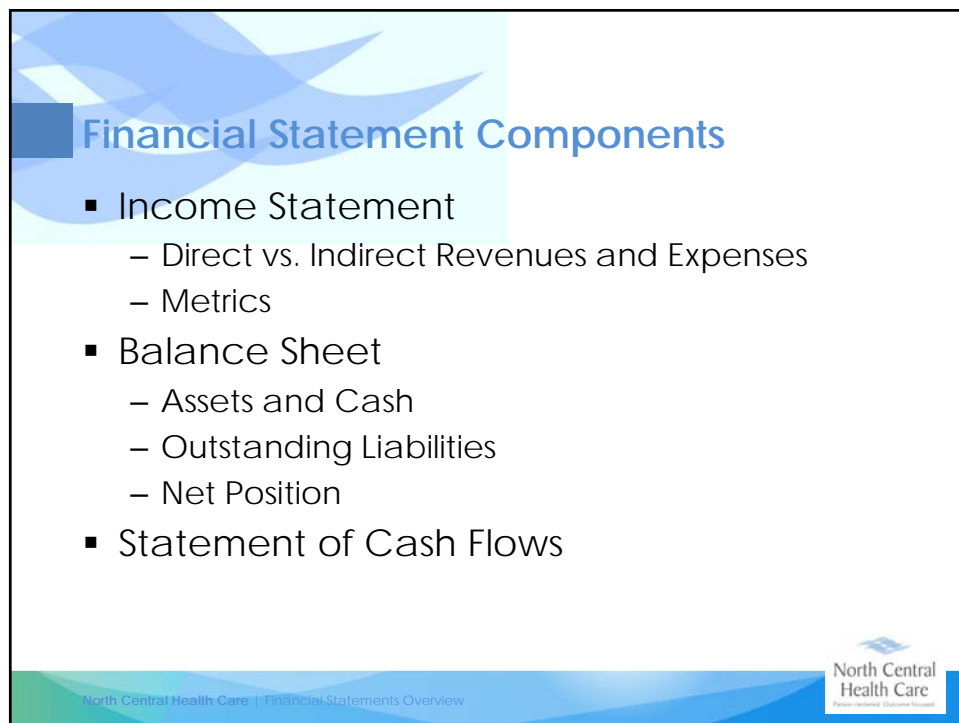
5.4. Other: U.S. Department of Justice, Criminal Division, Evaluation of Corporate Compliance Programs (Updated June 2020)

6. Related Policies, Procedures and Documents

Compensation Policy Administration Manual
 Anti-Kick Back Statute
 Stark Law
 Contract Review & Approval
 Fraud and Abuse Policy



1



2

Financial Statement Components, cont.

- Programs by Service Line
- Fund Balance Review
 - Net Position by County
 - Cash by County
- Review of Services
- Investments
- Write-Offs

3

Historical Financial Performance

	2015	2016	2017	2018	2019	2020	2021
January	10,895	(385,756)	(8,998)	(257)	73,111	(297,894)	(842,576)
February	590,281	10,465	332,454	(44,742)	(86,989)	(190,966)	(91,019)
March	28,969	(406,309)	84,174	203,708	(791,241)	(185,452)	(357,612)
April	107,200	1,526	114,335	45,886	10,926	531,880	(346,948)
May	287,468	(343,318)	334,180	15,198	(462,407)	557,335	(499,752)
June	550,567	(491,299)	240,525	2,827	71,738	(12,936)	88,834
July	(427,189)	17,709	241,555	298,205	(465,122)	(274,087)	(987,015)
August	(385,697)	127,772	(257,500)	(141,681)	(359,187)	987,391	(309,833)
September	(188,447)	180,542	(152,795)	(308,058)	(257,716)	(847,576)	
October	(251,721)	(65,283)	44,055	4,891	(535,274)	(657,388)	
November	83,701	(253,702)	350,509	12,954	(366,425)	(852,068)	
December	245,357	821,017	1,808,044	286,089	(104,030)	(2,631,311)	
	651,384	(786,636)	3,130,538	375,020	(3,272,616)	(3,873,071)	(3,345,922)

4

Financial Components at NCHC

- Consistent Financial Performance
 - Operational Factors Drive Results
 - Variances from Expectations Easily Explained
 - Removes Accounting “Noise”
 - Predictable Outcomes
- Financial Sustainability
 - Healthy: Partnerships and Opportunities
 - Hanging On: Competition for Resources



1



2

BUILDINGS IN PROGRESS

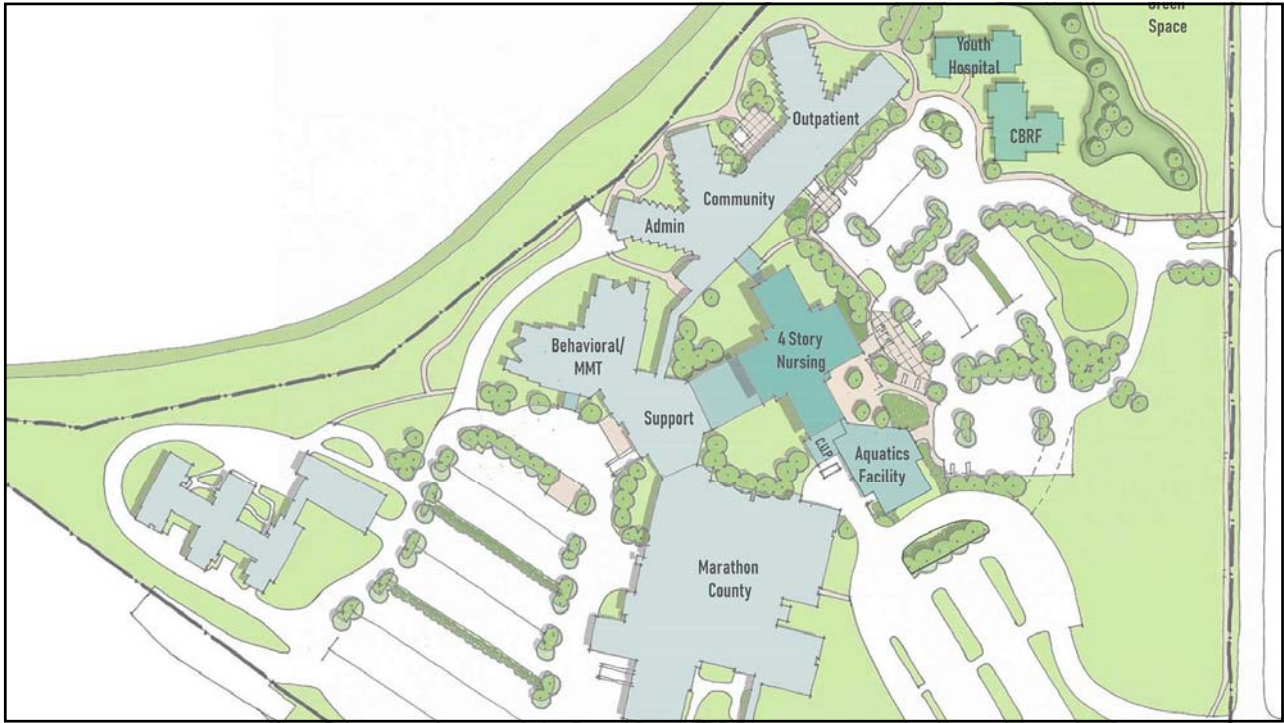
- Mount View Care Center “Tower”**
 - Estimated Completion October 2021
- Adult Behavioral Health Hospital**
 - Estimated Completion May 2022
- Medically Monitored Treatment Facility**
 - Estimated Completion July 2022
- Crisis & Ancillary Services**
 - Estimated Completion Fall/Winter 2022

3

FINAL DESIGN

- Current Mount View Care Center Building
- Renamed 2400 Marshall Street Suite A
- Programs in Building
 - Outpatient
 - Community Treatment
 - Pharmacy
 - Lab Services
 - Administration
 - MCW
 - MVCC Long Term Care & Memory Care

4



5



MEMORANDUM

DATE: September 19, 2021
TO: North Central Community Services Program Board Executive Committee
FROM: Jill S. Meschke, Interim Chief Executive Officer
RE: CEO Report – September 2021

The following items are general updates and communications to support the Executive Committee on key activities and/or updates since our last meeting.

COVID-19 Response

As of September 17, we have 3 staff out with symptoms and 11 staff out with exposures related to COVID-19. There are currently 2 positive cases. As COVID-19 rates in the Counties are now between 7-12 percent we have resumed additional testing in the nursing homes. Additional protective measures have resumed with the rising positivity rates in the three counties.

We continue to follow CDC guidelines where individuals do not have to quarantine in situations where they have been vaccinated and subsequently exposed to an individual with a known COVID case. There are employees out on leave who did not vaccinate who are still required to quarantine. We continue to require masks of all staff and visitors regardless of their vaccination status.

The need to use enhanced precautions for units at Mount View and Pine Crest is being actively managed. The changing circumstances can affect admissions and visitation. The Communications department provides information to families of residents both via automated phone call and by updating the status on the NCHC website (<https://www.norcen.org/about-us/covid-19/>). Regular testing at Mount View and Pine Crest continues.

Campus Renovations

The Campus Renovations continue to move forward but have experienced several delays due to existing structural elements needing mitigation and due to the affects of COVID. NCHC personnel continue to work with Marathon County Facilities to move progress forward and address issues as they arise.

Planning for 2022

Planning for 2022 is in progress including the following initiatives: (1) budget reviews are complete and a draft is being prepared to discuss in October with the Board, (2) the operational plan for 2022 is underway to ensure sufficient resources are dedicated to critical projects, and (3) program and department leaders are contributing items for consideration for the compliance and risk management work plan.

2021 Board Work Plan

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Establish Facility Use Agreements	Board	Jan-20	Signed Facility Use and/or Lease Agreements with each of the three counties	Legacy agreements are in place. The updated base Lease Agreement for Marathon County is near finalization. Supporting Exhibits to the Agreement are still in development.	Open												
Prepare Local Plan	Board	Jan-20	Adopt a 3 Year Local Plan at the Annual Board Retreat	The Human Services Research Institute report completion and community engagement will continue to be on hold into 2021 due to COVID-19.	Open												
Facilitated Discussion on Diversity and Inclusion	Board	Jul-20	Adopted Diversity, Equity, and Inclusion Plan	An internal employee directed committee will be formed to develop recommendations and a plan to the Board in 2021.	Open												
Annual Review of Board Policies	Board	Jan-21	Board reviews and approves all Board Policies by December 31	Ongoing, policies are distributed across the 2021 calendar.	Open												
Approve Training Plan for Counties	Board	Jan-21	Conduct quarterly stakeholder meetings with each of the three county partners	CEO is working to setup quarterly stakeholder meetings with each of the three county partners to provide program updates and seek feedback on service needs.	Open												
CEO Appraisal	Executive Committee	Jan-21	Executive Committee reviews appraisal with CEO		Closed												
Annual Report	Board	Mar-21	Annual Report released and presentations made to County Boards		Open												
Accept the Annual Audit	Board	Apr-21	Acceptance of the annual audit by the NCCSP Board in April	Completed June 24	Closed												
County Fund Balance Reconciliation	Board	Apr-21	Fund balance presentation and Adoption by NCCSP Board	Completed June 24	Closed												
Determine Budget Guidelines and Priorities	Executive Committee	Apr-21	Budget guidelines and priorities of the member Counties are communicated to the Board by June 1st	Completed June 24	Closed												
Nomination and Election of Board Officers	Board	Apr-21	The Governance Committee will send a slate of Officers to the Board to be elected at the Annual Meeting in May	Completed June 24	Closed												
Recommend Annual Budget to Counties	Board	May-21	Budget recommendation to the Counties by October 1st	The draft budget will be presented to the NCHC Board at the October 28 meeting. Recommendations to Counties to occur following that meeting.	Open												
Annual Review of Board End Statements	Board	May-21	Adoption of End Statements with any modifications by June 1st	Completed June 24	Closed												
Selection of Independent Certified Public Accounting Firm	Executive Committee	May-21	Engagement Letter approved by Executive Committee by October 1st		Open												
Evaluate NCCSP Board Effectiveness	Board	Aug-21	Conduct annual review of the effectiveness of Board's Policy Governance Model and provide recommendations to the Board	Scheduled for the October 28 Board meeting	Open												
Review and Approve Policy Governance Manual	Board	Aug-21	Approve Policy Governance manual at the September Board meeting	Scheduled for the October 28 Board meeting	Open												
Review and Approve Board Development and Recruitment Plan	Governance Committee	Aug-21	Board Development and Recruitment Plan reviewed and approved by the NCCSP Board	Scheduled for the October 28 Board meeting	Open												

2021 Board Work Plan

Objective	Accountability	Start Date	Measure(s) of Success	Interim Updates	Status	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
Review and Approve Performance Standards	Executive Committee	Sep-21	Adopt Annual Performance Standards		Open												
Approve Annual Quality and Safety Plan	Board	Oct-21	Approve plan in December	Scheduled for the December 16 meeting	Open												
Review CEO Succession Plan	Board	Oct-21	Review and update CEO succession plan	Scheduled for the December 16 meeting	Open												
Review and Approve CEO Compensation Plan	Executive Committee	Nov-21	Approve CEO Compensation Plan for the upcoming year by December		Open												
Approve Utilization Review Plan	Board	Nov-21	Approve plan in December	Scheduled for the December 16 meeting	Open												
Board Development Plan and Calendar	Governance Committee	Nov-21	Approve Board Development Plan and Calendar for the upcoming year at the December meeting		Open												

DEPARTMENT: NORTH CENTRAL HEALTH CARE								FISCAL YEAR: 2021								
PRIMARY OUTCOME GOAL	↕	TARGET	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	2021 YTD	2020
PEOPLE																
Vacancy Rate	↘	7-9%	6.1%	6.1%	8.6%	10.1%	6.9%	5.8%	5.3%	6.1%					6.9%	7.8%
Turnover Rate	↘	20-23% (1.7%-1.95%)	2.8%	2.4%	3.3%	2.9%	2.3%	3.0%	3.3%	1.4%					32.2%	N/A
Organization Diversity Composite Index	↗	Monitoring	0.69	0.66	0.67	0.63	0.65	0.68	0.67						0.66	N/A
SERVICE																
Patient Experience (Net Promoter Score)	↗	55-61	52.2	73.8	65.6	59.6	60.4	59.6	56.7	61.2					61.8	61.0
QUALITY																
Hospital Readmission Rate	↘	10-12%	10.8%	14.3%	14.4%	14.4%	9.1%	2.1%	4.8%						10.0%	11.8%
Nursing Home Readmission Rate	↘	10-12%	10.5%	17.8%	12.8%	10.3%	12.5%	10.0%	12.5%	10.0%					12.5%	13.5%
Nursing Home Star Rating	↗	★★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★	★★★					★★★	★★★
Zero Harm - Patients	↘	Monitoring	0.84	1.06	0.84	0.85	1.19			1.64					1.07	0.74
Zero Harm - Employees	↘	Monitoring	2.26	2.97	5.94	3.08	3.18	1.21	1.98	1.14					2.72	2.84
COMMUNITY																
Out of County Placements	↘	230-250	236	140	169	96	143	192	109	126					155	269
Client Diversity Composite Index	↗	Monitoring	0.31	0.46	0.47	0.45	0.43	0.00							0.45	N/A
FINANCE																
Direct Expense/Gross Patient Revenue	↘	64-67%	76.8%	70.2%	70.0%	72.0%	73.8%	80.5%	73.7%	82.1%					74.9%	72.4%
Indirect Expense/Direct Expense	↘	44-47%	41.3%	34.7%	38.6%	36.9%	37.2%	40.5%	44.7%	31.0%					37.8%	39.0%
Net Income	↗	2-3%	-15.7%	0.1%	-6.9%	-5.1%	-7.6%	1.1%	-15.5%	-4.0%					-6.1%	0.4%

↗ Higher rates are positive
 ↘ Lower rates are positive

DASHBOARD MEASUREMENT OUTCOME DEFINITIONS AND DETAILS

PEOPLE

Vacancy Rate

Monthly calculation: total number of vacant FTE at month end divided by the total authorized FTE as of month end.
YTD calculation: Average of each monthly vacancy rate.

Turnover Rate

The monthly rate is determined by the number of separations divided by the average number of employees multiplied by 100. The YTD is the sum of the monthly percentages.

Diversity Composite Index

Monthly calculation: A weighted composite of the diversity of NCHC's workforce, management and Board, relative to the demographics of Marathon Count
YTD calculation: Weighted average of each month's Diversity Composite Index rate.

SERVICE

Patient Experience (Net Promoter Score)

Monthly calculation: A weighted average of Net Promoter Score. YTD calculation: Weighted average of each month's Net Promoter Score.

QUALITY

Hospital Readmission Rate

Percent of patients who are readmitted within 30 days of discharge from the Inpatient Behavioral Health hospital for Mental Health primary diagnosis.
Benchmark: American Health Care Association/National Center for Assistive Living (AHCA/NCAL) Quality Initiative

Nursing Home Readmission Rate

Number of residents re-hospitalized within 30 days of admission to nursing home / total admissions.
Benchmark: American Health Care Association/Centers for Medicare & Medicaid Services (AHCA/CMS)

Nursing Home Star Rating

Star rating as determined by CMS Standards for both Pine Crest and MVCC.

Zero Harm Patients

Patient Adverse Event Rate: # of actual harm events that reached patients/number of patient days x1000

Zero Harm Employee

Monthly calculation: # of OSHA reportables in the month x 200,000/payroll hours paid within the month.
YTD calculation: # of OSHA reportables YTD x 200,000/payroll hours paid YTD.

COMMUNITY

Out of County Placement

Number of involuntary days that patients spend in out of county placements who have discharged in month of report.

Diversity, Equity, and Inclusion Access Equity Gap

Identify number of consumers served and index their demographics against the demographics of service area. An access equity gap will be established base on the variability in matching the community to our service population.

FINANCE

Direct Expense/Gross Patient Revenue

Percentage of total direct expense compared to gross revenue.

Indirect Expense/Direct Revenue

Percentage of total indirect expenses compared to direct expenses.

Net Income

Net earnings after all expenses have been deducted from revenue.

2021 - Primary Dashboard Measure List

Higher rates are positive

Lower rates are positive

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD	2020
North Central Health Care	People	Vacancy Rate	↘	7-9%	6.1%	6.9%	7.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	1.4%	32.2%	N/A
		Organization Diversity Composite Index	↗	Monitoring	0.00	0.66	N/A
	Service	Patient Experience (Net Promoter Score)	↗	55-61	61.2	61.8	61.0
	Quality	Hospital Readmission Rate	↘	10-12%		10.0%	11.8%
		Nursing Home Readmission Rate	↘	10-12%	10.0%	12.5%	13.5%
		Nursing Home Star Rating	↗	★★★★	★★★	★★★	★★★
		Zero Harm - Patients	↘	Monitoring	1.64	1.07	0.74
		Zero Harm - Employees	↘	Monitoring	1.14	2.72	2.84
		Out of County Placements	↘	230-250	126	155	269
	Community	Client Diversity Composite Index	↗	Monitoring			/
		Direct Expense/Gross Patient Revenue	↘	64-67%	82.1%	74.9%	72.4%
	Finance	Indirect Expense/Direct Expense	↘	44-47%	31.0%	37.8%	39.0%
		Net Income	↗	2-3%	-4.0%	-6.1%	0.4%

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Adult Community Treatment	People	Vacancy Rate	↘	7-9%	2.1%	4.4%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	21.0%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	71.0%
	Quality	Zero Harm - Patients	↘	Monitoring	0.44	0.24
		% of Treatment Plans Completed within Required Timelines	↗	96-98%		92.7%
		Employment rate of Individual Placement and Support (IPS) Clients	↗	46-50%		54.5%
	Community	% of Eligible CCS and CSP Clients Admitted within 60 Days of Referral	↗	60-70%		35.6%
		Average Days from Referral to Initial Appointment	↘	55-60 days		69.9 days
		Hospitalization Rate of Active Patients	↘	Monitoring	0.00%	2.95%
	Finance	Direct Expense/Gross Patient Revenue	↘	86.7-90.2%	75.0%	77.4%
		Net Income	↗	\$10,457-\$15,686 Per Month	\$77,020	\$71,585

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Adult Crisis Stabilization CBRF	People	Vacancy Rate	↘	5-7%	0.0%	0.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	24.8%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	33.3*	45.9%
	Quality	Zero Harm - Patients	↘	Monitoring	3.85	10.19
		% of Patients who kept their Follow-up Appointment	↗	90-95%	100.0%(2/2)	92.7%
	Community	% of Patients Admitted within 24 hours of Referral	↗	90-95%	100.0%(25/25)	100.00%
	Finance	Direct Expense/Gross Patient Revenue	↘	30.9-32.2%	51.8%	55.6%
		Net Income	↗	\$1,747-\$2,620 Per Month	\$1,500	(\$9,112)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Adult Inpatient Psychiatric Hospital	People	Vacancy Rate	↘	7-9%	8.3%	6.4%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	33.7%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	50.0	40.4%
	Quality	Zero Harm - Patients	↘	Monitoring	0.00	3.99
		Hospital Readmission Rate	↘	10-12%		9.9%
		Average Days for Initial Counseling Appointment Post-Hospital Discharge	↘	8-10 days		24.2 days
		Average Days for Initial Psychiatry Appointment Post-Hospital Discharge	↘	8-10 days		16.7 days
		Average Days since previous Detox Admission	↗	330-360 days		571.8 days
	Community	Out of County Placements	↘	150-170	105	125
	Finance	Direct Expense/Gross Patient Revenue	↘	78.2-81.4%	173.6%	100.7%
		Net Income	↗	\$13,382-\$20,073 Per Month	(\$494,740)	(\$164,902)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Aquatic	People	Vacancy Rate	↘	5-7%	9.1%	5.5%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	43.7%
	Service	Patient Experience (Net Promoter Score)	↗	83-87	85.7*	85.9
	Quality	Zero Harm - Patients	↘	Monitoring	0.00	7.25
	Finance	Direct Expense/Gross Patient Revenue	↘	43.8-45.6%	56.9%	67.6%
		Net Income	↗	\$2,174-\$3,261 Per Month	(\$4,878)	(\$15,212)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Clubhouse	People	Vacancy Rate	↘	5-7%	0.0%	0.0%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	0.0%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	/	82.6
	Quality	Average Attendance Per Work Day	↗	20-25	19	19
		% of Members Working 15 or More Hours Per Month	↗	80-85%	32.0%	23.8%
	Community	Active Members Per Month	↗	110-120	78	89
	Finance	Direct Expense/Gross Patient Revenue	↘	58.6-61.0%	83.0%	83.5%
		Net Income	↗	\$536-\$804 Per Month	(\$32,686)	(\$8,614)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Crisis and Emergency Services	People	Vacancy Rate	↘	7-9%	0.0%	6.5%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	35.7%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	100.0*	36.4
	Quality	Zero Harm - Patients	↘	Monitoring	4.48	10.27
		% of Crisis Assessments with Documented Linkage and Follow-up within 24 hours	↗	70-75%		59.4%
		Avoid Hospitalizations (NCHC and Diversions) with a length of stay of less than 72 hours	↘	5-10%	0.0%	1.6%
	Community	Out of County Placements Days	↘	230-250	126	163
		Court Liasion: % of Eligible Individuals with Commitment and Settlement Agreements who are Enrolled in CCS or CSP withn 60 days	↗	80-85%		47.3%
	Finance	Direct Expense/Gross Patient Revenue	↘	167.6-174.4%	235.3%	234.4%
		Net Income	↗	\$5,370-\$8,055 Per Month	(\$23,494)	(\$22,194)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Day Services	People	Vacancy Rate	↘	7-9%	3.6%	2.3%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	10.9%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	92.0
	Quality	Zero Harm - Patients	↘	Monitoring	0.00	0.68
	Finance	Direct Expense/Gross Patient Revenue	↘	89.3-92.9%	102.0%	100.0%
		Net Income	↗	\$5,103-\$7,654 Per Month	\$98,565	(\$29,987)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Group Homes	People	Vacancy Rate	↘	7-9%	6.5%	4.9%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	3.4%	42.0%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	85.0
	Quality	Zero Harm - Patients	↘	Monitoring	1.04	1.50
	Finance	Direct Expense/Gross Patient Revenue	↘	66.3-69.0%	83.7%	75.2%
		Net Income	↗	\$2,939-\$4,408 Per Month	\$68,531	\$28,893

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Mount View Care Center	People	Vacancy Rate	↘	7-9%	8.1%	11.3%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	1.2%	33.0%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	60.0*	52.2
	Quality	Nursing Home Readmission Rate	↘	10-12%	18.8%	9.4%
		Zero Harm - Residents	↘	Monitoring	3.72	2.51
		Nursing Home Quality Star Rating	↗	★★★★	★★★★	★★★★
	Community	Referral Conversion Rate	↗	N/A	N/A	N/A
	Finance	Direct Expense/Gross Patient Revenue	↘	55.5-57.7%	93.5%	69.5%
		Net Income	↗	\$30,636-\$45,954 Per Month	(\$196,632)	(\$94,552)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Outpatient Services	People	Vacancy Rate	↘	7-9%	2.7%	3.1%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	2.7%	12.3%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	71.5*	60.8
	Quality	Zero Harm - Patients	↘	Monitoring	0.96	1.11
		Average Days for Initial Counseling Appointment Post-Hospital Discharge	↘	8-10 days		21.8 days
		Average Days for Initial Psychiatry Appointment Post-Hospital Discharge	↘	8-10 days		16.1 days
		Day Treatment Program Completion Rate	↗	40-50%	N/A	N/A
		OWI - 5 Year Recidivism Rate	↘	13-15%	15.2%	14.7%
		Same Day Cancellation and No-Show Rate	↘	15-18%		17.3%
	Community	% of Patients Offered an Appointment within 4 Days of Screening by a Referral Coordinator	↗	20-25%		16.2%
		Post-Jail Release Access Rate (Within 4 Days of Release)	↗	20-25%		19.7%
		Average Number of Days from Referral to Start of Day Treatment	↘	16-20 days	N/A	N/A
		Hospitalization Rate of Active Patients	↘	Monitoring	0.00%	0.93%
		Direct Expense/Gross Patient Revenue	↘	93.4-97.2%	129.9%	120.5%
	Finance	Net Income	↗	\$12,534-\$18,802 Per Month	(\$36,973)	(\$14,917)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Pine Crest Nursing Home	People	Vacancy Rate	↘	7-9%	5.8%	10.0%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.8%	37.3%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	85.2*	40.4
	Quality	Zero Harm - Residents	↘	Monitoring	1.76	3.40
		Nursing Home Readmission Rate	↘	10-12%	0.0%	16.3%
		Nursing Home Quality Star Rating	↗	★★★★	★★★	★★★
	Community	Referral Conversion Rate	↗	N/A	N/A	N/A
	Finance	Direct Expense/Gross Patient Revenue	↘	57.0-59.3%	71.8%	68.8%
		Net Income	↗	\$20,559-\$30,839 Per Month	(\$40,337)	(\$146,697)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Riverview Terrace (RCAC)	People	Vacancy Rate	↘	7-9%	0.0%	5.8%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	102.6%
	Quality	Zero Harm - Patients	↘	Monitoring	0.00	0.00
	Finance	Direct Expense/Gross Patient Revenue	↘	N/A	0.0%	0.0%
		Net Income	↗	\$582-\$873 Per Month	\$6,657	\$5,694

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Supported Apartments	People	Vacancy Rate	↘	7-9%	5.3%	8.2%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	20.4%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	84.0
	Quality	Zero Harm - Patients	↘	Monitoring	0.00	1.07
	Finance	Direct Expense/Gross Patient Revenue	↘	38.5-41.0%	41.9%	43.8%
		Net Income	↗	\$3,364-\$5,046 Per Month	\$82,368	(\$24,464)

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Youth Community Treatment	People	Vacancy Rate	↘	7-9%	5.6%	8.2%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	2.9%	31.2%
	Service	Patient Experience (Net Promoter Score)	↗	55-61	100.0*	89.5
	Quality	Zero Harm - Patients	↘	Monitoring	0.00	0.06
		% of Treatment Plans Completed within Required Timelines	↗	96-98%		96.3%
		% of Eligible CCS and CSP Clients Admitted within 60 Days of Referral	↗	60-70%		27.4%
	Community	Average Days from Referral to Initial Appointment	↘	55-60 days		97.6 days
		Hospitalization Rate of Active Patients	↘	Monitoring		0.13%
	Finance	Direct Expense/Gross Patient Revenue	↘	77.2-80.4%	72.5%	74.1%
		Net Income	↗	\$14,139-\$21,208 Per Month	\$81,999	\$45,763

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Youth Crisis Stabilization Facility	People	Vacancy Rate	↘	5-7%	7.7%	7.7%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	0.0%	0.0%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	N/A	N/A
	Quality	Zero Harm - Patients	↘	Monitoring	N/A	N/A
		% of Patients who kept their Follow-up Outpatient Appointment	↗	90-95%	N/A	N/A
		% of Patients Admitted within 24 hours of Referral	↗	90-95%	N/A	N/A
	Finance	Direct Expense/Gross Patient Revenue	↘	127-130%	N/A	N/A
		Net Income	↗	\$1,692-\$2,538 Per Month	N/A	N/A

Department	Domain	Outcome Measure	↕	Target Level	Current Month	Current YTD
Youth Psychiatric Hospital	People	Vacancy Rate	↘	7-9%	11.8%	6.4%
		Turnover Rate	↘	20-23% (1.7%-1.9%)	6.1%	32.2%
	Service	Patient Experience (Net Promoter Score)	↗	42-47	100.0*	76.9
	Quality	Zero Harm - Patients	↘	Monitoring	14.49	8.32
		Hospital Readmission Rate	↘	10-12%	0.0%	10.3%
		Average Days for Initial Counseling Appointment Post-Hospital Discharge	↘	8-10 days		16.2 days
		Average Days for Initial Psychiatry Appointment Post-Hospital Discharge	↘	8-10 days		12.9 days
	Community	Out of County Placements	↘	50-60	21	26
	Finance	Direct Expense/Gross Patient Revenue	↘	61.8-64.4%	138.3%	92.4%
		Net Income	↗	\$4,973-\$7,459 Per Month	(\$146,588)	(\$85,039)

Dashboard Executive Summary

September 2021

Organizational Dashboard Outcomes

People

❖ Vacancy Rate

The vacancy rate target range for 2021 is 7.0-9.0%. August continued our success of exceeding our vacancy target with a rate of 6.1% and a year-to-date average of 6.9%. We anticipate with the recent wage changes that vacancy rate will continue to trend in the right direction as application flow has increased significantly and turnover has slowed down.

❖ Turnover

Our target for 2021 is 20-23% annualized. In August, we experienced a rate of 1.4% marking our first month of at or exceeding target. Our projected annual rate has reduced to 32.2%. We have implemented multiple tools to help managers increase engagement with employees which has resulted in improved turnover rates amongst tenured staff.

❖ Organization Diversity Composite Index

Due to a change in staffing we do not have an accurate index for August this will be populated in September. For July we experienced a rate of .67 which is calculated as a weighted composite of the diversity of NCHC's workforce, management, and Board, relative to the demographics of Marathon County. An index score of 1.0 indicates that our workforce matches the community demographics, an index score below 1.0 indicates that there is a gap.

Service

❖ Patient Experience (Net Promotor Score)

For 2021, we are measuring patient experience using net promotor score or NPS. Net promotor score is used in the industry to measure and predict customer loyalty based on one survey question, "Likelihood to Recommend." Our target for 2021 is set at 55-61. For the month September we saw an increase and exceeded our target at 61.2. Programs have developed and implemented PDSAs and corresponding action plans which so far are proving to positively impact this measure.

Quality

❖ Hospital Readmission Rate

The Readmission Rate is the percentage of patients who are re-hospitalized within 30 days of admission from the inpatient behavioral health hospital for patients with mental illness as primary diagnosis. We are continuing to refine our data which comes from our new medical record to make sure it is accurate and hope to have this measure updated next month.

❖ Nursing Home Readmission Rate

The nursing home readmission rate is based on the number of residents re-hospitalized within 30 days of admission to the nursing home. The combined rate for July between the two facilities was a readmission rate of 10% which exceeds our target of 10 to 12%. Our annual trending rate is 12.5% which is lower than that of 2019 at 13.5%.

❖ **Nursing Home Star Rating**

We have a target of 4 stars for both buildings using the Nursing Home Star Rating as determined by CMS standards. The current quality star rating for MVCC is 4 stars and Pine Crest is 3 stars. Both facilities are meeting target for short-term stays at 4 stars but under target for long-term at 3 stars. A direct focus on long-term care residents is occurring with top target areas including psychotropic medications, falls, and readmission rate.

❖ **Zero Harm – Patient**

The Zero Harm indicators are a monitoring measure for the organization meaning that we do not set a target, instead we monitor trending data. The Patient Adverse Event Rate is calculated by the number of actual harm events that reached patients/number of patient days x 1,000. This month's rate was at 1.65 which is the highest recorded month so far this year. Given the transition with Cerner, additional digging into this measure is necessary to ensure accuracy as overall, we've seen adverse events decline.

❖ **Zero Harm – Employees**

Zero Harm remains a monitoring metric with an experience rate of 1.14 for the month of July. Continued efforts remain for reducing employee injury with the most recent events being related to transferring or individuals served.

Community

❖ **Out of County Placements**

For 2021, the target for this measure is 230-250. For the month of August, we were within target at 105 days. Please see the Adult & Youth Inpatient Psychiatric program section for more detailed information on this measure.

❖ **Consumer Diversity Composite Index**

The Consumer Diversity Composite Index is a new metric and does not have a target as it is a monitoring metric. A score of 1.0 would mean that the consumers we serve reflect the demographics of our community, a score below 1.0 indicates we have a gap to close to become more diverse.

Finance

❖ **Direct Expense/Gross Patient Revenue**

This measure looks at percentage of total direct expense to gross patient revenue which is a productivity/efficiency measure. The 2021 target is 64-67%. This measure for August is 82.1%. This outcome is not within target range. The primary driver for the unfavorable result is gross revenue being under budget further than direct expense which strains how much we capture per each dollar of revenue.

❖ **Indirect Expense/Direct Expense**

Indirect Expense/Direct Expense is the percentage of total indirect expenses compared to direct expenses. The 2021 target is 44-47%. The outcome for August is 31.0%, which is favorable to the target. Support areas are below budget expense targets and are helping to alleviate operating losses.

❖ **Net Income**

Net Income is the net earnings after all expenses have been deducted from revenue. The target for 2021 is 2-3%. In August, the result is (4.0%). Net patient revenue unfavorability from budget is driving overall shortfalls from budget.

Program-Specific Dashboard Outcomes - *items not addressed in analysis above.*

The following outcomes reported are measures that were not met target (red) at the program-specific level for the month. The 2021 YTD indicator may be red but if there is no narrative included in this report, that means the most recent month was back at target while the YTD is not. They do not represent all data elements monitored by a given department/program, only the targets that were not met for the month.

Behavioral Health Services Programs

- ❖ **Adult Community Treatment:** All dashboard measures were either within or exceeding the target for the month of August.
- ❖ **Adult Crisis Stabilization CBRF:**
 - Patient Experience:** This rating was below target at 33.3% with low survey returns. The management team will look at the August survey to determine what factors contributed to the low patient experience rating.
 - Direct Expense/Gross Patient Revenue:** This measure was 51.8% for August, with revenue failing to balance operational costs based on the budget being based on greater than the current 8-bed unit availability. This was a high month for PLT, which contributed to a deficit of \$10,475, however call time and overtime were close to target. The billing targets did appear to improve the overall Net Income, with Net Income in the positive for a second month this year.
 - Net Income:** August Net Income was \$1500, just a couple hundred dollars shy of the Net Income target range. This is a positive change from most of the prior month's YTD, and the work of the managers to improve the Cerner workflow and billing targets is evident in this improved number.
- ❖ **Adult Inpatient Psychiatric Hospital:**
 - Out of County Placements:** This was within target at 105 days; however, it is important to note that we saw examples of the typical case scenarios that cause lengthy stays. One female, requiring geropsychiatry care and placement, is currently at a Length of Stay (LOS) of 70 days; she was first at WMHI and is currently at Mendota. Placing her falls upon the efforts, collaboration, and agreement between her family care agency and her guardian—this generally takes anywhere from 45 days to 3-4 months, despite regulation requiring placement in 30 days or less, and is billed to NCHC until the client is placed. One male is attending the Gemini program and is currently at a 36-day LOS; this client has Medicaid, and the cost should be reimbursed. One female youth has been attending the Anchorage program for 30 days and has Medicaid. This cost should be showing up in the Youth Hospital budget, but appears to be in the adult budget, as the Youth budget is only showing \$1222 in charges under Diversions for August. One male client has been at the Tomah VA hospital for 25 days; we have never gotten bills for these stays. Finally, one individual from our tri-county was detained in Sauk County directly to WMHI and stayed from 8/31-9/14.
 - Direct Expense/Gross Patient Revenue:** This measure was reported as 173.6% for August, a month during which average census saw challenges again, with dips down to between 3-8 patients several times. Staffing was adjusted per the staffing grid. With diversion costs reflecting high for August, and the deficit in revenue (\$192,040), this measure was far out of desired range.
 - Net Income:** Net income was (\$494,740) in August due to (\$250,000) in Diversions costs reflecting and an under-target revenue of (\$192,040). We had a high month for Paid Leave Time (\$26,845), affecting Call Time (\$10,587) however with under-budget Overtime due to low census staff adjustments.

❖ **Aquatic Services**

Vacancy: For the month of August Aquatics experienced a vacancy rate of 9.1% which exceeds target by 2.1%. The vacancy is a lifeguard opening that occurred in July and has been filled.

Net Income: August showed a loss of (\$4,878) which continues our three-month trend in positive movement for financials. The recovery is in large part due to increased revenue with several members and patients returning. We anticipate September to continue this trend even though the pandemic continues to impact new referrals.

❖ **Clubhouse:**

Patient Experience: There were no surveys returned this month. Surveys have been ordered and received and this should increase for next month.

Average Attendance Per Workday: The result for August was 19 with a YTD result of 19. Even with weekly reach out and offered mobile reach out our numbers continue to decrease each month. Members are declining mobile reach out reporting they are doing well, or we can't reach any members and leave messages with no return calls.

Percentage of Members Working 15 or more Hours Per Month: The result for August was 32.0% with a YTD result of 23.8%. We continue to receive referrals for members that have employment goals and work together with DVR to help secure members employment.

Active Members per month: The result for August was 78 with a YTD result of 89. Similar reasons exist for this result as described in the average attendance per workday.

Direct Expense/Gross Patient Revenue: The result for August is 83.0%% and YTD result is 83.5%. Expenses are being managed and are under budget. Revenue is lower than target. Actions to increase attendance and active members per month have been unsuccessful.

Net Income: The result for August is (\$32,686) and YTD result is (\$8,614). Expenses are being managed and are under budget. Revenue is lower than target. Actions to increase attendance and active members per month have been unsuccessful.

❖ **Crisis & Emergency Services**

Direct Expense/Gross Patient Revenue: This measure was 235.3% with the over-projection in monthly revenue and the deficits from open position overtime and PLT causing this to be far outside of target range.

