

ORIGINAL



June 15, 2012

Imperial Community College District
Mr. Sergio Lopez
Dean of Student Development and Campus Events
380 East Aten Rd.
Imperial, CA 92251

Dear Mr. Lopez:

El Centro Regional Medical Center (ECRMC) and Pioneers Memorial Healthcare District (PMHD), jointly, are pleased to submit this RFP proposal for consideration by the Imperial Valley College Board of Trustees. It is the intention of both El Centro Regional Medical Center and Pioneers Memorial Healthcare District to discharge the obligation for those services identified in this proposal through the Imperial Valley Health Resources Authority (IVHRA).

The IVHRA a Joint Powers Authority between El Centro Regional Medical Center and Pioneers Memorial Healthcare District was created April 11, 1994 with the purpose of improving medical services available to Imperial County residents by increasing strategic collaborative efforts between the two major healthcare providers in the county.

The healthcare providers associated with providing services as identified in the attached response to the ICCD RFP #1001 will provide evidence of licensure and/or board certification, including any limitations on any certifications or licenses.

The prices and terms of the proposal are valid for the term of the proposed contract.

Cathy Kennerson, Director of Development from El Centro Regional Medical Center and Art Mejia, Assistant Administrator, Clinics & Support Services from Pioneers Memorial Healthcare District were primarily involved with the preparation of the attached proposal. Additional input was included from ECRMC staff, David Green, CEO, Linda Lawrence, CNO, Tomas Virgin, COO as well as PMHD staff, Stephen Campbell, COO, Robyn Atadero, CNO & Daniel Smith, CFO.

No attempt has been made or will be made by IVHRA, ECRMC or PMHD to induce any other person or firm to submit or not submit a proposal.

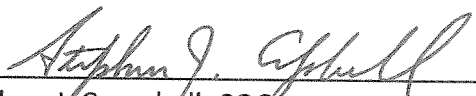
The IVHRA is in acceptance to the majority of the terms and conditions stated in the RFP, however, those services we are unable to provide have been identified in "Exceptions to Terms and Conditions." (Appendix A)

The IVHRA, ECRMC and PMHD will have sole and complete responsibility of the completion of all services provided under the contract, except for those items specially defined as exclusions.

No personnel currently employed by Imperial Valley College participated, either directly or indirectly, in any activities related to the preparation of this proposal.

Each person signing the proposal certifies that he is the person in the organization responsible for, or authorized to make decisions as to the prices quoted in the cost proposal, and that he has not participated and will not participate in any action contrary to those stated above.

Signed:



Stephen J. Campbell, COO
Pioneers Memorial Healthcare District



David Green, CEO
El Centro Regional Medical Center

6-15-12
Date

6-15-12
Date

**PROPOSAL TO PROVIDE STUDENT HEALTH SERVICES
FOR STUDENTS OF IMPERIAL COMMUNITY COLLEGE DISTRICT
REFERENCE: RFP #1001**

1. GENERAL OVERVIEW

El Centro Regional Medical Center (ECRMC) and Pioneers Memorial Healthcare District (PMHD), jointly, are pleased to submit this RFP proposal for consideration by the Imperial Valley College Board of Trustees. It is the intention of both El Centro Regional Medical Center and Pioneers Memorial Healthcare District to discharge the obligation for those services identified in this proposal through the Imperial Valley Health Resources Authority (IVHRA). While this proposal attempts to be responsive to the requirements as identified in "Basic Office Visits," as defined in Section 3, there are services requested in the RFP that cannot be offered based on the available funding. The exceptions to Terms and Conditions are identified in Appendix A.

The IVHRA will manage the operations of all services to assure compliance with applicable Federal and State requirements, and consideration for the ACHA guidelines. It is understood that the College will designate a location of a healthcare facility on campus which will be ADA compliant and also compliant with all other applicable building codes. It is also understood that the College will not require the IVHRA to provide psychological services as part of this proposal, nor will it be required to perform temporary splinting, suturing, and other similar urgent care procedures. Finally, the IVHRA will not be expected to operate as a First Responder for any and all medical cases/emergencies occurring at the campus.

The IVHRA a Joint Powers Authority between El Centro Regional Medical Center and Pioneers Memorial Healthcare District was created April 11, 1994 with the purpose of improving medical services available to Imperial County residents by increasing strategic collaborative efforts between the two major healthcare providers in the county.

ECRMC, an agency of the City of El Centro, is a licensed 165-bed general acute care facility located in El Centro, California and governed by a seven-member Board of Trustees. ECRMC's primary service area consists of the cities of El Centro, Holtville, Imperial and Calexico, and the communities of Ocotillo, Seeley, and Heber. ECRMC renders patient services to approximately 6,400 inpatient admissions, 47,000 emergency room visits and over 43,000 outpatient visits annually.

PMHD, a political subdivision, Healthcare District, of the state of California operates a licensed 107-bed general acute care facility located in Brawley, California and is governed by a 5-member elected Board of Directors. The District serves primarily, the northern portions of Imperial County with services extending into the City of Calexico. PMHD renders services of approximately 6,900 inpatient admissions, 44,000 emergency room visits and over 58,000 outpatient visits annually.

The IVHRA, along with providers and staff from ECRMC and PMHD, will provide affordable and timely access to quality healthcare services via an on-campus health center

with additional, limited services also available at ECRMC and PMHD facilities designated in Appendix B.

Services, as defined in Section 2, will be provided on a walk-in and by appointment basis. These services will be provided for students enrolled at Imperial Valley College at a rate of \$11.50 per student for fall and spring semesters and \$9.50 for winter and summer sessions. IVHRA would consider a three-year contract with the College to provide the stated services.