Net Income: Net Income for Crisis was (\$24,494) in August with revenue targets again not meeting projected revenue—this was looked at closely for 2022 budgeting to determine why/how the 2021 projections were so over, given Crisis volume tends to remain steady with minor month-to-month fluctuations and all billable services are consistently billed. August was, as with the other programs, a heavy PLT usage month, with PLT at (\$17,000), and PLT and open positions resulting in an overage of \$6308 in Overtime. The Drugs supply expense was over by \$1374, and this will be investigated to determine what resulted in this charge, given Drugs isn't budgeted for Crisis and is over by \$6000 YTD.

❖ **Adult Day Services**

No variances.

❖ **Group Homes**

Turnover Rate: Group homes experienced a turnover rate of 3.4% which is above our target of 1.9%. The turnover was due to two employees seeking new opportunities, one was a competitor and the other left for out of area employment. Our system wide engagement survey launches in November which we will utilize to evaluate engagement and stay opportunities.

❖ **MVCC**

Nursing Home Readmission Rate: The month of August showed three hospitalizations within 30 days of admission which brought our rate up to a 20.0% with a target goal of 10-12%. One resident had chest pains and low oxygen levels. Another resident had her PEG tube fall out. The final hospitalization was related to a resident that had a GI bleed and critical hemoglobin levels. All three hospitalizations were unavoidable.

Net Income: MVCC showed a loss of (\$196,632) for the month of August in large part due to missed revenue. The pandemic continues to impact our ability to recover census through admissions as well as reduce expenses due to staff being out with exposure or positivity. We have implemented new policies to admit while under enhanced precautions which we believe will reverse our revenue trend.

❖ **Outpatient Services**

Turnover: The result for August was 2.7% with the YTD result of 12.3%. We had one therapist who left NCHC for a position that would be a better fit personally. The YTD result continues to exceed the target.

OWI Recidivism Rate: The result for August was 15.2% with the YTD result of 14.7%, which is within target. Based on previous data there tends to be an increase in summer months. This measure will continue to be monitored.

Direct Expense/Gross Patient Revenue: The result for August was 129.9% with a YTD result of 120.5%. Expenses remain under budget, but there was a significant increase in allocated employee benefits in August 2021. Productivity is not meeting target, however August patient gross revenues increased by \$25,926 compared to July 2021.

Net Income: The result for August was (\$36,973) with a YTD result of (\$14,917). Expenses remain under budget, but there was a significant increase in allocated employee benefits in August 2021. Productivity is not meeting target, however August patient gross revenues increased by \$25,926 compared to July 2021.

❖ **Pine Crest**

Nursing Home Quality Star Rating: The quality star rating remained unchanged month over month, being at a 3 star. Long-term quality measures continue to bring this component of our star rating down. Continued focus will be on quality assurance work processes that are not meeting appropriate benchmarks. Rating will next be updated in late October.

Net Income: Pine Crest experienced a loss of (\$40,337) due to continued agency expense. Staffing continues to be a challenge due to pandemic regulations requiring employees to be out for extended period. For example, one day in August we had 10 staff for Pine Crest out in one day which results in needing agency or overtime staffing. We continue to evaluate new testing options and precautions.

❖ **River View Terrace (RCAC):** Met all targets for the month of August.

❖ **Supported Apartments**

No variances.

❖ **Youth Community Treatment:**

Turnover Rate: The result for August was 2.9% with the YTD result of 31.2%. We had one employee resign to return to school and further their education.

❖ **Youth Crisis Stabilization Facility:** DHS issued certification as of 9/9/21. The YCSF officially opened as an 8-bed program on September 15, 2021. Therefore, we will begin to be able to produce revenue, once Tammy's billing team is able to get Medicaid/other funding sources in place since receiving the license information this week that is necessary for this process. The hope is to be able to begin billing within the next month.

❖ **Youth Psychiatric Hospital:**

Vacancy: August vacancy was 11.85%, with one .9 RN position coming open and an existing .3 FTE RN position open. The Youth Hospital team has struggled with RN staff becoming acclimated to psychiatric care and is seeing some turnover. There is an accepted offer for the .9 position currently.

Turnover: August turnover rate was 6.1% with one full-time RN resigning citing disagreement and discomfort with patients admitted particularly with patients who present with agitation, anxiety, etc.

Out of County Placements: This measure was within target. One female youth has been attending the Anchorage program for 30 days and has Medicaid. As stated in the Adult Hospital section, this cost should be showing up in the Youth Hospital budget, but appears to be in the adult budget, as the Youth budget is only showing \$1222 in charges under Diversions for August.

Direct Expense to Gross Patient Revenue: This measure was reported as 138.3% for August, a month during which average census remained low at an approximate 3 patient average. Staffing down occurred, but this 8-bed unit is at minimum staffing at most times and staffing down typically means placing only one floor staff on call. The Portage County contract is now in place, with the northern tri-county contract in process (awaiting information from their leadership with which to finalize the contract).

Net Income: Net income was (\$146,588) in August due to the disparity in revenue to cost of operations at minimum staffing, with low census. This was a heavy month for PLT in this program as well (\$13,000), affecting Call Time (\$2471), and this program does not have Overtime budgeted for 2021 (\$3367).

MEMORANDUM

DATE: September 29, 2021
TO: North Central Community Services Program Board
FROM: Jill S. Meschke, Chief Financial Officer
RE: Monthly CFO Report

The following items are general updates and communication to support the Board on key activities and/or updates of financial activity since our last meeting.

1) Financial Results:

The financials show a loss for August of (\$309,833). Year-to-date, NCHC has experienced a loss of (\$3,345,922) compared to a targeted gain of \$85,668 resulting in a negative variance to budget of (\$3,431,589).

2) Revenue Key Points:

- Overall revenue was above budgeted target by \$237,957 in August. Net patient revenue was unfavorable to plan by (\$429,128). Year-to-date, revenue is short of plan by (\$5,342,611).
- MVCC averaged a census of 121 per day compared for August compared to a target of 145. This census is down four from July. The Medicare census averaged 11 per day in August compared to a target of 19. The Medicaid Vent census has averaged 9 per day in August. Revenue shortfalls from plan are a mix of volume and rate by missing targets in both overall census and Medicare.
- Mount View, with a (\$1,426,443) year-to-date net patient revenue unfavorable variance represents 21 percent of the overall year-to-date net patient revenue unfavorable variance. Mount View total year-to-date revenue is \$41,941 above plan.
- Pine Crest averaged a census of 91 per day in August compared to a target of 100. This is consistent with the last several months. The Medicare census averaged 8 per day in August compared to a target of 16. Revenue shortfalls from plan are a mix of volume and rate by missing targets in both overall census and Medicare.
- Pine Crest, with a (\$291,084) year-to-date net patient revenue unfavorable variance represents 4 percent of the overall year-to-date net patient revenue unfavorable variance. Pine Crest has a year-to-date favorable revenue variance of \$340,965.
- The Adult Acute Care Hospital census averaged 8 in August to a budget of 14, which is a decrease of three compared to prior month. The Adult Hospital combined with the Adult Crisis Stabilization Facility and Crisis Services have a net revenue shortfall from budget of (\$820,334) year-to-date and represent 12 percent of the overall year-to-date net patient revenue unfavorable variance and 16 percent of the total revenue year-to-date variance.
- The Youth Acute Care Hospital census averaged 2 per day in August compared to a target census of 6 resulting in a negative net patient revenue variance of (\$129,106) year-to-date and represents 7 percent of the overall year-to-date net patient revenue unfavorable variance and 9 percent of the total revenue year-to-date variance.

- The inability to open the Youth Crisis Stabilization Facility contributed (\$224,511), or 3 percent, to the net patient revenue shortfall from budget year-to-date.
- Outpatient Services, with a (\$740,808) year-to-date net patient revenue variance represents 11 percent of the overall year-to-date net patient revenue unfavorable variance and 15 percent of the total revenue year-to-date variance.
- Community Treatment, with a (\$1,256,590) year-to-date net patient revenue variance represents 15 percent of the overall year-to-date net patient revenue unfavorable variance and 24 percent of the total revenue year-to-date variance.
- Administrative and bad debt write offs totaled (\$107,443) for August and (\$345,049) year-to-date.

3) Expense Key Points:

- Overall expenses were unfavorable to plan (\$383,759) in August and favorable to plan \$2,049,860 year-to-date.
- Salaries are \$775,112 favorable to budget in August and \$2,108,327 favorable year-to-date. Benefits expenses are favorable to plan \$1,101,609 year-to-date driven by health insurance favorability of \$860,923.
- Contracted services of providers and staff are unfavorable to plan (\$254,126) in August and favorable to plan \$199,147 year-to-date. This is expected to continue to be favorable as newly hired physicians onboard.
- Diversion expense is (\$227,382) unfavorable to plan in August and (\$522,604) unfavorable to plan year-to-date.

4) Balance Sheet Results:

- Liquid cash position decreased (\$1,975,177) in August due to monthly losses and timing of liabilities and receivables. Currently \$8,044,192 of investments are held.
- Current assets have decreased 17 percent from prior year whereas noncurrent assets have increased 45 percent.
- Overall net position has decreased (\$3,219,084) from prior year.

North Central Health Care
Income Statement
For the Period Ending August 31, 2021

	MTD Actual	MTD Budget	\$ Variance	% Variance	YTD Actual	YTD Budget	\$ Variance	% Variance
Direct Revenues								
Patient Gross Revenues	7,517,391	8,317,425	(800,035)	-9.6%	56,368,699	66,180,673	(9,811,974)	-14.8%
Patient Contractual Adjustments	(2,542,772)	(2,913,679)	370,907	-12.7%	(20,321,698)	(23,217,178)	2,895,480	-12.5%
Net Patient Revenue	4,974,619	5,403,746	(429,128)	-7.9%	36,047,001	42,963,495	(6,916,494)	-16.1%
County Revenue	427,764	427,764	-	0.0%	3,422,113	3,422,113	-	0.0%
Contracted Service Revenue	9,787	98,872	(89,085)	-90.1%	726,557	818,318	(91,762)	-11.2%
Grant Revenues and Contractuals	253,107	334,369	(81,262)	-24.3%	2,392,275	2,671,282	(279,007)	-10.4%
Appropriations	502,687	502,687	-	0.0%	4,021,496	4,021,496	-	0.0%
COVID-19 Relief Funding	-	-	-	0.0%	26,750	-	26,750	0.0%
Other Revenue	1,385,462	552,481	832,981	150.8%	6,420,938	4,421,351	1,999,587	45.2%
Total Direct Revenue	7,553,425	7,319,919	233,506	3.2%	53,057,130	58,318,056	(5,260,926)	-9.0%
Indirect Revenues								
County Revenue	170,209	171,802	(1,593)	-0.9%	1,361,669	1,374,415	(12,746)	-0.9%
Contracted Service Revenue	2,250	3,000	(750)	-25.0%	18,000	24,000	(6,000)	-25.0%
Grant Revenues and Contractuals	-	-	-	0.0%	31,900	-	31,900	0.0%
Appropriations	-	-	-	0.0%	-	-	-	0.0%
Other Revenue	51,917	52,067	(149)	-0.3%	273,640	359,063	(85,423)	-23.8%
Allocated Revenue	-	-	-	0.0%	-	(1)	1	-100.0%
Total Indirect Revenue	231,320	226,869	4,451	2.0%	1,675,792	1,757,478	(81,685)	-4.6%
Total Operating Revenue	7,784,745	7,546,788	237,957	3.2%	54,732,923	60,075,534	(5,342,611)	-8.9%
Direct Expenses								
Personnel Expenses	3,826,423	3,666,685	(159,738)	-4.4%	26,729,152	27,730,829	1,001,677	3.6%
Contracted Services Expenses	1,002,967	851,274	(151,693)	-17.8%	6,709,273	7,093,231	383,958	5.4%
Supplies Expenses	83,254	52,878	(30,376)	-57.4%	593,701	456,599	(137,102)	-30.0%
Drugs Expenses	523,299	477,127	(46,172)	-9.7%	4,170,875	4,109,398	(61,476)	-1.5%
Program Expenses	97,548	70,647	(26,901)	-38.1%	566,515	583,291	16,776	2.9%
Land & Facility Expenses	66,536	69,708	3,172	4.6%	531,455	561,810	30,355	5.4%
Equipment & Vehicle Expenses	56,608	62,771	6,163	9.8%	390,897	540,092	149,195	27.6%
Diversions Expenses	306,882	79,500	(227,382)	-286.0%	1,158,604	636,000	(522,604)	-82.2%
Other Operating Expenses	209,525	170,960	(38,565)	-22.6%	1,366,665	1,383,159	16,494	1.2%
Total Direct Expenses	6,173,040	5,501,548	(671,492)	-12.2%	42,217,137	43,094,410	877,273	2.0%
Indirect Expenses								
Personnel Expenses	1,029,885	1,201,532	171,647	14.3%	8,753,611	9,202,454	448,843	4.9%
Contracted Services Expenses	4,000	3,500	(500)	-14.3%	67,396	28,000	(39,396)	-140.7%
Supplies Expenses	119,433	73,140	(46,293)	-63.3%	623,564	655,922	32,359	4.9%
Drugs Expenses	7,558	-	(7,558)	0.0%	11,211	-	(11,211)	0.0%
Program Expenses	15,716	15,371	(345)	-2.2%	182,551	164,897	(17,654)	-10.7%
Land & Facility Expenses	291,089	351,110	60,021	17.1%	2,582,311	2,325,420	(256,891)	-11.0%
Equipment & Vehicle Expenses	94,621	85,043	(9,578)	-11.3%	845,963	720,819	(125,144)	-17.4%
Diversions Expenses	-	-	-	0.0%	-	-	-	0.0%
Other Operating Expenses	348,479	468,819	120,340	25.7%	2,902,929	4,044,610	1,141,682	28.2%
Allocated Expense	-	-	-	0.0%	-	-	-	0.0%
Total Indirect Expenses	1,910,782	2,198,515	287,733	13.1%	15,969,536	17,142,123	1,172,587	6.8%
Total Operating Expenses	8,083,822	7,700,063	(383,759)	-5.0%	58,186,673	60,236,533	2,049,860	3.4%
Metrics								
Indirect Expenses/Direct Expenses	31.0%	40.0%			37.8%	39.8%		
Direct Expense/Gross Patient Revenue	82.1%	66.1%			74.9%	65.1%		
Non-Operating Income/Expense								
Interest Income/Expense	(4,574)	(30,833)	26,259	-85.2%	(49,556)	(246,667)	197,111	-79.9%
Donations Income	(665)	-	(665)	0.0%	(54,177)	-	(54,177)	0.0%
Other Non-Operating	15,996	-	15,996	0.0%	(4,095)	-	(4,095)	0.0%
Total Non-Operating	10,757	(30,833)	41,590	-134.9%	(107,828)	(246,667)	138,838	-56.3%
Net Income (Loss)	(309,833)	(122,442)	(187,392)	153.0%	(3,345,922)	85,668	(3,431,589)	-4005.7%
Net Income	-4.0%	-1.6%			-6.1%	0.1%		

North Central Health Care
Balance Sheet
For the Period Ending August 31, 2021

	<u>Current YTD</u>	<u>Prior YTD</u>
ASSETS		
Current Assets		
Cash and Cash Equivalents	2,137,206	3,832,687
Accounts Receivable		
Net Patient Receivable	7,197,092	5,961,148
Outpatient WIMCR & CCS	3,642,099	4,270,000
Nursing Home Supplemental Payment	190,590	860,200
County Appropriations Receivable	(502,686)	-
Net State Receivable	377,412	487,198
Other Accounts Receivable	451,190	815,809
Inventory	429,333	446,283
Prepaid Expenses	707,823	952,319
Total Current Assets	<u>14,630,059</u>	<u>17,625,644</u>
Noncurrent Assets		
Investments	8,044,192	12,084,000
Contingency Funds	1,000,000	1,000,000
Patient Trust Funds	69,379	92,667
Pool Project Receivable	-	1,732,590
Net Pension Assets	7,280,177	-
Nondepreciable Capital Assets	33,687,476	19,181,044
Net Depreciable Capital Assets	<u>28,788,957</u>	<u>20,490,924</u>
Total Noncurrent Assets	<u>78,870,182</u>	<u>54,581,225</u>
Deferred Outflows of Resources (Pensions)	<u>18,262,408</u>	<u>22,152,585</u>
TOTAL ASSETS	<u><u>111,762,649</u></u>	<u><u>94,359,454</u></u>

	Current YTD	Prior YTD
LIABILITIES		
Current Liabilities		
Current Portion of Capital Lease Liability	27,987	29,249
Trade Accounts Payable	961,783	467,141
Accrued Liabilities		
Salaries and Retirement	1,646,298	2,037,776
Compensated Absences	2,355,887	2,804,123
Health and Dental Insurance	503,000	670,000
Bonds	-	360,000
Interest Payable	65,513	186,276
Other Payables and Accruals	616,419	1,546,493
Payable to Reimbursement Programs	100,000	220,000
Unearned Revenue	(2,209,526)	(78,934)
Total Current Liabilities	4,067,361	8,242,123
Noncurrent Liabilities		
Net Pension Liability	2,506,809	9,445,451
Long-Term Portion of Capital Lease Liability	29,310	55,849
Long-Term Projects in Progress	38,176,739	17,077,923
Long-Term Debt and Bond Premiums	9,117,620	9,150,691
Patient Trust Funds	41,600	62,949
Total Noncurrent Liabilities	49,872,077	35,792,863
Deferred Inflows of Resources (Pensions)	22,225,906	11,508,078
TOTAL LIABILITIES	76,165,344	55,543,064
NET POSITION		
Net Investment in Capital Assets	62,476,434	39,652,689
Pool Project Restricted Capital Assets	-	1,732,590
Unrestricted		
Board Designated for Contingency	1,000,000	1,000,000
Board Designated for Capital Assets	-	1,558,954
Undesignated	(24,533,207)	(6,243,115)
Net Income / (Loss)	(3,345,922)	1,115,272
TOTAL NET POSITION	35,597,305	38,816,389
TOTAL LIABILITIES AND NET POSITION	111,762,649	94,359,454

North Central Health Care
Statement of Cash Flows
For Month Ending August 31, 2021

Cash, Beginning of Period (July 31)		4,112,384
Operating Activities		
Net Income (Loss)	(309,833)	
Adjustments to Reconcile Net Income		
Depreciation	251,863	
Interest Expense	19,485	
(Increase) or Decrease in Current Assets		
Inventories	(3)	
Accounts Receivable	(2,092,212)	
Prepaid Expenses	90,102	
Increase or (Decrease) in Current Liabilities		
Accounts Payable	279,477	
Accrued Current Liabilities	(899,105)	
Net Change in Patient Trust Funds	(3,396)	
Unearned Revenue	464,124	
Net Cash from Operating Activities		(2,199,499)
Investing Activities		
Net Change in Contingency Funds	-	
Purchases of Property and Equipment	401,135	
Disposal of Assets	(19,611)	
Pool Project Receivable	-	
Net Change in Long-Term Projects in Progress	-	
Net Change in Undesignated Equity	71,503	
Net Cash from Investing Activities		453,028
Financing Activities		
Bonds and Interest	19,294	
Net Change in Purchase/Sale of Investments	(248,000)	
Net Cash from Financing Activities		(228,706)
Net Increase (Decrease) in Cash During Period		(1,975,177)
Cash, End of Period (August 31)		2,137,207

North Central Health Care
Programs by Service Line
For the Period Ending August 31, 2021

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
BEHAVIORAL HEALTH SERVICES								
Adult Behavioral Health Hospital	4,169,172	4,587,472	(418,299)	5,488,392	5,452,694	(35,698)	(1,319,220)	(453,997)
Adult Crisis Stabilization Facility	666,038	988,956	(322,918)	738,936	700,316	(38,620)	(72,898)	(361,537)
Lakeside Recovery MMT	79,275	679,095	(599,820)	77,780	711,913	634,133	1,495	34,313
Youth Behavioral Health Hospital	974,121	1,443,719	(469,598)	1,654,796	2,009,625	354,829	(680,675)	(114,769)
Youth Crisis Stabilization Facility	283,300	509,294	(225,994)	378,513	678,727	300,214	(95,213)	74,220
Crisis Services	1,901,676	2,032,880	(131,204)	2,079,224	2,156,876	77,652	(177,548)	(53,552)
Psychiatry Residency	204,404	302,607	(98,202)	239,125	186,551	(52,574)	(34,721)	(150,777)
	8,277,987	10,544,023	(2,266,036)	10,656,766	11,896,703	1,239,937	(2,378,779)	(1,026,099)
COMMUNITY SERVICES								
Outpatient Services (Marathon)	2,904,122	2,836,311	67,810	3,298,217	3,158,210	(140,007)	(394,096)	(72,197)
Outpatient Services (Lincoln)	710,713	880,123	(169,410)	516,559	884,478	367,919	194,153	198,508
Outpatient Services (Langlade)	544,163	1,234,467	(690,303)	463,554	1,024,311	560,758	80,610	(129,546)
Community Treatment Adult (Marathon)	3,305,238	3,527,590	(222,352)	2,990,909	3,264,114	273,205	314,329	50,853
Community Treatment Adult (Lincoln)	685,047	690,600	(5,553)	533,269	543,705	10,435	151,778	4,883
Community Treatment Adult (Langlade)	405,392	451,061	(45,668)	298,819	378,487	79,667	106,573	33,999
Community Treatment Youth (Marathon)	3,541,948	3,786,229	(244,281)	3,525,707	3,485,863	(39,844)	16,242	(284,125)
Community Treatment Youth (Lincoln)	1,152,593	1,742,161	(589,568)	982,480	1,254,441	271,961	170,113	(317,607)
Community Treatment Youth (Langlade)	996,008	1,174,184	(178,175)	816,262	922,286	106,024	179,746	(72,151)
Community Corner Clubhouse	122,161	199,423	(77,261)	191,072	214,918	23,846	(68,911)	(53,416)
	14,367,386	16,522,148	(2,154,762)	13,616,847	15,130,812	1,513,965	750,539	(640,798)
COMMUNITY LIVING								
Adult Day Services (Marathon)	445,764	534,714	(88,949)	367,662	399,201	31,539	78,102	(57,411)
Prevocational Services (Marathon)	348,594	356,388	(7,795)	408,395	540,361	131,966	(59,801)	124,171
Lincoln Industries	452,461	850,652	(398,191)	693,501	894,482	200,981	(241,040)	(197,211)
Day Services (Langlade)	237,321	198,538	38,783	254,481	210,718	(43,763)	(17,160)	(4,981)
Prevocational Services (Langlade)	-	-	-	-	-	-	-	-
Andrea St Group Home	356,905	349,053	7,853	307,885	274,483	(33,403)	49,020	(25,550)
Chadwick Group Home	390,108	428,312	(38,204)	318,867	322,291	3,424	71,241	(34,780)
Bissell Street Group Home	394,243	377,777	16,466	278,137	304,035	25,898	116,106	42,364
Heather Street Group Home	308,908	305,511	3,397	314,127	276,739	(37,388)	(5,219)	(33,991)
Jelinek Apartments	499,242	524,382	(25,139)	461,472	476,578	15,106	37,770	(10,033)
River View Apartments	486,497	443,382	43,115	417,139	365,513	(51,626)	69,358	(8,511)
Forest Street Apartments	106,748	235,224	(128,476)	306,017	316,594	10,577	(199,269)	(117,900)
Fulton Street Apartments	154,632	168,613	(13,981)	258,206	190,991	(67,215)	(103,574)	(81,196)
Riverview Terrace	236,420	239,039	(2,619)	190,861	232,957	42,096	45,559	39,477
Hope House (Sober Living Marathon)	3,435	4,187	(752)	45,136	35,266	(9,870)	(41,701)	(10,622)
Homelessness Initiative	10,317	367	9,950	17,015	4,445	(12,570)	(6,698)	(2,620)
Sober Living (Langlade)	34,207	34,472	(264)	60,656	86,029	25,372	(26,449)	25,108
	4,465,804	5,050,611	(584,807)	4,699,558	4,930,680	231,122	(233,754)	(353,685)
NURSING HOMES								
Mount View Care Center	12,593,164	12,551,223	41,941	13,349,580	12,204,549	(1,145,031)	(756,416)	(1,103,090)
Pine Crest Nursing Home	7,812,851	7,471,744	341,107	8,986,338	8,233,160	(753,178)	(1,173,487)	(412,070)
	20,406,016	20,022,967	383,049	22,335,918	20,437,709	1,898,209	(1,929,902)	2,281,257
Pharmacy	5,416,777	5,802,390	(385,613)	4,903,056	5,547,549	644,493	513,721	258,880
OTHER PROGRAMS								
Aquatic Services	700,353	1,011,103	(310,750)	822,050	847,227	25,178	(121,697)	(285,573)
Birth To Three	433,713	513,487	(79,773)	391,912	513,487	121,574	41,801	41,801
Adult Protective Services	530,674	537,558	(6,884)	568,394	675,611	107,217	(37,721)	100,333
Demand Transportation	237,947	317,914	(79,968)	188,076	256,755	68,679	49,871	(11,288)
	1,902,686	2,380,062	(477,376)	1,970,432	2,293,081	322,648	(67,746)	(154,727)
Total NCHC Service Programs	54,836,656	60,322,200	(5,485,545)	58,182,577	60,236,533	2,053,955	(3,345,922)	(3,431,589)

North Central Health Care
Fund Balance Review
For the Period Ending August 31, 2021

	Marathon	Langlade	Lincoln	Total
Total Operating Expenses, Year-to-Date	41,482,603	3,245,056	13,454,919	58,182,577
General Fund Balance Targets				
Minimum (20% Operating Expenses)	8,296,521	649,011	2,690,984	11,636,515
Maximum (35% Operating Expenses)	14,518,911	1,135,770	4,709,222	20,363,902
Risk Reserve Fund	250,000	250,000	250,000	
Total Fund Balance				
Minimum Target	8,546,521	899,011	2,940,984	12,386,515
Maximum Target	14,768,911	1,385,770	4,959,222	21,113,902
Total Net Position at Period End	39,422,288	3,179,796	12,234,571	54,836,656
Fund Balance Above/(Below)				
Minimum Target	30,875,768	2,280,785	9,293,587	42,450,140
Maximum Target	24,653,378	1,794,026	7,275,350	33,722,754
<i>County Percent of Total Net Position</i>	<i>71.9%</i>	<i>5.8%</i>	<i>22.3%</i>	
Share of Cash Reserves and Investments	8,038,352	648,372	2,494,675	11,181,399
<i>Days Invested Cash on Hand</i>	<i>47</i>	<i>49</i>	<i>45</i>	<i>47</i>
<i>Targeted Days Invested Cash on Hand</i>	<i>90</i>	<i>90</i>	<i>90</i>	<i>90</i>
Required Invested Cash to Meet Target	15,342,880	1,200,226	4,976,477	21,519,583
Invested Cash Reserves Above/(Below) Target	(7,304,529)	(551,854)	(2,481,802)	(10,338,185)

North Central Health Care
Review of Services in Marathon County
For the Period Ending August 31, 2021

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Outpatient Services	1,292,872	1,225,061	67,810	3,298,217	3,158,210	(140,007)	(2,005,346)	(72,197)
Community Treatment-Adult	3,251,905	3,474,257	(222,352)	2,990,909	3,264,114	273,205	260,996	50,853
Community Treatment-Youth	3,541,948	3,786,229	(244,281)	3,525,707	3,485,863	(39,844)	16,242	(284,125)
Day Services	794,358	891,102	(96,744)	776,057	939,562	163,504	18,301	66,761
Clubhouse	60,828	138,089	(77,261)	191,072	214,918	23,846	(130,244)	(53,416)
Homelessness Initiative	10,317	367	9,950	17,015	4,445	(12,570)	(6,698)	(2,620)
Hope House Sober Living	3,435	4,187	(752)	45,136	35,266	(9,870)	(41,701)	(10,622)
Riverview Terrace	236,420	239,039	(2,619)	190,861	232,957	42,096	45,559	39,477
Demand Transportation	237,947	317,914	(79,968)	188,076	256,755	68,679	49,871	(11,288)
Aquatic Services	472,123	782,873	(310,750)	822,050	847,227	25,178	(349,927)	(285,573)
Pharmacy	5,416,777	5,802,390	(385,613)	4,903,056	5,547,549	644,493	513,721	258,880
	15,318,930	16,661,509	(1,342,579)	16,948,155	17,986,865	1,038,709	(1,629,226)	(303,870)
Shared Services								
Adult Behavioral Health Hospital	1,814,678	2,124,219	(309,542)	4,061,410	4,034,994	(26,416)	(2,246,732)	(335,958)
Youth Behavioral Health Hospital	696,183	1,043,685	(347,502)	1,224,549	1,487,123	262,573	(528,366)	(84,929)
Residency Program	358,689	223,929	134,760	176,952	138,048	(38,905)	181,737	95,856
Crisis Services	405,082	502,173	(97,091)	1,538,625	1,596,088	57,463	(1,133,544)	(39,628)
Adult Crisis Stabilization Facility	492,868	731,827	(238,959)	546,813	518,234	(28,579)	(53,944)	(267,538)
Youth Crisis Stabilization Facility	2,212	376,878	(374,666)	280,100	502,258	222,159	(277,888)	(152,507)
Lakeside Recovery MMT	58,664	502,531	(443,867)	57,557	526,815	469,258	1,107	25,391
Residential	2,619,876	2,750,972	(131,096)	2,585,460	2,454,696	(130,764)	34,416	(261,860)
Adult Protective Services	126,705	131,799	(5,094)	420,612	499,952	79,341	(293,907)	74,246
Birth To Three	324,018	383,615	(59,597)	292,789	383,615	90,825	31,229	31,229
	6,898,974	8,771,628	(1,872,654)	11,184,867	12,141,822	956,955	(4,285,893)	(915,699)
Total NCHC Programming	22,217,904	25,433,138	(3,215,234)	28,133,023	30,128,687	1,995,664	(5,915,119)	(1,219,569)
Base County Allocation	2,423,750	2,423,750	-				2,423,750	-
County Appropriation	2,187,470	2,187,470	-				2,187,470	-
Excess Revenue/(Expense)	26,829,124	30,044,358	(3,215,234)	28,133,023	30,128,687	1,995,664	(1,303,898)	(1,219,569)

North Central Health Care
Review of Services in Lincoln County
For the Period Ending August 31, 2021

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Outpatient Services	287,620	457,031	(169,410)	516,559	884,478	367,919	(228,939)	198,508
Community Treatment-Adult	679,047	684,600	(5,553)	533,269	543,705	10,435	145,778	4,883
Community Treatment-Youth	1,152,593	1,742,161	(589,568)	982,480	1,254,441	271,961	170,113	(317,607)
Lincoln Industries	452,461	850,652	(398,191)	693,501	894,482	200,981	(241,040)	(197,211)
	<u>2,571,721</u>	<u>3,734,443</u>	<u>(1,162,722)</u>	<u>2,725,809</u>	<u>3,577,105</u>	<u>851,296</u>	<u>(154,088)</u>	<u>(311,426)</u>
Shared Services								
Adult Behavioral Health Hospital	367,840	430,585	(62,745)	823,259	817,904	(5,355)	(455,419)	(68,100)
Youth Behavioral Health Hospital	141,118	211,558	(70,440)	248,219	301,444	53,224	(107,101)	(17,215)
Residency Program	72,707	45,391	27,316	35,869	27,983	(7,886)	36,839	19,430
Crisis Services	82,111	101,792	(19,681)	311,884	323,531	11,648	(229,772)	(8,033)
Adult Crisis Stabilization Facility	99,906	148,343	(48,438)	110,840	105,047	(5,793)	(10,935)	(54,231)
Youth Crisis Stabilization Facility	448	76,394	(75,946)	56,777	101,809	45,032	(56,329)	(30,914)
Lakeside Recovery MMT	11,891	101,864	(89,973)	11,667	106,787	95,120	224	5,147
Residential	-	-	-	-	-	-	-	-
Adult Protective Services	25,683	26,716	(1,033)	85,259	101,342	16,083	(59,576)	15,050
Birth To Three	65,290	77,299	(12,009)	58,998	77,299	18,301	6,293	6,293
	<u>866,996</u>	<u>1,219,943</u>	<u>(352,947)</u>	<u>1,742,772</u>	<u>1,963,146</u>	<u>220,375</u>	<u>(875,776)</u>	<u>(132,572)</u>
Total NCHC Programming	3,438,717	4,954,386	(1,515,669)	4,468,581	5,540,251	1,071,670	(1,029,864)	(443,999)
Base County Allocation	582,978	582,978	-	-	-	-	582,978	-
County Appropriation	<u>400,025</u>	<u>400,025</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>400,025</u>	<u>-</u>
Excess Revenue/(Expense)	<u>4,421,720</u>	<u>5,937,389</u>	<u>(1,515,669)</u>	<u>4,468,581</u>	<u>5,540,251</u>	<u>1,071,670</u>	<u>(46,861)</u>	<u>(443,999)</u>

North Central Health Care
Review of Services in Langle County
For the Period Ending August 31, 2021

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Outpatient Services	260,961	951,264	(690,303)	463,554	1,024,311	560,758	(202,593)	(892,896)
Community Treatment-Adult	399,392	445,061	(45,668)	298,819	378,487	79,667	100,573	54,905
Community Treatment-Youth	996,008	1,174,184	(178,175)	816,262	922,286	106,024	179,746	1,571
Sober Living	20,874	21,138	(264)	60,656	86,029	25,372	(39,782)	(40,047)
Day Services	237,321	198,538	38,783	254,481	210,718	(43,763)	(17,160)	21,623
	1,914,557	2,790,185	(875,629)	1,893,772	2,621,831	728,059	20,785	(854,844)
Shared Services								
Adult Behavioral Health Hospital	269,749	315,762	(46,013)	603,723	599,796	(3,927)	(333,974)	(379,987)
Youth Behavioral Health Hospital	103,487	155,142	(51,656)	182,028	221,059	39,031	(78,541)	(130,197)
Residency Program	53,319	33,287	20,032	26,304	20,521	(5,783)	27,015	47,047
Crisis Services	60,215	74,647	(14,432)	228,715	237,256	8,542	(168,500)	(182,932)
Adult Crisis Stabilization Facility	73,264	108,785	(35,521)	81,283	77,035	(4,248)	(8,019)	(43,540)
Youth Crisis Stabilization Facility	329	56,022	(55,694)	41,636	74,660	33,024	(41,308)	(97,001)
Lakeside Recovery MMT	8,720	74,700	(65,980)	8,556	78,310	69,755	164	(65,816)
Residential	77,408	81,281	(3,873)	76,391	72,527	(3,864)	1,017	(2,857)
Adult Protective Services	18,834	19,592	(757)	62,523	74,317	11,794	(43,689)	(44,446)
Birth To Three	44,405	52,573	(8,168)	40,126	52,573	12,447	4,280	(3,888)
	709,730	971,793	(262,062)	1,351,284	1,508,055	156,771	(641,554)	(903,616)
Total NCHC Programming	2,624,287	3,761,978	(1,137,691)	3,245,056	4,129,885	884,829	(620,769)	(1,758,460)
Base County Allocation	415,385	415,385	-				415,385	415,385
County Appropriation	140,124	140,124	-				140,124	140,124
Excess Revenue/(Expense)	3,179,796	4,317,487	(1,137,691)	3,245,056	4,129,885	884,829	(65,260)	(1,202,951)

North Central Health Care
Review of Services in Mount View Care Center
For the Period Ending August 31, 2021

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Operational Results	11,593,164	11,551,223	41,941	13,349,580	12,204,549	(1,145,031)	(1,756,416)	(1,103,090)
County Appropriation	1,000,000	1,000,000	-				1,000,000	-
Excess Revenue/(Expense)	12,593,164	12,551,223	41,941	13,349,580	12,204,549	(1,145,031)	(756,416)	(1,103,090)

North Central Health Care
Review of Services in Pine Crest Nursing Home
For the Period Ending August 31, 2021

	Revenue			Expense			Net Income/ (Loss)	Variance From Budget
	Actual	Budget	Variance	Actual	Budget	Variance		
Direct Services								
Operational Results	7,518,975	7,177,867	341,107	8,986,338	8,233,160	(753,178)	(1,467,363)	(412,070)
County Appropriation	293,877	293,877	-				293,877	-
Excess Revenue/(Expense)	7,812,851	7,471,744	341,107	8,986,338	8,233,160	(753,178)	(1,173,487)	(412,070)

North Central Health Care
Report on the Availability of Invested Funds
For the Period Ending August 31, 2021

Bank	Length	Maturity Date	Interest Rate	Amount
BMO Harris	273 Days	10/26/2021	0.05%	500,000
Abby Bank	365 Days	11/1/2021	0.40%	500,000
PFM Investments	367 Days	12/6/2021	0.20%	248,000
CoVantage Credit Union	365 Days	12/9/2021	0.80%	500,000
PFM Investments	365 Days	12/30/2021	0.20%	248,000
PFM Investments	365 Days	12/30/2021	0.30%	248,000
Abby Bank	365 Days	1/6/2022	0.30%	500,000
CoVantage Credit Union	365 Days	1/29/2022	0.50%	308,192
PFM Investments	365 Days	2/18/2022	0.25%	248,000
PFM Investments	365 Days	2/18/2022	0.18%	248,000
CoVantage Credit Union	365 Days	2/19/2022	0.50%	500,000
Abby Bank	546 Days	3/1/2022	0.65%	500,000
CoVantage Credit Union	365 Days	3/3/2022	0.50%	500,000
PFM Investments	365 Days	4/5/2022	0.20%	248,000
PFM Investments	365 Days	7/13/2022	0.25%	248,000
People's State Bank	365 Days	8/21/2022	0.40%	500,000
Abby Bank	365 Days	8/29/2022	0.30%	500,000
Abby Bank	730 Days	2/25/2023	0.40%	500,000
CoVantage Credit Union	730 Days	3/8/2023	0.60%	500,000
Abby Bank	730 Days	7/19/2023	0.40%	500,000
Invested Funds				8,044,192
Weighted Average	397 Days		0.53%	

North Central Health Care
Summary of Revenue Write-Offs
For the Period Ending August 31, 2021

	<u>MTD</u>	<u>YTD</u>
Behavioral Health Hospitals		
Administrative Write-Off	54,190	133,327
Bad Debt	-	1,197
Outpatient & Community Treatment		
Administrative Write-Off	31,541	87,934
Bad Debt	-	1,430
Nursing Home Services		
Administrative Write-Off	-	44,462
Bad Debt	216	33,127
Aquatic Services		
Administrative Write-Off	609	12,471
Bad Debt	(33)	149
Pharmacy		
Administrative Write-Off	47	1,610
Bad Debt	-	-
Other Services		
Administrative Write-Off	20,873	29,429
Bad Debt	-	(88)
Grand Total		
Administrative Write-Off	107,260	309,233
Bad Debt	183	35,815



FORE-FRONT

MECHANICAL, INC.

Marathon County Facility and Capital Management
1100 Lakeview Drive.
Wausau, WI 54403
Facility: **Marathon County NCHC LVPP**
Subject: Laundry Steam Boiler to serve Washing Machines
Attn: Troy Torgerson

Date: 7-20-21

Building LVPP Laundry Steam Boiler Installation Budget Pricing Summary

- Provide and Install (1) CERTUSS Universal TC 40 HP Steam Boiler. Natural Gas
- Included with the boiler is all of the feedwater tank and pumps.
- Softening, blowdown and filtration equipment which CERTUSS insists is needed to be able to maintain the boiler. Properly.
- The Universal TC 40 HP boiler will provide 1385 LBS per hour of steam which we hope would be large enough to handle multiple washers operating at any time.
- Demo existing Piping for New Steam and Condensate tie ins.
- Existing Mechanical Room at Washing Machine Location. Move Items and Equipment for Steam Boiler.
- Steam and Condensate Piping.
- Non-Potable Domestic Water piping to new system Including Backflow Preventor.
- Natural Gas Piping and Regulator.
- Boiler Flue Gas Venting through the Roof. Exclude guy wires.
- Route Blow Down piping to nearest Floor Drain.
- Complete installation, Factory Rep Start up and Owner Training.

Steam Boiler Installation Budget Bid Price Total: \$ 245,000.00 Includes Subcontractors listed below

Included in Price above. Total \$20,000.00 itemized below **Subcontractor Summary for above project**
(Unsolicited prices) (Based on recent typical projects)

Controls. Budget \$5,000.00

Mechanical Insulation. Budget \$4,000.00

Crane and Fork Truck. Budget \$1,000.00

Roofing. Budget \$1,000.00

Line Voltage Electric. Budget \$3,000.00

G.C. Concrete & Misc. Budget \$5,000.00

Water Treatment. Budget \$1,000.00

Please do not hesitate to call or Email with any Questions or Concerns

Thank you, Kent Pilgrim

Cell 715-846-0565

kpilgrim@ffmech.com

Fore-Front Mechanical Inc.



MEMORANDUM

DATE: September 17, 2021
TO: North Central Community Services Program Board
FROM: Jarret Nickel, Operations Executive
Jaime Bracken, Chief Nursing Officer
RE: NCHC Skilled Nursing Bed Licensure Recommendation

NCHC Recommendation:

NCHC is recommending a bed license of 154 for Mount View Care Center. 154 beds will be the maximum number of beds available once all phases of master facility plan are completed. MVCC current license is 188 which would result in a proposed reduction of 34 beds which will yield a savings of \$69,360 annually.

MVCC occupancy target for 2022 is 136 due to allow for continued master facility plan renovations, Covid-19 recovery and, staffing stabilization. NCHC anticipates this number to increase in 2023 with the completion of the master facility plan.

NCHC is recommending a bed license of 120 for Pine Crest. 120 licensed beds would allow for continued Covid-19 recovery and census stabilization efforts. Pine Crest current license is 160 which would result in a proposed reduction of 40 beds which will yield a savings of \$81,600 annually.

Pine Crest occupancy target for 2022 is 99 due to continued Covid-19 admission restrictions, staffing concerns as well as fear of long-term care related to the pandemic. Pine Crest YTD avg census is 92 and we do not anticipate filling more than 30 beds post Covid-19 related to declining census.

NCHC Justification for Recommendation:

Overview:

- Need to continue to stabilize staffing about both facilities to reduce overtime and agency use.
- MVCC will max out of beds once the master facility plan is complete.
- Need to account for continued Covid-19 limitations with admissions and staff implications due to regulatory requirements.

The two snap shots below are competitive summaries for both MVCC & Pine Crest showing occupancy percentages in the region.

SNFs in the Market Area	Profit or Nonprofit	Year Opened	# of beds in Service	Current Occ.	Average Daily Rate	5 Star Quality Rating ⁽¹⁾
Pine Crest Nursing Home 2100 E Sixth St Merrill, WI North Central Health Care/Lincoln County	Government	1953-2017	160	64.4%	\$287	3
Riverview Health Services 428 N 6th St Tomahawk, WI North Shore Healthcare	Profit	1967	61	47.5%	\$283	5
Tomahawk Health Services 720 E Kings Rd Tomahawk, WI North Shore Healthcare	Profit	1968	83	41.0%	\$280	3
TOTAL/OCCUPANCY			304	54.6%		

SNFs in the Market Area	Profit or Nonprofit	Year Opened	# of beds in Service	Current Occ.	Average Daily Rate	5 Star Quality Rating ⁽¹⁾
Mount View Care Center 1100 Lake View Drive Wausau, WI North Central Health Care/Marathon County	Government	1986	165	75.8%	*	2
Benedictine Living Community of Wausau 1821 N 4th Avenue Wausau, WI Benedictine Living	Nonprofit	1981-2010	82	68.3%	\$285	4
Marshfield Clinic Comfort and Recovery - Wausau 2727 Plaza Drive Wausau, WI Marshfield Clinic	Nonprofit	1980s	12	41.7%	*	4
Pride TLC Therapy and Living 7805 Birch Street Weston, WI Pride TLC	Profit	2013	25	64.0%	\$498	5
Rennes Health and Rehab Center - Weston 4810 Barbican Avenue Weston, WI Rennes Group	Profit	2009-2014	84	67.9%	\$340	4



September 2021

RE: Policy on Conflicts of Interest and Disclosure of Certain Interests

Dear Board Member:

It is important for all of us to review annually any associations we might have which could give rise to a potential conflict of interest with the responsibilities and authorities as a member of the North Central Community Services Program Board.

The North Central Community Services Program Board adopted the attached Resolution setting forth standards of conduct expected by the Board and requiring the disclosure of all conflicts of interest by persons affiliated with the Board.

Please complete and return the enclosed questionnaire to Debbie Osowski. Please be assured that the disclosure requirements are intended to provide us with a systematic and ongoing method of disclosing and ethically resolving potential conflicts of interest. To assist in your review, we wish to point out that a conflict of interest can be considered to exist in any instance where the actions or activities of an individual on behalf of the Board also involve the obtaining of an improper gain or advantage, or adverse effect on the Board's interest. Conflicts of interest also can arise in other instances. Although it is impossible to list every circumstance giving rise to a possible conflict of interest, the following will serve as a guide to the types of activities that might cause conflicts and that should be fully reported to the Board:

1. Outside Interests

- a. To hold, directly or indirectly, a position or a material financial interest in any outside concern from which the individual has reason to believe the Board secures goods or services (including the services of buying or selling), or that provide services competitive with the Board and its facilities.
- b. A material financial interest would be a substantial financial interest as opposed to a minor investment in a public company.
- c. To compete, directly or indirectly, with the Board in purchase or sale of property or property rights, interests or services.

2. Outside Activities

To render directive, managerial or consultative services to any outside concern that does business with, or competes with the services of the Board and its facilities, or to render other services in competition with the Board and its facilities.

3. Gifts, Gratuities and Entertainment

To accept gifts, excessive entertainment or other favors from any outside concern that does, or is seeking to do business with, or is a competitor of, the board - under circumstances from which it might be inferred that such action was intended to influence or possibly would influence the Board member in the performance of his/her duties. This does not include the acceptance of items of nominal or minor value that are clearly tokens of respect or friendship and not related to any particular transaction or activity of the Board or its facilities.

4. Inside Information

To disclose or use information relating to the Board's business for the personal profit or advantage of the individual or his/her immediate family.

Full disclosure of any situation in doubt should be made so as to permit an impartial and objective determination. It should be particularly noted that disclosure relates not only to yourself, but also your immediate family.

I will forward these questionnaires to our legal counsel who will review them and report back to me any problems that he sees in the statements and his suggestions for dealing with any conflict.

If you have questions regarding any part of this disclosure, please call Jill Meschke at 715-848-4406, or me at 715-261-1409.

Respectfully,

Kurt Gibbs, Chair
North Central Community Services Program Board

KG/dko

RESOLUTION

RESOLUTION of the North Central Community Services Board regarding disclosure of conflicts of interest of Board members.

WHEREAS, the proper governance of the health care institutions by the North Central Community Services Program Board depends on governing Board members who give of their time for the benefit of their communities; and,

WHEREAS, the giving of this service, because of the varied interests and backgrounds of the governing Board members may result in a situation involving a duality of interest which might be interpreted as conflict of interest; and,

WHEREAS, Board service should not be rendered impossible solely by reason of duality of interest or possible conflict of interest; and,

WHEREAS, this service nevertheless carries with it a requirement of loyalty and fidelity to the institution served, it being the responsibility of the members of the North Central Community Services Program Board to govern the facilities of the Board and their affairs honestly and economically, exercising their best care, skill and judgment for the benefit of the facilities; and,

WHEREAS, the matter of the duality of interest or possible conflict of interest can best be handled through full disclosure of any such interest, together with non-involvement in any vote wherein the interest is involved;

THEREFORE, BE IT RESOLVED: That the following policy of duality and conflict of interest is hereby adopted:

1. Any duality of interest or conflict of interest on the part of any member of the North Central Community Services Program Board should be disclosed to the other members of the Board and made a matter of record, either through an annual procedure or when the interest becomes a matter of Board action.
2. Any North Central Community Services Program Board member having a duality or possible conflict of interest on any matter should not vote or use his personal influence on the matter, even where permitted by law. The minutes of the meeting should reflect that a disclosure was made, the abstinence from voting and quorum situation.
3. The foregoing requirements should not be construed as preventing the member of the North Central Community Services Program Board from briefly stating his position regarding a matter, nor from answering pertinent questions of other Board members since his knowledge may be of great assistance.

BE IT FURTHER RESOLVED: That this policy be reviewed annually for the information and guidance of Board members, and that any new member be advised of the policy upon entering the duties of his office;

AND, BE IT FURTHER RESOLVED: That the North Central Community Services Program Board shall consider separately any Board member whose interest may be substantially in conflict with the interests of the Board or of facilities governed by the Board due to the extent of contracts between the North Central Community Services Program and any organization with which the member is associated, or due to the substantial nature of the financial ties between the North Central Community Services Program Board and any organization with which member is associated. In a situation of substantial conflict of interest, the North Central Community Services Program Board shall advise the member having the substantial conflict of interest that he is unable to continue serving as a member of the North Central Community Services Program Board.

CONFLICT OF INTEREST DISCLOSURE STATEMENT

Pursuant to the purposes and intent of the Resolution adopted by the North Central Community Services Board requiring disclosure of certain interests, a copy of which has been furnished to me, I hereby state that I or members of my immediate family have the following affiliations or interests and have taken part in the following transactions that, when considered in conjunction with my position with the North Central Community Services Board, might possibly constitute a conflict of interest. (Check 'none' where applicable below.)

1. Outside Interests. Identify any interest other than investments, of yourself or your immediate family, as described in the first numbered paragraph of the accompanying letter. ☐ None.

2. Investments. List and describe, with respect to yourself or your immediate family, all investments that might be within the category of "material financial interests" as described in the first numbered paragraph of the accompanying letter. ☐ None.

3. Outside Activities. Identify any outside activities, of yourself or your immediate family, as described in the second numbered paragraph of the accompanying letter. ☐ None.

4. Other. List any other activities in which you or your immediate family are engaged that might be regarded as constituting a conflict of interest, giving particular attention to the paragraphs number 2 and 4 of the accompanying letter. ☐ None.

I hereby certify that neither I nor any member of my immediate family have accepted gifts, gratuities, or entertainment that might influence my judgement or actions concerning business of the North Central Community Services Board, except as listed below. ☐ None.

I hereby agree to report to the Chief Executive Officer of the North Central Community Services Program Board any further situation that may develop before completion of my next questionnaire.

Dated this _____ day of _____, 2021.

Position: NCCSP Board Member

Print name: _____

Signature _____

O:\AdminSupport\Board\ConflictIntForm (2021)

www.norcen.org



**OPERATING AGREEMENT BETWEEN
NORTH CENTRAL HEALTH CARE
AND
NORTH CENTRAL HEALTH FOUNDATION, INC.**

This Operating Agreement ("Agreement") is dated effective October 24, 2019, by and between North Central Health Care ("NCHC") and the North Central Health Foundation, Inc. ("Foundation") and collectively as the "Parties".

WHEREAS, the Foundation was organized and incorporated in 1983 and has as one of its primary purposes to operate exclusively for charitable, scientific, or educational purposes, and generally engage in all activities intended for the betterment of health care and its effect upon the physical and mental well-being of all inhabitants;

WHEREAS, the Foundation is a charitable organization that exempt from federal income taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended;

WHEREAS, The Foundation is created with authority to engage in the broadest range of transactions (whether in its own right, in behalf of or in conjunction with any other charitable organization similarly qualifying for such status); to promulgate programs, encourage improvements, develop procedures, examine and research methods, educate and enlighten persons, assimilate institutions and resources, and generally to engage in all activities intended for the betterment of health care and its effect upon the physical and mental well-being of all inhabitants (irrespective of social, economic, ethnic condition or derivation and irrespective of creed or heritage), primarily within the Langlade, Lincoln and Marathon Counties, but generally within the North Central area of the State of Wisconsin;

WHEREAS, NCHC recognizes that the Foundation's development and fundraising efforts will financially benefit and support NCHC and its Mission; and

WHEREAS, NCHC and the Foundation expect that NCHC will benefit many times over the support provided to the Foundation under this Agreement through future Foundation support, including through grants, capital campaigns, and fundraising.

NOW THEREFORE, in consideration of the mutual promises set forth herein and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties desire to formalize their relationship to achieve an agreement on their respective roles in advocating support from the private sector as follows:

I. Purpose of the Agreement

1. NCHC and Foundation recognize the importance of voluntary private support and encourage grants and contributions for the benefit of NCHC and those it serves. The Foundation is intended to be one of the primary means through which private support will be provided to assist NCHC.
2. The close association between NCHC and the Foundation and the Foundation's use of NCHC's name and logo make it prudent and beneficial for the Parties to have a clear statement of the relationship between the Parties regarding the responsibilities, authority, and obligations of NCHC and the Foundation.
3. Although the Foundation has determined to identify itself with NCHC, it is a private Section 501(c)(3) organization, and the Parties wish to agree on standards of operations to preserve the privacy and tax-exempt status of the Foundation and to convey these standards to donors and others.
4. NCHC, including its governing Board of Directors, acknowledges and accepts the separate tax-exempt 501(c)(3) status of the Foundation; and the Foundation, including its governing Board of Directors, acknowledges and accepts the separate tax-exempt status of NCHC.
5. NCHC and the Foundation wish to set forth the manner in which the Foundation will operate for the benefit of, in performance of the functions of and otherwise in connection with NCHC and furtherance of the tax exempt purposes of NCHC.

II. The Foundation's Commitment to NCHC

1. The Foundation will conduct its activities in a manner that maintains its tax exempt status under Section 501(c)(3) of the Code.
2. The President of the Foundation will consult annually with the Chief Executive Officer (CEO) and other NCHC leaders during the unit planning and budgeting process to develop fundraising activities for the Foundation that are consistent with the mission, purpose, and scope of the Foundation.
3. The President of the Foundation will consult with the Chief Executive Officer (CEO) or the CEO's designee before any changes are made in the nature, scope, or purpose of the Foundation. The Foundation will provide the CEO or the CEO's designee with an advance copy of amendments or additions to the Foundation's Articles of Incorporation or Bylaws.
4. The Foundation Board of Directors is responsible for the control, investment, and management of all assets of the Foundation, including the prudent management of all gifts in a manner consistent with donor intent and applicable law. All Foundation assets will be managed, invested, and expended consistent with donor intent, the Uniform Prudent Management of the Institutional Funds Act ("UPMIFA"), as applicable, and Section 501(c)(3) of the Code.

5. The Executive Director of the Foundation, subject to the oversight from the Foundation Board of Directors, will be responsible for the day-to-day management of the operations of the Foundation.
6. The Foundation Board of Directors is responsible for the performance and oversight of all aspects of the Foundation's operations. Such performance and oversight is guided by the Foundation's Bylaws that address the Foundation's fiduciary responsibilities, including expectations of individual Board members based upon ethical guidelines and policies. The Foundation Board is responsible for approving an operating budget each year.
7. The Foundation Board of Directors will be appointed/selected and/or elected in a manner consistent with the Foundation's Bylaws. The Foundation's Board of Directors is vested with the authority to make all decisions regarding the business and affairs of the Foundation.
8. The Foundation agrees to refrain from any conduct, practice, business, or activity that would harm NCHC's reputation or be inconsistent with NCHC's mission and/or tax exempt purpose. The Foundation will clearly disclose in its promotional and advertising material that donations are being provided to the Foundation.
9. The Foundation will undertake fundraising and development activities for the benefit of NCHC and those served, including to fulfill strategic initiatives of NCHC. The Foundation agrees to cooperate with NCHC in the advancement and support of NCHC's programs and services and to maintain strategic alignment with NCHC.
10. The Foundation agrees to pay an Annual Management Fee to NCHC as specified in the Memorandum of Understanding in exchange for NCHC providing certain management and administrative support services to the Foundation, including but not limited to the cost of employing an Executive Director of the Foundation and providing any other necessary staff/administrative support. The Annual Management Fee recognizes the expense paid by NCHC on behalf of the Foundation is offset by the services provided by the Foundation to NCHC. The Annual Management Fee will be set at fair market value, considering reciprocal service support provided between the parties. The Foundation will consult with NCHC in determining the appropriate Annual Management Fee (based on costs associated with Personnel, technology, office space, etc.), if the term of this Agreement is renewed or extended under Section 1 of Article V.

III. NCHC's Commitment to the Foundation

1. The CEO of NCHC is responsible for communicating NCHC's priorities and long-term plans, as provided by the Board of Directors, to the Foundation.
2. NCHC recognizes that the Foundation is a private and independent corporation with the authority to keep records and data confidential as consistent with law.
3. NCHC values the Foundation's unique ability to carry out a variety of community-related activities that advance the mission and vision of NCHC.

4. NCHC agrees to cooperate with the Foundation in the advancement and support of NCHC's programs and to maintain strategic alignment with the Foundation.
5. NCHC recognizes that the Foundation will have primary responsibility for private fundraising for the benefit of NCHC. NCHC executives, managers, and staff may coordinate fundraising activities for the respective program areas with the Foundation, but the Foundation will manage funds raised from such efforts.
6. The NCHC CEO and other executives will share annually with the Foundation the NCHC strategic plan, institutional priorities, projects and resource requirements so that the Foundation may represent the direction and needs of NCHC to donor prospects and do its best to align its programs and fundraising campaigns with the objectives of NCHC.
7. NCHC will have the following additional duties and responsibilities to the Foundation under this Agreement ("Services"):
 - a. Personnel. NCHC will offset the costs associated with salary and fringe benefits that support the mission and functions of the Foundation.
 - b. Office Space. NCHC will insure and maintain in good condition for use by the Foundation office space located at 1100 Lake View Drive, Wausau Wisconsin. The office space will include usual and customary utilities (including water, heat, air conditioning, telephone service, technical support and broadband internet connectivity).
 - c. Office Equipment. NCHC will furnish and maintain in good working condition office furniture and equipment in the office space as is reasonable and appropriate to support the Foundation's purposes.
 - d. Electronic Support. NCHC will allow the Foundation to use NCHC's web domain for email and other applicable electronic services, including hosting of website pages for the Foundation. Such electronic services are covered by the NCHC cyber liability policy.
 - e. Access to Records. Subject to compliance with all applicable privacy laws, NCHC will provide the Foundation with access to data and records reasonably necessary to support the Foundation's purposes, including, but not limited to, the names and contact information of current and retired NCHC employees (except for those who indicate they opt-out of communication, solicitation, and event programs). The data will be transferred on a regular basis through electronic means as mutually agreed upon by the Parties.
 - f. Advertising and Use of NCHC's Name and Logo. The Foundation is granted a royalty-free, limited, nonexclusive and nontransferable right to use the name of the NCHC, logo, and other marks to identify the Foundation as an organization whose mission is to support NCHC, provided the Foundation acts in accordance with the terms and provisions of this Agreement and its Articles of Incorporation and Bylaws. Use of NCHC proprietary information shall only be in furtherance of the Foundation's activities supporting NCHC. NCHC retains the right to terminate the Foundation's rights to use NCHC's proprietary information if it deems any such use to be objectionable.

IV. Operational Guidelines

1. Separation of Liabilities. NCHC and the Foundation are independent entities and neither will be liable for the other's contracts, torts, or other actions or omissions, or those of the other's Directors, officers, employees, or agents. This agreement will not be construed to constitute either party as a partner, agent, joint venture or representative of the other Party. The Parties will not make any contract or representation, nor incur any liability or obligation whatsoever, on behalf of or in the name of the other Party.
2. Non-Assumption of Liabilities. Neither Party will, by entering into this Agreement, assume or become liable for any of the existing or future obligations, liabilities, or debts directly or indirectly attributable to the other Party, except as otherwise expressly provided by this Agreement.
3. Separation of Foundation and NCHC Funds. Foundation funds will be kept separate from NCHC funds. No institutional funds, assets, or liabilities may be transferred directly or indirectly from one part to the other without prior notice to applicable representatives of the other Party, except as otherwise provided in this Agreement or under other prior agreements, operating policies, or past practices of the Parties. The Parties agree to cooperate and provide documentation and information on any transfers on reasonable request.
4. Separation of Annual Financial Statement and Audit. NCHC and Foundation will separately prepare their annual financial statements in accordance with the Government Accounting Standards Board (GASB) for NCHC and Generally Accepted Accounting Principles (GAAP) for the Foundation. NCHC and Foundation will have separate annual audits prepared by an independent auditor.
5. Working Relationship. The Executive Director of the Foundation will maintain a close working relationship with the NCHC Executive Leadership Team and other management staff and employees as appropriate. NCHC will be represented on the Foundation Board by the CEO of NCHC and a member of the NCCSP Board of Directors. The CEO and member of the NCCSP Board of Directors will serve as voting members of the Foundation Board but will not be designated as Officers of the Foundation.
6. Transfers to NCHC. The Foundation is the primary depository of private gifts and will transfer funds to the designated entity or division within NCHC in compliance with applicable laws, NCHC policies, and gift agreements.
7. Foundation Disbursements on Behalf of NCHC. The Foundation's disbursements on behalf of NCHC must be reasonable business expenses that support NCHC, are consistent with donor intent, Uniform Prudent Management of the Institutional funds Act ("UPMIFA") and Section 501(c)(3) of the Code, and do not conflict with applicable laws.
8. Investment Policy. The Foundation's investment policy is the sole responsibility of and is approved by the Foundation Board of Directors.

V. Term

1. Term and Amendment. The term of this Agreement will commence on January 1, 2020 and end December 31, 2022. After such term, this Agreement will automatically renew for successive one-year periods, on the same terms and conditions. If either Party believes that the Agreement should be amended during the Agreement term (including after an automatic renewal), that Party may give written notice to the other Party of such belief and the Parties then agree to meet within 30 days of the date of such notice to discuss amending this Agreement. Either Party may terminate this Agreement at all other times by giving the other Party prior written notice of not less than six (6) months before the desired termination date.
2. Termination. In the event either Party terminates this Agreement, the Parties agree to promptly return any tangible or intangible property in their possession, custody or control to the owner thereof.

VI. Miscellaneous Provisions

1. Notices. All notices, demands, and communications provided for in or made under this Agreement will be given in writing and will be deemed given to a Party at the earlier of:
 - a. When actually delivered to a Party;
 - b. When facsimile or email transmitted to a Party to the facsimile number or email address indicated for a Party below (or to other facsimile number or email for a Party as the party may have substituted by notice pursuant to this Section); or
 - c. When mailed to a Party by registered or certified U.S. mail (return receipt requested) or sent by overnight courier, confirmed by receipt, and addressed to the Party at the address designated below for the party (or to such other address for a Party as the Party may have substituted by notice pursuant to this Section).

However, notice sent by email is not valid if sent to an email address when the person had actual knowledge that the person at the email address was no longer in the position of President of the Foundation or CEO of NCHC.

- a. If to Foundation:
North Central Health Foundation
Attn: Don Grade, President
1100 Lake View Drive
Wausau WI 54403
Email: dgrade@charter.net
- b. If to NCHC:
North Central Health Care
Attn: Michael Loy, Chief Executive Officer
1100 Lake View Drive
Wausau WI 54401
Email: mloy@norcen.org

2. Entire Agreement. This Agreement constitutes the entire agreement between the Parties. Modifications, amendments or additions to this Agreement must be made in writing and signed by both Parties to be effective.
3. Non-Waiver. Inaction or failure to demand performance of the terms of this Agreement will not be deemed a waiver of any provision of this Agreement.
4. Authority. The Parties represent that each has the authority to execute this Agreement, to enter into transactions contemplated by this Agreement, and to perform its obligations under this Agreement.
5. Binding Agreement and Assignment. This Agreement will be binding on, and inure to the benefit of the Parties and their respective permitted successors and assigns. Neither Party will assign any of the duties, rights or obligations of this Agreement without the written consent of the other Party.
6. Severability. If, for any reason, any provision of this Agreement is held invalid, such invalidity will not affect any other provision of this Agreement not held invalid, and every other provision will continue in full force and effect. If any provision of this Agreement will be held invalid in part, the invalidity will in no way affect the rest of the provision not held invalid, and the rest of such provision, together with all other provisions of this Agreement, will continue in full force and effect.
7. Governing Law. This Agreement will be construed to the internal laws of the State of Wisconsin.
8. Counterparts/PDF Signatures. This Agreement may be executed in counterpart originals, each of which when duly executed and delivered will be deemed an original and both of which taken together will constitute one and the same Agreement.
9. Headings. Paragraph and Section headings in this Agreement are for convenience only and will not be relied upon in construing the intent of this Agreement.

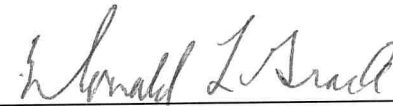
The Parties through their authorized representative(s), have executed this Agreement.



Michael Loy, Chief Executive Officer
North Central Health Care

11.4.19

Date



Don Grade, President
North Central Health Foundation

11/4/19

Date



Jeff Zrinyi, Chair
NCCSP Board of Directors

12/12/19

Date

RESTATED BYLAWS OF NORTH CENTRAL HEALTH FOUNDATION, INC.

December 7, 2015

ARTICLE I

Name

1.01 Corporate Name. The name of the corporation is North Central Health Foundation, Inc. (hereinafter "Foundation").

ARTICLE II

Offices

2.01 Location of Foundation Office. The principal office of the Foundation in the State of Wisconsin shall be located at 1100 Lake View Drive, Wausau, Marathon County, Wisconsin, or at such other locations, as the Board of Directors shall lawfully designate or the affairs of the Foundation may require from time to time.

ARTICLE III

Aims and Purposes

3.01 Purpose. The general purpose and plan of North Central Health Foundation, Inc., shall be as stated in Articles 3 and 8 of the Articles of Incorporation.

3.02 Categories of Gifts. All contributions and gifts made to the Foundation shall fall into one of two categories:

(1) Designated Gifts. Gifts upon which the donor has imposed specific restrictions as to the use of the principal or income from principal, or as to both principal and income. No gifts shall be accepted with restrictions which are contrary to the purposes of the Foundation or which would adversely affect the income, tax exemption status of the Foundation under Section 501 (c)(3) of the Internal Revenue Code of 1954, its regulations or its subsequent amendments.

(2) Undesignated Gifts. Gifts upon which the donor has not imposed restrictions as to either the use of the principal or the use of income from principal.

In the case of undesignated gifts, if the donor has made a request, but has not imposed any restrictions, as to the use of a gift, such request shall be reported to the Foundation's grantee.

3.03 Gift Investment. The principal of designated gifts shall be invested by the Executive Committee of the Foundation and the principal and interest thereon shall be administered in accordance with the restrictions imposed upon the gifts.

3.04 Investment Authority. Subject to the provisions hereinbefore set forth, the Foundation shall have the right to retain all or any part of any securities or properties acquired by it in whatever manner, and to invest and reinvest any funds held by it, according to the judgment of the Executive Committee of the Foundation, without being restricted to the class of investments which the Executive Committee is or may hereafter be permitted by law to make or any similar restrictions; provided, however, that no action shall be taken by or on behalf of the Foundation if such action is a prohibited transaction or would result in a denial of the income tax exemption under § 501 of the Internal Revenue Code of 1954 and its regulations as they now exist, or as they may hereafter be amended.

3.05 Earnings. Under no circumstances will the net earnings of the Foundation inure to the benefit of any private individual.

ARTICLE IV

Members

4.01 Membership. The members of the Foundation shall consist of the Board of Directors nominated and elected pursuant to paragraph 5.03 of Article V of the Bylaws.

4.02 Class of Members. There shall be only one class of members.

4.03 Meeting of Members. The annual meeting of members of the Foundation for the transaction of such business as may properly come before the meeting shall coincide with the annual meeting of the Board of Directors. Notice of the annual meeting of members shall be governed by paragraph 6.05 of Article VI of these Bylaws. Special meetings of members, other than those regulated by statute, may be called at any time by the President or Vice President or by two (2) directors and must be called by the President or Secretary on receipt of a written request of one-third (1/3) of the members of the Foundation. Notice of special meetings of members shall be governed by paragraph 6.04 of Article VI of these Bylaws.

4.04 Voting. At every meeting of members, each member shall be entitled to vote in person. Each member shall be entitled to one (1) vote. There shall be no voting by proxies.

4.05 Resignation and Termination of Membership. Resignation of membership shall be governed by paragraph 5.05 of Article V of these Bylaws. Resignation of membership shall result in the simultaneous resignation from the Board of Directors.

ARTICLE V

Board of Directors

5.01 General. The business and property of the Foundation shall be managed by a Board of Directors, each of whom shall be of legal age and be a resident of the State of Wisconsin.

5.02 Number. The number of directors shall be a minimum of eleven (11) and a maximum of fourteen (14), one of whom shall be the Chief Executive Officer of the North Central Community Services Program Board of Langlade, Lincoln and Marathon Counties, serving ex officio. All directors shall serve until their term shall expire or until their successors are elected or appointed. All directors shall have equal and full voting responsibilities as members of the Board of Directors, except any director serving ex officio who shall not have voting powers.

5.03 Election. Procedure for elections will be as follows:

(a) The initial Board of Directors shall be as named in the Articles of Incorporation.

(b) At the first annual meeting of the Board of Directors, the Board of Directors shall elect the four (4) directors to serve for one (1) year, four (4) directors to serve for two (2) years and four (4) directors who will serve for three (3) years. The term of each director will expire at the annual meeting when his or her successor is elected. After expiration of the terms of the twelve (12) members of the Board of Directors elected at the first annual meeting of the Board of Directors, all terms of office for directors shall be three (3) years, or until their successors are elected and qualified.

(c) Individuals to fill the membership of the Board of Directors shall be nominated by the Nominating Committee and elected by majority vote of the directors at their annual meeting.

(d) The Nominating Committee shall be appointed by the President and consist of five (5) members of the Board of Directors. The Committee shall be appointed by the President not less than thirty (30) days prior to the annual meeting or more than sixty (60) days prior thereto.

5.04 Vacancy. Vacancies occurring in the Board of Directors by death, resignation, refusal to serve, or otherwise shall be filled for the unexpired term by the remaining directors at any regular or special meeting.

5.05 Resignation. Any director may resign at any time by giving written notice to the Board of Directors. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance thereof as determined by the Board of Directors. Resignation as a director shall result in the simultaneous resignation of membership pursuant to Article IV, paragraph 4.05 of these Bylaws.

5.06 Removal. Any director may be removed at any time by two-thirds (2/3) majority vote of all the directors then serving.

ARTICLE VI

Meetings of the Board

6.01 Place of Meetings. The meetings of the Board of Directors shall be held at the principal office of the corporation or at any place within the United States that the Board may from time to time designate.

6.02 Annual Meetings. The Board of Directors shall meet each year in the month of September, unless otherwise provided by resolution of the Board of Directors.

6.03 Regular Meetings. Such other regular meetings of the Board of Directors shall be held at such time and place as may be specified by the resolution of the Board.

6.04 Special Meetings. Special meetings of the Board of Directors may be called at any time by the President or on written request of two (2) or more directors at a time and place designated by the President.

6.05 Notice of Meeting. Notice of any regular or special meeting of the Board of Directors shall be given at least five (5) days previous thereto by written notice sent by United States Mail to each director to his or her address as shown by the records of the Foundation; however, notice may be waived before, at, or after any meeting.

6.06 Waiver of Notice. Attendance of a director at a meeting shall constitute a waiver of notice of such meeting except when a director attends a meeting for the express purpose of objecting to the transaction of the business because the meeting is not lawfully called or convened.

6.07 Quorum. At all meetings of the Board of Directors, a simple majority of those present and voting at a meeting shall be the action of the North Central Health Foundation. In lieu of meeting, use of mail, email, telephone, videoconference, fax, or other forms of electronic communication, to conduct business is encouraged.

6.08 Voting of Directors. The vote of the majority of the directors at a meeting at which a quorum is present shall be the act of the Board of Directors, unless a vote of a greater number is required by law or by these Bylaws. Each director shall have one (1) vote and there shall be no voting by proxy.

ARTICLE VII

Compensation of Directors

7.01 Director's Services. Directors as such shall not receive any compensation for their services as directors, but the Board of Directors may, by resolution, authorize reimbursement of expenses incurred in the performance of their duties. Such authorization may prescribe the procedure for approval and payment of such expenses by designated officers of the Foundation. Nothing herein shall preclude a director from serving the Foundation in any other capacity and receiving compensation for such services.

ARTICLE VIII

Committees

8.01 Appointment of Committees. The Board, by resolution adopted by a majority of the entire Board, shall designate an executive committee, consisting of two (2) members of the Board of Directors, the Chairperson and President of the Board, and the Chief Executive Officer of the North Central Community Services Program Board of Langlade, Lincoln and Marathon Counties (serving ex officio), and may designate other committees consisting of two (2) or more persons, who may or may not be directors and may delegate to such committee or committees all such authority of the Board that it deems desirable, except that no such committee or committees, unless specifically so authorized by the Board, shall have and exercise the authority of the Board to:

- (a) Adopt, amend or repeal the Bylaws;
- (b) Fill vacancies in the Board or any committee.

8.02 Alternate Members of Committee. The Board may designate one (1) or more directors as alternate members of any such committee, who may replace any absent member or members at any meeting of such committee. Each member of each such committee shall serve at the pleasure of the Board. The designations of any committee and the delegation thereto of authority shall not relieve any director of any responsibility imposed by law. The executive committee or any other committee shall report action, unless the Board otherwise requires. So far as applicable, the provisions of these Bylaws relating to the conduct of meetings of the Board shall govern meetings of the executive and other committees.

8.03 Board Action Without a Meeting. Any action that could be taken at a meeting of the Board of Directors, or any duly constituted committee thereof, may be taken without a meeting when authorized in writing and signed by all of the directors or committee members.

ARTICLE IX

Officers

9.01 Election – Title - Term. The officers of the Foundation shall be a President, one (1) Vice President, a Secretary, a Treasurer and such other officers as may be appointed pursuant to these Bylaws. Each officer shall be elected annually by the Board of Directors at its annual meeting, to serve until the next ensuing annual meeting, or until a successor shall have been duly elected and shall have qualified. The Board of Directors may elect or appoint, or by resolution provide for the appointment of, other officers or agents.

9.02 Vacancies. In case any office of the Foundation becomes vacant by death, resignation, retirement, disqualification, or any other cause, the majority of the directors then in office, although less than a quorum, may elect an officer to fill such vacancy and the officer so elected shall hold office and serve for the unexpired term and until the election and qualification of his or her successor.

9.03 Removal. Any officer of the Foundation may be removed at any time by the Board whenever in its judgment the best interest of the Foundation will be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. The election or appointment of an officer shall not of itself create contract rights.

9.04 Duties. The duties of the officers of this corporation shall be such as usually appertain to such officers of corporations generally except as may be otherwise prescribed by these Bylaws or by the Board.

9.05 President. The President shall preside at all meetings of the Board of Directors and of the executive committee, and shall appoint, subject to confirmation of the Board of Directors, and be an ex officio member of, all standing and special committees. The President shall be responsible for monitoring the operation of the Foundation, and between meetings of the Board of Directors and of the executive committee, shall have general supervision of its business and affairs, subject, however, to the right of the Board to delegate any specific power except such as may by statute be exclusively conferred upon the President, to any other officer or officers of the Foundation, to the exclusion, for the time being, of the President.

9.06 Vice President. In the absence of the President or in the event of his or her inability to act, the Vice President shall perform all the duties of the President and when so acting shall have all of the powers of the President, and shall be an ex officio member of all standing and official committees.

9.07 Secretary. The Secretary shall have charge of such books, documents, and papers as the Board of Directors may determine. The Secretary shall attend and keep the minutes of all the meetings of the Board of Directors and members of the Foundation, shall keep a record, containing the names, alphabetically arranged of all persons who are members of the Foundation, showing their places of residence, and such book shall be open for inspection as prescribed by law, and may sign with the President or Vice President, in the name and on behalf of the Foundation any contracts or agreements authorized by the Board of Directors, and when so authorized or ordered by the Board of Directors. The Secretary shall, in general, perform all of the duties incident to the office of Secretary, subject to the control of the Board of Directors, and shall do and perform such other duties as may be assigned to the Secretary by the Board of Directors.

9.08 Treasurer. The Treasurer shall have the custody of all funds, property and securities of the Foundation, subject to such regulations as may be imposed by the Board of Directors. The Treasurer may be required to give bond for the faithful performance of his or her duties, premiums for which shall be paid out of Foundation funds, in such sum and with such sureties as the Board of Directors may require. When necessary or proper the Treasurer may endorse on behalf of the Foundation for collection checks, notes, and other obligations, and shall deposit the same to the credit of the Foundation at such bank or banks or depository as the Board of Directors may designate. The Treasurer shall sign all receipts and vouchers and, together with such other officer or officers, if any, as shall be designated by the Board of Directors, shall sign all checks of the Foundation and all bills of exchange and promissory notes issued by the Foundation, except in cases where the signing and execution thereof shall be expressly designated by the Board of Directors, or by these Bylaws to some other officer or agent of the Foundation, shall make such payments as may be necessary or proper to be made on behalf of the Foundation, shall enter regularly on the books of the Foundation to be kept by Treasurer for the purpose of full and accurate account of all moneys and obligations received and paid or incurred by the Treasurer for or on account of the Foundation, shall exhibit such books at all reasonable times to any director or member on application at the offices of the Foundation, and shall, in general, perform all the duties incident to the office of Treasurer, subject to the control of the Board of Directors.

ARTICLE X

Agents and Representatives

10.01 Agents. The Board of Directors may appoint such agents and representatives of the Foundation with such powers and to perform such acts or duties on behalf of the Foundation as the Board of Directors may see fit, so far as may be consistent with these Bylaws, to the extent authorized or permitted by law.

ARTICLE XI

Contracts

11.01 Authorization. The Board of Directors, except as in these Bylaws otherwise provide, may authorize any officer or agent to enter into any contract or execute and deliver any instrument in the name of and on behalf of the Foundation, and such authority may be general or confined to a specific instance; and unless so authorized by the Board of Directors, no officer, agent or employee shall have any power or authority to bind the Foundation by any contract or engagement, or to pledge its credit, or render it liable pecuniary for any purpose or to any amount.

ARTICLE XII

Voting Upon Shares of Other Corporations

12.01 Other Corporations. Unless otherwise ordered by the Board of Directors, the President shall have full power and authority on behalf of the Foundation to vote either in person or by proxy at any meeting of shareholders of any corporation in which this Foundation may hold shares, and at any such meeting may possess and exercise all of the rights and powers incident to the ownership of such shares which, as the owner thereof, this Foundation might have possessed and exercised if present. The Board of Directors may confer like powers upon any other person and may revoke any such powers as granted at its pleasure.