2. SCOPE OF SERVICES

A. PROVIDERS/STAFF

- a. Student Health Services Director: Will have a valid, current California license as a registered nurse and a master's degree in nursing.
- b. Registered Nurse (RN): Will have a valid, current California license as a registered nurse. He/she will be present at the onsite college facility 32 hours per week during the time students are in session. The RN will staff the clinic and the front office to ensure proper scheduling of appointments and maintenance of appropriate and required health records. RN will be required to join the Health Services Association of California Community Colleges (HSACCC) or American College Health Association (ACHA) where he/she will have access to best practices related to managing college campus health centers, information on Standards of Practice and access to continuing education programs targeted to the healthcare provider working in a student health center setting. Funding will be made available for RN to attend the annual HSACCC or ACHA conference where he/she will learn best practices in running and developing goals for expanding the College student health center.
- c. Mid-level (Nurse Practitioner or Physician Assistant) Any NP will have a graduate degree in nursing and be board certified by an accrediting body (ANCC, AANP). Any PA will be licensed in the State of California. The NP/PA will be onsite at the college facility no less than four hours per week during the time students are in session.
- d. A Board Certified physician (MD) will serve as the Medical Director and will provide oversight to the mid-level provider, assist the site Director in reviewing overall services/utilization and will participate in semi-annual meetings with the College in reviewing the services of the Center.
- e. Certified Health Education Specialist (CHES) will work with the student health services staff to identify age-appropriate health education resources to enhance students' health status through prevention/early detection education.
Refer to Appendix C for listing of personnel.

B. SERVICES TO BE OFFERED ON-SITE

- a. Clinical Care Services:
 - i. Basic office visits (ill patient) that require an expanded problem focused history, an expanded problem focused examination and straightforward medical decision making will be done at an outpatient facility of ECRMC or PMHD (Appendix B)
 - ii. Well-patient physicals
 1. Vision
 2. Blood Pressure

3. Respiratory Assessment
4. Diabetes screening
5. Body Mass Index (BMI)
6. PPD (Tuberculin) Skin Tests
 - a. If positive, Chest X-Ray referral included, Radiologist fee of \$25.00 to be paid by student
- iii. Ill-patient conditions – On-site Assessment and Direction for available self-medications or referral recommendations
- iv. Basic First aid (non-emergent/non-first responder)
- v. Health appraisal/Wellness screenings
- vi. Communicable disease education and referrals (as appropriate)
- vii. Physical exams for students participating in IVC approved programs (excluding sports physicals)
- viii. Women's & Men's Health (contract referral as noted in Section C, subsection c of this RFP response)
- ix. Immunizations
 1. Measles (MMR)
 2. Tdap (Tetanus/Diphtheria/Pertussis)
 3. Influenza

b. Support Services

A variety of services support the clinical health efforts including, but not limited to:

- i. Maintenance of appropriate visit records in a confidential and ethical manner
- ii. OTC drugs, in single-dose packaging, will be available in accordance to patient needs as determined by protocols approved by the site Medical Director and administered by the healthcare provider. At a minimum this will include minor pain relief, allergy, diarrhea, eye wash and treatment for minor wounds and cuts.

c. Special Services

- i. Health Education and promotion events offered twice a semester (separate from the Health Fair(s)). This includes outreach and availability of resources (printed brochures, website referrals) on a variety of health topics which will be selected jointly with the College and will be based on demographics of College students. Topics could include nutrition, pregnancy, sexually transmitted disease, women's and men's health, diabetes, weight loss, smoking cessation, alcohol and drug abuse, and sexual assault.
- ii. Health Fairs will be offered twice each year and provide students with a Wellness Profile to assist them in preventive disease management. The fairs would include assessments of general health and will involve numerous health-related agencies from Imperial County. Initiatives will be provided to entice attendance. Advertisement of the fair will be numerous and over an extended period of time. The fairs will be scheduled in conjunction with the school calendar and College Administration input.
- iii. Psychological counseling will be referred to College counseling program.
- iv. Educational seminars, available to students and staff, will be offered once per session with topics relative to the population of the College.

In conclusion, the onsite student health center would provide immediate assessment of complaints or need for health education/information. Advanced diagnosis or treatment would be via referral to local primary care physicians or in the cases of severe acute conditions, local emergency services. For those students accessing one of the listed Outpatient Centers for their Basic ill-patient office visit, imaging and laboratory services may be offered as necessary to properly evaluate and treat those patients for the Basic Office Visit as described in Section B, subsection a (Clinical Care Services) above. Imaging and laboratory services will be offered as clinically indicated to properly evaluate and treat the covered student. There may be an additional cost to the student for the “professional fees” (Radiologist and/or Pathologist) however, any students requiring such services will be asked to sign a consent form, agreeing to pay costs, prior to providing such additional services. (See Appendix B for locations of imaging and laboratory services)

C. OFF-SITE SERVICES (AVAILABLE TO COVERED STUDENTS)

- a.** A basic ill-patient office visit will be available, once per session, at one of the following locations:
 - i.** Calexico Health Center, 450 E. Birch Ave., Calexico, CA
 1. 24 hours a day, 7 days per week
 - ii.** ECRMC Outpatient Center, 495 E. Birch, Calexico, CA
 1. M-F, 8:00 a.m. – 8:00 p.m.
 - iii.** ECRMC Outpatient Center, 385 W. Main Street, El Centro, CA
 1. M-F, 8:00 a.m. – 8:00 p.m.
- b.** The basic ill-patient office visit will be offered for an additional discounted Student Fee of \$40.00 per visit. A Basic ill-patient office visit would only include treatment for minor conditions, examples of which include:
 - i.** Cough
 - ii.** Fever
 - iii.** Flu-like symptoms
 - iv.** Nausea and/or Vomiting
 - v.** Sore Throat
 - vi.** Minor Burns, sprains & strains
 - vii.** Minor complaints of pain
 - viii.** Minor lacerations (with bleeding controlled)
 - ix.** Possible GYN infections
 - x.** Urinary symptoms
 - xi.** Bites
 - xii.** Rashes
- c.** Women’s and Men’s Health would include the following (TBD - based on pending contractual agreement with additional specialized entity, locations also follow):
 - i.** Annual recommended exams (based on medical criteria)
 1. Pap smear
 2. Breast
 - ii.** Pregnancy Screening (additional Prenatal care not included)
 - iii.** Birth control counseling, education and prescribing
 - iv.** STD screening- All laboratory testing will be done by an approved medical laboratory.
 - v.** HIV Screening
 - vi.** Sexual responsibility education

- vii. HPV Vaccine/Gardasil (at an additional cost)

D. OTHER INFORMATION

a. Communicable Disease

IVHRA will report communicable diseases as required by state and federal regulations. Notification to college administration of potential outbreaks or warnings will be done per College policy.

b. Student Complaints

IVHRA will offer a process whereby College students may forward any complaints related to health care services provided at the facility by using the following process:

- viii. An advertised and posted telephone number will be established specifically for students to report any issues with receiving their covered services.
- ix. The noted phone line will be available 24 hours per day, 7 days per week for students to leave anonymous or detailed messages with follow-up provided to the student within 48 hours of their message (if contact information is provided).
- x. IVHRA will conduct an end of session review with administrative College staff to review all student concerns as well as solutions/actions taken to mitigate the condition.

c. Health Center Operations

Services at the College student health center will be available during the fall and spring semester and during the winter and summer session during the following hours:

Monday – Thursday: 8:30 a.m. – 12:00 p.m. & 1:00 p.m. - 4:30 p.m.
Friday: 8:30 a.m. – 12:30 p.m.

d. Referrals

Community referrals are through IVHRA's extensive network of providers and affiliated providers: These include but are not limited to: Imperial County Health Department, Dental Association, Crisis Hotline, AIDS Hotline and Medi-Cal Information Registration.

e. Specialty Care

Specialty Services are considered outside the services of this program. However, referrals to local primary care providers for problems or issues will be provided.

f. Phone system

Use of the College telephone system will enable Center staff to provide quality, and timely service to College students. The existing phone system will allow clinic staff to monitor data related to the number of calls received, length of call time, length of time in the queue, and abandon rate. Benchmarks for time in the queue and disposition of call will be set, monitored and compliance by center staff will be enforced.

g. Monthly Reports

Clinic staff will prepare and submit a monthly report to the College by the 15th day of each following month which will outline in detail the number of student visits (on-site and off-site), complexity and types of visits, number of referrals made, number of telephone calls received. All reporting will include only that general information required so as to fully comply with HIPAA requirements and ensure full-protection of student privacy.

h. Compliance

IVHRA will remain in compliance with all applicable Federal and California laws pertaining to health services provided by the hospital entities, including, but not limited to, Title 22, CMS, OSHA, ADA, and HIPAA. Also, all other applicable professional licensing laws.

i. Selection of Key Medical Personnel

The College will be asked to assist in the evaluation of staff performance as well as making recommendations and providing feedback that will be used in the management of the staff. Requests for removal of specific personnel will be considered and accommodated as allowable as to not violate organizational policies and procedures or corresponding labor laws.

E. CONCLUSION

The IVHRA desires to partner with IVCC to provide healthcare services to its students that is accessible, timely and great quality.

F. ATTACHMENTS

APPENDIX A- Exceptions to Terms and Conditions

APPENDIX B- ECRMC/PMHD Facility Sites

APPENDIX C- Personnel

APPENDIX D- Reference List

APPENDIX E- ECRMC Report of Independent Auditors and Financial Statements

APPENDIX F- PMHD Report of Independent Auditors and Financial Statements

APPENDIX G- ECRMC Certificate of Coverage

APPENDIX H- PMHD Certificate of Coverage

APPENDIX I- Affidavit of Non-Collusion

Appendix A

The Imperial Valley Health Resource Authority wishes to note the following Exceptions to Terms and Conditions as set forth in the Imperial Community College District RFP # 1001:

24-hour Nurses hotline

Pharmacy

Drug Abuse Panel 5 (IVHRA is willing to discuss adding service after further discussion and clarification of service objective and clinical oversight)

Appendix B

El Centro Regional Medical Center Facilities:

El Centro Regional Medical Center

1415 Ross Avenue

El Centro, CA

Operates: 24 hours per day, seven days a week

El Centro Outpatient Clinic

385 W. Main Street

El Centro, CA

(760) 482-9100 or (760) 370-8600

Operates: M – F, 8:00 a.m. – 8:00 p.m.

Calexico Outpatient Clinic

495 Birch Street

Calexico, CA

(760) 357-0508

Operates: M – F, 8:00 a.m. – 8:00 p.m.