ARTICLE XIII

Fiscal Year

13.01 Year. The fiscal year of the Foundation shall commence on July 1 of each year and end on June 30.

ARTICLE XIV

Prohibition Against Sharing in Foundation Earnings; Dissolution

14.01 Prohibition. No member, director, officer, employee, member of a committee, person connected with the Foundation, or any other private individual shall receive at any time any of the net earnings or pecuniary profit from the operations of the Foundation, provided, however, that this shall not prevent the payment to any such person of such reasonable compensation for services rendered to or for the Foundation in effecting any of its purposes as shall be fixed by the Board of Directors. No such person or persons shall be entitled to share in the distribution of any of the Foundation assets upon the dissolution of the Foundation. Upon such dissolution or winding up of the affairs of the Foundation,

whether voluntary or involuntary, the assets of the Foundation, after all debts have been satisfied, shall be distributed, transferred, conveyed, delivered and paid over to a nonprofit medically related organization in the Wausau area selected by the Board of Directors and then described in § 501(c)(3) of the United States Internal Revenue Code of 1954, or similar successor provisions thereto; if such an organization is not in existence at the time of dissolution or winding up of this Foundation, then all of the assets shall be transferred to any other charitable organization or organizations which would then qualify under the provisions of § 501(c)(3) of such Internal Revenue Code selected by the Board of Directors.

ARTICLE XV

Amendments

15.01 Procedure. The Board of Directors shall have the power to make, alter, amend and repeal the Bylaws of the Foundation by a vote of two-thirds (2/3) of the directors who are present and entitled to vote at any meeting, provided that notice of the proposed amendment shall have been given to the directors in the notice of such meeting.

ARTICLE XVI

Exempt Activities

16.01 Prohibited Activities. Notwithstanding any other provision of these Bylaws, no member, director, officer, employee or representative of this Foundation shall take any action or carry on any activity by or on behalf of the Foundation not permitted to be taken or carried on by an organization exempt from income tax under § 501(c)(3) and excluded from private foundation classification under § 509(a)(3) of the Internal Revenue Code and its regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under § 170(c)(2) of such Code and regulations as they now exist or as they may hereafter be amended.

ARTICLE XVII

Seal

17.01 No Corporate Seal. The Foundation shall not have a corporate seal.

ARTICLE XVIII

Indemnification

18.01 Liability Indemnification. The Foundation shall indemnify each person (and the heirs and legal representative of such person) who is or was a director or officer of the Foundation, or of any other corporation which he or she served in any capacity at the request of the Foundation, against any and all liability and reasonable expense that may be incurred by him or her in connection with or resulting from any claim, action, suit, or proceeding (whether brought by or in the right of the Foundation or such other corporation or otherwise), civil, criminal, administrative or investigative, or threat thereof, or in connection with the appeal relating thereto, in which he or she may become involved, as a party or otherwise, by reason of his or her being or having been such director or officer, or by reason of any past or future action or omission or alleged action or omission (including those antedating the adoption of this Bylaw) by him or her in such capacity, whether or not he or she continues to be such at the time such liability or expense is incurred, provided such person acted in good faith, in what he or she reasonably believed to be in or not opposed to the best interest of the Foundation or such other corporation, as the case may be, and in addition, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

18.02 Definitions. As used in this section, the terms "liability" and "expense" shall include, but not be limited to, counsel fees and disbursements and amounts of judgments, fines and penalties against, and amounts paid in settlement by or on behalf of a director or officer. The termination of any claim, action, suit, or proceeding by judgment, settlement or conviction, or upon a plea of guilty or of nolo contendere, or its equivalent, shall not create a presumption that a director or officer did not meet the standards of conduct set forth above.

18.03 Entitlement. Any such officer or director referred to in this section who has been wholly successful, on the merits or otherwise, with respect to any claim, action, suit or proceedings shall be entitled to indemnification as of right.

18.04 Procedure for Indemnification. Except as provided in the preceding sentence, any indemnification hereunder shall be made only if (1) the Board of Directors, acting by a quorum consisting of directors who are not involved in or have been wholly successful with respect to such claim, action, suit, or proceeding, or (2) if there be no such quorum, then the independent legal counsel (who may be a regular counsel of the Foundation), in a written opinion shall find that the director or officer has met the standard of conduct set forth above. Expenses incurred with respect to any such claim, action, suit, or proceeding may be advanced by the Foundation prior to the final disposition thereof upon receipt of an undertaking by or on behalf of the recipient to repay such amount unless he or she is entitled to indemnification under this Article.

18.05 Insurance. The Foundation may purchase and maintain insurance on behalf of any person who is or was a director or officer of the Foundation, or is or was serving at the request of the Foundation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise against liability asserted against and incurred in any such capacity or arising out of his or her status as such, whether or not the Foundation would have power to indemnify him or her against such liability under the provisions of this Bylaw.

18.06 Extent of Rights. The rights of indemnification provided in this Article shall be in addition to any rights to which any person concerned may otherwise be entitled by contract or as a matter of law, and irrespective of the provisions of this Article, the Board of Directors may, at any time and from time to time, approve indemnification of directors, officers, or employees to the full extent permitted by the provisions of the Wisconsin Business Corporation Law at the time in effect, whether on account of past or future transaction.

APPROVED, December 7, 2015,

Neil Slamka
Secretary

Foundation/Bylaws 151207



North Central Health Care

Person centered. Outcome focused.

**AMENDED AND RESTATED
MEDICAL STAFF BYLAWS**

Approved: April 17, 2014
Adopted: February 25, 2021

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**BYLAWS OF THE MEDICAL STAFF
NORTH CENTRAL HEALTH CARE
Wausau, Wisconsin**

PREAMBLE

WHEREAS, the Medical Staff is responsible for structuring itself to provide a uniform standard of quality of patient care, treatment and services; and

WHEREAS, it is recognized that the Medical Staff of North Central Health Care (NCHC) is responsible for the quality of the medical care in all programs and services provided, and must accept and discharge this responsibility, subject to the ultimate authority of the North Central Community Services Program (NCCSP) Board, NCHC's governing body, and that the cooperative efforts of the Medical Staff, the Chief Executive Officer (CEO) and the governing body are necessary to fulfill the organization's obligation to its patients;

WHEREAS, the Medical Staff is responsible for: the ongoing evaluation of competency of all Practitioners who are Privileged; delineating the scope of Privileges that will be granted to Practitioners; and providing leadership in performance improvements activities related to the provision of medical care and services;

THEREFORE, the Practitioners practicing at NCHC hereby organize themselves into an organized Medical Staff in conformity with these Bylaws.

DEFINITIONS

Advanced Practice Providers means an individual, other than a licensed Physician, Dentist, or Podiatrist who exercises independent judgment within the area of his or her competence or who is qualified to render direct or indirect medical or dental care under the supervision of, or in a collaborative agreement with, a Physician; and whose clinical care activities require that the authority to perform specified patient care services be processed through the Medical Staff channels or with involvement of Medical Staff representatives. Such Advanced Practice Providers shall include, but shall not be limited to, Advanced Practice Registered Nurses, Physician Assistants, or other legally permissible physician extenders.

APPLICATION COMPLETE means (1) all blanks on the application form are filled and necessary additional explanations and attachments are provided; (2) verification of the information is complete; that is, all information necessary to properly evaluate an applicant's qualifications has been received including reports from the National Practitioner Data Bank, the Federation of State Medical Boards, and Office of Inspector General (OIG) Exclusion List and (3) as required, responsive letters of reference and information from past hospitals and other

affiliations have been received including letters from department/program medical director or other physicians who have worked with or observed the applicant.

BOARD OF DIRECTORS or BOARD means the governing body of NCHC, and duly created committees of the Board performing duties delegated by the Board.

BYLAWS or MEDICAL STAFF BYLAWS means these Bylaws of the Medical Staff of NCHC.

Chief Executive Officer (CEO) is the individual appointed by the Board to act on its behalf in the overall management of the organization.

Chief Medical Officer (CMO) is a member of the Executive Management Team of NCHC who in collaboration with the Chief Executive Officer, provides administrative oversight to all members of the Medical Staff, including appointed Medical Directors. Clinical responsibilities are defined as those involving professional capability as a Physician such as to require the exercise of clinical judgment with respect to patient care.

COLLABORATIVE AGREEMENT means a process in which an Advanced Practice Registered Nurse is working with a Physician, in each other's presence when necessary, to deliver health care services within the scope of the Practitioner's training, education, and experience. The Advanced Practice Registered Nurse shall document this relationship in formally executed collaborative agreement.

CLINICAL PRIVILEGES or PRIVILEGES means the permission granted to a Practitioner to render specific diagnostic, therapeutic, or medical services.

DAYS refers to calendar days.

EX-OFFICIO means service as a member of a body by virtue of an Officer or position held and, unless otherwise expressly provided, means without voting rights.

FAIR HEARING PLAN means the procedure set forth in Article IX.

GOOD STANDING means the Medical Staff member is not under a suspension of his/her appointment or admitting privileges.

HOSPITAL means any licensed Inpatient Psychiatric Hospital managed by NCHC.

MALICE means the dissemination of a known falsehood or of information with a reckless disregard for whether it is true or false, or the absence of a reasonable belief that an action, statement or recommendation is warranted by the facts.

MEDICAL EXECUTIVE COMMITTEE or MEC means the CEO and Medical Staff Officers.

MEDICAL DIRECTOR means a Physician employed by, or otherwise serving NCHC, on a full or part-time basis, whose duties include responsibilities, some of

which are purely administrative in nature, some purely clinical in nature, and some both administrative and clinical in nature. Any appointed Medical Director provides guidance and leadership on the use of medicine in a healthcare organization for a specific program or service. Clinical responsibilities are defined as those involving professional capability as a Physician such as to require the exercise of clinical judgment with respect to patient care. A Medical Director devises the protocols and guidelines for the clinical staff and evaluates them while they are in use.

MEDICAL STAFF means the Medical Staff of NCHC as created pursuant to these Medical Staff Bylaws.

NCHC means North Central Health Care and its services and programs.

PATIENT means any resident, client, and/or consumer receiving services through all Programs at North Central Health Care.

PHYSICIAN means an individual who has received a Doctor of Medicine or Doctor of Osteopathy degree and is fully licensed to practice medicine in the State of Wisconsin.

PRACTITIONER means, unless otherwise expressly limited, any Physician or Advanced Practice Provider applying for or exercising clinical privileges at NCHC.

PREROGATIVES means a participatory right granted, by virtue of the staff category or otherwise, to a Practitioner exercisable subject to the conditions imposed in these Bylaws and in other NCHC and Medical Staff policies.

PROCTOR means an individual who holds active, provisional or consulting staff status within the Medical Staff of NCHC. This individual is appointed by the Medical Director. Responsibilities of the proctor are:

- 1) To coordinate in a reasonable manner with the individual to be proctored an agreed upon schedule for patient/case review.
- 2) Observe the appropriate number of specified patients/cases as delineated by the Chief Medical Officer, and fulfilling Bylaws requirements:
 - a) It is permissible that the proctor may provide first assistant services;
 - b) It is permissible that the proctor may intervene in the event of an unanticipated outcome;
 - c) It is not anticipated that the proctor provides formal educational services during a proctoring sequence but may provide anecdotal advice/insight.
- 3) The proctor shall provide a written result to the Chief Medical Officer upon completion of the proctoring responsibility. Said report shall include: a) patient identifier; b) date of proctoring; c) general description of proctoring event; d) patient outcome; and e) recommendations/conclusions.

PROFESSIONAL REVIEW ACTIVITY shall mean any activity of NCHC with respect to an individual Practitioner (i) to determine whether an Applicant or Medical Staff Appointee may have clinical privileges at NCHC or membership on the Medical Staff; (ii) to determine the scope of conditions of such privileges or membership; or (iii) to change or modify such privileges or membership.

PROFESSIONAL REVIEW BODY shall mean as appropriate to the circumstances, the Board of Directors, MEC, any Ad Hoc Investigation Committee, any Hearing Committee, any Appellate Review Committee, the CEO and other Officers of NCHC, the President of the Medical Staff, the Chief Medical Officer, any department/program Medical Director and any other person, committee or entity having authority to make an adverse recommendation or take any adverse action with respect to or propose an action against any Applicant or Medical Staff Appointee when assisting the Board of Directors in a Professional Review Activity.

PROGRAMS means all inpatient, outpatient, residential, skilled nursing, and community-based services provided in Langlade, Lincoln and Marathon Counties.

QUORUM means those members present who are eligible to vote at any regular or special general staff meeting or any department, program, or committee meeting. Ex-officio members shall not be counted in determining the presence of a quorum.

REPRESENTATIVE means a Board and any director or committee thereof; a Chief Executive Officer or his/her designee; a Medical Staff organization and any member, Officer, department/program or committee thereof; and any individual authorized by any of the foregoing to perform specific information gathering or disseminating functions.

SPECIAL NOTICE means written notification sent by certified mail, return receipt requested.

THIRD PARTIES means both individuals and organizations providing information to any representative.

ARTICLE I: CREATION AND NAME

1.1 CREATION OF MEDICAL STAFF

There is hereby established within NCHC a Medical Staff which shall consist of all Practitioners who have been granted the right to exercise clinical privileges within NCHC's Programs. No Practitioner may admit or provide health-related services to any patients of NCHC's Programs unless he or she has been appointed by the Board of Directors or granted partial or temporary privileges. The Board of Directors shall, in the exercise of its discretion, delegate to the Medical Staff the responsibility for providing appropriate professional care to NCHC patients. The Medical Staff shall conduct a continuing review and appraisal of the quality of professional care rendered in NCHC Programs and facilities and shall report such activities and their results to the Board of Directors.

1.2 NAME

The name of the Medical Staff shall be the "Medical Staff of North Central Health Care (NCHC)."

ARTICLE II: PURPOSES AND RESPONSIBILITIES

2.1 PURPOSES

The purposes of the Medical Staff are to:

- 2.1-1 Be the formal organizational structure through which:
 - (a) The benefits of membership on the staff may be obtained by individual Practitioners; and
 - (b) The obligations of staff membership may be fulfilled.
- 2.1-2 Serve as the primary means for accountability to the Board for the appropriateness of the professional performance and ethical conduct of Medical Staff members and to strive toward assuring that the pattern of patient care at NCHC is consistently maintained at the level of quality and efficiency achievable by the state of the healing arts and the resources locally available.
- 2.1-3 Provide a means through which the Medical Staff may participate in the organization's policy making and planning process.
- 2.1-4 Provide an educational setting that will maintain scientific standards and lead to continuous advancement in professional knowledge and skill.
- 2.1-5 Cooperate with affiliated medical schools and other educational institutions in undergraduate, graduate, and post graduate education.

2.2 RESPONSIBILITIES

The Medical Staff shall be responsible to the Board of Directors for the quality of all medical care provided to patients of NCHC and for the ethical and professional practices of members of the Medical Staff. The responsibilities of the Medical Staff, to be fulfilled through the actions of its Officers, departments, and committees include:

2.2-1 Accountability

The accounting of quality and appropriateness of patient care rendered by all Practitioners authorized to practice at NCHC through the following measures:

- (a) A credentials program, including mechanisms for appointment and reappointment, and the matching of clinical privileges to be exercised or of specified services to be performed, with the verified credentials and current demonstrated performance of the applicant Practitioner.

- (b) A continuing education program fashioned at least in part on the needs demonstrated through the quality/utilization management program.
- (c) A utilization review program to allocate inpatient and outpatient medical and health services based upon patient specific determinations of individual medical needs.
- (d) An organizational structure that allows continual monitoring of patient care practices.
- (e) A program to assist the impaired Practitioner in accessing professional help through NCHC and that provides an appropriate monitoring system.

2.2-2 Recommendation to Board

To recommend to the Board action with respect to appointments, reappointments, staff category, departmental assignments, clinical privileges and corrective action.

2.2-3 Quality/Utilization Management

To account to the Board for the quality and efficiency of patient care rendered to patients at NCHC through regular reports and recommendations concerning the implementation, operation and results of the quality/utilization management activities.

2.2-4 Corrective Action

To initiate and pursue corrective action with respect to Practitioners, when warranted.

2.2-5 Compliance with Bylaws, Rules & Regulations

To develop, administer and seek compliance with these Bylaws, the Rules and Regulations of the Medical Staff and other patient care related NCHC policies.

2.2-6 Identification of Needs and Goals

To assist in identifying community health needs and in setting appropriate organizational goals and implementing programs to meet those needs.

2.2-7 Authority

To exercise the authority granted by these Bylaws as necessary to adequately fulfill the foregoing responsibilities.

2.3 POWERS RESERVED TO THE BOARD OF DIRECTORS

- 2.3-1 The property and business of NCHC shall be managed by a Board of Directors which shall be responsible for establishing policy, assessing the quality of patient care, appointing and evaluating the performance of the offices as well as evaluating the performance of the Medical Staff, assuring the fiscal integrity of NCHC, providing for institutional management and planning, and assuring the provision of an appropriate level of patient care in the various Programs and services of NCHC. The Board of Directors shall have and exercise full power and authority to do all things deemed necessary and expedient in the governance, management and control of the business and affairs of NCHC. All Officers, Medical Staff members, employees and agents are subject to the control, direction and removal by the Board. All Practitioners are subject to appointment, termination or modification of their Medical Staff Membership and/or clinical privileges by the Board of Directors, based on factors deemed relevant by the Board of Directors. Actions taken by the Board of Directors may, but need not, follow the procedures outlined in the Medical Staff Bylaws and related documents.
- 2.3-2 The Board of Directors may at any time after considering the recommendation of the Medical Executive Committee direct that specific procedures or clinical practices not be performed at NCHC if the Board of Directors determines that such practices or procedures are not medically acceptable, cannot be properly performed at NCHC, are inconsistent with the mission, operations or principles of NCHC, or for any other reason determines that the procedures or services should not be performed in NCHC. There shall be no appeal or hearing with regard to any decision by the Board of Directors that any practices or procedures are not permitted to be performed in NCHC.

ARTICLE III: MEDICAL STAFF MEMBERSHIP

3.1 NATURE OF MEDICAL STAFF MEMBERSHIP

Membership on the Medical Staff of NCHC shall be extended only to professionally competent Practitioners who continuously meet the qualifications, standards and requirements set forth in these Bylaws.

Appointment to and membership on the Medical Staff shall confer on the staff member only such clinical privileges and prerogatives as have been granted by the Board in accordance with these Bylaws, and shall include staff category and department.

No Practitioner shall admit or provide medical or other health related services to patients of any NCHC Program unless he/she has been appointed by the Medical Staff or has been granted temporary privileges. Medical Staff appointment shall confer a privilege in the nature of a license to exercise only such clinical privileges as are specifically granted by the Board of Directors. A Medical Staff member is neither an employee nor an independent contractor of NCHC unless such a relationship is separately and independently established. These Bylaws shall not create a contract between the Medical Staff or any individual Practitioner and NCHC.

In the event of any conflict between the language of these Medical Staff Bylaws or the Appointment and Corrective Procedures or Fair Hearing Procedure and a specific contract between NCHC and a Medical Staff Appointee, the language of the contract shall control.

3.2 BASIC QUALIFICATIONS FOR MEDICAL STAFF MEMBERSHIP

3.2-1 Basic Qualifications

Only Practitioners licensed to practice in the State of Wisconsin who meet the following requirements will be eligible for appointment and/or clinical privileges:

- (a) Document their experience, background, training, demonstrated ability, and their physical and/or mental health status, with sufficient adequacy to demonstrate to the staff and the Board that they will provide care to patients at the generally recognized professional level of quality, and utilization standards in effect at NCHC;
- (b) Are determined, on the basis of documented references, to adhere strictly to the ethics of their respective professions, to work cooperatively with others relating to patient care, and to be willing to participate in the discharge of staff responsibilities; and
- (c) Possess a current unrestricted license to practice in the

State(s) where the Practitioner currently provides care for patients with no past or present restriction(s) or adverse action(s).

- (d) Have satisfactorily completed approved postgraduate training relevant to the specialty in which the applicant is seeking to practice, as further defined on specialty-specific privilege forms.
- (e) Possess DEA certification with no record of past or present restriction(s), sanction(s), or voluntary relinquishment.
- (f) Possess appropriate professional liability insurance coverage specific to privileges requested, as applicable, without prior history of restriction or reduction of coverage.
- (g) Have no record of conviction of Medicare, Medicaid, or insurance fraud and abuse, payment of civil money penalties for the same, or exclusion from such programs.
- (h) Have no record of, conviction of, or plea of guilty or no contest to, any felony or misdemeanor related to violence, controlled substances, third-party reimbursement or the Practitioner's professional practice.
- (i) Have no record of denial, revocation, relinquishment or termination of appointment, affiliation, or clinical privileges at any healthcare facility for reasons related to professional competence or conduct.

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A waiver of a criterion may infrequently be granted solely by the Board of Directors upon the recommendation of the MEC when exceptional circumstances exist. The individual requesting the waiver bears the burden of demonstrating that exceptional circumstances exist.

3.2-2 Effect of Other Affiliations

No Practitioner is entitled to membership on the staff or to the exercise of particular clinical privileges solely because he/she is licensed to practice in this or in any other state, or because he/she is a member of any professional organization, or is certified by any clinical Board or presently or formerly held staff membership or privileges at another health care facility or in another practice setting.

3.2-3 Nondiscrimination

Staff membership or particular clinical privileges shall not be granted or denied on the basis of any physical or mental condition or other criterion unrelated to the efficient delivery of patient care at the generally recognized professional level of quality in NCHC,

including, but not limited to race, creed, color, handicap, marital status, sex, national origin, ancestry, sexual orientation, gender identity, arrest record, conviction record, membership in armed forces, use or non-use of lawful products off NCHC premises.

3.2-4 Administrative and Medical Directors

All program Medical Directors must be a member of the Medical Staff, achieving his/her status by the procedure provided in accordance with Article VI. The Medical Staff membership and clinical privileges of any Medical Director shall not be contingent on his/her continued occupation of that position, unless otherwise provided in his/her employment agreement.

3.3 BASIC RESPONSIBILITIES OF INDIVIDUAL MEDICAL STAFF MEMBERS

The responsibilities of all members of the Medical Staff are to:

- 3.3-1 Provide his/her patients with care at the generally recognized professional level of quality and efficiency and utilization standards at NCHC.
- 3.3-2 Abide by the Bylaws rules, regulations, and associated policies of the Medical Staff and NCHC, Principles and Codes of Medical Ethics of the American Medical Association, the American Osteopathic Association, the American Psychiatric Association, or the American Nurses Credentialing Center, as applicable based on each member's credential.
- 3.3-3 Provide emergency medical care for any patient following accepted guidelines of his/her respective specialty society. Any individual with delineated clinical privileges may provide emergency care to any patient in a life-threatening emergency or a situation that threatens serious harm, provided that the care provided is within the scope of the individual's license.
- 3.3-4 Agree to and recognize NCHC's obligation to query and report adverse actions to the National Practitioner Data Bank as established by federal statute. Information obtained by query of the Data Bank will be used in evaluating the Practitioner's qualification for initial and/or continued membership, and if applicable, Privileges.
- 3.3-5 Provide appropriate and timely care to those patients for whom they are assigned, or to ensure that this care is provided by an appropriate level of Practitioner coverage.
- 3.3-6 Make appropriate arrangements for coverage of patients to ensure continuous care, ensuring that such arrangements are effectively communicated to NCHC, the Medical Staff, other NCHC staff and clinicians outside of NCHC as appropriate.

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- 3.3-7 Maintain professional medical malpractice insurance coverage in accordance with Wisconsin regulations.
- 3.3-8 Inform the Medical Staff in a timely manner of any changes made, or formal action initiated, including pending criminal charges or convictions, that could result in a change to license, state or federal controlled substance registration, professional liability insurance coverage, and voluntary or involuntary reduction of clinical privileges at other health care institutions. Final judgments or settlements for any malpractice activity must be reported.
- 3.3-9 Work with other individuals and organizations in a cooperative, professional and civil manner and refraining from any activity that is disruptive of NCHC or Medical Staff operations.
- 3.3-10 Cooperate with and participate in performance improvement and peer review activities, whether related to self or others.
- 3.3-11 Complete in a timely fashion all medical records for the patients to whom care is provided at NCHC.
- 3.3-12 Refuse to engage in improper inducements for patient referral or any other unethical behavior, adhering to NCHC's Corporate Compliance Code of Conduct.
- 3.3-13 Exercise privileges only as specifically granted by the Board of Directors which includes refraining from practice of all or any privilege until appropriately granted as stipulated by the Medical Staff Bylaws.
- 3.3-14 Assume medical and legal responsibility for staff delegated to performing duties on behalf of the Practitioner via an employed or contracted relationship with the Practitioner.
- 3.3-15 Appropriately supervise residents and students rendering patient care under his or her authority and credentials.
- 3.3-16 Reflect NCHC's person-centered service ideals, as reflected in its Mission, Vision, and Values statements.
- 3.3-17 To ensure that all hospitalized patients are visited daily by their attending physician or by another Medical Staff member designated by the attending physician, unless otherwise exempted by other Rules and Regulations of the Medical Staff.

Compliance with the above is necessary to apply for or maintain membership, or applicable privileges, with the Medical Staff.

3.4 DURATION OF APPOINTMENT

- 3.4-1 Appointment to the staff shall be for a period of two (2) years.

3.5 PROFESSIONAL PRACTICE EVALUATION

- 3.5-1 The granting of initial clinical privileges, as well as the addition of new privileges, is subject to focused professional practice evaluation (Provisional Status).
- 3.5-2 Provisional Status automatically concludes when an appropriate Medical Staff leader concludes that competency has been verified.
- 3.5-3 Upon the conclusion of Provisional Status, each individual with clinical privileges is subject to Peer Review as described in the Medical Staff Peer Review Policy.

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3.6 CONTRACT PRACTITIONERS

The appointment of any Practitioner who has a contractual relationship with NCHC, or is either an employee, partner or principal of, or in any entity that has a contractual relationship with NCHC, relating to providing services to patients at NCHC shall be governed by the terms and conditions of the contract. If at any time the contracting Practitioner's individual competence or fitness is questioned, he/she shall be entitled to due process rights otherwise provided Practitioners under Article VIII or Article IX or both. In no event shall contracting Practitioners be entitled to due process rights not afforded to non-contracted Practitioners under similar circumstances.

3.7 LEAVE OF ABSENCE

3.7-1 Leave Status

- (a) A Practitioner may request a voluntary leave of absence from the Medical Staff by submitting a written request to the MEC, which states the period of time for the leave, which may not exceed the remainder of the current appointment. A leave of absence request may be granted by the MEC, subject to such conditions or limitations as the MEC shall determine to be appropriate. During the period of a leave of absence the Practitioner's privileges and prerogatives shall not be exercised.
- (b) A leave of absence shall occur automatically when the MEC determines that a Practitioner requires treatment for impairment and such is agreed to by the Practitioner. The impaired Practitioner must agree to enroll in a long-term treatment program approved by the MEC.

3.7-2 Termination of Leave

A Practitioner on a leave of absence from the Medical Staff, which is less than six (6) months, may request to return from leave by

providing fifteen (15) days written notice to the CEO. If the leave is for six (6) months or more, sixty (60) days written notice to the CEO is required.

As provided in the above paragraph, the Practitioner may request reinstatement of his/her privileges and prerogatives by submitting a written notice to that effect to the CEO for transmittal to the MEC. The Practitioner shall submit a written summary of his/her relevant activities during the leave, if the MEC or the Board so requests. The MEC shall make a recommendation to the Board concerning the reinstatement of the Practitioner's privileges and prerogatives. Thereafter, the procedure provided in Sections 6.4-4 and 6.4-9 shall be followed.

Failure without good cause to request reinstatement or to provide a requested summary of activities as above provided before termination of the leave shall result in automatic termination of Medical Staff membership, privileges, and/or prerogatives, without right of hearing or appellate review. A request for reinstatement received from a Practitioner so terminated shall be submitted and processed in the manner specified for applications for initial appointment.

If a Practitioner is denied return from a leave of absence, it shall be considered a suspension and the right to a fair hearing shall apply.

3.8 RESIGNATION

In the event a Practitioner wishes to resign from the Medical Staff, he/she shall present in writing to the Chief Executive Officer, for transmittal to the Medical Staff President, a statement to that effect noting the date of termination. If a Practitioner leaves the community or otherwise discontinues practice and does not notify the Chief Executive Officer, an effort will be made on behalf of the MEC to reach the Practitioner by special notice to determine his/her wishes. If he/she does not respond, termination will be automatic thirty (30) days after the special notice has been sent. The Practitioner will be notified of this action with no hearing or appellate rights.

ARTICLE IV: CATEGORIES OF THE MEDICAL STAFF

The Medical Staff shall be divided into the following categories:

4.1 ACTIVE STAFF

4.1-1 Qualifications

The active staff shall consist of Practitioners who average eight (8) or more practice hours per week for a year, including on-call time, each of whom:

- (a) Meet the basic qualifications set forth in Section 3.2-1
- (b) Have completed their status as provisional staff members and have been recommended for advancement to active staff status.
- (c) Regularly admit patients to or are otherwise regularly involved in the care of patients at NCHC.

4.1-2 Prerogatives

The prerogatives of an active staff member shall be to:

- (a) Exercise of clinical privileges as granted pursuant to Article VI.
- (b) Eligibility to hold Medical Staff office, as defined in Article X Officers.

4.1-3 Responsibilities

The responsibilities of the active staff shall include:

- (a) Meet the basic responsibilities set forth in Section 3.3.
- (b) Retain responsibility within his/her area of professional competence for the care and supervision of each patient at NCHC for whom he/she is providing services or arrange a suitable alternative for such care and supervision.
- (c) Actively participate in quality/utilization management activities required of the staff, in monitoring new appointees of his/her same profession, in discharging such other functions as may from time to time be required by the MEC.
- (d) Attend a minimum of fifty percent (75%) of scheduled Medical Staff meetings.

4.2 PROVISIONAL STAFF

- 4.2-1 The Provisional Medical Staff shall consist of Practitioners who, following their initial appointment, are being considered for advancement to the Active Medical Staff. The duration of Provisional Medical Staff status shall be for one (1) year from such applicant's initial appointment to the Medical Staff. During this time, the Provisional Medical Staff Appointee's performance will be monitored by the Medical Director of the Department in which such individual is assigned to determine eligibility of such Provisional Medical Staff Appointee for appointment to the Active Medical Staff. Reappointments to the Provisional Medical Staff may not exceed one (1) full Medical Staff year, at which time the failure to remove such provisional status shall be deemed a termination of his or her Medical Staff appointment. A Provisional Medical Staff member whose membership is so terminated shall have the rights accorded by the Appointment and Corrective Action Procedures to an Active Medical Staff member who has failed to be reappointed to the Active Medical Staff.

The Provisional Medical Staff shall be appointed to a specific Department and shall be eligible to serve on Medical Staff committees. They shall be ineligible to hold office in the Medical Staff and shall have no voting rights on Medical Staff matters so long as they are a Provisional Medical Staff Appointee. They shall be required to attend Medical Staff meetings.

- 4.2-2 Before the MEC makes recommendations on the Provisional Medical Staff Appointee's advancement to the Active Medical Staff, the MEC shall have as a minimum a written report from the appropriate Department Medical Director regarding the rendering of proper patient care. The report shall be based on adequate sampling of records, observation and consultation. The report shall contain an evaluation of both professional and ethical conduct.

4.3 COURTESY STAFF

4.3-1 Qualifications

The courtesy staff shall consist of Practitioners who:

- (a) Practice less than an average of 8 hours per week over a one-year period.
- (b) Meet the basic qualifications set forth in Section 3.2-1.

4.3-2 Prerogatives

The prerogatives of the courtesy staff member shall be to:

- (a) Serve as a member of committees, with the exception of quality review committees.
- (b) Courtesy staff members shall not be eligible to vote, except when serving as a member of a committee
- (c) Courtesy staff members shall not be eligible to hold Medical Staff office, as defined in Article XI Officers.
- (d) Exercise of clinical privileges as granted pursuant to Article VI.

4.3-3 Responsibilities

The responsibilities of the courtesy staff shall include:

- (a) Discharge the basic responsibilities specified in Section 3.3.
- (b) Retain responsibility within his/her area of professional competence for the care and the supervision of each patient at NCHC for whom he/she is providing services or arrange a suitable alternative for such care and supervision.

4.4 CONSULTING STAFF

4.4-1 Qualifications

The Consulting Staff consists of members of the Medical Staff who:

- (a) Demonstrate professional ability and expertise and provide services not otherwise available on the Active Staff.
- (b) Provide services at NCHC only at the request of active members of the Medical Staff.
- (c) Maintain membership to the active medical staff at another Hospital, unless their clinical specialty does not support an active inpatient practice and the Board makes an exception to this requirement.
- (d) At each reappointment time, provide quality data and other information to assist in an appropriate assessment of current clinical competence as set forth in NCHC policies for credentialing.

4.4-2 Prerogatives

The prerogatives of the consulting staff member shall be to:

- (a) Evaluate and treat (but not admit) patients in conjunction with active members of the Medical Staff.

- (c) Consulting staff members shall not be eligible to attend meetings of the Medical Staff and applicable committee meetings or hold Medical Staff office, as defined in Article X Officers.

4.4-3 Responsibilities

The responsibilities of the courtesy staff shall include:

- (a) Discharge the basic responsibilities specified in Section 3.3.
- (b) Retain responsibility within his/her area of professional competence for the care and the supervision of each patient at NCHC for whom he/she is providing services.

4.5 MOONLIGHTING STAFF

4.5-1 Qualifications

Moonlighting Staff shall include Physicians who are currently enrolled in and in good standing with an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency or fellowship program and have an independent license to practice in Wisconsin. Individuals requesting appointment to the Medical Staff within this category must submit an application and meet all of the qualifications for Medical Staff Membership outlined in Section 3.2 of the Medical Staff Bylaws, except for requirements relating to residency completion and board certification.

4.5-2 Prerogatives

The prerogatives of the Moonlight Staff member shall be to:

- (a) Exercise such clinical privileges as granted and duties as required to admit, evaluate, and treat patients.
- (b) Moonlighting staff members shall not be eligible to attend meetings of the Medical Staff and applicable committee meetings or hold Medical Staff office, as defined in Article X Officers.
- (c) Cooperate in the peer review and performance improvement process.

4.5-3 Responsibilities

The responsibilities of the Moonlighting Staff shall include:

- (a) Discharge the basics responsibilities specific in Section 3.3.

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- (b) Retain responsibility within his/her area of professional competence for the care and the supervision of each patient at NCHC for whom he/she is providing services.
- (c) Acquire guidance in the discharge of duties and provision of medical care from the Medical Director and provide care to NCHC's patient in conjunction with that guidance.

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4.6 IN-TRAINING STAFF

4.6-1 Qualifications

In-Training Staff shall consist of all Practitioners who are in recognized training programs under the direction of the faculty of an approved residency or advanced practice provider training program and shall be eligible to participate in Medical Staff committees, conferences, seminars and teaching programs. They shall not be members of the Medical Staff, attend Medical Staff meetings, nor entitled to the rights, privileges, duties, and obligations of staff membership. In-Training Staff will function in accordance with responsibilities and expectations described in the training program's curriculum.

4.6-1 Supervision

To safeguard patient care and to enhance graduate medical education by setting standards for In-Training Staff supervision, the Medical Staff has the following supervision requirements:

- (a) Licensed Practitioners with appropriate clinical privileges must supervise In-Training staff in their patient care responsibilities.
- (b) The admitting or attending Practitioner must co-sign all orders written by residents and In-Training Staff as applicable.
- (c) Medical Staff members may write patient care orders on patients who are cared for in part by In-Training staff.
- (d) The Chief Medical Officer will annually communicate through the Medical Executive Committee, to the governing body of NCHC, a report on the performance of the residents, any identified patient safety issues, the quality of care provided by the residents and the educational needs of the residents.

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4.7 DUAL CATEGORIES

A Medical Staff member may hold both an In-Training Staff and Moonlighting Staff classification at the same time. Practitioners in this situation will be subject to the respective Qualifications, Responsibilities, and Prerogatives relative to the scope of work they are performing for

NCHC in each classification. A Practitioner is not permitted to use one classification over the other to waive a qualification, to gain an undue prerogative, or to usurp or obtain a responsibility not otherwise afforded. Acting outside of the scope of a defined classification could result in the loss of one or both forms of Medical Staff membership.

4.8 LIMITATION OF PREROGATIVES

The prerogatives set forth under each staff category are general in nature and may be subject to limitations by special conditions attached to a Practitioner's staff appointment recommended by the MEC, through other sections of these Bylaws, the Rules and Regulations of the staff, or by policies of NCHC.

4.9 WAIVER OF QUALIFICATIONS

Any qualifications, requirements, or limitations in this article or any other article of these Bylaws, not required by law or governmental regulations, may be waived in the discretion of the Board, in consultation with the MEC, upon determination that such waiver will serve the best interests of the patients and of NCHC.

ARTICLE V: PROCEDURES FOR APPOINTMENT AND REAPPOINTMENT

5.1 GENERAL PROCEDURE

The Medical Staff through its Officers shall investigate and consider each application for appointment and reappointment to the staff and each request for modification of staff membership status and shall adopt and transmit recommendations thereon to the Board.

5.2 APPLICATION FOR INITIAL APPOINTMENT

5.2-1 Application Form

Each application for appointment to the staff shall be in writing and signed by the applicant. All written requests for application forms shall be acted upon promptly, and a copy of the staff Bylaws, Rules and Regulations and policies shall be furnished to each such person.

5.2-2 Content

The application form shall include such provisions as are necessary to secure information useful for evaluation of the applicant. In addition, the form shall include a statement that the applicant has been furnished a copy of the Bylaws, Rules and Regulations and policies of the Medical Staff, and that he/she agrees to be bound by the terms thereof during the time the application is under consideration and, if staff appointment is granted, while a member of the staff.

5.2-3 Application Processing Fee

The Board may establish an application processing fee in consultation with the MEC.

5.2-4 Pre-Application Procedure

The Board in consultation with the MEC has developed a pre-application procedure for initial applicants. The screening process will determine if the applicant meets the Board's qualifications for Medical Staff membership, or if there are reasons apart from the qualifications for membership (e.g., inability of NCHC to accommodate a particular subspecialty) which would result in an inability to appoint the applicant. No application for appointment shall be provided to a Practitioner, nor shall an application be accepted from a proposed applicant, if NCHC CEO or Board of Directors determines based on information from a pre-application questionnaire or any other source that:

- (a) NCHC does not have the ability to provide adequate facilities or services for the applicant or the patients to be treated by the prospective applicant.
- (b) The prospective applicant has interests or activities that are inconsistent with the needs, mission, operations and plans of NCHC and the communities it serves, including any medical staff development plan.
- (c) NCHC has contracted with an individual or group to provide the clinical services sought by the prospective applicant on an exclusive basis, and the prospective applicant will not be associated with the individual or contracted group.
- (d) The prospective applicant has been excluded from participation in Medicare or Medicaid.
- (e) The prospective applicant does not meet the requirements relating to licensure and registration, professional liability insurance, board certification, or reapplication after adverse decision or resignation while under investigation or to avoid an investigation.
- (f) The prospective applicant is not a type of Practitioner approved by the Board of Directors to provide patient care services in NCHC.
- (g) The Practitioner does not have a valid unrestricted state license, or is subject to any form of counseling, monitoring, supervision, educational requirement or any other ongoing review, condition, requirement or restriction of any kind.
- (h) The Practitioner has been convicted of a felony or convicted of a misdemeanor related to the Practitioner's fitness to practice medicine.
- (i) The prospective applicant has provided materially false or misleading information on any pre-application questionnaire or in connection with any pre-application review process. No application for reappointment shall be provided to a Practitioner who is currently a member of the Medical Staff or holds clinical privileges if the Practitioner has not provided requested information or documents or not responded to requests for comments concerning peer review or quality improvement matters or the Practitioner's qualification for Medical Staff membership and privileges, provided the staff member has been notified in writing of the requested information and has had a reasonable opportunity to respond [has not responded within thirty (30) calendar days].