Pioneers Memorial Healthcare District Facilities:

Pioneers Memorial Healthcare District

207 W. Legion Rd.

Brawley, CA

Operates: 24 hours per day, seven days a week

Calexico Health Center

450 E. Birch Ave.

Calexico, CA

(760) 768-6262

Operates: 24 hours per day, seven days a week

Appendix C

Personnel identified to run the Imperial Community College District student health center include:

Medical Director: George C. Fareed, M.D.

Director: Robyn Atadero, CNO
Art Mejia, Asst. Administrator, Clinics & Support Svcs.

Registered nurse: Aida Valadez, RN
TBD

Nurse Practitioner: Aubrey Cox-Alarcon, NP, PA

Certified Health Educator: Cathy Kennerson

Appendix D

References in which management and operation of services is currently being conducted.

Heffernan Memorial Healthcare District

Chairperson: Gloria Grijalva

Phone: (760) 768-6678

Healogics, Inc.

Area V.P.: Lynn McLeod

Phone: (904) 446-3400

California Department of Corrections and Rehabilitation

Centinela State Prison

Warden: Domingo Uribe

Phone: (760) 337-7900

Appendix E

ECRMC Report of Independent Auditors and Financial Statements

(see attached)



Report of Independent Auditors
and Financial Statements for
El Centro Regional Medical Center
An Enterprise Fund of the City of El Centro
June 30, 2011 and 2010

MOSS-ADAMS LLP

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

MOSS ADAMS LLP
Member of Public Accounting Firm

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
El Centro Regional Medical Center
An Enterprise Fund of the City of El Centro

We have audited the accompanying balance sheets of El Centro Regional Medical Center, an enterprise fund of the City of El Centro (the "Medical Center") as of June 30, 2011 and 2010, and the related statements of revenues, expenses and changes in net assets, and cash flows for the years then ended. These financial statements are the responsibility of the Medical Center's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Medical Center's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

As discussed in Note 1, the financial statements present only the Medical Center and are not intended to present fairly the financial position of the City of El Centro as of June 30, 2011 and 2010, and the changes in its financial position for the years then ended in conformity with accounting principles generally accepted in the United States of America.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Medical Center, as of June 30, 2011 and 2010, and the results of its operations and cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis on pages 1 through 15 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentations of the required supplementary information. However, we did not audit the information and express no opinion on it.

Moss Adams LLP

Irvine, California
October 5, 2011

EL CENTRO REGIONAL MEDICAL CENTER
An Enterprise Fund of the City of El Centro
BALANCE SHEETS

ASSETS		JUNE 30,	
		2011	2010
CURRENT ASSETS			
Cash and cash equivalents	\$	7,759,130	\$ 13,847,373
Short term investments		1,477,863	3,184,640
Patient accounts receivables, net of allowance for doubtful accounts		16,074,688	14,498,014
Other receivables		86,175	105,917
Current portion of board designated and trustee assets		2,979,100	2,980,360
Estimated third-party payor settlements		1,949,226	-
Inventories		1,741,342	2,104,884
Prepaid expenses and other		1,849,718	3,503,672
Total current assets		33,917,242	40,224,860
NONCURRENT CASH AND INVESTMENTS			
Board designated assets		7,580,008	7,531,348
Held by trustee for debt service		994,990	994,116
Restricted cash held for capital projects and equipment		3,305,483	-
		11,880,481	8,525,464
CAPITAL ASSETS			
Land		1,488,395	1,262,286
Depreciable capital assets, net of accumulated depreciation		45,930,159	46,463,099
Construction in progress		11,901,781	6,819,993
		59,320,335	54,545,378
NOTES RECEIVABLE		754,005	610,982
GOODWILL		3,370,409	-
OTHER ASSETS		2,707,819	2,470,819
Total assets		\$ 111,950,291	\$ 106,377,503

EL CENTRO REGIONAL MEDICAL CENTER
An Enterprise Fund of the City of El Centro
BALANCE SHEETS (CONTINUED)

LIABILITIES AND NET ASSETS

	JUNE 30,	
	2011	2010
CURRENT LIABILITIES		
Accounts payable and accrued expenses	\$ 9,960,706	\$ 7,569,691
Accrued compensation and benefits	4,034,683	3,997,173
Current portion of notes payable	355,275	-
Current portion of bonds payable	1,348,487	1,310,000
Current portion of capital leases	2,881,740	1,862,217
Estimated third-party payor settlements	-	4,335,566
Total current liabilities	18,580,891	19,074,647
NOTES PAYABLE, less current portion	648,025	-
BONDS PAYABLE, less current portion	28,585,528	29,913,502
CAPITAL LEASES, less current portion	5,005,926	3,410,631
Total liabilities	52,820,370	52,398,780
NET ASSETS		
Invested in capital assets - net of related debt	20,495,354	18,049,028
Restricted	4,131,318	3,986,485
Unrestricted	34,503,249	31,943,210
Total net assets	59,129,921	53,978,723
Total liabilities and net assets	\$ 111,950,291	\$ 106,377,503

EL CENTRO REGIONAL MEDICAL CENTER
An Enterprise Fund of the City of El Centro
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS

	YEARS ENDED JUNE 30,	
	2011	2010
OPERATING REVENUES		
Net patient services	\$ 111,468,077	\$ 104,828,854
Other	4,331,515	2,068,590
Total operating revenues	<u>115,799,592</u>	<u>106,897,444</u>
OPERATING EXPENSES		
Salaries and wages	42,764,830	41,445,216
Supplies	20,808,120	16,818,787
Employee benefits	12,311,577	12,866,822
Professional fees	10,969,425	8,326,445
Depreciation and amortization	5,534,429	4,597,677
Purchased services	5,898,103	5,243,789
Repairs and maintenance	3,537,572	2,944,435
Other	3,289,671	1,944,620
Rent	2,011,981	1,697,929
Utilities	1,639,279	1,609,860
Insurance	1,046,736	807,193
Casualty loss (see Note 14)	-	1,354,615
Total operating expenses	<u>109,811,723</u>	<u>99,657,388</u>
OPERATING INCOME	5,987,869	7,240,056
NON-OPERATING REVENUES (EXPENSES)		
Investment income	47,687	65,066
Interest expense	(1,901,215)	(1,900,870)
Grants and contributions	910,330	412,008
Other	84,765	(5,400)
Total non-operating expenses	<u>(858,433)</u>	<u>(1,429,196)</u>
INCOME BEFORE CAPITAL CONTRIBUTIONS	5,129,436	5,810,860
CAPITAL CONTRIBUTIONS,		
net of related transfers	<u>21,762</u>	<u>33,479</u>
Change in net assets	5,151,198	5,844,339
NET ASSETS - beginning of year	<u>53,978,723</u>	<u>48,134,384</u>
NET ASSETS - end of year	<u>\$ 59,129,921</u>	<u>\$ 53,978,723</u>

See accompanying notes.

EL CENTRO REGIONAL MEDICAL CENTER
An Enterprise Fund of the City of El Centro
STATEMENTS OF CASH FLOWS

	YEARS ENDED JUNE 30,	
	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from patient service revenue	\$ 109,911,145	\$ 107,633,722
Cash received from other operating revenues	4,331,515	2,068,590
Cash payments for salaries, wages, and related benefits	(55,038,897)	(53,797,915)
Cash payments for other operating expenses	(51,021,508)	(38,549,412)
Net cash provided by operating activities	8,182,255	17,354,985
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Grants	910,330	412,008
Other non-operating expenses	84,765	(5,400)
Net cash provided by non-capital financing activities	995,095	406,608
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Interest payments on bonds payable and capital leases	(1,921,307)	(1,919,620)
Principal payments on bonds payable and capital leases	(5,369,886)	(2,523,794)
Proceeds from debt borrowing	5,000,000	-
Contributions received for capital expenditures	21,762	33,479
Purchase of capital assets	(8,580,869)	(9,310,473)
Net cash used in capital and related financing activities	(10,850,300)	(13,720,408)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of oncology practice (see Note 2)	(2,816,000)	-
Interest on investments	47,687	65,066
Purchase of investments	(189,782,448)	(184,903,736)
Proceeds from sales and maturities of investments	188,135,468	186,498,644
Net cash (used in) provided by investing activities	(4,415,293)	1,659,974
NET CHANGE IN CASH AND CASH EQUIVALENTS	(6,088,243)	5,701,159
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	13,847,373	8,146,214
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 7,759,130	\$ 13,847,373

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES

	YEARS ENDED JUNE 30,	
	2011	2010
Operating income	\$ 5,987,869	\$ 7,240,056
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	5,534,429	4,597,677
Casualty loss	-	1,354,615
Changes in operating assets and liabilities:		
(Increase) decrease in patient accounts receivable	(1,576,674)	2,762,327
Decrease (increase) in inventories, prepaid expenses, other receivables, and other assets	2,072,806	(1,923,200)
(Increase) decrease in accounts payable and accrued expenses, accrued payroll and related liabilities and other long-term liabilities	(3,836,175)	3,323,510
Net cash provided by operating activities	<u>\$ 8,182,255</u>	<u>\$ 17,354,985</u>


SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES

	YEARS ENDED JUNE 30,	
	2011	2010
Obligations incurred for the acquisition of equipment	<u>\$ 1,694,517</u>	<u>\$ 2,000,815</u>
Promissory notes issued for purchase of Oncology Practice	<u>\$ 1,004,000</u>	<u>\$ -</u>

Appendix F

PMHD Report of Independent Auditors and Financial Statements

(see attached)



**Report of Independent Auditors and
Financial Statements for
Pioneers Memorial Healthcare
District
June 30, 2011 and 2010**

MOSS-ADAMS_{LLP}

Certified Public Accountants | Business Consultants

Acumen. Agility. Answers.

MOSS ADAMS LLP
Certified Public Accountants | Business Consultants

REPORT OF INDEPENDENT AUDITORS

To the Board of Directors
Pioneers Memorial Healthcare District

We have audited the accompanying balance sheets of Pioneers Memorial Healthcare District, (the "District") as of June 30, 2011 and 2010, and the related statements of revenues, expenses, and changes in net assets and cash flows for the years then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Pioneers Memorial Healthcare District as of June 30, 2011 and 2010, and the results of its operations and cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

Management's Discussion and Analysis on pages 1 through 7 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentations of the required supplementary information. However, we did not audit the information and express no opinion on it.