- (j) Any other reason that is not related to the qualifications of any potential applicant.

The applicant or prospective applicant shall be advised of the information relied on as grounds for not providing an application and the applicant or prospective applicant shall have a reasonable opportunity to submit information or evidence that the information relied on is not accurate. No individual shall be entitled to a hearing or any other procedural rights as a result of a refusal by NCHC to provide the individual an application form for initial appointment or reappointment.

5.2-5 Application Form

Once the completed pre-application form indicating that applicant meets the minimum criteria has been returned, the receipt of this pre-application form shall be logged in the office of the CEO and the requesting individual shall be sent a letter enclosing the appropriate application form, supplemental application which should be returned in a separately sealed envelope and a copy of these Medical Staff Bylaws, as well as the Appointment Procedure. If the completed pre-application form indicates that the requesting individual does not meet the minimum criteria, the individual shall be notified. The application form shall include, but not be limited to, the following:

- (a) Qualifications. Detailed information concerning applicant's credentials.
- (b) Location of Practice. The geographic location of applicant's practice.
- (c) Requests. Specific requests stating the appointment category and clinical privileges for which applicant wishes to be considered.
- (d) References. The names and current addresses of at least three active Practitioners who have had significant work experience with applicant and observed his or her professional performance in the recent past and who can provide reliable, non-confidential information as to applicant's training, clinical experience and ability, ethical character, ability to work with others and other qualifications for staff appointment.
- (e) Institutional Affiliations. The names and complete addresses of the chairpersons of each department of any and all hospitals or other institutions at which the applicant has worked or trained (i.e., the individuals who served as chairpersons at the time the applicant worked in the particular department).

- (f) **Revocation of Privileges.** Information as to whether applicant's staff appointment and/or clinical privileges have ever been terminated (whether voluntarily or involuntarily), denied, revoked, suspended, reduced or not renewed at any healthcare entity, and whether any proceeding is pending or has been instituted which, if decided adversely to applicant, would result in any of the foregoing.
- (g) **Withdrawal of Application.** Information as to whether applicant has ever withdrawn his or her application for appointment, reappointment or clinical privileges, or resigned from a Medical Staff before final decision by a healthcare entity's governing body.
- (h) **Professional Sanctions.** Information as to whether any of the following have ever been suspended, revoked or denied, restricted or terminated (whether voluntary or involuntary) and whether any proceeding is pending or has been instituted which, if decided adversely to applicant, would result in any of the following being suspended, revoked or denied restricted or terminated: (1) licensure or registration with any local, state or federal agency or body to practice his or her profession; (2) appointment or fellowship in a local, state or national professional organization; (3) any specialty board certification; or (4) applicant's narcotics registration certificate.
- (i) **Professional Liability Insurance.** Information documenting that applicant carries professional liability insurance coverage in an amount at least equal to the minimum amount of coverage required by NCHC for the privileges requested and information as to applicant's malpractice claims history and experience and applicant's involvement in any professional liability actions (including out-of-court settlements) during the past five years, including a consent to the release of information by his or her present and any past insurance carriers and a waiver of any privilege relating thereto.
- (j) **Health Status.** Information on the applicant's physical and mental health, in the manner and to the extent permitted by applicable laws and regulations.
- (k) **Criminal Charges.** Information as to whether the applicant has ever been named as a defendant and/or convicted in a criminal action and details about any such instances.
- (l) **Citizenship.** Information on the citizenship and visa status of the applicant.
- (m) **Participation in Reimbursement Programs.** Information regarding whether the applicant has ever been sanctioned

by, or excluded or suspended from participation in Medicare, Medicaid or any other governmental reimbursement programs.

- (n) Other Information. Such other information as the Board of Directors or MEC may require.
- (o) Pledge of Patient Care. A statement whereby applicant pledges to provide or arrange for the provision of continuous care for his or her patients if granted staff appointment and clinical privileges.
- (p) Acknowledgment. A statement that applicant has received and read the Medical Staff Bylaws, appointment procedure and the Rules and Regulations of the Medical Staff and (1) if granted staff appointment and/or clinical privileges, agrees to be bound by the terms of such documents, and (2) without regard to whether or not the application is granted, agrees to be bound by the terms thereof in all matters relating to consideration of the application.

5.3 EFFECTS OF APPLICATION

By applying for appointment to the Medical Staff, the applicant:

- 5.3-1 Signifies his/her willingness to appear for interviews in regard to his/her application.
- 5.3-2 Authorizes NCHC representatives to consult with others who have been associated with him/her and/or may have information bearing on his/her competence and qualifications.
- 5.3-3 Consents to the inspection by NCHC representatives of all records and documents that may be material to an evaluation of his/her interpersonal and professional qualifications and ability to carry out the clinical privileges he/she requests as well as of his/her ethical qualifications for staff membership.
- 5.3-4 Releases from any liability all NCHC representatives for acts performed in good faith and without malice in connection with evaluating the applicant and his/her credentials.
- 5.3-5 Releases from all liability all individuals and organizations who provide information, including otherwise privileged or confidential information to NCHC representatives in good faith and without malice concerning the applicant's ability, professional ethics, character, physical and mental health, emotional stability, and other qualifications for staff appointment and clinical privileges.
- 5.3-6 Pledges to maintain an ethical practice and provide continuous care to his/her patients.

- 5.3-7 Agrees that any lawsuit brought by the applicant against an individual or organization providing information to a NCHC representative, or against a NCHC representative shall be brought in a court, federal or state, in the state in which the defendant resides or is located.

For purposes of this Section, the term "NCHC Representative" includes the members of the Board of Directors, all Officers, employees, and agents of NCHC, and all members and Officers of the Medical Staff, its departments and committees, and any outside reviewers, who have responsibility for collecting, providing or evaluating information concerning the applicant's credentials or making recommendations or acting on any application for Medical Staff membership or clinical privileges.

- 5.3-8 Agrees to maintain professional liability insurance providing coverage for the entire time the member has privileges at NCHC with an insurer approved by the CEO in no less than the minimum amount and in such form as may be required from time to time by the Board of Directors, or provide such other evidence of financial responsibility as the Board of Directors may approve.
- 5.3-9 Acknowledges that any material misstatement or omission on any application, or made at any time during the appointment or reappointment process, or after medical staff membership and/or clinical privileges have been granted, shall be grounds for immediate denial of the application for appointment or reappointment, or summary suspension and termination of Medical Staff membership and clinical privileges if the misstatement or omission is discovered after the Practitioner is appointed or reappointed.
- 5.3-10 Acknowledges that the failure to provide complete and accurate information in connection with any investigation concerning the Practitioner's Medical Staff membership, or clinical privileges, shall be grounds for immediate suspension and termination of Medical Staff membership and clinical privileges.
- 5.3-11 Absolutely and unconditionally releases from any and all liability NCHC and all NCHC Representatives for all actions performed in connection with providing, obtaining or reviewing information and evaluating or making recommendations or decisions concerning the applicant and the applicant's credentials.
- 5.3-12 Absolutely and unconditionally releases from any liability all individuals and organizations who provide information to NCHC and NCHC Representatives, including otherwise privileged or confidential information, relating to the applicant's ability, background, conduct, professional ethics, character, physical and mental health, emotional stability, and other matters relating to the applicant's qualifications for staff appointment and clinical privileges.

- 5.3-13 Authorizes and consents to NCHC, its Officers, agents employees Medical Staff members and its representatives providing other hospitals, medical associations, licensing boards, the National Practitioner Data Bank and other health care organizations concerned with provider performance, conduct, and the quality, appropriateness, and efficiency of patient care, with any information or opinions related to such matters which NCHC or any of its Officers, agents, employees Medical Staff members or representatives may have concerning the Practitioner, and absolutely and unconditionally releases NCHC and its Officers, agents employees, Medical Staff members and representatives from any and all liability for providing such information.
- 5.3-14 Agrees to provide, upon request by the CMO, Medical Director and/or MEC, access to and copies of the Practitioner's office charts and records relating to the treatment of patients who have been treated by the Practitioner in NCHC or any related facility if deemed necessary for the review of the Practitioner's professional activities and current clinical competence.
- 5.3-15 Agrees to immediately notify the CEO in writing of any change in the Practitioner's home or office addresses or telephone numbers so that NCHC has current addresses and telephone numbers at all times. The Practitioner further agrees that any notice delivered to the home or office address of the Practitioner which is on file in the CEO shall be conclusively deemed to have been received by the Practitioner. Any notice sent by regular mail shall be conclusively deemed to have been received on the second business day after the date the notice was mailed.
- 5.3-16 Agrees to submit any reasonable evidence of current health status which may be reasonably requested by the CMO or the MEC, and to submit to such mental or physical examination, including providing blood, urine, or other samples, as the MEC might require at any time and for any reason, including random, unannounced drug screens without cause.
- 5.3-17 Acknowledges that a practitioner who fails or refuses to provide any requested evidence of current health status, including providing blood, urine or other samples for testing for drug or alcohol use, shall be deemed to be no longer qualified for medical staff membership and clinical privilege, in which event the medical staff membership and clinical privileges shall be automatically terminated for administrative reasons and the practitioner shall not be entitled to a hearing.
- 5.3-18 Agrees that if at any time, an adverse ruling is made or action taken with respect to the practitioner's membership, staff status, and/or clinical privileges, the applicant shall be required to exhaust all

remedies afforded by these Bylaws and the Fair Hearing and Appellate Review Plan, before resorting to formal legal action.

5.3-19 Agrees to notify the CMO, MEC and CEO immediately in writing upon learning that the applicant or Practitioner:

- (1) Is the subject of a complaint or investigation by, or has been charged with misconduct by, any licensing or disciplinary authority of any state or federal agency or professional organization;
- (2) Has been charged with a misdemeanor, excluding traffic offenses, or a felony;
- (3) Has been notified that their professional liability insurance carrier intends to cancel, not renew, restrict or impose any conditions or deductibles on their professional liability insurance for any reason related to the Practitioner's clinical practices or claims history,
- (4) Has been notified of the loss of their DEA number or exclusion from the Medicaid or Medicare program, is under investigation by Medicaid or Medicare, or has been subjected to any fine, penalty or sanction by Medicare or Medicaid;
- (5) Is or has been the subject of any actual or proposed disciplinary action, including any modification of clinical privileges, restriction of clinical privileges, or placing of conditions on clinical privileges (including any form of monitoring or review), by any other hospital or health care facility or organization;
- (6) Is or has been the subject of any actual or proposed disciplinary action by any regulator, licensing or disciplinary authority or professional organization, including any form of reprimand or sanction;
- (7) Has voluntarily relinquished, agreed not to exercise, or involuntarily lost any licensure, certification, registration, medical staff membership or clinical privileges at any healthcare facility;
- (8) Has entered into a contract or agreement with any impaired physicians committee or similar entity as a result of any substance abuse or other disease or disorder; or
- (9) Has developed any mental or physical illness or sustained any injury which could have an effect on the exercise of the individual's clinical privileges.

5.4 PROCESSING THE APPLICATION

5.4-1 Applicant's Burden

The applicant shall have the burden of producing adequate information for a proper evaluation of his/her experience, background, training, demonstrated ability, and physical and mental health status, and of resolving any doubts about these or any of the other basic qualifications specified in Section 3.2-1. The application shall not be considered complete until (1) all blanks and spaces are completed on the application form; (2) verification of all information has been completed; (3) all required supporting information has been provided by the application; and (4) information from references, past hospitals and other external sources has been received.

5.4-2 Verification of Information

The applicant shall submit a completed application to the CEO or designee, who shall, within thirty (30) days, seek to collect or verify the references, licensure, and other qualification evidence submitted. The CEO shall promptly notify the applicant of any problems in obtaining the information required, and it shall then be the applicant's obligation to obtain the information. When collection and verification is accomplished the CEO or designee shall transmit the application and all supporting materials to the MEC. The MEC may also conduct an interview of the applicant.

5.4-3. MEC Action

At its next regular meeting, the MEC shall consider the application and such other relevant information available to it. The MEC shall then forward to the Board of Directors a written report and recommendations on the prescribed form as to staff appointment and, if appointment is recommended, as to staff category, and any special conditions to be attached to the appointment. The committee may also defer action on the application pursuant to Section 5.4-4(a). The MEC may defer action and request evaluation of the applicant through the Medical Staff process in instances where there is doubt about an applicant's ability to perform the requested privileges. The reasons for each recommendation shall be stated and supported by reference to the completed application and all other documentation considered by the committee, all minority views shall also be reduced to writing, supported by reasons and references, and transmitted with the majority report.

5.4-4 Effect of MEC Action

- (a) Deferral: Action by the MEC to defer the application for further consideration must be followed up within thirty (30) days with a stated recommendation from the MEC for

provisional appointment with specified clinical privileges, or for rejection for staff membership.

- (b) **Favorable Recommendation:** When the recommendation of the MEC is favorable to the applicant, it shall promptly be forwarded to the Board together with all supporting documentation. For the purposes of this Section 5.4-4(b) "all supporting documentation" includes the application form and its accompanying information.
- (c) **Adverse Recommendation:** When the recommendation of the MEC is adverse to the applicant, the CEO shall within thirty (30) days inform the Practitioner by special notice and he/she shall be entitled to the procedural rights as provided in Article VIII and in the Fair Hearing Plan. For the purpose of this Section 5.4-4(c) an "adverse recommendation" by the MEC is defined in the Fair Hearing Plan.

5.4-5 Board Action

- (a) **On Favorable MEC Recommendation:** The Board of Directors shall, in whole or in part, adopt or reject a favorable recommendation of the MEC or refer the recommendation back to the MEC for further consideration stating the reasons for such referral back and setting a time limit within which a subsequent recommendation shall be made. If the Board's action is adverse to the applicant as defined in the Fair Hearing Plan, the CEO shall within thirty (30) days so inform the applicant by special notice and he/she shall be entitled to the procedural rights as provided in Article IX and in the Fair Hearing Plan.
- (b) **Without Benefit of MEC Recommendation:** If the Board does not receive a MEC recommendation within the time period specified in Section 5.4-3, it may take action on its own initiative. If such action is favorable, it shall become effective as the final decision of the Board. If such action is adverse, as defined in the Fair Hearing Plan, the CEO shall promptly so inform the applicant by special notice and he/she shall be entitled to the procedural rights as provided in Article VIII and in the Fair Hearing Plan.
- (c) **Procedural Rights:** In the case of an adverse MEC recommendation pursuant to Section 5.4-4(c) or an adverse Board decision pursuant to Section 5.4-5(a) or (b), the Board shall take final action in the matter only after the applicant has exhausted or has waived his/her procedural rights as provided in Article VIII and in the Fair Hearing Plan Article IX. Action thus taken shall be the conclusive decision of the Board except that the Board may defer final determination by referring the matter back for further recommendation. Any

such referral back shall state the reasons, therefore, shall set a time limit within which a subsequent recommendation to the Board shall be made, and may include a directive that an additional hearing be conducted to clarify issues which are in doubt. After receipt of such subsequent recommendation and of new evident in the matter, if any, the Board shall make a final decision either to appoint the applicant to the staff or to reject him/her for staff membership.

5.4-6 Conflict Resolution

Whenever the Board's proposed decision will be contrary to the MEC's recommendation, the Board shall submit the matter to a joint conference of equal numbers of Medical Staff and Board members for review and recommendation before making its final decision and giving notice of final decision required by Section 5.4-7.

5.4-7 Notice of Final Decision

- (a) Notice of the Board's final decision shall be given within thirty (30) days through the CEO, to the MEC, and to the applicant by means of Special Notice.
- (b) A decision and notice to appoint shall include:
 - (1) The staff category to which the applicant is appointed;
 - (2) The clinical privileges he/she may exercise; and
 - (3) Any special conditions attached to the appointment.

5.4-8 Reapplication after Adverse Appointment Decision

An applicant who has received a final adverse decision regarding appointment shall not be eligible to reapply to the Medical Staff for a period of one (1) year. Any such reapplication shall be processed as an initial application, and the applicant shall submit such additional information as the staff or the Board may require in demonstration that the basis for the earlier adverse action no longer exists.

5.4-9 Time Period for Processing

Applications for staff appointments shall be considered in a timely and good faith manner by all individuals and groups required by these Bylaws to act thereon and except for good cause, shall be processed within the time periods specified in this Section. The staff upon completing the information collection and verification tasks, usually within thirty (30) days after receiving the application. The MEC shall review the application and endeavor to make its recommendation to the Board at its next meeting after receiving the application. The Board or the appropriate committee thereof shall

then endeavor to take the final action on the application at its next regular meeting. The time periods specified herein are to assist those named in accomplishing their tasks and shall not be deemed to create any right for the Practitioner to have the application processed within those periods.

5.5 REAPPOINTMENT PROCESS

5.5-1 Information Form for Reappointment

The CEO or designee shall, at least 120 days prior to the expiration date of the present staff appointment of each Medical Staff member, provide such staff member with reappointment forms for use in considering his/her reappointment. Each staff member who desires reappointment shall, at least ninety (90) days prior to such expiration date, send his/her reappointment forms to the CEO or designee. Failure without good cause to so return the form shall be deemed a voluntary resignation from the staff and shall result in automatic termination of membership at the expiration of the member's current term.

5.5-2 Verification of Information

The CEO or designee shall, within thirty (30) days seek to collect or verify the additional interval information regarding the staff member's professional activities, performance and conduct at NCHC. The CEO or designee shall promptly notify the staff member of any problems in obtaining the information required. The staff member shall then have the same burden of producing adequate information and resolving doubts as provided in Section 5.4-1. When collection and verification are accomplished, the CEO or designee shall transmit the information form and supporting materials to the Chief Medical Officer..

5.5-3 MEC Action

The MEC shall review each form and all other relevant information available to it and shall, on the prescribed form, transmit to the Board its report and recommendation that appointment be either renewed, renewed with modified staff category, Department affiliation and/or clinical privileges, or terminated. The committee may also defer action. Each such report shall satisfy the requirements of Section 5.5-5. Any minority views shall also be reduced to writing and transmitted with the majority report.

5.5-4 Final Processing and Board Action

Thereafter, the procedure provided in Sections 5.4-4 through 5.4-9 shall be followed. For purposes of reappointment, the terms "applicant" and "appointments" as used in those Sections shall be read, respectively, as "staff member" and "reappointment."

5.5-5 Basis for Recommendation

Each recommendation concerning the reappointment of a staff member and the clinical privileges to be granted upon reappointment shall be based upon such member's professional ability and clinical judgment in the treatment of patients, his/her professional ethics, his/her discharge of staff obligations, his/her health status, his/her compliance with the Medical Staff Bylaws, Rules and Regulations and policies and other matters bearing on his/her ability and willingness to contribute to quality patient care at NCHC.

5.5-6 Time Periods for Processing

The time periods specified herein are to guide the acting parties in accomplishing their tasks. If a reappointment application has not been returned timely, or sufficiently complete to enable processing, or the required processing, peer review and approval has not been completed by the expiration date of the reappointment, the staff member's appointment will expire at the end of the current appointment term. No appointment to be the Medical Staff may exceed two (2) years.

5.6 REQUESTS FOR MODIFICATIONS OF TERMS OF APPOINTMENTS

5.6-1 Request Status Modification

A staff member may, either in connection with reappointment or at any other time, request modification of his/her staff category, specialty or division assignment, or clinical privileges by submitting a written application to the CEO on the prescribed form. Such application shall be processed in substantially the same manner as provided in Section 5.5 for reappointment.

5.6-2 Request New Privileges

The applicant presents in writing the described new privilege being sought. This is directed to the MEC. This application shall be accompanied by a certificate or other documents from a recognized training facility which grants AMA Category I CME credits, or credits deemed appropriate by the MEC in the absence of a recognized program.

During the performance of the requested privilege the performance is assessed in one of two methods:

- (a) By a Medical Staff member who has experience in this technique; or
- (b) By outcome assessment if no Medical Staff member has experience in this technique.

The appropriate preparation by the privilege seeking applicant will be determined by the specialty or division of which he/she is a member. Based on current literature no less than five (5) cases should be assessed before the specialty representative will sign off at the conclusion of "a" or "b". Then permanent privileges can be recommended to the MEC.

ARTICLE VI: DETERMINATION OF CLINICAL PRIVILEGES

6.1 EXERCISE OF PRIVILEGES

Every Practitioner providing direct clinical services at NCHC by virtue of Medical Staff membership or otherwise shall, in connection with such practice and except as otherwise provided in Section 6.4, be entitled to exercise only those clinical privileges or specified services specifically granted to him/her by the Board.

6.2 DELINEATION OF PRIVILEGES IN GENERAL

6.2-1 Requests

Each applicant for appointment or reappointment to the Medical Staff must contain a request for the specific clinical privileges desired by the applicant. A request by a staff member pursuant to Section 5.6 for a modification of privileges must be supported by documentation of additional training and/or experience supportive of the request.

6.2-2 Basis for Privilege Determination

Requests for clinical privileges shall be evaluated on the basis of the Practitioner's education, training, experience and demonstrated ability and judgment. The basis for privilege determination to be made in connection with periodic reappointment or otherwise shall include observed clinical performance and the documented results of quality review and evaluation activities required by these Bylaws to be conducted at NCHC. Privilege determination shall also be based on pertinent information concerning clinical performance obtained from other sources, especially other institutions and health care settings where a Practitioner exercises clinical privileges. This information shall be added to and maintained in the staff file established for a staff member.

6.2-3 Procedure

All requests for clinical privileges shall be processed pursuant to the procedures outlined in Article V.

6.3 PRIVILEGES

6.3-1 A Physician applicant for Medical Staff appointment seeking privileges must have completed the number of years of residency sufficient to satisfy the specialty board requirements of the American Board of Medical Specialties or the American Osteopathic Association for eligibility to become certified, in effect at the date application for staff appointment is requested to be effective.

6.3-2 An applicant for the Medical Staff who is seeking appointment for privileges as a Moonlighting Staff member must be enrolled in good standing in an Accreditation Council for Graduate Medical Education (ACGME) or American Osteopathic Association (AOA) accredited residency or fellowship program.

6.4 INTERIM, CASE LIMITED, TIME LIMITED OR TEMPORARY PRIVILEGES

6.4-1 Circumstances

Upon the written concurrence of the CMO (or designee), the CEO (or designee) may grant interim privileges in the following circumstances:

(a) Interim Privileges

Pendency of Application: Class I privileges may be granted for thirty (30) days, only if the applicant's credentials file is complete and ready to be forwarded to the MEC. An extension not to exceed ninety (90) days may be granted upon the recommendation of the CMO. Requests for Class IV privileges accompanied with documentation of training and experience will be reviewed by the CEO and CMO prior to being granted as interim privileges. In exercising such privileges, the applicant shall act under the supervision of the CMO and in accordance with the conditions specified in Section 6.2.

(b) Case Limited Privileges

Care of Specific Patients: Upon receipt of a written request for specific case limited privileges an appropriately licensed Practitioner of documented competence who is not an applicant for membership may be granted such privileges for the care of one or more specific patients. Such privileges shall be restricted to the treatment of not more than five (5) patients in any one year by any Practitioner, after which the Practitioner shall be required to apply for membership on the Medical Staff as Consulting Staff before being allowed to attend to additional patients.

(c) Temporary Privileges

Upon receipt of a written request an appropriately licensed Practitioner may, without applying for membership on the staff, be granted temporary privileges for an initial period of thirty (30) days. Such privileges may be extended for a period of time not to exceed ninety (90) days.

(d) Time Limited Privileges

As defined by contract or employment agreement.

6.4-2 Conditions

Interim, case limited, time limited, or temporary privileges shall be granted only when the information available reasonably supports a favorable determination regarding the requesting Practitioner's qualifications, ability and judgment to exercise the privileges requested, and only after the Practitioner has provided evidence of professional liability insurance coverage in the amount consistent with Wisconsin state statutes or other evidence of financial responsibility in accordance with the Medical Staff Bylaws. Special requirements of consultation and reporting may be imposed by the CMO. Before interim, case limited, time limited, or temporary privileges are granted, the Practitioner must acknowledge in writing that he/she has received and read the Medical Staff Bylaws, and the Rules and Regulations, and that he/she agrees to be bound by the terms thereof in all matters relating to his/her privileges.

6.4-3 Termination

On the discovery of any information or the occurrence of any event of a nature which raises question about a Practitioner's professional qualifications or ability to exercise any or all of the privileges granted, the CEO, after consultation with the CMO, may terminate any or all of such Practitioner's privileges, when the life or well-being of a patient is determined to be endangered by continued treatment by the Practitioner, the termination may be effected by any person entitled to impose summary suspension action under the Medical Staff Bylaws, Article VII. In the event of any such termination, the Practitioner's patients receiving care through NCHC shall be assigned to another Practitioner by the CMO. The wishes of the patient shall be considered, where feasible, in choosing a substitute Practitioner. The terminated Practitioner shall confer with the substitute Practitioner to the extent necessary to safeguard the patient.

6.4-4 Rights of the Practitioner

A Practitioner shall not be entitled to the procedural rights afforded by the Medical Staff Bylaws, Article VIII or Article IX because his/her request for interim, case limited, time limited, or temporary privileges is refused or because all or any portion of such privileges are terminated or suspended.

6.5 EMERGENCY PRIVILEGES

For the purposes of this Section, an "emergency" is defined as a condition in which serious or permanent harm would result to a patient or in which the life of a patient is in immediate danger and any delay in administering treatment would add to that danger. In the case of an emergency, any Practitioner, to the degree permitted by his/her license and regardless of

staff status, or clinical privileges, shall be permitted to do, and shall be assisted by NCHC personnel in doing everything possible to save the life of a patient or to save a patient from serious harm. A Practitioner utilizing emergency privileges shall promptly provide the Medical Executive Committee in writing a statement explaining the circumstances giving rise to the emergency.

6.6 DISASTER PRIVILEGES

To this section a “disaster” is defined as any officially declared emergency whether it is local, state or national, and that creates healthcare demands that exceed the capabilities of NCHC and/or the Medical Staff. A Practitioner providing patient care in the event of a disaster must be granted privileges by the Chief Executive Officer or designee, prior to providing patient care. Such privileges shall be valid only for the duration of the disaster and shall automatically terminate at the end of needed services.

6.7 RIGHTS ASSOCIATED WITH TEMPORARY, INTERIM, CASE LIMITED, TEMPORARY, EMERGENCY AND DISASTER PRIVILEGES

The granting of temporary, interim, case limited, temporary, emergency or disaster privileges shall not confer Medical Staff membership on any Practitioner, nor shall Practitioners holding such privileges be considered to be members of the medical staff or have any of the rights provided to Medical Staff members by these Bylaws or otherwise except as expressly stated herein. The refusal to grant, or termination or withdrawal of, temporary, locum tenens, emergency or disaster privileges shall not entitle the Practitioner involved to a hearing or any other procedural rights or review unless the action is reportable to the National Practitioner Data Bank.

ARTICLE VII: CORRECTIVE ACTION

7.1 PROCEDURE

7.1-1 Criteria for Initiation

Whenever the activities or professional conduct of any Practitioner with clinical privileges are, or are reasonably likely to be, detrimental to patient safety or to the delivery of quality care, or if there is doubt about a Practitioner's ability to perform within the privileges granted, corrective action against such Practitioner will be initiated within five (5) days by any Officer of the Medical Staff, the CMO, a Medical Director, the MEC, the CEO, or by the Board.

7.1-2 Requests and Notices

All requests for corrective action shall be in writing, submitted to the MEC, and supported by reference to the specific conduct or activities which constitute the grounds for the request. The President of the Medical Staff shall promptly notify the CEO in writing of all requests for corrective action received by the committee and shall continue to keep the CEO fully informed of all action taken in connection therewith.

7.1-3 Investigation

After consideration of the request, the MEC shall either reject the request and report the reasons for its decision to the CEO or forward the request either to the program/department head in which the questioned activities or conduct occurred, or to an ad hoc committee appointed by the President of the Medical Staff to conduct an investigation. The staff member who is under investigation may be invited to appear before the investigating committee. Any such appearance shall be informal in nature and not constitute a hearing. As soon as possible and in any event no longer than fifteen (15) days after the receipt of the request, the CMO or the investigating committee shall forward a written report of the investigation to the MEC.

7.1-4 MEC Action

As soon as possible and in any event no longer than seven (7) days following receipt of the report of the investigation, the Medical Executive Committee shall take action upon the request. Such action may include, without limitation:

- (a) Rejecting the request for corrective action.
- (b) Issuing a warning, a letter of admonition, or a letter of reprimand.

- (c) Recommending terms of probation or requirements of consultation.
- (d) Recommending reduction, suspension, or revocation of clinical privileges.
- (e) Recommending reduction of staff category or limitation of any staff prerogatives directly related to patient care.
- (f) Recommending suspension or revocation of staff appointment.

7.1-5 Procedural Rights

Any action by the Medical Executive Committee pursuant to Section 7.1-4(c); 7.1-4(d); 7.1-4(e); or 7.1-4(f), or any combination of such actions, shall entitle the Practitioner to the procedural rights as provided in Article VIII, and the matter shall be processed in accordance with the provisions of Article IX.

7.1-6 Other Action

If the Medical Executive Committee's recommended action is as provided in Section 7.1-4(a) or 7.1-4(b), such recommendation, together with all supporting documentation, shall be transmitted to the Board. Thereafter, the procedure to be followed shall be as provided in sections 5.4-5 through 5.4-7 as applicable.

7.2 PRECAUTIONARY SUSPENSION

7.2-1 Criteria for Initiation

The President of the Medical Staff, the Administrator On-Call, the CEO, CMO or the executive committee of either the Medical Staff or of the Board shall have the authority to suspend the Medical Staff membership status or all or any portion of the clinical privileges of a Practitioner, whenever failure to take such action may result in an imminent danger to the health and/or safety of any individual.

Such precautionary suspension shall be deemed an interim precautionary step in the professional review activity related to the ultimate professional review action that will be taken with respect to the suspended individual but is not a complete professional review action in and of itself. It shall not imply any final finding of responsibility to the situation that caused the suspension.

The President of the Medical Staff, Administrator On-Call, CEO, CMO, or executive committee of either the Medical Staff or the Board will place a request for corrective action, followed by investigation as appropriate, as outlined in 7.1.3.

7.2-2 MEC Action

As soon as possible and in any event no longer than five (5) days after such precautionary suspension, a meeting of the MEC shall be convened to review and consider the action taken. The MEC may modify, continue or terminate the terms of the precautionary suspension.

7.2-3 Procedural Rights

Unless the MEC recommends immediate termination of the suspension and cessation of all further corrective action, the staff member shall be entitled to the procedural rights as provided in Article XIII, and the matter shall be processed in accordance with the provisions of Article IX. The terms of the precautionary suspension as sustained by the MEC shall remain in effect pending a final decision by the Board.

If the MEC recommends termination of the suspension and cessation of all further corrective action, the suspension shall remain in effect until the Board has reviewed the recommendation and taken action to terminate the suspension. If the Board, after such review, decides to continue the suspension, the staff member shall be entitled to the procedural rights provided in Article VIII, and the matter shall be processed in accordance with the provisions of Article IX.

If the MEC recommends less restrictive terms of suspension, the original suspension shall remain in effect until the Board has reviewed the recommendation and taken action to terminate the suspension. If the Board, after such review, decides to continue the suspension, either original or as modified; the staff member shall be entitled to the procedural rights as provided in Article VIII, and the matter shall be processed in accordance with the provisions of Article IX.

7.3 AUTOMATIC SUSPENSION

7.3-1 License

If a staff member's license to practice his/her profession in the State of Wisconsin is revoked or suspended, or the licensing agency imposes limitation of practice on the Practitioner, such staff member shall immediately and automatically be suspended from practicing at NCHC.

7.3-2 A Medical Staff appointee fails to report to NCHC any restriction or condition imposed on or probation with respect to his or her license by the Licensure Board within thirty (30) days of the imposition of such restriction, condition or probation.

7.3-3 A Medical Staff appointee who has been requested to appear at a meeting of any committee of the Medical Staff or healthcare entity in order to discuss proposed corrective action and fails to appear.

7.3-4 Drug Enforcement Administration (DEA) Number

A Practitioner whose DEA number is revoked, suspended or is voluntarily relinquished shall immediately and automatically be divested of his/her right to prescribe medications covered by such number. Within seven (7) days of such automatic suspension, the MEC shall convene to review and consider the facts under which the DEA number was revoked, suspended, or relinquished. The MEC may then recommend such further corrective action as appropriate to the facts disclosed in its investigation.

7.3-5 Failure to Satisfy Special Appearance Requirements

A Medical Staff appointee fails to report to NCHC any restriction or condition imposed on or probation with respect to his or her license by the Licensure Board within thirty (30) days of the imposition of such restriction, condition, or probation.

7.3-6 Medical Records

An automatic suspension shall be imposed for failure to complete medical records in a timely fashion or in the manner required under the Rules and Regulations of the Medical Staff or policies and procedures of NCHC after receiving a written warning of non-compliance.

7.3-7 Failure to Practice Actively

At the time of reappointment when a member of the staff with admitting privileges has not admitted a patient to NCHC or has not provided professional services to any patient at NCHC for two (2) years, he/she shall be given special notice that in thirty (30) days his/her staff appointment will be automatically reviewed by the MEC unless he/she either admits a patient to NCHC or provides services to a patient at NCHC during that thirty (30) day period.

7.3-8 Impairment

When a Practitioner has been judged to be impaired by the MEC and refuses appropriate treatment (to be determined by the MEC), the CEO and/or President of the Medical Staff, or their designees, after consultation may initiate immediate and automatic suspension. The Practitioner is afforded all rights of appeal as provided by the Medical Staff Bylaws.

7.3-9 Exclusion or Withdrawal from Federal Health Care Programs

A staff member who is excluded or who voluntarily withdraws from participation in the Medicare, Medicaid, or other federal health care programs, shall be immediately and automatically divested of his/her right to treat, care for, or order studies for any beneficiary of such programs. Within seven (7) days of such automatic suspension, the MEC shall convene and consider the facts under which exclusion or withdrawal occurred. The MEC may then recommend such further corrective action as appropriate to the facts disclosed in the investigation.

- 7.3-10 A Medical Staff appointee who has his or her right to prescribe or administer any controlled substances revoked or suspended in any manner.
- 7.3-11 A Medical Staff appointee who has his or her name placed on any list of providers excluded from billing Medicare, Medicaid, or any other federal or state healthcare program.
- 7.3-12 A Medical Staff appointee who fails to maintain the minimum professional liability insurance coverage established from time to time by NCHC, as required by the Medical Staff Bylaws, unless the Medical Staff Appointee has timely requested a waiver or reduction of such coverage and is awaiting final action on such request.
- 7.3-13 A Medical Staff appointee whose contractual arrangement with healthcare entity is terminated pursuant to such contract.
- 7.3-14 Procedural Rights

A staff member under automatic suspension by operation of Section 7.3-4 shall be entitled to the procedural rights provided in Article VIII and Article IX.

A staff member whose appointment or privileges has been automatically suspended or revoked by operation of Sections 7.3-1, 7.3-2, 7.3.3 and 7.3-4 may request a hearing by a committee appointed by the Board to present evidence to establish that the automatic suspension or revocation was invoked in error. The hearing and any subsequent proceedings shall be conducted in accordance with provisions of Article IX. The invoking of an automatic suspension does not preclude initiation of corrective action pursuant to Section 7.1.

7.4 SUMMARY ACTION

The MEC, the CMO and the President of the Medical Staff or CEO may summarily suspend, restrict, or place conditions or requirements on all or any portion of the clinical privileges of any Practitioner in accordance with this section. Any such suspension, restrictions, conditions or requirements shall be effective immediately and shall remain in effect until terminated by

CEO or the Board of Directors after considering the recommendations of the MEC. Grounds for imposition of summary suspension, restriction or conditions shall include, but not be limited to, the following:

- a. the conduct of a Practitioner creates a reasonable possibility of injury or damage to any patient, employee or person present in NCHC or to NCHC;
- b. a Practitioner is charged with the commission of a crime which may relate to the Practitioner's suitability for Medical Staff membership;
- c. a Practitioner engages in or is charged with unlawful or unethical activity related to the practice of medicine or nursing;
- d. a Practitioner engages in any dishonest, unprofessional, abusive or inappropriate conduct which is or may be disruptive of NCHC operations and procedures;
- e. the Practitioner has had any medical staff membership, clinical privileges, certification, licensure or registration terminated, suspended, restricted, limited, reduced or modified in any way, has resigned from any other medical staff in order to avoid an investigation or proposed action concerning medical staff membership or clinical privileges, or has voluntarily surrendered or agreed not to exercise any clinical privileges while under investigation or to avoid an investigation;
- f. it is determined that the Practitioner made a material misstatement or omission on any pre-application or application for appointment or reappointment, or at any time provided incorrect information or otherwise deceived or attempted to deceive or mislead the Medical Staff and/or NCHC;
- g. a Practitioner has falsified or inappropriately destroyed or altered any medical record;
- h. a Practitioner refuses to submit to evaluation or testing relating to the Practitioner's mental or physical status, including refusal to submit to any testing related to drug or alcohol use;
- i. a Practitioner abandons a patient or wrongfully fails or refuses to provide care to a patient;
- j. a Practitioner fails to maintain appropriate malpractice insurance or a current, unrestricted active state license to practice medicine;
- k. a Practitioner fails to adhere to the requirements of the NCHC compliance program;
- l. a Practitioner fails to comply with the Rules and Regulations of the Medical Staff or any policies and procedures of NCHC;

- m. a Practitioner engages in clinical activities outside the scope of the Practitioner's approved clinical privileges.

ARTICLE VIII: INTERVIEWS, HEARINGS, AND APPELLATE REVIEW

8.1 INTERVIEWS

When the MEC, other relevant committee, or the Board or any appropriate committee thereof receives or is considering initiating an adverse recommendation concerning a Practitioner, the Practitioner may be afforded an interview. The interview shall not constitute a hearing, shall be preliminary in nature, and shall not be conducted according to the procedural rules provided with respect to hearings. The Practitioner shall be informed of the general nature of the circumstances and may present information relevant thereto. A record of such interview shall be made.

8.2 HEARING AND APPELLATE REVIEW**8.2-1 Adverse MEC Recommendation**

When any Practitioner receives special notice of an adverse recommendation of the MEC, he/she shall be entitled upon request, to a hearing before an ad hoc committee of the Medical Staff appointed by the President of the staff. Said individuals shall not be in direct economic competition with the physician involved. If the recommendation of the MEC following such hearing is still adverse to the Practitioner, he/she shall then be entitled, upon request, to an appellate review by the Board before a final decision is rendered.

8.2-2 Adverse Board Decision

When any Practitioner receives special notice of an adverse decision by the Board taken either contrary to a favorable recommendation by the MEC under circumstances where no right to a hearing existed, or on the Board's own initiative without benefit of a prior recommendation by the MEC such Practitioner shall be entitled, upon request, to a hearing by an ad hoc hearing committee appointed by the Board. If such hearing does not result in a favorable recommendation, he/she shall then be entitled upon request, to an appellate review by the Board before a final decision is rendered.

8.2-3 Procedure and Process

All hearings and appellate reviews shall be in accordance with the procedure and safeguards set forth in Article IX.

8.2-4 Exceptions

The denial, termination or reduction of temporary privileges or any other actions, except those specified in Article IX, shall not give rise to any right to a hearing or appellate review.

8.3 REMOVAL OF CHIEF MEDICAL OFFICER OR MEDICAL DIRECTOR

8.3-1 General Manner of Removal

Removal from office of the Chief Medical Officer or Medical Director for grounds unrelated to his/her professional clinical capability or to his/her exercise of clinical privileges may be accomplished in accordance with the usual personnel policies of NCHC or the terms of such Officer's employment agreement, contract, or other arrangements if any. To the extent that the grounds for removal would require a report to the National Practitioner Data Bank relating to competence in performing professional clinical tasks, in supervising the professional activities of Practitioners under his/her direction or in exercising clinical privileges, resolution of the matter shall be in accordance with Articles VIII and IX and the Fair Hearing Plan.

8.3-2 Statement of Grounds

Prior to removal of a Chief Medical Officer or Medical Director, the Board, through the CEO, shall transmit to such individual and to the MEC a written notice of the proposed removal from office together with a statement specifying the grounds for removal. The extent that such grounds explicitly relate to professional clinical capability or to the exercise of clinical privileges, the notice to the Officer whose removal is sought shall take the form of a special notice, and for hearing purposes, the proposed removal shall be deemed equivalent to an adverse recommendation of the MEC. If the stated grounds for dismissal are based solely on nonclinical matters, the procedure specified in Section 8.3-3 shall apply at the discretion of the CEO in consultation with the Officers of the Medical Staff.

8.3-3 Joint Conference Committee

Within thirty (30) days of receipt by the MEC of the notice as provided in Section 8.3-2, a Joint Conference Committee of equal members from the Medical Staff and the Board shall be convened. Up to five (5) Board members shall be selected by the Chair of the Board and up to five (5) Medical Staff members by the President of the Medical Staff.

This Joint Conference Committee shall review the statement of dismissal and conduct such other inquiry as it may deem appropriate for the purpose of rendering an advisory opinion on the categorization of the grounds for removal. The Joint Conference Committee may but is not required to interview the Chief Medical Officer or Medical Director. Within ten (10) days of its deliberations, the Joint Conference Committee shall, by written memorandum to the MEC and to the Board, submit its opinion on the matter. The advisory panel's deliberations shall not be deemed a hearing as that

term is used in Section 8.2 and shall not be conducted as such, but a record shall be kept.

8.3-4 Board Decision

After considering the Joint Conference Committee's opinion, the Board shall make its final decision as to the categorization of the grounds for dismissal. Removal of the Officer shall be effectuated in the manner appropriate to the Board's final categorization and consistent with Section 8.3-1.

ARTICLE IX: FAIR HEARING PLAN

9.1 SPECIAL DEFINITIONS

For the purpose of this Article, the following definitions shall apply:

- 9.1-1 APPELLATE REVIEW BODY: means the group designated pursuant to section 9.2 of these Bylaws to hear a request for appellate review properly filed and pursued by a Practitioner.
- 9.1-2 HEARING COMMITTEE: means the committee appointed pursuant to section 9.4-3 of this plan to hear a request for evidentiary hearing properly filed and pursued by a Practitioner.
- 9.1-3 PARTIES: means the Practitioner who requested the hearing or appellate review and the body or bodies upon whose adverse action a hearing or appellate review request is predicated.

9.2 RIGHT TO HEARING

Unless waived, an applicant or Medical Staff appointee shall be entitled to a hearing if any professional review body proposes to make a recommendation that any of the following actions (to the extent they are considered to be adversely affecting an applicant or Medical Staff appointee as defined under the Health Care Quality Improvement Act of 1986) be taken with respect to him or her for reasons other than failure to meet minimum objective criteria specified in the Medical Staff Bylaws or Appointment and Corrective Action Procedures:

- (1) Denial of a completed application for initial appointment of reappointment to the Medical Staff for any reason, except where: (i) the application does not meet the minimum objective requirements set forth in the Medical Staff Bylaws or appointment and corrective action procedures; or (ii) the applicant is requesting clinical privileges in a department, subspecialty, or service in which the number of appointees has been limited in accordance with the Medical Staff Bylaws.
- (2) Summary suspension or termination from the Medical Staff in accordance with the Appointment and Corrective Action Procedures.
- (3) Revocation or termination of appointment to the Medical Staff, except where continued appointment to the Medical Staff was contingent upon the continuance of a contractual relationship with the healthcare entity.
- (4) Denial of requested advancement or requested change in Medical Staff category, except for any denial resulting from failure to meet the minimum objective criteria for the requested category.

- (5) Reduction in Medical Staff category, other than (i) a change from Active Medical Staff to Courtesy Medical Staff for failure to meet any patient care requirements set forth in these Medical Staff Bylaws; (ii) a change from Active Medical Staff to Courtesy Staff for failure to meet the meeting attendance requirements set forth in these Medical Staff Bylaws; or (iii) any other change in category resulting from a failure to meet the minimum objective criteria for a particular Medical Staff Category.
- (6) Denial of requested clinical privileges or requested change in clinical privileges, except where (i) the applicant or Medical Staff appointee is requesting clinical privileges in a department/program or service area in which the number of Medical Staff Appointees has been limited; or (ii) the applicant or Medical Staff appointee fails to meet the minimum objective criteria for the requested privileges.
- (7) Reduction in, restriction of, or failure to renew clinical privileges, other than (i) a temporary restriction in accordance with the Appointment and Corrective Action Procedures; or (ii) where the Medical Staff Appointee no longer meets the minimum objective criteria for such privileges.
- (8) Revocation or suspension (summary or otherwise) of clinical privileges, other than (i) a temporary suspension as provided by the Appointment and Corrective Action Procedures; or (ii) where the Medical Staff appointee no longer meets the minimum objective criteria for such privileges.
- (9) Any other action or recommendation "adversely affecting" (as such term is defined in Section 431(1) of the Health Care Quality Improvement Act of 1986) any applicant or Medical Staff appointee.

9.2-1 When Deemed Adverse

A recommendation or action listed in Section 9.2 shall be deemed adverse action only when it has been:

- (a) Recommended by the MEC; or
- (b) A suspension continued in effect after review by the MEC and/or the Board; or
- (c) Taken by the Board contrary to a favorable recommendation by the MEC under circumstances where no prior right to a hearing existed; or
- (d) Taken by the Board on its own initiative without benefit of a prior recommendation by the MEC; or
- (e) Imposed automatically.

9.2-2 Actions Not Giving Rise to Hearing Right

A professional review body shall not be deemed to have made a proposal for an adverse recommendation or action, or to have made such a recommendation to or have taken such action, and a hearing right under this Section shall not have arisen in any of the following circumstances:

- (a) The appointment of an ad hoc investigation committee;
- (b) The conduct of an investigation into any matter;
- (c) The restriction or suspension of a Medical Staff appointee's clinical privileges for a period of no longer than fourteen (14) days while an investigation is pending;
- (d) The formulation and presentation of any preliminary report of any ad hoc investigation committee to the CEO, CMO, Medical Director, to the Officers of the Medical Staff Board or any committee of the Board;
- (e) The making of a request or issuance of a directive to an applicant or Medical Staff appointee to appear at an interview or conference before the MEC, any ad hoc investigation committee, the CEO, the Board or any other professional review body in connection with any investigation prior to a proposed adverse recommendation or action;
- (f) The denial of or refusal to accept an application for initial appointment or reappointment to the Medical Staff (i) where the application is incomplete; (ii) where the application reflects that the applicant does not meet the minimum objective requirements for appointment or reappointment; or (iii) where the applicant is requesting clinical privileges in a department, specialty or service in which the number of Medical Staff appointees has been limited in accordance with the Medical Staff Bylaws;
- (g) The denial or revocation of temporary privileges in accordance with the Appointment and Corrective Action Procedures;
- (h) The appointment of a newly-appointed Medical Staff appointee to the provisional staff;
- (i) Automatic termination as provided by the Appointment and Corrective Action Procedures;
- (k) The imposition of supervision or observation on a Medical Staff appointee which supervision or observation does not

restrict the clinical privileges of the Medical Staff appointee or the delivery of professional services to patients;

- (l) The issuance of a letter of warning, admonition or reprimand;
- (m) Corrective counseling;
- (n) A recommendation that the Medical Staff appointee be directed to obtain retraining, additional training, or continuing education;
- (o) The denial of a request for a waiver or reduction of the required minimum liability insurance coverage as provided in the Medical Staff Bylaws;
- (p) Any change in Medical Staff category resulting from the failure of a Medical Staff appointee to meet the minimum objective criteria for a specific category; or
- (q) Any recommendation or action not "adversely affecting" (as such term is defined in Section 431(1) of the Health Care Quality Improvement Act of 1986) any applicant or Medical Staff appointee, or which is not based upon a subjective determination of the professional competency or conduct of the applicant or Medical Staff appointee.

9.2-3 Notice of Adverse Recommendation or Action

A Practitioner against whom adverse action defined under Section 9.2 above has been proposed shall be provided within written notice of the proposed adverse action by the CEO. The notice shall indicate that the Practitioner may request a hearing in accordance with the Medical Staff Bylaws.

The written notice shall indicate that a professional review action has been proposed against the Practitioner, the reasons for the proposed action, a description of the proposed adverse action, a summary of the hearing rights available to the affected provider that the Practitioner has a period of thirty (30) days from receipt of the notice within which to request a hearing on the proposed action, and that the Practitioner shall be deemed to waive hearing rights if hearing is not requested within such thirty (30) day period. The notice further shall indicate that: A) if a hearing is requested on a timely basis, the hearing shall be held before a hearing Officer or panel of individuals appointed pursuant to the Bylaws who are not in direct economic competition with the Practitioner: B) the right to a hearing may be forfeited if the Practitioner, without good cause, fails to appear: C) in the hearing the Practitioner has a right (1) to representation by an attorney or other person of the Practitioner's choice, (2) to have a record made of the proceedings, copies of which may be obtained by the Practitioner upon payment of any

reasonable charges associated with the preparation thereof: (3) to call, examine and cross examine witnesses: (4) to present evidence determined to be relevant by the hearing Officer or panel, regardless of its admissibility in a court of law: and (5) submit a written statement at the close of the hearing. The notice further shall indicate that the Practitioner, upon completion of the hearing, has a right: (1) to receive the written recommendation of the Officer or panel, including the statement of the basis for the recommendations, and (2) to receive a written decision of the organization, including a statement of the basis for the decision.

9.2-4 Actions for Which No Hearing Is Required

No Practitioner shall be entitled to hearing rights in the event any Practitioner is summarily suspended for:

- (a) Failure to maintain appropriate malpractice insurance;
- (b) Failure to maintain a current, active, unrestricted appropriate state license;
- (c) Exclusion from participation in Medicare or Medicaid; or
- (d) Failure to maintain a current, active DEA certification (if required for the Practitioner's specialty).

9.2-5 No Practitioner shall be entitled to a hearing as a result of any action which is recommended or taken which is not reportable to the state or the National Practitioner Data Bank, including, but not limited to the following:

- (a) Letters of warning, reprimand, or admonition;
- (b) Imposition of monitoring, proctoring, review or consultation requirements;
- (c) Requiring provision of information or documents, such as office records, or notice of events or actions;
- (d) Imposition of educational or training requirements;
- (e) Placement on probationary or other conditional status;
- (f) Appointment or reappointment for less than two (2) years;
- (g) Failure to place a Practitioner on any on-call or interpretation roster, or removal of any Practitioner from any such roster;
- (h) Continuation of provisional appointment;

- (i) The refusal of the Board of Directors to grant a request for a waiver or extension of time regarding the Board certification requirements set forth;
- (j) Termination of Medical Staff membership and/or clinical privileges as a result of matters which are not related to the Practitioner's professional qualifications, competence or conduct such as:
 - (1) Failure to pay dues or assessments;
 - (2) Failure to meet any objective requirement imposed on all staff members that specific numbers of procedures be performed to maintain or demonstrate clinical competence; or
 - (3) NCHC elects to enter into an exclusive contract for the provision of certain services.

If any action is taken which does not entitle the Practitioner to a hearing, the Practitioner shall be offered the opportunity to submit a written statement or any information which the Practitioner wishes to be included in the Practitioner's peer review records along with the documentation regarding the action taken.

9.3 REQUEST FOR HEARING

A Practitioner shall have at least thirty (30) and not more than forty-five (45) days following the receipt of a notice pursuant to Section 9.2-3 to file a written request for a hearing. Such request shall be deemed to have been made when delivered to the CEO in person or when sent by certified mail to the CEO.

9.3-1 Waiver by Failure to Request a Hearing

A Practitioner who fails to request a hearing within the time and in the manner specified waives any right to hearing with respect to the recommended adverse action, the imposition of the recommendation action and to any appellate review to which he/she might otherwise have been entitled. Such waiver in connection with:

- (a) An adverse action by the Board shall constitute acceptance of that action, which shall thereupon become effective as the final decision of the Board.
- (b) An adverse recommendation by the MEC shall constitute acceptance of that recommendation, which shall thereupon become and remain effective pending the final decision of the Board. The Board shall consider the committee's recommendation at its next regular meeting following the

waiver. In its deliberations, the Board shall review all the information and material considered by the committee and may consider all other relevant information received from any source. If the Board's action on the matter is in accord with the MEC's recommendation such action shall constitute a final decision by the Board. If the Board's action has the effect of changing the MEC's recommendation, the matter shall be submitted to the Joint Conference Committee as provided in this plan. The Board's action on the matter following receipt of the Joint Conference Committee's recommendation shall constitute its final decision.

The CEO shall promptly send the Practitioner a special notice informing him/her of each action taken pursuant to this section and shall notify the President of the Medical Staff of each such action.

9.4 HEARING PREREQUISITES

9.4-1 Notice of Time and Place of Hearing

Upon receipt of a timely request for hearing, the CEO shall deliver such request to the President of the Medical Staff or to the Board, depending on whose recommendation or action prompted the request for a hearing. At least thirty (30) days prior to the hearing, the CEO shall send the Practitioner special notice of the time, place and date of the hearing and a list of witnesses the Medical Staff or Board expects to call. The hearing date shall not be less than thirty (30) days from the date of notice of the hearing; unless the Practitioner voluntarily waives in writing the thirty (30) day period, whereupon the CEO and the Practitioner shall endeavor to mutually agree on a hearing date. In the event an agreed upon date cannot be reached the date contained in the notice shall be the hearing date.

9.4-2 State of Issues and Grounds

The notice of hearing provided shall contain a concise statement of the Practitioner's alleged acts or omissions, a list by number of the specific or representative patient record in question and/or the other reasons or subject matter forming the basis for the adverse recommendation or action which is the subject of the hearing.

9.4-3 Appointment of the Hearing Committee

- (a) By Medical Staff: A hearing occasioned pursuant to Section 9.2-1 shall be conducted by a hearing committee appointed by the CEO and composed of five (5) members of the active staff. One of the members so appointed shall be designated as chair.

- (b) By Board: A hearing occasioned by an adverse action of the Board pursuant to section 9.2-1 or upon a request pursuant to section 9.3 shall be conducted by a hearing committee appointed by the chair of the Board and composed by five (5) persons, including two (2) active staff members chosen with advice from the president of the staff shall be included on this committee when issues concern professional competence or performance. One of the appointees to the committee shall be designated as chair.
- (c) A Medical Staff or Board member shall be disqualified from serving on a hearing committee if he/she participated in initiating, investigating, or has an economic interest in the underlying matter at issue. In no event shall a member of the body whose adverse recommendation or action occasioned the hearing serve on the hearing committee.

9.5 HEARING PROCEDURE

9.5-1 Personal Presence

The personal presence of the Practitioner who requested the hearing shall be required. A Practitioner who fails to appear and proceed at such hearing shall be deemed to have waived his/her rights in the same manner and with the same consequence as provided in Section 9.3-1.

9.5-2 Presiding Officer

Either the hearing Officer, if one is appointed, pursuant to Section 9.10-1, or the chair of the hearing committee shall be the presiding Officer. The presiding Officer shall act to maintain decorum and to assure that participants in the hearing have a reasonable opportunity to present relevant oral and documentary evidence. He/she shall be entitled to determine the order of procedure during the hearing and shall make all rulings on matters of law, procedure, and the admissibility of evidence.

9.5-3 Representation

The Practitioner who requested the hearing shall be entitled to be accompanied and represented at the hearing by a member of the Medical Staff in good standing or by a member of his/her local professional society. The MEC or the Board, depending on whose recommendation or action prompted the hearing shall appoint an individual to represent it at the hearing to present the facts in support of its adverse recommendation or action and to examine witnesses. Representation of either party by an attorney at law shall be governed by the provisions of section 9.54(a) and section 9.10-2.

9.5-4 Rights of Parties

During a hearing, each of the parties shall have the right to:

- (a) Be represented by an attorney or other representative; however, the Hearing Committee has the right to define the role of counsel for the Practitioner or Committee;
- (b) Have a record of the proceedings made according to Section 9.5-8 and to obtain a copy of the record upon payment of a reasonable charge;
- (c) Call, examine, and cross-examine witnesses;
- (d) Present relevant evidence;
- (e) Submit a written statement at the close of the hearing;
- (f) Receive any written recommendation based on the hearing, including the basis for the recommendation; and
- (g) Receive a written final decision, including the basis for the decision.

9.5-5 Procedure and Evidence

The hearing shall not be conducted strictly according to rules of law relating to the examination of witnesses or presentation of evidence. Any relevant matter upon which responsible persons customarily rely in the conduct of serious affairs shall be admitted, regardless of the admissibility of such evidence in a court of law. Each party shall, prior to or during the hearing, be entitled to submit memoranda concerning any issue of law or fact, and such memoranda shall become a part of the hearing record. The hearing committee may require one or both parties to prepare and submit to the committee, written statements of their position on the issues, prior to, during, or after, the hearing. The hearing committee may establish rules of procedure, including, but not limited to, requiring the submission prior to the hearing of lists of proposed witnesses and exhibits. The presiding Officer may but shall not be required to order that oral evidence be taken only on oath or affirmation administered by any person designed by him/her/her and entitled to notarize documents in the State of Wisconsin.

9.5-6 Evidentiary Notice

In reaching a decision, the hearing committee may take note, for evidentiary purposes, either before or after submission of the matter for decision, of any generally accepted technical or scientific matter relating to the issues under consideration and of any facts that may be judicially noticed by the courts of the State of Wisconsin. Parties

present at the hearing shall be informed of the matters to be noticed and those matters shall be recited in the hearing record. Any party shall be given opportunity on timely request, or request that a matter be evidentiary noticed and to refute the evidentiary noticed matters by evidence or by written or oral presentation of authority, the manner of such refutation to be determined by the hearing committee. The Committee shall also be entitled to consider any pertinent material contained on file at NCHC, and all other information that can be considered, pursuant to the Medical Staff Bylaws, in connection with applications for appointment or reappointment to the staff and for clinical privileges.

9.5-7 Sequence of Presentation

Whenever a hearing relates solely to a (i) a denial of appointment or reappointment to the Medical Staff; (ii) requested clinical privileges; or (iii) requested advancement in Medical Staff category, the applicant or Medical Staff appointee shall present his or her evidence first. In all other cases, the representative of the professional review body shall present his or her evidence first. After the first party to present evidence has completed, the other party shall present his or her evidence. The initial party shall then have the opportunity to rebut the evidence presented by the opposing party. The hearing committee may in its discretion request or allow opening statements, which if made will be presented by the parties in the same sequence as provided for presentation of evidence.

9.5-8 Documentary Evidence

Documentary evidence may be received in the form of original or copies. Excerpts of documents may also be received, in the discretion of the Moderator. Upon request, parties shall be given an opportunity to compare a copy with the original. Each party shall be responsible for properly identifying any exhibits sought to be introduced into evidence. If authority is challenged by the opposing party, such party shall also be responsible for proving authenticity of the exhibit. The identification of authenticity of any exhibit shall be a matter for determination by the Moderator.

9.5-9 Official Notice

The Hearing Committee may, in the course of the proceedings, indicate that it will take official notice of any matters as to which it believes there can be no reasonable dispute. Official notice may also be taken of generally recognized technical or scientific facts within the hearing committee members' specialized knowledge. Upon challenge of the propriety of taking such official notice, the Hearing Committee shall set forth in writing and provide the participants to the hearing a brief statement of the basis for such official notice of technical or scientific facts. Any party to the hearing is entitled upon

a request made within a reasonable time thereafter to be heard as to the propriety of taking official notice.

9.5-10 Burden of Proof

When a hearing relates to an adverse action or recommendation set forth in section 9.2 (1)-(9) of the provisions above entitled Right to Hearing, the Practitioner who requested the hearing shall have the burden of proving, by clear and convincing evidence, that the adverse recommendation or action lacks any substantial factual basis or that such basis or the conclusions drawn therefrom are arbitrary, unreasonable, and capricious. In all other cases, the body whose adverse recommendation or action occasioned the hearing shall have the initial obligation to present evidence in support thereof, but the Practitioner shall thereafter have the burden of proving, by a preponderance of credible evidence, that the grounds for such action or recommendation lack any substantial factual basis or that such basis or the conclusions drawn therefrom are arbitrary, unreasonable, and capricious.

9.5-11 Record of Hearing

A record of the hearing shall be kept that is of sufficient accuracy to assure that an informed and valid judgment can be made by any group that may later be called upon to review the record and render a recommendation or decision in the matter. The Hearing Committee chair, unless his/her decision is reversed by a majority vote of the Hearing Committee, shall select the method to be used for making the record, such as court reporter, electronic recording unit, detailed transcription, or minutes of the proceedings. A Practitioner requesting an alternate method shall bear the cost thereof. The Practitioner is entitled to a copy of the record of the hearing.

9.5-12 Postponement

Requests for postponement of a hearing shall be granted by the hearing committee only upon a showing of good cause.

9.5-13 Presence of Hearing Committee Members and Vote

All members of the Hearing Committee must be present throughout the hearing and deliberations. If a committee member is absent from any part of the proceedings, he/she shall not be permitted to participate in the deliberations or the decision.

9.5-14 Recesses and Adjournment

The Hearing Committee may recess the hearing and reconvene the same without additional notice for the convenience of the participants or for the purpose of obtaining new or additional evidence or consultation. Upon conclusion of the presentation of

oral and written evidence, the hearing shall be closed. The Hearing Committee, shall thereupon, at a time convenient to itself, conduct its deliberations outside the presence of the parties. Upon the conclusion of its deliberations, the hearing shall be declared finally adjourned.

9.6 HEARING COMMITTEE REPORT AND FURTHER ACTION

9.6-1 Hearing Committee Report

Within ten (10) days after final adjournment of the hearing, the Hearing Committee shall make a written report of its findings and recommendations specifically addressing each charge made in the matter and shall forward the same, together with the hearing record and all other documentation considered by it, to the body whose adverse recommendation or action occasioned the hearing. All findings and recommendations by the hearing committee shall be supported by reference to the hearing record and the other documentation considered by it.

9.6-2 Action on Hearing Committee Report

Within thirty (30) days after receipt of the report of the Hearing Committee, the MEC or the Board, as the case may be, shall consider the same and affirm, modify or reverse its recommendation.

9.6-3 Notice and Effect of Result

- (a) Notice: The CEO shall promptly send a copy of the result to the Practitioner by special notice, to the President of the Medical Staff, and to the Board.
- (b) Effect of Favorable Result:
 - (1) Adopted by the Board: If the Board's result pursuant to Section 9.6-2 is favorable to the Practitioner, such result shall become the final decision by the Board and the matter shall be considered finally closed.
 - (2) Adopted by MEC: If the MEC's result pursuant to Section 9.6-2 is favorable to the Practitioner, the CEO shall promptly forward it, together with all supporting documentation, to the Board for its final action. The Board shall take action thereon by adopting or rejecting MEC's result in whole or in part, or by referring the matter back to the MEC for further reconsideration. Any such referral back shall state the reasons therefore, set a time limit within which a subsequent recommendation to the Board must be made, and may include a directive that an additional hearing be conducted to clarify issues that are in

doubt. After receipt of such subsequent recommendation and any new evidence in the matter, the Board shall take final action. The CEO shall promptly send the Practitioner special notice pursuant to Section 9.5-4(g) informing him/her of each action taken. Favorable action shall become the final decision of the Board, and the matter shall be considered finally closed. If the Board's action is adverse in any of the respects listed in Section 9.2, the special notice shall inform the Practitioner of his/her right to request an appellate review by the board as provided in Section 9.8 of this plan.

- (c) Effect of Adverse Result: If the result of the MEC or of the Board continues to be adverse to the Practitioner in any of the respects listed in this Plan, the special notice required above shall inform the Practitioner of his/her right to request an appellate review by the Board as provided in this Plan.

9.7 INITIATION AND PREREQUISITES OF APPELLATE REVIEW

9.7-1 Request for Appellate Review

A Practitioner shall have thirty (30) days following his/her receipt of a notice as provided in 9.6-3 above to file a written request for an appellate review. Such request shall be delivered to the CEO either in person or by certified mail. The CEO shall forward a copy to the Practitioner of the report and record of the Hearing Committee and all other material, favorable or unfavorable, if not previously forwarded, that was considered in marking the adverse action or result.

9.7-2 Waiver by Failure to Request Appellate Review

A Practitioner who fails to request an appellate review within the time and in the manner specified in section 9.7-1 waives any right to such review. Such waiver shall have the same force and effect as that provided in section 9.3-1.

9.7-3 Notice of Time and Place of Appellate Review

Upon receipt of a timely request for appellate review, the CEO shall deliver such request to the Board. As soon as practical, the Board shall schedule and arrange for an appellate review which shall be not less than ten (10) days nor more than thirty (30) days from the date of receipt of the appellate review request; provided, however, that an appellate review for a Practitioner who is under suspension then in effect shall be held as soon as arrangements for it may reasonably be made, but not later than forty (40) days from the date of receipt of the request for review. At least ten (10) days prior to the appellate review, the CEO shall send the Practitioner special notice

of the time, place, date of the review and a list of witnesses the Board will call. The time for the appellate review may be extended by the appellate review body for good cause.

9.7-4 Appellate Review Body

The Board shall determine whether the appellate review shall be conducted by the Board as a whole or by an appellate review committee composed of five (5) members of the Board appointed by the chair. If a committee is appointed, one of its members shall be designated as chair.

9.8 APPELLATE REVIEW PROCEDURE

9.8-1 Nature of Proceedings

The proceedings by the review body shall be in the nature of an appellate review based upon the record of the hearing before the hearing committee, that committee's report, and all subsequent results and action thereon. The appellate review body shall also consider the written statements, if any, submitted as provided below and such other material as may be presented and accepted within the terms of this plan.

9.8-2 Written Statements

The Practitioner seeking the review may submit a written statement detailing the findings of fact, conclusions and procedural matters with which he/she disagrees, and his/her reasons for such disagreement. This written statement may cover any matters raised at any step in the hearing process, and legal counsel may assist in its preparation. The statement shall be submitted to the appellate review body through the CEO at least seven (7) days prior to the scheduled date of the appellate review, except if such time limit is waived by the appellate body. A written statement in reply must be submitted to the MEC or by the board, and if submitted, the CEO shall provide a copy thereof to the Practitioner at least two (2) days prior to the scheduled date of the appellate review.

9.8-3 Presiding Officer

The chair of the appellate review body shall be the presiding Officer. He/she shall determine the order of procedure during the review, make all required rulings, and maintain decorum.

9.8-4 Oral Statement

The appellate review body, in its sole discretion, may allow the parties or their representatives to personally appear and make oral statements in favor of their positions. Any party or representative so

appearing shall be subject to answer questions put to him/her by any member of the appellate review body.

9.8-5 Consideration of New or Additional Matters

New or additional matters or evidence not raised or presented during the original hearing or in the hearing report and not otherwise reflected in the record shall be introduced at the appellate review only in the discretion of the appellate review body, following an explanation by the party requesting the consideration of such matter or evidence as to why it was not presented earlier.

9.8-6 Powers

The appellate review body shall have all powers granted to the Hearing Committee, and such additional powers as are reasonably appropriate to the discharge of its responsibilities.

9.8-7 Presence of Members and Vote

All members of the appellate review body must be present throughout the review and deliberations. If a member of the review body is absent from any part of the proceedings, he/she shall not be permitted to participate in the deliberations or the decision.

9.8-8 Recesses and Adjournment

The appellate review body may recess and review proceedings and reconvene the same without additional notice for the convenience of the participants or for the purpose of obtaining new or additional evidence or consultation. Upon the conclusion of oral statements, if allowed, the appellate review shall be closed. The appellate review body shall thereupon, at a time convenient to itself, conduct its deliberations outside the presence of the parties. Upon the conclusion of these deliberations, the appellate review shall be declared finally adjourned.

9.8-9 Action Taken

The appellate review body may recommend that the Board affirm, modify or reverse the adverse result or action taken by the MEC or by the Board, or in its discretion, may refer the matter back to the hearing committee for further review and recommendation to be returned to it within fifteen (15) days and in accordance with its instructions. Within fifteen (15) days after receipt of such recommendation after referral, the appellate review body shall make its recommendation to the Board as provided in this section.

9.8-10 Conclusion

The appellate review shall not be deemed to be concluded until all of the procedural steps provided herein have been completed or waived.

9.9 FINAL DECISION OF THE BOARD

9.9-1 Board Action

Within thirty (30) days after the conclusion of the appellate review, the board shall render its final decision in the matter in writing and shall send notice to the President of the Medical Staff, and to the MEC. If this decision is in accord with the MEC's last recommendation in the matter, if any, it shall be immediately effective and final. If the Board's action has the effect of changing the MEC's last such recommendation, if any, the Board shall refer the matter to a Joint Conference review as provided below. The Board's action on the matter following receipt of the Joint Conference recommendation shall be immediately effective and final.

9.9-2 Joint Conference Review

Within thirty (30) days of its receipt of a matter referred to it by the Board pursuant to the provisions of this Plan, a Joint Conference of equal number of Medical Staff and Board members shall convene to consider the matter and shall submit its recommendation to the Board. The Joint Conference shall be composed of a total of ten (10) members selected in the following manner: the Board representatives shall be appointed by the Board; the Medical Staff representatives shall be appointed by the President of the Medical Staff with MEC approval.

9.10 GENERAL PROVISIONS

9.10-1 Hearing Officer Appointment and Duties

The use of a hearing Officer to preside at an evidentiary hearing is optional. The use and appointment of such Officer shall be determined in discretion of the Board after consultation with the president of the Medical Staff. A hearing Officer may or may not be an attorney at law but must be experienced in conducting hearings. He/she shall act in an impartial manner as the presiding Officer of the hearing. If requested by the hearing committee, he/she may participate in its deliberations and act as its legal advisor, but he/she shall not be entitled to vote.

9.10-2 Attorneys

If the affected Practitioner desires to be represented by an attorney at any hearing or at any appellate review appearance pursuant to section 9.5-3, his/her request for such hearing or appellate review

must so state. The request for hearing shall identify the name and contact information of the attorney for the affected Practitioner. The MEC or the Board may also be represented at the hearing or appellate review by an attorney. The foregoing shall not be deemed to limit the Practitioner or the Board in the use of legal counsel in connection with preparation for a hearing or an appellate review.

9.10-3 Waiver

If at any time after receipt of special notice of an adverse recommendation, action or result, a Practitioner fails to make a required request or appearance or otherwise fails to proceed or to comply with this Fair Hearing Plan, will be deemed to have consented to such adverse recommendation, action or result and to have voluntarily waived all rights to which he/she might otherwise have been entitled under the Medical Staff Bylaws then in effect or under this Fair Hearing Plan with respect to the matter involved.

9.10-4 Number of Reviews

Notwithstanding any other provision of the Medical Staff Bylaws or of this Plan, no Practitioner shall be entitled as a right to more than one evidentiary hearing and appellate review with respect to an adverse recommendation or action.

9.10-5 Extensions

Stated time periods and limits for actions, notices, requests, submissions of material and scheduling in Article IX may be extended upon the agreement of the parties and, when necessary, the hearing committee or appellate review body.

9.10-6 Release

By requesting a hearing or appellate review under Article IX, a Practitioner agrees to be bound by the provisions in Article XIII of the Medical Staff Bylaws and by the laws of the State of Wisconsin relating to immunity from liability.

9.6-7 Reports to the National Practitioners Data Bank

The CEO shall report all adverse actions, as defined in the Healthcare Quality Improvement Act of 1986, to the National Practitioners Data Bank only upon the adoption by the Governing Body of such adverse action as being a final action of the Governing Body, or as otherwise required by law. The Governing Body's adoption of such adverse action as a final action shall only occur after the hearing process set forth in the Fair Hearing Procedure has been followed.

9.6-8 Arbitration

Any controversy, dispute or disagreement arising out of or relating to, the Medical Staff Bylaws, the Appointment Procedure, the Fair Hearing Procedure, rights arising thereunder or the breach thereof (except for any Hearing Procedure requested by a Practitioner in connection with matters with respect to which the adequate notice and hearing provisions of the Health Care Quality Improvement Act of 1986, as amended from time to time, apply) shall be settled exclusively by arbitration, which shall be conducted in Wausau, Wisconsin in accordance with the American Health Lawyers Association Alternative Dispute Resolution Service Rules of Procedure for Arbitration, and judgment on the award rendered by the arbitrator may be entered in any court having jurisdiction thereof.

ARTICLE X: OFFICERS

10.1 OFFICERS

10.1-1 Identification

The Officers of the Medical Staff shall be:

- (a) President
- (b) Vice President
- (c) Secretary

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10.2 QUALIFICATIONS

Candidates for Medical Staff Officers must be a Physicians and have a proven track record of distinguished leadership and service to the medical community and be willing to commit to a program of further leadership development. All Medical Staff Officers must possess and maintain the qualifications defined below. Failure to do so shall automatically remove the member from the office involved:

- 10.2-1 Members of the Active Medical Staff in good standing at NCHC at time of nomination and election and throughout the entire term of office.
- 10.2-2 Have affirmatively established that they possess competence through the credentialing process.
- 10.2-3 Willing and able to discharge faithfully the duties and responsibilities of the position to which the individual aspires.
- 10.2-4 Willing and able to utilize email and other electronic means of communication to carry out their responsibilities.

10.3 NOMINATIONS

The MEC will act as a Nominating Committee of the Medical Staff for purposes of identifying qualified candidates for Medical Staff Officers. The MEC shall annually review members of the Active Staff demonstrating proven leadership capability and meeting the qualifications described in this Article to determine a slate of at least one nominee for each vacant position. Potential nominees must be recommended to a Nominating Committee member at least fourteen (14) calendar days prior to the annual meeting of the Medical Staff. The MEC is responsible to bring forward the final slate.

10.4 ELECTION

Officers of the Medical Staff shall be elected at the annual meeting of the Medical Staff. Only Physician members of the active Medical Staff shall be entitled to vote.

10.5 TERM OF OFFICE

All Officers shall serve terms of two (2) years or until their successor is duly elected. Officer terms shall commence on January 1 following election.

10.6 VACANCIES AND REMOVAL FROM OFFICE

10.6-1 Vacancies

Should any Officer resign their position prior to fulfillment of their term, such resignation must be tendered in writing to the CEO and to the MEC.

Vacancies in these offices shall be addressed by recommendation of the remaining Officers, following approval of the MEC and voted upon by the Medical Staff at a special election held for that purpose. The special election shall be initiated within fourteen (14) calendar days of the MEC approval and will follow the standard election process described in these Bylaws. The recommendation may modify the number of Officers serving and/or the responsibilities of each Officer, as described in section 7 of this article.

Service in an amended role due to unanticipated vacancy shall not count toward the term limitations described in these Bylaws.

10.6-2 Removal from Office

Any Officer of the Medical Staff may be removed at the discretion of the Board of Directors. The MEC by a seventy-five percent (3/4) vote, may remove any Medical Staff Officer for conduct detrimental to the interests of NCHC as defined by the MEC, or if the individual is suffering from a physical or mental infirmity that renders the individual incapable of fulfilling the duties of that office. Notice of the meeting at which such action shall be decided must be given in writing to the affected individual at least fourteen (14) calendar days prior to the meeting. The Officer shall be afforded the opportunity to speak prior to a final decision concerning removal.

Any Medical Staff Officer who is found by the Board, in consultation with the MEC, to no longer meet the qualifications for the position set forth in these Bylaws shall automatically relinquish his/her office. Medical Staff Officers will automatically be removed from office upon loss of clinical privileges with NCHC or upon loss of licensure.

10.7 RESPONSIBILITIES

Unless amended as described in section 6 of this article, the following are the responsibilities of Medical Staff Officers.

10.7-1 Officers

While these responsibilities are primarily those of the President of the Medical Staff, they are also expectations of the other Medical Staff Officers. All Officers shall:

- (a) Be accountable to the Board of Directors in conjunction with the MEC, for the quality and efficiency of clinical services and performance within NCHC and for the effectiveness of quality review and evaluation functions delegated to the Medical Staff by means of regular reports and recommendations based on results of these activities;
- (b) Communicate and represent the opinions, policies, concerns, needs and grievances of the Medical Staff to the Board of Directors, the CEO, the CMO and other officials of the Medical Staff;
- (c) Act in coordination and cooperation with the CEO in all matters of mutual concern with respect to NCHC Programs and the Hospital;
- (d) Develop and implement, in cooperation with the Chief Medical Officer, methods for quality review activities including ongoing monitoring of practice, credentials review, delineation of privileges and specified services, continuing education and utilization review; and,
- (e) Be responsible for the enforcement of the Medical Staff Bylaws, Rules and Regulations, for implementation of sanctions where these are indicated, and for the Medical Staff's compliance with procedural safeguards in all instances where corrective action has been requested against a Practitioner.

10.7-2 The President shall:

- (a) Call, preside at, and be responsible for the agenda of all general meetings of the Medical Staff;
- (b) Chair the MEC, assuming oversight authority of the responsibilities of the MEC;
- (c) Appoint members to Committees (except for the MEC) as described in these Bylaws;

- (d) Be the spokesperson for the Medical Staff in its external professional and public relations; and,
- (e) Receive and interpret the policies of the Board of Directors to the Medical Staff and report to the Board of Directors on the performance and maintenance of quality with respect to the Medical Staff's delegated responsibilities to provide medical care.

10.7-3 The Vice President shall:

- (a) Assume all the responsibilities and have the authority of the President in the absence of the President in the event of his/her temporary inability to perform due to illness, absence from the community or unavailability for any other reason;
- (b) Perform such responsibilities as assigned by the President.

10.7-4 The Secretary shall:

- (a) Perform such responsibilities as assigned by the President;
- (b) Ensure accurate and complete records of Medical Staff meetings as appropriate; and
- (c) Attend to all correspondence and perform such other responsibilities as pertain to the functions of Secretary.
- (d) Assure that proper notice is given of all general and special meetings of the Medical Staff.

ARTICLE XI: COMMITTEES

Committees of the Medical Staff will be designated by the MEC. All meetings of the Medical Staff shall be considered peer review meetings. Thus all minutes and correspondence of a peer review committee shall be confidential and all members and personnel of the peer review committee shall enjoy all the rights, responsibilities, and protections of the Wisconsin peer review statute. The President of the Medical Staff may attend any meeting of the Medical Staff.