Moss Adams LLP

San Diego, California
January 4, 2012

PIONEERS MEMORIAL HEALTHCARE DISTRICT

BALANCE SHEETS JUNE 30, 2011 AND 2010

	2011	2010
ASSETS		
Current Assets		
Cash and cash equivalents	\$ 28,866,981	\$ 16,458,010
Investments	5,349,693	5,322,669
Patient accounts receivable, net of allowances for doubtful accounts of \$9,971,928 in 2011 and \$8,697,790 in 2010	8,927,772	7,091,871
Other receivables	1,128,711	189,736
Inventories	1,500,969	1,131,539
Prepaid expenses and deposits	866,855	980,638
Total current assets	46,640,981	31,174,463
Capital Assets , net of accumulated depreciation	29,864,290	31,077,869
Restricted Cash	2,475,947	1,648,270
Physican Advances , net of allowance	1,468,677	884,376
Bond Issue Costs , net of accumulated amortization	1,495,856	1,632,276
Total assets	<u>\$ 81,945,751</u>	<u>\$ 66,417,254</u>
LIABILITIES AND NET ASSETS		
Current Liabilities		
Current maturities of long-term debt	\$ 2,872,357	\$ 2,475,780
Accounts payable and accrued expenses	6,646,705	5,647,057
Accrued payroll and related liabilities	4,855,708	3,777,710
Estimated third-party payor settlements	12,495,231	4,797,759
Employee healthcare self insurance reserve	1,038,253	820,000
Total current liabilities	27,908,254	17,518,306
Long-term Debt , net of current maturities	21,639,554	21,643,416
Total liabilities	<u>49,547,808</u>	<u>39,161,722</u>
Commitments and Contingencies (Note 9)		
Net Assets		
Invested in capital assets - net of related debt	5,551,770	7,176,257
Restricted for debt service and other purposes	261,794	352,469
Unrestricted	26,584,379	19,726,806
Total net assets	32,397,943	27,255,532
Total liabilities and net assets	<u>\$ 81,945,751</u>	<u>\$ 66,417,254</u>

PIONEERS MEMORIAL HEALTHCARE DISTRICT

STATEMENTS OF REVENUES, EXPENSES, AND CHANGES IN NET ASSETS YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
OPERATING REVENUES		
Net patient services	\$ 94,221,595	\$ 82,993,476
Other	1,943,454	1,818,173
Total operating revenues	<u>96,165,049</u>	<u>84,811,649</u>
OPERATING EXPENSES		
Salaries and wages	35,297,031	32,057,601
Supplies	14,511,271	13,950,086
Employee benefits	9,855,451	8,771,149
Professional fees	7,466,284	5,777,382
Purchased services	6,456,121	5,751,700
Registry and contract labor	5,361,819	5,085,845
Depreciation and amortization	4,349,987	4,041,437
Repairs and maintenance	3,396,402	2,653,876
Other operating expenses	2,149,881	1,848,619
Insurance	1,824,635	1,942,429
Utilities	1,239,519	1,120,689
Building and equipment rent	1,136,527	655,661
Total operating expenses	<u>93,044,928</u>	<u>83,656,474</u>
OPERATING INCOME	3,120,121	1,155,175
NON-OPERATING REVENUES (EXPENSES)		
District tax revenues	2,806,245	2,869,936
Interest income	161,008	142,596
Interest expense	(1,201,974)	(1,311,865)
Non-operating expenses	(186,066)	(173,660)
Other non-operating revenues	214,708	141,258
Total non-operating revenues (expenses), net	<u>1,793,921</u>	<u>1,668,265</u>
INCOME BEFORE CONTRIBUTIONS	4,914,042	2,823,440
Contributions, net	228,369	126,992
Restricted donations	-	117,573
	<u>228,369</u>	<u>244,565</u>
Change in net assets	5,142,411	3,068,005
NET ASSETS		
Beginning of year	<u>27,255,532</u>	<u>24,187,527</u>
End of year	<u>\$ 32,397,943</u>	<u>\$ 27,255,532</u>

PIONEERS MEMORIAL HEALTHCARE DISTRICT

STATEMENTS OF CASH FLOWS YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from patients and third parties on behalf of patients	\$ 100,083,166	\$ 85,205,134
Cash received from operations, other than patient services	1,943,454	1,966,717
Cash payments to employees and benefit programs	(43,856,231)	(40,848,030)
Cash payments to suppliers and contractors	<u>(44,249,883)</u>	<u>(38,181,115)</u>
Net cash provided by operating activities	<u>13,920,506</u>	<u>8,142,706</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
District tax revenues	996,659	1,051,982
Non-capital grants and contributions	<u>28,642</u>	<u>141,258</u>
Net cash provided by non-capital financing activities	<u>1,025,301</u>	<u>1,193,240</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
District tax revenues related to debt service	1,809,586	1,817,954
Capital grants and contributions, net	228,369	167,552
Purchase of capital assets, net of disposals	(686,614)	(3,099,406)
Interest payments on long-term debt	(1,212,502)	(1,311,865)
Principal payments on long-term debt	(2,507,285)	(2,564,348)
Proceeds from long-term debt	<u>-</u>	<u>282,964</u>
Net cash (used in) capital and related financing activities	<u>(2,368,446)</u>	<u>(4,707,149)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest and dividends received from investments	161,008	142,596
Purchase of investments	(27,024)	(35,170)
Change in restricted cash	<u>(302,374)</u>	<u>(1,648,270)</u>
Net cash (used in) investing activities	<u>(168,390)</u>	<u>(1,540,844)</u>
NET CHANGE IN CASH AND CASH EQUIVALENTS	12,408,971	3,087,953
CASH AND CASH EQUIVALENTS		
Beginning of year	<u>16,458,010</u>	<u>13,370,057</u>
End of year	<u>\$ 28,866,981</u>	<u>\$ 16,458,010</u>

PIONEERS MEMORIAL HEALTHCARE DISTRICT

STATEMENTS OF CASH FLOWS (CONTINUED) YEARS ENDED JUNE 30, 2011 AND 2010

	2011	2010
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES		
Operating income	\$ 3,120,121	\$ 1,155,175
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization	4,411,310	4,230,541
Provision for bad debt	16,329,829	12,818,886
Changes in operating assets and liabilities:		
Patient accounts receivables	(18,165,730)	(11,219,743)
Physician receivables	(584,301)	-
Other receivables	(938,975)	28,294
Inventories	(369,430)	(55,804)
Prepaid expenses and deposits	113,783	44,220
Accounts payable and accrued expenses	999,648	458,132
Accrued payroll and related liabilities	1,088,526	(30,296)
Estimated third-party payor settlements	7,697,472	543,661
Employee healthcare self insurance reserve	218,253	169,640
Net cash from operating activities	<u>\$ 13,920,506</u>	<u>\$ 8,142,706</u>

SUPPLEMENTAL DISCLOSURE OF NON-CASH FINANCING ACTIVITIES

Capital asset additions through financing	\$ 2,900,000	\$ -
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Appendix G

ECRMC Certificate of Liability Coverage

(see attached)

BETA Healthcare Group Risk Management Authority
A Public Entity
CERTIFICATE OF COVERAGE

This is to certify that Healthcare Entity Comprehensive Liability Coverage is in effect for the Named Member, subject to the provisions of the coverage contract listed below.

NAMED MEMBER: El Centro Regional Medical Center

COVERAGE: Evidence of Healthcare Entity Professional Liability, Bodily Injury & Property Damage Liability, Personal Injury and Advertising Injury Liability, and Employee Benefit Liability coverage.

Certificate Number: C-11-705

Effective Date: 7/1/2011 at 12:01 a.m.

Expiration Date: 7/1/2012 at 12:01 a.m.

Retroactive Date: 7/1/2004 at 12:01 a.m.

Coverage Type: Professional Liability - Claims made and reported
General Liability - Occurrence

Healthcare Entity Comprehensive Liability Coverage
LIMITS OF LIABILITY

\$20,000,000	Per Claim
\$20,000,000	Aggregate Per Contract Period

DEDUCTIBLE

\$5,000	Per Claim
NONE	Aggregate Per Contract Period

This Certificate is issued as a matter of information only and confers no rights upon the Certificate Holder. This Certificate does not amend, extend or alter the coverage afforded under the coverage contract.

CERTIFICATE HOLDER

FOR INFORMATION ONLY

CANCELLATION

Should the above described Coverage Contract be canceled by BETA HEALTHCARE GROUP before the expiration date thereof, BETA HEALTHCARE GROUP will endeavor to mail 30 days written notice to the Certificate Holder named to the left, but the failure to mail such notice shall impose no obligation or liability of any kind upon BETA HEALTHCARE GROUP, its agents or representatives.



Authorized Representative of BHG

Appendix H

PMHD Certificate of Liability Coverage

(see attached)

BHG Risk Management Authority ("BHG")

A Public Entity

**CERTIFICATE OF PARTICIPATION
HEALTHCARE ENTITY COMPREHENSIVE LIABILITY COVERAGE CONTRACT**

**CERTIFICATE NUMBER:
C-11-681**

ITEM 1: NAMED MEMBER: Pioneers Memorial Healthcare District 207 West Legion Road , Brawley, CA 92227
ITEM 2: SUBSIDIARIES: Pioneers Memorial Hospital Foundation, Pioneers Memorial Hospital Auxiliary
ITEM 3: CONTRACT PERIOD: (a) Effective Date: 7/1/2011 (b) Expiration Date: 7/1/2012 at 12:01 a.m. local time for all dates at the address in Item 1
ITEM 4: RETROACTIVE DATE FOR PROFESSIONAL LIABILITY: 7/1/2004 at 12:01 a.m. local time for all dates at the address in Item 1
ITEM 5: COVERAGE AND LIMITS OF LIABILITY PROVIDED: (Coverages provided are indicated with an "X") \$15,000,000 per Claim (except as provided by Amendment) \$15,000,000 in the Aggregate Professional Liability <input checked="" type="checkbox"/> Healthcare Entity Professional Liability - Claims Made General Liability <input checked="" type="checkbox"/> Bodily Injury and Property Damage Liability - Occurrence <input checked="" type="checkbox"/> Personal Injury, Advertising Injury and Discrimination Liability - Occurrence <input checked="" type="checkbox"/> Employee Benefits Liability - Occurrence
ITEM 6: DEDUCTIBLE: See Section 7.9.B \$5,000 Indemnity Only
ITEM 7: CONTRIBUTION: See Section 7.9.A
ITEM 8: CONTRACT AND AMENDMENT FORMS ATTACHED AT ISSUANCE: HCL/CM(07/11) 120, 130, 131, 132, 134, 137, 145, 192, 193, 203, 210, 212, 237, 262, 272, 294
ITEM 9: NOTICE REQUIRED TO BE GIVEN TO BHG MUST BE ADDRESSED TO: BETA Healthcare Group 1443 Danville Boulevard Alamo, CA 94507

This Certificate of Participation, the **Application(s)** and accompanying documents, and the Coverage Contract with Amendments shall constitute the Contract between BHG and the **Members**.



Authorized Representative of BHG

BHG Risk Management Authority ("BHG")

A Public Entity

**AMENDMENT
SCHEDULE OF LOCATION**

Certificate Number:
C-11-681

Amendment No.:
H262-01

Issued to: Pioneers Memorial Healthcare District

Effective Date: 07/01/11 at 12:01 a.m.

Expiration Date: 07/01/12 at 12:01 a.m.

Additional Contribution: Per Contract

It is hereby understood and agreed that this amendment schedules additional **Covered Locations** under Section 2 of this Contract.

See Attached Schedule

ALL OTHER TERMS, CONDITIONS AND EXCLUSIONS REMAIN UNCHANGED.