The Chairs of Medical Staff Committees shall usually be Active Staff members, meeting the same qualifications as Medical Staff Officers. They will be appointed annually by the President of the Medical Staff subject to the approval of the MEC. The MEC composition is explicitly defined in Section 1 of this Article. Committee members may also be appointed by the President, subject to MEC approval, unless otherwise described in these Bylaws. Committee members are expected to utilize email and other means of electronic communication in order to fulfill their responsibilities.

Each committee will ensure rules, regulations and policies document committee responsibilities, meeting frequency, attendance requirements, if any, quorum, voting mechanisms, record keeping, and other key elements, if not already defined in the Bylaws. Consent Agendas are encouraged. A Board member appointed by the Chair of the Board may serve on administrative committees without voting right. When requested by Medical Staff Officers, non-Medical Staff members may serve as members of Committees without vote.

11.1 MEDICAL EXECUTIVE COMMITTEE (MEC)

11.1-1 Composition

The Medical Executive Committee (MEC) shall be a standing committee of the Medical Staff. The MEC shall consist of the Officers of the Medical Staff and the CEO. Clinician members of the MEC shall be licensed Physicians who are members of the Active Staff of the Medical Staff.

11.1-2 Chair and Oversight

The MEC is chaired by the President of the Medical Staff and has primary authority for activities related to self-governance of the Medical Staff to ensure the quality of medical care, treatment, and services and for performance improvement of the professional services provided by the Medical Staff, reporting to the NCHC Board of Directors. Their ultimate priority is to support the Medical Staff's provision of safe and quality patient care, placing the best interests of patients first in all matters.

The MEC shall coordinate the activities and general policies of the Medical Staff and shall represent and act for the Medical Staff as whole, under such limitations as may be imposed by the Medical

Staff. The Medical Staff may limit or expand the powers of the MEC by amending this Article using the Bylaws amendment process described in Article XVIII, and if necessary, the conflict resolution process described in Article XV.

The Chair of the Board of Directors may serve as an ad hoc member of the MEC without vote.

In the absence of the President of the Medical Staff, the Vice President or the President's appointee shall act as chair.

11.1-3 Responsibilities:

The responsibilities of the MEC shall be to:

- ~~(d)~~(a) Execute primary authority for activities related to self-governance of the Medical Staff and for performance improvement of the professional services provided by all Practitioners privileged through the Medical Staff process.
- ~~(e)~~(b) Represent and to act on behalf of the Medical Staff, including the authority to act on behalf of the Medical Staff between Medical Staff meetings, subject to such limitations as may be imposed by these Bylaws;
- ~~(f)~~(c) Recommend revisions to and updating of the Medical Staff Bylaws and all Medical Staff rules, regulations, policies, forms, and associated documents;
- ~~(g)~~(d) Approve and coordinate the activities and general policies of the various Committees, receiving and acting upon reports and recommendations from Medical Staff Committees;
- ~~(h)~~(e) Recommend those serving in Medical Staff Officer positions;
- ~~(i)~~(f) Establish Medical Staff Committees, or discontinue them when their purpose has been served, by a seventy-five (75) percent or three-quarters (3/4) vote;
- ~~(j)~~(g) Implement rules, regulations, and policies and procedures of the Medical Staff based on the recommendations of Specialties, Divisions, and Committees;
- ~~(k)~~(h) Recommend action to the Board of Directors on NCHC organizational management matters (e.g., long range planning);
- ~~(l)~~(i) Fulfill the Medical Staff's accountability to the Board of Directors for the medical care provided to patients;

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- ~~(j)~~(j) Be responsible for Medical Staff compliance with Wisconsin Department of Health Services regulations, accreditation standards of The Joint Commission, and other relevant accreditation-granting or regulatory organizations;
- ~~(k)~~(k) Review all applicants for initial appointment, reappointment, and requested privileges, as recommended by the MEC; and then to make recommendations to the Board of Directors for appointment and delineation of Clinical privileges;
- ~~(l)~~(l) Take all reasonable steps to ensure professionally ethical conduct and competent clinical performance on the part of all members of the Medical Staff including the initiation of and/or participation in collegial, disciplinary, or review measures when warranted;
- ~~(m)~~(m) Lead the Medical Staff in collaboration with the organization's performance improvement activities, including measuring, assessing and improving processes that primarily depend on the activities of Medical Staff;
- ~~(n)~~(n) Keep the Medical Staff apprised of MEC activities on an ongoing basis and solicit input.

11.1-4 Exclusive Recommendations to the Board

The MEC shall make recommendations directly to the Board of Directors on at least the following matters:

- (a) Medical Staff membership.
- (b) Medical Staff structure.
- (c) Process used to review credentials and delineate privileges.
- (d) Delineation of privileges of each Practitioner privileged through the Medical Staff process.
- (e) MEC's review of and actions on reports of Medical Staff committees, departments, and other assigned activity groups.

11.1-5 MEC Meetings

The MEC shall meet on a regular basis, at least monthly or more frequently as warranted. The CEO or his designee shall attend meetings of the MEC on an ex-officio basis but shall have no vote.

The MEC shall determine the time and date of each meeting. Fifty percent (50%) of members shall constitute a quorum. The committee has an attendance requirement of at least fifty percent (50%) of the meetings.

A simple majority of those present and voting at a meeting in which quorum is present shall be the action of the Committee except as

described above. Use of Consent Agenda is encouraged. Ad hoc committees may be appointed as needed to complete special projects. Policies may be developed to further guide the work of the committee.

The President of the Medical Staff, the Vice President or the Secretary/Treasurer may request a meeting. Such a request must be honored within a period of one (1) week following such notification to the President of the Medical Staff or designee. A record of all proceedings of the MEC shall be made and retained indefinitely.

11.1-6 Bylaws Review & Recommendation

Conduct a review of the Bylaws on at least on an annual basis and submit recommendations to the Board.

11.1-7 Miscellaneous

To review reports that are referred by other committees and respond as requested.

11.1-8 Mechanisms/Policy Development

3(a) To approve and monitor the qualifications, criteria, and other policies and requirements for consideration of credentialing recommendations, as well as review and act upon requests for development of cross-specialty privilege criteria, as described in associated Medical Staff policies and in accordance with Articles V and VI of these Bylaws;

4(b) To approve and monitor the mechanisms used to verify and evaluate information used in the formation of credentialing recommendations, in accordance with these Bylaws;

5(c) To recommend to the MEC the Specialties to be recognized by the Medical Staff for specific representation in the Medical Staff structure.

11.1-9 Credentialing Recommendations:

(a) To review the credentials of all applicants for appointment and reappointment and to make recommendations to the Board for membership and delineation of clinical privileges, if any requested, as described in these Bylaws;

(b) To review at least every two years the current competence of Medical Staff and as a result of such reviews to make recommendations to the Medical Staff Executive Committee for the granting of reappointment and renewed clinical privileges. Such review will include: Patient Care; Medical/Clinical Knowledge; Practice Based Learning and

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Improvement; Interpersonal and Communication Skills;
Professionalism; and Systems Based Practices.

11.1-10 Whenever an applicant's practice is in direct economic competition with the practice of a member of the MEC, the conflicting committee member shall abstain from voting during proceedings relating to the credentials of the conflicting party and such abstention shall be recorded in the minutes of the applicable proceeding.

11.1-11 Establishment of Written Criteria

The MEC shall solicit recommendations from the clinical departments/programs at least every two years concerning written criteria for the granting of clinical privileges within each department/program. The MEC shall take such recommendations and prepare its own recommendations. Recommendations from the MEC regarding establishment of written criteria shall be forwarded to the Governing Body for final approval.

11.2 QUALITY COMMITTEES

At least one member of the Medical Staff shall serve on the NCHC Human Services and Nursing Home Operations Quality Committees to fulfill the following responsibilities.

11.2-1 Duties-Responsibilities

- (a) Provide organization wide leadership, guidance, and oversight for the implementation of multidisciplinary clinical quality improvement initiatives.
- (b) Ensure that quality care initiatives are consistent with current standards of practice and comparative performance data where available.
- (c) Review results of all patient care outcomes and procedure efficacy.
- (d) Ensure that quality initiatives are acted upon and reported in a timely fashion.
- (e) Assist in the identification of and ensure the execution of new clinical care opportunities for improvement.
- (f) Participate in decision-making for organizational quality of care issues (standards of care, conflict resolution, peer review process and/or external review, adverse occurrence/sentinel event issues, etc.)

- (g) Provide consultation to service areas regarding report completeness, comprehensiveness, and continuity with process improvement initiatives.
- (h) Work collaboratively to ensure an integrated approach to process improvement initiatives.
- (i) Participate in the annual evaluation of organizational wide quality program structures, coordination, and effectiveness and make recommendations for improvement. Ensure annually that the Quality Plan is current and executed.
- (j) Issues raised through the Medical Staff peer review process will be brought to the appropriate Quality Committee for evaluation and action as necessary.

11.2-2 Process Improvement Initiatives

Process improvement initiatives include, but are not limited to:

- (a) Ongoing monitoring and evaluation of specific quality indicators.
- (b) Clinical process improvement teams with focus on key aspects of care.
- (c) Review and evaluation of clinical risk management data.
- (d) Patient experience and complaint management information
- (e) Key functions where continuous quality improvement shall be performed include but are not limited to: pharmacy and therapeutics and medication use, surveillance, control and prevention of infection, and invasive procedures, medical record review, clinical risk management, utilization management, patient care and assessment, patient rights and patient education, clinical care improvement.

11.3 MULTIDISCIPLINARY COMMITTEES

Multidisciplinary committees will be developed by the Medical Staff on an ongoing basis for designated purposes, with Medical Staff membership appointed by the President of the Medical Staff. Each committee will document its purpose and responsibilities in rules, regulations, and policies as appropriate, and retain a record of its proceedings for at least 10 years. Consent Agendas are encouraged.

The MEC will receive reports from these committees as necessary, provide leadership and resources, and approve business as related to their responsibilities. An official listing of these committees will appear on the annual Medical Staff Committee List.

ARTICLE XII: MEDICAL STAFF MEETINGS

12.1 REGULAR STAFF MEETINGS

The Medical Staff as a whole shall meet on a bi-monthly basis. The Medical Staff Officers may authorize additional general staff meetings including adequate notice specifying time, date, place, and business of meeting.

12.2 SPECIAL STAFF MEETINGS

Special meetings of the Medical Staff may be called at any time by a Medical Staff Officer. Reasons for the special meeting shall be stated on the notice of meeting. The agenda shall be limited to the reading of the notice; calling the meeting; discussion of the business for which the meeting was called and adjournment.

12.3 QUORUM / VOTING / RECORD KEEPING

Quorum at a Regular or Special Meeting is those present. A simple majority of those present and authorized to vote at a meeting shall be the action of the Medical Staff. Attendance is strongly encouraged. Consent agendas are encouraged.

Record of Medical Staff meetings will be retained for ten (10) years. In lieu of meeting, use of mail, telephone, videoconference, email, fax, or other forms of electronic communication, to conduct business is encouraged.

12.4 CLOSED MEETINGS / EXECUTIVE SESSIONS

Medical Staff may move into closed session pursuant to Section 19.85(1)(c) Wis. Stats. for the purpose of considering employment and/or performance evaluation of any public employee over which the governmental body exercises responsibility, and Section 19.85(1)(f) Wis. Stats for preliminary consideration of financial, medical, social or personal histories or disciplinary data of specific persons, which if discussed in public, would likely have a substantial adverse effect upon the reputation of any person referred to in such histories or data, including specific review of performance of employees and providers of service and review of procedures for providing services by Agency.

The President of the Medical Staff or Officer of any meeting of the Medical Staff or its Committees may invite or excuse any or all individuals who are not voting members of the unit, irrespective of their status.

ARTICLE XIII: PRIVILEGE AND IMMUNITY / CONFIDENTIALITY

13.1 PRIVILEGES AND IMMUNITIES

The Board, any committees of the Medical Staff and/or of the Board who conduct Professional Review Activities and any individuals within NCHC authorized to conduct Professional Review Activities, hereby constitute themselves as Professional Review Bodies as defined in the Health Care Quality Improvement Act of 1986 and in the Wisconsin Act. Each Professional Review Body hereby claims all privileges and immunities afforded to it by said federal and state statutes. Any action taken by a Professional Review Body pursuant to these Medical Staff Bylaws or the Appointment Procedure shall be in the reasonable belief that it is in furtherance of quality health care (including the provision of care in a manner that is not disruptive to the delivery of quality medical care at NCHC) only after a reasonable effort has been made to obtain the true facts of the matter, after adequate notice and hearing procedures are afforded to any applicant or Medical Staff Appointee, and only in the reasonable belief that the action is warranted by the facts known after a reasonable effort has been made to obtain the facts.

13.2 AUTHORIZATIONS AND CONDITIONS

By applying for appointment or reappointment to the Medical Staff, or for advancement in Medical Staff category, or for particular clinical privileges or changes in clinical privileges, the affected applicant or Medical Staff Appointee:

- (a) Authorizes NCHC and Medical Staff representatives to solicit and act upon information, including otherwise privileged or confidential information, provided by third parties bearing on his or her credentials and agrees that any information so provided shall not be required to be disclosed to him or her if the third party providing such information does so on the condition that it be kept confidential.
- (b) Authorizes third parties to release information, including otherwise privileged or confidential information, as well as reports, records, statements, recommendations and other documents in their possession, bearing on his or her credentials to any NCHC or Medical Staff representative, and consents to the inspection and procurement by any NCHC or Medical Staff representative of such information, records and other documents.
- (c) Authorizes the NCHC or Medical Staff representatives to release such information, when requested by the applicant, to other healthcare entities and their agents, who solicit such information for the purpose of evaluating the individual's professional qualifications pursuant to the individual's request for appointment, reappointment or clinical privileges.

- (d) Authorizes NCHC or Medical Staff representative to maintain information concerning the applicant's or Medical Staff appointee's age, training, board certification, licensure and other confidential information in a centralized Practitioner data base for the purpose of making aggregate Practitioner information available for use by NCHC or Medical Staff.
- (e) Authorizes NCHC or Medical Staff to release confidential information, including peer review and/or quality assurance information, obtained from or about the applicant or Medical Staff appointee to peer review committees of NCHC and the Medical Staff and affiliates of NCHC for purposes of reducing morbidity and mortality and for the improvement of patient care.
- (f) Agrees to appear for a personal interview at any reasonable time requested by any NCHC or Medical Staff representative.
- (g) Consents to the reporting by any NCHC representative of information to the National Practitioner Data Bank established pursuant to the Health Care Quality Improvement Act of 1986 which such representative believes in good faith is required by law to be reported.
- (h) Releases from any liability (1) all NCHC and Medical Staff representatives for their acts performed in connection with evaluating his or her credentials or releasing information to other institutions for the purpose of evaluating his or her credentials, in compliance with the Medical Staff Bylaws; and (2) all third parties who provide information, including otherwise privileged or confidential information, to the NCHC representatives concerning his or her credentials, unless such information is false and the third party providing it knew it was false.
- (i) Agrees that, if any adverse decision is made with respect to him or her, (1) he or she will follow and exhaust the administrative remedies afforded by the Medical Staff Bylaws and the Hearing Procedure as a prerequisite to any other action, and (2) he or she will have the burden of demonstrating that he or she meets the standards for appointment or continued appointment to the Medical Staff or for the clinical privileges requested.
- (j) Agrees that the foregoing provisions are in addition to any agreements, understandings, covenants, waivers, authorizations or releases provided by law or contained in any application or request forms.

13.3 CONFIDENTIALITY OF INFORMATION

Information with respect to any Practitioner submitted, collected or prepared by any representative of this or any other health care facility or organization or Medical Staff for the purpose of achieving and maintaining quality patient

care, reducing morbidity and mortality, or contributing to clinical research shall, to the fullest extent permitted by law, be confidential and shall not be disseminated to anyone other than a representative nor be used in any way except as provided herein or except as otherwise required by law. Such confidentiality shall also extend to information of like kind that may be provided by third parties. This information shall not become part of any patient's file or of the general NCHC records.

13.4 IMMUNITY FROM LIABILITY

13.4-1 For Action Taken

No representative of NCHC or Medical Staff shall be liable to a Practitioner for damages or other relief for any action taken or statement or recommendation made within the scope of his/her duties as a representative, if such representative acts in good faith after a reasonable effort under the circumstances to ascertain the truthfulness of the facts and in the reasonable belief that the action, statement or recommendation is warranted by such facts. Regardless of the provisions of state law, truth shall be an absolute defense in all circumstances.

13.4-2 For Providing Information

No representative of NCHC or Medical Staff and no third party shall be liable to a Practitioner for damages or other relief by reason of providing information, including otherwise privileged or confidential information, to a representative of NCHC or Medical Staff or to any other health care facility or organization of health professionals concerning a Practitioner or allied health Practitioner who is or has been an applicant to or member of the staff or who did or does exercise clinical privileges or provided specified services at NCHC, provided that such representative or their party acts in good faith.

13.5 ACTIVITIES AND INFORMATION COVERED

13.5-1 Activities

The confidentiality and immunity provided by this article shall apply to all acts, communications, reports, recommendations or disclosures performed or made in connection with this or any other health care facility or organization's activities concerning, but not limited to:

- (a) Applications for appointment, clinical privileges, or specified services;
- (b) Periodic reappraisals for reappointment, clinical privileges or specified services;
- (c) Corrective action;

- (d) Hearings and appellate reviews;
- (e) Utilization reviews; and,
- (f) Other NCHC committee or staff activities related to monitoring and maintaining quality patient care and appropriate professional conduct.

13.5-2 Information

The acts, communications, reports, recommendations, disclosures, and other information referred to in this article may relate to a Practitioner's professional qualifications, clinical ability, judgment, character, physical and mental health, emotional stability, professional ethics, or any other matter that might directly or indirectly affect patient care.

13.5-3 Scope of Immunity

The scope of immunity provided hereunder shall extend to all Professional Review Activity conducted by any Professional Review Body. Professional Review Activities will include activities relating to any individual Practitioner to determine whether such individual may have Medical Staff or clinical privileges or to determine the scope of or any limitations or conditions to any such privileges or membership. Professional Review Body(s) shall include any committee, department, division or individual having any authority to make any adverse determination or recommendations regarding any Practitioner.

13.5-4 Privileges of Immunity

The Board of Directors, any committees of the Medical Staff and/or of the Board of Directors who conduct Professional Review Activities and any individuals within NCHC authorized to conduct Professional Review Activities, hereby constitute themselves as Professional Review Bodies as defined in the Health Care Quality Improvement Act of 1986 and equivalent Wisconsin laws. Each Professional Review Body hereby claims all privileges and immunities afforded to it by said federal and state statutes. Any action taken by a Professional Review Body pursuant to these Medical Staff Bylaws or the Appointment Procedure shall be in the reasonable belief that it is in furtherance of quality health care (including the provision of care in a manner that is not disruptive to the delivery of quality medical care at NCHC) only after a reasonable effort has been made to obtain the true facts of the matter, after adequate notice and hearing procedures are afforded to any applicant or Medical Staff Appointee, and only in the reasonable belief that the action is warranted by the facts known after a reasonable effort has been made to obtain the facts.

13.6 RELEASES

Each Practitioner shall, upon request of NCHC, execute general and specific releases in accordance with the tenor and import of this Article, subject to such requirements, including those of good faith, absence of malice and the exercise of a reasonable effort to ascertain truthfulness, as may be applicable under the laws of Wisconsin. Execution of such releases shall not be deemed a prerequisite to the effectiveness of this Article.

13.7 CUMULATIVE EFFECT

Provisions in these Bylaws and in application forms relating to authorizations, confidentiality of information and immunities from liability shall be in addition to other protections provided by law and not in limitation thereof, and in the event of conflict, the applicable law shall be controlling.

ARTICLE XIV: RULES, REGULATIONS, POLICIES and FORMS

The Medical Staff, through Committees, shall adopt such rules, regulations, policies and forms as may be necessary to implement more specifically the general principles found within these Bylaws, subject to the approval of the MEC and Board. These shall relate to the proper conduct of Medical Staff, organizational activities, and the level of practice that is to be required of each Practitioner at NCHC. Such Rules, Regulations, Policies and Forms are attendant to these Bylaws.

Rules, Regulations, Policies and Forms may be created, deleted or modified by recommendation of the responsible Committee, following their established rules for quorum and voting, subject to the approval of the MEC and Board. The Medical Staff shall be informed of these activities via meetings, publications, posting or other efficient methods of information dissemination, and provided opportunity to comment for MEC consideration.

Applicants and members of the Medical Staff shall be governed by such Rules, Regulations, Policies and Forms as are properly initiated and adopted. If there is a conflict between the Bylaws and Rules, Regulations, Policies and Forms, the Bylaws shall prevail.

ARTICLE XV: CONFLICT RESOLUTION

15.1 This Article establishes mechanisms by which the Board will address:

15.1-1 A situation where the Medical Staff disagrees with an MEC action that is not related to a peer review action, which also includes new or revised policy, rules and/or regulations.

15.1-2 A request to revise the Medical Staff Bylaws that is brought by the Medical Staff directly to the Board.

15.1-3 A proposal to alter a Medical Staff policy or rule/regulation that is brought by the Medical Staff directly to the Board.

15.1-4 Conflict between the Medical Executive Committee and the Board of Directors that is not otherwise addressed in other sections of these Bylaws.

15.2 A Medical Staff concern regarding an action of the MEC or a new or revised policy, rule or regulation following MEC recommendation and Board approval:

15.2-1 The membership may appeal for MEC reconsideration by written petition of at least fifty-one percent (51%) of Active Staff members to the MEC, outlining specifically the concern(s) and recommended remedies. The MEC must review the request at their next regularly scheduled meeting and respond to the request within sixty (60) days of the meeting.

15.2-2 If, following the above process, dissatisfaction persists, the petition may be presented to the Chair of the Board of Directors, or via the CEO with notice to the President of the Medical Staff. Within thirty (30) days of receipt of the petition, equal members from the Medical Staff and the Board shall be convened. Board members shall be selected by the Chair of the Board. For purposes of conflict resolution between the Medical Staff and MEC, Medical Staff members shall be selected by the petitioners to represent the concerns outlined in the written petition and one (1) will be a member of the MEC selected by the President of the Medical Staff.

15.2-3 The identified individuals (15.2-2) shall review the petition, MEC record, any related documentation, and conduct such other inquiry as it may deem appropriate for the purpose of rendering a recommendation to the Board. Within ten (10) days of its final deliberations, the identified individuals shall, by written memorandum to the MEC and to the Board, submit its recommendation on the matter. The recommendation will be considered by the Board at its next regularly-scheduled meeting and a final decision made within 30 days.

15.3 If the Medical Staff wish to propose a revision to the Medical Staff Bylaws, alter an existing policy, rule or regulation, or propose a new policy, rule, or regulation:

15.3-1 The Medical Staff should follow the customary processes outlined in these Bylaws and associated policies to request consideration. If following the customary processes additional consideration is desired, the written petition process to the MEC described in this article is the appropriate next step.

15.3-3 If following the petition process, dissatisfaction persists, the process described in 15.2-1 through 15.2-3 may be utilized and will result in a final determination by the Board.

15.4 Should conflict exist between the MEC and the Board of Directors that is not otherwise addressed in other sections of these Bylaws, a Joint Conference Committee of equal members from the MEC and the Board shall be convened. Board members shall be selected by the chair of the Board. Through the collaboration of the Board Chair and the Medical Staff President, a timetable will be established for resolution.

ARTICLE XVI: DUES AND ASSESSMENTS

The MEC has the authority to levy fees, dues and assessments for applicants and each category of staff membership and to determine the manner of expenditure of funds received. The process of establishing and collecting dues and assessments is outlined in the Dues and Assessments policy.

ARTICLE XVII: HISTORIES & PHYSICALS

A ~~complete~~ hHistory and ~~p~~physical examination (H&P) is required for all inpatient admissions and must be documented in the patient record within twenty-four (24) hours of patient admission. ~~—This can be accomplished by dictation and/or an H&P documented directly in the chart.~~

An H&P that was completed within thirty (30) days prior to the current admission may be used to meet this criteria provided it is available in the record and an update documenting any changes, or lack of changes, in the patient's condition is completed within twenty-four (24) hours of inpatient admission.

The H&P will include: A ~~c~~Chief ~~c~~Complaint, ~~h~~History of ~~p~~Present ~~i~~Illness, a relevant ~~R~~review of ~~s~~Systems, relevant physical findings~~Physical Exam~~, relevant diagnostic studies, relevant past medical history (including allergies and current medications), clinical diagnosis, and an ~~and a~~Assessment & ~~p~~Plan. A ~~n~~Neurological ~~e~~Examination will be completed and may be focused or expanded based on ~~based on~~ need and presentation. Neurological ~~e~~Examination documentation will identify ~~the s~~will include method of assessment for each of the cranial nerves evaluated documented within the Electronic Medical Record.

~~The H&P may be accomplished within twenty-four (24) hours after inpatient admission.~~

~~For an H&P that was completed within thirty (30) days prior to inpatient admission, an update documenting any changes in the patient's condition is completed within twenty-four (24) hours of inpatient admission.~~

All Practitioners with clinical privileges may perform H&Ps; however, Physician Assistants must have their documentations ~~s~~ co-signed by a Medical Staff member within 30 days of patient discharge.

Any patient refusal of an H&P, or one of its components, will be documented in the chart and will include an abbreviated H&P populated with available information obtained from collateral, medical history and observation. All components of the H&P listed above shall be addressed with available information or an explanation as to why a component was not able to be completed (e.g., the patient refused neuro examination at the time of encounter). There will be an attempt to complete the refused portions the H&P each day thereafter, with documented evidence, until the H&P is complete, or the patient is discharged, whichever comes first.

ARTICLE XVIII: BYLAWS AMENDMENTS / REVISIONS AND ADOPTION

18.1 MEDICAL STAFF RESPONSIBILITY

The Medical Staff shall have the initial responsibility to formulate, adopt and recommend to the Board of Directors Medical Staff Bylaws and amendments thereto which shall be effective when approved by the Board of Directors. Such responsibility shall be exercised in good faith and in a reasonable, timely and responsible manner, reflecting the interests of providing patient care of the generally recognized professional level of quality and efficiency and of maintaining harmony of purpose and effort with the Board of Directors and with the community.

18.2 METHODOLOGY

The Medical Staff Bylaws may be adopted by the following combined action:

18.2-1 Upon recommendation of the MEC, the Medical Staff Bylaws may be amended and/or revised in the following manner:

- (a) Proposed amendments shall be distributed by hand delivery, mail, fax, or other forms of electronic communication to members of the Active Staff. In the event of a vote outside of a Medical Staff Meeting, a ballot shall be enclosed with the proposed amendments that shall be returned to the designee of the President of the Medical Staff. A voting period of fourteen (14) calendar days from the date of distribution shall be established for return of ballots. In order for proposed amendments to be adopted, a simple majority of ballots returned from eligible voters approving adoption of the amendments must be attained; **or**
- (b) Proposed amendments shall be distributed by hand delivery, mail, fax, or other forms of electronic communication to members of the Active Staff at least fourteen (14) days in advance of a Medical Staff meeting with notice that a vote will occur at the meeting. In order for proposed amendments to be adopted, a simple majority of those present and eligible to vote approving adoption of the amendments must be attained.

18.2-2 Amendments adopted by the Medical Staff pursuant to 18.2-1 above will be effective only after approval by the Board of Directors. The Medical Staff Bylaws may be adopted, and revisions accepted by the Board of Directors via an affirmative vote of the majority of the Board. Neither the Board nor Medical Staff may unilaterally modify the Medical Staff Bylaws. Provided, however, that in the event the Medical Staff shall fail to exercise its responsibility and authority as required, and after notice from the Board of Directors to such effect, including a Joint Conference Committee as stipulated in these

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Bylaws, Section 9, the Board may use its legal initiative in formulating or amending Medical Staff Bylaws. In such event, Medical Staff recommendations and views shall be carefully considered by the Board during its deliberations and in its actions which shall be pursuant to this Section.

These Bylaws are adopted by the NCHC Board of Directors on the date set forth below:

REVISED: February 25, 2021

Adopted by the Medical Staff on February 18, 2021:

President, Medical Staff

Ratified by the NCHC Board of Directors on February 25, 2021:

Chairman, NCHC Board

Chief Executive Officer, NCHC

RULES AND REGULATIONS
NORTH CENTRAL HEALTH CARE MEDICAL STAFF
Wausau, Wisconsin

I. ADMISSION OF PATIENTS TO THE HOSPITAL

Patients shall be admitted to the hospital only on the recommendation of a Physician, licensed by the State and privileged by the facility to admit patients except where required by Wisconsin Statutes (involuntary detentions and commitments).

II. PRACTITIONER RESPONSIBILITY

1. Every patient shall be under the care of a Practitioner. Practitioners shall provide for an intensive treatment program.
2. A Physician shall be on duty or on call at all times.
3. If no physician is physically present, the "on call" physician will be contacted to provide/direct emergency care. Names and telephone numbers of physicians/medical service personnel available for emergency calls shall be posted at each nursing station.

For those Physicians who are part of a group practice in which not all members of the practice have privileges at NCHC, and all members of the practice rotate on call, the Attending Physician will provide to NCHC the list of Physicians who will be on call. Orders received from such Physicians will be accepted as if from the Attending Physician.

4. Ensure individuals arriving at the facility for examination/treatment of Psychiatric/AODA conditions are appropriately screened to determine whether an emergency medical condition exists. An emergency medical condition exists when a psychiatric and/or AODA condition manifests itself by acute symptoms of sufficient severity such that the absence of immediate attention could reasonably be expected to result in:

- (a) Placing the health of the individual (or, with respect to a pregnant woman, the health of the woman or her unborn child) in serious jeopardy;
- (b) Serious impairment to any bodily functions; and/or
- (c) Serious dysfunction of any bodily organ or part.

Screening may be delegated to appropriately designated and qualified staff. For individuals with psychiatric conditions the medical records will document an assessment of suicide attempt or risk, and disorientation or assaultive behavior that indicates a danger to self or

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others. For individuals with alcohol related conditions the medical records will indicate an assessment of recent substance usage (including Breathalyzer test as indicated), incapacitation, risk for withdrawal and dangerousness to self and/or others. Should an emergency medical condition be present the Physician (on site/on call) will be contacted to determine disposition, including, but not limited to examination/treatment by on site/on call Physician, transfer to Acute Care Hospital, or admission to NCHC Hospital unit.

- a. All individuals coming to the NCHC and found to have an emergency medical condition will be either provided:
 - 1) Stabilizing treatment within the capability of NCHC. Under the direction of the Physician, this treatment will be provided by members of the interdisciplinary treatment team (Medical, Nursing, Social, Dietary, and Rehab Services); or
 - 2) Transfer per Physician order to another medical facility to meet the needs of the individual. Transfer will occur either with informed consent of the individual or certification written by Physician. Certification shall state medical benefits of transfer outweigh the risks to individual.
5. In the event the Physician has reason to believe NCHC has received an individual who has been transferred in an unstable emergency medical condition from another hospital in violation of EMTALA (Emergency Medical Treatment and Labor Act) regulations, he/she will discuss with Administration appropriate action to be taken.
6. In compliance with Wisconsin Statutes, NCHC will not refuse emergency treatment to any sick or injured person. Practitioners are expected to comply with this requirement.

Wisconsin law prohibits hospitals to delay emergency treatment to a sick or injured person until credit checks, financial information forms, or promissory notes have been initiated, completed, or signed if, in the opinion of one of the following, who is an employee, agent, or staff member of NCHC, the delay is likely to cause increased medical complication, permanent disability, or death:

- (a) A Physician, Advanced Practice Practitioner, Registered Nurse, or Emergency Medical Technician-Paramedic.
- (b) A Licensed Practical Nurse under the specific direction of a Practitioner or Registered Nurse.

Further, the Omnibus Budget Reconciliation Act of Amendments of 1989 specifies that hospitals may not delay a medical screening

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examination or stabilizing treatment in order to inquire about the individual's method of payment or insurance status.

III. PRACTITIONER ORDERS

1. Any Practitioner desiring to establish routine nursing directives for his/her patient may do so.
2. Orders written by the Practitioner on the patient's chart must be time, dated, and authenticated. Telephone or verbal orders from a Physician may be obtained only by a Registered Nurse, Licensed Practical Nurse, Certified Physician Assistant, or another Practitioner.
3. All verbal and telephone orders must be authenticated, dated, and timed by the ordering provider, within 24 hours as outlined by state and federal regulations. Verbal orders should be limited to those situations in which it is impossible or impractical to write the order (i.e., an emergency) and are not to be used for the convenience of the ordering Practitioner. The Chief Medical Officer, Clinical Director and/or Medical Director and/or attending/consulting Physician may co-sign orders for other Physicians. For rehabilitation specific orders the appropriate therapist is authorized to contact the Physician and obtain an order to treat for the plan of care.
4. The Practitioner is responsible for obtaining informed consent(s) for psychotropic medication(s) prescribed.
5. Orders for medications, X-rays and laboratory tests must include the concise reason.
6. Orders for Restraint and/or Seclusion may be used for emergency situations only when it is likely that the patient may physically harm himself/herself or others, and other alternative modes of treatment are ineffective.

n

(a) Restraints include:

- i. Any manual or physical or mechanical device (e.g., belts, restraint jackets, cuffs, ties), material or equipment that immobilizes or reduces the ability of a patient to move his or her arms, legs, body or head freely; or

Restraints do not include orthopedically prescribed methods that involve the physical holding of a patient for the purpose of conducting routine physical examinations or tests. Staff cannot use side rails to prevent a patient from getting out of bed as this constitutes a restraint, or wheelchair belts that a patient cannot remove.

- ii. Chemical restraints are a drug or medication used to

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manage the patient's behavior or restrict a patient's freedom of movement and which are not a standard treatment for the patient's medical or psychiatric condition. Standard treatment would include any of the following: medication use that is within the parameters set by the FDA, manufacturers specified use or evidence-based practice, medication use that follows national practice standards, medication used to treat a specific condition based on the patient's symptoms, and medication use that would support the patient's stability, improvement in function, or improvement in quality of life. PRN medications that are standard treatment for a specific psychiatric illness may be used on a short-term basis. Their use must be accompanied by documentation in the care plan/treatment plan, specifying the rationale and the target behaviors to be addressed.

iii. Seclusion refers to the involuntary confinement of a patient alone in a room or area from which the patient is physically prevented from leaving. Seclusion may be used only for the management of violent or self-destructive behavior that jeopardizes the immediate physical safety of the patient, a staff member or others. Seclusion does not include being in a locked unit with others.

iv. All orders for physical restraint and/or seclusion must include reason and duration during which restraint and/or seclusion may be used. Orders are to be time limited: 4 hours for adults, 2 hours for adolescents (9-17 years of age) and 1 hour for children (under age 9). An order may be renewed to continue physical restraints and/or seclusion beyond the 4/2/1 hour thresholds; Emergency restraint and/or seclusion may not continue for more than 24 hours without an evaluation by the Attending Physician and new written order.

v. The Chief Medical Officer authorizes attending and on-call Physicians to initiate usage of either physical restraint and/or seclusion. The Chief Medical Officer further authorizes specially trained personnel to conduct the one-hour review following initiation of restraint or seclusion.

vi. Advanced Practice Practitioners and Registered Nurses are authorized by the Chief Medical Officer to initiate physical restraint and/or seclusion in emergency situations. The Advanced Practice Practitioner or RN must then notify the Physician on call to obtain an order. The RN or Advance Practice Nurse Practitioner will see the patient and evaluate the need for restraint and/or seclusion every hour after initiation of this intervention.

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Patients with a recent history of physical aggression may be restrained during transport to or from the facility.

7. Lab work/X-ray/EKG.
8. Infection Control: TB Triage
9. Education/Distribution of Advanced Directive material in accordance with Federal Self Determination Act.
10. Medical history and exam must be ordered within thirty (30) days prior to admission or within 24 hours of admission. Neurological exam, including cranial nerves, must be addressed in exam.
11. All medications, including scheduled II drugs, antibiotics, anticoagulants, unless otherwise specified by the Practitioner, are valid with a maximum duration of 90 days. Prior to stopping these medications, Practitioner consultation is required.

IV. MEDICAL RECORDS

1. The attending Practitioner is responsible for a complete legible medical record for each patient. Its contents shall be pertinent and current. This record shall include identification data, legal status, personal history, family history, social history, history of present illness, physical examination, treatment plan, special reports such as consultation, clinical laboratory, x-ray and others, provisional diagnosis, final diagnosis, condition on discharge, discharge summary, follow-up, complaints, death certificate and autopsy report when available.

Discharge summaries are to be completed and authenticated within seven (7) days of discharge. These shall include the final diagnosis, reason for hospitalization, significant findings, condition of the patient on discharge and any special instructions provided.

The Medical Staff has delegated the responsibilities for completion of a Social Assessment Section of the Discharge Summary, to the Social Workers, and Intake Coordinator, and Substance Abuse Counselor.

2. Practitioner documentation shall include review/initialing of all lab/x-ray reports. This may be delegated to a Physician Assistant.

Psychiatric evaluation is required within 24 hours of admission. For readmission within 30 days, for same or related condition, an updated psychiatric evaluation may be completed. This evaluation addresses the patient's current status and/or any changes in the patient's status, within seven (7) days prior to, or within twenty-four (24) hours after admission.

A psychiatric evaluation is required within 24 hours of admission. For AODA admissions the psychiatric evaluation and physical examination will be the responsibility of the internist who may request consultation from a psychiatric practitioner on their exam.

A physical exam is required for all patients within 24 hours of admission. For readmissions with 30 days, for same or related condition, an updated medical assessment may be completed.

A daily progress note must be written by the Attending Physician. An order is required from the Practitioner for a medical consult.

3. No medical record shall be filed until it is complete, except on order of the Medical Executive Committee.
4. Records shall not be taken out of the facility except as required or allowed by law or permitted by NCHC policy. Copies may be secured only by written authorization of the patient or defined by law.
5. In case of readmission of the patient, all previous records shall be available for the use of the Attending Physician. This shall apply whether the patient is attended by the same Physician or by another.
6. Any activity documented by a Medical Student, Resident Physician or Physician Assistant that requires co-signing will be co-signed by a Physician.
7. All clinical entries in the patient's medical record shall be accurately dated, timed, and authenticated with the name and title of the person making the entry. A signature stamp may not be used.
8. Symbols and abbreviations may be used only when they have been approved by the Medical Executive Committee. Abbreviations that are considered dangerous/unapproved abbreviations shall not be used at any time.
9. Final diagnosis shall be recorded in full in each patient record without the use of symbols or abbreviations.
10. If a medical record is not complete within thirty (30) days of discharge, the record will be permanently recorded as delinquent.

V. TRANSFERS

1. Transfers to a general hospital shall be made when services and treatment not offered at NCHC are indicated, e.g., surgery, transfusion, maternity, pathology, autopsy, etc.
2. Transfers shall be made in accordance with the transfer agreement in force with NCHC and general hospital or as emergency circumstances dictate.

VI. CONSULTATION


1. Except in an emergency, consultation with another qualified Practitioner may be held on cases in which, in the judgment of the attending Practitioner:
 - a. The diagnosis is unclear.
 - b. There is doubt as to the best therapeutic measures to be utilized.
2. The patient's Attending Physician shall be responsible for the determination that consultations are indicated.
3. Satisfactory consultation shall include examination of the patient and the record. A written opinion signed by the consultant shall be included in the medical record. The Attending Physician will subsequently review the consultation and incorporate the recommendation as appropriate in the patient's treatment plan.