Authorized Representative of BHG

BHG Risk Management Authority ("BHG")

A Public Entity

SCHEDULE**Certificate Number:**

C-11-681

Amendment No.:

H262-01

Issued to: Pioneers Memorial Healthcare District**Effective Date:** 07/01/11 at 12:01 a.m.**Expiration Date:** 07/01/12 at 12:01 a.m.**Additional Contribution:** Per Contract

Facility	Location Address	Effective Date
Brawley Medical Arts Building	751 W. Legion Road, Brawley, CA 92227	7/1/2011
Calexico Rural Health Center	450 E. Birch Street, Calexico, CA 92231-2375	7/1/2011
Medical Office Building	205 West Legion Road, Brawley, CA 92227	7/1/2011
Pioneer Health Center	14635 Fourth St, El Centro, CA 92243	7/1/2011
Pioneers Memorial Healthcare Distri	207 West Legion Rd, Brawley, CA 92227	7/1/2011
Medical Office Building	4231 Hwy 86, Brawley, CA 92227	7/1/2011
Lab Collection Site	197 W. Legion Rd., Suite 100, Brawley, CA 92227	7/1/2011
Medical Office Suite	4231 Hwy 86, Suite #6, Brawley, CA 92227	7/1/2011

Appendix I

Affidavit of Non-Collusion

(see attached)

**APPENDIX I
AFFIDAVIT OF NONCOLLUSION**

I swear (or affirm) under the penalty of perjury:

1. That I am the Responder (if the Responder is an individual), a partner in the company (if the Responder is a partnership), or an officer or employee of the responding corporation having authority to sign on its behalf (if the Responder is a corporation);
2. That the attached proposal submitted in response to the Imperial Valley College's Request for Proposals has been arrived at by the Responder independently and has been submitted without collusion with and without any agreement, understanding or planned common course of action with, any other Responder of materials, supplies, equipment or services described in the Request for Proposal, designed to limit fair and open competition;
3. That the contents of the proposal have not been communicated by the Responder or its employees or agents to any person not an employee or agent of the Responder and will not be communicated to any such persons prior to the official opening of the proposals; and
4. That I am fully informed regarding the accuracy of the comments made in this affidavit.

Pioneers Memorial Healthcare District:

Responder's Firm Name: Pioneers Memorial Healthcare District

Authorized Signature: Stephen J. Campbell

Date: 6-15-12

Subscribed and sworn to me this _____ day of _____

Notary Public

My commission expires: _____

El Centro Regional Medical Center:

Responder's Firm Name: EL CENTRO REGIONAL MEDICAL CENTER

Authorized Signature: David R. Moran

Date: 6/15/12

Subscribed and sworn to me this _____ day of _____

Notary Public

My commission expires: _____

***See attached CA Jurat**

CALIFORNIA JURAT WITH AFFIANT STATEMENT

GOVERNMENT CODE § 8202

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-6 to be completed only by document signer[s], *not* Notary)

1 _____
 2 _____
 3 _____
 4 _____
 5 _____
 6 _____

Signature of Document Signer No. 1 _____ Signature of Document Signer No. 2 (if any) _____

State of California

County of Imperial

Subscribed and sworn to (or affirmed) before me

on this 15 day of June, 2012,
Date Month Year

by

(1) Stephen John Campbell
Name of Signer

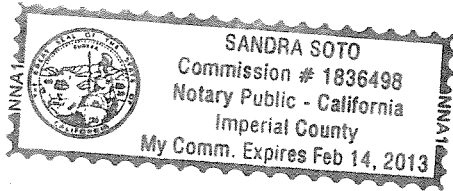
proved to me on the basis of satisfactory evidence to be the person who appeared before me (.) (,)

(and

(2) _____
Name of Signer

proved to me on the basis of satisfactory evidence to be the person who appeared before me.)

Signature _____
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: Appendix I Affidavit of nonabduction

Document Date: _____ Number of Pages: 1

Signer(s) Other Than Named Above: _____

RIGHT THUMBPRINT OF SIGNER #1

Top of thumb here

RIGHT THUMBPRINT OF SIGNER #2

Top of thumb here

CALIFORNIA JURAT WITH AFFIANT STATEMENT

- See Attached Document (Notary to cross out lines 1-6 below)
- See Statement Below (Lines 1-5 to be completed only by document signer[s], not Notary)

~~_____
Signature of Document Signer No. 1~~

~~_____
Signature of Document Signer No. 2 (if any)~~

State of California

County of Imperial

Subscribed and sworn to (or affirmed) before me on this

15 day of June, 2012 by
Date Month Year

(1) David R. Green
Name of Signer

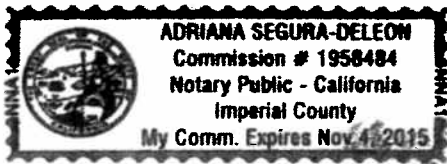
proved to me on the basis of satisfactory evidence to be the person who appeared before me (.)

~~(and~~

(2) _____
Name of Signer

proved to me on the basis of satisfactory evidence to be the person who appeared before me.)

Signature _____
Signature of Notary Public



Place Notary Seal Above

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Further Description of Any Attached Document

Title or Type of Document: Appendix 1 Affidavit of Noncollusion

Document Date: 06/15/12 Number of Pages: 1

Signer(s) Other Than Named Above: _____

RIGHT THUMBPRINT OF SIGNER #1

Top of thumb here

RIGHT THUMBPRINT OF SIGNER #2

Top of thumb here