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VII. MISCELLANEOUS

1. Patients with known or suspected contagious diseases or conditions will be handled in accordance with established medical and administrative procedures, including standard precautions.
2. Nursing staff shall contact the Coroner in all cases of death for determination whether an autopsy is indicated.
3. NCHC respects and follows Statutory Advance Directives prepared by patients served. In the event the Practitioner determines he/she cannot honor the Statutory Advance Directive, he/she will remove himself/herself from the case and collaborate in transitioning care to another Practitioner.
4. Power of Attorney for Healthcare will be activated upon a collaborative determination by the healthcare team, including the Practitioner, unit staff and family/significant others. Documentation of such action will include the reason for the activation supported by a clinical mental status exam.

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Policy Title: Employee Compensation Policy	 North Central Health Care Person centered. Outcome focused.
Policy #: 205-1100	Program: Human Resources 205
Date Issued: 12/14/2017 <u>10/01/2021</u>	Policy Contact: HR Director

Related Forms

Fair Labor Standards Act; Wis. Stats. 272.12 Interpretation of Hours Worked

1. Purpose

This policy is applicable to all ~~direct care providers and staff working at~~ employees of NCHC, ~~including students, interns~~ and contracted staff. The standards of this policy are to be complied with by staff while they are employed in any NCHC facility during regularly scheduled work times unless another agreement such as a contract supersedes this policy.

North Central Health Care's Employee Compensation Policy ensures that pay is established and administered according to competitive, equitable, effective and compliant principles.

2. Definitions

Exempt:

An employee, based on duties performed and manner of compensation is exempt from the Fair Labor Standards Act (FLSA) minimum wage and overtime provisions. Exempt employees are paid on a salary basis and must work full-time.

Non-Exempt:

All other employees who are subject to FLSA minimum wage and overtime provisions or work part-time are paid on an hourly basis.

Full-Time Equivalent:

A full 1.0 FTE is equal to 2,080 hours worked in a year.

Regular Full-time:

An employee who works a regular schedule and is expected to normally work at least thirty hours (0.75 FTE) up to forty hours (1.0 FTE) per work week.

Policy Title: Employee Compensation Policy

Author(s): ~~Senior Leadership~~ Jarret Nickel **Next Review Date:** ~~06/25/2020~~ 06/01/2022

Owner: HR Director

Approver: NCCSP Board

Regular Part-time:

An employee who works a regular schedule and is expected to normally work at least twenty hours (0.50 FTE) but not more than thirty hours (0.75 FTE) per work week.

Limited Part-time:

An employee who works a regular schedule and is expected to normally work up to twenty hours per week (Less than 0.50 FTE).

Occasional:

An employee who works irregular hours on an as-needed basis not to exceed 1,000 hours worked in any 12-month period with a minimum of one shift in a 60 day period.

Seasonal:

An employee who is either a student that will be limited to work hours during their off-school periods and/or weekends or individuals who only work specific periods in the course of a year.

Professional Staff:

Occupations which require specialized and theoretical knowledge which is usually acquired through college training or through work experience, licensure and other training which provides comparable knowledge.

Paraprofessional Staff:

Occupations in which workers perform some of the duties of a professional in a supportive role, which usually require less formal training and/or experience normally required for professional status.

3. Policy

General Procedure

Employee compensation is objectively administered and non-discriminatory in theory, application, and practice.

Time Keeping

Accurately recording hours worked is the responsibility of every employee. Hours worked is all time spent performing assigned duties and does not include paid leave. All non-exempt employees must accurately record time worked on a time card for payroll purposes and are required to record their own time at the beginning and end of each work period, and the start and end of any unpaid break. No work shall be performed by employees prior to their clocking in at the start of their work day, during lunch, other unpaid breaks, or after clocking out at the end of the day. No one at NCHC has the authority to ask, encourage, or insinuate that an employee perform work off the clock. Altering, falsifying, tampering with time records, or recording time on another employee's time record may result in disciplinary action, up to and including termination of employment.

Payroll

Employees of NCHC are paid on a bi-weekly basis by direct deposit on alternating Fridays. In the event that a regularly scheduled payday falls on a bank holiday, employees will be paid the day prior to the bank holiday. Each workweek begins on Sunday at 12:00 am (midnight) and ends the following Saturday at 11:59 pm. Each paycheck will include earnings for all hours through the end of the previous payroll period.

Payroll Deductions

North Central Health Care reserves the right to make deductions and/or withhold compensation from an employee's paycheck as long as such action complies with applicable state and federal law. In addition, it may be possible for you to authorize NCHC to make additional deductions from your paycheck for extra income taxes, contributions to retirement savings programs or insurance benefits (if eligible). These deductions will be itemized on your payroll statement. The amount of the deductions may depend on your earnings and the information you furnish on your W-4 form regarding the number of dependents/exemptions you claim. Any change in name, address, telephone number, marital status or number of exemptions must be reported to Human Resources immediately to ensure proper credit for tax purposes. The W-2 form you receive each year indicates precisely how much of your earnings were deducted for these purposes. Any other mandatory deductions to be made from your paycheck, such as court-ordered garnishments, will be explained whenever NCHC is ordered to make such deductions.

Every effort is made to avoid errors in an employee's paycheck. If you believe an error has been made or you have a question about your pay, notify your supervisor immediately. North Central Health Care will take the necessary steps to research the problem and to assure that any necessary correction is made properly and promptly.

Breaks

Employees scheduled to work more than four hours may take reasonable time to rest, however, breaks are not guaranteed. Breaks must be approved by an employee's immediate supervisor. ~~Non-exempt~~ ~~E~~employees who leave NCHC property must punch out for a minimum of 30 minutes. Breaks, including lunch periods, exceeding thirty (30) minutes are unpaid unless specifically authorized by management.

Lunch breaks, which are unpaid, are thirty (30) minutes after six (6) hours worked and an additional thirty (30) minutes after twelve (12) hours worked. Prior approval must be given by an employee's supervisor to exceed a thirty (30) minute unpaid lunch period or to work through lunch. Employees under age 18 may not work more than six (6) hours without a duty free thirty (30) minute break.

Base Pay

Base compensation is an employee's hourly rate without any differential, overtime, or additional pay factored in. Base compensation is designed to provide competitive and fair compensation to employees for fulfilling the full scope of responsibilities and accountabilities as outlined in the job description. Base compensation salary ranges and market rates for each position are established by researching industry and local salary survey data on an annual basis. Base compensation levels within the established range for the position are determined on the basis of an employee's ability to execute the responsibilities of the position.

Policy Title: Employee Compensation Policy

Author(s): ~~Senior Leadership~~ Jarret Nickel **Next Review Date:** ~~06/25/2020~~ 06/01/2022

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Merit Pay

North Central Health Care may award annual pay increases in the form of merit increases. Merit pay is used to reward successful performance and is based on the amount of funding available, the relative position of an individual's current pay to the market rate, and annual performance evaluation factors. Annual merit increases are considered in February as a part of the budget process of each year. communication for any merit adjustments will be shared with employees as appropriate. with any merit adjustment applied in March.

Step- Scale Review & Adjustment

North Central Health Care has identified several positions as step-scale positions. These positions have an identified scale with step increases based on years of experience in the role or licensing. Review for step-scale increase will occur at least annually. Years of experience will be based on the first day of the pay period in the month noted for annual review. An example of this would be if the review occurred in January and an employee was at 1 year 11 months experience as of the first date of the pay period they would not move to the next step until the following review period.

Overtime

North Central Health Care will comply with the provisions of the Fair Labor Standard Act and provide for systematic review of exemption status for all employees. All exempt positions will have a documented analysis establishing the basis for the exemption designation of the position. Overtime shall be compensated for non-exempt employees at one and one half (1 ½) times the employee's hourly rate of pay. Overtime is defined as any hours worked in excess of 40 hours per week.

Overtime work is to be held to a minimum consistent with the needs of the program. Prior approval by management must be obtained for all overtime hours worked. It is the responsibility of each department to explore all possible alternatives before a decision is made to require employees to work on an overtime basis. Further, it is the responsibility of each department to ensure that the provisions of overtime pay are administered in the best interest of NCHC services. Each department should develop internal controls that provide a means of reviewing and evaluating the use of overtime.

Shift Differential

North Central Health Care pays shift differentials to non-exempt staff for hours worked on:

- Evenings (Monday – Sunday, 2 p.m. until 10 p.m.);
- Nights (Monday – Sunday, 10 p.m. until 6 a.m.)

Employees working in programs with established shifts (i.e., Mount View Care Center, Pine Crest Nursing Home, Residential Services, Inpatient Hospital^s, Food Services, etc.) are eligible and will be paid shift differentials for any time worked in the shift. All other employees are not eligible for shift differential.

Paraprofessional non-exempt employees will be paid shift differential of \$1.00 per hour for PM shifts, \$1.00 per hour for night shifts. Professional non-exempt employees will be paid shift differential of \$1.50 per hour for PM shifts, \$2.50 per hour for night shifts.

On-Call Pay

On-call pay is for an employee who ~~must~~is scheduled and required to remain available to be called back to work on short notice if the need arises. Employees required to be in official on-call status will be paid \$2.50 per hour served on-call. Employees are not eligible to receive payment for both hours worked and on-call pay for the same hours. If an employee reports to work during on-call status, on-call pay ends when the employee reports to work. If an employee must remain on NCHC property or so near that time cannot be used freely, it is not considered on-call time but is to be recorded as work time. Note: If you are called in you will be paid the greater of two hours of work or actual time worked.

Pick Up Pay

North Central Health Care (NCHC) programs with established shifts have an identified need to incentivize staff to pick up shifts in order to provide cares or meet the needs of the patients served.

- 1.) Pick Up Pay amounts which are outlined below can only be received by eligible programs and employees within 3 weeks or 21 calendar days of the shift being worked, any shifts picked up prior to 3 weeks or 21 calendar days will not be eligible for Pick Up Pay.

Amounts of Pick Up Pay:

Hours Picked Up:

3 to 6.75 Hours

7 to 11.75 Hours

12 to 16 Hours

Pick Up Pay Received:

1 Hour at Employee's Base Rate of Pay

2 Hours at Employee's Base Rate of Pay

3 Hours at Employee's Base Rate of Pay

Ineligibility for Pick Up Pay:

- 1.) Programs without established shifts including but not limited to Human Resources, HIM, Business Operations, Patient Financial Services, Outpatient, Community Treatment, Transportation and Aquatics.
- 2.) Employees who are below a 0.5 FTE in ~~UltiPro~~UKG do not qualify for Pick Up Pay
- 3.) Only shifts beyond an employee's FTE status are eligible for Pick Up Pay within the pay period; scheduled PLT is counted towards FTE status for the pay period in which the PLT is taken.
- 4.) Employees who are in an "on-call shift" status

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- 5.) Scheduling up shifts or assigned shifts are not eligible for Pick Up Pay
- 6.) Flex hours or shifts are not eligible for Pick Up Pay
- 7.) Fill in/Swap hours or shifts are not eligible for Pick Up Pay
- 8.) Employees on approved PLT that pick up their own scheduled shift are not eligible for Pick Up Pay

Temporary Appointment Pay

Employees temporarily appointed to positions of a higher classification may be eligible for a pay increase during the temporary appointment period. The supervisor in coordination with Human Resources will review temporary appointment pay rates annually based on approved compensation administration guidelines. ~~If the temporary appointment has a difference of one salary range, the pay differential will generally be two-thirds the difference of the old and new market midpoints. If a difference of two or more pay ranges occurs, the pay differential will generally be one-half the difference between the old and new market midpoints.~~

Holiday Pay

Regular full-time and part-time employees receive the following paid holidays:

New Year's Day	_____	Thanksgiving Day
Memorial Day	_____	Christmas Eve Day
Independence Day		Christmas Day
Labor Day		New Year's Eve Day

For holiday pay purposes, employees subject to seven (7) day a week scheduling are paid on the actual holiday. For employees working a Monday – Friday schedule, when any of these holidays fall on a Saturday or Sunday, the preceding Friday or following Monday are considered the holiday for scheduling purposes. Holiday pay is paid based on an employee's status. Regular full-time employees will be paid eight (8) hours for each holiday; regular part-time employees will be paid six (6) hours).

Holiday Premium

Any non-exempt employee who works during any paid holiday will be paid at the overtime rate for all hours worked on the actual holiday (12:00 a.m. until 11:59 p.m.) in addition to any holiday pay received. Hours worked on a holiday that may be eligible for overtime are not eligible for holiday premium.

An employee, who fails to work a scheduled holiday, including the scheduled day immediately prior to or following the paid holiday, will forfeit any holiday pay and holiday premium, unless that employee is off of work due to a Worker's Compensation incident or approved Family Medical Leave.

Funeral Pay

Policy Title: Employee Compensation Policy

Author(s): ~~Senior Leadership~~ Jarret Nickel **Next Review Date:** ~~06/25/2020~~ 06/01/2022

Owner: HR Director

Approver: NCCSP Board

Funeral pay recognizes that employees need time to make arrangements, handle family matters and attend funerals when a death occurs with an immediate member of their family without suffering short-term financial burdens from loss of income. Therefore, in the event of a death in the immediate family of an employee, full-time and regular part-time employees (0.5 FTE and greater) will upon request to their supervisor, be granted up to three (3) days of paid funeral leave. Exceptions for additional days in extraordinary situations may be approved at the sole discretion of the Operations Executive. Funeral leave must be used within ~~fourteen (14) days~~ a reasonable time of the death with employees solely being eligible to be paid for those days that are scheduled workdays.

Immediate family includes an employee's spouse, child, father, mother, brother, sister, grandparent, grandchild, or counterpart step relatives, in-laws or any person who had resided with the employee immediately preceding the person's death.

If an employee wants to attend a funeral of a person not meeting the requirements of funeral pay, they may, upon supervisor approval, request PLT or make arrangements to trade shifts.

Jury Duty

Employees must report to NCHC when they are notified for jury duty. Upon receipt of appropriate documentation, employees who serve on a jury or are subpoenaed to appear as a witness before a court or administrative tribunal shall be paid their regular earnings for hours served during regular scheduled hours. However, employees will be required to submit payments received for jury duty including mileage reimbursement to NCHC to offset this benefit. When released from jury or witness duties employees shall immediately return to their job and complete the scheduled work day. Employees shall not be entitled to overtime or shift differential under this provision.

4. References

Fair Labor Standards Act; Wis. Stats. 272.12 Interpretation of Hours Worked

Related Policies, Procedures and Documents

- *Compensation Administration Manual*

Policy Title: Employee Compensation Policy

Author(s): ~~Senior Leadership~~ Jarret Nickel **Next Review Date:** ~~06/25/2020~~ 06/01/2022

Owner: HR Director

Approver: NCCSP Board



North Central Health Care
Person centered. Outcome focused.

COMPENSATION ADMINISTRATION MANUAL

Effective
~~August 1~~October 1, 2020~~2021~~

NORTH CENTRAL HEALTH CARE
Compensation Administration Manual

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PHILOSOPHY

The purpose of the North Central Health Care (NCHC) Compensation Program is to ensure that pay is established and administered according to competitive, equitable, and effective principles. Established policies and procedures provide manager/supervisors with guidelines for the day-to-day administration of compensation for North Central Health Care employees.

The principles of our compensation philosophy are as follows:

- Our pay programs will be competitive with the external labor markets in which we compete for employees, while maintaining internal equity across jobs and for our employees within those jobs.
- We strive to offer a strong 'total rewards' package made up of competitive base pay relative to market, insurance benefits (health, dental, life, disability), a very good retirement savings plan, and a respectful, modern, and open work environment.
- We target the market percentile which is being utilized by competitors for base pay in the markets in which we need to attract and retain employees.
- ~~For non-step scale positions, individual performance~~ individual performance has an impact on individual pay in relation to the market midpoint; ~~however~~ ~~however~~ is not the only factor.
- Management strives to make fiscally responsible decisions in the long-term best interests of NCHC, and recognizes that employees may differ in their opinions on exactly how this is accomplished.
- We establish and maintain equitable compensation administration guidelines and set financially responsible compensation budgets annually, and expect our manager/supervisors to manage these accordingly.
- North Central Health Care will not make compensation decisions based upon race, color, gender, religion, creed, age, disability, national origin, lifestyle, or any other basis prohibited by state or federal law.

The effective administration of compensation at NCHC is a shared responsibility. Employees have the responsibility to understand our compensation policies and generally how the administrative guidelines work. It is the responsibility of the manager/supervisors of NCHC to believe in and ensure the consistent application of the compensation philosophy in all of their compensation decisions, while responsibly observing their annual salary budget, which is established by senior management and approved by the Board of Directors. Our manager/supervisors are responsible for accurately evaluating performance and recognizing performance differentiations with appropriate pay decisions. It is the Compensation Committee's responsibility to administer the Organization's compensation policies and procedures consistently and impartially, and to ensure that equal employment opportunity principles are followed for each employee at NCHC, or candidate for employment, regarding compensation.

The compensation philosophy and related administration guidelines outlined in this manual are regularly reviewed and evaluated by ~~the Executive Management Team who serves as~~ the Compensation Committee. Modifications will be made as necessary and communicated appropriately to all employees of NCHC.

Questions concerning the policies and procedures contained in this program should be referred to the Human Resources Department.

JOB DOCUMENTATION

Definition

Job documentation refers to the collection and maintenance of job content information. Formal job descriptions are used to describe duties and responsibilities required for each job at the Organization.

The description focuses on the job, not the person assigned to the job. Evaluation of the individual's performance is a separate issue covered under our Performance Evaluation process.

Job descriptions reflect the organization level, as well as the type and scope of the work required.

Purpose

A job description is used to describe every job. It is intended to document the minimum requirements to be fully functional in the job, as it exists at the present time.

Written job descriptions are used as the basis for assigning jobs to a job grade and pay range. Accurate and complete job descriptions must be prepared and maintained. The importance of job descriptions is stressed to all manager/supervisors and employees at NCHC.

Salary adjustments for current employees or hiring rates for new employees are authorized only with a current job description.

As a job changes, the job description will be updated to reflect such changes.

Responsibilities

Current job documentation for all jobs reporting to a manager/supervisor (direct and indirect) is the responsibility of that manager/supervisor. Usually in conjunction with the performance evaluation process (or other annual time determined by the manager/supervisor), individual job descriptions are reviewed with the person/employees in the job and updated. Revisions are forwarded promptly to the Human Resource Department. The Human Resources Department is responsible for ensuring the consistency and accuracy of the information, and to keep formal copies and background information on file for all jobs.

A copy of each job's description is available to employees through their manager/supervisor or the Human Resource Department.

Job descriptions are kept current and up-to-date through periodic reviews by manager/supervisor and employees in the job.

- **New jobs** – To hire for a new job, a job description will need to be developed in partnership with Human Resources along with an assignment of job and salary grade. Once the job description is complete it will need to be submitted with a position review form must be completed by the which is the responsibility of the requesting manager/supervisor listing the minimum requirements and responsibilities for the job. A job description will then be developed in coordination with the Human Resource Department, who will then assign a salary range for the job. If necessary, the Executive Operations Team Compensation Committee may be involved.
- **Revised jobs** – As a job changes, a revised job description may be needed. Job descriptions will be reviewed on at least an annual basis, usually in conjunction with the performance evaluation process. If changes are minor, the manager/supervisor notes the changes on the current job description and forwards it to the Human Resources Department who will make the changes to the controlled job description.

If there are major changes in the duties and responsibilities of a job, a new position review form must be completed. The position review form must be forwarded to the Human Resources Department, who will assist in developing a new job description and determine the appropriate job group and pay range. If there is a question on how the new position will be evaluated internally, the Human Resources Director will recommend and- confer with the Compensation Committee to determine if the new job should be placed in a different job group and salary range. The manager/supervisor will be notified regarding the new job description and salary range change, if any, and will in turn inform the affected person/employees.

- **Vacant jobs** – If a job becomes vacant, a review of the current job description shall be completed by the manager/supervisor and the Human Resources Department to determine if there should be any changes prior to an individual being hired to fill the position. Revisions should be made before any action is taken to fill the position.

JOB PRICING AND SALARY RANGE STRUCTURE

Definition

Job pricing is the process of comparing compensation for our jobs at NCHC to that of the external market. Job groups are determined through a process of evaluating jobs based upon internal and external conditions and grouping similarly valued jobs together. The market value/demand for jobs within a job group is a primary (though not exclusive) factor when determining the pay ranges in the salary structure.

The salary range structure consists of a series of overlapping salary ranges two major classifications, step scale and non-step scale. For positions within NCHC's step scale an employee will be hired at the appropriate step based on years of experience when beginning employment. Employees in step scale positions will be reviewed the first pay period in January and July for eligibility to move to the next step. For employees in non-step scale positions hourly/salary ranges have been identified based on the market rate with a minimum on 90% and a maximum of 110%. Each salary range has a minimum and market midpoint salary amount. These All ranges step scale and non-step scale are normally adjusted annually.

Purpose

North Central Health Care is committed to providing a salary range structure that is responsive to the external market and is internally equitable. Data will be collected from a variety of reputable sources and analyzed on a regular basis to determine market movement of jobs and current salary trends.

Responsibilities

The Human Resources Director is responsible for gathering, analyzing, and recommending changes to the salary range structure based on market data and salary trend information. This information will then be presented to the Compensation Committee for their input, then to the CEO for incorporation into the annual operating budget as approved by the Board of Directors.

Process

On an annual basis, the Human Resources Director gathers information regarding trends in general pay movement (i.e., estimates of salary adjustments in our recruiting areas, anticipated annual adjustments, local market conditions, etc.). The Human Resources Director discusses the results with the Compensation Committee, who then makes a recommendation to the CEO for changes to the salary range structure consistent with the overall operating budget for the year.

For non-step scale positions, the Human Resources Director ~~also~~ conducts a salary range analysis on an annual basis. A salary range analysis identifies where each person falls relative to his or her current salary range. For step scale positions a review of the scale is completed on an annual basis to identify if market rates have changed. Any outstanding issues are reported to the Compensation Committee for recommendations and action planning. The Human Resources Director communicates these decisions to the appropriate manager/supervisor for consideration when conducting annual salary planning.

A full review of market data for NCHC's jobs will be conducted at least once every two-three years. The Compensation Committee reviews market data and develops a comparison to current market and actual salaries. If warranted, changes in salary range structure will be recommended to the CEO.

Salary Range Structure Step Scale

The Salary Range Structure for step scale positions consists of a series of overlapping salary ranges steps based on years of experience or licensure. Each salary range is identified through a minimum and market midpoint salary amount. Positions have a set number of steps depending on position complexity and each employee is reviewed at least annually for appropriate position within step scale.

- **Minimum** — Normally the lowest amount NCHC will pay an individual for a job assigned to the salary range. Step 1- First step in all step scale positions, this is the lowest wage an employee would be hired at if all qualifications are met for the position.
- **Minimum to market area** Steps 2-10 (Max could be less) - Intended for employees who: A progressive scale that an employee moves through or is hired into based on years' experience at date of hire or time of review. An example would be an employee at 1 year 11 months experience the first pay period in January would not be eligible to move to the next step until the next review in July.
 - Are continuing to learn job responsibilities while meeting performance standards; or
 - Are fully trained but perform at a level which is less than fully satisfactory; or
- **Market area (generally 95 — 105% of range midpoint)** Top of Range — Normally represents the salary level for employees who are fully qualified and performing at a fully proficient level, over a period of time (represents approximate Market Rate). Most employee compensation at NCHC is targeted to be in this market area, as it represents equitable market value for our jobs. Individual base compensation will not exceed this amount, this is reserved for employees with tenure at NCHC and is earned through annual merit increases past max of scale.
- **Market area to 120% of market midpoint** — Intended for employees whose performance is clearly outstanding and consistently exceeds performance objectives over a period of time.
- **Greater than 120% of market midpoint** — Individual base compensation will not exceed this amount.

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Salary Range Structure Non-Step Scale

The salary range structure for non-step scale positions consists of a series of pay grades either on an hourly basis (non-exempt) or annual basis (exempt). The salary range structure has a minimum, mid, and max for each position.

- **Minimum** – This is the lowest wage a qualified candidate or employee would be hired at or move to for the position. The minimum is 90% of the mid-rate.
- **Mid** – This is the mid-point for wage and in most cases the market rate point for the pay grade and position. The mid-point is usually reserved for candidates or employees that meet preferred experience or qualifications.
- **Max** – This is the maximum amount an individual can make in the defined position and pay grade. The maximum is usually reserved for candidates exceeding preferred experience or with longevity at NCHC.

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PAY ADJUSTMENTS

Definition

Pay adjustment refers to policies and procedures that support the administration of compensation within an assigned salary range and result in the delivery of actual compensation dollars to employees of NCHC. Pay adjustments change the actual compensation dollars paid to a person within an assigned salary range. The various types of adjustments are included in this section.

Purpose

To ensure credibility and achievement of NCHC compensation objectives, an effective pay adjustment system must be developed and maintained with guidelines and procedures communicated to manager/supervisor and employees of NCHC on a timely basis. The guidelines and procedures of the compensation system are intended to ensure that our **annual budget, market value for each job, step scale, and demonstrated individual performance** are the primary (though not exclusive) considerations when recommending wage adjustments.

Responsibilities

Each manager/supervisor is responsible in partnership with the Human Resources Department for initiating pay adjustments for the employees reporting to them, and involving the Human Resources Department in the process. Pay adjustment recommendations are forwarded to their Executive, who reviews/edit/approves them. These are then forwarded to the Human Resources Department for payroll processing.

The Human Resources Department is responsible for:

- Administering appropriate pay adjustments as budgeted and within established salary ranges.
- Resolving and coordinating pay adjustment recommendations not consistent with Organization guidelines (may involve Compensation Committee if necessary).
- Preparing timely recommendations for annual pay adjustment guidelines.
- Ensuring that a formal performance evaluation precedes all annual pay adjustments.
- Monitoring the day-to-day administration of salaries and compensation decisions for consistency with the compensation program's objectives.
- Maintaining this Compensation Administration Manual and communicating all compensation program changes as authorized by the Compensation Committee.

General Guidelines

The specific process for each type of pay adjustment is detailed in the next section; however, the following are general guidelines for all types of adjustments:

- ~~ALL All non-step scale position~~ pay adjustment recommendations ~~outside of NCHC annual pay increase~~ must be submitted on ~~an appropriate wage review form~~ and submitted to the ~~Human Resources Director, according to established procedures.~~
- Pay adjustment recommendations shall not be written on performance evaluation forms.
- Pay adjustment recommendations shall take into account the internal equity of the proposed salary compared to that of other employees assigned to that same job and in the same salary range. Pay adjustments should conform to the guidelines outlined in this guidebook and ranges established each year by the Compensation Committee.
- Performance evaluations must be completed for all annual pay adjustments prior to the actual delivery of an increase on a person's paycheck. If a manager/supervisor does not complete this process timely, their own eligibility for a pay adjustment will be prospectively deferred until the first full pay period after they are completed (no retroactive pay increases).
- Employees not at work at the time of a pay adjustment (i.e. due to leave of absence, etc.), but not due to normal vacation or paid time off, will receive their pay adjustment effective the date the employee would have received if they had been working.
- Pay adjustments should be submitted at least one week prior to the pay period effective date.
- Pay adjustments of any kind shall not be communicated to a person prior to the manager/supervisor receiving approval of that action from the Human Resources Director.

New Hires

~~The hiring rate is normally the minimum of the salary range for entry-level individuals. If an individual with prior experience is hired, the hiring rate will normally be between the minimum and 95% of the market rate. is identified through the annual NCHC pay scale with employees hired based on appropriate level of experience noted in the above sections in this manual.~~ The proposed rate should not create inequities within NCHC. It is extremely important to maintain a careful balance between the needs of the Organization, market competitiveness, and the desires and expectations of the job applicant. New hires are approved by the hiring manager/supervisor's Executive, ~~especially for.~~ Additions to staff that are not included in the department's annual budget for employees need to be approved by submitting a reclassification request form by the hiring manager.

Steps in Hiring Process:

1. The hiring manager/supervisor completes a Hiring Requisition form and seeks appropriate approvals as needed. The job description is reviewed and updated as needed by the hiring manager/supervisor. The Hiring Requisition and updated job description are then forwarded to the Human Resources Department for processing.
2. If the job is not in a salary range, the hiring manager/supervisor will confer with the Human Resources Director to place it in a job grade and pay range. The Compensation Committee ~~may be will provide final approval for the new pay range, involved if needed.~~
3. Individuals are interviewed and a candidate is selected by the hiring manager/supervisor and a Human Resources Department representative.
4. ~~Proposed rates greater than 95% of the market rate are reviewed by the Human Resources Director to ensure internal equity. Any disagreements on hiring rates will be adjudicated by the hiring manager/supervisor's Executive as needed.~~ Proposed rates must be within the wage scale and follow

the step scale if appropriate. If the position is a non-step scale position the offer will need compensation committee approval if above 100%. Due to circumstances requiring a quick response if the compensation committee is unable to meet in one week from proposed offer date, the Operations Executive & CFO will approve the offer.

5. After approval of the hiring rate, Human Resources extends an offer to the candidate and proceeds with the hiring process. Offer letters shall indicate when the new person's pay will be reviewed, and when they will be placed on the annual compensation schedule.

Annual Pay Adjustments

Annual pay increases are intended to ensure that job performance which meets or exceeds expectations is recognized and rewarded, within the salary range established for each job. Generally, these adjustments are usually made mid-March in Q1 of fiscal year. Some adjustments to this date may be warranted based on date of hire, transfer, promotion, demotion, or other employment action that may affect timing.

Steps:

1. Annual pay increase guidelines are approved by the CEO Compensation Committee with final approval coming from the CEO. These plans are communicated to the Compensation Committee, the Human Resources Director, and then to manager/supervisors with compensation adjustment responsibility.
2. Annual pay adjustments are generally based on a matrix which takes into account the annual operating budget approved each year, an employee's position within the pay range, and individual performance evaluation results. Step scale positions are handled outside of annual pay adjustments unless the individual is at or past the last step in which case an annual adjustment will take place.
3. Although pay adjustments are based primarily on the items listed above, there are other factors that may influence the timing and amount of a pay increase such as the value of the position in the marketplace, economic conditions, leaves of absence, etc. There may be times where pay increases are suspended for some individuals, jobs, departments, or the entire organization.
4. An annual pay increase shall not move a person past the maximum or top of the pay range.
5. Manager/supervisors with compensation responsibility prepare recommendations on annual pay increases according to the established guidelines for the year utilizing the procedures developed by the Human Resources Department. These are then completed and forwarded to the manager/supervisor's Executive for review and approval, and then to the Human Resources Director, who compiles the data organization-wide to ensure that internal equity and consistency have been appropriately considered. The results are then forwarded to the CEO and Compensation Committee for oversight review and approval. Adjustments that exceed the annual guidelines, or are otherwise exceptions to policy or procedure, will be discussed and resolved with the CEO Compensation Committee if needed. Finalized annual pay adjustments are then forwarded to the Human Resources Director.
6. Following approval, the Human Resources Department distributes approved increases to each manager/supervisor for them to discuss with their employees individually on a timely basis.

Promotion

A promotion is the reassignment of a person from one job to another job that is at least one grade higher than the former job. A promotion is generally accompanied by an increase in pay.

Promotional increases are provided to recognize an increase in the scope and responsibility of an individual person's job and are usually given at the time the new responsibilities are assumed. Promotional increases generally are not given at the same time as an annual pay increase. The amount of the increase should:

- Be consistent with the objectives of the Compensation Program ~~AND~~ and be within the ~~o~~Organization's operating budget for the year,
- Result in a pay level that is at or above the minimum of the new pay range for the job, and not to exceed ~~10~~40% of the new market midpoint,
- Take into consideration the degree of increase in scope and responsibility of the new job,
- Take into consideration the person's pay level prior to the promotion,
- Meet the hiring rate that would be paid to a new hire of equivalent qualifications, and experience.
- Consider internal equity issues.

Steps:

1. The hiring manager/supervisor recommends an individual for promotion and a pay adjustment rate to their immediate supervisor, who ensures that salary budget guidelines and Compensation Program objectives are met. ~~The amount of the increase will generally be based on the following criteria:~~

- ~~In a one salary range change, the increase amount is generally two-thirds the difference of the old and new market midpoints:~~

~~Example: — Pay range 4 market midpoint — \$10.00
Pay range 5 market midpoint — \$11.00
Difference — \$ 1.00
2/3 difference — 67¢ hour~~

~~An employee being promoted from range 4 to range 5 would likely receive a pay adjustment of 67¢ per hour.~~

- ~~In a two or more pay range change, the increase amount is generally one-half the difference of the old and new midpoints:~~

~~Example: —
Pay range 4 market midpoint — \$10.00
Pay range 6 market midpoint — \$12.10
Difference — \$ 2.10
1/2 difference — \$ 1.05~~

~~An employee promoted from range 4 to range 6 will likely receive a pay adjustment of \$1.05/hr.~~

2.1 The Human Resources Department reviews the pay adjustment recommendation to ensure that no internal inequities will result. However unlikely, it is possible that no increase would be given in a promotion situation, depending on internal equity considerations with other employees currently performing the same job.

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3.2. If there are issues with the promotional adjustment, the Operations Executive will be involved. Issues not resolved at this level will be referred to the Compensation Committee.

4.3. Following appropriate approval, the hiring manager/supervisor will notify the employee of the promotion and promotional pay increase on a timely basis.

Equity and Administrative Adjustments

An equity adjustment is made to correct inequities due to internal or external conditions and may also be used to bring compensation to the minimum of the range or up to the level of other employees with the same experience, job, and work performance.

An administrative adjustment is used to correct unique situations which require a change in pay that is outside the normal guidelines, such as a significant increase in market pay rates.

Equity and administrative adjustments are considered exceptions and should be discussed with the Executive prior to the preparation of any recommendation.

Steps:

1. The manager/supervisor proposes an increase and forwards the recommendation to the Human Resources Director.
2. The Operations Executive reviews the request for internal equity and market value issues, as well as salary budget issues. The Compensation Committee may be involved if necessary.
3. The Human Resources Director communicates any pay adjustments to the appropriate manager/supervisor who will discuss it with the affected employee(s) on a timely basis.

Job Reclassification

As jobs change, there may be a need to classify them in a different job group, and therefore salary range. In most circumstances, no change in the compensation of the incumbent(s) will occur.

Steps:

1. The manager/supervisor completes a position review form indicating the new duties and responsibilities of the job and discusses it with their immediate supervisor and the Human Resources Department, taking into consideration their department's operating budget. The recommendation for a new job is forwarded to Human Resources Director to review and to approve the new job description.
2. The Human Resources Director assigns the job to a job group and salary range. If there are any questions about the job's placement, it may be referred to the Compensation Committee for a decision.
3. If the job is placed in a different salary range, the following pay adjustments may occur:
 - If the job is classified into a higher salary range and the incumbent(s) current pay is less than the minimum of the new salary range, a pay adjustment to bring the incumbent(s) to the minimum of the new salary range may be made but not to exceed 100% or midpoint.
 - If the job is within the new range, no adjustment will occur until the person's next scheduled performance evaluation. Exceptions to this may occur if equity becomes an issue.
 - If the job is classified into a lower salary range, the employee's pay may be adjusted accordingly not to be less than 100% of midpoint but not to exceed 110% using the following methodology:

In a one salary range change, the decrease amount is generally 2/3 the difference of the old and new midpoints.

Example:	Pay range 5 market midpoint	\$11.00
	Pay range 4 market midpoint	\$10.00
	Difference	\$ 1.00
	2/3 difference	67¢ hour

An employee moving from range 5 to range 4 would likely receive a pay decrease of 67¢/hr.

In a two or more salary range change, the decrease amount is generally 1/2 the difference of the old and new midpoints.

Example:	Pay range 6 market midpoint	\$12.10
	Pay range 4 market midpoint	\$10.00
	Difference	\$ 2.10
	1/2 difference	\$ 1.05

Exceptions can be made and approved by the Operations Executive.

Lateral Transfer

A lateral transfer is the reassignment of an employee from one job to another job in the same salary range, and normally does not involve a change in pay.

Lateral transfers provide employees with the opportunity to acquire new work experience and generally be exposed to a different work environment.

Demotion

Demotion is the reassignment of an employee from one job to another job in a lower salary range with a resulting decrease in the scope and responsibility of an individual's job.

Demotions may occur for the following reasons:

- Unsatisfactory job performance,
- Individually initiated (e.g., an individual that wishes to move from a supervisory position to a nonsupervisory position),
- Organization initiated (e.g., reorganization, reassignments, etc.).

These demotions may or may not be accompanied by a decrease in pay. We are most concerned when a demoted person's pay creates inequities with peers. Requests for demotions should be submitted to the Human Resources Director, who will, if necessary, discuss it with the Compensation Committee for a determination. If it is determined a decrease in pay is necessary, the following guidelines will be considered: the new wage should not fall below 100% or midpoint of the new salary range.

• In a one salary range change, the decrease amount is generally 2/3 the difference of the old and new midpoints.

Example:	Pay range 5 market midpoint	\$11.00
	Pay range 4 market midpoint	\$10.00
	Difference	\$ 1.00
	2/3 difference	67¢ hour

An employee being demoted from range 5 to range 4 would likely receive a pay decrease of 67¢/hr.

- In a two or more salary range change, the decrease amount is generally 1/2 the difference of the old and new midpoints.

Example:	Pay range 6 market midpoint	\$12.10
	Pay range 4 market midpoint	\$10.00
	Difference	\$ 2.10
	1/2 difference	\$ 1.05

An employee demoted from range 6 to range 4 will likely receive a pay decrease of \$1.05/hr.

Exceptions

Although unlikely, there may be circumstances where exceptions to the compensation guidelines are warranted. Exceptions to policy should be discussed with your immediate supervisor first, then your Executive, then the Operations Executive and/or Compensation Committee prior to the preparation of any recommendation.

Examples of exceptions are:

- Increases or decreases over 10%,
- Promotions granted before experience requirements are met or which exceed the guidelines,
- Demotions for performance which do not result in a decrease in pay,
- Annual pay adjustments outside the annual pay adjustment guidelines for the year,

2021 NCCSP BOARD CALENDAR

Thursday, October 28, 2021 – 3:00 PM – 5:00 PM (MEETING IN MERRILL)

Educational Presentation: Budget Presentation

Agenda Items

- Annual Board Self-Evaluation of Governance and Competency
- Review of Bylaws
- Review Policy Governance Manual

Program Review: Pine Crest

Board Policy Discussion Generative Topic: Focus on the board's performance and areas for improvement.

Thursday, December 16, 2021 – 3:00 PM – 5:00 PM

Educational Presentation: Adopted Budget and Operational Plan for the upcoming year and Annual Quality Audit – Update on the Status of the Quality, Compliance, and Safety Plan

Agenda Items

- Report of investigations related to corporate compliance activities and significant events.
- Quality, Compliance and Safety Plan
- Utilization Review Plan
- 2022 Code of Conduct
- Organizational and Program Dashboards
- CEO Work Plan
- CEO Performance Expectations and Compensation Plan
- Stakeholder Engagement Plan
- 2022 Board Work Plan and Calendar
- Proposed Budget Recommendations to County Boards

Board Policy to Review

- Complaint and Grievance Policy
- Employee Grievance Policy
- Occurrence Reporting Policy
- CEO Recruitment, Retention, and Removal Policy

Program Review: Community Living

Board Policy Discussion Generative Topic: Effectiveness of organization's reputation management initiatives – how do our patients, community partners, employees, management, and physicians assess our organization and Annual CEO Succession Planning Exercise